



Department of Civil Service

REQUEST FOR PROPOSALS

“ACTUARIAL AND BENEFITS MANAGEMENT CONSULTING (ABMC) SERVICES”

RELEASE DATE: April 5, 2017

PROPOSAL DUE DATE: May 31, 2017

IMPORTANT NOTICE: A Restricted Period under the Procurement Lobbying Law is currently in effect for this Procurement and it will remain in effect until State Comptroller approval of the resultant contract. During the Restricted Period for this Procurement ALL communications must be directed, in writing, solely to the Procurement Manager as listed below and shall be in compliance with the Procurement Lobbying Law and the NYS Department of Civil Service “*Rules Governing Conduct of Competitive Procurement Process*” (refer to RFP, Section II: Procurement Protocol and Process).

Department of Civil Service Contact for
Inquiries and Submissions for this Solicitation:

ABMC Procurement Manager
Employee Benefits Division, Room 1106
New York State Department of Civil Service
Albany, New York 12239
(518) 402-0364

e-mail: ABMC2017RFP@cs.ny.gov

Lola W. Brabham
Acting Commissioner
New York State Department of Civil Service

David J. Boland
Director
Employee Benefits Division
NYS Department of Civil Service

SECTION I: INTRODUCTION**A. Purpose**

The purpose of this Request for Proposals (RFP or Procurement), entitled, “**Actuarial and Benefits Management Consulting Services**” is to secure the services of a qualified organization to provide actuarial and benefits management consulting services to the Employee Benefits Division (EBD) of the Department of Civil Service (Department) for use in the administration of the New York State Health Insurance Program (NYSHIP) and other benefits administered by the Department, said services collectively referred to as “Project Services.” Project Services shall mean the entire scope of actuarial and benefits management consulting services as described in Section IV of the RFP to be provided by the successful Offeror.

It is the Department’s intent to enter into a Contract (Agreement) with one (1) successful Offeror selected as a result of this RFP. The Agreement will be for a term of five-(5) years during which the selected Offeror shall be responsible for administering Project services in accordance with the terms and conditions of the Agreement and Appendices A through D. The Agreement is for the period commencing on January 1, 2018, and continuing through and including December 31, 2022, subject to the approval by the New York State Attorney General’s Office (“AG”) and the New York State Office of the State Comptroller (“OSC”).

Note: Refer to RFP **Section VIII, Glossary**, for definitions of terms used throughout this RFP.

B. Overview of the New York State Health Insurance Program (NYSHIP)

The New York State Health Insurance Program (NYSHIP) was established by the New York State Legislature in 1957 to provide essential health insurance protection to New York State (NYS) Employees, Retirees, and their eligible Dependents. Civil Service Law allows the New York State Employee Health Insurance Plan the option to be insured or self-funded. The Participating Provider Organization option of NYSHIP, The Empire Plan, became fully self-funded in 2014. Public authorities, public benefit corporations, and other quasi-public entities, such as the NYS Thruway Authority and the Dormitory Authority may choose to participate in NYSHIP; those that do are called Participating Employers (PEs). Article XI of the NYS Civil Service Law also allows local units of government such as school districts, special districts, and municipal corporations to participate in NYSHIP; those local government units which choose to participate in NYSHIP are called Participating Agencies (PAs). At present, there are approximately 97 Participating Employers and 803 Participating Agencies in NYSHIP. Under Article XI of the Civil Service Law, as amended and 4 New York Code of Rules and Regulations (NYCRR) Part 73, as amended, the

President, who also serves as the Commissioner of the Department, is responsible for the ongoing administration of NYSHIP.

NYSHIP currently covers over 605,340 NYS, PA and PE employees and retirees. Eligible covered Dependents bring the total number of covered lives to approximately 1,233,880.

NYSHIP currently provides health benefits coverage through The Empire Plan, a Participating Provider Organization (PPO) with managed care components, and eight (8) Health Maintenance Organizations (HMOs). The Excelsior Plan is a lower cost version of The Empire Plan available only to PAs. Additionally, the Student Employee Health Plan (SEHP) is administered through The Empire Plan contracts. SEHP is a health benefits plan for graduate student Employees of New York State and the New York City University systems. NYS and PE employees and retirees may elect to enroll in either The Empire Plan or in HMOs offered through NYSHIP. NYSHIP offers only The Empire Plan and the Excelsior Plan to PAs. PAs may, and frequently do, offer HMOs directly to their own employees and retirees as an alternative to Empire Plan coverage.

The Employee Benefits Division also administers the Dental and Vision Plans for certain groups of State employees and PEs may also elect to participate in the programs.

C. The Empire Plan, Excelsior Plan, and Student Employee Health Plan

The Empire Plan, Excelsior Plan, and SEHP (collectively referred to as the Program) are comprehensive health benefit programs for New York's public Employees and their families. The Council on Employee Health Insurance (CEHI) provides strategic oversight of the Program. The Council is composed of the President of the Civil Service Commission, the Director of the Governor's Office of Employee Relations (GOER), and the Director of the Division of the Budget (DOB). The Department holds the contracts with the Program vendors/third party administrators. All components of the Program are self-funded. The Program benefit design has four (4) main parts including:

1. Hospital Program benefits that include coverage for hospital inpatient stays and Emergency Care that are primarily medical as opposed to psychiatric or substance abuse issues, as well as outpatient services. This program is currently administered by Empire BlueCross BlueShield;
2. Medical Program benefits that include coverage for medical and surgical services under the Participating Provider and the Basic Medical Programs and includes several specialty

programs. This Program is currently insured and administered by United HealthCare Insurance Company of New York (“UHC”);

3. Prescription Drug Program benefits that include coverage for prescription drugs dispensed through retail network pharmacies, and through the Mail Service Pharmacy Process, through the Specialty Pharmacy Program, and through non-network pharmacies. This program is currently administered by CVS/Caremark [CVS Caremark]; and
4. Mental Health and Substance Abuse Program benefits that include coverage for network services through participating provider and non-network services. This program is currently administered by Beacon Health Options.

The benefit design of The Empire Plan is the result of collective bargaining between NYS and the various unions representing its Employees. Benefits are administratively extended to non-represented NYS Employees, Employees of PAs and PEs, and retirees. Therefore, the benefit design is subject to change from time to time as the result of those negotiations, and there are variations in The Empire Plan’s benefit design among the bargaining units. The benefit design cannot deviate from that which has been collectively bargained. The majority of the active workforce is represented by various unions, and union participation in the design and oversight of NYSHIP is active and ongoing. The Excelsior Plan, available to NYS local governments who participate with NYSHIP, is a more affordable version of The Empire Plan. It offers many of the same features and benefits of The Empire Plan, with a higher degree of Cost Sharing by covered individuals. The collective bargaining units and the unions representing the collective bargaining units are identified in Exhibit II.A as well as the other groups that participate in the Program.

The Empire Plan also affords benefits to members of the SEHP through the various Empire Plan contracts with the Administrators. The SEHP was established in 1994 through collective bargaining. The SEHP became part of NYSHIP in 2002 to provide basic health insurance protection to graduate student Employees of the State University of New York and their eligible Dependents. This benefit was extended to the graduate student Employees of the City University of New York (CUNY) on January 1, 2009. Like The Empire Plan, the SEHP includes hospital, medical, managed mental health and substance abuse benefits, and prescription drug benefits. SEHP covers an average of 5,600 Employees; their eligible covered Dependents bring the total number of average covered lives to approximately 6,900.

Additional information regarding benefits negotiated with the unions and extended to non-represented state employees can be found at:

http://www.goer.state.ny.us/Labor_Relations/index.cfm

Enrollment counts by contract types as of February 2017 are included in RFP **Exhibit II.B.**

Other Benefits Administered by the Department of Civil Service

The Department administers a number of additional benefits for employees, retirees and other covered populations including the NYS Vision Care Plan, NYS Dental Program, Management/Confidential Group Life Insurance Plan, New York State Public Employee and Retiree Long Term Care Insurance Plan (“NYPERL”), NYS Income Protection Program (“IPP”), and is responsible for paying claims under the NYS Workers’ Compensation Program for State employees that is administered by the New York State Insurance Fund (NYSIF). Most of these programs are on a 5-year re-procurement schedule. Brief descriptions of these benefits and the covered populations follow:

1. **New York State Vision Care Plan** [currently administered by Davis Vision, Inc.]: This Plan currently covers approximately 106,000 Enrollees, including certain employees of NYS and employees of 24 Participating Employers. Dependent family members bring the total number of covered individuals to approximately 256,000. Since its inception in 1982, the Plan has been a self-funded Plan.

The goal of the Vision Care Plan is to offer quality vision care services at little or no cost to eligible employees and their covered dependents. Services are available from participating providers as well as non-participating providers. For those who obtain covered services from non-participating providers, partial reimbursement is available based on a fixed Indemnity Reimbursement Schedule.

2. **New York State Dental Program** [currently insured by GHI]: The Dental Program currently covers approximately 111,000 Enrollees, including certain employees of New York State and employees of 35 Participating Employers. Dependent family members bring the total number of covered individuals to approximately 266,000.

The Dental Program offers the GHI Preferred Plan which consists of a statewide network of Participating Providers (dentists and specialists) who accept the Preferred Plan Schedule of Allowances as payment in full. Enrollees may also choose to obtain services from Non-Participating Providers, pay the dentist directly and then be reimbursed based on the Preferred

Plan Schedule of Allowances. Annual maximums, deductibles, co-insurance amounts and covered services vary depending on coverage provisions for the respective covered group.

A Retiree Dental Plan is also available. The current Retiree Dental Program covers approximately 13,300 Enrollees and their eligible dependents. The Retiree Plan provides benefits similar, though not identical, to those found in the Preferred Plan.

3. **Management/Confidential Group Life Insurance Plan** [currently insured by MetLife, Inc.]: The NYS Management/Confidential Group Life Insurance Plan was established by the NYS Civil Service Law to provide Group Term Life Insurance and accident and sickness protection to NYS employees designated Managerial/Confidential and their dependents. Other specified public employees, such as Legislative, Judicial and those of Participating Employers and Participating Agencies can participate in the group life insurance plan. The M/C Group Life Insurance Plan currently provides Group Term Life Insurance and Accidental Death and Dismemberment Insurance for eligible Enrollees and Dependents on an employee-pay-all basis. Enrollees are allowed to continue their Group Term Life Insurance coverage, which may be at a reduced benefit amount, after retirement.

At present, the Group Term Plan covers public employees of NYS and 28 Participating Employers. Of the employees eligible for the Group Term Plan, approximately 12,700 are currently enrolled for coverage. Of these, approximately 5,100 provide life insurance coverage for their spouses and 3,000 Enrollees provide coverage for their children. Approximately 4,700 of the total enrollment are retirees who continue their coverage either by direct payments to the Department or through pension deductions.

There are approximately 15 employees enrolled in the Accident and Sickness Insurance (“A&S”) component of the Group Term Plan. New enrollment in the A&S was closed in 1986, when the State began providing an income protection plan which includes short-term and long-term disability benefits (see #5 below for further detail) to this group of employees.

Life Insurance coverage options are a fixed amount (\$5,000, \$10,000, or \$15,000) or a multiple of salary, up to five times annual salary, with a maximum \$500,000 of coverage. Accidental Death and Dismemberment and Common Carrier Accidental Death coverage are also available.

4. **New York State Public Employee and Retiree Long Term Care Insurance Plan (“NYPERL”)** Continuation coverage for members who enrolled prior to May 1, 2016 is insured by MedAmerica Insurance Company. However, since no vendors were interested in insuring the program when the contract between the Department and MedAmerica expired on May 1, 2016, the program is currently closed to new membership.
5. **NYS Income Protection Plan** [insured and administered by MetLife, Inc.]: The New York State Income Protection Plan (“IPP”) was established by Section 159 and 159-a of the Civil Service Law and 4 NYCRR Part 78 to provide eligible employees a disability program that provides short and long-term disability protection. At the time of the IPP’s implementation, eligible employees hired prior to January 1, 1986, or with prior creditable service, were required to choose between traditional sick leave (short-term protection offered by the sick leave system), or opt for the IPP which provides comprehensive short and long term protection. The IPP became mandatory for employees (without prior creditable service) hired on or after January 1, 1986. Employees are eligible if they belong to one of the designated groups, are annual salaried and are scheduled to work at least half time. Eligible designated groups of employees include Management/Confidential (unrepresented employees in management or confidential positions), rent regulation services unit (employees represented by District Council 37, AFSCME), certain Legislative employees, and Special Enrollees (special titles not covered by the Attendance and Leave Rules and Employees/Members of the Legislature).

Although the IPP is referred to as a single program, it consists of two distinct parts: a Short-Term Disability (“STD”) component; and a Long-Term Disability (“LTD”) component. STD benefits are paid on a weekly basis, and LTD benefits are paid monthly. Any benefits received under the IPP are subject to NYS and Federal income taxes. Currently, approximately 12,200 employees are enrolled in the IPP.

6. **The New York State Workers’ Compensation (“WC”) Benefit** [self-funded and administered by New York State Insurance Fund]: The Department oversees the administration of the State’s WC benefit for all covered State employees. Pursuant to Section 88-c of the Workers’ Compensation Law, the New York State Insurance Fund (“Fund”) functions as the State’s workers’ compensation insurance administrator.

The law provides coverage for medical treatment, including pharmaceuticals, for employees in need of treatment for occupational injury or illness with no out-of-pocket expense to employees. In addition to medical benefits, employees receive indemnity benefits or wage replacement when injured and out of work due to a work related illness or injury. This wage replacement is calculated at two-thirds of the employees' average weekly wage and is subject to a weekly capped amount which is updated annually.

New York State as an employer has extended negotiated enhancements to the mandatory statutory benefits to State employees. These added benefits include supplemental pay and continuation of normal payroll benefits, such as health insurance, retirement contributions and employer contributions to employee benefit funds for eligible employees.

Financing - Empire Plan and HMO Premium/Rate Setting Processes

NYSHIP benefits are financed through premium payments from a variety of sources, including the State, PAs, PEs, active and retired Enrollees, dependent survivors, Young Adult Dependent (YAD) and COBRA Enrollees. NYS employees are required to contribute toward the cost of their coverage. The contribution rates are set for NYS employees through the collective bargaining process. Currently, the employer's share of the premium for employees in salary grades 10 and above is capped at 84 percent of the Empire Plan premium associated with the employee's coverage and 69 percent of the Empire Plan premium for dependent coverage; for employees in salary grades 9 and below the premium is capped at 88 percent of the Empire Plan premium associated with the employee's coverage and 73 percent of the Empire Plan premium for dependent coverage.

Each PA determines the share of premium paid by its employees within limits set by NYSHIP. By far, the largest shares of premium are paid by State and PA budget revenue.

Effective January 1, 2014, the Empire Plan fully converted to a self-funded plan. The Department in consultation with the Empire Plan vendors and Department's benefits management consultant develop premium equivalent rates annually as a basis to charge payors for projected incurred claims and administrative expenses.

NYS law requires HMOs to be community rated. The premium paid to HMOs participating in NYSHIP is based on these community rates.

NYSHIP's aggregate premium for the Empire Plan and NYSHIP HMOs in 2017 was approximately \$9.2 billion for all participants; \$811 million was for State HMO members.

NYSHIP Empire Plan experience and HMO premium data for Calendar Years 2000 through 2016 is included in RFP Exhibit II.C

D. Overview of Actuarial and Benefits Management Consulting Services Duties

The Department seeks to contract with an actuarial and benefits management consulting firm in order to secure said Project Services. As detailed in Section IV of the RFP the Offeror selected in response to this RFP ("Contractor") shall, under the contract resultant from this RFP ("Contract" or "Agreement") perform the following four (4) tasks:

- **Task #1 - Premium Rate Development:** Support the Department in the development of funding requirements for the self-funded Empire Plan component programs.
- **Task #2 – Quarterly Analysis:** Review and present an independent written evaluation regarding the Empire Plan vendors' annual experience projections and upcoming years' premium rate projections at the end of the first and fourth quarters of each calendar year.
- **Task #3 - GASB 75 Valuation:** Perform actuarial valuations for New York State and produce reports in compliance with the requirements set forth by the Governmental Accounting Standards Board Statement **No. 75 ("GASB 75")** for New York State.
- **Task #4 – Ad Hoc Consulting Services:** Provide a full range of ad hoc benefit consulting services both comprehensive and limited in scope, generalized and specialized in nature and on an exigent or less urgent basis. Historical information concerning prior actuarial and benefit management consulting services rendered by the incumbent contractor for the benefit of the Department as separate Ad Hoc Projects is contained in RFP Section IV. One area of particular interest to the Department regards providing assistance to the Department in the development of procurements (e.g., requests for proposal) to secure vendors/ contractors to design, develop and deliver NYSHIP benefits/services and associated evaluation criteria, as well as the review of Offerors' proposals received in response to said procurement. Others areas include but are not limited to: analytical support in the areas of provider network adequacy and discount analysis; total cost of care modeling, advanced primary care and performance based contracting.

SECTION II: PROCUREMENT PROTOCOL AND PROCESS**A. Rules Governing Conduct of Competitive Procurement Process****1. Timeline/Key Events**

RFP Release Date	April 5, 2017
Exhibit I.K Offeror's Affirmation of Understanding & Agreement Due Date	See below*
Questions Due Date	April 19, 2017
Release Date of Official Responses to Questions	April 26, 2017
Exhibit I.J Notice of Bidding Intention Form Deadline	May 31, 2017
Proposals Due Date	May 31, 2017, 3:00 p.m. ET
Technical Management Interviews, if any (anticipated)	Week of June 19, 2017
Anticipated Contract Start Date	Upon OSC approval of the Agreement, with Project Services starting on or about January 1, 2018.

* Prior to the Offeror's initial contact with the Department, the Offeror must complete and submit **Exhibit I.K, "Procurement Lobbying Offeror's Affirmation of Understanding and Agreement"** to the ABMC Procurement Manager.

2. Procurement Lobbying Limitations

- a. Pursuant to State Finance Law sections 139-j and 139-k, this Procurement imposes certain procurement lobbying limitations. Offerors are restricted from making contacts during the Procurement's "Restricted Period" (from the issuance of this RFP until the date of the Agreement's final approval by the OSC) to other than designated staff of the Department and the Executive Branch of New York State government, unless the contact falls within certain statutory exceptions ("permissible contacts"). For purposes of this Section II.A.2 of this RFP, "Offeror" includes prospective Offerors prior to the due date for the submission of offers/bids (i.e. Proposals) in response to this RFP. Staff is required to obtain certain information from Offerors and others whenever there is a contact about the Procurement during the Restricted Period, and is required to make a determination of the Offeror's responsibility that addresses the Offeror's compliance with the statutes' requirements. Findings of non-responsibility result in rejection for contract award, and if an Offeror is subject to two non-responsibility findings within four years the Offeror also will be determined ineligible to submit a Proposal on, or be awarded a Contract for four years from the date of the second non-responsibility finding. The Procuring Agencies' Policy and associated procedures are included as **Exhibit I.L, "Procurement Lobbying Policy:**

Restrictions on Contacts During the Procurement Process” to this RFP. Further information about these requirements can be found at:

<http://www.ogs.ny.gov/aboutOGS/regulations/defaultAdvisoryCouncil.html>

- b. In order to ensure public confidence and integrity in the Procurement process, the Department will strictly control all communications between any Offeror and participants in the evaluation process, from the date this RFP is released until the Agreement is approved by OSC. “Offeror” means any individual or entity, or any employee, agent, consultant, or person acting on behalf of such individual or entity, who contacts the Department or any other State governmental entity about a governmental procurement during that procurement’s restricted period, whether or not the caller has a financial interest in the outcome of the governmental procurement; provided, however, that a governmental agency (or its employees) that communicates with the Department regarding a governmental procurement in the exercise of its oversight duties shall not be considered an Offeror. “Offeror” includes prospective Offerors prior to the due date for the submission of offers/bids in response to the solicitation document. All contacts, inquiries, questions, filings and submissions of Proposals in regard to this RFP must be directed, in writing, by mail, facsimile or e-mail, as applicable, solely to the ABMC Procurement Manager. An Offeror’s failure to comply with this requirement may result in the Offeror’s disqualification from this Procurement.

If using the U.S. Postal Service, please use the following address:

ABMC Procurement Manager
Employee Benefits Division, Room 1106
NYS Department of Civil Service
Albany, New York 12239

For all other carriers including couriers, UPS, and FedEx, please use the following address:

ABMC Procurement Manager
NYS Department of Civil Service
Employee Benefits Division
Agency Building 1
Empire State Plaza
Albany NY 12239
Fax: 518-402-2835
E-mail: ABMC2017RFP@cs.ny.gov

Additionally, Offerors and prospective Offerors are strictly prohibited from making any contacts or inquiries concerning the Procurement with any member, officer or employee of

any NYS governmental entity other than the Department from the date this RFP is released until the Agreement is approved by OSC subject only to the specific exceptions listed below. Further, any Offeror shall not attempt to influence the Procurement in any manner that would result in a violation or an attempted violation of Public Officers Law sections 73(5) or 74.

- c. The following contacts are exempted from the provisions of paragraph 3 of section 139-j and as such do not need to be directed to the ABMC Procurement Manager pursuant to section 139-k:
- (1) The submission of written Proposals in response to this RFP;
 - (2) The submission of written questions by a method set forth in this RFP when all written questions and responses are to be distributed to all Offerors who have expressed an interest in the Procurement;
 - (3) Participation in a demonstration, conference or other means for exchange of information in a setting open to all potential bidders provided for in this RFP;
 - (4) Complaints by an Offeror regarding the failure of the ABMC Procurement Manager to respond to an Offeror's authorized contacts, when such complaints are made in writing to the Department's Office of the General Counsel, provided that any such written complaints shall become a part of the procurement record;
 - (5) Communications by a successful Offeror(s) who has been tentatively awarded a contract and is engaged in communications with the Department solely for the purpose of negotiating the terms of the Agreement after having been notified of tentative award;
 - (6) Contact by an Offeror to request the review of a procurement award when done in accordance with the procedure specified in the solicitation document;
 - (a) Contacts by an Offeror in protests, appeals or other review proceedings (including the apparent successful Offeror and its representatives) before the Department seeking a final administrative determination, or in a subsequent judicial proceeding;
or
 - (b) Complaints of alleged improper conduct in the Procurement when such complaints

are made to the NYS Attorney General, Inspector General, District Attorney, or to a court of competent jurisdiction; or

(c) Written protests, appeals or complaints to the NYS Comptroller's office during the process of contract approval, where the NYS Comptroller's approval is required provided that the NYS Comptroller shall make a record of such communications and any response thereto which shall be entered into the procurement record pursuant to State Finance Law Section 163; or

(d) Complaints of alleged improper conduct in a governmental procurement conducted by a municipal agency or local legislative body to the NYS Comptroller's office; and

(7) Communications between Offerors and governmental entities that solely address the determination of responsibility by a governmental entity of an Offeror.

d. It is ***mandatory*** that all prospective Offerors complete Part 1 of **Exhibit I.K, "Procurement Lobbying Offeror's Affirmation of Understanding and Agreement"** affirming their understanding of, and agreement to, comply with the procurement lobbying requirements set forth in State Finance Law §139-k and §139-j. A completed **Exhibit I.K** must be submitted to the ABMC Procurement Manager prior to a prospective Offeror making its initial contact with the Department (e.g., attendance at the Pre-Proposal Conference, submission of **Exhibit I.J, "Notice of Bidding Intention Form,"** submission of questions, etc. or concurrent with an Offeror's submission of its Proposal, whichever shall occur first). Offerors are advised that whenever any of the Offeror's officers, employees, agents or consultants contact the Department, they should be prepared to provide their name, address, telephone number, place of principal employment, occupation, and whether they were retained, employed or designated, by or on behalf of the Offeror to appear before or contact the Department in regards to this Procurement. To that end and to streamline the process, Offerors are requested to complete and submit Part 2 of **Exhibit I.K** entitled, "**Designated Offeror Contact**" for each officer, employee, agent or consultant authorized by the Offeror to appear before or contact the Department in regards to this Procurement before appearing or before or at the time such contact is initiated.

Additionally, at the time a Proposal is submitted to the Department, the Offeror is required to provide a completed "**Offeror's Certification of Compliance Pursuant to State Finance Law §139-k**" form. This certification is included as **Exhibit I.P** of this RFP.

3. **Pre-Proposal Conference**

There will be no Pre-Proposal Conference held for this RFP.

4. **Notice of Bidding Intention Form**

Filing of this notice is **not** mandatory; however, to assist the Department in better managing the procurement process, prospective Offerors, whether they intend to submit a Proposal in response to this RFP or not, are requested to complete a “**Notice of Bidding Intention Form**” (**Exhibit I.J**) and submit it to the ABMC Procurement Manager by the Notice of Bidding Intention Deadline as set forth in Section II.A.1. The completed form may be submitted either in hardcopy, at the address provided in Section II.A.2.b. or electronically at:

ABMC2017RFP@cs.ny.gov.

On the “**Notice of Bidding Intention Form**,” New York State certified Minority and Women-Owned Businesses (M/WBE) may request that their firm’s contact information be included on a list of M/WBE firms interested in serving as a subcontractor for this Procurement. The listing will be publicly posted on the Procurement webpage at:

www.cs.ny.gov/ABMC2017RFP/index.cfm for reference by the bidding community. A firm requesting inclusion on this list should send a copy of its NYS M/WBE certification with its completed “**Notice of Bidding Intention Form**.”

5. **Submission of Errors or Omissions in this RFP Document**

By participating in activities related to this Procurement, and/or by submitting a Proposal in response to this RFP, prospective Offerors agree to be bound by its terms, including, but not limited to, this process by which a prospective Offeror may submit errors or omissions for consideration. In the event that a prospective Offeror believes there is an error or omission in this RFP, the prospective Offeror may raise such issue according to the following provisions:

a. **Process for Submitting Assertions of Errors or Omissions in RFP Document**

- (1) **Time Frame:** Assertions of errors or omissions in the Procurement process which are or should have been apparent prior to the Proposal Due Date must be received by the Department, in writing, five (5) Business Days after the Release Date of Official Responses to Questions specified in Section II.A.1.

(2) **Content:** The submission alleging the error or omission must clearly and fully state the legal and/or factual grounds for the assertion and must include all relevant documentation.

(3) **Format of Submission:** All submissions asserting an error or omission must be in writing and submitted to the ABMC Procurement Manager in the following manner.

If using the U.S. Postal Service, please use the following address:

ABMC Procurement Manager
Employee Benefits Division, Room 1106
NYS Department of Civil Service
Albany, New York 12239

For all other carriers including couriers, UPS, and FedEx please use the following address:

ABMC Procurement Manager
NYS Department of Civil Service
Employee Benefits Division
Agency Building 1
Empire State Plaza
Albany NY 12239

The envelope or package must clearly and prominently display the following statement:

**"Submission of Errors or Omissions for the
Actuarial and Benefits Management Consulting Services
Request for Proposals #ABMC-2017-1"**

Any assertion of an error or omission which does not conform to the requirements set forth in this section shall be deemed waived by the prospective Offeror and the prospective Offeror shall have no further recourse.

b. The Review Process for Assertions of Errors or Omissions in RFP Document

The Department shall conduct the review process for submission of errors or omissions. The Commissioner may appoint a designee who will review the submission and make a recommendation to the Commissioner as to the disposition of the matter. The Commissioner's designee may be an employee of the Department but, in any event, shall be someone who has not participated in the preparation of this RFP, the evaluation of Proposals, or the selection decision. At the discretion of the Commissioner, or the Commissioner's designee, the prospective Offeror may be given the opportunity to meet with the Commissioner or the Commissioner's designee, as the case may be, to support its submission. The prospective Offeror may, but need not, be represented by counsel at such a meeting. Any and all issues concerning the manner in which the review process is

conducted shall be determined solely by the Commissioner or the Commissioner's designee.

The Commissioner, or the Commissioner's designee, shall review the matter, and the Commissioner shall issue a written decision within twenty (20) business days after the close of the review process. If additional time for the issuance of the decision is necessary, the prospective Offeror shall be advised of the delay and of the time frame within which a decision may be reasonably expected. The Commissioner's decision will be communicated to the party in writing and shall constitute the agency's final determination in the matter.

The Department reserves the right to determine and to act in the best interests of the State in resolving any assertion of error or omission in this RFP document. As a consequence of reviewing the assertion, the Department may elect to extend the Proposal Due Date as may be appropriate. Notice of any such extension will be provided to all organizations who registered via mail, facsimile or e-mail. Notice of any extension will also be posted to:

www.cs.ny.gov/ABMC2017RFP/index.cfm

6. Submission of Questions

In the event a prospective Offeror has any substantive or procedural questions concerning the content of this RFP document, those questions can be submitted in the following manner.

If using the U.S. Postal Service, please use the following address:

ABMC Procurement Manager
Employee Benefits Division, Room 1106
NYS Department of Civil Service
Albany, New York 12239

For all other carriers including couriers, UPS, and FedEx, please use the following address:

ABMC Procurement Manager
NYS Department of Civil Service
Employee Benefits Division
Agency Building 1
Empire State Plaza
Albany NY 12239

Prospective Offerors may submit questions to the ABMC Procurement Manager, in writing, via e-mail, facsimile or mail. The Department strongly urges prospective Offerors to submit the questions via e-mail. Each question should cite the particular RFP section, page number and paragraph number to which it refers. All responses will be considered unofficial until issued or confirmed in writing by the Department on the procurement website. Only those

questions due prior to 5:00 p.m. Eastern Time (ET), on the Questions Due Date as shown in Section II.A.1. of this RFP, will be accepted.

To expedite its responses, the Department has provided a question template form which prospective Offerors are requested to use in submitting questions regarding this RFP (see **Exhibit I.R, “Question Template”**).

After the Questions Due Date, the Department will provide to all organizations who have registered, e-mail notification of the posting of all questions received and the Department’s Official Responses to said questions. The aforementioned information will be posted to: www.cs.ny.gov/ABMC2017RFP/index.cfm and all registered prospective Offerors will be notified of the posting to this site.

7. Submission of Proposal

a. Submission Requirements

The Offeror’s Proposal must be organized and separated into three (3) separate parts: Administrative Proposal; Technical Proposal, and Cost Proposal. To facilitate the evaluation process, Offerors must submit twelve (12) separately bound hard copies (two (2) ORIGINALS and ten (10) copies) and one (1) electronic copy (CD) of each of the three (3) parts of the Offeror’s Proposal. Electronic submissions must be in Adobe Acrobat, as applicable. These thirty-six (36) documents and three (3) CDs are collectively hereafter referred to as “Submissions.”

Each ORIGINAL hard copy of each part must be marked "ORIGINAL," contain original signatures of an official(s) authorized to bind the Offeror to its provisions on all forms submitted that require the Offeror’s signature and should be numbered sequentially, i.e. Original #1, Original #2. The remaining ten (10) hard copies of each section may contain a copy of the official's signature and should be numbered sequentially (e.g. Copy #1, Copy #2, etc.). Please note that, for each of the three (3) sections, that hard copy marked “Original #1” will be deemed controlling by the Department when viewing the Proposal.

Proposals should be placed and packaged in sealed boxes/envelopes. Each sealed box/envelope should contain a label on the outside which contains the information below.

New York State Department of Civil Service
Request for Proposals #ABMC-2017-1
“Actuarial and Benefits Management Consulting Services”

OFFEROR NAME
OFFEROR ADDRESS

Indicate content, as applicable
ADMINISTRATIVE, TECHNICAL or COST PROPOSAL
There must be no cost information included in the Offeror’s
Administrative Proposal or Technical Proposal.

All Proposals must be sent to the following:

If using the U.S. Postal Service, please use the following address:

ABMC Procurement Manager
Employee Benefits Division, Room 1106
NYS Department of Civil Service
Albany, New York 12239

For all other carriers including couriers, UPS and FedEx please use the following address:

ABMC Procurement Manager
NYS Department of Civil Service
Employee Benefits Division
Agency Building 1
Empire State Plaza
Albany NY 12239

For those Offerors who plan to have the Proposal hand delivered, arrangements for acceptance of the packages must be made in accordance with procurement security procedures. **To make such arrangements, the Department requests that the Offeror notify the ABMC Procurement Manager forty-eight (48) hours prior to delivery. All Proposals must be received by 3:00 p.m. ET on the Proposal Due Date as set forth in Section II.A.1 of the RFP.** If the Proposal is delivered by mail or courier, the Department recommends that it be sent "return receipt requested," so the Offeror obtains proof of timely delivery.

All Proposals submitted become the property of the Department. Any proposal received after 3:00 p.m. ET on the Proposal Due Date will not be accepted by the Department and may be returned to the submitting entity at the Department’s discretion.

The Department will accept amendments and/or additions to an Offeror's Proposal if the amendment and/or addition is received by the Department **prior** to 3:00 p.m. ET on the

Proposal Due Date. All amendments to an Offeror's Proposal must be submitted in writing, in accordance with the format set forth in Section II.A.6. of this RFP, and will be included as part of the Offeror's Proposal, if accepted by the Department as provided above.

Offerors are cautioned to verify the content of their Proposal before submission. Except for material received from an Offeror in response to a request by the Department, the Department will not accept amendments or additions to a Proposal if such material is received after 3:00 p.m. ET on the Proposal Due Date. Offerors are encouraged to submit the "**Proposal Submission Checklist**" (**Exhibit I.A**) to facilitate verification of Proposal contents. An Offeror's request to withdraw a Proposal after the Proposal Due Date may be considered at the sole discretion of the Department.

b. Formatting Requirements

The Administrative Proposal, Technical Proposal and Cost Proposal each should comply with the following formatting requirements (Failure to comply with the formatting requirements herein below may, but will not necessarily, result in the Proposal being deemed non-responsive and may, but will not necessarily, result in rejection of the Proposal):

- (1) **Binding of Proposal:** The Administrative and Technical Proposal must be separate, clearly labeled, and bound as one complete package. The Cost Proposal is required to be separately bound from the Administrative and Technical Proposals, or submitted in a separate sealed envelope, clearly labeled. The official name of the organization(s), the Proposal Due Date and "Actuarial and Benefits Management Consulting Services RFP #ABMC-2017-1" must appear on the outside front cover of each copy of the package containing the Offeror's Administrative, Technical, and Cost Proposals. If the Proposals are submitted in loose-leaf binders, the official name(s) of the organization(s) and "Actuarial and Benefits Management Consulting Services RFP #ABMC-2017-1" also must appear on the spine of the binders;
- (2) **Table of Contents:** Each Proposal must include a table of contents;
- (3) **Index Tabs:** Each major Section of the Proposal, each subsection in the Technical Proposal and each Exhibit must be labeled with an index tab that completely identifies the title of the Section, subsection or Exhibit as named in the table of contents;

- (4) **Pagination:** Each page of the Proposal, including Exhibits, must be labeled on the upper right with the Section title and Section reference, page number, and date. Pages within each Section and Exhibit must be numbered consecutively;

- (5) **Proposal Updates/Corrections:** Each Offeror must submit its Proposal so that any update pages required by the Department can be easily incorporated into the Proposal. Should it be necessary for an Offeror to submit additional information in support of its Proposal, it must be submitted in accordance with the following: upon written notification by the Offeror and agreement by the Department, new or replacement pages may be placed in the Proposal. All new or replacement pages will show the date of the revision and indicate the portion of the page being changed. This latter requirement will be fulfilled by drawing vertical lines down both margins of all affected passages. All new/ replacement pages will be noted by the Department on the errata sheet to be placed at the front of the Proposal copy; and,

- (6) **Required Content of Proposals:** The Proposal must consist of three parts: 1) the Administrative Proposal, which must respond to the requirements set forth in Section III of this RFP; 2) the Technical Proposal, which must respond to the requirements set forth in Section IV of this RFP; and 3) the Cost Proposal, which must respond to the requirements set forth in Section V of this RFP.

c. Material Deviations

New York State Law prohibits NYS from awarding a contract based upon material deviations from the specifications, terms, and conditions set forth in the RFP. Consequently, each Offeror's Proposal must conform to the specifications, terms, and conditions set forth in this RFP and prospective Offerors are strongly advised to raise issues and/or concerns relating to this Procurement during the question and answer phase rather than taking exceptions within their Proposals. Material deviations from the specifications, terms, and conditions set forth in the RFP may render the Proposal non-responsive and may result in rejection of the Proposal.

In general, a material deviation is one that would (i) impair the interests of NYS, (ii) place the successful Offeror in a position of unfair economic advantage, (iii) place other Offerors at a competitive disadvantage, or (iv) which, if it had been included in the original RFP, could have formed a reasonable basis for an otherwise qualified Offeror to change its determination concerning the submission of a Proposal.

Offerors are advised that Offeror's standard, pre-printed material (including but not limited to: product literature, order forms, manufacturer's license agreements, standard contracts or other pre-printed documents), which are physically attached or summarily referenced in the Offeror's Proposal, unless specifically required by the RFP to be submitted as part of the Offeror's Proposal, will not be considered as having been submitted with or intended to be incorporated as part of the official offer contained in the Proposal, but rather will be deemed by the State to have been included by Offeror for informational or promotional purposes only.

In order to be deemed responsive to this RFP, the Offeror must submit a Proposal which independently satisfies all of the requirements set forth in this RFP, without substitution or modification ("stated requirements"). The Proposal will be evaluated against the requirements and specifications set forth in this RFP to determine the "best value" submission.

As stated above in part, New York State Law prohibits NYS from awarding a contract based upon material deviations from the specifications, terms, and conditions set forth in the RFP. Consequently, each Offeror's Proposal must conform to the specifications, terms, and conditions set forth in this RFP. In addition to, but not in lieu of, its response to the RFP's stated requirements, the Offeror may propose supplemental, "or equal", additional or alternative terms (Extraneous Terms) to the stated requirements within the Proposal, provided that, in the State's sole judgment, the Extraneous Term(s) does not constitute material deviations to the stated requirements. Proposed Extraneous Term(s) may only be considered by the State to the extent that such Extraneous Term(s) constitute non-material deviations from the requirements set forth in the RFP as determined in the Department's sole discretion. Material deviations from the specifications, terms, and conditions set forth in the RFP may render the Proposal non-responsive and may result in rejection of the Proposal.

Therefore, in order for Extraneous Term(s) to be considered, the Extraneous Term must:

- (1) Independently satisfy the applicable requirement(s) of the RFP on its own merits;
- (2) Be clearly and separately identified as an "Extraneous Term" within the Administrative, Technical and/or Cost Proposals - Extraneous Terms Submission;
and

(3) Be separately evaluated and scored in accordance with the bid evaluation criteria.

If the Offeror proposes to include Extraneous Terms in its official Proposal, the Offeror must meet all of the following requirements:

- (a) Each proposed Extraneous Term must be specifically enumerated in a separate section of the applicable Submission(s) (Administrative, Technical and/or Cost) labeled "Extraneous Terms Submission," using the format as set forth in **Exhibit I.X** entitled, "**Extraneous Terms Template.**"
- (b) The "Extraneous Terms" section must be in writing prepared by the Offeror and may not include any pre-printed literature or vendor forms;
- (c) The writing must identify by part, section and title the particular RFP requirement (if any) which the Offeror proposes to supplement by inclusion of the Extraneous Term, with a brief description of the specific provision being modified by the Extraneous Term; and
- (d) The Offeror shall enumerate the proposed additional or alternative term from the RFP requirement, and the reasons therefore.

Only those terms meeting the above requirements (a) through (d) shall be considered as having been submitted as part of the formal offer.

Extraneous Term(s) submitted on standard, pre-printed forms (including but not limited to: product literature, order forms, manufacturer's license agreements, standard contracts or other pre-printed documents), which are physically attached or summarily referenced in the Proposal, or that, in the State's sole judgment, have not been submitted in compliance with the above requirements (a) through (d) above, will not be considered as having been submitted with or intended to be incorporated as part of the official offer contained in the Proposal, but rather will be deemed by the State to have been included by Offeror for informational or promotional purposes only.

Absent the State's express written acceptance and incorporation of an Extraneous Term, acceptance and/or processing of the Proposal shall not constitute the State's acceptance of Extraneous Term(s) or be deemed a waiver of the State's rights set forth herein.

8. Notification of Award

A proposed award notification letter will be sent to the selected Offeror indicating a conditional award subject to successful contract negotiations. The remaining Offerors will be notified of the conditional award and the possibility that failed negotiations could result in an alternative award. No public discussion or news releases relating to this RFP, the associated Procurement process, including but not limited to the bid solicitation, proposal evaluation and award and contract negotiation processes or the Agreement shall be made by any Offeror or their agent without the prior written approval of the Department.

9. Debriefing

As stated in Section II.A.8 of this RFP, proposed award notification letters will be sent to the selected and non-selected Offerors. At that time, Offerors will be advised of the opportunity to request a Debriefing and the timeframe by which such requests must be made, dependent upon the nature of the Debriefing, i.e., pre-award or post-award. Debriefings are subject to the Department's Debriefing Guidelines which are set forth in **Exhibit I.H.** entitled, "**NYS Department of Civil Service Debriefing Guidelines.**" An unsuccessful Offeror's written request for a debriefing shall be submitted in the following manner.

If using the U.S. Postal Service, please use the following address:

ABMC Procurement Manager
Employee Benefits Division, Room 1106
NYS Department of Civil Service
Albany, New York 12239

For all other carriers including couriers, UPS, and FedEx, please use the following address:

ABMC Procurement Manager
NYS Department of Civil Service
Employee Benefits Division
Agency Building 1
Empire State Plaza
Albany NY 12239

10. Submission of Award Protests

By participating in activities related to this Procurement, and/or by submitting a Proposal in response to this RFP, an Offeror agrees to be bound by its terms including, but not limited to, the process by which an Offeror may submit protests of the selection award for consideration. In the event that an Offeror decides to protest the selection decision, the Offeror may raise such issue according to the following provisions.

a. **Process for Submitting Post Award Protests of the Selection Decision**

- (1) **Time Frame:** Any protest of the selection decision must be received no later than ten (10) Business Days after an Offeror's receipt of written notification by the Department of a conditional award.
- (2) **Content:** The protest must fully state the legal and factual grounds for the protest and must include all relevant documentation.
- (3) **Format of Submission:** The protest must be in writing and submitted to the ABMC Procurement Manager in the following manner.

If using the U.S. Postal Service, please use the following address:

ABMC Procurement Manager
Employee Benefits Division, Room 1106
NYS Department of Civil Service
Albany, New York 12239

For all other carriers including couriers, UPS, and FedEx, please use the following address:

ABMC Procurement Manager
NYS Department of Civil Service
Employee Benefits Division
Agency Building 1
Empire State Plaza
Albany NY 12239

A protest of the selection decision must have the following statement clearly and prominently displayed on the envelope or package:

**“Submission of Selection Protest for
Actuarial and Benefits Management Consulting Services
RFP #ABMC-2017-1”**

b. **Process for Submitting Non-Responsive Determination Protest**

- (1) **Time Frame:** Any protest of a non-responsive determination must be received no later than ten (10) Business Days after an Offeror's receipt of written notification by the Department of the non-responsive determination.
- (2) **Content:** The protest must fully state the legal and factual grounds for the protest and must include all relevant documentation.

(3) **Format of Submission:** All protest must be in writing and submitted to the ABMC Procurement Manager in the following manner.

If using the U.S. Postal Service, please use the following address:

ABMC Procurement Manager
Employee Benefits Division, Room 1106
NYS Department of Civil Service
Albany, New York 12239

For all other carriers including couriers, UPS, and FedEx, please use the following address:

ABMC Procurement Manager
NYS Department of Civil Service
Employee Benefits Division
Agency Building 1
Empire State Plaza
Albany NY 12239

A protest of the non-responsive determination must have the following statement clearly and prominently displayed on the envelope or package:

**“Submission of Non-Responsive Determination Protest for
Actuarial and Benefits Management Consulting Services
RFP #ABMC-2017-1”**

Any assertion of protest which does not conform to the requirements set forth in this section shall be deemed waived by the Offeror, and the Offeror shall have no further recourse.

c. Review of Submitted Protests

The Department shall conduct the review process of submitted protests. The Department's Commissioner may appoint a designee to review the submission and to make a recommendation to the Commissioner as to the disposition of the matter. The Commissioner's designee may be an employee of the Department but, in any event, shall be someone who has not participated in the preparation of this RFP, the evaluation of Proposals, the non-responsive determination, or the selection decision or the non-responsive determination. At the discretion of the Commissioner, or the Commissioner's designee, the Offeror may be given the opportunity to meet with the Commissioner or her designee, as the case may be, to support its submission. The Offeror may, but need not, be represented by counsel at such a meeting. The Department shall be represented by

counsel at such meeting. Any and all issues concerning the manner in which the review process is conducted shall be determined solely by the Commissioner, or the Commissioner's designee. The Commissioner, or the Commissioner's designee, shall review the matter, and shall issue a written decision within twenty (20) business days after the close of the review process. If additional time is necessary for the issuance of the decision, the Offeror shall be advised of the time frame within which a decision may be reasonably expected. The Commissioner's decision will be communicated to the party in writing and shall constitute the Department's final determination in the matter.

In the event that an Offeror protests the selection decision or the non-responsive determination, the Department shall continue contract negotiations regarding the terms and conditions of the agreement with the selected Offeror.

The Department reserves the right to determine and to act in the best interests of the State in resolving any selection or non-responsive determination protest.

11. Department of Civil Service Reservation of Rights

In addition to any rights articulated elsewhere in this RFP, the Department reserves the right to:

- a. Make or not make an award under the RFP, either in whole or in part.
- b. Prior to the bid opening, amend the RFP. If the Department elects to amend any part of this RFP, notification of the amendment will be provided to all prospective Offerors who submitted a **“Procurement Registration Form”** and/or a **“Procurement Lobbying Offeror’s Affirmation of Understanding and Agreement” (Exhibit I.K.)** via e-mail, facsimile or mail. Any amendments will also be posted to:
www.cs.ny.gov/ABMC2017RFP/index.cfm
- c. Prior to the bid opening, direct Offerors to submit Proposal modifications addressing subsequent RFP amendments;
- d. Withdraw this RFP, at any time, in whole or in part, at the Department’s sole discretion, prior to OSC approval of award of the contract.
- e. Waive any requirements that are not material;

- f. Disqualify any Offeror whose conduct and/or Proposal fails to conform to any of the mandatory requirements of this RFP;
- g. Require clarification at any time during the Procurement process and/or require correction of arithmetic or other apparent errors for the purpose of assuring a full and complete understanding of an Offeror's Proposal and/or to determine an Offeror's compliance with the requirements of this RFP;
- h. Reject any or all Proposals received in response to this RFP, at its sole discretion;
- i. Change any of the scheduled dates stated in this RFP;
- j. Seek clarifications and revisions of Proposals;
- k. Establish programmatic and legal requirements to meet the Department's needs, and to modify, correct, and/or clarify such requirements at any time during the Procurement, provided that any such modifications would not materially benefit or disadvantage any particular Offeror;
- l. Eliminate any mandatory, non-material specifications that cannot be complied with by all of the Offerors;
- m. For the purposes of ensuring completeness and comparability of the Proposals, analyze submissions and make adjustments or normalize submissions in the Proposal(s), including the Offeror's technical assumptions, and underlying calculations and assumptions used to support the Offeror's computation of costs, or to apply such other methods it deems necessary to make level comparisons across Proposals;
- n. Use the Proposal, information obtained through any site visits, management interviews, and the Department's own investigation of an Offeror's qualifications, experience, ability or financial standing, and any other material or information submitted by the Offeror in response to the Department's request for clarifying information, if any, in the course of evaluation and selection under this RFP;
- o. Negotiate with the successful Offeror within the scope of this RFP in the best interests of the Department;
- p. Utilize any and all ideas submitted in the Proposal(s) received;

- q. Conduct contract negotiations with the next responsible bidder, should the Department be unsuccessful in negotiating with the selected Offeror; and
- r. Unless otherwise specified in this RFP, every offer is firm and not revocable for a minimum period of three hundred sixty- five (365) days from the Proposal Due Date as set forth in the RFP.
- s. Any Offeror whose Proposal might become eligible for a conditional award in the event that the intended selection is disqualified may be asked to extend the time for which their Proposal shall remain valid.

12. Limitation of Liability

The Department is not liable for any cost incurred by any Offeror prior to approval of the Agreement by OSC. Additionally, no cost will be incurred by the Department for any prospective Offeror or Offeror's participation in any Procurement related activities. The Department has taken care in preparing the data accompanying this RFP (hard copy exhibits, website exhibits, and sample document exhibits). However, the Department does not warrant the accuracy of the data; the numbers or statistics which appear in hardcopy exhibits, website exhibits, and sample document exhibits referenced throughout this RFP which are for informational purposes only and should not be used or viewed by prospective Offerors as guarantees or representations of any levels of past or future performance or participation. Accordingly, prospective Offerors should rely upon and use such numbers or statistics in preparing their Proposals at their own discretion.

B. Compliance with Applicable Rules, Laws, Regulations, and Executive Orders

This Procurement is being conducted in accordance with, and is subject to, the competitive bidding laws of the State of New York (New York State Finance Law, Article 11) and it is governed by, at a minimum, the legal authorities referenced below. All Offerors must fully comply with the provisions and set forth in this Section II.B. of this RFP. The Department will consider for evaluation and selection purposes only those Offerors who agree to comply with these provisions whose Proposal contains the Statements, Formal Certifications, and Exhibits submissions required.

1. Public Officers Law

All Offerors and Offerors' employees and agents must be aware of and comply with the requirements of the New York State Public Officers Law ("POL"), particularly POL sections 73 and 74, as well as all other provisions of New York State law, rules and regulations, and policy establishing ethical standards for current and former State employees. In signing its Proposal, each Offeror guarantees knowledge and full compliance with such provisions for purposes of this RFP and any other activities including, but not limited to, contracts, bids, offers, and negotiations. Failure to comply with these provisions may result in disqualification from the Procurement process, termination, suspension or cancellation of the Agreement and criminal proceedings as may be required by law. Per Section III.C of this RFP, Offerors must submit an affirmative statement as to the existence of, absence of, or potential for conflict of interest on the part of the Offeror because of prior, current, or proposed contracts, engagements, or affiliations, by submitting a completed **Exhibit I.M, "Compliance with Public Offers Law Requirement"** in the Offeror's Administrative Proposal.

2. Omnibus Procurement Act of 1994 and its 2000 Amendment

Offerors are hereby notified that, if their principal place of business is located in a foreign or domestic jurisdiction that penalizes New York State vendors, and if the goods or services they offer would be produced or performed substantially outside New York State, the Omnibus Procurement Act of 1994 and its 2000 amendments require that they be denied contracts which they otherwise could obtain. The list of jurisdictions subject to this provision is set forth in Article 20 of Appendix A.

3. Contractor Requirements and Procedures for business participation opportunities for New York State Certified Minority-and-Women-Owned Business Enterprises and Equal Employment Opportunities for Minority Group Members and Women**NEW YORK STATE LAW**

Pursuant to New York State Executive Law Article 15-A and Parts 140-145 of Title 5 of the New York Codes, Rules and Regulations the Department is required to promote opportunities for the maximum feasible participation of New York State-certified Minority and Women-owned Business Enterprises ("MWBES") and the employment of minority group members and women in the performance of the Department contracts.

Business Participation Opportunities for MWBEs

For purposes of this solicitation, the Department hereby establishes an overall goal of 4 percent (4%) for MWBE participation. A contractor (“Contractor”) on any contract resulting from this procurement (“Contract”) must document its good faith efforts to provide meaningful participation by MWBEs as subcontractors and suppliers in the performance of the Contract. To that end, by submitting a response to this RFP, the respondent agrees that the Department may withhold payment pursuant to any Contract awarded as a result of this RFP pending receipt of the required MWBE documentation. The directory of MWBEs can be viewed at: <https://ny.newnycontracts.com>. For guidance on how the Department will evaluate a Contractor’s “good faith efforts,” refer to 5 NYCRR § 142.8.

The respondent understands that only sums paid to MWBEs for the performance of a commercially useful function, as that term is defined in 5 NYCRR § 140.1, may be applied towards the achievement of the applicable MWBE participation goal.

In accordance with 5 NYCRR § 142.13, the respondent further acknowledges that if it is found to have willfully and intentionally failed to comply with the MWBE participation goals set forth in a Contract resulting from this RFP, such finding constitutes a breach of contract and the Department may withhold payment as liquidated damages.

Such liquidated damages shall be calculated as an amount equaling the difference between: (1) all sums identified for payment to MWBEs had the Contractor achieved the contractual MWBE goals; and (2) all sums actually paid to MWBEs for work performed or materials supplied under the Contract.

By submitting a bid or proposal, a respondent agrees to demonstrate its good faith efforts to achieve the applicable MWBE participation goals by submitting evidence thereof through the New York State Contract System (“NYSCS”), which can be viewed at <https://ny.newnycontracts.com>, provided, however, that a respondent may arrange to provide such evidence via a non-electronic method by contacting the ABMC Procurement Manager.

Additionally, a respondent will be required to submit the following documents and information as evidence of compliance with the foregoing:

- A. An MWBE Utilization Plan with their bid or proposal. Any modifications or changes to an accepted MWBE Utilization Plan after the Contract award and during the term of the

Contract must be reported on a revised MWBE Utilization Plan and submitted to the Department for review and approval. (Exhibit I.O)

- B. If a notice of deficiency is issued, the respondent will be required to respond to the notice of deficiency within seven (7) business days of receipt by submitting to the Department via the address outlined previously in Section II.A.2.b of this document, a written remedy in response to the notice of deficiency. If the written remedy that is submitted is not timely or is found by the Department to be inadequate, the Department shall notify the respondent and direct the respondent to submit, within five (5) business days, a request for a partial or total waiver of MWBE participation goals. Failure to file the waiver form in a timely manner may be grounds for disqualification of the bid or proposal.

The Department may disqualify a respondent as being non-responsive under the following circumstances:

- a. If a respondent fails to submit an MWBE Utilization Plan;
- b. If a respondent fails to submit a written remedy to a notice of deficiency;
- c. If a respondent fails to submit a request for waiver; or
- d. If the Department determines that the respondent has failed to document good faith efforts.

The successful respondent will be required to attempt to utilize, in good faith, any MBE or WBE identified within its MWBE Utilization Plan, during the performance of the Contract. Requests for a partial or total waiver of established goal requirements made subsequent to Contract Award may be made at any time during the term of the Contract to the Department, but must be made no later than prior to the submission of a request for final payment on the Contract.

The successful respondent will be required to submit a quarterly M/WBE Contractor Compliance & Payment Report to the Department, by the 10th day following each end of quarter over the term of the Contract documenting the progress made toward achievement of the MWBE goals of the Contract.

PARTICIPATION OPPORTUNITIES FOR NEW YORK STATE CERTIFIED SERVICE-DISABLED VETERAN-OWNED BUSINESSES

Article 17-B of the New York State Executive Law provides for more meaningful participation in public procurement by certified Service-Disabled Veteran-Owned Businesses (“SDVOBs”), thereby further integrating such businesses into New York State’s economy. The Department recognizes the need to promote the employment of service-disabled veterans and to ensure that certified service-disabled veteran-owned businesses have opportunities for maximum feasible participation in the performance of the Departments’ contracts.

In recognition of the service and sacrifices made by service-disabled veterans and in recognition of their economic activity in doing business in New York State, Bidders/Contractors are strongly encouraged and expected to consider SDVOBs in the fulfillment of the requirements of the Contract. Such participation may be as subcontractors or suppliers, as protégés, or in other partnering or supporting roles.

For purposes of this procurement, the Department conducted a comprehensive search and determined that the Contract does not offer sufficient opportunities to set specific goals for participation by SDVOBs as subcontractors, service providers, and suppliers to Contractor. Nevertheless, Bidder/Contractor is encouraged to make good faith efforts to promote and assist in the participation of SDVOBs on the Contract for the provision of services and materials. The directory of New York State Certified SDVOBs can be viewed at:

<http://ogs.ny.gov/Core/SDVOBA.asp>

Bidder/Contractor is encouraged to contact the Office of General Services’ Division of Service-Disabled Veteran’s Business Development at 518-474-2015 or VeteransDevelopment@ogs.ny.gov to discuss methods of maximizing participation by SDVOBs on the Contract.

Equal Employment Opportunity Requirements

By submission of a bid or proposal in response to this solicitation, the respondent agrees with all of the terms and conditions of Appendix A – Standard Clauses for All New York State Contracts. The respondent is required to ensure that it and any subcontractors awarded a subcontract for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon (the "Work"), except where the Work is for

the beneficial use of the respondent, undertake or continue programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status. For these purposes, equal opportunity shall apply in the areas of recruitment, employment, job assignment, promotion, upgrading, demotion, transfer, layoff, termination, and rates of pay or other forms of compensation. This requirement does not apply to: (i) work, goods, or services unrelated to the Contract; or (ii) employment outside New York State.

The respondent will be required to submit a Minority and Women-owned Business Enterprise and Equal Employment Opportunity Policy Statement, Appendix D-1, to the Department with its bid or proposal.

If awarded a Contract, respondent shall submit a Workforce Utilization Report and shall require each of its Subcontractors to submit a Workforce Utilization Report, in such format as shall be required by the Department on a **quarterly** basis during the term of the Contract.

Further, pursuant to Article 15 of the Executive Law (the "Human Rights Law"), all other State and Federal statutory and constitutional non-discrimination provisions, the Contractor and sub-contractors will not discriminate against any employee or applicant for employment because of race, creed (religion), color, sex, national origin, sexual orientation, military status, age, disability, predisposing genetic characteristic, marital status or domestic violence victim status, and shall also follow the requirements of the Human Rights Law with regard to non-discrimination on the basis of prior criminal conviction and prior arrest.

Please Note: Failure to comply with the foregoing requirements may result in a finding of non-responsiveness, non-responsibility and/or a breach of the Contract, leading to the withholding of funds, suspension or termination of the Contract or such other actions or enforcement proceedings as allowed by the Contract.

4. Americans with Disabilities Act

The Contractor will be required to assure its compliance with the Americans with Disabilities Act (42 USC§12101 et. seq.), in that any services and programs provided during the course of performance of the Agreement shall be accessible under Title II of the Americans with Disabilities Act, and as otherwise may be required under the Americans with Disabilities Act by submitting a completed "**Compliance with Americans with Disabilities Act**" form, **Exhibit I.N** in the Offeror's Administrative Proposal.

5. MacBride Fair Employment Principles Act & Non-Collusive Bidding Certification

In accordance with Chapter 807 of the Laws of 1992, Offerors must certify whether they or any individual or legal entity in which the Offeror holds a ten percent (10%) or greater ownership interest, or any individual or legal entity that holds a ten percent (10%) or greater ownership in the Offeror have business operations in Northern Ireland. If an Offeror does have business operations in Northern Ireland, they must certify that they are taking lawful steps in good faith to conduct such business operations in accordance with the MacBride Fair Employment Opportunity Principles relating to nondiscrimination in employment and freedom of workplace opportunity regarding such operations in Northern Ireland, and shall permit independent monitoring of their compliance with such principles.

The Department also requires that Offerors certify that prices in their Proposal have been arrived at independently without collusion, consultation, communication or agreement for the purpose of restricting competition with any other Offeror or competitor. In addition, that unless required by law, the prices quoted in the Offeror's Proposal have not been knowingly disclosed by the Offeror and will not knowingly be disclosed by the Offeror prior to opening, directly, indirectly, to any other Offeror or to any competitor. Offerors must also certify that no attempt has been made or will be made by the Offeror to induce any person, partnership or corporation to submit or not to submit a proposal for the purpose of restricting competition. An executed copy of the combined "**MacBride Act Statement Form**" and "**Non-Collusive Bidding Certification**," **Exhibit I.D** is required to be submitted in the Offeror's Administrative Proposal.

6. Vendor Responsibility Requirements – State Finance Law §163

New York State Finance Law §163 requires contracts for services and commodities be awarded on the basis of lowest price or best value "to a responsive and responsible Offeror." Furthermore, §163(9)f requires the Department to make a determination of responsibility of the proposed Contractor prior to making an award.

To assist the Department in evaluating the responsibility of Offerors, a completed "**New York State Standard Vendor Responsibility Questionnaire**" must be submitted in the Offeror's Administrative Proposal. A person legally authorized to represent the Offeror must execute the questionnaire. To the extent that the Contractor is proposing the use of Key Subcontractors or Affiliates (i.e., part of the Offeror's proposed Account Team) and expected to receive more than \$100,000 in payments during the term of the Agreement, the Offeror must submit a completed

“New York State Standard Vendor Responsibility Questionnaire” for each Key Subcontractor or Affiliate completed by a person legally authorized to represent the Key Subcontractor or Affiliate.

The Department recommends that vendors file the required Vendor Responsibility Questionnaire online via the New York State VendRep System; however, vendors may choose to complete and submit a paper questionnaire. To enroll in and use the New York State VendRep System, see the VendRep System Instructions available at:

<http://www.osc.state.ny.us/vendrep/enroll.htm> or go directly to the VendRep System online at: <https://portal.osc.state.ny.us>.

Vendors must provide their New York State Vendor Identification Number when enrolling. To request assignment of a Vendor ID or for VendRep System assistance, contact the Office of the State Comptroller's Help Desk at 866-370-4672 or 518-408-4672 or by email at:

itservicedesk@osc.state.ny.us.

Vendors opting to complete and submit a paper questionnaire can obtain the appropriate questionnaire from the VendRep website www.osc.state.ny.us/vendrep or may contact the Office of the State Comptroller's Help Desk for a copy of the paper form.

7. Tax Law Section 5-a Certification Regarding Sales and Compensating Use Taxes

Section 5-a of the New York Tax Law requires that any contract valued at more than \$100,000 entered into by a State agency shall not be valid, effective, or binding against the agency unless the Contractor certifies to the Tax Department that it is registered to collect New York State and local sales and compensating use taxes, if the Contractor made sales delivered by any means to locations within New York State of tangible personal property or taxable services having a cumulative value in excess of \$300,000, measured over a specified period. In addition, the Contractor must certify to the Tax Department that each affiliate and subcontractor of such Contractor exceeding such sales threshold during a specified period is registered to collect New York State and local sales and compensating use taxes. For the purpose of this requirement, “affiliate” means a person or organization which, through stock ownership or any other affiliation, directly, indirectly, or constructively controls another person or organization, is controlled by another person or organization, or is, along with another person or organization, under the control of a common parent. The Contractor also must certify to the procuring state entity that it filed the certification with the Tax Department and that the certification is correct and complete. Accordingly, in the event the value of the

Agreement exceeds \$100,000, the Contractor must file a properly completed “**Form ST-220-CA,**” **Exhibit I.E** with the Department and a properly completed “**Form ST-220-TD,**” **Exhibit I.F** with the Department of Taxation & Finance before the Agreement may take effect. In addition, after the Agreement has taken effect, the Contractor must file a properly completed “**Form ST-220-CA**” with the Department if the Agreement’s term is renewed. Further, a new “**Form ST-220-TD**” must be filed with the Department of Taxation & Finance if no “**Form ST-220-TD**” has been filed by the Contractor or if a previously filed “**Form ST-220-TD**” is no longer correct and complete.

Submission of these forms (“**ST-220-CA**” and “**ST-220-TD**”) is **NOT** required at time of Proposal submission however, the selected Offeror will be required to complete and submit these forms as a condition of contract award. These forms may also be found at:

http://www.tax.ny.gov/forms/sales_cur_forms.htm

8. Consultant Disclosure Requirements

Chapter 10 of the Laws of 2006 requires State contractors to disclose, by employment category, the number of persons employed to provide services under a contract for consulting services, the number of hours worked, and the amount paid to the contractor by the State as compensation for work performed by those employees. This includes information on any persons working under any subcontracts with the Contractor. The law defines contracts for consulting services to include any contract entered into by a State agency for analysis, evaluation, research, training, data processing, computer programming, engineering, environmental, health, and mental health services, accounting, auditing, paralegal, legal, or similar services. For further information about this requirement, please refer to XI.18.C. Consultant Disclosure Legislation. This information can be found at:

<http://www.osc.state.ny.us/agencies/guide/MyWebHelp/Content/XI/18/C.htm>

The selected Offeror will be required to provide a completed **Exhibit I.IA “State Consultant Services Contractor’s Planned Employment From Contract Start Date Through the End of the Contract Term – Form A”**(hereinafter “Form A”) at the time the Contract is executed. The completed form must include information for all employees providing such services under the Contract whether employed by the Vendor or a Subcontractor. Please note that the form captures the necessary planned employment information prospectively from the start date of the Contract through the end of the contract term.

Further, the selected Offeror will be required to report annually to the Department and to OSC the employment information described above, including work performed by subcontractors.

The Vendor shall submit a completed **Exhibit I.B “State Consultant Services - Contractor’s Annual Employment Report – Form B”** (hereinafter “Form B”) for each State Fiscal Year during the term of the Contract. During the term of the Contract, such report shall be due no later than May 15 of each year following the end of the State Fiscal Year being reported.

9. Disclosure of Proposal Contents – Freedom of Information Law (FOIL)

NOTICE TO OFFEROR’S LEGAL COUNSEL

All materials submitted by an Offeror in response to this RFP shall become the property of the Department and may be returned to the Offeror at the sole discretion of the Department. Proposals may be reviewed or evaluated by any person, other than one associated with a competing Offeror, designated by the Department. Offerors may anticipate that Proposals will be evaluated by staff and consultants retained by the Department and may also be evaluated by staff of other NYS agencies interested in the provision of the subject services including, but not limited to, the Governor’s Office of Employee Relations and the Division of the Budget, unless otherwise expressly indicated in this RFP. The Department has the right to adopt, modify, or reject any or all ideas presented in any material submitted in response to this RFP.

To request that materials be protected from FOIL disclosure, the Offeror must follow the procedures below regarding the New York State Freedom of Information Law (FOIL). If an Offeror believes that any information in its Proposal or supplemental submission(s) constitutes proprietary and/or trade secret information and desires that such information not be disclosed if requested pursuant to the New York State Freedom of Information Law, Article 6 of the Public Officers Law, the Offeror must make that assertion by completing **Exhibit I.C, “Freedom of Information Law – Request for Redaction Chart.”** The Offeror must complete the form specifically identifying by page number, line, or other appropriate designation, the specific information requested to be protected from FOIL disclosure and the specific reason why such information should not be disclosed. Page 2 of Exhibit I.C contains information regarding appropriate justification for protection from FOIL disclosure. Vague, non-specific, summary allegations that material is proprietary or trade-secret are inadequate and will not result in protection from FOIL disclosure.

The completed **Exhibit I.C** must be submitted to the Department at the time of its Proposal submission; it should be included with the Requested Redactions (CD and Hard Copy), described below. It should not be included in the Offeror's Proposal. If the Offeror chooses not to assert that any Proposal material and/or supplemental submission should be protected from FOIL disclosure, the Offeror should so advise the Department by checking the applicable box on **Exhibit I.C** and submitting it to the Department at the time of its Proposal submission, but separately from its Proposal. If a completed **Exhibit I.C** form is not submitted, the Department will assume that the Offeror chooses not to assert that any proposal material or supplemental submission, as applicable should be protected from FOIL disclosure.

The FOIL-related materials described herein will not be considered part of the Offeror's Proposal and will not be reviewed as a part of the Procurement's evaluation process.

Requested Redactions (CD and Hard Copy):

At the time of Proposal submission, the Offeror is required to identify the portions of its Proposal that it is requesting to be redacted, in accordance with the instructions below, to be used in the event that its Proposal is the subject of a Freedom of Information Law (FOIL) request received by the Department:

The Offeror must provide an electronic copy of the Administrative Proposal, the Technical Proposal and the Cost Proposal, each on a separate CD, which reflect the Offeror's requested redactions. Additionally, the Offeror must provide a separately bound hardcopy of each of the three (3) Proposal documents with redactions marked that are included on the CDs. The electronic documents must be prepared in PDF format using the Redaction Function in Adobe Acrobat Professional software, version 8 or higher. Each specific portion of the Proposal documents requested to be protected from FOIL disclosure must be identified using the Adobe **"Mark for Redaction" function; do not use the "Apply Redactions" function.** The resulting documents must show the Offeror's requested redactions as outlined, while the content remains visible. This will allow the Department to either apply or remove requested redactions when responding to FOIL requests. The documents included on the CD and in hard copy must be complete Proposals, including all Exhibits and Attachments. No section may be omitted from the CD or hard copy even if the entire section is requested to be redacted; such sections should be marked for redaction, not removed. For forms, exhibits and charts please mark for redaction only those cells/fields/entries that meet the criteria for protection from FOIL, not the entire page.

During the Proposal evaluation process, the Department may request additional information through clarifying letters and at management interviews. Any requested redactions for additional written material provided by the Offeror in response to the Department's requests also must be submitted following the instructions, above.

10. Compliance with New York State Workers' Compensation Law

Sections 57 and 220 of the New York State Workers' Compensation Law (WCL) provide that the Department shall not enter into any contract unless proof of workers' compensation and disability benefits insurance coverage is produced. Prior to entering into a contract with the Department, the selected Offeror and Key Subcontractor(s) or Affiliates, with more than \$100,000 in expected expenses over the life of the contract, if any, will be required to verify for the Department, on forms authorized by the New York State Workers' Compensation Board, the fact that they are properly insured or are otherwise in compliance with the insurance provisions of the WCL. The forms to be used to show compliance with the WCL are listed in **Exhibit I.W, "Compliance with NYS Workers' Compensation Law."** Any questions relating to either workers' compensation or disability benefits coverage should be directed to the State of New York Workers' Compensation Board, Bureau of Compliance at 518-486-6307. You may also find useful information at their website: <http://www.wcb.ny.gov>.

Submission of the proof of workers' compensation and disability benefits insurance coverage is required at the time of Proposal submission. Failure to provide verification of either of these types of insurance coverage with the Offeror's Administrative Proposal may be grounds for disqualification of an otherwise successful Proposal.

To the extent that the Offeror is proposing the use of Key Subcontractors or Affiliates (i.e., part of the Offeror's proposed Project Team), the Offeror must verify for the Department, on forms authorized by the New York State Workers' Compensation Board, the fact that the Key Subcontractors or Affiliates are properly insured or are otherwise in compliance with the insurance provisions of the WCL.

11. Iran Divestment Act

By submitting a Proposal in response to this solicitation or by assuming the responsibility of a contract awarded hereunder, Offeror/Contractor (or any assignee) certifies that it is not on the "Entities Determined To Be Non-Responsive Bidders/Offerers Pursuant to The New York State Iran Divestment Act of 2012" list ("Prohibited Entities List") posted on the OGS website at:

<http://www.ogs.ny.gov/about/regs/docs/ListofEntities.pdf> and further certifies that it will not utilize on such contract any subcontractor that is identified on the Prohibited Entities List. Additionally, Offeror/Contractor is advised that should it seek to renew or extend an Agreement awarded in response to the solicitation, it must provide the same certification at the time the Agreement is renewed or extended.

During the term of the Agreement, should the Department of Civil Service receive information that a person (as defined in State Finance Law §165-a) is in violation of the above-referenced certifications, the Department of Civil Service will review such information and offer the person an opportunity to respond. If the person fails to demonstrate that it has ceased its engagement in the investment activity which is in violation of the Act within 90 days after the determination of such violation, then the Department of Civil Service shall take such action as may be appropriate and provided for by law, rule, or contract, including, but not limited to, seeking compliance, recovering damages, or declaring the Contractor in default.

The Department of Civil Service reserves the right to reject any Proposal, request for assignment, renewal or extension for an entity that appears on the Prohibited Entities List prior to the award, assignment, renewal or extension of a contract, and to pursue a responsibility review with respect to any entity that is awarded a contract and appears on the Prohibited Entities list after contract award.

12. New York Subcontractors and Suppliers

New York State businesses have a substantial presence in State contracts and strongly contribute to the economies of the State and the nation. In recognition of their economic activity and leadership in doing business in New York State, Offerors for this contract for Actuarial and Benefits Management Consulting Services or are strongly encouraged and expected to consider New York State businesses in the fulfillment of the requirements of the contract. Such partnering may be as subcontractors, suppliers, protégés or other supporting roles.

Offerors need to be aware that all authorized users of this contract will be strongly encouraged, to the maximum extent practical and consistent with legal requirements, to use responsible and responsive New York State businesses in utilizing services and technology. Furthermore, Offerors are reminded that they must continue to utilize small, minority and women-owned businesses, consistent with current State law.

Utilizing New York State businesses in State contracts will help create more private sector jobs, rebuild New York's infrastructure, and maximize economic activity to the mutual benefit of the Contractor and its New York State business partners. New York State businesses will promote the Contractor's optimal performance under the contract, thereby fully benefiting the public sector programs that are supported by associated procurements.

Public procurements can drive and improve the State's economic engine through promotion of the use of New York businesses by its contractors. The State therefore expects Offerors to provide maximum assistance to New York businesses in their use of the contract. The potential participation by all kinds of New York businesses will deliver great value to the State and its taxpayers. Offerors are required to complete **Exhibit I.U.2, "NYS Subcontractors and Supplies."**

SECTION III: ADMINISTRATIVE PROPOSAL

This section of the RFP sets forth the requirements for the Offeror's Administrative Proposal submission, including the Minimum Mandatory Requirements that must be satisfied to qualify an Offeror to be considered for selection. The Department will accept Proposals only from qualified Offerors and will consider for evaluation and selection purposes only those Proposals the Department determines to be in compliance with the Minimum Mandatory Requirements set forth in this Section III of this RFP.

The Offeror's *Administrative Proposal* must respond to all of the following items as set forth below in the order and format specified and using the forms set forth in this RFP. Additional details pertaining to the required forms are found in Section II.B Compliance With Applicable Rules, Laws, Regulations & Executive Orders, and Section III.

The Administrative Proposal must contain the following information, in the order enumerated below:

A. Formal Offer Letter

At this part of its Administrative Proposal, the Offeror must submit a formal offer in the form of the "**Formal Offer Letter**" as set forth in **Exhibit I.S**. The formal offer must be signed and executed by an individual with the capacity and legal authority to bind the Offeror in its offer to the State. Each of the two copies of the Offeror's Administrative Proposal marked "ORIGINAL" requires a letter with an original signature; the remaining copies of the Offeror's Administrative Proposal may contain photocopies of the signature. The Offeror must accept the terms and conditions as set forth in this RFP, Section VII, and Appendices A, B, C, C-1, D, D-1 and D-2 and agree to enter into a contractual Agreement with the Department containing, at a minimum, the terms and conditions identified in this RFP section and appendices as cited herein. (**Note:** Appendix A, "Standard Clauses for New York State Contracts" is a compilation of statutory requirements applicable to all persons and entities contracting with the State and therefore has been deemed to be non-negotiable by the Offices of the Attorney General and the State Comptroller. Appendix B, "Standard Clauses for All Department Contracts", Appendix C, "Third Party Connection and Data Exchange Agreement", Appendix C-1 "Information Security Standards", Appendix D, "Participation by Minority Group Members and Women With Respect to State Contracts: Requirements and Procedures", Appendix D-1 "Minority and Women-Owned Business Enterprises – Equal Employment Opportunity Policy Statement" and Appendix D-2 – MWBE Utilization Reporting Responsibilities under Article 15-A are compilations of standard clauses/ requirements for the

contracts and also are non-negotiable.) If an Offeror proposes to include the services of a Key Subcontractor(s) or Affiliate(s), the Offeror must be required to assume responsibility for those services as “Prime Contractor.” The Department will consider the Prime Contractor solely responsible for contractual matters.

B. Minimum Mandatory Requirements

The Department will only accept Proposals from Offerors that attest and demonstrate through current valid documentation to the satisfaction of the Department that the Offeror meets the Proposal's Minimum Mandatory Requirements set forth herein this Section III.B of this RFP. At this part of its Administrative Proposal, the Offeror must submit a completed **Exhibit I.T “Offeror Attestations Form”** representing and warranting that:

1. The Offeror, at time of Proposal Due Date and throughout the term of the Contract, must be authorized to conduct business in New York State, or, if the Offeror is not so authorized at time of Proposal Due Date, then the Offeror must, at time of Proposal Due Date, have filed an application for authority to do business in New York State with the New York State Secretary of State. Such application must be approved prior to Contract Award. (For details concerning this requirement, refer to: http://www.dos.ny.gov/corps/forms_listing.html).

To register with the Secretary of State, contact: <https://www.dos.ny.gov/corps/index.html>. The Contractor shall notify the Department immediately in the event that there is any change in the above corporate status.

2. The Offeror must represent and warrant that, at time of Proposal submission, it has completed, obtained or performed all registrations, filings, approvals, authorizations, consents and examinations required by any governmental authority for the provision of the delivery of Project Services and agree that it will, during the term of the Contract, comply with any requirements imposed upon it by law.
3. The Offeror must agree that, if selected by the Department as the successful Offeror to this Procurement, the Offeror (“Contractor”) shall be precluded from 1) submitting a proposal in response to; and/or 2) participating in any way in the development or consultation of any other Offeror’s proposal(s) in response to any procurement undertaken by the Department for which the selected Offeror (Contractor) participated in the development of the services which are the subject matter of that procurement.

4. The Offeror must agree and acknowledge that:
 - i. all claims, enrollment, and other data (i.e., materials) provided by the Department or the Department's agents and/or contractors is being provided to the Offeror ("Contractor") solely for the purpose of allowing the Contractor to fulfill its duties and responsibilities under the Contract;
 - ii. said materials are and remain the sole property of NYS; and
 - iii. the Offeror represents and warrants that it will not share, sell, release, or make the data available to third parties in any manner without the written consent of the Department, except as directed by a court of competent jurisdiction, or as necessary to comply with applicable New York State or federal law.

5. The Offeror must represent and warrant that, if selected by the Department as the successful Offeror in this Procurement, all activities associated with Tasks 1, 2, 3 and 4 will be overseen by an individual certified as a Fellow in the Society of Actuaries ("FSA"), as applicable.

6. The Offeror must represent and warrant that, at time of Proposal submission, it possesses adequate staffing resources, financial resources and organizational capacity to perform the type, magnitude and quality of work specified in the RFP.

7. The Offeror must represent and warrant that it has maintained an organization capable of performing the work specified in the RFP, in continuous operation for at least the past three (3) years and that it has provided services comparable to the Project Services outlined in the RFP continuously during said period for the benefit of, at a minimum, three (3) governmental organizations with at least 100,000 health plan members.

8. The Offeror must represent and warrant that, for each of the past three (3) years, the Offeror generated gross revenue in excess of \$25,000,000 per year from benefit consulting/outsourcing.

Note: Any Offeror which fails to satisfy any of the above Minimum Mandatory Requirements shall be eliminated from further consideration.

C. Exhibits

At this part of its Administrative Proposal, the Offeror must complete and submit the various Exhibits specified in Section II.B and Section III of this RFP, in satisfaction of the regulatory requirements described therein. A listing of the required Exhibits is set forth below:

Exhibit Name	Exhibit
Proposal Submission Requirement Checklist	Exhibit I.A
MacBride Statement and Non-Collusive Bidding Certification	Exhibit I.D
Offeror's Affirmation of Understanding and Agreement	Exhibit I.K*
Compliance with Public Officer's Law Requirements	Exhibit I.M
Compliance with Americans with Disabilities Act	Exhibit I.N
MWBE Utilization Plan (Form MWBE-100)	Exhibit I.O
Offeror's Certificate of Compliance Pursuant to State Finance Law §139-k	Exhibit I.P
Formal Offer Letter	Exhibit I.S
Offeror Attestations Form	Exhibit I.T
Key Subcontractors or Affiliates	Exhibit I.U.1
NYS Supplier and Subcontractor	Exhibit I.U.2
Program References	Exhibit I.V
Compliance with NYS Workers' Compensation Law	Exhibit I.W
Extraneous Terms Template (if proposing)	Exhibit I.X

***Note: If not already provided to the Department by the time of Proposal submission, the Offeror must enclose a completed Exhibit I.K - Offeror's Affirmation of Understanding and Agreement with their Administrative Proposal.**

D. Key Subcontractors or Affiliates

At this part of its Administrative Proposal, the Offeror must provide a statement identifying all Key Subcontractors or Affiliates, if any, that the Offeror will be contracting with to provide Project Services and must, for each such Key Subcontractor or Affiliate identified, complete and submit **Exhibit I.U.1**; "Key Subcontractors or Affiliates:"

1. Provide a brief description of the services to be provided by the Key Subcontractor or Affiliate;
and

2. Provide a description of any current relationships with such Key Subcontractor or Affiliate and the clients/projects that the Offeror and Key Subcontractor or Affiliate are currently servicing under a formal legal agreement or arrangement, the date when such services began and the status of the Project.

The Offeror must indicate whether or not, as of the date of the Offeror's Proposal, a subcontract (or shared services agreement) has been executed between the Offeror and the Key Subcontractor or Affiliate for services to be provided by the Key Subcontractor or Affiliate relating to this RFP. If the Offeror will not be subcontracting with any Key Subcontractor(s) or Affiliate(s) to provide Project Services, the Offeror must provide a statement to that effect.

E. Reference Checks

At this part of its Administrative Proposal, for the purpose of reference checks, the Offeror must list two (2) references of current clients and one (1) reference of a former client for a total of three (3) references for which the Offeror has supplied Consulting Services Project Services similar to those required in this RFP. If the Offeror has no former clients to include as references, the Offeror must include a statement attesting to that fact. Otherwise, the Offeror must include, at minimum, one (1) former client as a reference for which the Offeror has supplied services similar in nature to those required in this RFP. If the Offeror is proposing any Key Subcontractors or Affiliates, the references should be with clients for whom the Offeror and Key Subcontractor or Affiliate have jointly supplied services similar to those described in this RFP. For each Reference provided the Offeror must complete and submit **Exhibit I.V**, entitled "Program References." The Offeror shall be solely responsible for providing contact names and phone numbers that are readily available to be contacted by the State. The Offeror must also indicate what participation, if any, the Program manager and each key staff person proposed for this Program had in the referenced services.

F. Financial Statements

At this part of its Administrative Proposal, the Offeror must, provide a copy of the Offeror's last issued GAAP annual audited financial statement. A complete set of statements, not just excerpts, must be provided. Additionally, for each Key Subcontractor or Affiliate, if any, that provides any of the Project Services; which are the subject matter of this RFP, provide the most recent GAAP annual audited statement. If the Offeror, or a Key Subcontractor or Affiliate, is a privately held business and is unwilling to provide copies of their GAAP annual audited financial statements as part of their Proposal, the Offeror/Key Subcontractor/Affiliate must make arrangements for the Procurement evaluation team to review the financial statements.

Note: If financial statements have not been prepared and/or audited, the Offeror /Key Subcontractor/ Affiliate must provide the following as part of its Administrative Proposal: a letter from a bank reference attesting to the Offeror/Key Subcontractor/Affiliate's financial viability and creditworthiness. (Note: For purposes of this reference, the Offeror may not give as a reference, a parent or subsidiary company, a partner or an Affiliate organization.) The letter must include the bank's name, address, contact person name and telephone number and it must address, at a minimum, the following items:

1. A brief description of the business relationship between the parties (i.e., the Offeror/Key Subcontractor/ Affiliate and the bank), including the duration of the relationship and the Offeror's current standing with the bank. For example: "*The (Offeror/Key Subcontractor/ Affiliate's name) is currently and has been for "x" number of years a client in good standing*";
2. Description of any ownership/partner relationship that may exist between the parties, if any. (**Note:** One party cannot be the parent, partner or subsidiary of the other, nor can one party be an affiliate of the other); and,
3. Any other facts or conclusions the bank may deem relevant to the State in regard to the bank's assessment of the Offeror /Key Subcontractor/Affiliate's financial viability and creditworthiness concerning the nature and scope of the Project Services, which are the subject matter of this RFP, and the Parties (i.e., Department, and the Offeror or the Offeror and Key Subcontractor or Affiliate) contractual obligations should the Offeror be awarded the resultant Contract.

G. Conflicts of Interest

At this part of its Administrative Proposal, the Offeror must either list and describe all Conflicts of Interest or affirmatively state that no Conflicts of Interest exist. A Conflict of Interest means a situation which has or may influence or appear to influence, compromise or bias the Offeror's/Contractor's actions and/or judgments in the Offeror's/Contractor's performance of Project Services. Such situations may result from the Offeror's/Contractor's direct or indirect interests, including but not limited to, financial, business, proprietary or personal interests, in the operation and/or administration of the New York State Health Insurance Program (NYSHIP). A Conflict of Interest can result from relationships between the Offeror/Contractor and any individual, entity or organization that existed prior to or that may arise during the term of the Contract.

For each Conflict of Interest identified by the Offeror/Contractor, the Offeror/Contractor must describe what Firewalls and/or other controls, policies and procedures which a reasonable person would expect to provide corrective or mitigating action to adequately safeguard or protect the Department against any Conflict of Interest which have been or will be implemented by the Offeror/Contractor.

Notwithstanding the Conflicts of Interest and, if applicable proposed Firewalls or remedies identified by each Offeror/Contractor, the Department reserves the right to determine whether the Offeror/Contractor has a Conflict of Interest and, if so, whether to disqualify the Offeror or terminate the Contract.

Notwithstanding the preceding, where a Conflict of Interest has been determined to exist, the Department may, along with all other remedies available, require the Contractor to implement Firewalls and/or other controls, policies and procedures identified by the Offeror/Contractor or by the Department to adequately safeguard or protect the Department against any Conflict of Interest. Further, if the Department determines that the implemented Firewalls and/or other controls, policies and procedures do not adequately safeguard or protect against a Conflict of Interest, the Department may disqualify the Offeror or terminate the Contract.

SECTION IV: TECHNICAL PROPOSAL REQUIREMENTS

The Department will accept Proposals only from qualified Offerors and will consider for evaluation and selection purposes only those Proposals that it determines meet the Minimum Mandatory Requirements in Section III of this RFP and are responsive to the duties and responsibilities set forth in this Section IV of this RFP.

Please note that Offerors must not include any cost information in the Technical Proposal, including exhibits or attachments. Specific savings estimates (dollars or percentages) must not be quoted in the Technical Proposal or in any exhibits or attachments submitted with the Technical Proposal. Proposed Performance Guarantee amounts including fee amounts to be put at risk are not considered to be cost information and therefore should be included in the Technical Proposal.

A. Corporate and Account Team Experience

1. Executive Summary

a. Required Submission

The Offeror must submit an Executive Summary outlining its overall program and its capacity to administer the Project Services outlined in this RFP. The Executive Summary must include

- (1) The name and address of the Offeror's main and branch offices and the name of the senior officer responsible for this account;
- (2) A concise description of the Offeror's understanding of the requirements presented in the RFP, the Department's needs, approach, and how the Offeror can assist the Department in accomplishing its objectives;
- (3) A succinct statement that supports the Offeror has maintained an organization capable of performing the work specified herein this RFP, in continuous operation for at least the past three (3) years and that it has provided services comparable to the Project Services outlined in this RFP continuously during said period for the benefit of, at a minimum, three (3) governmental organizations with at least 100,000 in size;

- (4) A succinct statement explaining previous experience providing actuarial and benefits management consulting services to other governmental organizations administering health benefits programs and detail how that experience, in general and specifically in regard to the clients given as Client References in response to RFP Section III, qualifies the Offeror and, if applicable, any subcontractors, to perform the required Project Services;
- (5) A concise description of the Contractor's full range benefits consulting services offering and experience addressing, at a minimum, the areas of:
- plan design consulting
 - provider network access analysis
 - consulting on vendor procurements
 - regulatory monitoring and compliance guidance
 - quality care programs
 - wellness programs, and
 - disease management
 - performance based contracting
 - advanced primary care
 - total cost of care modeling
 - analytical support
 - discount analysis
- (6) A description of the activities the Offeror is proposing to undertake to begin or, in the case of the incumbent contractor should they choose to submit a Proposal, continue serving the Department as a client on January 1, 2018;
- (7) An explanation as to how the Offeror proposes to handle administrative responsibilities, such as the billing and invoicing of charges for services to the Department, including a description of how the Offeror will ensure only accurate and complete billing of charges are submitted to the Department;
- (8) A description of the qualifications and experience of staff assigned to provide IT services in support of the Project Management Team's delivery of the required services and how they will interface with the Project Management Team to complete assignments and reports;

- (9) An overview of the Offeror's IT system and programming capabilities and its capacity to accept data from and exchange data with the Department and Empire Plan vendors/contractors, including a description of security measures used to ensure privacy and confidentiality of data is maintained; and
- (10) A description of any additional services/benefits that the Offeror provides its customers, including the Department if the Offeror is selected, at no additional charge, e.g., newsletter, white papers, etc.

2. Account Team

The Department expects the successful Offeror to have in place a proactive, experienced Project Manager and an experienced team who have the authority to coordinate the appropriate resources to implement and administer Project Services.

a. Duties and Responsibilities

- (1) The Offeror must have a knowledgeable, experienced project management team in place that has the responsibility, authority and integrity to administer, manage and oversee all aspects of the required Project Services during the entire term of the Contract,
- (2) designate a single account executive ("Project Team Leader") accountable to the Department and responsible for ensuring that the needs of the Department are met,
- (3) be able to maintain and adjust staffing patterns at appropriate levels to provide services as requested by the Department,
- (4) ensure that all activities associated with Tasks 1, 2, 3, and 4, as applicable will be overseen by an individual certified as a Fellow in the Society of Actuaries ("FSA"),
- (5) notify the Department in writing of changes in key project management team personnel, and

- (6) notify the Department of any actual or anticipated events impacting the delivery of Project Services and present options available to minimize or eliminate the impact of those events on the delivery of Project Services.

b. Required Submission

- (1) Provide an organizational chart and narrative description illustrating how the Offeror proposes to administer, manage, and oversee all aspects of the Projects. Complete RFP Exhibit III.A entitled Project Team Roster listing the Offeror's proposed key project management team members, including Key Subcontractors, if any. The Offeror should also complete and submit RFP Exhibit I.B, entitled, "Biographical Sketch Form" for each proposed key project management team member. Where key individuals are not named, include qualifications of the individuals that you would seek to fill the positions. Include the following:
 - (2) Describe the experience of the individual who will assume the role of Project Team Leader. Include a description of the individual's experience with clients similar in size and scope of the Department.
 - (3) Confirm that the Project Team will be readily accessible to the Department. Describe where the Project Team will be located.
 - (4) Provide a description of how the Offeror proposes that the Project Management Team will successfully handle the four (4) tasks (including an indication of the percentage of time, by team member, dedicated to the project and a task(s), manage the Department's account; and interface with the Department in its delivery of Project Services; a description of the process by which the Offeror proposes to provide notification to the Department of actual or anticipated events impacting the delivery of Project Services and the presentation of options available to minimize or eliminate the impact of those events on the delivery of Project Services; a description of how the Offeror proposes to provide additional resources, should the need arise, from within the organization and/or from a third party; for those positions for which an individual(s) has not been named at time of Proposal submission; a description of how the Offeror proposes to recruit the person(s) to fill the position; a description of how the Offeror proposes to

recruit replacement personnel, should one or more Project Management Team members leave during the term of the Contract; and a description of the steps that will be taken to ensure the continuity of Project Management Team members throughout the term of the Agreement.

- (5) Provide reporting relationships and the responsibilities of each key position of the account management team; and how the team will interact with other business units or functional areas within the Offeror's organization. The Offeror must include the percentage of time (by position) dedicated to the Program and reporting relationships. Describe how the account management team interfaces with senior management and ultimate decision makers within the Offeror's organization;

B. Project Services

The Offeror must demonstrate its capacity to deliver the required Project Services described in Section IV of this RFP.

1. Project Task #1 - Premium Rate Development

a. Duties and Responsibilities

Currently, each year, the Department develops Empire Plan premium rates based on recommendations made by the Empire Plan vendors for each of the Plan's component contracts, specifically the Empire Plan's Hospital, Medical; Mental Health and Substance Abuse and Prescription Drug contracts. These rates are subject to the approval of the New York State Division of Budget ("DOB"). Since Empire Plan is self-funded, the Department seeks assistance from the Contractor in the review of the reasonableness of the vendors' rate recommendations ("Task #1"). During the term of the Agreement, one or more of the Empire Plan contracts may be merged into a single contract.

Rate analysis to be performed by the Contractor shall focus primarily on each vendor's projected aggregate experience and the justification provided by the vendors to support their trend projections and/or premium recommendations. As part of this task, the Contractor will also evaluate the costs and/or savings associated with any Plan revisions, which may be implemented in the coming Plan Year.

Exhibit II.E entitled, "Sample Vendor Rate Renewal Report" provides the table of contents for the Empire Plan Medical vendor's typical rate renewal request and Exhibit II.F entitled, "Standard Empire Plan Vendor Reports" lists the titles of the standard reports received from each of the four (4) Empire Plan vendors throughout the year.

During the term of the Contract, the Contractor shall:

- (1) Submit a Task #1 work plan to the Department prior to the beginning of the rate renewal process for the upcoming Plan Year. This Task #1 work plan must be submitted to the Department not later than July 1 and it must be acceptable to the Department. The first Plan Year under the Contract will begin on January 1, 2019, and, as such, the first Task #1 work plan under the Contract is due on July 1, 2018;
- (2) Submit to the Department the Contractor's independent premium rate estimates not later than August 31 of each year of the Contract;
- (3) Review and provide a written evaluation of the Empire Plan vendors' rate proposals. This will include a review of all factors used by the vendors to determine premium requirements including, but not limited to, projected paid and incurred claims, vendor retention, and any deficit recoupment load. A preliminary report will be due on September 20 with the final written report due on October 15 unless extended by the Department;
- (4) Provide written commentary on the Empire Plan vendors' premium rate development and projections to the Department;
- (5) Support the Department in its analysis of the Empire Plan rates submitted by the vendors, including attendance at and participation in meetings over a two-day period as deemed necessary by the Department;
- (6) Assist the Department in presenting rate proposals to GOER, DOB, the Joint Labor Management Committee, and other entities, as the Department deems necessary. At least one (1) all day presentation meetings are anticipated annually as part of the Rate Renewal process. (Note: While the Contractor may be called upon to make presentations to or brief other NYS entities involved in

SECTION IV: TECHNICAL PROPOSAL REQUIREMENTS

the NYSHIP, the Department’s EBD is the “client,” and as such, the Contractor will contract with and be accountable to DCS’ EBD staff.);

- (7) Support the Department by providing comparative analyses, as requested, using data of other large employers;
- (8) Submit a final written report with recommendations on the proposed rates (i.e., the final “Benefits Management Consultant Final Report and Recommendations” report);
- (9) Ensure that principal project staff is available to EBD management for ad hoc discussion of any aspect of Task # 1 throughout the Rate Renewal process; and
- (10) Participate in and adhere to the following Rate Renewal process and cycle:

Date (All dates shown are on or about)	Rate Renewal Process Activity
July 1	The Contractor submits its Task #1 work plan for the upcoming Plan Year.
Early-August	The Department sends each Benefit Provider a rate renewal call letter which outlines the minimum documentation required to support the rate requests and anticipated rate adjustments. See Exhibit II.G entitled “Sample Call Letter” for a sample call letter.
August 31	Contractor develops and submits independent premium rate estimates (i.e., “Benefits Management Consultant Independent Experience Projections and Premium Requirements” report).
August 31	The vendors submit rate renewal proposals and supporting documentation to the Department and the Contractor.
Beginning in the 1st week of September and continuing throughout the Rate Renewal process	The Department and the Contractor work together to ensure consistent understanding of the vendors’ rate renewal proposals and discuss and identify issues and questions which may need further clarification by the vendors.
2nd week of September	Vendors brief the Health Insurance Council staff and Contractor on their rate renewal proposals.
September 20	Contractor provides comment to the Department in regard to the vendors’ rate renewal proposals.
3rd week of September through period prior to finalization of rate recommendations	The Department, with the assistance of the Contractor, discusses any recommended adjustments to the proposed rates.

Date (All dates shown are on or about)	Rate Renewal Process Activity
1st week of October	The Department and the Contractor brief the Joint Labor Management Committee regarding the vendors' rate renewal proposals (During this same meeting, the vendors also brief the committee on their respective proposals).
October 15	Contractor submits its final written report and recommendations to the Department (i.e., final "Benefits Management Consultant Final Report and Recommendations" report).
October 15	The Department submits health insurance rates to the Division of the Budget for approval.
October 23	The Division of the Budget approves rates.
November	Benefits Option Transfer Period*
November 15	The Department loads approved rates into its computerized accounting system (NYBEAS) and notifies all participants of rate change.
January 1	Effective date of approved rates.

* The Contractor has no role in NYS' annual option transfer activities, nor will the Contractor be called upon to develop or review associated employee communication materials as a Task #1 responsibility.

b. Required Submission

Submit a work plan that demonstrates your ability to deliver Task #1 Project Services as described in the Duties and Responsibilities above. The outline should include the following:

- (1) A detailed description of the steps, factors, and required staff resources.
- (2) The number of individuals per title and total number of hours per title using the Position Titles set forth in RFP Section V– Assumption #6 in your work plan. Please note that the projected total number of hours per Position Title per year as set forth in the Offeror's work plan must match the total number of hours per Position Title per year as set forth in the Offeror's Exhibit V.A **Form 1** submission.
- (3) A timeline with specified start dates based on number of Business Days, of the major milestones and interim activities for completion of the Task and related activities (e.g. attendance at meetings with the vendors).

- (4) A description of the steps the Offeror will take to ensure that due dates and deadlines for Task #1 are met; and
- (5) A description of the quality assurance process to be used to ensure Task #1 reports, documents and services are complete, accurate and of the quality required by the Department.
- (6) A detailed description that illustrates how you will independently project experience and premium requirements for each of the Empire Plan vendors.
- (7) An example of a Final Report and Recommendations of Plan Funding Requirements.

2. Task #2 – Quarterly Analysis

a. Duties and Responsibilities

In accordance with the agreements between the Empire Plan vendors and the Department, the vendors are required to submit annual experience estimates on the 1st and 4th quarter. These quarterly reports provide quarterly and year-to-date estimates of experience, reconciliations of vendors' projections of prior years' experience, projected premium rate for the upcoming year, etc. See Exhibit II.H entitled, "Sample Vendor Quarterly Report" for a sample of the vendors' quarterly report information.

During the term of the Contract, the Contractor shall:

- (1) Review and prepare comments on the Empire Plan vendors' first and fourth quarter reports. Said quarterly reports are based on calendar year; the 1st quarter is January through March and the 4th quarter is October through December. The required reviews will be conducted twice per calendar year, during April/May for the 1st quarter reports and January/February for the 4th quarter reports.
- (2) Provide a written report of its review of each of the vendors' reports (vendor reports are due no later than the 23rd day of the month following the last month of the quarter under review). The report shall include the Contractor's

assessment of the reasonableness of the vendors' projected current year experience and projected rates for the subsequent year, the Contractor's projected annual claim amount by vendor for the calendar year (January 1 – December 31), and the Contractor's observed and projected trends, including any other factors that may impact the projected incurred claims experience. Final copy of the required report ("Quarterly Contractor Commentary Report") must be submitted to the Department within forty-five (45) calendar days from the end of the quarter under review. These reports must be acceptable to the Department.

b. Required Submission

Submit a work plan which outlines the proposed process to be followed in order to deliver Task #2 Project Services as described in the Duties and Responsibilities above. The outline should include:

- (1) A detailed description of the steps, factors, required staff resources.
- (2) The number of individuals per title and total number of hours per title using the Position Titles set forth in RFP Section V – Assumption #6 in your work plan. Please note that the projected total number of hours per Position Title per year as set forth in the Offeror's work plan must match the total number of hours per Position Title per year as set forth in the Offeror's Exhibit V.A **Form 2** submission.
- (3) A timeline with specified start dates based on the number of Business Days, of the major milestones and interim activities for completion of the Task and related activities.
- (4) A description of the steps the Offeror will take to ensure that due dates and deadlines for Task #2 are met, and
- (5) A description of the quality assurance process used to ensure Task #2 reports, documents and services are complete, accurate and of the quality required by the Department.

- (6) A comprehensive outline of the information to be provided in the “Benefits Management Consultant Review of Empire Plan Vendors’ Quarterly Reports” for each of the Empire Plan vendors, and a justification for inclusion of each of the subject areas.

3. Task #3 – GASB 75 Valuation

a. Duties and Responsibilities

Governmental Accounting Standards Board Statement No. 75 (“GASB 75”) addresses Other Postemployment Benefits (“OPEB”) by state and local governments. In accordance with the requirements set forth in GASB 75, the Contractor shall perform an actuarial valuation and develop related reports for the benefit of the Department. In addition to the OPEB of State employees, the valuation must include the OPEB for employees of State University of New York (“SUNY”) Campuses, Hospitals and Construction Fund for the various differing fiscal years that will ultimately roll up into the fiscal year financial statements of New York State for the year under review. The NYSHIP Participating Employers (PEs) and Participating Agencies (PAs) are not included in the valuation; however, they each receive a report that presents the actuarial assumptions that were used in NYS’ valuation as guidance to assist them in preparing their own valuations.

The scope of the valuation is limited to post-retirement healthcare benefits. The State administers other benefits (e.g. dental and life insurance) for retirees, but there is no employer cost sharing.

The valuation must take into account factors and assumptions related to, but not limited to, the following:

- NYSHIP plan provisions, which may be impacted by negotiated changes and vary by bargaining group;
- Relationship of the health care benefits provided and the eligibility criteria under which those benefits are provided;
- Census data (data on both active enrollees as well as non-active enrollees, i.e. retirees, dependent survivors, and vestees) provided to the Contractor by the Department;

- Demographic assumptions based on experience under the New York State & Local Retirement System, Police and Fire Retirement System, and the New York State Teachers' Retirement System;
- Premium rates, provided by the Department;
- Retiree premium contributions can be reduced based on the value of the retiree's unused sick leave credit at the time of retirement (converted to a fixed monthly credit);
- Retiree claim and enrollment data provided by the Department and the Empire Plan vendors (Note: this is detailed claim data and related enrollment data specific to non-active enrollees).
- Medicare is assumed to be the primary payor for current and future retirees and dependents age 65 and over and also for retirees and/or dependents under age 65 who are Medicare eligible due to qualifying disability;
- NYSHIP requires enrollment in Medicare Parts A and B when an individual first becomes eligible for Medicare coverage. NYSHIP reimburses enrollees for the cost of the Medicare Part B premium (excluding any penalty for late enrollment) for Medicare eligible enrollees and their Medicare eligible dependents; and
- Medicare retirees in the Empire Plan receive their prescription drug coverage through an Employer Group Waiver Plan (EGWP) and the Empire Plan provides wrap coverage.

As described in further detail below, the Contractor shall produce, by May 31, 2019, the first annual valuations for the State, SUNY, and SUNY Construction Funds for the fiscal years as noted below. The first Valuation to be performed by the Contractor shall be as of April 1, 2018. The valuation due date is currently based on a March 31st measurement date as selected by New York State for the valuation. The valuation reporting due dates are subject to change should the reporting requirements for State, SUNY or the SUNY Construction Fund change. The Valuation shall be performed in accordance with the Contractor's actuarial assumptions as set forth in the Contractor's NYS/SUNY Actuarial Assumptions Report which is due not later than April 30, 2019. During the term of the Contract, the Contractor shall perform, at a minimum, four valuations in accordance with the schedule set forth in the table.

Report Name	Due Date	Deliverable During Contract Year
April 1, 2018 Valuation	5/31/2019	Year 2
April 1, 2019 Valuation	5/31/2020	Year 3
April 1, 2020 Valuation	5/31/2021	Year 4
April 1, 2021 Valuation	5/31/2022	Year 5

Copies of the Incumbent contractor's 2014 and 2016 GASB 45 Reports are provided in Exhibit II.D1 through Exhibit II.D6.

During the term of the Contract, the Contractor shall:

- (1) Provide Task #3 related support to the Department, on an as needed basis, in areas including, but not limited to, assisting the Department in:
 - (a) Responding to requests for information from DOB, SUNY and/or OSC;
 - (b) Preparation for legislative testimony; and
 - (c) Responding to questions on completed valuation(s) posed by auditors contracted to audit NYS' financial records.

- (2) Perform an actuarial valuation of NYS' and SUNY's OPEB on an annual basis and produce a comprehensive report by May 31 following the valuation year ("Valuation Report"). The first Valuation to be performed by the Contractor under the Contract ("2018 Valuation") shall be as of April 1, 2018 for employers' Financial Statement as follows:

Employer	Financial Statements for the year ending
NYS (excluding all of SUNY)	3/31/2020
SUNY Campus	6/30/2019
SUNY Stony Brook Hospital	6/30/2019
SUNY Brooklyn Hospital	6/30/2019
SUNY Syracuse Hospital	6/30/2019
SUNY Construction Fund	3/31/2019

The results of 2018 Valuation shall be set forth in the Contractor's 2018 Valuation Report.

- (3) The Contractor must produce a report that presents the actuarial assumptions the Contractor will use for the Valuation along with the rationale for those assumptions ("NYS/SUNY Actuarial Assumptions Report"). The NYS/SUNY Actuarial Assumptions Report associated with the 2018 Valuation is due not later than April 30, 2019.
- (4) Provide two (2) reports by April 30th following the Valuation year, that present the actuarial assumptions used for NYS' Valuation, one for distribution to PEs ("PE Actuarial Assumptions Report") and the other to PAs ("PA Actuarial Assumptions Report"), to provide assistance in performing their GASB 75. The two reports associated with the 2018 Valuation are due no later than April 30, 2019.

b. Required Submission

In regard to Task #3, at this part of its Technical Proposal, provide the information sought in 1 through 4, below.

(1) **GASB 75 Prior Experience:**

Describe the Offeror's prior experience in providing GASB 75 valuation and reporting services for other governmental organizations. The Offeror should demonstrate its understanding of the scope and purpose of the project in its response.

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(2) **Task #3 Work Plan:**

Submit two work plans which outline the proposed process to be followed in order to deliver Task #3 Project Services as set forth in the Duties and Responsibilities above. The first work plan should clearly identify the steps related to the actuarial valuation component of the Task (i.e., Valuation) ~~and the second work plan should clearly identify the steps related to the annual trending component (i.e., Year Two Roll Forward)~~. Both work plans should include:

- (a) A detailed description of the steps, factors, required staff resources.

- (b) The number of individuals per title and total number of hours per title using the Position Titles set forth in RFP Section V – Assumption #6 in your work plan. Please note that the projected total number of hours per Position Title per year as set forth in the Offeror’s work plan must match the total number of hours per Position Title per year as set forth in the Offeror’s Exhibit V.A, **Form 3** submission.
- (c) Any added assumptions, including justification of those assumptions.
- (d) A timeline with specified start dates based on number of Business Days, of the major milestones and interim activities for completion of the Task and related activities.
- (e) A description of the steps the Offeror will take to ensure that due dates and deadlines for Task #3 are met; and
- (f) A description of the quality assurance process to be used to ensure Task #3 reports, documents and services are complete, accurate and of the quality required by the Department.

(3) **NYS/SUNY Deliverables:**

The Offeror should provide a comprehensive outline of the information to be provided in the “New York State/State University of New York GASB 75 Postemployment Healthcare Benefits Actuarial Valuation” report, including an explanation of each of the subject areas to be included in the document.

(4) **PE/PA Deliverables:**

The Offeror should confirm its ability to produce a modified version of the NYS/SUNY actuarial assumptions report as required for distribution to NYSHIP PEs and PAs.

4. Task #4 – Ad Hoc Consulting Services

a. Duties and Responsibilities

The Contractor shall be expected to provide the Department with a full range of ad hoc benefit consulting services. In its delivery of ad hoc services, the Contractor’s

analysis should consider and make use of the most current employee benefit data and information in the marketplace. The Contractor shall be expected to possess and/or obtain and make available to the Department a full breadth of benefit consulting services, including such areas as:

- plan design consulting,
- provider network access analysis,
- provider network discount analysis,
- consulting on vendor procurements,
- regulatory monitoring and compliance guidance,
- risk management,
- quality care programs
- wellness programs,
- disease management
- performance based contracting
- advanced primary care
- total cost of care modeling
- analytical support
- discount analysis

The Contractor shall, as requested by the Department on a case-by-case basis, be expected to routinely analyze and prepare comprehensive cost and benefit analysis (“Ad Hoc Consulting Services Projects” or “Ad Hoc Projects”). Such Ad Hoc Projects often must be undertaken and completed within very limited timeframes; frequently within 2-3 days of the request and, on occasion, within a twenty-four (24) hour period for certain high priority tasks. The Contractor shall be required to submit final deliverable(s) required for completion of an Ad Hoc Project within timeframes mutually agreed upon by the Department and the Contractor.

During the term of the Contract, the Contractor shall be expected to, at the rates set forth in the Contractor’s Financial Proposal, provide a full range of benefit consulting services. Such services may include, but are not limited to:

- (1) Assisting the Department with the analysis, design and/or review of solicitation instruments (e.g., requests for proposals) and their associated evaluation criteria

developed by the Department for any of the benefit programs administered by the Department and/or the evaluation of specified proposals received in regard thereto;

- (2) Providing the Department with analysis of federal and state legislative proposals, including advice on compliance with such legislation;
- (3) In addition to those services required by Task #1 for Empire Plan Rate Renewal activities, assisting the Department with benefit and premium renewal activities for any of the other benefit programs administered by the Department;
- (4) In addition to those services required by Task #3 for GASB 75 Valuation, assisting the Department with any actuarial valuations;
- (5) Providing recommendations regarding proposed benefit/plan design changes;
- (6) Performing cost/savings analyses of collectively bargained plan changes; and
- (7) Reviewing vendors' contract provisions and provide recommendations.

b. Required Submission

In regard to Task #4, please provide the information requested below as part of your technical proposal:

- (1) A description of the proposed process by which the Offeror will plan, complete and report back to the Department on Ad Hoc projects;
- (2) A description of the steps the Offeror will take to ensure that due dates and deadlines for the required ad hoc deliverables are met, including how the Offeror will ensure that this process meets the time constraints and specialized needs of the Department, and
- (3) A description of the quality assurance process to be used to ensure requested Ad Hoc reports, documents and services are complete, accurate and of the quality required by the Department.

- (4) Provide a description of two (2) prior ad hoc projects undertaken by the Offeror for a client(s). (The ad hoc projects provided cannot be for ad hoc projects undertaken for the benefit of the Department, DOB and/or GOER.) Each of the projects should have, in the opinion of the Offeror, required a comprehensive analysis of a highly complex issue that was of urgent nature to the client.
- (5) The Offeror should complete and submit RFP Exhibit III.B, entitled "Project Abstract" for each of the two (2) examples discussed above using the instructions provided in the Exhibit.

C. Performance Guarantees

The Contractor must agree to Performance Guarantees in areas critical to the quality and delivery of the required services. The Contractor must agree to, at a minimum, the following guarantees and propose, in its Technical Proposal, amounts expressed as either a fixed dollar per day or fixed percent per day amount to be put at risk for failure to meet a guarantee(s).

a. Turnaround Time Guarantees

Task #1 - Premium Rate Renewals and Plan Funding Requirements: The Contractor must guarantee that it will support the Department during the Premium Renewal Process, including performing the timely completion and submittal of reports and final deliverables as specified in RFP Section IV.B.1.

Task #2 – Quarterly Analysis: The Contractor must guarantee that it will submit Quarterly Contractor Commentary Reports, in the required format and containing the required information as set forth in RFP Section IV.B.2, no later than forty-five (45) calendar days from the end of the quarter under review.

Task #3 – GASB 75 Valuation: The Contractor must guarantee that it will provide actuarial valuation services and prepare the five (5) required reports (i.e., Valuation Report, NYS/SUNY Actuarial Assumptions Report, PE Actuarial Assumptions Report, and the PA Actuarial Assumptions Report) and other specified deliverables as requested by the Department in fulfillment of GASB obligations in a timely manner and in accordance with the due dates specified in the annual Task #4 task order

negotiated by the Parties, as may be amended by a Department approved Change Order Request and as stated in RFP Section IV.B.3.

Task #4 – Ad Hoc Consulting Services: The Contractor must guarantee that analysis provided for an Ad Hoc Project will be based on the most current information available, be comprehensive, and be actuarially sound and reasonable. Further, consistent with the provisions in RFP Section IV.B.4, Ad Hoc Project final deliverables must be provided to the Department not later than the due date agreed upon by the Department and the Contractor for a given Ad Hoc Project final deliverable.

b. Required Submission

Offerors' proposed performance guarantee responses including penalty fee amounts to be put at risk for non-performance are not considered to be cost information and therefore should be stated in the Offeror's Technical Proposal. At this part of its Technical Proposal, the Offeror must state its agreement to the following minimum guarantees and propose amounts, expressed as either a fixed per day dollar amount or a fixed percent per day amount to be put at risk for failure to meet the guarantee. Failure to agree to one or more of the following minimum guarantees and/or failure to propose an associated penalty fee amount(s), expressed as either a fixed per day dollar or a fixed percent per day amount, to be put at risk for failure to meet the guarantee(s), may result in the Offeror deemed non-responsive and eliminated from further consideration.

1. Turnaround Time Guarantees

Task #1 - Premium Rate Renewals: State your willingness to guarantee that the Contractor will support the Department during the Premium Renewal Process and that the two required reports and other Task #1 deliverables will be provided in accordance with the requirements set forth in RFP Section IV.B.1 provided that the required electronic data is received by the Contractor from all vendors by July 15th of each renewal cycle and the vendor renewals are received by no later than the first week in September. If the Contractor does not receive the data and/or renewals by the specified dates, different due dates shall be agreed upon in writing by the Parties and guaranteed by the Contractor. The Offeror must

propose a penalty for failure to meet the above guarantee and the guarantee must be proposed in the following format:

“For each twenty-four (24) hour period, or part thereof, that a Task #1 report or final deliverable is not provided to the Department by the report(s)/deliverable(s)’ due date, the Contractor shall pay the Department \$_____ per day, until such time that the report(s)/ deliverable(s) is provided to the Department. The aggregate total penalty amount shall not exceed the actual cost incurred by the Contractor in its performance of the associated Task #1 activity.”

The Standard Credit Amount for each twenty-four (24) hour period, or part thereof, that a Task #1 report or final deliverable is not provided to the Department by the report(s)/deliverable(s)’ due date, is \$3,000.00. However, Offerors may propose higher or lesser amounts.

Task #2 – Quarterly Analysis: State your willingness to guarantee that Quarterly Contractor Commentary Reports will be provided in accordance with the requirements set forth in RFP Section IV.B.2, not later than forty-five (45) calendar days from the end of the quarter under review, provided that the required electronic data is received by the Contractor from all vendors within fifteen (15) days of the close of the quarter, and the vendor reports within twenty-three (23) days of the close of the quarter. If the Contractor does not receive the data and/or vendor reports by the specified dates, the due date shall be extended by one day for each day the data and/or vendor reports are late. The Offeror must propose a penalty for failure to meet the above guarantee and the guaranteed must be proposed in the following format:

“For each twenty-four (24) hour period, or part thereof, beyond a given Quarterly Contractor Commentary Reports’ due date that the final Quarterly Contractor Commentary Reports is not provided to the Department by the Contractor, the Contractor shall pay the Department \$_____ per day, until such time as the required final Quarterly Contractor Commentary Reports are provided to the Department. The aggregate total penalty amount shall not exceed the actual cost incurred by the Contractor in its performance of the associated Task #2 activity.”

The Standard Credit Amount for each twenty-four (24) hour period, or part thereof, beyond the given Quarterly Contract Commentary Reports' due date, is \$3,000.00. However, Offerors may propose higher or lesser amounts.

Task #3 – GASB 75 Valuation: State your willingness to guarantee that GASB 75 valuation services and the five (5) required reports will be provided in accordance with the requirement set forth in RFP Section IV.B.3 and that other specified deliverables as requested by the Department in fulfillment of GASB obligations will be provided in accordance with due dates specified in the annual Task #4 task order negotiated by the Parties, as may be amended by a Department approved Change Order Request(s). The Offeror must propose a penalty for failure to meet the above guarantee and the guarantee must be proposed in the following format:

“For each twenty-four (24) hour period, or part thereof, beyond the due date for a given Task #3 report, as specified in the annual Task #4 task order negotiated by the Parties, as may be amended by a Department approved Change Order Request, is not provided to the Department by the Contractor, the Contractor shall pay the Department _____ percent of the negotiated Task #3 task order Total Project Cost amount, until such time as the report(s) is/are provided to the Department. The aggregate total penalty amount shall not exceed the actual cost incurred by the Contractor in its performance of the associated Task #3 activity.”

The Standard Credit Amount for each twenty-four (24) hour period, or part thereof, beyond the given due date for a given Task #3 report, is three percent (3%) of the negotiated Task #3 task order Total Project Cost amount. However, Offerors may propose higher or lesser amounts.

Task #4 – Ad Hoc Consulting Services: State your willingness to guarantee that, in accordance with the requirements of RFP Section IV.B.4, analysis provided for a given Ad Hoc Project will be 1) based on the most current information available, 2) comprehensive, and 3) actuarially sound and reasonable, and that an Ad Hoc Project's final deliverables will be provided to the Department not later than the due date agreed upon by the Department and the Contractor for a given

Ad Hoc final deliverable. The Offeror must propose a penalty for failure to meet the above guarantee when the Not-To-Exceed Total Cost of a given Ad Hoc project is equal to or greater than fifty thousand dollars (\$50,000) and the guaranteed must be proposed in the following format:

“As regards Ad Hoc projects whose Not-To-Exceed Total Cost is equal to or greater than fifty thousand dollars (\$50,000), for each twenty-four (24) hour period, or part thereof, beyond the due date for the Ad Hoc Project’s report or final deliverable, as negotiated by the Parties on a case-by-case basis, that the report/deliverable is not provided to the Department by the Contractor, the Contractor shall pay the Department _____ percent of the Task #4 Ad Hoc Not-To-Exceed Total Cost amount, until such time as the report(s)/deliverable(s) is provided to the Department. The aggregate total penalty amount shall not exceed the actual cost incurred by the Contractor in its performance of the associated Task #4 Ad Hoc project.”

The Standard Credit Amount for each twenty-four (24) hour period, or part thereof, beyond the given due date for an Ad Hoc project whose Not-To-Exceed Total Cost is equal to or greater than fifty thousand dollars (\$50,000), is three percent (3%) of the Task #4 Ad Hoc Not-To-Exceed Total Cost amount, until such time as the report(s)/deliverable(s) is provided to the Department. However, Offerors may propose higher or lesser amounts.

D. Diversity Practices Questionnaire

Diversity practices are the efforts of contractors to include New York State-certified Minority and Women-owned Business Enterprises (“MWBES”) in their business practices. Diversity practices may include past, present, or future actions and policies, and include activities of contractors on contracts with private entities and governmental units other than the State of New York. Assessing the diversity practices of contractors enables contractors to engage in meaningful, capacity-building collaborations with MWBEs.

The Department has determined, pursuant to New York State Executive Law Article 15-A, that the assessment of the diversity practices of respondents to this procurement is practical, feasible, and appropriate. Accordingly, respondents to this procurement shall be

required to include as part of their response to this procurement, as described in this section and in Section VI, herein, Exhibit IV.A entitled “Diversity Practices Questionnaire.”

a. Required Submission

The Offeror must submit the Diversity Practices Questionnaire (Exhibit IV.A) signed by both the Offeror’s authorized representative and public notary. The Offeror’s completion of the questionnaire is voluntary and blank submissions will not disqualify an Offeror from the procurement.

SECTION V: COST PROPOSAL REQUIREMENTS

The Offeror's Cost Proposal must respond to all of the following mandatory sections as set forth below in the formats as specified and, as applicable, using the forms set forth in RFP Exhibit V.A, **Forms 1 through 4** and in the order enumerated below. The Offeror's Cost Proposal must be based upon the assumptions set forth below and the instructions as set forth herein this Section V and associated Exhibit V.A, **Forms 1 through 4**.

Assumptions:

Offerors, in developing their Cost Proposal, are to assume the following:

1. The sole compensation for the Contractor under the Contract will be payments based on pricing indicated in the Contractor's Cost Proposal, subject to not-to-exceed and total project cost amounts, as applicable. As applicable, the billed amount of a given task shall not exceed that task's associated not-to-exceed or total project cost amount, plus Department approved travel related expenses, if any and less any credits due the Department for Contractor non-performance.
2. The Contractor shall invoice DCS, monthly in arrears, for all Project Services rendered during the preceding month, together with full supporting detail(s) to the Department's reasonable satisfaction. Said invoicing shall include, as supporting detail, at a minimum the name(s) of individuals being billed along with his/her Position Title, the individual's associated Fixed Hourly Rate and the total hours worked by the individual(s), including the dates and times, for the given billing period. Charges for Project Services rendered by a Contractor shall be based on the Fixed Hourly Rates set forth in the Contractor's Cost Proposal for actual hours worked by Contractor personnel with such time summarized and billed daily in fifteen (15) minute increments (e.g., 1 minute to 15 minutes = .25 of an hour; 16 minutes to 30 minutes = .50 of an hour; 31 minutes to 45 minutes = .75 of an hour and 46 minutes to 60 minutes = 1 hour) in the aggregate. For example, during February 2018, Consultant A worked on Ad Hoc Project XYZ as follows:

Friday 2/1/2018:	Duration
From 9:00 am until 10:00 am	1 hour
From 10:30 am until 11:52 am	1 hour and 22 minutes
From 1:00 pm until 1:54 pm	0 hour and 54 minutes
Total Time Worked 2/1/2018	3 hours 16 minutes
1. Total Billable Hours for 2/1/2018	3.5 Hours
Monday 2/4/2018:	Duration
From 8:00 am until 5:13 pm with and an hour lunch break	8 hours and 13 minutes
Total Time Worked 2/4/2018	8 hours and 13 minutes
2. Total Billable Hours for 2/4/2018	8.25 Hours
Thursday 2/28/2018:	Duration
From 8:00 am until 1:00 pm	5 hours
Total Time Worked 2/28/2018	5 hours
3. Total Billable Hours for 2/28/2018	5 Hours
Total Billable Hours for Consultant A for worked performed on Ad Hoc Project XYZ during February 2018	16.75 hours (i.e., the sum of 1, 2 and 3 above)

3. OSC shall render payment for invoices under the Contract in accordance with ordinary State procedures and practices. The Contractor shall certify the accuracy of all Contractor invoices prior to their submission to the Department and the Department will make best efforts to process all acceptable invoices within thirty (30) days of their receipt; however, failure to make payment within said timeframe shall not be considered a breach of contract. Timeliness of payment and any interest to be paid to Contractor for late payment shall be governed by Article XI-A of the State Finance Law.

4. Submission of an invoice and payment thereof shall not preclude the Department from reimbursement or demanding a price adjustment in any case where Project Services as delivered is found to deviate from the terms and conditions of the Contract.

5. Charges for Project Services rendered by Contractor personnel shall be based on the Fixed Hourly Rates as set forth in the Contractor’s Cost Proposal. The Fixed Hourly Rates proposed by the Offeror must be inclusive of all direct and indirect costs, overhead expenses, fees and profit. Said rates shall not include travel cost. When travel is directed and required by the Department and prior written approval for such travel has been provided by the Department, the Contractor shall be reimbursed for mileage, lodging and meals at the lower of Contractor rates or the lowest prevailing New York State travel rates. Said travel is anticipated to be minimal.

The Contractor is responsible for keeping adequate records to substantiate any claims for reimbursement by personnel for travel in performance of the services.

6. The Offeror, using the definitions below, must quote Fixed Hourly Rates for each contract year for each of the four (4) Position Titles listed on Exhibit V.A, **Forms 1 through 4**. These Position Titles and the Offeror's quoted Fixed Hourly Rates will be used by the Contractor when billing for Project Services rendered.
- (i) **Principals** – Individuals who have extensive experience and knowledge in benefits management consulting and in designing and analyzing employee benefit plans. Principals generally oversee the management of ad hoc projects and provide guidance but rarely do the actual analysis. Principals must have relevant academic and/or professional qualifications, such as Certified Employee Benefit Specialist (“CEBS”), Fellow in the Society of Actuaries (“FSA”), or Juris Doctor (“JD”).
 - (ii) **Lead Consultants** – Seasoned professionals with extensive experience and knowledge in actuarial and benefits management consulting, including the design and analysis of employee benefit plans of large employers. As such, Lead Consultants must possess a minimum of ten (10) years of experience in analyzing employee benefit plans and have relevant academic and/or professional qualifications, such as Certified Employee Benefit Specialist (“CEBS”), Fellow in the Society of Actuaries (“FSA”), or Juris Doctor (“JD”).
 - (iii) **Consultants** – Mid-level professionals with five (5) to ten (10) years of increasingly responsible analysis experience. Consultants analyze data and form preliminary conclusions and/or recommendations but report to the Lead Consultant for overall direction on each project. They generally will have made progress toward achieving FSA, CEBS, or other academic or professional qualifications.
 - (iv) **Analysts** – Entry level professionals with less than five (5) years of experience. Analysts work under the direct supervision of Consultants or Lead Consultants and are primarily responsible for working with data but not necessarily drawing conclusions or making recommendations. They generally will be working toward FSA, CEBS, or other relevant academic or professional qualifications.

7. Each final deliverable prepared by the Contractor associated with a given task is subject to Department review and acceptance. The Department will evaluate each final deliverable submitted by the Contractor for conformity and compliance to its stated scope, functionality or purpose. Within five (5) Business Days of the Department's receipt of the final deliverable, the Department shall either accept or reject the final deliverable. If the Department rejects a final deliverable, then by close of business on the sixth Business Day, the Department's Contract Manager will notify the Contractor in writing of said rejection and said notice will include a description of the deficiencies noted by the Department that resulted in its decision to reject the final deliverable. At the Department's sole discretion, the Contractor will be provided with an opportunity to correct the deficiency(ies) cited by the Department, and resubmit the final deliverable for Department acceptance within a timeframe established by the Department. Any resubmission of a rejected final deliverable shall include responses to all Department comments, in addition to corrections for the noted deficiencies. Resubmitted final deliverables will likewise be subject to Department acceptance or rejection. The Department's review of resubmitted final deliverable(s) will be limited to changes made to the original final. Within five (5) Business Days of the Department's receipt of the resubmitted final deliverable, the Department shall either accept or reject the resubmitted final deliverable. If the Department rejects a resubmitted final deliverable, then by close of business on the sixth Business Day, the Department's Contract Manager will notify the Contractor in writing of said rejection and said notice will include a description of the deficiencies noted by the Department that resulted in its decision to reject the resubmitted final deliverable. The Department may provide verbal comments to the Contractor during and, in addition to, the formal deliverable review processes described above. If the Contractor does not receive Department approval of a final deliverable or resubmitted final deliverable, if applicable, the Contractor will return any monies paid associated with the task for which the deliverable was prepared. If the Department does not notify the Contractor by close of business on the sixth Business Day of its acceptance or rejection of a final deliverable or resubmitted final deliverable, if applicable, then the final deliverable or resubmitted deliverable, if applicable shall be deemed to have been accepted by the Department.

The Cost Proposal must contain the following information, in the order enumerated below.

Please refer to Exhibit II.I, Utilization Statistics, for hours by Task under the current contract.

Please note that these statistics are informational only and are not guarantees or representations of any levels of past or future performance or participation.

Task #1 – Premium Rate Renewals and Plan Funding Requirements

Offerors must complete and submit RFP Exhibit V.A **Form 1**, entitled, “**Task #1 - Premium Rate Renewals and Plan Funding Requirements.**” The Offeror must quote a Not-To-Exceed Total Cost for each year of the entire term of the Contract for the delivery of Task #1 Project Services as set forth in RFP Section IV.B.1. For each of the four (4) Position Titles listed, the Offeror must quote its proposed Fixed Hourly Rate and the proposed number of hours that each will dedicate to the task for each year. For each year, the Offeror must calculate the Total Projected Cost for each position by multiplying that position’s proposed Fixed Hourly Rate by the proposed number of hours to be dedicated to the Task. The Not-To-Exceed Total Cost for each year shall equal the sum of the five (5) Total Projected Cost amounts. The Offeror must calculate the Five Year Total amount by adding together the five (5) Not-To-Exceed Total Cost amounts.

Task #2 – Quarterly Analysis

Offerors must complete and submit RFP Exhibit V.A, **Form 2**, entitled, “**Task #2 - Quarterly Analysis.**” The Offeror must quote a Not-To-Exceed Total Cost for each of the two (2) quarters’ activities for each year of the entire term of the Contract for the delivery of Task #2 Project Services as set forth the RFP Section IV.B.2. For each of the four (4) Position Titles listed, the Offeror must quote its proposed Fixed Hourly Rate and the proposed number of hours that each will dedicate to the task for each report for each year. For each quarter for each year, the Offeror must calculate the Total Projected Cost for each position by multiplying that position’s proposed Fixed Hourly Rate by the proposed number of hours to be dedicated to the Task. The Not-To-Exceed Total Cost for each year shall equal the sum of the five (5) Total Projected Cost amounts. The Offeror must calculate the Five Year Total amount by adding together the five (5) Not-To-Exceed Total Cost Amounts.

Tasks #3 and #4 – GASB 75 Valuation and Ad Hoc Projects Fixed Hourly Rates

Offerors must complete and submit RFP Exhibit V.A, **Form 3**, entitled, “**Tasks #3 and #4 - GASB 45 Valuation and Ad Hoc Projects Fixed Hourly Rates.**” For each of the four (4) Position Titles listed, the Offeror must quote Fixed Hourly Rates for the entire term of the Contract for the delivery of Task #3 and Task #4 Project Services as set forth in RFP Section

IV.B.3 and Section IV.B.4. These rates will be used by the Parties to negotiate Task #3 task order Total Projected Cost amounts, and Task #4 Ad Hoc Project Total Projected Cost and Ad Hoc Not-To-Exceed Total Cost amounts. As regards Task #3, Offerors are also required to complete Exhibit V.A, **Form 4**, entitled “**Task #3 Projected Hours Per Position Per Activity**” setting forth the projected total number of hours per Position Title per Task #3 activity to complete the task. The number of hours proposed must match the number of hours set forth in Offeror’s Task #3 work plan(s) as set forth in the Offeror’s Technical Proposal submission (see RFP Section IV.B.3).

SECTION VI: EVALUATION AND SELECTION CRITERIA

Proposals determined by the Department to satisfy the submission requirements set forth in Section III of this RFP will be evaluated by the Department and the Division of the Budget (DOB), assisted by any person(s), other than one associated with a competing Offeror, designated by the Department. Proposals will be made available to representatives of State employee unions for review and comment. An Offeror's Proposal may be removed from the evaluation process and not be considered should it be determined that the Offeror did not demonstrate to have met one or more of the Minimum Mandatory Requirements set forth in Section III of this RFP, despite any attestation made by the Offeror regarding the Minimum Mandatory Requirements.

During the evaluation process, the Department may require clarifying information from an Offeror for the purpose of assuring the Department's full understanding of the Offeror's responsiveness to the RFP requirements and the duties and responsibilities set forth therein. This clarifying information must be submitted in writing in accordance with formats set forth in Section II of this RFP and, if submitted timely, shall be included as a formal part of the Offeror's Proposal. Failure to provide required information by the due date set forth in the Department request for clarification may result in rejection of the Offeror's Proposal. Nothing in the foregoing shall mean or imply that it is obligatory upon the Department to seek or allow clarifications provided for herein. The Department may, at its discretion, elect to perform site visits of Offerors facilities and have all Offerors provide oral presentations pertaining to their Proposal. The ABMC Procurement Manager will coordinate the arrangements with Offerors, as necessary.

The Department will consider for evaluation and selection purposes only those Proposals that, as determined by the State, meet the Minimum Mandatory Requirements specified in Section III of this RFP and are responsive to the duties and responsibilities set forth in this RFP. The evaluation will entail the review and scoring of the Offeror's Administrative, Technical, and Cost Proposals. The Technical and Cost evaluation process is based on 1,000 available points with 700 points available to the Technical Proposal and 300 points available to the Cost Proposal (i.e. 70% allocated to the Technical Proposal and 30% allocated to the Cost Proposal). The Technical Proposal and Cost Proposal are evaluated separately and scored as described below.

The Department intends to select the responsive and responsible Offeror whose Proposal offers the best value to the Department and the State as specified in the following evaluation criteria for the purpose of entering into negotiations for the execution of a Contract (i.e., the Agreement).

A. TECHNICAL EVALUATION – 70% OF OVERALL SCORE

The Technical Proposal of those Offerors' that meet the Minimum Mandatory Requirements will be evaluated by the Department, and others deemed appropriate by the Department. Each Offeror's ability and willingness to deliver the Project Services described in this RFP will be evaluated and scored based on a weighted point system. The evaluation of the Offeror's Technical Proposal will be based on that Offeror's written Technical Proposal; responses to clarifying questions, if any; information obtained through reference checks, including specific reference checks made with the Directors' of Employee Benefits at the Department and GOER for any Offeror (contract/Key Subcontractors) who performed services under a contract with the Department and, as deemed necessary by the Department, oral presentation(s) conducted to amplify and/or clarify that Offeror's proposed Technical Proposal; and site visits.

1. Technical Score Ratings

Offerors' Technical Proposals will be evaluated based on the following rating scale and criteria as applied to the Offeror's response to each evaluated requirement, except in the case of performance guarantees. A rating of "excellent" equates to a score of 5 for each evaluated requirement. Each reduction in the ratings results in a one point reduction in the score such that a rating of "poor" equates to a score of 1.

EXCELLENT (5)

The Offeror far exceeds the requirements. The response provided indicates that the Offeror will provide very high quality Project Services and is very pro-active and innovative.

GOOD (4)

The Offeror exceeds the requirements. The response provided indicates that the Offeror will exceed the Program's needs. The Offeror demonstrates some innovative features not shown in typical Proposals.

MEETS CRITERIA (3)

The Offeror meets but does not exceed the requirements. The response provided indicates that the Offeror will meet the Program's needs.

FAIR (2)

The Offeror's response is minimal; or the answer is very general and does not fully address the requirements; or the Offeror meets only some of the requirements.

POOR (1)

The Offeror misinterpreted or misunderstood the requirements; or the Offeror does not answer the requirements in a clear manner, or the Offeror does not address or meet the requirement.

2. Performance Guarantee Ratings

The Offeror's commitment to meet or exceed the standard performance credit amounts, as set forth in this RFP, will be evaluated and scored based on the following rating scale and criteria. A rating of "excellent" equates to a score of 5 for each evaluated Credit Amount. Each reduction in the ratings results in a one point reduction in the score such that a rating of "poor" equates to a score of 1.

Offerors may propose higher credit amounts than those presented in section IV of the RFP, but performance standards (i.e., turnaround times) are pre-established.

a. EXCELLENT (5)

The Offeror's proposed credit amount is one hundred and twenty-five percent (125%) or more of the standard credit amount stated in this RFP.

b. GOOD (4)

The Offeror's proposed credit amount is greater than one hundred percent (**100%**) but less than one hundred and twenty-five percent (**125%**) of the standard performance credit amount stated in this RFP.

c. MEETS CRITERIA (3)

The Offeror's proposed credit amount equals the standard credit amount stated in this RFP.

d. FAIR (2)

The Offeror's proposed credit amount is greater than fifty percent (**50%**) but less than one hundred percent (**100%**) of the standard credit amount stated in this RFP.

e. POOR (1)

The Offeror's proposed credit amount is fifty percent (**50%**) or less of the standard credit amount stated in this RFP regardless of the level of performance as guaranteed by the Offeror.

3. Performance Guarantee Standard Credit Amounts

The performance guarantee credit amount for each Project Task is based on each twenty-four (24) hour period, or part thereof, that a report or final deliverable is not provided to the Department by the due date. Per Section IV.C.b of the RFP, the standard performance guarantee credit amounts for each Project Task are as follows:

1. Task #1: \$3,000
2. Task #2: \$3,000
3. Task #3: Three percent (3%)
4. Task #4: Three percent (3%)

4. Diversity Practices Questionnaire Scoring

The New York State Diversity Practices Scoring Matrix (Exhibit IV.B) permits a maximum weight of ten percent (10%) to be added to the Technical Proposal, which results in 100 points that can be applied to the Offeror's evaluated Technical Proposal. The Total Diversity Score is directly proportional to the number of points that can be added to an Offeror's Technical Proposal (e.g. a total Diversity score of 80 points equals 80 additional points on an Offeror's Technical Proposal). The scoring criteria is outlined below; for responses that fall between the outlined criteria, the evaluator will assign a score within the applicable range.

Criteria and Scoring for each Diversity Practices Question

a. Question 1

Yes - 5 Points will be awarded to affirmative responses that also supply the requisite evidence.

No - 0 Points will be awarded to negative responses, or responses that merely cited the officer without supply the requested evidence.

b. Question 2

Offerors will be scored based upon the percentage of gross revenue paid to MWBEs for the provision of goods and services for their company's clients and customers during the prior fiscal year. Offerors can only supply data from the prior fiscal year relative to MWBEs; data from other fiscal years, other business enterprises, or MWBEs not certified by the State will be disregarded. Points will be awarded based upon the following percentages:

≥ 20% - 20 points

≥ 15 - <20% - 14 points

≥ 10 - <15% - 10 points

≥ 5 - <10% - 6 points

≥ 1 - <5% - 2 points

< 1 % - 0 points

c. Question 3

Offerors will be scored based upon the percentage paid to MWBEs for overhead costs or non-contract related expenses during the prior fiscal year. Offerors can only supply data from the prior fiscal year relative to MWBEs; data from other fiscal years, other business enterprises, or MWBEs not certified by the State will be disregarded. Points will be awarded based upon the following percentages:

- ≥ 20% - 16 points
- ≥ 15 - <20% - 10 points
- ≥ 10 - <15% - 7 points
- ≥ 5 - <10% - 4 points
- ≥ 1 - <5% - 1 point
- < 1% - 0 points

d. Question 4

Offerors will be scored on the number of MWBEs they provided industry specific technical training to, duration of training and total training hours. Training that is general and non-specific to the MWBEs' industry will not be counted.

Robust (16 points) – The Offeror has provided industry specific technical training to 1 or more MWBEs for 2 or more years, with 200 or more hours of training.

Moderate (8 points) - The Offeror has provided industry specific technical training to 1 or more MWBEs for at least 2 years, with between 100-199 hours of training.

Minimum (4 points) - The Offeror has provided industry specific technical training to 1 MWBE for 1 year or less, with 100 hours or less of training.

None (0 points) – The Offeror has not provided industry specific technical training; has provided only examples of general non-industry specific training; or claims to have provided industry specific training but has not provided substantiating documentation.

e. Question 5

Offerors will be scored on the number of MWBEs they are engaged in a government approved mentor protégé program with, the duration of the program, progress and

impact of program, and supplying official governmental documents validating participation (the governmental entity approved program does not have to be through New York State).

Robust (12 points) - The Offeror is engaged in a mentor protégé program with 1 or more MWBEs for 2 or more years, and can provide evidence of substantial progress resulting from the program.

Moderate (8 points) - The Offeror is engaged in a mentor protégé program with 1 or more MWBEs for a duration of 1-2yrs, and can provide evidence of moderate progress resulting from the program.

Minimum (4 points) - The Offeror is engaged in a mentor protégé program with 1 MWBE for 1 year or less, can provide evidence of some progress resulting from the program.

None (0 points) – The Offeror has not engaged in a mentor protégé program; or is engaged in a mentor protégé program that is not approved by a governmental entity; or claims to be engaged in a mentor protégé program but has not provided substantiating evidence.

f. **Question 6**

Offeror will be scored on their current MWBE utilization goal for non-government procurements, level of achievement, and supporting documentation.

Robust (20 points) - The Offeror currently has a 10% goal and has achieved 80% of that goal.

Moderate (12 points) - The Offeror currently has a 7% goal and has achieved 80% of that goal.

Minimum (6 points) - The Offeror currently has a 3% goal and has achieved 80% of that goal.

No (0 points) – The Offeror has not established a goal; or claims to have established a goal but has not provided substantiating evidence.

g. Question 7

Offerors will be scored based upon the program and methods they developed to utilize MWBE suppliers, substantiate MWBE certification, and increase MWBE participants.

Robust (6 points) – The Offeror has established a program with substantial procedures for MWBE verification and outreach.

Moderate (4 points) - The Offeror has established a program with procedures for MWBE verification and outreach.

Minimum (2 points) - The Offeror has established a program with few procedures for MWBE verification and outreach.

No (0 points) – The Offeror has not established a program to utilize MWBE suppliers; or claims to have established a program but has not provided substantiating evidence.

h. Question 8

Offerors will be scored based upon their MWBE utilization plan designed to meet the Department's MWBE goal established for this procurement Section II.B.3

Robust (5 points) – The Offeror's utilization plan is designed to meet 100% of Department's MWBE goal.

Moderate (3 points) - The Offeror's utilization plan is designed to meet 75% of Department's MWBE goal.

Minimum (1 point) - The Offeror's utilization plan is designed to meet 50% of Department's MWBE goal.

No (0 points) – The Offeror does not intend to enter into partnering or subcontracting agreements with New York State certified MWBEs; or does not provide any evidence of intent.

5. Allocation of Technical Score Points

a. Corporate and Account Team Experience – 40% of Technical Score

Offerors will be rated on various components of Plan management including the Offeror's qualifications, executive summary, account team, and Plan implementation plan.

b. Project Services – 50% of Technical Score

Offerors will be rated on their responses to the required submissions listed under Tasks #1 through #4. .

c. Performance Guarantees – 10% of Technical Score

Offerors will be rated on their proposed Performance Guarantees.

6. Technical Scoring

The Offerors' Technical Proposal will be evaluated independently by multiple evaluators based on pre-established Evaluation Criteria. Individual scores will then be averaged. The average score for each response shall be applied to the points associated with each evaluated requirement such that an average score of "Excellent" for each evaluated requirement will result in a maximum of 1,000 points. The Offerors have the potential of earning an additional 100 points applied to their evaluated Technical Proposal based on their responses to the Diversity Practices Questionnaire, resulting in a maximum score of 1,100 points. The points associated with each evaluated requirement are totaled for each Offeror and will then be converted to a score such that the Offeror with the highest point total will receive a Technical Score of 700; the highest Technical Score. As calculated by the ABMC Procurement Manager, all other evaluated Technical Proposals will be awarded a Technical Score at a reduced level calculated in accordance with a pre-determined formula as set forth in the Evaluation Criteria. Technical Scores awarded will be proportional to the evaluated Technical Proposal with the highest point total. The awarded Technical Scores are calculated to the hundredth decimal place.

B. COST EVALUATION - 30% OF OVERALL SCORE

The Cost Proposal of those Offerors that meet the Minimum Mandatory Requirements will be evaluated by the Department, and others as deemed appropriate by the Department. The Department will calculate a Cost Score for each Offeror based on the evaluated Total Project Cost for the five-year period, January 1, 2018 to December 31, 2022.

The Total Project Evaluated Cost is the sum calculated by the Department of the Total Calculated Cost for Task #1, the Total Calculated Cost for Task #2, and Total Calculated Cost for Tasks #3 and #4. These three (3) amounts will be determined as follows:

1. The Total Calculated Cost for Task #1 shall be taken from the Offeror's "Task #1 – Premium Rate Development" submission - Exhibit V.A, **Form 1**. The Total Calculated Cost for Task #1 shall equal the Task #1 Five Year Total amount as proposed therein.
2. The Total Calculated Cost for Task #2 shall be taken from the Offeror's "Task #2 – Quarterly Analysis" submission - Exhibit V.A, **Form 2**. The Total Calculated Cost for Task #2 shall equal the Task #2 Five Year Total amount as proposed therein.
3. The Total Calculated Cost for Task #3 shall be calculated using the Offeror's Fixed Hourly Rates as quoted by the Offeror on its "Task #3 and #4 – GASB 75 Valuation and Ad Hoc Projects Fixed Hourly Rates" Exhibit V.A, **Form 3** submission AND the projected hours per position per year amounts as proposed by the Offeror on its "Task #3 Projected Hours Per Position Per Task Per Activity" – Exhibit V.A, **Form 4** submission.
4. The Total Calculated Cost for Task #4 shall be calculated by the Department using the Offeror's proposed Fixed Hourly Rates as quoted by the Offeror on its "Task #3 and #4 – GASB 75 Valuation and Ad Hoc Projects Fixed Hourly Rates" Exhibit V.A, **Form 3** submission and estimated normalized hours for Ad Hoc Projects as pre-determined by the Department.
5. The Department shall calculate each Offeror's Total Plan Cost as the sum of 1 through 4 above. That Offeror's Proposal with the lowest calculated Total Plan Cost will be awarded a Cost Score of three hundred (300). The Cost Score awarded to all other Offerors shall be based on a pre-established formula such that the Cost Scores awarded will be proportional to the evaluated costs. The Cost Scores shall be calculated to the hundredth decimal place.

C. TOTAL COMBINED SCORE OF TECHNICAL AND COST

The Total Combined Score shall represent the Technical Score plus the Cost Score.

D. Best Value Determination

The Department shall select, and enter into negotiations for the purpose of executing a contract, with the responsive and responsible Offeror with the highest Total Combined Score. If an Offeror's Total Combined Score is equal to or less than one (1) point below the highest Total Combined Score, that Offeror's proposal will be determined to be substantially equivalent to the Offeror holding the highest Total Combined Score. Among any Offeror Proposals deemed substantially equivalent, the Department shall select the Offeror that has the highest Cost Score calculated pursuant to Section VI.B.3. of this RFP to enter into negotiations for the purpose of executing a contract.

Please note that the terms in Appendix A, Standard Clauses for All New York State Contracts, Appendix B, Standard Clauses for all Department Contracts, Appendix C, Third Party Connection and Data Exchange Agreement, C-1, Information Security Standards, Appendix D – Participation by Minority Group Members and Women With Respect to State Contracts: Requirements and Procedures, Appendix D-1 – Minority and Women-Owned Business Enterprises – Equal Employment Opportunity Policy Statement, and Appendix D-2 – MWBE Utilization Reporting Responsibilities under Article 15-A are ***not*** subject to negotiation.

If the Department determines that Contract negotiations between the Department and the selected Offeror are unsuccessful, the Department may invite the Offeror with the next highest Total Combined Score to enter into negotiations for purposes of executing a contract. Prior to negotiating with the Offeror with the next highest Total Combined Score, the Department will notify the Offeror originally selected and provide the date when negotiations shall cease should an agreement not be reached. Scores will not be recalculated for any remaining Offerors should Contract negotiations between the Department and the selected Offeror be unsuccessful because of material differences in key provision(s).

SECTION VII: CONTRACT PROVISIONS

AGREEMENT NO. C000XXX

THIS Agreement is entered into by and between New York State Department of Civil Service (“Department” or “DCS”), having its principal office at the Empire State Plaza, Agency Building 1, Albany, NY, 12239 and **[enter firm’s name]** (“Contractor”), a corporation authorized to do business in the State of New York with a principal place of business located at **[enter address]**, and collectively hereinafter referred to as “the Parties.”

WITNESSETH

WHEREAS, New York State, through the Department, oversees the New York State Health Insurance Program (“NYSHIP”) for New York State employees and retirees and their dependents; and

WHEREAS, NYSHIP is administered by the President of the New York State Civil Service Commission, who also serves as the Commissioner of the Department (“President”), subject to New York State laws and regulations including the Civil Service Law, the State Finance Law Article XI, and their respective implementing regulations; and

WHEREAS, on April 5, 2017, the Department of Civil Service issued a Request for Proposal (RFP) entitled, “Actuarial and Benefits Management Consulting Services” to secure the services of a qualified organization to provide actuarial and benefits management consulting services to the Employee Benefits Division (“EBD”) of the Department for use in the administration of NYSHIP and other benefits administered by the Department (“Project” or “Project Services”); and

WHEREAS, after thorough review and evaluation by the State of Proposals received in response to the RFP, the Contractor’s Proposal was selected as representing the best value to the State of New York; and

WHEREAS, the Department, in reliance upon the expertise of the Contractor, desires to engage the Contractor to deliver Project Services, in the manner set forth in the RFP and the Contractor’s Proposal, pursuant to the terms and conditions set forth in the Agreement;

THEREFORE, the Parties agree as follows:

ARTICLE I: DEFINITION OF TERMS

- 1.10 **Affiliate** means a person or organization which, through stock ownership or any other affiliation, directly, indirectly, or constructively controls another person or organization, is controlled by another person or organization, or is, along with another person or organization, under the control of a common parent.
- 1.2.0 **AG** means the New York State Attorney General's Office.
- 1.3.0 **Agreement or Contract** means the Agreement entered into between the Parties resultant from this RFP.
- 1.4.0 **Benefits Option Transfer Period** means the period of time (usually November) of each year when employees and retirees are allowed to change from one health insurance option to another.
- 1.5.0 **Best Value** means the basis for awarding a contract for services to a responsible and responsive Offeror, who can best optimize quality, cost and efficiency.
- 1.6.0 **Business Day(s)** means Monday through Friday, except for those designated as Business Holidays.
- 1.7.0 **Business Holiday(s)** means legal Holidays observed by the State.
- 1.8.0 **Calendar Year/Annual** means a period of 12 months beginning with January 1 and ending with December 31.
- 1.9.0 **Commissioner** means the Commissioner of the New York State Department of Civil Service.
- 1.10.0 **Contract or Agreement** means the Agreement entered into between the Parties resultant from this RFP.
- 1.11.0 **Contract Effective Date** means the date that the Agreement is approved by the New York State Office of the State Comptroller.

- 1.12.0 **Contractor** means the successful Offeror selected as a result of the evaluation of Offeror's Proposals submitted in response to this RFP and who executes a Contract with the Department to provide Project Services.
- 1.13.0 **CSL** means New York State Civil Service Law.
- 1.14.0 **Day(s)** means calendar Days unless otherwise noted.
- 1.15.0 **Department or DCS** means the New York State Department of Civil Service.
- 1.16.0 **DOB** means the New York State Division of the Budget.
- 1.17.0 **EEO** means the Federal Equal Employment Opportunities Act.
- 1.18.0 **Empire Plan** means the self-funded, experience-rated health plan administered by the NYS Department of Civil Service to provide health insurance benefits for the employees, retirees and eligible dependents of New York State and NYSHIP Participating Agencies and Participating Employers. It has four components, the Medical Program, the Hospital Program, the Managed Mental Health and Substance Abuse Program, and the Prescription Drug Program.
- 1.19.0 **Employee Benefits Division (EBD)** means
- 1.20.0 **ET** means prevailing Eastern Time.
- 1.21.0 **GOER** means the New York State Governor's Office of Employee Relations.
- 1.22.0 **HIPPA** means Health Insurance Portability and Accountability Act of 1996, as amended.
- 1.23.0 **HMO** means one of the Health Maintenance Organizations which participate in the New York State Health Insurance Program.
- 1.24.0 **Joint Labor Management Committee (JLMC)** means a committee consisting of representatives of NYS' collective bargaining units, the Department of Civil Service (DCS), and the Governor's Office of Employee Relations (GOER) which is charged with the responsibility to cooperatively develop and oversee administration of health

care programs for State-represented employees and to make mutually agreed upon changes to health insurance plan benefits.

- 1.25.0 **Key Subcontractor(s)** means those vendors with whom the Contractor subcontracts to provide Project Services and incorporates as a part of the Contractor's Project Team. Key Subcontractors include all vendors who will provide \$100,000 or more in Project Services over the term of the Agreement that results from this RFP, as well as any vendor who will provide Project Services in an amount lower than the \$100,000 threshold, and who is a part of the Contractor's account team.
- 1.26.0 **Labor Agreement(s)** means the negotiated collective bargaining agreements between the State and the Security Services Unit (represented by NYSCOPBA), the Security Supervisors Unit (represented by Council 82, AFSCME, AFL-CIO), the Agency Police Services Unit (represented by Council 82, AFSCME, AFL-CIO), and the Professional Services Negotiating Unit (represented by United University Professions). For purposes of this RFP, this term also includes the agreements between the State and the State Police Troopers Unit [represented by the Police Benevolent Association of New York State Troopers, Inc. (PBA)], the State Police Investigation Unit [represented by the NYS Police Investigators Association (NYSPIA), Local 4, I.U.P.A., AFL-CIO] and the State Police Commissioned/ Non-Commissioned Officers Unit [represented by the Police Benevolent Association of New York State Troopers, Inc. (PBA)].
- 1.27.0 **MWBE** means Minority-and Women-Owned Business Enterprises.
- 1.28.0 **New York State Health Insurance Program (NYSHIP)** means the health insurance program established by NYS to provide health insurance protection to employees, retirees and eligible dependents of New York State and Participating Agencies and Participating Employers. The program is administered by the NYS Department of Civil Service. NYSHIP provides health insurance coverage through the Empire Plan, Health Maintenance Organizations (HMOs); and the Student Employee Health Plan (SEHP).
- 1.29.0 **NYBEAS** means the New York Benefits Eligibility & Accounting System, a computerized enrollment system utilized by the Department for the administration of employee benefits.

- 1.30.0 **NYS or State** means the State of New York (including the New York State Department of Civil Service).
- 1.31.0 **Offeror** means any responsible and eligible entity submitting a responsive Proposal to the RFP. It shall be understood that references in the RFP to “Offeror” shall include said entity’s proposed Key Subcontractor or Affiliates, if any.
- 1.32.0 **OSC** means the New York State Office of the State Comptroller.
- 1.33.0 **Participating Agency (PA)** means any unit of local government such as school districts, special districts, or district or municipal corporations that elects with the approval of the President of the Civil Service Commission, to participate in the New York State Health Insurance Program.
- 1.34.0 **Participating Employer (PE)** means any public authority, public benefit corporation, or other agency subdivision or quasi-public organization of NYS that elects, with the approval of the President of the Civil Service Commission, to participate in the New York State Health Insurance Program.
- 1.35.0 **Plan** means the Empire Plan
- 1.36.0 **Plan Sponsor** means the Council on Employee Health Insurance which is composed of the President of the Civil Service Commission, Director of the Governor’s Office of Employee Relations, and the Director of Division of the Budget.
- 1.37.0 **Plan Year** means the period from January 1 to December 31 of each year, unless specified otherwise by the Department.
- 1.38.0 **President** means the President of the Civil Service Commission who is also the Commissioner of the Department.
- 1.39.0 **Project Services** means the entire scope of actuarial and benefits management services to be provided by the Contractor pursuant to the terms and conditions of the Agreement.

- 1.40.0 **Project Management Team** means the Contractor and those Key Subcontractors, if any, utilized by the Contractor who collectively undertake and perform the Project Services which are the subject of the Agreement.
- 1.41.0 **Proposal or Submissions** means the Contractor's Administrative Proposal, Technical Proposal and Cost Proposal, including all responses to supplemental requests for clarification, information, or documentation submitted during the course of the Procurement.
- 1.42.0 **RFP or Procurement** means the Request for Proposals, entitled "Actuarial and Benefits Management Consulting Services," dated April 5, 2017
- 1.43.0 **State** means the State of New York.
- 1.44.0 **Student Employee Health Plan (SEHP)** means a health insurance plan for graduate student employees of the New York State University and the New York City University systems that provides benefits through the various Empire Plan Insurance Contracts. Like the Empire Plan, SEHP includes hospital, medical, managed mental health and substance abuse benefits, and prescription drug benefits, SEHP is administered by the New York State Department of Civil Service, Employee Benefits Division.

ARTICLE II: AGREEMENT DURATION AND AMENDMENTS

- 2.1.0 The Agreement is for the five-year period commencing on January 1, 2018 and continuing through and including December 31, 2022, subject to approval by the AG and the OSC.
- 2.2.0 The Agreement is subject to amendment(s) only upon mutual consent of the Parties, reduced to writing and approval by the AG and OSC.

ARTICLE III: INTEGRATION

- 3.1.0 This Agreement, including all Exhibits, copies of which are attached hereto and incorporated by reference, constitutes the entire Agreement between the Parties. All prior Agreements, representations, statements, negotiations, and undertakings are superseded hereby.

- 3.2.0 All statements made by the Department shall be deemed to be representations and not warranties.

ARTICLE IV: DOCUMENT INCORPORATION AND ORDER OF PRECEDENCE

- 4.1.0 The Agreement consists of:
- 4.1.1. The body of the Agreement (that portion preceding the signatures of the Parties in execution) and any amendments thereto;
 - 4.1.2 Appendix A - Standard Clauses for all New York State Contracts
 - 4.1.3. Appendix B – Standard Clauses for all Department of Civil Service Contracts;
 - 4.1.4 Appendix C – Third Party Connection and Data Exchange Agreement; and Appendix C-1 – ITS-AGS Information Security;
 - 4.1.5 Appendix D – Participation by Minority Group Members and Women With Respect to State Contracts: Requirements and Procedures; Appendix D-1 - Minority and Women-Owned Business Enterprises-Equal Employment Opportunity Policy Statement; and Appendix D-2 - MWBE Utilization Reporting Responsibilities under Article 15-A;
 - 4.1.6 The following Exhibits attached and incorporated by reference to the body of the Agreement:
 - 4.1.6a Exhibit A: which includes the MacBride Act Statement; and the Non-Collusive Bidding Certification;
 - 4.1.6b Exhibit B: the Request for Proposals entitled, “Actuarial and Benefits Management Consulting Services,” dated April 5, 2017, and Exhibit B-1, the official Department response to questions raised concerning the RFP;
 - 4.1.6c Exhibit C: the Contractor’s Proposal and Exhibit C-1: written responses to clarifying questions regarding the Contractor’s Proposal; and

4.1.6d Exhibit D: Contractor's Fee Schedules

4.1.7 In the event of any inconsistency in, or conflict among, the document elements of the Agreement identified above, such inconsistency or conflict shall be resolved by giving precedence to the document elements in the following order:

4.1.7a First, Appendix A - Standard Clauses for All New York State Contracts;

4.1.7b Second, Appendix B – Standard Clauses for All Department of Civil Service Contracts;

4.1.7c Third, Appendix C – Third Party Connection and Data Exchange Agreement; Appendix C-1 ITS-AGS: Information Security

4.1.7d Fourth, Appendix D: Participation by Minority Group Members and Women With Respect to State Contracts: Requirements and Procedures; Appendix D-1 Minority and Women-Owned Business Enterprises-Equal Employment Opportunity Policy Statement; and Appendix D-2: MWBE Utilization Reporting Responsibilities under Article 15-A;

4.1.7e Fifth, any Amendments to the body of the Agreement;

4.1.7f Sixth, the body of the Agreement;

4.1.7g Seventh, Exhibit A: which includes the MacBride Act Statement; and the Non- Collusive Bidding Certification; and

4.1.7h Eighth, Exhibit B: the Request for Proposals entitled, “Actuarial and Benefits Management Consulting Services,” dated April 5, 2017, and Exhibit B-1, the official Department response to questions raised concerning the RFP;

4.1.7i Ninth, the Contractor's Proposal and Exhibit C-1: written responses to clarifying questions regarding the Contractor's Proposal; and

4.1.7j Tenth, Exhibit D: Contractor's Fee Schedules

- 4.2.0 The terms, provisions, representations, and warranties contained in the Agreement shall survive performance hereunder.

ARTICLE V: LEGAL AUTHORITY TO PERFORM

- 5.1.0 The Contractor represents that the Contractor possesses the legal authority to perform Project Services in accordance with the terms and conditions of the Agreement.
- 5.2.0 The Contractor shall maintain appropriate corporate and/or legal authority, which shall include but is not limited to the maintenance of an administrative organization capable of delivering Project Services in accordance with the Agreement and the authority to do business in the State of New York or any other governmental jurisdiction in which the Project Services are to be delivered.
- 5.3.0 The Contractor shall provide the Department with immediate notice in writing of the initiation of any legal action or suit which relates in any way to the Agreement or which may affect performance of the Contractor's duties under the Agreement.

ARTICLE VI: PROJECT SERVICES

- 6.1.0 During the term of the Agreement, the Contractor will be responsible for the performance of those services/tasks as described herein this Article VI of the Agreement and any and all other Project Services as referenced in the RFP.
- 6.2.0 Task #1 - Premium Rate Development. Currently, each year, the Department develops Empire Plan premium rates based on recommendations made by the Empire Plan vendors for each of the Plan's component contracts, specifically the Empire Plan's Hospital, Medical; Mental Health and Substance Abuse and Prescription Drug contracts. These rates are subject to the approval of the New York State Division of Budget ("DOB"). Since Empire Plan is self-funded, the Department seeks assistance from the Contractor in the review of the reasonableness of the vendors' rate recommendations ("Task #1"). During the term of the Agreement, one or more of the Empire Plan contracts may be merged into a single contract.

Rate analysis to be performed by the Contractor shall focus primarily on each vendor's projected aggregate experience and the justification provided by the vendors to support their trend projections and/or premium recommendations. As part of this task,

the Contractor will also evaluate the costs and/or savings associated with any Plan revisions, which may be implemented in the coming Plan Year..

During the term of the Agreement, the Contractor shall:

- 6.2.1 Submit a Task #1 work plan to the Department prior to the beginning of the rate renewal process for the upcoming Plan Year. This Task #1 work plan must be submitted to the Department not later than July 1 and it must be acceptable to the Department. The first Plan Year under the Agreement will begin on January 1, 2019, and, as such, the first Task #1 work plan under the Agreement is due on July 1, 2018;
- 6.2.2 Submit to the Department the Contractor's independent premium rate estimates not later than August 31 of each year of the Agreement;
- 6.2.3 Review and provide a written evaluation of the Empire Plan vendors' rate proposals. This will include a review of all factors used by the vendors to determine premium requirements including, but not limited to, projected paid and incurred claims, vendor retention, and any deficit recoupment load. A preliminary report will be due on September 20 with the final written report due on October 15 unless extended by the Department;
- 6.2.4 Provide written commentary on the Empire Plan vendors' premium rate development and projections to the Department.
- 6.2.5 Support the Department in its analysis of the Empire Plan rates submitted by the vendors, including attendance at and participation in meetings over a two-day period as deemed necessary by the Department;
- 6.2.6 Assist the Department in presenting rate proposals to GOER, DOB, the Joint Labor Management Committee, and other entities, as the Department deems necessary. At least one (1) all day presentation meetings are anticipated annually as part of the Rate Renewal process. (Note: While the Contractor may be called upon to make presentations to or brief other NYS entities involved in the NYSHIP, the Department's EBD is the "client," and as such, the Contractor will contract with and be accountable to DCS' EBD staff.);

- 6.2.7 Support the Department by providing comparative analyses, as requested, using data of other large employers;
- 6.2.8 Submit a final written report with recommendations on the proposed rates (i.e., the final “Benefits Management Consultant Final Report and Recommendations” report);
- 6.2.9 Ensure that principal project staff is available to EBD management for ad hoc discussion of any aspect of Task # 1 throughout the Rate Renewal process; and
- 6.2.10 Participate in and adhere to the following Rate Renewal process and cycle:

Date (Note: All dates shown are on or about)	Rate Renewal Process activity
July 1	The Contractor submits its Task #1 work plan for the upcoming Plan Year.
Early-August	The Department sends each Benefit Provider a rate renewal call letter which outlines the minimum documentation required to support the rate requests and anticipated rate adjustments. See Exhibit II.G entitled “Sample Call Letter” for a sample call letter.
August 31	Contractor develops and submits independent premium rate estimates (i.e., “Benefits Management Consultant Independent Experience Projections and Premium Requirements” report).
August 31	The vendors submit rate renewal proposals and supporting documentation to the Department and the Contractor.
Beginning in the 1st week of September and continuing throughout the Rate Renewal process	The Department and the Contractor work together to ensure consistent understanding of the vendors’ rate renewal proposals and discuss and identify issues and questions which may need further clarification by the vendors.
2nd week of September	Vendors brief the Health Insurance Council staff and Contractor on

	their rate renewal proposals.
September 20	Contractor provides comment to the Department in regard to the vendors' rate renewal proposals.
3rd week of September through period prior to finalization of rate recommendations	The Department, with the assistance of the Contractor, discusses any recommended adjustments to the proposed rates.
1st week of October	The Department and the Contractor brief the Joint Labor Management Committee regarding the vendors' rate renewal proposals (During this same meeting, the vendors also brief the committee on their respective proposals).
October 15	Contractor submits its final written report and recommendations to the Department (i.e., final "Benefits Management Consultant Final Report and Recommendations" report).
October 15	The Department submits health insurance rates to the Division of the Budget for approval.
October 23	The Division of the Budget approves rates.
November	Benefits Option Transfer Period*
November 15	The Department loads approved rates into its computerized accounting system (NYBEAS) and notifies all participants of rate change.
January 1	Effective date of approved rates.

*The Contractor has no role in NYS' annual option transfer activities, nor will the Contractor be called upon to develop or review associated employee communication materials as a Task #1 responsibility.

6.3.0 Task #2 – Quarterly Analysis. During the term of the Agreement, the Contractor shall:

6.3.1 Review and prepare comments on the Empire Plan vendors' first and fourth quarter reports. Said quarterly reports are based on calendar year; the 1st quarter is January through March and the 4th quarter is October through December. The required reviews will be conducted twice per calendar year, during April/May for the 1st quarter reports and January/February for the 4th quarter reports.

6.3.2 Provide a written report of its review of each of the vendors' reports (vendor reports are due no later than the 23rd day of the month following the last month of the quarter under review). The report shall include the Contractor's assessment of the reasonableness of the vendors' projected current year experience and projected rates for the subsequent year, the Contractor's projected annual claim amount by vendor for the calendar year (January 1 – December 31), and the Contractor's observed and projected trends, including any other factors that may impact the projected incurred claims experience. Final copy of the required report ("Quarterly Contractor Commentary Report") must be submitted to the Department within forty-five (45) calendar days from the end of the quarter under review. These reports must be acceptable to the Department.

6.4.0 Task #3 – GASB 75 Valuation. Governmental Accounting Standards Board Statement No. 75 ("GASB 75") addresses Other Postemployment Benefits ("OPEB") by state and local governments. In accordance with the requirements set forth in GASB 75, the Contractor shall perform an actuarial valuation and develop related reports for the benefit of the Department. In addition to the OPEB of State employees, the valuation must include the OPEB for employees of State University of New York ("SUNY") Campuses, Hospitals and Construction Fund for the various differing fiscal years that will ultimately roll up into the fiscal year financial statements of New York State for the year under review. The NYSHIP Participating Employers (PEs) and Participating Agencies (PAs) are not included in the valuation; however, they each receive a report that presents the actuarial assumptions that were used in NYS' valuation as guidance to assist them in preparing their own valuations.

The scope of the valuation is limited to post-retirement healthcare benefits. The State administers other benefits (e.g. dental and life insurance) for retirees, but there is no employer cost sharing.

The valuation must take into account factors and assumptions related to, but not limited to, the following:

- NYSHIP plan provisions, which may be impacted by negotiated changes and vary by bargaining group;

- Relationship of the health care benefits provided and the eligibility criteria under which those benefits are provided;
 - Census data (data on both active enrollees as well as non-active enrollees, i.e. retirees, dependent survivors, and vestees) provided to the Contractor by the Department;
 - Demographic assumptions based on experience under the New York State & Local Retirement System, Police and Fire Retirement System, and the New York State Teachers' Retirement System;
 - Premium rates, provided by the Department;
 - Retiree premium contributions can be reduced based on the value of the retiree's unused sick leave credit at the time of retirement (converted to a fixed monthly credit);
 - Retiree claim and enrollment data provided by the Department and the Empire Plan vendors (Note: this is detailed claim data and related enrollment data specific to non-active enrollees).
 - Medicare is assumed to be the primary payor for current and future retirees and dependents age 65 and over and also for retirees and/or dependents under age 65 who are Medicare eligible due to qualifying disability;
 - NYSHIP requires enrollment in Medicare Parts A and B when an individual first becomes eligible for Medicare coverage. NYSHIP reimburses enrollees for the cost of the Medicare Part B premium (excluding any penalty for late enrollment) for Medicare eligible enrollees and their Medicare eligible dependents; and
 - Medicare retirees in the Empire Plan receive their prescription drug coverage through an Employer Group Waiver Plan (EGWP) and the Empire Plan provides wrap coverage.
- 6.4.1 Task #3 Activities Timelines/Due Dates. As described in further detail below, the Contractor shall produce, by May 31, 2019, the first annual valuations for the State, SUNY, and SUNY Construction Funds for the fiscal years as noted below. The first Valuation to be performed by the Contractor shall be as of April 1, 2018. The valuation due date is currently based on a March 31st measurement date as selected by New York State for the valuation. The valuation reporting due dates are subject to change should the reporting requirements for State, SUNY or the SUNY Construction Fund change .The

Valuation shall be performed in accordance with the Contractor’s actuarial assumptions as set forth in the Contractor’s NYS/SUNY Actuarial Assumptions Report which is due not later than April 30, 2019. During the term of the Agreement, the Contractor shall perform, at a minimum, four valuations in accordance with the schedule set forth in the table:

Report Name	Due Date	Deliverable During Contract Year
April 1, 2018 Valuation	5/31/2019	Year 2
April 1, 2019 Valuation	5/31/2020	Year 3
April 1, 2020 Valuation	5/31/2021	Year 4
April 1, 2021 Valuation	5/31/2022	Year 5

6.4.2 During the term of the Agreement, the Contractor shall:

6.4.2.1 Provide Task #3 related support to the Department, on an as needed basis, in areas including, but not limited to, assisting the Department in:

- (a) Responding to requests for information from DOB, SUNY and/or OSC;
- (b) Preparation for legislative testimony; and
- (c) Responding to questions on completed valuation(s) posed by auditors contracted to audit NYS’ financial records.

6.4.2.2 Perform an actuarial valuation of NYS’ and SUNY’s OPEB on an annual basis and produce a comprehensive report by May 31 following the valuation (“Valuation Report”). The first Valuation to be performed by the Contractor under the Agreement (“2018 Valuation”) shall be as of April 1, 2018 for employers’ Financial Statement as follows:

Employer	Financial Statements for the year ending
NYS (excluding all of SUNY)	3/31/2020
SUNY Campus	6/30/2019
SUNY Stony Brook Hospital	6/30/2019
SUNY Brooklyn Hospital	6/30/2019
SUNY Syracuse Hospital	6/30/2019
SUNY Construction Fund	3/31/2019

The results of 2018 Valuation shall be set forth in the Contractor's 2018 Valuation Report.

6.4.2.3 The Contractor must produce a report that presents the actuarial assumptions the Contractor will use for the Valuation along with the rationale for those assumptions ("NYS/SUNY Actuarial Assumptions Report"). The NYS/SUNY Actuarial Assumptions Report associated with the 2018 Valuation is due not later than April 30, 2019.

6.4.2.4 Provide two (2) reports by April 30th following the Valuation year, that present the actuarial assumptions used for NYS' Valuation, one for distribution to PEs ("PE Actuarial Assumptions Report") and the other to PAs ("PA Actuarial Assumptions Report"), to provide assistance in performing their GASB 75. The two reports associated with the 2018 Valuation are due no later than April 30, 2019.

6.5.0 Task #4 – Ad Hoc Consulting Services. During the term of the Agreement, the Contractor shall:

6.5.1 The Contractor shall be expected to provide the Department with a full range of ad hoc benefit consulting services. In its delivery of ad hoc services, the Contractor's analysis should consider and make use of the most current employee benefit data and information in the marketplace. The Contractor shall be expected to possess and/or obtain and make available to the Department a full breadth of benefit consulting services, including such areas as:

- plan design consulting,
- provider network access analysis,
- provider network discount analysis,
- consulting on vendor procurements,
- regulatory monitoring and compliance guidance,
- risk management,
- quality care programs;
- wellness programs,

- disease management
- performance based contracting
- advanced primary care
- total cost of care modeling
- analytical support
- discount analysis

6.5.2 The Contractor shall, as requested by the Department on a case-by-case basis, be expected to routinely analyze and prepare comprehensive cost and benefit analysis (“Ad Hoc Consulting Services Projects” or “Ad Hoc Projects”). Such Ad Hoc Projects often must be undertaken and completed within very limited timeframes; frequently within 2-3 days of the request and, on occasion, within a twenty-four (24) hour period for certain high priority tasks. The Contractor shall be required to submit final deliverable(s) required for completion of an Ad Hoc Project within timeframes mutually agreed upon by the Department and the Contractor.

6.5.3 Provide a full range of benefit consulting services, including, but are not limited to:

6.5.3.1 Assisting the Department with the analysis, design and/or review of solicitation instruments (e.g., requests for proposals) and their associated evaluation criteria developed by the Department for any of the benefit programs administered by the Department and/or the evaluation of specified proposals received in regard thereto;

6.5.3.2 Providing the Department with analysis of federal and state legislative proposals, including advice on compliance with such legislation;

6.5.3.3 In addition to those services required by Task #1 for Empire Plan Rate Renewal activities, assisting the Department with benefit and premium renewal activities for any of the other benefit programs administered by the Department;

6.5.3.4 In addition to those services required by Task #3 for GASB 75 Valuation, assisting the Department with any actuarial valuations;

6.5.3.5 Providing recommendations regarding proposed benefit/plan design changes;

6.5.3.6 Performing cost/savings analyses of collectively bargained plan changes; and

6.5.3.7 Reviewing vendors contract provisions and provide recommendations.

6.6.0 Ad Hoc Projects With Not-To-Exceed Total Costs. The Parties will, depending upon the breadth and scope of services sought or the nature and or duration of a given Ad Hoc task to be undertaken, either pay the Contractor for the required Ad Hoc services on a time and material basis based on the Fixed Hourly Rates as set forth in the Contractor's Cost Proposal for actual hours worked or negotiate either an Ad Hoc Project Not-To-Exceed Total Cost or an Ad Hoc Project Total Projected Cost amount to undertake and complete each Ad Hoc Project. The negotiated amount will be based on the Contractor's proposed Ad Hoc Project work plan, as approved by the Department and the Contractor's Fixed Hourly Rates as set forth in its Cost Proposal.

ARTICLE VII: PERFORMANCE GUARANTEES

7.1.0 The Parties agree that the following guarantees and the corresponding penalty(ies) for failure to meet the guarantee shall be implemented effective January 1, 2018. The Contractor acknowledges and agrees that failure to perform a task(s) in such a manner which either meets or exceeds any and/or all of the associated Performance Guarantee(s) as set forth in Article VII of the Agreement and/or fails to make any payment(s) of any such penalty(ies) for such failure to meet any Performance Guarantee(s) does not relieve the Contractor of the performance of the activities, duties and obligations as otherwise set forth in the Agreement. Payment for failure to meet the Turnaround Guarantees shall take the form of a credit against the associated task for which payment was due.

7.1.1 Turnaround Time Guarantees – Task #1.

The Contractor guarantees to support the Department during the Premium Renewal Process, including performing the timely completion and submittal of reports and final deliverables as specified in RFP Section IV.B.1. The

Contractor guarantees it will adhere to the timeline included in the final work plan, provided that the required electronic data is received by the Contractor from all carriers by July 15th of each renewal cycle and the carrier renewals are received by no later than the first week in September. If the Contractor does not receive the data and/or renewals by the specified dates, different due dates shall be agreed upon in writing by the Parties and guaranteed by the Contractor. If the Contractor fails to meet this guarantee, then for each twenty-four (24) hour period, or part thereof, that a Task #1 report or final deliverable is not provided to the Department by the report(s)/deliverable(s)' due date, the Contractor shall pay the Department \$**[TBD]** per day, until such time that the report(s)/deliverable(s) is provided to the Department. The aggregate total penalty amount shall not exceed the actual cost incurred by the Contractor in its performance of the associated Task #1 activity.

7.1.2 Turnaround Time Guarantees – Task #2.

The Contractor guarantees that Quarterly Contractor Commentary Reports will be provided in accordance with the requirements set forth in RFP Section IV.B.2, no later than forty-five (45) calendar days from the end of the quarter under review, provided that the required electronic data is received by the Contractor from all carriers within fifteen (15) days of the close of the quarter, and the carrier reports within twenty-three (23) days of the close of the quarter. If the Contractor does not receive the data and/or carrier reports by the specified dates, the due date shall be extended by one day for each day the data and/or carrier reports are late. If the Contractor fails to meet this guarantee, then for each twenty-four (24) hour period, or part thereof, beyond a given Quarterly Contractor Commentary Reports' due date that the final Quarterly Contractor Commentary Reports is not provided to the Department by the Contractor, the Contractor shall pay the Department \$**[TBD]** per day, until such time as the required final Quarterly Contractor Commentary Reports are provided to the Department. The aggregate total penalty amount shall not exceed the actual cost incurred by the Contractor in its performance of the associated Task #2 activity.

7.1.3 Turnaround Time Guarantees – Task #3.

The Contractor guarantees that GASB 75 valuation services and the five (5) required reports will be provided in accordance with the requirement set forth in RFP Section IV.B.3 and that other specified deliverables as requested by the Department in fulfillment of GASB obligations will be provided in accordance with due dates specified in the annual Task #4 task order negotiated by the Parties, as may be amended by a Department approved Change Order Request(s). If the Contractor fails to meet this guarantee, then for each twenty-four (24) hour period, or part thereof, beyond the due date for a given Task #3 report, as specified in the annual Task #4 task order negotiated by the Parties, as may be amended by a Department approved Change Order Request, is not provided to the Department by the Contractor, the Contractor shall pay the Department **[TBD]** percent of the negotiated Task #3 task order Total Project Cost amount, until such time as the report(s) is/are provided to the Department. The aggregate total penalty amount shall not exceed the actual cost incurred by the Contractor in its performance of the associated Task #3 activity.

7.1.4 Turnaround Time Guarantees – Task #4.

The Contractor guarantees that, in accordance with the requirements of RFP Section IV.B.4, analysis provided for a given Ad Hoc Project will be 1) based on the most current information available, 2) comprehensive, and 3) actuarially sound and reasonable, and that an Ad Hoc Project's final deliverables will be provided to the Department not later than due date agreed upon by the Department and the Contractor. If the Contractor fails to meet this guarantee for an Ad Hoc project(s) whose Not-To-Exceed Total Cost is equal to or greater than fifty thousand dollars (\$50,000), then for each twenty-four (24) hour period, or part thereof, beyond the due date for the Ad Hoc Project's report or final deliverable as negotiated by the Parties on a case-by-case basis, that the report/deliverable is not provided to the Department by the Contractor, the Contractor shall pay the Department **[TBD]** percent of the Task #4 Ad Hoc Not-To-Exceed Total Cost amount, until such time as the report(s)/deliverable(s) is provided to the Department. The aggregate total penalty amount shall not

exceed the actual cost incurred by the Contractor in its performance of the associated Task #4 Ad Hoc project.

- 7.2.0 Performance penalty amounts due from the Contractor to the Department for failure to perform any task at its associated guarantee level as set forth above, and audit credit amounts, as determined pursuant to Section 27 of Appendix B, entitled "Audit Authority", shall be made at the time and in such amounts as determined by the Department to be final. Upon such determination, the Department shall notify the Contractor, in writing, and the Contractor shall apply a credit for such amounts against the next subsequent invoice(s), or if such amounts exceed subsequent invoices amounts, pay such amounts to the Department.

ARTICLE VIII: PAYMENT FOR SERVICES

- 8.1.0 The DCS agrees to reimburse the Contractor in accordance with Article VIII of this Agreement at the Fixed Hourly Rates as proposed by the Contractor in its Cost Proposal, Exhibit V.A, subject to any not-to-exceed or total project cost amounts, as applicable, plus Department approved travel expenses and less any credits due to the Department for Contractor non-performance. The Contractor's proposed Fixed Hourly Rates, and associated not-to-exceed or total project cost amounts, as and if applicable, are attached hereto the Agreement as Exhibit [TBD] – Contractor's Fee Schedules. The Contractor shall invoice the Department, in the format required by the Department, monthly in arrears, for Project Services rendered during the preceding month, together with full supporting detail(s) to the Department's satisfaction. Charges for Project Services rendered shall be based on the Contractor's Fixed Hourly Rates for actual hours worked by Contractor personnel. Said invoicing will include, as supporting detail, at a minimum the name(s) of individual(s) for whom the Department is being billed along with his/her Position Title, Fixed Hourly Rate and total hours worked by the individual(s) for the given billing. Charges for Project Services rendered by a Contractor shall be based on the Fixed Hourly Rates set forth in the Contractor's Financial Proposal for actual hours worked by Contractor personnel with such time summarized and billed daily in fifteen (15) minute increments (e.g., 1 minute to 15 minutes = .25 of an hour; 16 minutes to 30 minutes = .50 of an hour; 31 minutes to 45 minutes = .75 of an hour and 46 minutes to 60 minutes = 1 hour) in the aggregate. For

example, during February 2018, Consultant A worked on Ad Hoc Project XYZ as follows:

Friday 2/1/2018:	Duration
From 9:00 am until 10:00 am	1 hour
From 10:30 am until 11:52 am	1 hour and 22 minutes
From 1:00 pm until 1:54 pm	0 hour and 54 minutes
Total Time Worked 2/1/2018	3 hours 16 minutes
1. Total Billable Hours for 2/1/2018	3.5 Hours
Monday 2/4/2018:	Duration
From 8:00 am until 5:13 pm with and an hour lunch break	8 hours and 13 minutes
Total Time Worked 2/4/2018	8 hours and 13 minutes
2. Total Billable Hours for 2/4/2018	8.25 Hours
Thursday 2/28/2018:	Duration
From 8:00 am until 1:00 pm	5 hours
Total Time Worked 2/28/2018	5 hours
3. Total Billable Hours for 2/28/2018	5 Hours
Total Billable Hours for Consultant A for worked performed on Ad Hoc Project XYZ during February 2018	16.75 hours (i.e., the sum of 1, 2 and 3 above)

- 8.2.0 After the Department has approved the Contractors invoice, the Department shall process the Contractor's invoice to OSC for payment. OSC shall render payment for invoices under the Agreement in accordance with ordinary State procedures and practices. The Contractor shall certify the accuracy of all Contractor invoices prior to their submission to the Department and the Department will make best efforts to process all acceptable invoices within thirty (30) days of their receipt; however, failure to make payment within said timeframe shall not be considered a breach of contract. Timeliness of payment and any interest to be paid to Contractor for late payment shall be governed by Article XI-A of the State Finance Law. Submission of an invoice and payment thereof shall not preclude the Department from reimbursement or demanding a price adjustment in any case where Project Services as delivered are found to deviate from the terms and conditions of the Agreement.

- 8.3.0 The Contractor warrants that all of the prices, terms, warranties and benefits granted by the Contractor herein are comparable to or better than the equivalent terms being provided by the Contractor to other public sector customers under like or similar circumstances, including scope and volume of services including but not limited to the complexity of services, and length of engagement (“Superior Pricing”). If, during the course of this Agreement, the Contractor enters into arrangements with any other public sector customers with whom in the opinion of DCS said customer(s) are provided Superior Pricing, DCS must provide written notice regarding an adjustment to the pricing to become effective prospectively.
- 8.4.0 The State of New York is not liable for any cost incurred by the Contractor in preparation for or prior to the approval of an executed contract by the Comptroller of the State of New York.

ARTICLE IX: RECORDS AND INFORMATION TO BE FURNISHED

- 9.1.0 The Department and the Vendors shall furnish to the Contractor all information which the Contractor may reasonably require with regard to any matters pertaining to the delivery of Project Services under this Agreement.

ARTICLE X: MODIFICATION OF PROJECT SERVICES

- 10.1.0 In the event that laws or regulations enacted by the Federal Government and/or the State of New York have an impact upon the conduct of this Agreement in such a manner that the Department determines that any design elements or requirements of the Agreement must be revised, the Department shall notify the Contractor of any such revisions and shall provide the Contractor with a reasonable time within which to implement such revisions.
- 10.2.0 In the event that the State and the unions representing State Employees enter into collective bargaining agreements, or the State otherwise require changes in Program design elements or requirements of the Agreement, the Department shall notify the Contractor of such changes and shall provide the Contractor with reasonable notice to implement such changes.
- 10.3.0 To the extent that any of the events as set forth in this Article X of this Agreement shall take place and constitute a material and substantial change in the delivery of Services

that are contemplated in accordance with the terms of the Program as of the Effective Date and which the Contractor is required to perform or deliver under the Agreement, either Party may submit a written request to initiate review of the fee(s) received by the Contractor for Services provided and guarantees made by the Contractor under the terms of the Agreement, accompanied by appropriate documentation. The Department reserves the right to request, and the Contractor shall agree to provide additional information and documentation the Department deems necessary to verify that a modification of the fees or guarantees is warranted. The Department will agree to modify the fee(s) to the extent necessary to compensate the Contractor for documented additional costs determined by the Department to be reasonable and necessary. The Contractor will agree to modify the fee (s) to the extent necessary to relieve the Department of the obligation to pay for Project services that are no longer required. The Department will agree to modify guarantees as determined by the Department to be necessary to reflect Actuarial and Benefits Management Consulting Services modifications. Should the Parties agree to modify the fee(s) and/or guarantees, such approval shall be subject to written amendment and approval by OSC and the AG. The Contractor shall implement changes as required by the Department with or without final resolution of any fee proposal.

- 10.4.0 During the term of a given Task #1 project, Task #2 project, Task #3 task order or Task #4 Ad Hoc Project (“Activity”), should an event(s), outside the control of the Contractor occur that result(s) in a material or substantial change in the effort required of the Contractor to complete the Activity, but not its scope, the Contractor may submit a written request to the Department requesting an increase to the Total Projected Cost or the Not-To-Exceed Total Cost amount of the Activity, as applicable, accompanied by appropriate documentation as may be required by the Department (Change Order Request). The Department reserves the right to review such Change Order Request(s) within a reasonable period of time and, in its sole discretion, make a written determination as to whether the Change Order Request shall be approved or rejected. Should the Department approve the Contractor’s Change Order Request, the Contractor agrees that the Department is not obligated to reimburse the Contractor for costs incurred in excess of the Activity’s Total Project Cost or Total Not-To-Exceed Total Cost amount, as modified by the Department approved Change Order(s). The Change Order Request, if approved by the Department, shall not constitute a formal

written amendment to the Agreement and the approved Change Order Request shall not be subject to the approval of the OSC.

ARTICLE XI: USE AND DISCLOSURE OF PROTECTED HEALTH INFORMATION

- 11.1.0 For purposes of this Article, the term “Protected Health Information” (“PHI”) means any information, including demographic information collected from an individual, that relates to the past, present, or future physical or mental health or condition of an individual, to the provision of health care to an individual, or to the past, present, or future payment for the provision of health care to an individual, that identifies the individual, or with respect to which there is a reasonable basis to believe that the information can be used to identify the individual. Within the context of this Agreement, PHI may be received by the Contractor from the Department or may be created or received by the Contractor on behalf of the Department in the Contractor’s capacity as a business associate. All PHI received or created by the Contractor in Contractor’s capacity as a business associate and as a consequence of its performance under this Agreement is referred to herein collectively as “Department’s PHI.”
- 11.2.0 The Contractor acknowledges that the Department administers on behalf of New York State several group health plans as that term is defined in HIPAA’s implementing regulations at 45 CFR Parts 160 and 164, and that each of those group health plans consequently is a “covered entity” under HIPAA. These group health plans include NYSHIP, which encompasses the Empire Plan as well as participating health maintenance organizations; the Dental Plan, and the Vision Plan. In this capacity, the Department is responsible for the administration of these “covered entities” under HIPAA. The Contractor further acknowledges that the Department has designated NYSHIP and the Empire Plan as an Organized Health Care Arrangement (OHCA). The Contractor further acknowledges that the Contractor is a HIPAA “business associate” of the group health plans identified herein as “covered entities” as a consequence of the Contractor’s provision of certain services to and/or on behalf of the Department as administrator of the “covered entities” within the context of the Contractor’s performance under this Agreement, and that the Contractor’s provision of such services may involve the disclosure to the Contractor of individually identifiable health information from the Department or from other parties on behalf of the Department, and also may involve the Contractor’s disclosure to the Department of individually

identifiable health information as a consequence of the Services performed under this Agreement. To the extent Contractor acts as a HIPAA “business associate” of the group health plans identified as “covered entities” in this Article XI, Contractor shall adhere to the requirements as set forth in this Article XI of this Agreement.

- 11.3.0 **Permitted Uses and Disclosures of the Department’s PHI:** The Contractor may create, receive, maintain, access, transmit, use and/or disclose the Department’s PHI solely in accordance with the terms of this Agreement. In addition, the Contractor may use the Department’s PHI to provide data aggregation services relating to the health care operations of the Department. Further, the Contractor may use and disclose the Department’s PHI for the proper management and administration of the Contractor if such use is necessary for the Contractor’s proper management and administration or to carry out the Contractor’s legal responsibilities, or if such disclosure is required by law or the Contractor obtains reasonable assurances from the person to whom the information is disclosed that it shall be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies the Contractor or any instances of which it is aware in which the confidentiality of the information has been breached.
- 11.4.0 **Nondisclosure of the Department’s PHI:** The Contractor shall not create, receive, maintain, access, transmit, use or further disclose the Department’s PHI otherwise than as permitted or required by this Agreement or as otherwise required by law. The Contractor shall limit its uses and disclosures of PHI when practicable to the information comprising a Limited Data Set, and in all other cases to the minimum necessary to accomplish the intended purpose of the PHI’s access, use, or disclosure.
- 11.5.0 **Safeguards:** The Contractor shall use appropriate, documented safeguards to prevent the use or disclosure of the Department’s PHI otherwise than as provided for by this Agreement. The Contractor shall maintain a comprehensive written information security program that includes administrative, technical, and physical safeguards that satisfy the standards set forth in the HIPAA Security Rule at 45 C.F.R. §§164.308, 164.310, and 164.312, along with corresponding policies and procedures, as required by 45 C.F.R. § 164.316, appropriate to the size and complexity of the Contractor’s operations and the nature and scope of its activities, to reasonably and appropriately protect the confidentiality, integrity and availability of any electronic PHI that it creates,

receives, maintains, accesses or that it transmits on behalf of the Department pursuant to this Agreement to the same extent that such electronic PHI would have to be safeguarded if created, received, maintained, accessed or transmitted by a group health plan identified herein.

11.6.0 **Breach Notification:**

11.6.1 **Reporting:** The Contractor shall report to the Department any breach of unsecured PHI, including any use or disclosure of the Department's PHI otherwise than as provided for by this Agreement, of which the Contractor becomes aware. An acquisition, access, transmission, use or disclosure of the Department's PHI that is unsecured in a manner not permitted by HIPAA or this Agreement is presumed to be a breach unless the Contractor demonstrates that there is a low probability that the Department's PHI has been compromised based on the Contractor's risk assessment of at least the following factors: (i) the nature and extent of the Department's PHI involved, including the types of identifiers and the likelihood of re-identification; (ii) the unauthorized person who used the Department's PHI or to whom the disclosure was made; (iii) whether the Department's PHI was actually acquired or viewed; and (iv) the extent to which the risk to the Department's PHI has been mitigated. Further, the Contractor shall report to the Department any security incident of which it becomes aware, subject to Section 10.6.5 of this Agreement. "Security incident" shall mean the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information, or interference with system operations in an information system. The Contractor shall notify the Department within five (5) Business Days of the date the Contractor becomes aware of the event for which reporting is required by this Section 10.6.1 of this Agreement.

11.6.2 **Required Information:** The Contractor shall provide the following information to the Department within ten (10) Business Days of discovery except when, despite all reasonable efforts by the Contractor to obtain the information required, circumstances beyond the control of the Contractor necessitate additional time. Under such circumstances, the Contractor shall provide to the Department the

following information as soon as possible and without unreasonable delay, but in no event later than thirty (30) Days from the date of discovery

11.6.2a the date of the breach incident;

11.6.2b the date of the discovery of the breach;

11.6.2c a brief description of what happened;

11.6.2d a description of the types of unsecured PHI that were involved;

11.6.2e identification of each individual whose unsecured PHI has been, or is reasonably believed to have been, accessed, acquired, or disclosed during the breach;

11.6.2f a brief description of what the Contractor is doing to investigate the breach, to mitigate harm to individuals and to protect against any further breaches; and

11.6.2g any other details necessary to complete an assessment of the risk of harm to the individual.

11.6.3 The Department will be responsible to provide notification to individuals whose unsecured PHI has been or is reasonably believed to have been accessed, acquired or disclosed as a result of a breach, as well as the Secretary of the U.S. Department of Health and Human Services and the media, as required by 45 CFR Part 164.

11.6.4 The Contractor shall maintain procedures to sufficiently investigate the breach, mitigate losses, and protect against any future breaches, and to provide a description of these procedures and the specific findings of the investigation to the Department upon request.

11.6.5 For purposes of this Agreement, "Unsuccessful Security Incidents" include activity such as pings and other broadcast attacks on Business Associate's firewall, port scans, unsuccessful log-on attempts, denials of service, and any

combination of the above, so long as no such incident results in unauthorized access, use, or disclosure of electronic PHI.

11.6.6 The Contractor shall mitigate, to the extent practicable, any harmful effects from any use or disclosure of PHI by the Contractor not permitted by this Agreement.

- 11.7.0 **Associate's Agents:** The Contractor shall require all of its agents or Key Subcontractors to whom it provides the Department's PHI, whether received from the Department or created or received by the Contractor on behalf of the Department, to agree, by way of written contract or other written arrangement, to the same restrictions and conditions on the access, use, and disclosure of PHI that apply to the Contractor with respect to the Department's PHI under this Agreement.
- 11.8.0 **Availability of Information to the Department:** The Contractor shall make available to the Department such information and documentation as the Department may require regarding any disclosures of PHI by the Contractor to fulfill the Department's obligations to provide access to, provide a copy of, and to account for disclosures of the Department's PHI in accordance with HIPAA and its implementing regulations. The Contractor shall provide such information and documentation within a reasonable amount of time of its receipt of the request from the Department. The Contractor must provide the Department with access to the Department's PHI in the form and format requested, if it is readily producible in such form and format; or if not, in a readable hard copy form or such other form and format as agreed to by the Parties, provided, however, that if the Department's PHI that is the subject of the request for access is maintained in one or more designated record sets electronically and if requested by the Department, the Contractor must provide the Department with access to the requested PHI in a readable electronic form and format.
- 11.9.0 **Amendment of the Department's PHI:** The Contractor shall make the Department's PHI available to the Department as the Department may require to fulfill the Department's obligations to amend individuals' PHI pursuant to HIPAA and its implementing regulations. The Contractor shall, as directed by the Department, incorporate any amendments to the Department PHI into copies of such Department PHI maintained by the Contractor.

11.10.0 **Internal Practices:** The Contractor shall make its internal practices, policies and procedures, books, records, and agreements relating to the use and disclosure of the Department's PHI, whether received from the Department or created or received by the Contractor on behalf of the Department, available to Department and/or the Secretary of the U.S. Department of Health and Human Services in a time and manner designated by the Department and/or the Secretary for purposes of determining the Department's compliance with HIPAA and its implementing regulations.

11.11.0 **Termination**

11.11.1 This Agreement may be terminated by the Department at the Department's discretion if the Department determines that the Contractor, as a business associate, has violated a material term of this Article XI or of the Agreement with respect to the Contractor's obligations under this Article XI.

11.11.2 **Disposition of the Department's PHI:** At the time this Agreement is terminated, the Contractor shall, if feasible, return or destroy all of the Department's PHI, whether received from the Department or created or received by the Contractor on behalf of the Department, that the Contractor still maintains in any form and retain no copies of such information. Alternatively, if such return or destruction is not feasible, the Contractor shall extend indefinitely the protections of this Agreement to the information and shall limit further uses and disclosures to those purposes that make the return or destruction of the Department's PHI infeasible.

11.12.0 **Indemnification:** The Contractor agrees to indemnify, defend and hold harmless the State and the Department and its respective employees, officers, agents or other members of its workforce (each of the foregoing hereinafter referred to as "Indemnified Party") against all actual and direct losses suffered by the Indemnified Party and all liability to third parties arising from or in connection with any breach of this Agreement or from any acts or omissions related to this Agreement by the Contractor or its employees, officers, subcontractors, agents or other members of its workforce. Accordingly, the Contractor shall reimburse any Indemnified Party for any and all actual and direct losses, liabilities, lost profits, fines, penalties, costs or expenses (including reasonable attorneys' fees) which may for any reason be imposed upon any

Indemnified Party by reason of any suit, claim, action, proceeding or demand by any third party which results from the Contractor's acts or omissions hereunder. The Contractor's obligation to indemnify any Indemnified Party shall survive the expiration or termination of this Agreement.

11.13.0 Miscellaneous:

11.13.1 Amendments: This Agreement may not be modified, nor shall any provision hereof be waived or amended, except in writing duly signed by authorized representatives of the Parties and approved by the NYS AG and OSC. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary to achieve and maintain compliance with the requirements of HIPPA and its implementing regulations

11.13.2 Survival: The respective rights and obligations of business associate and the "covered entities" identified herein under HIPAA and as set forth in this Article XI shall survive termination of this Agreement.

11.13.3 Regulatory References: Any reference herein to a federal regulatory section within the Code of Federal Regulations shall be a reference to such section as it may be subsequently updated, amended or modified, as of their respective compliance dates.

11.13.4 Interpretation: Any ambiguity in this Agreement shall be resolved to permit covered entities to comply with HIPAA.

ARTICLE XII: NOTICE TO STATE

12.1.0 The Contractor shall immediately notify the State upon learning of any situation that can reasonably be expected to adversely affect the delivery of Services under the Agreement. If such notification is verbal, the Contractor shall submit to the State a written description of the situation and a recommendation for its resolution within seven (7) Business Days of learning of the situation. Notice shall be provided consistent with Appendix B, Section 9 of this Agreement.

ARTICLE XIII: GENERAL PROVISION AS TO REMEDIES

13.1.0 The Parties may exercise their respective rights and remedies at any time, in any order, to any extent, and as often as deemed advisable, without regard to whether the exercise of one right or remedy precedes, concurs with or succeeds the exercise of another. A single or partial exercise of a remedy shall not preclude a further exercise of the right or remedy or the exercise of another right or remedy from time to time. No delay or omission in exercising a right or remedy, or delay, inaction, or waiver of any event of default, shall exhaust or impair the right or remedy or constitute a waiver of, or acquiescence to, an event otherwise constituting a breach or default under the Agreement.

13.2.0 In addition to any other remedies available to the Department under the Agreement, the Department has the following additional remedies which may include, but are not limited to, the following:

13.2.1 The right for the Department to withhold payment of some or all of the amounts due and owed under the Agreement until Contractor's performance is brought within the specified parameters.

13.2.2 The application of credits against amounts due and owed by the Department under the Agreement.

ARTICLE XIV: AUDIT AUTHORITY

In addition to the Audit Authority requirements specified in Appendices A and B to this Agreement, the following provisions shall apply:

14.1.0 The Contractor acknowledges that the Department has the authority to conduct financial and performance audits of the Contractor's delivery of Project Services in accordance with the Agreement and any applicable State and federal statutory and regulatory authorities;

14.2.0 The Contractor shall maintain and make available documentary evidence necessary to perform such reviews. Documentation maintained and made available by the Contractor may include, but is not limited to, source documents, books of account,

subsidiary records and supporting work papers, claim documentation, pertinent contracts, key subcontracts, and correspondence.

- 14.3.0 The Contractor shall make available for audit all data in its computerized files that is relevant to and subject to the Agreement. Such data may, at the Department's discretion, be submitted to the Department in machine-readable format, or the data may be extracted by the Department, or by the Contractor under the direction of the Department.
- 14.4.0 The Contractor shall, at the Department's request, search its files, retrieve information and records, and provide to the auditors such documentary evidence as they require. The Contractor shall make sufficient resources available for the efficient performance of audit procedures.
- 14.5.0 The Contractor shall comment on the contents of any audit report prepared by the Department and transmit such comments in writing to the Department within 30 Days of receiving any audit report. The response will specifically address each audit recommendation. If the Contractor agrees with the recommendation, the response will include a work plan and timetable to implement the recommendation. If the Contractor disagrees with an audit recommendation, the response will give all details and reasons for such disagreement. Resolution of any disagreement as to the resolution of an audit recommendation shall be subject to the dispute resolution procedures set forth in Appendix B of this Agreement
- 14.6.0 If the Contractor has an independent audit performed of the records relating to this Agreement, a certified copy of the audit report shall be provided to the Department within ten (10) Days after receipt of such audit report by the Contractor.
- 14.7.0 The audit provisions contained herein shall in no way be construed to limit the audit authority or audit scope of the Office of the NYS Comptroller as set forth in either Appendix A of this Agreement, Standard Clauses for All New York State Contracts, or Appendix B, Standard Clauses for All Department Contracts.

ARTICLE XV: WARRANTIES

15.1.0 Where the Contractor generally offers additional or more advantageous warranties than set forth below, the Contractor shall offer or pass through any such warranties to the State. A breach of any provision of this Article XV shall be deemed a “material breach” for purposes of default under the Agreement. The Contractor hereby warrants and represents:

15.1.1 Representations and Warranties. That Contractor assumes responsibility for the cost and timely accomplishment of all obligations and duties required by the Agreement whether or not the Contractor, or subcontractors, performs such obligations or duties. Project Services rendered by the Contractor shall be performed in accordance with all the terms and conditions, covenants, statements and representations contained in the Agreement, including all appendices.

15.1.2 Workmanship Warranty. That during the term of the Agreement, Contractor will provide the necessary levels of qualified personnel to ensure proper performance by Contractor of its obligations and responsibilities under the Agreement. The Contractor warrants that it performs Project Services using a professional and workmanlike manner, in accordance with highest applicable industry standards. For purposes of this Agreement, “highest applicable industry standards” shall be defined as the degree of care, skill, efficiency, and diligence that a prudent person possessing expertise in the subject area and acting in a like capacity would exercise in similar circumstances.

15.1.3 Contractor Compliance. To pay, at its sole expense, all applicable permits, licenses, tariffs, tolls and fees and give all notices and comply with all laws, ordinances, rules and regulations of any governmental entity in conjunction with the performance of obligations under the Agreement. Prior to award and during the Agreement term and any extension thereof, Contractor shall establish to the satisfaction of the Department that it meets or exceeds all requirements of the Agreement and any applicable laws, including but not limited to, permits, insurance coverage, licensing, proof of coverage for workman’s compensation, and shall provide such proof as required by the

Department. Failure to do so may constitute grounds for the Department to cancel or suspend the Agreement, in whole or in part, or to take any other action deemed necessary by the Department.

- 15.1.4 Survival of Warranties: All warranties contained in the Agreement shall survive the termination of the Agreement.

ARTICLE XVI: REPORTS OWNERSHIP & ERROR CORRECTIONS

- 16.1.0 In addition to ownership provisions set forth elsewhere in Appendices A and B, the Contractor agrees that information and documents developed pursuant to the Agreement are the property of the State of New York and that the Contractor will not discuss such information, documents and systems with a third party without the express written authorization of the Department, other than as required by court order, law, rule or regulation.
- 16.2.0 The Contractor shall correct any and all errors in any reports, materials and/or documents provided or prepared by the Contractor pursuant to this Agreement provided the Department notifies the Contractor of such errors and, if required, furnishes to the Contractor data and information the Department may be required to provide in order for the Contractor to make such corrections after delivery of any such report, material, document or service. This Contractor requirement shall survive the expiration or termination of the Agreement. In regard to corrections required due solely to an error made by the Contractor, the Contractor will correct such errors at no cost to the Department. The correction of errors which are caused by the Department or the State of New York or another third party under contract to the State will be subject to reimbursement by the Department through the issuance of an *Error Correction Change Order* negotiated between the Parties; the pricing of which shall be based on the Contractor's Fixed Hourly Rates. The actual costs incurred under the *Error Correction Change Order* will not apply to the task's original not-to-exceed amount, however, Task #1, #2, and #4 (if applicable) *Error Correction Change Orders* shall be subject to not-to-exceed payment amounts. The scope of such *Error Correction Change Orders* shall be limited to the correction of errors and the *Error Correction Change Order* shall not be subject to the prior approval of OSC before becoming effective.

ARTICLE XVII: TERMINATION

In addition to the Termination of Agreement requirements specified in Appendices A and B to this Agreement, the following provisions shall apply:

- 17.1.0 The State retains the right to cancel this Agreement without cause and in its sole discretion, provided that the Department shall give written notice to the Contractor not less than 30 Days prior to the date upon which termination shall become effective, such notice to be made via registered or certified mail, return receipt requested or hand delivered. The date of such notice shall be deemed to be the date of postmark in the case of mail or the date of hand delivery. This provision should not be understood as waiving the State's right to terminate the Agreement for cause or to stop work immediately for unsatisfactory work, but is supplementary to that provision.
- 17.2.0 If the Contractor ceases conducting business in the normal course, becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets, or avails itself of or becomes subject to any proceeding under the Federal Bankruptcy Act or any statute of any state relating to insolvency or the protection of rights of creditors, the State, in its sole discretion, may terminate this Agreement for cause or may exercise such other remedies as shall be available under this Agreement, at law and/or equity;
- 17.3.0 No delay or omission to exercise any right, power or remedy accruing to the State or the Department upon breach or default by the Contractor under the Agreement shall impair any such right, power or remedy, or shall be construed as a waiver of any such breach or default, or any similar breach or default thereafter occurring, nor shall any waiver of a single breach or default be deemed a waiver of any subsequent breach or default. All waivers must be in writing;
- 17.4.0 In the event of the Contractor's default, in addition to availing itself of specific remedies set forth in the Agreement, the State may pursue all legal and equitable remedies for breach. In addition to pursuing any other legal or equitable remedies, the State shall have the right to take one or more of the following actions:
 - 17.4.1 terminate the Agreement in whole or in part;

17.4.2 suspend, in whole or in part, payments due Contractor under the Agreement;
and

17.4.3 pursue equitable remedies to compel Contractor to perform.

The Contractor shall be liable for any and all excess costs for remedies pursued by the State, and for costs incurred by the State in procuring alternate Services;

- 17.5.0 For Violation of Procurement Lobbying Law: The Department reserves the right to terminate the Agreement in the event it is determined by the Department in its sole discretion that the certification filed by the Contractor in accordance with §139-j and/or §139-k of the New York State Finance Law was intentionally false or intentionally incomplete. Upon such finding, the Department may, at its sole option, exercise its termination right by providing ten (10) days written notification to the Contractor, or providing notice in accordance with other written notification terms in the Agreement;
- 17.6.0 For Violation of Section 5-a of the Tax Law: The Department reserves the right to terminate the Agreement in the event that Contractor fails to file a certification pursuant to section 5-a of the Tax Law or the Tax Department or OFT discovers that the certification(s) filed by the Contractor pursuant to section 5-a of the Tax Law is/are false. Upon such finding(s), the Department may exercise its termination right by providing written notification to the Contractor;
- 17.7.0 Termination Notice. Notices required by this section shall be provided consistent with Appendix B, Section 9 of this Agreement; and
- 17.8.0 Mitigation of Costs. The Contractor shall not undertake any additional or new contractual obligations on or after the date of return receipt notice without the prior written approval of the State. On or after the date of return receipt notice and during the termination notice period, the Contractor shall take all commercially reasonable and prudent actions to close out unnecessary outstanding, existing obligations as economically as possible for the State.

ARTICLE XVIII: TRANSITION

18.1.0 The State may require the Contractor to provide uninterrupted Project Services after Agreement termination/expiration as the State deems reasonable and necessary and/or as necessary for the State to comply with all legal requirements for establishing a new contract to continue the provision of Project Services (“Transition Period”). Transition Services, as defined below, shall be governed as follows:

18.1.1 Transition Period: The transition period shall be determined by the State, and Contractor will be notified of the period in writing. The State shall consult with the Contractor prior to making such determination. The State reserves the right to subsequently amend the transition period upon 30 Days advance written notice to the Contractor.

18.1.2 Transition Plan: The Contractor must, 90 Days prior to the end of this Agreement, or if this Agreement is terminated prior to the end of its term, within 15 Days of receipt of notification of termination, provide the Department with a detailed written plan for transition which outlines, at a minimum, the tasks, milestones, and deliverables associated with Program transition. The Contractor agrees to amend the Transition Plan to include all other information deemed necessary by the State.

18.1.3 Transition Services: shall be deemed to include Contractor’s responsibility for all tasks and Services outlined in the Contract, and for transferring in a planned manner specified in the Transition Plan all tasks and Services to the State, a third party or the successor contractor. It is expressly agreed between the Parties that the level of service during the transition period shall be maintained in accordance with and shall be subject to all the terms and conditions of the Contract, provided, however, that where, during the transition period, tasks or Services are transitioned to or assumed by the State, a third party or the successor contractor, Contractor shall not be held responsible for the negligent acts or negligent omissions of the State, a third party or the successor contractor or for service degradation resulting from the negligent acts or negligent omissions of the State, a third party or the successor contractor. The transition period shall be determined by the State, and

Contractor will be notified of the period in writing. The State shall consult with the Contractor prior to making such determination. The State reserves the right to subsequently amend the transition period upon 30 Days advance written notice to the Contractor.

- 18.1.4 No Interruption in Service: At all times during the transition period and unless directed otherwise in writing by the State, the Contractor shall continue all contractual obligations set forth in the Agreement until such time as the State (i) has approved the Contractor's proposed Transition Plan, and (ii) an orderly transition to the State, a third party, or the successor Contractor has been completed pursuant to the approved Transition Plan. The Contractor shall be required to meet its contractual obligations pursuant to this paragraph notwithstanding the issuance of a termination for cause or convenience by the State.
- 18.1.5 State Responsibilities for Transition: The State shall assume responsibility for Transition program management. A Program manager responsible for coordinating Transition activities, maintaining the transition task schedule, and approving transition deliverables shall be appointed.
- 18.1.6 Transition of Services: Upon Termination of this Agreement, the Contractor shall promptly forward all non-valid Appeals, and Appeals received after the termination date to the successor contractor, or a third party designated by the Department, to conduct the Medical Documentation Review. The Contractor shall conduct Medical Documentation Reviews as described in this Agreement for all Valid Appeals received on or prior to January 31, 2022, or the termination of the Agreement, if earlier.
- 18.1.7 Compensation for Transition Services: Contractor shall be reimbursed for transition services performed during the transition period at the rates set forth in this Agreement.

ARTICLE XIX: CONTRACTOR QUALIFICATIONS AND KEY PERSONNEL

- 19.1.0 The Contractor warrants that all employees, subcontractors or agents performing work under the Agreement shall meet or exceed the technical or other qualifications set forth in the Agreement. Contractor acknowledges that the skill and experience of Contractor personnel proposed to be assigned to the scope of work set forth in the Agreement is a material element in executing the Agreement. Therefore, in order to ensure timely and cohesive completion of the services, both Parties intend that key personnel initially assigned to the scope of work will continue through work completion. Key personnel will be identified in writing.
- 19.2.0 Once an individual designated as key personnel has been approved by NYS and assigned to provide services under the Agreement, such individual will not thereafter, absent written approval by the Department, be removed by Contractor, or reassigned by Contractor to other duties involving comparable employment by Contractor while the services are in progress and for so long as there has been no voluntary suspension of services due to force majeure lasting for a period of longer than ten (10) Business Days.
- 19.3.0 Circumstances may arise, however, which necessitate personnel to be substituted during the provision of services due to delays in awarding the contract, suspensions for force majeure, or lack of funding, or other such State causes, or due to promotions, termination, sickness, vacation or other similar material change in the employment circumstance of the employee, at which time a replacement of comparable background and experience may be substituted by the Contractor, subject to approval of NYS.
- 19.4.0 The State may refuse access to or require replacement of any individual if such individual renders, in the sole judgment of NYS, inadequate or unacceptable performance of services, or for any other reason NYS finds such individual does not meet its security or responsibility requirements of NYS.

ARTICLE XX: SECURITY RESPONSIBILITIES AND FEDERAL OR STATE DISCLOSURE PROHIBITIONS

20.1.0 The Contractor shall maintain the security, nondisclosure and confidentiality of all information in accordance with the following clauses in performance of its activities under the Agreement. Contractor shall ensure that its personnel, agents, officers and subcontractors, if any are fully aware of the obligations arising under this section and shall take all commercially reasonable steps to ensure compliance. The Agreement may be terminated for cause by the Department for a material breach of this Article XX.

20.1.1 Security Responsibilities:

Contractor warrants, covenants and represents that it shall comply fully with all security procedures and policies of NYS, which procedures and policies are communicated to the Contractor by the Department during the performance of the Agreement, including but not limited to Article XI of this Agreement and Department's Information Security Standards (Appendix C-1). Contractor shall hold NYS harmless from any loss or damage to NYS resulting from the violation by the Contractor, its officers, agents, employees, and subcontractors, if any of such security procedures or policies resulting from any criminal acts committed by such officers, agents, employees, and subcontractors, while performing services under the Agreement.

20.1.2 Federal or State Disclosure Prohibitions:

In the event that it becomes necessary for Contractor to receive Confidential Information, which Federal or State statute or regulation prohibits from disclosure, Contractor hereby agrees to return or destroy all such Confidential Information that has been received from NYS when the purpose that necessitated its receipt by Contractor has been completed. In addition, Contractor agrees not to retain any Confidential Information which Federal or State statute or regulation prohibits from disclosure after termination of the Agreement.

Notwithstanding the foregoing, if the return or destruction of the Confidential Information is not feasible, Contractor agrees to extend the protections of the Agreement for as long as necessary to protect the Confidential Information

and to limit any further use of disclosure of that Confidential Information. If Contactor elects to destroy Confidential Information, it shall use reasonable efforts to achieve the same and notify NYS accordingly. Contractor agrees that it will use all appropriate safeguards to prevent any unauthorized use or unauthorized disclosure of Confidential Information, which Federal or State statute or regulation prohibits from disclosure.

Contractor agrees that it shall immediately report to the Department the discovery of any unauthorized use or unauthorized disclosure of such Confidential Information. The State may terminate the Agreement if it determines that Contractor has violated a material term of this Article XX. The terms of this Article XX shall apply equally to Contractor, its agents and subcontractors, if any. Contractor agrees that all subcontractors, if any and agents shall be made aware of and shall agree to the terms of this Article XX.

ARTICLE XXI: DEPARTMENT ACCEPTANCE OF DELIVERABLES

21.1.0 Each final deliverable prepared by the Contractor associated with a given task is subject to Department review and acceptance. The Department will evaluate each final deliverable submitted by the Contractor for conformity and compliance to its stated scope, functionality or purpose. The Department shall have the right to accept or reject each final deliverable. If the Department rejects a final deliverable, the Department's Contract Manager will so notify the Contractor within five (5) Business Days of the Department's receipt of the final deliverable and forward its comments to the Contractor outlining deficiencies noted. At the Department's sole discretion, the Contractor will be provided with an opportunity to correct the deficiency(ies) cited by the Department, and resubmit the final deliverable for Department acceptance within a timeframe established by the Department. Any resubmission of a rejected final deliverable shall include responses to all Department comments, in addition to corrections for the noted deficiencies. Resubmitted final deliverables will likewise be subject to Department acceptance or rejection. The Department will evaluate each correction made by the Contractor and either accept or reject the resubmitted final deliverable. If the Department rejects a resubmitted final deliverable, the Department's Contract Manager will so notify the Contractor within five (5) Business Days of the Department's receipt of the resubmitted final deliverable and forward its comments to

the Contractor outlining deficiencies noted. The Department may provide verbal comments to the Contractor, during, and in addition to, the formal deliverable review process described above. If the Contractor does not receive Department approval of a final deliverable or resubmitted final deliverable, if applicable, the Contractor will return any monies paid associated with the task for which the deliverable was prepared. If the Department does not notify the Contractor within five (5) Business Days of its acceptance or rejection of a final deliverable or resubmitted final deliverable, if applicable, then the final deliverable or resubmitted deliverable, if applicable shall be deemed to have been accepted by the Department.

ARTICLE XXII: NOTICES

22.1.0 All notices permitted or required hereunder shall be in writing and shall be transmitted either:

- (a) via certified or registered United States mail, return receipt requested;
- (b) by facsimile transmission;
- (c) by personal delivery;
- (d) by expedited delivery service; or
- (e) by e-mail.

Such notices shall be addressed as follows or to such different addresses as the parties may from time-to-time designate:

State of New York Department of Civil Service

Name: David J. Boland
Title: Director, Employee Benefits Division
Address: Employee Benefits Division, Room 1106, Albany, NY 12239
Telephone Number: 518-473-1977
Facsimile Number: 518-473-3292
E-Mail Address: David.Boland@cs.ny.gov

[Contractor Name]

Name:
Title:
Address:
Telephone Number:
Facsimile Number:
E-Mail Address:

- 22.2.0 Any such notice shall be deemed to have been given either at the time of personal delivery or, in the case of expedited delivery service or certified or registered United States mail, as of the date of first attempted delivery at the address and in the manner provided herein, or in the case of facsimile transmission or email, upon receipt.
- 22.3.0 The Parties may, from time to time, specify any new or different address in the United States as their address for purpose of receiving notice under this Agreement by giving fifteen (15) days written notice to the other party sent in accordance herewith. The parties agree to mutually designate individuals as their respective representatives for the purposes of receiving notices under this Agreement. Additional individuals may be designated in writing by the parties for purposes of implementation and administration/billing, resolving issues and problems and/or for dispute resolution.

ARTICLE XXIII: DATA SHARING AND OWNERSHIP

- 23.1.0 All claims and other data related to the Program is the property of the State. If such data is provided to the contractor it is solely for the purposes of allowing the Contractor to fulfill its duties and responsibilities under the Agreement and said materials are the sole property of the NYS. Except as directed by a court of competent jurisdiction, or as necessary to comply with applicable New York State or federal law, the Contractor shall not share, sell, release, or make the materials available to third parties in any manner without the prior consent of the Department. This provision shall survive the expiration or termination of the Agreement.
- 23.2.0 Within thirty (30) days after the termination or expiration of the Agreement for any reason, the Contractor agrees to return to the Department all data provided to the Contractor by the Department or a third party under contract with Department or, if return is not feasible, destroy any and all such data. In the event returning or destroying such data is not feasible, the Contractor shall provide written notification to the Department of the conditions that make the return or destruction not feasible, in which case, the Contractor must continue to protect such data in perpetuity.

ARTICLE XXIV: MERGERS/ACQUISITIONS

24.1.0 The Contractor's obligations to perform under the Agreement shall not be affected or impaired by any reorganization, consolidation or merger to which the Contractor is, or may become, a party. In any such event, the Contractor shall continue to be bound by, and shall perform under, all terms and conditions set forth herein.

ARTICLE XXV: IRAN DIVESTMENT ACT

25.1.0 As a result of the Iran Divestment Act of 2012 (Act), Chapter 1 of the 2012 Laws of New York, a new provision has been added to the State Finance Law (SFL), § 165-a, effective April 12, 2012. Under the Act, the Commissioner of the Office of General Services (OGS) was charged with the responsibility to develop a list (Prohibited Entities List) of "persons" who are engaged in "investment activities in Iran" (both are defined terms in the law). Pursuant to SFL § 165-a(3)(b), the initial list was posted to the OGS website on August 10, 2012.

25.2.0 By entering into this Agreement, the Contractor (or any assignee) certifies that it is not on the "Entities Determined To Be Non-Responsive Bidders/Offerors Pursuant to The New York State Iran Divestment Act of 2012" list (Prohibited Entities List) posted on the OGS website at <http://www.ogs.ny.gov/about/regs/docs/ListofEntities.pdf> and further certifies that it will not utilize on the Agreement any subcontractor that is identified on the Prohibited Entities List. The Contractor agrees that after should it seek to renew or extend the Agreement, it must provide the same certification at the time the Agreement is renewed or extended. The Contractor also agrees that any proposed Assignee of the Agreement will be required to certify that it is not on the Prohibited Entities List before the Department may approve a request for Assignment of the Agreement.

25.3.0 During the term of the Agreement, should the Department receive information that a person (as defined in State Finance Law 165-a) is in violation of the above-referenced certification, the Department will review such information and offer the person an opportunity to respond. If the person fails to demonstrate that it has ceased its engagement in the investment which is in violation of the Act within 90 Days after the determination of such violation, then the Department shall take such action as may be appropriate and provided for by law, rule or contract, including, but not limited to, seeking compliance, recovering damages, or declaring the Contractor in default.

25.4.0 The Department reserves the right to reject any request for renewal, extension, or assignment for an entity that appears on the Prohibited Entities List prior to the renewal, extension or assignment of the Agreement, and pursue a responsibility review with the Contractor should it appear on the Prohibited Entities List hereafter.

ARTICLE XXVI: VENDOR RESPONSIBILITY

26.1.0 The Contractor is required to provide the Department with an updated Vendor Responsibility Questionnaire when requested to do so by the Department throughout the term of the Agreement. Regardless, the Contractor is required to report to the Department any material changes in the information reported in its initial Vendor Responsibility Questionnaire..

26.2.0 The Contractor shall at all times during the Agreement term remain responsible. The Contractor agrees, if requested by the Commissioner or his or her designee, to present evidence of its continuing legal authority to do business in New York State, integrity, experience, ability, prior performance, and organizational and financial capacity.

26.3.0 Suspension of Work (for Non-Responsibility): The Commissioner or his or her designee, in his or her sole discretion, reserves the right to suspend any or all activities under this Agreement, at any time, when he or she discovers information that call into question the responsibility of the Contractor. In the event of such suspension, the Contractor must comply with the terms of the suspension order. Agreement activity may resume at such time as the Commissioner or his or her designee issues a written notice authorizing a resumption of performance under the Agreement.

26.4.0 Termination (for Non-Responsibility): Upon written notice to the Contractor, a reasonable opportunity to be heard with the appropriate Department officials or staff, the Agreement may be terminated by the Commissioner or his or her designee at the Contractor's expense where the Contractor is determined by the Commissioner of the Department or his or her designee to be non-responsible. In such an event, the Commissioner or his or her designee may complete the requirements of the Agreement in any manner he or she may deem advisable and pursue legal or equitable remedies for breach.

ARTICLE XXVII: ALL LEGAL PROVISIONS DEEMED INCLUDED

27.1.0 It is the intent and understanding of the Parties to the Agreement that each and every provision of law required to be inserted in the Agreement shall be and is inserted herein. Furthermore, it is hereby stipulated that every such provision is to be deemed to be inserted herein, and if, through mistake or otherwise, any such provision is not inserted, or is not inserted in correct form, then the Agreement shall forthwith upon the application of either Party be amended by such insertion so as to comply strictly with the law without prejudice to the rights of either Party hereunder.

ARTICLE XXVIII: ENTIRE AGREEMENT

28.1.0 The Agreement and the appendices, exhibits and attachments hereto constitute the entire agreement between the Parties hereto and no statement, promise, condition, understanding, inducement, or representation, oral or written, expressed or implied, which is not contained herein shall be binding or valid. The Agreement shall not be changed, modified, or altered in any manner except by an instrument in writing executed by the Parties hereto.

IN WITNESS WHEREOF, the Parties hereto have hereunto signed this AGREEMENT on the day and year appearing opposite their respective signatures.

(REMAINDER OF PAGE LEFT INTENTIONALLY BLANK)

Contractor: _____

Contract Number: C000XXX

Agency Certification: "In addition to the acceptance of this contract, I also certify that original copies of this signature page will be attached to all exact copies of this contract."

NEW YORK STATE DEPARTMENT OF CIVIL SERVICE

Date: _____

By: _____

Name: _____

Title: _____

Insert Contractor Name.

Date: _____

By: _____

Name: _____

Title: _____

STATE OF)
) ss:
COUNTY OF)

On the _____ day of _____, 2017, before me personally came _____, to me known, and known to me to be the person who executed the above instrument, who, being duly sworn by me, did for her/himself depose and say that (s)he is the _____ of _____ the corporation or organization described in and which executed the above instrument; and that (s)he signed his/her name thereto.

NOTARY PUBLIC

My commission expires: _____

Approved as to form:
ATTORNEY GENERAL

Approved:
STATE COMPTROLLER

By: _____

By: _____

Date: _____

Date: _____

SECTION VIII: GLOSSARY OF TERMS

Affiliate means a person or organization which, through stock ownership or any other affiliation, directly, indirectly, or constructively controls another person or organization, is controlled by another person or organization, or is, along with another person or organization, under the control of a common parent.

AG means the New York State Attorney General's Office.

Agreement or Contract means the Agreement entered into between the Parties resultant from this RFP.

Benefits Option Transfer Period means the period of time (usually November) of each year when employees and retirees are allowed to change from one health insurance option to another.

Best Value means the basis for awarding a contract for services to a responsible and responsive Offeror, who can best optimize quality, cost and efficiency.

Business Day(s) means Monday through Friday, except for those designated as Business Holidays.

Business Holiday(s) means legal Holidays observed by the State.

Calendar Year/Annual means a period of 12 months beginning with January 1 and ending with December 31.

Commissioner means the Commissioner of the New York State Department of Civil Service.

Contract or Agreement means the Agreement entered into between the Parties resultant from this RFP.

Contract Effective Date means the date that the Agreement is approved by the New York State Office of the State Comptroller.

Contractor means the successful Offeror selected as a result of the evaluation of Offeror's Proposals submitted in response to this RFP and who executes a Contract with the Department to provide Project Services.

CSL means New York State Civil Service Law.

Day(s) means calendar Days unless otherwise noted.

Department or DCS means the New York State Department of Civil Service.

DOB means the New York State Division of the Budget.

EEO means the Federal Equal Employment Opportunities Act.

Empire Plan or Program means the self-funded, experience-rated health plan administered by the NYS Department of Civil Service to provide health insurance benefits for the employees, retirees and eligible dependents of New York State and NYSHIP Participating Agencies and Participating Employers. It has four components, the Medical Program, the Hospital Program, the Managed Mental Health and Substance Abuse Program, and the Prescription Drug Program.

Employee Benefits Division (EBD) means

ET means prevailing Eastern Time.

GOER means the New York State Governor's Office of Employee Relations.

HIPPA means Health Insurance Portability and Accountability Act of 1996, as amended.

HMO means one of the Health Maintenance Organizations which participate in the New York State Health Insurance Program.

Joint Labor Management Committee (JLMC) means a committee consisting of representatives of NYS' collective bargaining units, the Department of Civil Service (DCS), and the Governor's Office of Employee Relations (GOER) which is charged with the responsibility to cooperatively develop and oversee administration of health care programs for State-represented employees and to make mutually agreed upon changes to health insurance plan benefits.

Key Subcontractor(s) means those vendors with whom the Contractor subcontracts to provide Project Services and incorporates as a part of the Contractor's Project Team. Key Subcontractors include all vendors who will provide \$100,000 or more in Project Services over

the term of the Agreement that results from this RFP, as well as any vendor who will provide Project Services in an amount lower than the \$100,000 threshold, and who is a part of the Contractor's account team.

Labor Agreement(s) means the negotiated collective bargaining agreements between the State and the Security Services Unit (represented by NYSCOPBA), the Security Supervisors Unit (represented by Council 82, AFSCME, AFL-CIO), the Agency Police Services Unit (represented by Council 82, AFSCME, AFL-CIO), and the Professional Services Negotiating Unit (represented by United University Professions). For purposes of this RFP, this term also includes the agreements between the State and the State Police Troopers Unit [represented by the Police Benevolent Association of New York State Troopers, Inc. (PBA)], the State Police Investigation Unit [represented by the NYS Police Investigators Association (NYSPIA), Local 4, I.U.P.A., AFL-CIO] and the State Police Commissioned/ Non-Commissioned Officers Unit [represented by the Police Benevolent Association of New York State Troopers, Inc. (PBA)].

MWBE means Minority-and Women-Owned Business Enterprises.

New York State Health Insurance Program (NYSHIP) means the health insurance program established by NYS to provide health insurance protection to employees, retirees and eligible dependents of New York State and Participating Agencies and Participating Employers. The program is administered by the NYS Department of Civil Service. NYSHIP provides health insurance coverage through the Empire Plan, Health Maintenance Organizations (HMOs); and the Student Employee Health Plan (SEHP).

NYBEAS means the New York Benefits Eligibility & Accounting System, a computerized enrollment system utilized by the Department for the administration of employee benefits.

NYS or State means the State of New York (including the New York State Department of Civil Service).

Offeror means any responsible and eligible entity submitting a responsive Proposal to the RFP. It shall be understood that references in the RFP to "Offeror" shall include said entity's proposed Key Subcontractor or Affiliates, if any.

OSC means the New York State Office of the State Comptroller.

Participating Agency (PA) means any unit of local government such as school districts, special districts, or district or municipal corporations that elects with the approval of the President of the Civil Service Commission, to participate in the New York State Health Insurance Program.

Participating Employer (PE) means any public authority, public benefit corporation, or other agency subdivision or quasi-public organization of NYS that elects, with the approval of the President of the Civil Service Commission, to participate in the New York State Health Insurance Program.

Plan means the Empire Plan

Plan Sponsor means the Council on Employee Health Insurance which is composed of the President of the Civil Service Commission, Director of the Governor's Office of Employee Relations, and the Director of Division of the Budget.

Plan Year means the period from January 1 to December 31 of each year, unless specified otherwise by the Department.

President means the President of the Civil Service Commission who is also the Commissioner of the Department.

Project Services means the entire scope of actuarial and benefits management services to be provided by the Contractor pursuant to the terms and conditions of the Agreement.

Project Management Team means the Contractor and those Key Subcontractors, if any, utilized by the Contractor who collectively undertake and perform the Project Services which are the subject of the Agreement.

Proposal or Submissions means the Contractor's Administrative Proposal, Technical Proposal and Cost Proposal, including all responses to supplemental requests for clarification, information, or documentation submitted during the course of the Procurement.

RFP or Procurement means the Request for Proposals, entitled "Actuarial and Benefits Management Consulting Services," dated April 5, 2017

State means the State of New York.

Student Employee Health Plan (SEHP) means a health insurance plan for graduate student employees of the New York State University and the New York City University systems that provides benefits through the various Empire Plan Insurance Contracts. Like the Empire Plan, SEHP includes hospital, medical, managed mental health and substance abuse benefits, and prescription drug benefits, SEHP is administered by the New York State Department of Civil Service, Employee Benefits Division.

APPENDIX A

STANDARD CLAUSES FOR NEW YORK STATE CONTRACTS

PLEASE RETAIN THIS DOCUMENT
FOR FUTURE REFERENCE.

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STANDARD CLAUSES FOR NYS CONTRACTS

The parties to the attached contract, license, lease, amendment or other agreement of any kind (hereinafter, "the contract" or "this contract") agree to be bound by the following clauses which are hereby made a part of the contract (the word "Contractor" herein refers to any party other than the State, whether a contractor, licenser, licensee, lessor, lessee or any other party):

1. EXECUTORY CLAUSE. In accordance with Section 41 of the State Finance Law, the State shall have no liability under this contract to the Contractor or to anyone else beyond funds appropriated and available for this contract.

2. NON-ASSIGNMENT CLAUSE. In accordance with Section 138 of the State Finance Law, this contract may not be assigned by the Contractor or its right, title or interest therein assigned, transferred, conveyed, sublet or otherwise disposed of without the State's previous written consent, and attempts to do so are null and void. Notwithstanding the foregoing, such prior written consent of an assignment of a contract let pursuant to Article XI of the State Finance Law may be waived at the discretion of the contracting agency and with the concurrence of the State Comptroller where the original contract was subject to the State Comptroller's approval, where the assignment is due to a reorganization, merger or consolidation of the Contractor's business entity or enterprise. The State retains its right to approve an assignment and to require that any Contractor demonstrate its responsibility to do business with the State. The Contractor may, however, assign its right to receive payments without the State's prior written consent unless this contract concerns Certificates of Participation pursuant to Article 5-A of the State Finance Law.

3. COMPTROLLER'S APPROVAL. In accordance with Section 112 of the State Finance Law (or, if this contract is with the State University or City University of New York, Section 355 or Section 6218 of the Education Law), if this contract exceeds \$50,000 (or the minimum thresholds agreed to by the Office of the State Comptroller for certain S.U.N.Y. and C.U.N.Y. contracts), or if this is an amendment for any amount to a contract which, as so amended, exceeds said statutory amount, or if, by this contract, the State agrees to give something other than money when the value or reasonably estimated value of such consideration exceeds \$10,000, it shall not be valid, effective or binding upon the State until it has been approved by the State Comptroller and filed in his office. Comptroller's approval of contracts let by the Office of General Services is required when such contracts exceed \$85,000 (State Finance Law Section 163.6-a). However, such pre-approval shall not be required for any contract established as a centralized contract through the Office of General Services or for a purchase order or other transaction issued under such centralized contract.

4. WORKERS' COMPENSATION BENEFITS. In accordance with Section 142 of the State Finance Law, this

contract shall be void and of no force and effect unless the Contractor shall provide and maintain coverage during the life of this contract for the benefit of such employees as are required to be covered by the provisions of the Workers' Compensation Law.

5. NON-DISCRIMINATION REQUIREMENTS. To the extent required by Article 15 of the Executive Law (also known as the Human Rights Law) and all other State and Federal statutory and constitutional non-discrimination provisions, the Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, sex (including gender identity or expression), national origin, sexual orientation, military status, age, disability, predisposing genetic characteristics, marital status or domestic violence victim status. Furthermore, in accordance with Section 220-e of the Labor Law, if this is a contract for the construction, alteration or repair of any public building or public work or for the manufacture, sale or distribution of materials, equipment or supplies, and to the extent that this contract shall be performed within the State of New York, Contractor agrees that neither it nor its subcontractors shall, by reason of race, creed, color, disability, sex, or national origin: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the performance of work under this contract. If this is a building service contract as defined in Section 230 of the Labor Law, then, in accordance with Section 239 thereof, Contractor agrees that neither it nor its subcontractors shall by reason of race, creed, color, national origin, age, sex or disability: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the performance of work under this contract. Contractor is subject to fines of \$50.00 per person per day for any violation of Section 220-e or Section 239 as well as possible termination of this contract and forfeiture of all moneys due hereunder for a second or subsequent violation.

6. WAGE AND HOURS PROVISIONS. If this is a public work contract covered by Article 8 of the Labor Law or a building service contract covered by Article 9 thereof, neither Contractor's employees nor the employees of its subcontractors may be required or permitted to work more than the number of hours or days stated in said statutes, except as otherwise provided in the Labor Law and as set forth in prevailing wage and supplement schedules issued by the State Labor Department. Furthermore, Contractor and its subcontractors must pay at least the prevailing wage rate and pay or provide the prevailing supplements, including the premium rates for overtime pay, as determined by the State Labor Department in accordance with the Labor Law. Additionally, effective April 28, 2008, if this is a public work contract covered by Article 8 of the Labor Law, the Contractor understands and agrees that the filing of payrolls in a manner consistent with Subdivision 3-a of Section 220 of the Labor Law shall be a condition precedent to payment by the State of

any State approved sums due and owing for work done upon the project.

7. NON-COLLUSIVE BIDDING CERTIFICATION. In accordance with Section 139-d of the State Finance Law, if this contract was awarded based upon the submission of bids, Contractor affirms, under penalty of perjury, that its bid was arrived at independently and without collusion aimed at restricting competition. Contractor further affirms that, at the time Contractor submitted its bid, an authorized and responsible person executed and delivered to the State a non-collusive bidding certification on Contractor's behalf.

8. INTERNATIONAL BOYCOTT PROHIBITION. In accordance with Section 220-f of the Labor Law and Section 139-h of the State Finance Law, if this contract exceeds \$5,000, the Contractor agrees, as a material condition of the contract, that neither the Contractor nor any substantially owned or affiliated person, firm, partnership or corporation has participated, is participating, or shall participate in an international boycott in violation of the federal Export Administration Act of 1979 (50 USC App. Sections 2401 et seq.) or regulations thereunder. If such Contractor, or any of the aforesaid affiliates of Contractor, is convicted or is otherwise found to have violated said laws or regulations upon the final determination of the United States Commerce Department or any other appropriate agency of the United States subsequent to the contract's execution, such contract, amendment or modification thereto shall be rendered forfeit and void. The Contractor shall so notify the State Comptroller within five (5) business days of such conviction, determination or disposition of appeal (2NYCRR 105.4).

9. SET-OFF RIGHTS. The State shall have all of its common law, equitable and statutory rights of set-off. These rights shall include, but not be limited to, the State's option to withhold for the purposes of set-off any moneys due to the Contractor under this contract up to any amounts due and owing to the State with regard to this contract, any other contract with any State department or agency, including any contract for a term commencing prior to the term of this contract, plus any amounts due and owing to the State for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. The State shall exercise its set-off rights in accordance with normal State practices including, in cases of set-off pursuant to an audit, the finalization of such audit by the State agency, its representatives, or the State Comptroller.

10. RECORDS. The Contractor shall establish and maintain complete and accurate books, records, documents, accounts and other evidence directly pertinent to performance under this contract (hereinafter, collectively, "the Records"). The Records must be kept for the balance of the calendar year in which they were made and for six (6) additional years thereafter. The State Comptroller, the Attorney General and any other person or entity authorized to conduct an examination, as well as the agency or agencies involved in this

contract, shall have access to the Records during normal business hours at an office of the Contractor within the State of New York or, if no such office is available, at a mutually agreeable and reasonable venue within the State, for the term specified above for the purposes of inspection, auditing and copying. The State shall take reasonable steps to protect from public disclosure any of the Records which are exempt from disclosure under Section 87 of the Public Officers Law (the "Statute") provided that: (i) the Contractor shall timely inform an appropriate State official, in writing, that said records should not be disclosed; and (ii) said records shall be sufficiently identified; and (iii) designation of said records as exempt under the Statute is reasonable. Nothing contained herein shall diminish, or in any way adversely affect, the State's right to discovery in any pending or future litigation.

11. IDENTIFYING INFORMATION AND PRIVACY NOTIFICATION. (a) Identification Number(s). Every invoice or New York State Claim for Payment submitted to a New York State agency by a payee, for payment for the sale of goods or services or for transactions (e.g., leases, easements, licenses, etc.) related to real or personal property must include the payee's identification number. The number is any or all of the following: (i) the payee's Federal employer identification number, (ii) the payee's Federal social security number, and/or (iii) the payee's Vendor Identification Number assigned by the Statewide Financial System. Failure to include such number or numbers may delay payment. Where the payee does not have such number or numbers, the payee, on its invoice or Claim for Payment, must give the reason or reasons why the payee does not have such number or numbers.

(b) Privacy Notification. (1) The authority to request the above personal information from a seller of goods or services or a lessor of real or personal property, and the authority to maintain such information, is found in Section 5 of the State Tax Law. Disclosure of this information by the seller or lessor to the State is mandatory. The principal purpose for which the information is collected is to enable the State to identify individuals, businesses and others who have been delinquent in filing tax returns or may have understated their tax liabilities and to generally identify persons affected by the taxes administered by the Commissioner of Taxation and Finance. The information will be used for tax administration purposes and for any other purpose authorized by law. (2) The personal information is requested by the purchasing unit of the agency contracting to purchase the goods or services or lease the real or personal property covered by this contract or lease. The information is maintained in the Statewide Financial System by the Vendor Management Unit within the Bureau of State Expenditures, Office of the State Comptroller, 110 State Street, Albany, New York 12236.

12. EQUAL EMPLOYMENT OPPORTUNITIES FOR MINORITIES AND WOMEN. In accordance with Section 312 of the Executive Law and 5 NYCRR 143, if this contract is: (i) a written agreement or purchase order instrument, providing for a total expenditure in excess of \$25,000.00,

whereby a contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the contracting agency; or (ii) a written agreement in excess of \$100,000.00 whereby a contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon; or (iii) a written agreement in excess of \$100,000.00 whereby the owner of a State assisted housing project is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon for such project, then the following shall apply and by signing this agreement the Contractor certifies and affirms that it is Contractor's equal employment opportunity policy that:

(a) The Contractor will not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, shall make and document its conscientious and active efforts to employ and utilize minority group members and women in its work force on State contracts and will undertake or continue existing programs of affirmative action to ensure that minority group members and women are afforded equal employment opportunities without discrimination. Affirmative action shall mean recruitment, employment, job assignment, promotion, upgradings, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation;

(b) at the request of the contracting agency, the Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability or marital status and that such union or representative will affirmatively cooperate in the implementation of the Contractor's obligations herein; and

(c) the Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the State contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

Contractor will include the provisions of "a", "b", and "c" above, in every subcontract over \$25,000.00 for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon (the "Work") except where the Work is for the beneficial use of the Contractor. Section 312 does not apply to: (i) work, goods or services unrelated to this contract; or (ii) employment outside New York State. The State shall consider compliance by a contractor or subcontractor with the requirements of any federal law concerning equal employment

opportunity which effectuates the purpose of this section. The contracting agency shall determine whether the imposition of the requirements of the provisions hereof duplicate or conflict with any such federal law and if such duplication or conflict exists, the contracting agency shall waive the applicability of Section 312 to the extent of such duplication or conflict. Contractor will comply with all duly promulgated and lawful rules and regulations of the Department of Economic Development's Division of Minority and Women's Business Development pertaining hereto.

13. CONFLICTING TERMS. In the event of a conflict between the terms of the contract (including any and all attachments thereto and amendments thereof) and the terms of this Appendix A, the terms of this Appendix A shall control.

14. GOVERNING LAW. This contract shall be governed by the laws of the State of New York except where the Federal supremacy clause requires otherwise.

15. LATE PAYMENT. Timeliness of payment and any interest to be paid to Contractor for late payment shall be governed by Article 11-A of the State Finance Law to the extent required by law.

16. NO ARBITRATION. Disputes involving this contract, including the breach or alleged breach thereof, may not be submitted to binding arbitration (except where statutorily authorized), but must, instead, be heard in a court of competent jurisdiction of the State of New York.

17. SERVICE OF PROCESS. In addition to the methods of service allowed by the State Civil Practice Law & Rules ("CPLR"), Contractor hereby consents to service of process upon it by registered or certified mail, return receipt requested. Service hereunder shall be complete upon Contractor's actual receipt of process or upon the State's receipt of the return thereof by the United States Postal Service as refused or undeliverable. Contractor must promptly notify the State, in writing, of each and every change of address to which service of process can be made. Service by the State to the last known address shall be sufficient. Contractor will have thirty (30) calendar days after service hereunder is complete in which to respond.

18. PROHIBITION ON PURCHASE OF TROPICAL HARDWOODS. The Contractor certifies and warrants that all wood products to be used under this contract award will be in accordance with, but not limited to, the specifications and provisions of Section 165 of the State Finance Law, (Use of Tropical Hardwoods) which prohibits purchase and use of tropical hardwoods, unless specifically exempted, by the State or any governmental agency or political subdivision or public benefit corporation. Qualification for an exemption under this law will be the responsibility of the contractor to establish to meet with the approval of the State.

In addition, when any portion of this contract involving the use of woods, whether supply or installation, is to be performed by any subcontractor, the prime Contractor will indicate and certify in the submitted bid proposal that the subcontractor has been informed and is in compliance with specifications and provisions regarding use of tropical hardwoods as detailed in §165 State Finance Law. Any such use must meet with the approval of the State; otherwise, the bid may not be considered responsive. Under bidder certifications, proof of qualification for exemption will be the responsibility of the Contractor to meet with the approval of the State.

19. MACBRIDE FAIR EMPLOYMENT PRINCIPLES.

In accordance with the MacBride Fair Employment Principles (Chapter 807 of the Laws of 1992), the Contractor hereby stipulates that the Contractor either (a) has no business operations in Northern Ireland, or (b) shall take lawful steps in good faith to conduct any business operations in Northern Ireland in accordance with the MacBride Fair Employment Principles (as described in Section 165 of the New York State Finance Law), and shall permit independent monitoring of compliance with such principles.

20. OMNIBUS PROCUREMENT ACT OF 1992. It is the policy of New York State to maximize opportunities for the participation of New York State business enterprises, including minority and women-owned business enterprises as bidders, subcontractors and suppliers on its procurement contracts.

Information on the availability of New York State subcontractors and suppliers is available from:

NYS Department of Economic Development
Division for Small Business
Albany, New York 12245
Telephone: 518-292-5100
Fax: 518-292-5884
email: opa@esd.ny.gov

A directory of certified minority and women-owned business enterprises is available from:

NYS Department of Economic Development
Division of Minority and Women's Business Development
633 Third Avenue
New York, NY 10017
212-803-2414
email: mwbecertification@esd.ny.gov
<https://ny.newnycontracts.com/FrontEnd/VendorSearchPublic.asp>

The Omnibus Procurement Act of 1992 requires that by signing this bid proposal or contract, as applicable, Contractors certify that whenever the total bid amount is greater than \$1 million:

(a) The Contractor has made reasonable efforts to encourage the participation of New York State Business Enterprises as suppliers and subcontractors, including certified minority and women-owned business enterprises, on this project, and has retained the documentation of these efforts to be provided upon request to the State;

(b) The Contractor has complied with the Federal Equal Opportunity Act of 1972 (P.L. 92-261), as amended;

(c) The Contractor agrees to make reasonable efforts to provide notification to New York State residents of employment opportunities on this project through listing any such positions with the Job Service Division of the New York State Department of Labor, or providing such notification in such manner as is consistent with existing collective bargaining contracts or agreements. The Contractor agrees to document these efforts and to provide said documentation to the State upon request; and

(d) The Contractor acknowledges notice that the State may seek to obtain offset credits from foreign countries as a result of this contract and agrees to cooperate with the State in these efforts.

21. RECIPROCITY AND SANCTIONS PROVISIONS.

Bidders are hereby notified that if their principal place of business is located in a country, nation, province, state or political subdivision that penalizes New York State vendors, and if the goods or services they offer will be substantially produced or performed outside New York State, the Omnibus Procurement Act 1994 and 2000 amendments (Chapter 684 and Chapter 383, respectively) require that they be denied contracts which they would otherwise obtain. NOTE: As of May 15, 2002, the list of discriminatory jurisdictions subject to this provision includes the states of South Carolina, Alaska, West Virginia, Wyoming, Louisiana and Hawaii. Contact NYS Department of Economic Development for a current list of jurisdictions subject to this provision.

22. COMPLIANCE WITH NEW YORK STATE INFORMATION SECURITY BREACH AND NOTIFICATION ACT. Contractor shall comply with the provisions of the New York State Information Security Breach and Notification Act (General Business Law Section 899-aa; State Technology Law Section 208).

23. COMPLIANCE WITH CONSULTANT DISCLOSURE LAW. If this is a contract for consulting services, defined for purposes of this requirement to include analysis, evaluation, research, training, data processing, computer programming, engineering, environmental, health, and mental health services, accounting, auditing, paralegal, legal or similar services, then, in accordance with Section 163 (4-g) of the State Finance Law (as amended by Chapter 10 of the Laws of 2006), the Contractor shall timely, accurately and properly comply with the requirement to submit an annual employment report for the contract to the agency that awarded

the contract, the Department of Civil Service and the State Comptroller.

24. PROCUREMENT LOBBYING. To the extent this agreement is a "procurement contract" as defined by State Finance Law Sections 139-j and 139-k, by signing this agreement the contractor certifies and affirms that all disclosures made in accordance with State Finance Law Sections 139-j and 139-k are complete, true and accurate. In the event such certification is found to be intentionally false or intentionally incomplete, the State may terminate the agreement by providing written notification to the Contractor in accordance with the terms of the agreement.

25. CERTIFICATION OF REGISTRATION TO COLLECT SALES AND COMPENSATING USE TAX BY CERTAIN STATE CONTRACTORS, AFFILIATES AND SUBCONTRACTORS.

To the extent this agreement is a contract as defined by Tax Law Section 5-a, if the contractor fails to make the certification required by Tax Law Section 5-a or if during the term of the contract, the Department of Taxation and Finance or the covered agency, as defined by Tax Law 5-a, discovers that the certification, made under penalty of perjury, is false, then such failure to file or false certification shall be a material breach of this contract and this contract may be terminated, by providing written notification to the Contractor in accordance with the terms of the agreement, if the covered agency determines that such action is in the best interest of the State.

26. IRAN DIVESTMENT ACT. By entering into this Agreement, Contractor certifies in accordance with State Finance Law §165-a that it is not on the "Entities Determined to be Non-Responsive Bidders/Offerers pursuant to the New York State Iran Divestment Act of 2012" ("Prohibited Entities List") posted at:
<http://www.ogs.ny.gov/about/regs/docs/ListofEntities.pdf>

Contractor further certifies that it will not utilize on this Contract any subcontractor that is identified on the Prohibited Entities List. Contractor agrees that should it seek to renew or extend this Contract, it must provide the same certification at the time the Contract is renewed or extended. Contractor also agrees that any proposed Assignee of this Contract will be required to certify that it is not on the Prohibited Entities List before the contract assignment will be approved by the State.

During the term of the Contract, should the state agency receive information that a person (as defined in State Finance Law §165-a) is in violation of the above-referenced certifications, the state agency will review such information and offer the person an opportunity to respond. If the person fails to demonstrate that it has ceased its engagement in the investment activity which is in violation of the Act within 90 days after the determination of such violation, then the state agency shall take such action as may be appropriate and provided for by law, rule, or contract, including, but not

limited to, imposing sanctions, seeking compliance, recovering damages, or declaring the Contractor in default.

The state agency reserves the right to reject any bid, request for assignment, renewal or extension for an entity that appears on the Prohibited Entities List prior to the award, assignment, renewal or extension of a contract, and to pursue a responsibility review with respect to any entity that is awarded a contract and appears on the Prohibited Entities list after contract award.

APPENDIX B
STANDARD CLAUSES FOR ALL DEPARTMENT CONTRACTS

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1. INTEGRATION

The contract executed between the Department and the Contractor (or Purchase Order issued by the Department) is hereinafter referred to as the Agreement. The Agreement, including all Exhibits and Appendices, including this Appendix B, copies of which are attached thereto, and incorporated therein by reference, constitutes the entire agreement between the Parties for the purpose of the fulfillment of Program Services or Project Services. All prior agreements, representations, statements, negotiations and undertakings are superseded hereby.

All statements made by the Department shall be deemed to be representations and not warranties.

2. EXECUTORY PROVISION

Section 112 of the State Finance Law requires that any contract made by a State department which exceeds fifty thousand dollars (\$50,000) in amount be first approved by the Comptroller of the State of New York before becoming effective. The Parties recognize that, if the Agreement is for fifty thousand dollars or more, it is wholly executory until and unless approved by the Comptroller of the State of New York.

3. CHOICE OF LAW

The Parties agree that the Agreement shall be interpreted according to the laws of the State of New York, except where the federal supremacy clause requires otherwise. The Contractor shall be required to bring any legal proceeding against the Department arising from the Agreement in New York State courts located in Albany County.

4. DISPUTE RESOLUTION

Except as otherwise provided in the Agreement, any dispute raised by the Contractor concerning any question of fact or law arising under the Agreement which is not disposed of by mutual agreement of the Parties shall be decided initially by the designee of the President of the Civil Service Commission (President). A copy of the written decision shall be furnished to the Contractor. The Parties shall proceed diligently with the performance of the Agreement and shall comply with the provisions of such decision and continue to comply pending further resolution of any such dispute as provided herein. The decision of the designee of the President shall be final and conclusive unless, within ten (10) Days from the receipt of such decision, the Contractor furnishes the President a written appeal. In the event of an appeal, the President shall promptly review the initial decision, and confirm, annul, or modify it. The decision of the President shall be final and conclusive unless, as determined by a court of competent jurisdiction, it violates one of the provisions of section 7803 of the Civil Practice Law and Rules. Pending final decision of any Article 78 proceeding hereunder, both Parties shall proceed diligently with the performance of the Agreement in accordance with the President's decision.

5. WAIVER OF BREACH

No term or provision of the Agreement shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by the Party claimed to have waived or consented. No consent by a Party to, or waiver of, a breach under the Agreement shall constitute a consent to, a waiver of, or excuse for any other, different or subsequent breach.

6. NEW YORK STATE REQUIREMENTS

The Contractor acknowledges that it is bound by the terms of Appendix A, Standard Clauses For All New York State Contracts, which is attached and incorporated by reference to the Agreement.

7. OUTSIDE OF SCOPE

The Contractor agrees that any and all work performed outside the scope of the Agreement shall be deemed to be gratuitous and not subject to any charge, cost or payment of any kind.

8. NON-ASSIGNABILITY

Neither the rights nor the obligations of the Contractor under the Agreement may be conveyed, assigned, delegated, or otherwise transferred in any manner whatsoever by the Contractor, either in whole or in part, without the prior written approval of the Department.

9. NOTIFICATION

All notices permitted or required by the Agreement to be given by one Party to the other shall be in writing and shall be transmitted either (1) via certified or registered mail, return receipt requested; (2) by facsimile transmission; (3) by personal delivery; (4) by expedited delivery service; or (5) by e-mail.

10. INDEMNIFICATION

The Contractor agrees to indemnify, defend and save harmless the Department, the State, its officers, agents and employees, for any claims or losses the Department, the State or any individuals may suffer when such claims or losses result from the claims of any person or organization for any and all injuries or damages caused by the negligent acts or omissions of the Contractor, its officers, employees, agents, consultants and/or sub-contractors in performance of the Agreement. Furthermore, the Contractor agrees to indemnify, defend and save harmless the Department and the State, its officers, agents, and employees from any and all claims or losses caused by the acts or omissions of any and all contractors, sub-contractors, consultants and any other persons, firms, or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of the Agreement and from all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the Contractor in the performance of the Agreement, and against any loss, damages or actions, including, but not limited to, costs and expenses, for violation of proprietary rights, copyrights, patents, or rights of privacy, arising out of the publication, translation, reproduction, delivery, performance, use, or disposition of any material, information or data furnished under the Agreement, or based on any libelous or otherwise unlawful matter contained in such material, information or data, except as otherwise provided in the Article entitled "Patent Copyright or Proprietary Rights Infringement" of this Appendix B.

The Contractor also shall provide indemnification against all losses, and/or cost expenses (including reasonable counsel fees) that may be incurred by reason of the Contractor's breach of any term, provision, covenant, warranty, or representation contained herein and/or in connection with the enforcement of the Agreement or any provision hereof.

The Department does not agree to any indemnification provisions in any documents attached hereto that require the Department or the State of New York to indemnify or save harmless the Contractor or third parties.

Notwithstanding anything to the contrary in the Agreement, neither the Department nor the Contractor shall be liable to the other for any special, consequential, or punitive damages, or loss of profits or revenues, whether such damages are alleged as a result of tort (including strict liability), contract, warranty, or otherwise, arising out of or relating to either Party's acts or omissions under the Agreement.

11. PATENT, COPYRIGHT OR PROPRIETARY RIGHTS INFRINGEMENT

The Contractor, solely at its expense, shall defend any claim or suit which may be brought against the Department or the State for the infringement of United States patents, copyrights or proprietary rights arising from the Contractor's or the Department's use of any software, equipment, data, materials and/or information of any kind prepared, developed or furnished by the Contractor in connection with performance of the Agreement and, in any such suit, shall satisfy any final judgment for such infringement. The Department shall give the Contractor written notice for such claim or suit and full right and opportunity to conduct the defense thereof, together with full information and all reasonable cooperation.

If principles of governmental or public law are involved, the State of New York may participate in the defense of any action identified under this Article, but no costs or expenses shall be incurred upon the account of the Contractor without the Contractor's written consent.

If, in the Contractor's opinion, any software, equipment, data, materials and/or information prepared, developed or furnished by the Contractor is likely to or does become the subject of a claim of infringement of a United States patent, copyright or proprietary right, then, without diminishing the Contractor's obligation to satisfy any final award, the Contractor may, with the Department's prior written approval, substitute other equally suitable software, equipment, materials, data and/or information. In the event that an action at law or in equity is commenced against the Department arising out of a claim that the Department's use of any software, equipment, materials and/or information under the Agreement infringes on any patent, copyright, or proprietary right, such action shall be forwarded by the Department to the Contractor for defense and indemnification under this Article and to the Office of the Attorney General of the State of New York together with a copy of the Agreement. If upon receipt of such request for defense, or at any time thereafter, the Contractor is of the opinion that the allegations in such action, in whole or in part, are not covered by the defense and indemnification set forth herein, the Contractor shall immediately notify the Department and the Office of the Attorney General of the State of New York, in writing, and shall specify to what extent the Contractor believes it is and is not obligated to defend and indemnify under the terms and conditions of the Agreement. The Contractor shall in such event protect the interests of the State of New York and shall take the steps necessary to secure a continuance to permit the State of New York to appear and defend its interest in cooperation with the Contractor, as is appropriate, including any jurisdictional defenses which the State shall have.

12. DATE/TIME WARRANTY

The Contractor warrants that products furnished pursuant to the Agreement shall be able to accurately process, date/time data (including, but not limited to, calculating, comparing, and sequencing) transitions, including leap year calculations. Where a Contractor proposes or an acquisition requires that specific products and/or services must perform as a package or system, this warranty shall apply to the products and/or services as a system.

Where the Contractor is providing ongoing services, including but not limited to: i) consulting, integration, code or data conversion, ii) maintenance or support services, iii) data entry or processing, or iv) contract administration services (e.g. billing, invoicing, claim processing), the Contractor warrants that services shall be provided in an accurate and timely manner without interruption, failure, or error due to the inaccuracy of the Contractor's business operations in processing date/time data (including, but not limited to, calculating, comparing, and sequencing) various date/time transitions, including leap year calculations. The Contractor shall be responsible for damages resulting from any delays, errors, or untimely performance resulting there from, including but not limited to the failure or untimely performance of such services.

This Date/Time Warranty shall survive beyond termination or expiration of the Agreement through a) ninety (90) days or b) the Contractor's or product manufacturer/developer's stated date/time warranty term, whichever is longer. Nothing in this warranty statement shall be construed to limit any rights or remedies otherwise available under the Agreement for breach of warranty.

13. VIRUS WARRANTY

Product contains no viruses, either known to the Contractor or which reasonably should have been known to the Contractor exercising due diligence. The Contractor is not responsible for viruses introduced at the Department's site.

14. TITLE AND OWNERSHIP WARRANTY

The Contractor warrants, represents and conveys (i) full ownership, clear title free of all liens, or (ii) the right to transfer or deliver perpetual license rights to any Product(s) transferred to the Department under the Agreement. The Contractor shall be solely liable for any costs of acquisition associated therewith. The Department may require the Contractor to furnish appropriate written documentation establishing the above rights and interests as a condition of payment. The Department's request or failure to request such documentation shall not relieve the Contractor of liability under this warranty.

15. USE RESTRICTIONS AND INTELLECTUAL PROPERTY

The Parties agree that all work by the Contractor for the Department is intended as work for hire. The Parties agree that the Contractor's work is specifically ordered and commissioned for use as contributions to a collective work, or is other such work as specified by section 101(2) of the U.S. Copyright Act [17 U.S.C. 101(2)], and is intended to be a work for hire that is made for the use and ownership of the State of New York and the Department. Furthermore, the Department and the Contractor agree that the State of New York and the Department are the owners of all copyrights regarding the work. The Contractor warrants to the State of New York and the Department that the Contractor, and all of its subcontractors and their employees, who have been, or may be used in regard to the Agreement, forfeits all past or future claims of title or ownership to the work produced.

Materials such as forms and publications used by the Contractor in the course of its performance under the Agreement which have been agreed upon by the Parties as generic materials are specifically excluded from this provision.

16. OWNERSHIP/TITLE TO PRODUCT DELIVERABLES

For purposes of this Article, the term "Department" is understood to mean the Department acting on behalf of the State.

(A) Definitions

1. Product(s):

A deliverable furnished under the Agreement by or through the Contractor, including existing and custom Product(s), including, but not limited to: a) components of the hardware environment; b) printed materials (including but not limited to training manuals, system and user documentation, reports, drawings); c) third party software; d) modifications, customizations, custom programs, program listings, programming tools, data, modules, components; and e) any properties embodied therein, whether in tangible or intangible form (including but not limited to utilities, interfaces, templates, subroutines, algorithms, formulas, source code, object code).

2. Existing Product(s):

Tangible Product(s) and intangible licensed Product(s) which exist prior to the commencement of work under the Agreement. The Contractor retains the burden of proving that a particular product existed before commencement of the Agreement.

3. Custom Product(s):

Product(s), preliminary, final or otherwise, which are created or developed by the Contractor, or its subcontractors, partners, employees, or agents under the Agreement for the benefit of the Department.

(B) Title to Project Deliverables

The Contractor acknowledges that it is commissioned by the Department to perform services detailed in the Agreement. Unless otherwise specified in writing in the Agreement, the Department shall have ownership and/or license rights as follows:

1. Existing Product(s):

a) Hardware - Title and ownership of Existing Hardware Product shall pass to Department upon acceptance.

b) Software - Title and ownership to Existing Software Product(s) delivered by the Contractor under the Agreement which is normally commercially distributed on a license basis by the Contractor or other independent software vendor/proprietary owner ("Existing Licensed Product"), whether or not embedded in, delivered or operating in conjunction with hardware or Custom Products, shall remain with the Contractor or other independent software vendor/proprietary owner ("ISV"). Effective upon acceptance, such Product shall be licensed to the Department in accordance with the Contractor or ISV owner's standard license agreement, provided, however, that such standard license, must, at a minimum: (a) grant the Department a non-exclusive, perpetual license to use, execute, reproduce, display, perform, adapt (unless the Contractor advises the Department as part of the Contractor's bid proposal that adaptation will violate existing agreements or statutes and the Contractor demonstrates such to the Department's satisfaction) and distribute Existing Licensed Product to the Department up to the license capacity stated in the work order with all license rights necessary to fully effect the general business purpose(s) stated in the Agreement and (b) recognize the State of New York as the licensee. Where these rights are not otherwise covered by the ISV's standard license agreement, the Contractor shall be responsible for obtaining these rights at its sole cost and expense. The Department shall reproduce all copyright notices and any other legend of ownership on any copies authorized under this paragraph.

2. Custom Product(s):

Effective upon creation of Custom Product(s), the Contractor hereby conveys, assigns and transfers to State the sole and exclusive rights, title and interest in Custom Product(s), whether preliminary, final or otherwise, including all trademark and copyrights. The Contractor hereby agrees to take all necessary and appropriate steps to ensure that the Custom Product(s) are protected against unauthorized copying, reproduction and marketing by or through the Contractor, its agents, employees, or subcontractors. Nothing herein shall preclude the Contractor from otherwise using the related or underlying general knowledge, skills, ideas, concepts, techniques and experience developed under the Agreement in the course of the Contractor's business.

Where payment for Custom Product does not involve Certificates of Participation (COPS) pursuant to Article 5-A of the State Finance Law or other third party

financing, the Department may, by providing written notice thereof to the Contractor, elect in the alternative to take a non-exclusive perpetual license to Custom Products in lieu of State taking exclusive ownership and title to such Products. In such case, the Department shall be granted a non-exclusive perpetual license to use, execute, reproduce, display, perform, adapt and distribute Custom Product as necessary to fully effect the general business purpose(s) as stated herein.

In the event that the Contractor wishes to obtain ownership rights to Custom Product(s), the sale or other transfer shall be at fair market value as determined by the Parties at the time of such sale or other transfer, and must be pursuant to a separate written agreement in a form acceptable to the State which complies with the terms of this paragraph.

3. Documentation, Data & Reports

The Department shall own title to all documentation, drawings, (e.g., engineering drawings, system diagrams, logic/schematics, plans, reports, training, maintenance or operating manuals), including network design, equipment configurations and other documentation prepared or developed pursuant to the Agreement, whether preliminary, final or otherwise. The Contractor shall deliver to the possession of the Department all work-in-progress documentation as it becomes available, but in no case longer than thirty (30) days after creation.

17. FORCE MAJEURE

Neither Party to the Agreement shall be liable or deemed to be in default for any delay or failure in performance under the Agreement resulting directly or indirectly from acts of God, civil or military authority, acts of public enemy, wars, riots, civil disturbances, insurrections, accident, fire, explosions, earthquakes, floods, the elements, acts or omissions of public utilities or strikes, work stoppages, slowdowns or other labor interruptions due to labor/management disputes involving entities other than the Parties to the Agreement, or any other causes not reasonably foreseeable or beyond the control of a Party. The Parties are required to use best efforts to eliminate or minimize the effect of such events during performance of the Agreement and to resume performance of the Agreement upon termination or cessation of such events.

18. TIME OF THE ESSENCE

The Department and the Contractor acknowledge and agree that time is of the essence for the Contractor's performance under the Agreement.

19. RIGHTS AND REMEDIES

The rights, duties and remedies set forth in the Agreement shall be in addition to, and not in limitation of, rights and obligations otherwise available at law.

20. FEDERAL AND STATE COMPLIANCE

The Contractor shall ensure that its employment practices comply with the Federal Equal Opportunity Act of 1972 (P.L. 92-261), as amended.

The Contractor shall ensure compliance with the Americans With Disabilities Act (42 USC §2101 et. seq.) such that programs and services provided during the course of performance of the Agreement shall be accessible under Title II of the Americans With Disabilities Act and as otherwise applicable under the Americans With Disabilities Act.

21. TAXES

It shall be understood that the Department, as an agency of the State of New York, is not liable for the payment of any sales, use, excise, or other form of tax however designated, levied or imposed, and shall agree to reimburse the Contractor for same only if taxes would have been incurred through the Department's normal business operations.

22. INDEPENDENT CONTRACTOR

The Parties agree that the Contractor is an independent contractor, and the Contractor, its officers, employees, agents, consultants and/or sub-contractors in the performance of the Agreement shall act in an independent capacity and not as agents, officers or employees of the State or the Department. Neither the Contractor nor any sub-contractor shall thereby be deemed an agent, officer, or employee of the State. The Contractor agrees, during the term of the Agreement, to maintain at the Contractor's expense those benefits to which its employees would otherwise be entitled by law, including health benefits, and all necessary insurance for its employees, including worker's compensation, disability and unemployment insurance, and to provide the Department with certification of such insurance upon request. The Contractor remains responsible for all applicable federal, State, and local taxes, and all FICA contributions.

23. NO THIRD PARTY BENEFICIARIES

Nothing contained in the Agreement, expressed or implied, is intended to confer upon any person, corporation, other than the Parties hereto and their successors in interest and assigns, any rights or remedies under or by reason of the Agreement.

24. HEADINGS OR CAPTIONS

The headings or captions contained within the Agreement are intended solely for convenience and reference purposes and shall in no way be deemed to define, limit or describe the scope or intent of the Agreement or any provisions thereof.

25. PARTIAL INVALIDITY

Each Party agrees that it shall perform its obligations under the Agreement in accordance with all applicable federal and State laws, rules, and regulations, policies and/or guidelines now or hereafter in effect. If any term or provision of the Agreement shall be found to be illegal or unenforceable, then, notwithstanding such term or provision, the Agreement shall remain in full force and effect, and such term or provision shall be deemed stricken.

26. CONFLICT OF INTEREST

The Contractor shall ensure that its officers, employees, agents, consultants and/or sub-contractors comply with the requirements of the New York State Public Officers Law ("POL"), as amended, including but not limited to sections 73 and 74, as amended, with regard to ethical standards applicable to State employees, and particularly POL sections 73(8)(a)(i) and (ii) regarding post-employment restrictions affecting former State employees. Additionally, the Contractor shall ensure that no violation of these provisions will occur by reason of the Contractor's proposal for or negotiation and execution of the Agreement or in its delivery of services pursuant to the Agreement. If, during the term of the Agreement, the Contractor becomes aware of a relationship, actual or potential, which may be considered a violation of the POL or which may otherwise be considered a conflict of interest, the Contractor shall notify the Department in writing immediately. Should the Department thereafter determine that such employment is inconsistent with State law; the Department shall so advise the Contractor in writing, specifying its basis for so determining, and may require that the contractual or employment relationship be canceled. Failure to comply with these provisions may result in suspension or cancellation of the Agreement and criminal proceedings as may be required by law.

The Contractor is required to make full disclosure of any circumstances that could affect its ability to perform in complete compliance with the POL. Any questions as to the applicability of these provisions should be addressed by the Contractor to the New York State Ethics Commission, 540 Broadway, Albany, NY 12207 (518) 408-3976.

27. AUDIT AUTHORITY

The Contractor acknowledges that the Department and the Office of the State Comptroller have the authority to conduct financial and performance audits of the Contractor's delivery of Program Services (or Project Services) in accordance with the Agreement and any applicable State and federal statutory and regulatory authorities. Such audit activity may include, but not necessarily be limited to, the review of documentary evidence to determine the accuracy and fairness of all items on the Contractor's submission of claims for payment under the Agreement, and the review of any and all activities relating to the Contractor's performance and administration of the Agreement.

The Contractor shall make available documentary evidence necessary to perform such reviews. Documentation made available by the Contractor may include, but is not limited to, source documents, books of account, subsidiary records and supporting work papers, claim documentation and pertinent contracts and correspondence.

The audit provisions contained herein shall in no way be construed to limit the audit authority or audit scope of the Office of the State Comptroller as set forth in Appendix A of the Agreement - Standards Clauses for All New York State Contracts.

28. CONFIDENTIALITY

All records maintained by the Contractor and relating to the Agreement are confidential and shall be used by the Contractor and its officers, employees, and subcontractors or agents solely for the purpose of carrying out its obligations under the Agreement. Except as directed by a court of competent jurisdiction or as may be permitted or required by applicable New York State or federal law or regulations, no such records may be otherwise used or released to any person by the Contractor, its employees, subcontractors or agents, either during the term of the Agreement or in perpetuity thereafter. Deliberate or repeated accidental breach of this provision may, at the sole discretion of the Department, be grounds for termination of the Agreement.

The Contractor shall promptly advise the Department of all requests made to the Contractor for information regarding the performance of services under the Agreement, including any information provided by the Department, except as required by subcontractors or agents solely for the purpose of carrying out obligations under the Agreement or as required by law.

The Contractor shall be responsible for assuring that any agreement between the Contractor and any of its officers, agents and employees or applicable subcontractors contains a provision that conforms strictly to the provisions of this Article.

29. INFORMATION SECURITY REQUIREMENTS

In accordance with the Information Security Breach and Notification Act (ISBNA) (General Business Law §889-aa, State Technology Law §208), Contractor shall be responsible for complying with provisions of the ISBNA and the following terms contained herein with respect to any private information (as defined in ISBNA) received by Contractor under the Agreement (Private Information) that is within the control of the Contractor either on the Department's information security systems or the Contractor's information security system (System). In the event of a breach of the security of the System (as defined by ISBNA),

Contractor shall immediately commence an investigation, in cooperation with the Department, to determine the scope of the breach and restore security of the System to prevent any further breaches. Contractor shall also notify the Department of any breach of the security of the System immediately following discovery of such breach.

Except as otherwise instructed by the Department, Contractor shall, to the fullest extent possible, first consult with and receive authorization from the Department prior to notifying any individuals, the State Office of Information Technology Services (ITS), the State Consumer Protection Board and the Office of the Attorney General (OAG) or any consumer reporting agencies of a breach of the security of the System or concerning any determination to delay notification due to law enforcement investigations. Contractor shall be responsible for providing the notice to all such required recipients and for all the costs associated with providing such notice. Contractor shall be liable for any other costs associated with noncompliance of ISBNA if caused by the Contractor or Contractor's agents, officers, employees, or subcontractors. Nothing herein shall in any way impair the authority of the OAG to bring an action against the Contractor to enforce the provisions of ISBNA or limit Contractor's liability for any violation of the ISBNA. Additional information relative to the law and the notification process is available at:

<http://www.cscic.state.ny.us/security/securitybreach>

Contemporaneous with the execution of the Agreement, the Contractor and its designees shall execute the Department's Third Party Connection and Data Exchange Agreement and any other protocol required by the Department, and shall ensure its employees, agents and designees complete the related Third Party Acceptable Use Policy and Agreement if applicable, to ensure the security of data transmissions and other information related to the administration of the Agreement. This request may be waived by the Department in its sole discretion.

30. NONDISCLOSURE OF CONFIDENTIAL INFORMATION

Except as may be required by applicable law or a court of competent jurisdiction, the Contractor, its officers, agents, employees, and subcontractors shall maintain strict confidence with respect to any Confidential Information to which the Contractor, its officers, agents, employees, and subcontractors have access in the course of the Contractor's performance under the Agreement. For purposes of the Agreement, all State information of which the Contractor, its officers, agents, employees and subcontractors becomes aware during the course of performing services for the Department shall be deemed to be Confidential Information (oral, visual or written). Notwithstanding the foregoing, information that falls into any of the following categories shall not be considered Confidential Information:

- (a) information that is previously rightfully known to the receiving party without restriction on disclosure;
- (b) information that becomes, from no act or failure to act on the part of the receiving party, generally known in the relevant industry or is in the public domain; and
- (c) information that is independently developed by the Contractor without use of confidential information of the State.

The Contractor shall hold the State and the Department harmless from any loss or damage to the State or the Department resulting from the disclosure by the Contractor, its officers, agents, employees, and subcontractors of such Confidential Information.

The Contractor shall provide for its officers, agents, employees, and subcontractors to acknowledge and execute a nondisclosure agreement containing substantially the terms described in this Article, if requested to do so by the Department or the State.

This representation shall survive termination of the Agreement.

31. FREEDOM OF INFORMATION LAW

Disclosure of information and material provided to the Department by the Contractor in the course of the Contractor's performance under the Agreement shall be permitted consistent with the laws of the State of New York, and specifically the Freedom of Information Law (FOIL), Article 6 of the Public Officers Law. The Department shall take reasonable steps to protect from public disclosure any of the records relating to the Contractor's performance under the Agreement that otherwise are exempt from disclosure under FOIL.

If the Contractor believes that any information or material provided to the Department constitutes trade secret information that should be exempted from FOIL disclosure, the Contractor must, at the time of the materials' submission, request the exemption in writing, specifically identifying the material by page number, line, or other appropriate designation, and provide a particularized explanation as to why the material constitutes trade secret information and how the disclosure of the identified information would cause substantial injury to the Contractor's competitive position. The material sought to be protected from disclosure must be clearly marked in yellow highlighter, on a duplicate copy of the submission and may be provided in hardcopy or on a CD. Generically marking all material as "Confidential" will not be considered adequate for the purpose of this Article.

The Department's receipt of the Contractor's submission of material and the Contractor's request for protection of the material from FOIL disclosure does not constitute a determination that the information is exempt from disclosure under FOIL. In the event any information or material is requested pursuant to FOIL, the Department will address each party's interests fully in accordance with the procedures required by Article 6 of the Public Officers Law.

32. TERMINATION OF AGREEMENT

In addition to any termination provisions specified elsewhere in the Agreement, the following provisions also shall apply:

The Agreement may be terminated by mutual written agreement of the Parties.

The Agreement may be terminated by the Department for cause upon the failure of the Contractor to comply with the terms and conditions of the Agreement, including any exhibits incorporated herein, provided that the Department shall give the Contractor written notice via registered or certified mail, return receipt requested, or hand delivery, such written notice to specify the Contractor's failure and the termination of the Agreement. Termination shall be effective ten (10) Business Days after receipt of such notice unless the Contractor, in the opinion of the Department, has cured such failure. The Contractor agrees to incur no new obligations nor to claim for any expenses made after receipt of the notification of termination. Upon termination for cause, the Department shall have the right to award a new contract to another contractor. Termination for cause shall create a liability upon the Contractor for actual damages incurred and for all reasonable additional costs incurred in reassigning the Agreement.

The Agreement may be terminated if the Department deems that termination would be in the best interest of the State provided that the Department shall give written notice to the Contractor not less than thirty (30) Days prior to the date upon which termination shall become effective, such notice to be made via registered or certified mail, return receipt requested or hand delivered. The date of such notice shall be deemed to be the date of postmark in the case of mail or the date of hand delivery.

The Agreement may be terminated immediately in the event the Department determines that funds are unavailable. The Department agrees to provide notice to the Contractor as soon as it becomes aware that funds are unavailable in the event of termination under this paragraph. If the initial notice is via oral notification, the Department shall provide written notice immediately thereafter. The Department shall be obligated to pay the Contractor only for the expenditures made and obligations incurred by the Contractor until such time as notice of termination or received either orally or in writing by the Contractor from the Department.

In the event of termination for any reason, the Contractor shall not incur new obligations for the terminated portion. The Contractor agrees, after consultation with the Department, to cancel such outstanding obligations as the Contractor deems appropriate in the exercise of sound business judgment.

Upon termination of the Agreement each Party shall, if applicable, return to the other all papers, materials, and other properties of the other Party held by each for purposes of performance under the Agreement. In addition, each Party shall assist the other Party in orderly termination of the Agreement and the transfer of all aspects hereof, tangible, and intangible, as may be necessary to ensure the orderly administration of the State program.

33. CONTRACTOR PERSONNEL

The Contractor shall designate an Account Executive, who shall be the contact person for all matters arising under the Agreement.

The Contractor agrees to be solely responsible for the recruitment, hiring, provision of employment benefits, payment of salaries, and management of its personnel. These functions shall be carried out by the Contractor in accordance with the provisions of the Agreement and with all applicable federal and State laws and regulations.

The Contractor is required to commit key personnel for the administration of all aspects of the Agreement. In the event that any of the key personnel will be or are unavailable for the performance of their duties, the Contractor will designate and propose to the Department an equally qualified alternate with full authority to act for the unavailable key person.

The Contractor shall notify the Department in writing of any changes in the key personnel designated for performance of the Agreement. This shall include any changes in the personnel designated to bind the Contractor.

The Department reserves the right to demand the reassignment or cancellation of assignment to duties under the Agreement of any Contractor personnel so assigned. The Department shall not exercise the authority unreasonably. The Contractor agrees to replace any employees so reassigned or canceled with an employee of equal or better qualifications. If the Department exercises its right under this provision, it agrees to provide written notice to the Contractor setting forth its reasons with specificity.

34. OPERATIONAL CONTACTS

The Contractor shall maintain appropriate corporate and/or legal authority, which shall include, but not be limited to, the maintenance of an organization capable of delivering Program Services in accordance with the Agreement and the authority to do business in the State of New York or any other governmental jurisdiction in which Program Services are to be delivered pursuant to the Agreement. The Contractor also shall maintain operations, financial and legal staff that shall be directly available to the Department's operations, financial and legal staff, respectively. For purposes of the Agreement, maintenance of such staff and staff availability by the Contractor shall in no way create any agency relationship between the Department and the Contractor.

The Contractor acknowledges and agrees that no aspect of the Contractor's performance under the Agreement is contingent upon Department personnel or the availability of Department resources, with the exception of all proposed actions of the Contractor specifically identified in the Agreement as requiring the Department approval. With respect to such approval, the Department shall act promptly and in good faith.

The Contractor must cooperate fully with any other contractors who may be engaged by the Department relative to the the Agreement.

The Contractor must ensure that all contacts by the Contractor personnel with other New York State agencies, external organizations (Federal Agencies, Unions, etc.) which result in any charge, cost or payment of any kind, must receive prior written authorization from the Department's Contract Manager.

35. SUBCONTRACTING

If allowed in the solicitation instrument (e.g., Request for Proposal, Invitation for Bids, etc.) that results in the Agreement, the Contractor may arrange for specified portion(s) of its responsibilities under the Agreement to be subcontracted to a Key Subcontractor(s). A "Key Subcontractor" means that vendor(s) with whom the Contractor subcontracts to provide any portion of Program Services. If the Contractor determines to subcontract a portion(s) of Program Services, the Key Subcontractors must be clearly identified and the nature and extent of its involvement in and/or proposed performance under the Agreement must be fully explained by the Contractor to the Department. The Contractor retains ultimate responsibility for all Program Services performed under the Agreement.

All subcontracts shall be in writing and shall contain provisions, which are functionally identical to, and consistent with, the provisions of the Agreement including, but not be limited to, the body of the Agreement, Appendix A - Standard Clauses For All New York State Contracts, Appendix B - Standard Clauses for All Department Contracts and if applicable as determined by the Department, Appendix C - Third Party Connection and Data Exchange Agreement. Unless waived in writing by the Department, all subcontracts between the Contractor and a Key Subcontractor shall expressly name the State of New York, through the Department, as the sole intended third party beneficiary of such subcontract. The Department reserves the right to review and approve or reject any subcontract with a Key Subcontractor, as well as any amendments to said subcontract(s), and this right shall not make the Department or the State of New York a party to any subcontract or create any right, claim, or interest in the Key Subcontractor or proposed Key Subcontractor against the Department.

The Department reserves the right, at any time during the term of the Agreement, to verify that the written subcontract between the Contractor and Key Subcontractor(s) is in compliance with all of the provision of this Article and any subcontract provisions contained in the Agreement. In addition to other remedies allowed by law, the Department reserves the right to terminate the Agreement for cause if an executed subcontract does not contain all of the provisions/statements stipulated above. If during the term of the Agreement, any executed subcontract between the Contractor and a Key Subcontractor is amended, the Contractor shall, within 30 calendar days of such amendment, provide a copy to the Department.

The Contractor shall give the Department immediate notice in writing of the initiation of any legal action or suit which relates in any way to a subcontract with a Key Subcontractor or which may affect the performance of the Contractor's duties under the Agreement. Any subcontract shall not relieve the Contractor in any way of any responsibility, duty and/or obligation of the Agreement.

36. PUBLICITY AND COMMUNICATIONS

The Contractor shall ensure that all requests for the Contractor's participation in events where the Contractor will be participating on behalf of the Department receive prior written authorization from the Department.

No public discussion or news releases relating to the Agreement shall be made or authorized by the Contractor or the Contractor's agent without the prior written approval of the Department, which written approval shall not be unreasonably withheld or delayed provided, however, that Contractor shall be authorized to provide copies of the Agreement and answer any questions relating thereto to any State or federal regulators or, in connection with its financial activities, to financial institutions for any private or public offering.

37. CONSULTANT DISCLOSURE REQUIREMENTS

Unless directed otherwise by the Department, the Contractor shall demonstrate its compliance with Chapter 10 of the Laws of 2006 throughout the term of the Agreement by submitting to the Department and to the Office of the State Comptroller a "State Consultant Services - Contractor's Annual Employment Report" for each State Fiscal Year. Such report shall be due no later than May 15th of each year following the end of the State Fiscal Year being reported. Such report shall be required of any contract that includes services for analysis, evaluation, research, training, data processing, computer programming, engineering, environmental, health and mental health services, accounting, auditing, paralegal, legal, or similar services. Such report shall conform with Bulletin No. G-226 – Form B as issued by the Office of the State Comptroller. The report must be submitted to the Office of the State Comptroller, Bureau of Contracts, 110 State Street, 11th floor, Albany, NY 12236, ATTN: Consultant Reporting; and to the Department's Contract Manager.

38. PROCUREMENT LOBBYING RESTRICTIONS UNDER STATE FINANCE LAW SECTIONS 139-j AND 139-k

The Contractor certifies that all information that it has provided or will provide to the Department pursuant to State Finance Law sections 139-j and 139-k is complete, true, and accurate, including but not limited to information regarding prior determinations of non-responsibility within the past four years based upon (i) impermissible contacts of other violations of SFL section 139-j, or (ii) the intentional provision of false or incomplete information to a governmental entity.

The Department reserves the right to terminate the Agreement in the event it is found that the Contractor's certification of its compliance with SFL sections 139-j or 139-k was intentionally false or intentionally incomplete. Upon such finding, the Department may exercise its right to terminate the Agreement by providing written notification to the Contractor in accordance with Article 9 of this Appendix B.

39. VENDOR RESPONSIBILITY

The Contractor is required to provide the Department with an updated Vendor Responsibility Questionnaire when requested to do so by the Department throughout the term of the Agreement. Regardless, the Contractor is required to report to the Department any material changes in the information reported in its initial Vendor Responsibility Questionnaire.

40. TAX LAW SECTION 5-A - CERTIFICATION REGARDING SALES AND COMPENSATING USE TAXES

In the event the value of the Agreement exceeds \$100,000, the Contractor must file a properly completed Form ST-220-CA with the Department and a properly completed Form ST-220-TD with the Department of Taxation & Finance before the Agreement may take effect.

In addition, after the Agreement has taken effect, the Contractor must file a properly completed Form ST-220-CA with the Department if the Agreement's term is renewed; further, a new Form ST-220-TD must be filed with the Department of Taxation & Finance if no ST-220-TD has been filed by the Contractor or if a previously filed Form ST-220-TD is no longer correct and complete.

41. CONTRACT PAYMENT

Contractor shall provide complete and accurate billing invoices to the Department in order to receive payment. Billing invoices submitted to the Department must contain all information and supporting documentation required by the Agreement, the Department and the State Comptroller. Payment for invoices submitted by the Contractor shall only be rendered electronically unless payment by paper check is expressly authorized by the Commissioner, in the Commissioner's sole discretion, due to extenuating circumstances. Such electronic payment shall be made in accordance with ordinary State procedures and practices. The Contractor shall comply with the State Comptroller's procedures to authorize electronic payments. Authorization forms are available at the State Comptroller's website at www.osc.state.ny.us/epay/index.htm, by e-mail at epunit@osc.state.ny.us, or by telephone at 518-474-4032. Contractor acknowledges that it will not receive payment on any invoices submitted under the Agreement if it does not comply with the State Comptroller's electronic payment procedures, except where the Commissioner has expressly authorized payment by paper check as set forth above.

May 2011



THIRD PARTY CONNECTION AND DATA EXCHANGE AGREEMENT

THIS AGREEMENT (the “Agreement”) by and between the NYS Department of Civil Service (“DCS”), with principal offices in Albany, NY 12239, and

with principal offices at

(hereinafter “Third Party”), is entered into as of the date last written below (“the Effective Date”).

This Agreement consists of this signature page and the following attachments incorporated by reference:

1. Attachment 1: Third Party Connection and Data Exchange Agreement Terms and Conditions
2. Attachment 2: Third Party Connection and Data Exchange Request Requirements Document
3. Attachment 3: Third Party Acceptable Use Policy and Agreement
4. Attachment 4: DCS Equipment Loan Agreement (Applicable: Yes No)

This Agreement may only be modified by a written document executed by the parties hereto. Any disputes arising out of or in connection with this Agreement shall be governed by New York State law without regard to choice of law provisions.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed. Each party warrants and represents that its respective signatories whose signatures appear below have been and are on the date of signature duly authorized to execute this Agreement.

<i>Third Party Name:</i>	<i>NYS Department of Civil Service (DCS)</i>
Authorized Signature	Authorized Signature
Name (<i>Print</i>)	Name (<i>Print</i>)
Date	Date



THIRD PARTY CONNECTION AND DATA EXCHANGE AGREEMENT

ATTACHMENT 1 – SECURITY REQUIREMENTS

1. *Right to Use Connection*

Third Party may only use the connection and the information obtained from DCS for business purposes as outlined by the Third Party Connection and Data Exchange Request Requirements Document (Attachment 2).

2. *Data Exchange*

2.1 Third Party may only use the data obtained for purposes outlined by the Third Party Connection and Data Exchange Request Requirements Document (Attachment 2) and the contract or Memoranda of Understanding, if any, that exists between DCS and Third Party for the provision of goods or services or governing conduct between DCS and Third Party with respect to the access to and use of DCS data.

2.2 Data exchange may be conducted only by methods and/or services outlined by the Third Party Connection and Data Exchange Request Requirements Document (Attachment 2). Third Party should expect that access to information and services may be limited, as determined or required by DCS.

3. *Network Security*

3.1 Third Party will allow only its own employees approved in advance by DCS (“Third Party Users”) to access the Network Connection or any DCS-owned equipment. Third Party shall be solely responsible for ensuring that Third Party Users are not security risks, and upon DCS’ request, Third Party will provide DCS with any information reasonably necessary for DCS to evaluate security issues relating to any Third Party User.

3.2 Third Party will promptly notify DCS whenever any Third Party User leaves Third Party’s employ or no longer requires access to the connection or DCS-owned Equipment.

3.3 Each Party will be solely responsible for the selection, implementation, and maintenance of security procedures and policies that are sufficient to ensure that (a) such party’s use of the connection (and Third Party’s use of DCS-owned Equipment) is secure and is used only for authorized purposes, and (b) such Party’s business records and data are protected against improper access, use, loss alteration or destruction.

3.4 The preferred connectivity method is via the Internet to a DCS-approved or DCS-provided Virtual Private Network (VPN) device. If the device is DCS-provided, DCS will loan the Third Party, in accordance with the DCS Equipment Loan Agreement, the required client software for establishing VPN connections with DCS. Normal DCS perimeter security measures will control access to the internal network.

3.5 Extranet – Designated routers are used in combination with firewall rules to allow access to be managed. A second authentication may be required.



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- 3.6 Remote Access - Using the DCS-provided remote access software, Third Party will connect via an Internet browser. The account may be disabled until usage is required and controls are placed and managed by DCS. Third Party will be required to follow procedures to enable the account for each use.
- 3.7 Third Party Connections will be audited. All remote access user accounts for Third Parties will be given an expiration time. Renewals must be requested by Third Party and approved by the Department Sponsor. Obsolete Third Party connections will be terminated.
- 3.8 Software versions on all Third Party computers that connect to the DCS network must be versions that are currently supported by the software manufacturer, and all available security updates and hot fixes for that software must be applied in a timely fashion. Software and firmware for all Third Party networking equipment that is part of the connection to the DCS network must be kept up to date, especially with patches that fix security vulnerabilities.
- 3.9 Anti-virus software and firewalls must be installed and enabled at all times on DCS-owned computers and on Third Party computers that connect to the DCS network. Additionally, virus definition files must be kept up to date.
- 3.10 In no case may a Third Party Connection to DCS be used as an Internet Connection for Third Party or for a Third Party User.

4. Notifications

- 4.1 Third Party shall notify DCS in writing promptly of any change in its Users for the work performed over the Network Connection or whenever Third Party believes a change in the connection and/or functional requirements of the connection is necessary.
- 4.2 Any notices required by this Agreement shall be given in hand, sent by first class mail, or via facsimile to the applicable address set forth below.

Third Party Name:	NYS Department of Civil Service Albany, New York 12239
Address:	
Attention:	Attention:



5. *Citizen Notifications*

If Third Party maintains "identifying personal information" on behalf of the Department and such information is compromised, Third Party shall notify the Department immediately that the information has been compromised, the circumstances under which the information was compromised, and the measures undertaken by Third Party to address those circumstances and to otherwise mitigate the effects of the compromise. If encrypted data is compromised along with the corresponding encryption key and encryption software, the data shall be considered unencrypted and the information will be considered compromised through unauthorized access. If the Department requests Third Party to do so, Third Party shall notify the persons whose identifying information was compromised. Such notification shall be communicated via postal service or email, as directed by the Department, and shall otherwise be executed in accordance with the Department's direction. Notification shall be delayed if a law enforcement agency determines that such notification may impede a criminal investigation. For the purpose of this section, "identifying personal information" shall be any information concerning an individual which, because of name, number, symbol, mark or other identifier in combination with any of the following, is unencrypted: (1) Social Security Number; or (2) driver's license number; or (3) financial account number, credit or debit card number, in combination with any required security code, access code, or password which would permit access to an individual's financial account; or (4) password which would permit access to the individual's account.

6. *Payment of Costs*

Each Party will be responsible for all costs incurred by that Party under this Agreement, including, without limitation, costs for phone charges, telecommunications equipment and personnel for maintaining the connection.

7. *Confidentiality*

- 7.1 Information exchanged for the business purposes outlined in Attachment 2 will be held confidential by the Parties to the maximum extent permitted by law. Each Party may internally use the information received from the other Party hereunder in connection with and as specifically necessary to accomplish the Business Purpose set forth in Attachment 2 and for no other purposes. Each Party may otherwise share such information with other third parties (e.g. consultants, subcontractors, control agencies) as required or permitted by law in order to effect the business purposes outlined in Attachment 2 and for no other purposes, provided that such third parties agree to the confidentiality restrictions set forth herein and as may be required otherwise by State and federal law.
- 7.2 Third Party must implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the sensitive information that it creates, receives, maintains, or transmits on behalf of DCS.
- 7.3 Unencrypted DCS information must not be transmitted over email.
- 7.4 Third Party must ensure that any agent, including a subcontractor, to whom it provides such information agrees to implement reasonable and appropriate safeguards to protect it and report to the ITS Enterprise Service Desk any security incident of which it becomes aware.



8. *Third Party Users*

- 8.1 Third Party must require that each Third Party User executes a Third Party Acceptable Use Policy and Agreement (Attachment 3). Third Party must ensure that DCS is notified by fax or mail when the user base changes, following the specifications in the Third Party Connection & Data Exchange Agreement.
- 8.2 All aspects of Third Party connections within DCS control may be monitored by the appropriate DCS support group and/or the DCS Information Security Officer. Any unauthorized use or change to devices will be investigated immediately.
- 8.3 All Third Party Connections will be reviewed on a regular basis and information regarding specific Third Party connection will be updated as necessary. Obsolete Third Party connections will be terminated.

9. *DCS-owned Equipment*

- 9.1 DCS may, in DCS' sole discretion, loan to Third Party certain equipment and/or software for use on Third Party premises (the DCS-owned Equipment) under the terms of the DCS Equipment Loan Agreement set forth in Attachment 4. DCS-owned equipment will only be configured for TCP/IP, and will be used solely by Third Party on Third Party's premises or other locations authorized by DCS for the purposes set forth in this Agreement. DCS is responsible for ensuring that it has the right under applicable software licenses to permit third party use.
- 9.2 Third Party may modify the configuration of the DCS-owned equipment only after notification and approval in writing by authorized DCS personnel.
- 9.3 Third Party will not change or delete any passwords set on DCS-owned equipment without prior approval by authorized DCS personnel. Promptly upon any such change, Third Party shall provide DCS with such changed password.

10. *Term, Termination and Survival*

- 10.1 This Agreement will remain in effect until terminated by either Party, but in no event prior to the termination or expiration of any contract or agreement between the Parties for the purchase of goods or services that provides the business purpose for the exchange of data between the Parties, unless both Parties mutually agree to so terminate this Agreement.
- 10.2 Upon termination, Third Party shall return all tangible DCS data to DCS within a timeframe specified by DCS for that purpose, and further shall certify in writing to DCS that all other DCS data in whatever form has been destroyed. Additionally, any DCS-owned equipment and/or software shall be promptly returned to DCS at Third Party's expense.
- 10.3 Notwithstanding the above, the Parties' obligations to safeguard the confidentiality of the data subject to this Agreement shall survive the termination of this Agreement, and shall bind the Parties' employees, subcontractors, agents, heirs, successors and assigns.



11. Severability

If for any reason a court of competent jurisdiction finds any provision or portion of this Agreement to be unenforceable, that provision of the Agreement will be enforced to the maximum extent permissible so as to affect the intent of the Parties, and the remainder of this Agreement will continue in full force and effect.

12. Waiver

The failure of any Party to enforce any of the provisions of this Agreement will not be construed to be a waiver of the right of such Party thereafter to enforce such provisions.

13. Assignment

Third Party may not assign this Agreement, in whole or in part, without the prior written consent from DCS. Any attempt to assign this Agreement, without such consent, will be null and of no effect. Subject to the foregoing, this Agreement is for the benefit of and will be binding upon the parties' respective successors and permitted assigns.

14. Force Majeure

Neither Party will be liable for any failure to perform its obligations if such failure results from any act of God or other cause beyond such Party's reasonable control (including, without limitation, any mechanical, electronic or communications failure) which prevents such party from transmitting or receiving any data.

15. Partial Invalidity

If this Agreement is entered into as a consequence of Third Party's provision of goods or services to DCS pursuant to a contract or other written agreement, that Agreement supersedes this Agreement to the extent the agreements' provisions may be inconsistent.



THIRD PARTY CONNECTION AND DATA EXCHANGE AGREEMENT

ATTACHMENT 2 – REQUEST REQUIREMENTS

In accordance with the DCS *Third Party Connection and Data Exchange Policy*, all requests for Third Party connections and data exchanges must be accompanied by this completed requirements document. This document should be completed by the DCS person or group requesting the Third Party connection and/or data exchange. The DCS Department Sponsor must be the Director of the Division whose business requires the Third Party connection and/or data exchange. DCS Divisions are encouraged to work with their IRM Liaison to complete the information in this document.

Part 1 – Business Justification

A. DCS Sponsor (*Division Director*)

Name:

David Boland

Division:

Employee Benefits Division

Office Location:

NYS Department of Civil Service
Albany, New York 12239

Phone Number:

518-473-1977

Email Address:

David.Boland@cs.ny.gov

Back-up Point of Contact: (Data Custodian)

Name:

Barbara Vaughn

Division:

Employee Benefits Division

Office Location:

NYS Department of Civil Service
Albany, New York 12239

Phone Number:

518-549-2328

Email Address:

Barbara.Vaughn@cs.state.ny.us

B. Business Reason for Connection (*To be completed by Sponsor*)

State the purpose of establishing the connection and the purpose of the data transmission. Specify the business needs of the proposed connection. Use additional sheets of paper if needed.



C. Specify the details of the work to be accomplished via the connection. What applications will be used? What information will be used? What transactions will be accomplished?

Enrollment files from NYBEAS will be transmitted to *[Insert Contractor Name]* via an SFTP connection. Limited *[Insert Contractor Name]* staff has inquiry access to NYBEAS to verify NYSHIP enrollment in *[Insert Contractor Name]*. The enrollment information is used by *[Insert Contractor Name]* to determine eligibility for benefits under the NYSHIP and to provide benefits to enrolled members.

D. Specify the Third Party Controls to be Implemented for Safeguarding DCS Data:

Access Controls:

Audit Controls:

Working procedures or practices for handling printed material and verbal exchanges:

Method of Disposal of media and paper:

User Account Management, including review of accounts:

Physical Security:

Other:

E. Estimated number of hours of use each week?

1 – 20

21 – 40

More than 40 hours per week

F. Anticipated normal hours of use?

M – F, 8:00 – 5:00 pm Eastern time

Other (specify):

G. What is the requested installation date? (Minimum lead-time is 30 days)

H. Approximately how long will the connection be needed?



- Up to 6 months
- 6 – 12 months
- More than 12 months
- Specific time period:

Note: If a connection is needed for more than a year, the Connection Agreement must be renewed annually.

I. Other useful information

J. Third Party Information

Name of Third Party: Main Phone Number:

Main Office Address:

Management Contact

Name: Department:

Address: Email Address:

Phone Number: Manager's Name:

Manager's Phone:

Backup Contact

Name: Department:

Address: Email Address:

Phone Number: Manager's Name:

Manager's Phone:

Technical Contact

Name: Department:

Address: Email Address:

Phone Number:

Manager's Name: Manager's Phone:

Technical Support Hours:



State of New York
Department of Civil Service
Albany, New York 12239

ADMINISTRATIVE SERVICES DIVISION
Third Party Connection and Data Exchange Agreement
Attachment 2 – Request Requirements

ADM-125 (4/06)

Escalation List:

Domain name(s):

Host name(s):



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User Names and Contact Information. (*List all employees of the Third Party who will use this access.*)

User 1 (*name, phone, email*):

User 2 (*name, phone, email*):

User 3 (*name, phone, email*):

User 4 (*name, phone, email*):

User 5 (*name, phone, email*):

User 6 (*name, phone, email*):

User 7 (*name, phone, email*):

User 8 (*name, phone, email*):

User 9 (*name, phone, email*):

User 10 (*name, phone, email*):

K. Other information



THIRD PARTY CONNECTION AND DATA EXCHANGE AGREEMENT

ATTACHMENT 3 – THIRD PARTY ACCEPTABLE USE POLICY AND AGREEMENT

This Policy and Agreement applies to all forms of computer and networking use, including local access at the Department of Civil Service (DCS) premises, remote access via public or private networks, access using DCS equipment, access using individual or group accounts, and access via other methods.

A signed paper copy of this form must be submitted by any individual (1) for whom authorization of a new user account is requested, (2) who will use a shared third party account, and/or (3) who is requesting reauthorization of an existing use. Modifications to the terms and conditions of this agreement will not be accepted by DCS management.

Indicate here if this is a notification that the User named below no longer requires access:

User's Name (<i>print</i>):			
Organization:			
Telephone Number:	Area code	Number	Extension
Office Address:			

<i>The undersigned acknowledges that he or she has read, understands, and agrees to comply with this Third Party Acceptable Use Policy and Agreement governing the use of DCS computing resources.</i>	
User Signature:	Date:

You must sign this signature page and send it to DCS. Retain a copy of the signature page and the attached Policy for your records. This form must be delivered either by fax or mail to:

**MAIL: NYS Department of Civil Service, Albany, NY 12239
Attention: ITS Enterprise Service Desk**



THIRD PARTY CONNECTION AND DATA EXCHANGE AGREEMENT

ATTACHMENT 3 – THIRD PARTY ACCEPTABLE USE POLICY AND AGREEMENT

I. *Protection of DCS Information*

All records and information maintained in DCS systems accessed by the User are confidential and shall be used by the User solely for the purpose of carrying out the User's official duties. Users may not use any such records and information for any other purpose. No such records or information may otherwise be used or released to any person by the User or by the User's employer or agent, except as may be required by applicable State or federal law or by a court of competent jurisdiction. All accounts and connections will be regularly reviewed.

II. *DCS Log-on Banner*

All users will follow the guidelines of the DCS Log-on Banner as stated below.

NOTICE * The contents of this banner have been recommended to all State agencies by the Office for Technology in the NYS Preferred Standards and Procedures for Information Security. * This electronic system, which includes hardware, software and network components and all data contained therein (the "system"), is the property of the New York State Department of Civil Service (DCS). * Unauthorized use or attempted unauthorized use of this system is not permitted and may constitute a federal or state crime. Such use may subject you to appropriate disciplinary and/or criminal action. Use of this system is only permitted to the extent authorized by DCS. * Use is limited to conducting official business of DCS. Under the Electronic Communications Privacy Act of 1986 (18 U.S.C. 2510, et seq.), notice is hereby given that there are NO facilities provided by this system for sending or receiving private confidential electronic communication. Any use, whether authorized or not, may be monitored, intercepted, recorded, read, copied, accessed or captured in any manner, and used or disclosed in any manner, by authorized DCS personnel without additional prior notice to users. In this regard, users have no legitimate expectation of privacy during any use of this system or in any data on this system. * Use, whether authorized or unauthorized, constitutes expressed consent for DCS to monitor, intercept, record, read, copy, access or capture and use or disclose such information. * DCS policy regarding this matter can be reviewed on the DCS internal website. Copies can also be obtained from the Office of Human Resources Management. Such policies are subject to revision. This notice is consistent with the Acceptable Use Policy issued to DCS employees regarding acceptable use, June 15, 2005. I have read and understand this notification and department policy.

III. *Passwords*

The User is not permitted to share his/her password with anyone. Passwords must never be written down. The User must not use the same password for multiple applications. The User must use passwords that are not easily guessed and must not use their email address as their password.



IV. *Shared Accounts*

All use of shared accounts must be authorized by DCS. Users of shared accounts must be identified to DCS via the completion and signing of this policy/agreement. Third Parties are responsible for notification to DCS when the user base changes. Passwords for shared accounts must not be provided to individuals who have not been identified by Third Party to DCS and who have not completed and signed this policy/agreement.

V. *Virus Protection*

Anti-virus software must be installed and enabled at all times on DCS-owned computers and on third party computers used to conduct DCS business. Virus definition files must be kept up to date. DCS Information Resource Management (IRM) provides anti-virus software and maintains the configuration of that software for all DCS-owned computers.

VI. *Acceptable Use*

DCS computers, computing systems and their associated communication systems are provided to support the official business of DCS. All uses inconsistent with DCS' business activities and administrative objectives are considered to be inappropriate use.

Examples of unacceptable behavior include, but are not limited to the following.

- Any illegal activities that could result in legal actions against and/or financial damage to DCS.
- Computer usage that reasonably harasses or offends other employees, users, or outsiders, or results in public embarrassment to DCS.
- Computer usage that is not specifically approved and which consumes significant amounts of computer resources not commensurate with its benefit to DCS' mission or which interferes with the performance of a worker's assigned job responsibilities.
- Use in connection with compensated outside work or unauthorized not-for-profit business activities.
- Use of sniffers, spyware, ad-ware or other related technology.

VII. *Software Protection*

The User is responsible for complying with copyright, licensing, trademark protection, and fair use restrictions.

VIII. *Reporting Incidents*

Users are required to report incidents of system errors, data discrepancies, application performance problems, to the ITS Enterprise Service Desk at 518-474-2433.



IX. *DCS Rights*

Pursuant to the Electronic Communications Privacy Act of 1986 (18 USC 2510 et seq.), notice is hereby given that there are no facilities provided by this system for sending or receiving private or confidential electronic communications. DCS has access to all access attempts, messages created and received, and information created or stored using DCS resources, and will monitor use as necessary to assure efficient performance and appropriate use. Information relating to or in support of illegal activities will be reported to the appropriate authorities.

DCS reserves the right to log and monitor use. DCS reserves the right to remove a user account from the network. DCS assumes no responsibility or liability for files or information deleted.

The DCS will not be responsible for any damages. This includes the loss of data resulting from delays, non-deliveries, or service interruptions caused by negligence, errors or omissions, or caused by the way the user chooses to use DCS computing facilities.

DCS reserves the right to change its policies and rules at any time.

X. *Penalties*

The User shall hold the State and DCS harmless from any loss or damage to the State and/or DCS resulting from the User's inappropriate disclosure of information covered by this User Agreement. Further, the User's non-compliance with this Agreement may result in the revocation of system privileges, termination of employment or contract with DCS, and/or criminal and/or civil penalties.



Name And Address Of Borrower	DCS Business Unit (Loaning Organization)	
	Point Of Contact	
	Work Location	Telephone
Shipping Address (<i>If different from borrower's</i>)	Manager's Name	
	Date To Be Loaned	
	Date To Be Returned	
Equipment To Be Loaned		
Quantity	Description	Value
Purpose Of Loan		
CONDITIONS OF LOAN		
<ol style="list-style-type: none"> The Borrower of the above equipment agrees to return same in like condition as received from DCS, normal wear and tear excepted, on or before the above return date, unless the loan period is formally extended. Upon termination of this Agreement, Borrower shall uninstall all DCS software included in this Agreement from Borrower's computer and/or network equipment. The Borrower shall not make any copies of DCS software included in this Agreement. In case of loss or damage beyond repair, DCS shall be reimbursed by Borrower at the current price of replacement. The equipment shall not be loaned or transferred to a third party without the written consent of DCS. The right is reserved to cancel the loan or recall the equipment upon ____ days' notice. The Borrower shall assume all shipping and/or transportation costs involved. Other conditions: 		



State of New York
 Department of Civil Service
 The State Campus
 Albany, New York 12239

ADMINISTRATIVE SERVICES DIVISION
Third Party Connection and Data Exchange Agreement
Attachment 4 –Equipment Loan Agreement
 ADM-125 (4/06)

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Agreed (Borrower)	Approved (DCS)
Borrowing Organization	Loaning Organization
Signature Of Authorized Official	Signature Of Authorized Official
Title	Title
Date	Date
RECEIPT OF EQUIPMENT	
Borrower (<i>Upon initial receipt</i>)	DCS Lender (<i>Upon termination of Agreement</i>)
Borrowing Organization	Loaning Organization
Signature Of Authorized Official	Signature Of Authorized Official
Title	Title
Date	Date

APPENDIX C-1

ITS-AGS: INFORMATION SECURITY STANDARDS

Table of Contents

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1. Secure System Development Life Cycle Standard

ITS has defined a Secure Systems Development Lifecycle (SSDLC) based on the NIST framework. These SSDLC security requirements and tasks must be considered and addressed within every system, project or application and sufficiently documented to demonstrate the extent to which each security activity is applied.

At a minimum, a SSDLC must contain the following security activities:

1. Define Security Roles and Responsibilities
2. Orient Staff to the SDLC Security Tasks
3. Establish a System Criticality Level
4. Classify Information
5. Establish System Identity Assurance Level Requirements
6. Establish System Security Profile Objectives
7. Create a System Profile
8. Decompose the System
9. Assess Vulnerabilities and Threats
10. Assess Risks
11. Select and Document Security Controls
12. Create Test Data
13. Test Security Controls
14. Perform Certification and Accreditation
15. Manage and Control Change
16. Measure Security Compliance
17. Perform System Disposal

Additional information is found in policy *NYS-S13-001 Secure System Development Life Cycle*, see Table 1 in section 2.

2. New York State Information Technology Security Policies

Every system, project or application must comply with the New York State Information Technology Security Policies, published by the NYS Enterprise Information Security Office (EISO) at its.ny.gov/eiso/policies/security, that are applicable to it. These policies are listed in the table below.

Table 1

NYS-P03-002	Information Security Policy
NYS-P10-006	Identity Assurance Policy

NYS-P13-001	Information Security Exception Policy
NYS-P14-001	Acceptable Use of Information Technology (IT) Resources Policy
NYS-S10-001	CPE Requirements for ISOs/Designated Security Representatives Standard
NYS-S13-001	Secure System Development Life Cycle (SSDLC) Standard
NYS-S13-002	Secure Coding Standard
NYS-S13-003	Sanitization/Secure Disposal Standard
NYS-S13-004	Identity Assurance Standard
NYS-S13-005	Cyber Incident Response Standard
NYS-S14-001	Information Security Risk Management Standard
NYS-S14-002	Information Classification Standard
NYS-S14-003	Information Security Controls Standard
NYS-S14-005	Security Logging Standard
NYS-S14-006	Authentication Tokens Standard
NYS-S14-007	Encryption Standard
NYS-S14-008	Secure Configuration Standard
NYS-S14-009	Mobile Device Security Standard
NYS-S14-010	Remote Access Standard
NYS-S14-013	Account Management / Access Control Standard
NYS-S15-001	Patch Management Standard
NYS-S15-002	Vulnerability Scanning Standard
NYS-S15-003	Wireless Technology Standard
NYS-G10-001	Secure Use of Social Media Guideline

3. Information Security and Emergency Procedures

New York State considers the security and protection of State information to be a critical aspect of this engagement.

Contractor agrees to comply with the following requirements:

- Comply with all federal and state security policies in relation to providing services to ensure the confidentiality, integrity and availability (CIA) of NYS data.
- NYS follows NIST 800-53 guidelines for implementing system security and privacy controls. Vendors should also be aware of the FedRAMP program when implementing systems for NYS.
- Run NYS Enterprise Information Security Office (EISO) approved security scans specified in policy *NYS-S15-002 Vulnerability Scanning Standard* prior to the launch of any major changes to the [enter project name], as well as follow policy *NYS-S13-001 Secure System Development Life Cycle*.
- Undergo a data classification in conjunction with [enter agency name] to identify the criticality of the data being collected and stored.
- Share all vendor's third party audit reports with the State.
- Allow the State to verify implementation of recommendations resulting from the third party audits.
- In the event of a security breach, as defined by State Technology law Section 208, the Contractor shall act in accordance with New York State Breach Notification Law.
- Contractor is required to submit, as part of its overall security plan, a Protection and Risk Assessment Plan for the management of the State's confidential information. The Protection and Risk Assessment Plan is expected to include Contractor's technology- and non-technology-based process for securing the State's confidential information. At a minimum, the Protection and Risk Assessment Plan must address the areas listed below.
 - Ensuring and certifying that employees, subcontractors, and business partners are aware of and comply with NYS information security and confidentiality requirements.
 - Documentation to detail the extent to which each security activity listed in section 1. *Secure System Development Life Cycle Standard* is followed.
 - Security reviews and audits, including third-party reviews, audits, and facility audits.
 - Use of security tools and standards (e.g., security software, encryption standards, etc.).

- Maintaining and enhancing the bidder's information security environment and business practices with procedures and policies for a security environment aligning with industry best practices.

Contractor is expected to provide copies of Continuity of Operations Plan (COOP) and Disaster Recovery Plan (DRP) plans for all data, records, forms, and data processing operations associated with [enter project name]. **The following areas should be addressed as part of the security documentation:**

- Establish procedures to ensure its data processing system will be back in at least minimal operation within [insert time constraint].
- Ensure complete, accurate and up-to-date documentation of all systems and procedures used to operate [enter project name]. This documentation shall include a back-up copy stored encrypted, where appropriate, off premises (New York State data should not reside outside of the continental United States).
- Redundant architectures, based on the criticality of data, e.g. Tier III data center; regular file back-ups; and continuous 24-hour monitoring required for hosted environments.
- Provide recovery procedure training for all personnel and refresher training at least annually.

4. Cloud Security Requirements

If cloud based services are a component of the solution or services to be provided by Contractor, Contractor must comply with FedRAMP (<https://www.fedramp.gov>) standards for cloud services, and other applicable federal and New York State laws, regulations and requirements.

PARTICIPATION BY MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISES: REQUIREMENTS AND PROCEDURES

I. General Provisions

- A. The Department of Civil Service (the “Department”) is required to implement the provisions of New York State Executive Law Article 15-A and Parts 140-145 of Title 5 of the New York Codes, Rules and Regulations (“NYCRR”) for all State contracts, as defined therein, with a value (1) in excess of \$25,000 for labor, services, equipment, materials, or any combination of the foregoing or (2) in excess of \$100,000 for real property renovations and construction.
- B. The contractor to the subject contract (the “Contractor” and the “Contract,” respectively) agrees, in addition to any other nondiscrimination provision of the Contract and at no additional cost to the Department, to fully comply and cooperate with the Department in the implementation of New York State Executive Law Article 15-A and the regulations promulgated thereunder. These requirements include equal employment opportunities for minority group members and women (“EEO”) and contracting opportunities for New York State-certified minority and women-owned business enterprises (“MWBEs”). The Contractor’s demonstration of “good faith efforts” pursuant to 5 NYCRR § 142.8 shall be a part of these requirements. These provisions shall be deemed supplementary to, and not in lieu of, the nondiscrimination provisions required by New York State Executive Law Article 15 (the “Human Rights Law”) and other applicable federal, state, and local laws.
- C. Failure to comply with all of the requirements herein may result in a finding of non-responsiveness, non-responsibility and/or a breach of contract, leading to the assessment of liquidated damages pursuant to Section VII of this Appendix and such other remedies are available to the Department pursuant to the Contract and applicable law.

II. Contract Goals

- A. For purposes of this Contract, the Department hereby establishes an overall goal of 4 percent for MWBE participation, 2 percent for New York State-certified minority-owned business enterprise (“MBE”) participation and 2 percent for New York State-certified women-owned business enterprise (“WBE”) participation (collectively, “MWBE Contract Goals”) based on the current availability of MBEs and WBEs.
- B. For purposes of providing meaningful participation by MWBEs on the Contract and achieving the MWBE Contract Goals established in Section II-A hereof, the Contractor should reference the directory of MWBEs at the following internet address: <https://ny.newnycontracts.com>.

Additionally, the Contractor is encouraged to contact the Division of Minority and Women’s Business Development at (212) 803-2414 to discuss additional methods of maximizing participation by MWBEs on the Contract.

Appendix D

- C. The Contractor understands that only sums paid to MWBEs for the performance of a commercially useful function, as that term is defined in 5 NYCRR § 140.1, may be applied towards the achievement of the applicable MWBE participation goal. The portion of a contract with an MWBE serving as a broker that shall be deemed to represent the commercially useful function performed by the MWBE shall be 25percent of the total value of the contract.
- D. The Contractor must document “good faith efforts,” pursuant to 5 NYCRR § 142.8, to provide meaningful participation by MWBEs as subcontractors and suppliers in the performance of the Contract. Such documentation shall include, but not necessarily be limited to:
 - 1. Evidence of outreach to MWBEs;
 - 2. Any responses by MWBEs to the Contractor’s outreach;
 - 3. Copies of advertisements for participation by MWBEs in appropriate general circulation, trade, and minority or women-oriented publications;
 - 4. The dates of attendance at any pre-bid, pre-award, or other meetings, if any, scheduled by the Department with MWBEs; and,
 - 5. Information describing specific steps undertaken by the Contractor to reasonably structure the Contract scope of work to maximize opportunities for MWBE participation.

III. Equal Employment Opportunity (“EEO”)

- A. The provisions of Article 15-A of the Executive Law and the rules and regulations promulgated thereunder pertaining to equal employment opportunities for minority group members and women shall apply to the Contract.
- B. In performing the Contract, the Contractor shall:
 - 1. Ensure that each contractor and subcontractor performing work on the Contract shall undertake or continue existing EEO programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status. For these purposes, EEO shall apply in the areas of recruitment, employment, job assignment, promotion, upgrading, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation.
 - 2. The Contractor shall submit an EEO policy statement to the Department within seventy-two (72) hours after the date of the notice by the Department to award the Contract to the Contractor.
 - 3. If the Contractor, or any of its subcontractors, does not have an existing EEO policy statement, the Department may require the Contractor or subcontractor to adopt a model statement (see Appendix D-1 Equal Employment Opportunity Policy Statement).

Appendix D

4. The Contractor's EEO policy statement shall include the following language:
 - a. The Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, age, disability, or marital status, will undertake or continue existing EEO programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination, and shall make and document its conscientious and active efforts to employ and utilize minority group members and women in its work force.
 - b. The Contractor shall state in all solicitations or advertisements for employees that, in the performance of the contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.
 - c. The Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union, or representative will not discriminate on the basis of race, creed, color, national origin, sex age, disability or marital status and that such union or representative will affirmatively cooperate in the implementation of the Contractor's obligations herein.
 - d. The Contractor will include the provisions of Subdivisions (a) through (c) of this Subsection 4 and Paragraph "E" of this Section III, which provides for relevant provisions of the Human Rights Law, in every subcontract in such a manner that the requirements of the subdivisions will be binding upon each subcontractor as to work in connection with the Contract.

C. Form EEO-100 - Staffing Plan

To ensure compliance with this Section, the Contractor shall submit a staffing plan to document the composition of the proposed workforce to be utilized in the performance of the Contract by the specified categories listed, including ethnic background, gender, and Federal occupational categories. The Contractor shall complete the staffing plan form and submit it as part of their bid or proposal or within a reasonable time, as directed by the Department.

D. Form EEO-101 - Workforce Utilization Report

1. The Contractor shall submit a Workforce Utilization Report, and shall require each of its subcontractors to submit a Workforce Utilization Report, in such form as shall be required by the Department on a Quarterly basis during the term of the Contract.
2. Separate forms shall be completed by the Contractor and any subcontractors.

- E. The Contractor shall comply with the provisions of the Human Rights Law, and all other State and Federal statutory and constitutional non-discrimination provisions. The Contractor and its subcontractors shall not discriminate against any employee or applicant for employment because of race, creed (religion), color, sex, national origin,

Appendix D

sexual orientation, military status, age, disability, predisposing genetic characteristic, marital status or domestic violence victim status, and shall also follow the requirements of the Human Rights Law with regard to non-discrimination on the basis of prior criminal conviction and prior arrest.

IV. MWBE Utilization Plan

- A. The Contractor represents and warrants that the Contractor has submitted an MWBE Utilization Plan, or shall submit an MWBE Utilization Plan at such time as shall be required by the Department, through the New York State Contract System (“NYSCS”), which can be viewed at <https://ny.newnycontracts.com>, provided, however, that the Contractor may arrange to provide such evidence via a non-electronic method to the Department, either prior to, or at the time of, the execution of the contract.
- B. The Contractor agrees to adhere to such MWBE Utilization Plan in the performance of the Contract.
- C. The Contractor further agrees that failure to submit and/or adhere to such MWBE Utilization Plan shall constitute a material breach of the terms of the Contract. Upon the occurrence of such a material breach, the Department shall be entitled to any remedy provided herein, including but not limited to, a finding that the Contractor is non-responsive.

V. Waivers

- A. If the Contractor, after making good faith efforts, is unable to achieve the MWBE Contract Goals stated herein, the Contractor may submit a request for a waiver through the NYSCS, or a non-electronic method provided by the Department. Such waiver request must be supported by evidence of the Contractor’s good faith efforts to achieve the maximum feasible MWBE participation towards the applicable MWBE Contract Goals. If the documentation included with the waiver request is complete, the Department shall evaluate the request and issue a written notice of approval or denial within twenty (20) business days of receipt.
- B. If the Department, upon review of the MWBE Utilization Plan, quarterly MWBE Contractor Compliance Reports described in Section VI, or any other relevant information, determines that the Contractor is failing or refusing to comply with the MWBE Contract Goals, and no waiver has been issued in regards to such non-compliance, the Department may issue a notice of deficiency to the Contractor. The Contractor must respond to the notice of deficiency within seven (7) business days of receipt. Such response may include a request for partial or total waiver of MWBE Contract Goals.

Appendix D

VI. Quarterly MWBE Contractor Compliance Report

The Contractor is required to submit a quarterly MWBE Contractor Compliance Report through the NYSCS, provided, however, that the Contractor may arrange to provide such report via a non-electronic method to the Department by the 10th day following the end of each quarter during the term of the Contract.

VII. Liquidated Damages - MWBE Participation

- A. Where the Department determines that the Contractor is not in compliance with the requirements of this Appendix and the Contractor refuses to comply with such requirements, or if the Contractor is found to have willfully and intentionally failed to comply with the MWBE participation goals, the Contractor shall be obligated to pay to the Department liquidated damages.

- B. Such liquidated damages shall be calculated as an amount equaling the difference between:
 1. All sums identified for payment to MWBEs had the Contractor achieved the contractual MWBE goals; and
 2. All sums actually paid to MWBEs for work performed or materials supplied under the Contract.

- C. In the event a determination has been made which requires the payment of liquidated damages and such identified sums have not been withheld by the Department, the Contractor shall pay such liquidated damages to the Department within sixty (60) days after they are assessed. Provided, however, that if the Contractor has filed a complaint with the Director of the Division of Minority and Women's Business Development pursuant to 5 NYCRR § 142.12, liquidated damages shall be payable only in the event of a determination adverse to the Contractor following the complaint process.

Appendix D-1

**MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISES – EQUAL
EMPLOYMENT OPPORTUNITY POLICY STATEMENT**

M/WBE AND EEO POLICY STATEMENT

I, _____, the (awardee/contractor)_____ agree to adopt the following policies with respect to the project being developed or services rendered at _____

M/WBE

EEO

This organization will and will cause its contractors and subcontractors to take good faith actions to achieve the M/WBE contract participations goals set by the State for that area in which the State-funded project is located, by taking the following steps:

- (1) Actively and affirmatively solicit bids for contracts and subcontracts from qualified State certified MBEs or WBEs, including solicitations to M/WBE contractor associations.
- (2) Request a list of State-certified M/WBEs from AGENCY and solicit bids from them directly.
- (3) Ensure that plans, specifications, request for proposals and other documents used to secure bids will be made available in sufficient time for review by prospective M/WBEs.
- (4) Where feasible, divide the work into smaller portions to enhanced participations by M/WBEs and encourage the formation of joint venture and other partnerships among M/WBE contractors to enhance their participation.
- (5) Document and maintain records of bid solicitation, including those to M/WBEs and the results thereof. The Contractor will also maintain records of actions that its subcontractors have taken toward meeting M/WBE contract participation goals.
- (6) Ensure that progress payments to M/WBEs are made on a timely basis so that undue financial hardship is avoided, and that, if legally permissible, bonding and other credit requirements are waived or appropriate alternatives developed to encourage M/WBE participation.

- (a) This organization will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, age, disability or marital status, will undertake or continue existing programs of affirmative action to ensure that minority group members are afforded equal employment opportunities without discrimination, and shall make and document its conscientious and active efforts to employ and utilize minority group members and women in its work force on state contracts.
- (b) This organization shall state in all solicitation or advertisements for employees that in the performance of the State contract all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex disability or marital status.
- (c) At the request of the contracting agency, this organization shall request each employment agency, labor union, or authorized representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability or marital status and that such union or representative will affirmatively cooperate in the implementation of this organization’s obligations herein.
- (d) The Contractor shall comply with the provisions of the Human Rights Law, all other State and Federal statutory and constitutional non-discrimination provisions. The Contractor and subcontractors shall not discriminate against any employee or applicant for employment because of race, creed (religion), color, sex, national origin, sexual orientation, military status, age, disability, predisposing genetic characteristic, marital status or domestic violence victim status, and shall also follow the requirements of the Human Rights Law with regard to non-discrimination on the basis of prior criminal conviction and prior arrest.
- (e) This organization will include the provisions of sections (a) through (d) of this agreement in every subcontract in such a manner that the requirements of the subdivisions will be binding upon each subcontractor as to work in connection with the State contract

Agreed to this _____ day of _____, 2_____

By _____

Print: _____ Title: _____

_____ is designated as the Minority Business Enterprise Liaison
(Name of Designated Liaison)

responsible for administering the Minority and Women-Owned Business Enterprises- Equal Employment Opportunity (M/WBE-EEO) program.

M/WBE Contract Goals

_____percent Minority and Women's Business Enterprise Participation

_____percent Minority Business Enterprise Participation

_____percent Women's Business Enterprise Participation

(Authorized Representative)

Title: _____

Date: _____



Your MWBE Utilization and Reporting Responsibilities Under Article 15-A

The New York State Contract System (“NYSCS”) is your one stop tool compliance with New York State’s MWBE Program. It is also the platform New York State uses to monitor state contracts and MWBE participation.


GETTING STARTED

To access the system, you will need to login or create a user name and password at <https://ny.newnycontracts.com>. If you are uncertain whether you already have an account set up or still need to register, please send an email to the customer service contact listed on the Contact Us & Support page, or reach out to your contract’s project manager. For verification, in the email, include your business name and contact information.

VENDOR RESPONSIBILITIES

As a vendor conducting business with New York State, you have a responsibility to utilize minority- and/or women-owned businesses in the execution of your contracts, per the MWBE percentage goals stated in your solicitation, incentive proposal or contract documents. NYSCS is the tool that New York State uses to monitor MWBE participation in state contracting. Through the NYSCS you will submit utilization plans, request subcontractors, record payments to subcontractors, and communicate with your project manager throughout the life of your awarded contracts.

There are several reference materials available to assist you in this process, but to access them, you need to first be registered within the NYSCS. Once you log onto the website, click on the **Help & Support** >> link on the lower left hand corner of the Menu Bar to find recorded trainings and manuals on

all features of the NYSCS. You may also click on the  icon at the top right of your screen to find videos tailored to primes and subcontractors. There are also opportunities available to join live trainings, read up on the “Knowledge Base” through the Forum link, and submit feedback to help improve future enhancements to the system. Technical assistance is always available through the **Contact Us & Support** link on the NYSCS website (<https://ny.newnycontracts.com>).

For more information, contact your project manager.

Exhibit I.A - Proposal Submission Requirement Checklist

Please indicate by checkmark that your Proposal meets **each** of the following submission requirements:

1. **TIMELY SUBMISSION:** Proposal submitted to assure receipt by the Department no later than 3:00 p.m. ET on the Proposal Due Date as indicated in RFP Section II.A.1.
2. **FORMATTING REQUIREMENTS:** The Offeror's Proposal must be organized in three parts: Administrative Proposal; Technical Proposal and Cost Proposal and each part must each comply with the formatting requirements stated in Section II.A.7.a and II.A.7.b of this RFP.
- a. Twelve (12) separately bound hardcopies – **two (2) Originals each of the Administrative Proposal, Technical Proposal and Cost Proposal** containing original documents (i.e., original signatures, no photocopies) and marked and numbered (i.e., "ORIGINAL #1" and "ORIGINAL #2."), **Ten (10) copies of each Administrative Proposal, Technical Proposal and Cost Proposal** marked and numbered (i.e., "COPY #1," "COPY #2," etc.) and a separate CD for the Administrative, Technical and Cost Proposals.
 - b. Proposals must be prepared in Adobe Acrobat.
 - c. Each Administrative, Technical and Cost Proposal must be separately bound and clearly labeled with "Actuarial and Benefits Management Consulting Services #ABMC-2017-1" and Offeror's name(s).
 - d. Table of Contents
 - e. Index Tabs
 - f. Pagination
 - g. Updates/Corrections
 - h. Required Content of Proposals - The Proposal shall consist of three parts: the Administrative Proposal must contain the documentation required in Section III of this RFP. The Technical Proposal must be responsive to the programmatic duties and responsibilities set forth in Section IV of this RFP. The Cost Proposal must demonstrate a commitment to perform all programmatic duties and responsibilities in accordance with Section V of this RFP.
3. **REQUIRED CONTENT OF THE ADMINISTRATIVE PROPOSAL:** The Administrative Proposal must contain the following information, in the order enumerated below:
- A. **Formal Offeror Letter:** The Offeror must submit a formal offer in the form of the "Formal Offer Letter" as set forth in RFP, Exhibit I.S in accordance with the requirements set forth in RFP, Section III.A
 - B. **Minimum Mandatory Requirements:** The Offeror must submit a completed Exhibit I.T "Offeror Attestations Form" containing the representations and warranties set forth therein.
 - C. **Exhibits:** The Offeror must complete and submit the Exhibits specified in Section III.C as follows:
 - Exhibit I.A Proposal Submission Requirement Checklist
 - Exhibit I.D MacBride Statement and Non-Collusive Bidding Certification
 - Exhibit I.K Offeror's Affirmation of Understanding & Agreement
 - Exhibit I.M Compliance with Public Officers Law Requirements
 - Exhibit I.N Compliance with Americans with Disabilities Act
 - Exhibit I.O MWBE Utilization Plan (Form MWBE-100)
 - Exhibit I.P Offeror's Certification of Compliance Pursuant to State Finance Law §139-k

Exhibit I.A - Proposal Submission Requirement Checklist

Amended April 27, 2017

~~___ Exhibit I.S. Formal Offer Letter~~

~~___ Exhibit I.T. Offeror Attestations Form~~

___ Exhibit I.U.1 Key Subcontractors or Affiliates

___ Exhibit I.U.2 NYS Supplier & Subcontractor

___ Exhibit I.V Program References

___ Exhibit I.W Compliance with NYS Workers' Compensation Law

___ Exhibit I.X Extraneous Terms (if proposing)

- ___ **D. Key Subcontractors:** The Offeror must provide a statement identifying all Key Subcontractors, if any, that the Offeror will be contracting with to provide project services and must, for each such Key Subcontractor identified, complete and submit **Exhibit I.U.1 "Key Subcontractors"**:
1. provide a brief description of the services to be provided by the Key Subcontractor; and
 2. provide a description of any current relationships with such Key Subcontractor and the clients/projects that the Offeror and Key Subcontractor are currently servicing under a formal legal agreement or arrangement, the date when such services began and the status of the project.

The Offeror must indicate whether or not, as of the date of the Offeror's Proposal, a subcontract has been executed between the Offeror and the Key Subcontractor for services to be provided by the Key Subcontractor relating to this RFP. If the Offeror will not be subcontracting with any Key Subcontractor(s) to provide project services, the Offeror must provide a statement to that effect.

- ___ **E. Reference Checks:** The Offeror must list two (2) references of current clients and one (1) reference of a former client for a total of three (3) references for which the Offeror has supplied Actuarial and Benefits Management Consulting Services similar to those required in this RFP. If the Offeror has no former clients to include as references, the Offeror must include a statement attesting to that fact. Otherwise, the Offeror must include, at minimum, one (1) former client as a reference for which the Offeror has supplied services similar in nature to those required in this RFP. If the Offeror is proposing any Key Subcontractors or Affiliates, the references should be with clients for whom the Offeror and Key Subcontractor or Affiliate have jointly supplied services similar to those described in this RFP. For each Reference provided the Offeror must complete and submit Exhibit I.V, entitled "Program References." The Offeror shall be solely responsible for providing contact names and phone numbers that are readily available to be contacted by the State. The Offeror must also indicate what participation, if any, the Program manager and each key staff person proposed for this Program had in the referenced services.

- ___ **F. Financial Statements:** The Offeror must provide a copy of the Offeror's last issued GAAP annual audited financial statement. A complete set of statements, not just excerpts, must be provided. Additionally, for each Key Subcontractor or Affiliate, if any, that provides any of the Project Services; provide the most recent GAAP annual audited statement. If the Offeror, or a Key Subcontractor or Affiliate, is a privately held business and is unwilling to provide copies of their GAAP annual audited financial statements as part of their Proposal, the Offeror/Key Subcontractor/Affiliate must make arrangements for the procurement evaluation team to review the financial statements.

Note: If financial statements have not been prepared and/or audited, the Offeror/Key Subcontractor/Affiliate must provide the following as part of its Administrative Section a

Exhibit I.A - Proposal Submission Requirement Checklist

letter from a bank reference attesting to the Offeror/Key Subcontractor/Affiliate's financial viability and creditworthiness. (Note: for purposes of this reference, the Offeror may not give as a reference, a parent or subsidiary company, a partner or an affiliate organization.) The letter must include the bank's name, address, contact person name and telephone number and it must address, at a minimum, the following items:

1. A brief description of the business relationship between the parties (i.e., the Offeror/Key Subcontractor/Affiliate and the bank), including the duration of the relationship and the Offeror's current standing with the bank. For example: "*The (Offeror/Key Subcontractor/Affiliate's name) is currently and has been for "x" number of years a client in good standing;*"
2. A description of any ownership/partner relationship that may exist between the parties, if any. (Note: One party cannot be the parent, partner or subsidiary of the other, nor can one party be an affiliate of the other.); and,
3. Any other facts or conclusions the bank may deem relevant to the State in regard to the bank's assessment of the Offeror/Key Subcontractor/Affiliate's financial viability and creditworthiness concerning the nature and scope of the Project Services, which are the subject matter of this RFP, and the parties (i.e., Department and the Offeror or the Offeror and Key Subcontractor of Affiliate) contractual obligations should the Offeror be awarded the resultant contract.

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 G. Vendor Responsibility Questionnaire: The Offeror must complete and execute a NYS Vendor Responsibility Questionnaire for itself and all Key Subcontractors.

1. If the Offeror or Key Subcontractor, if any, is incorporated outside the State of New York, a recent certificate of Good Standing must be submitted for each.
2. If the Offeror ~~or Key Subcontractor, if any,~~ has any employees in NYS, a confirmation of NYS Worker's Compensation and/or Disability Benefits coverage must be submitted ~~for each.~~

4. **REQUIRED CONTENT OF THE TECHNICAL PROPOSAL:** The Technical Proposal shall be responsive to the duties and responsibilities and submission requirements set forth in Section IV of this RFP and it shall contain the following information, in accordance with the submissions associated requirements, and in the order enumerated below:

Technical Proposal Submission Requirements

 A. Corporate and Account Team Experience

- 1. Executive Summary
- 2. Account Team
 - Exhibit I.B
 - Exhibit III.A

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 B. Project Services

- 1. Project Task #1 – Premium Rate Renewals and Plan Funding Requirements (“Rate Renewals”)
- 2 Task #2 – Quarterly Analysis
- 3. Task #3 – GASB 75 Valuation
- 4. Task #4 – Ad Hoc Consulting Services
 - Prior Ad Hoc Projects
 - ~~Sample Ad Hoc Task~~

Exhibit I.A - Proposal Submission Requirement Checklist

___ **C. Performance Guarantees**

___ **D. Diversity Practices Questionnaire**

___ 1. Exhibit IV.A Diversity Practices Questionnaire

___ **5. REQUIRED CONTENT OF THE COST PROPOSAL:** The Offeror's Cost Proposal must respond to all of the mandatory sections as set forth in RFP Section V in the formats as specified and, as applicable, using the forms set forth in Exhibit V.A Forms 1 through 4.

___ **A.** Exhibit V.A Forms 1 through 4

___ **6. REQUESTED REDACTIONS CD and HARD COPY:** The FOIL-related materials described herein which the Offeror is requested to provide per RFP, Section II.B.9 will not be considered part of the Offeror's Proposal and will not be reviewed as a part of the Procurement's evaluation process. Notwithstanding this they have been identified in this Checklist as a reminder to Offerors of the need to provide the requested items.

At the time of Proposal submission the Offeror is requested to submit:

___ **A.** Exhibit I.C Freedom of Information Law – Request for Redaction Chart

___ **B.** Separately bound hardcopy of each of the three (3) Proposal documents with redactions marked that are included on the CDs.

___ **C.** Electronic copy of each of the three (3) Proposal documents prepared in PDF format on separate CDs in Adobe Acrobat Professional software, version 8 or higher using the Adobe "Mark for Redaction" function, **do not** use the "Apply Redactions."

Exhibit I.B - BIOGRAPHICAL SKETCH FORM

INSTRUCTION: Prepare this form for each key staff individual, including subcontractor provided key staff, if any.

Name: _____

Job Title: _____

Relationship to Project: _____

EDUCATION

<u>Institution & Location</u>	<u>Degree</u>	<u>Year Conferred</u>	<u>Discipline</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

PROFESSIONAL EMPLOYMENT (Start with most recent.)

<u>Dates From - To</u>	<u>Employer</u>	<u>Title</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

PROFESSIONAL EXPERIENCE (Significant experience/education relevant to program)

Exhibit I.C - Freedom of Information Law – Request for Redaction Chart

 (Name of Company) Proposal Dated _____

In Response to the Request for Proposals entitled **Actuarial and Benefits Management Consulting Services RFP #ABMC-2017-1**.

- Offeror asserts that the information noted in the table below constitutes proprietary and/or trade secret information and desires that such information not be disclosed if requested pursuant to the New York State Freedom of Information Law, Article 6 of the Public Officers Law.
- Offeror makes **NO** assertion that any information in its Proposal, in whole or in part, should be protected from FOIL disclosure.

Administrative Proposal:		
Requested Redaction Page #'s and Proposal Sections or	Description	Offeror Rationale for Proposed Redaction
<i>Insert rows above as necessary</i>		
Technical Proposal:		
Requested Redaction Page #'s and Proposal Sections or	Description	Offeror Rationale for Proposed Redaction
<i>Insert rows above as necessary</i>		
Cost Proposal:		
Requested Redaction Page #'s and Proposal Sections or	Description	Offeror Rationale for Proposed Redaction
<i>Insert rows above as necessary</i>		

REDACTION CHART

Please provide specific justification for each item for which you seek protection from FOIL disclosure. An appropriate justification may any one or more of the following considerations by which to demonstrate reasonably whether the item for which you seek protection may be excepted from disclosure:

- a) the confidential nature of the specific item, including a description of the nature and extent of the injury to the Offeror's competitive position, such as unfair economic or competitive damage, which would be incurred were the information/record to be disclosed;
- b) whether the specific information/record is treated as confidential by the Offeror, including whether it ever has been made available to any person or entity;
- c) whether any patent, copyright, or similar legal protection exists for the specific item of information;
- d) whether the public disclosure of the information/record is otherwise restricted by law, and the specific source and content of such restriction;
- e) the date upon which the information/record no longer will need to be kept confidential, if applicable;
- f) whether the item of information is known by anyone outside the Offeror's business or organization;
- g) the extent to which the information is known by Offeror's employees and others involved in the Offeror's business;
- h) the value of the specific information/record to the Offeror and to its competitors;
- i) the amount of effort or money expended by the Offeror in developing the information/record; and
- j) the ease or difficulty with which the information could be properly acquired or duplicated (not merely copied) for use by others.

NON-DISCRIMINATION IN EMPLOYMENT IN NORTHERN IRELAND
MACBRIDE FAIR EMPLOYMENT PRINCIPLES

In accordance with Chapter 807 of the Laws of 1992 the Offeror, by submission of this bid, certifies that it or any individual or legal entity in which the Offeror holds a 10% or greater ownership interest, or any individual or legal entity that holds a 10% or greater ownership interest in the Offeror, either (answer “yes” or “no” to one or both of the following, as applicable):

Have business operations in Northern Ireland. Yes _____ or No _____

If yes:

Shall take lawful steps in good faith to conduct any business operations they have in Northern Ireland in accordance with the MacBride Fair Employment Principles relating to nondiscrimination in employment and freedom of workplace opportunity regarding such operations in Northern Ireland, and shall permit independent monitoring of their compliance with such Principles. Yes _____ or No _____

NON-COLLUSIVE BIDDING CERTIFICATION

By submission of this bid, each Offeror and each person signing on behalf of any Offeror certifies, and in the case of a joint bid each party thereto certifies as to its own organization, under penalty of perjury, that to the best of his knowledge and belief:

1. The prices in this bid have been arrived at independently without collusion, consultation, communication or agreement for the purpose of restricting competition, as to any matter relating to such prices with any other Offeror or with any competitor;
2. Unless otherwise required by law, the prices which have been quoted in this bid have not been knowingly disclosed by the Offeror and will not knowingly be disclosed by the Offeror prior to opening, directly or indirectly, to any other Offeror or to any competitor; and
3. No attempt has been made or will be made by the Offeror to induce any other person, partnership or corporation to submit or not to submit a bid for the purpose of restricting competition.

Exhibit I.D – MacBride and Non-Collusive Bidding Certification

Date: _____

Signature

PRINT:

SIGNATORY'S NAME _____ TITLE _____

INDIVIDUAL, CORPORATE OR PARTNERSHIP ACKNOWLEDGMENT

STATE OF }
 : **SS.:**
COUNTY OF }

On the ____ day of _____ in the year 20__, before me personally appeared:

_____, known to me to be the person who executed the foregoing

instrument, who, being duly sworn by me did depose and say that _he resides at _____, Town of

_____, County of _____, State of _____; and further that, if applicable:

[Check One, If Applicable]

(___ **If a corporation**): _he is the _____ of _____, the corporation described in said instrument; that, by authority of the Board of Directors of said corporation, _he is authorized to execute the foregoing instrument on behalf of the corporation for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said corporation as the act and deed of said corporation.

(___ **If a partnership**): _he is the _____ of _____, the partnership described in said instrument; that, by the terms of said partnership, _he is authorized to execute the foregoing instrument on behalf of the partnership for the purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name and on behalf of said partnership as the act and deed of said partnership.

Notary Public



New York State Department of Taxation and Finance

Contractor Certification to Covered Agency
 (Pursuant to Section 5-a of the Tax Law, as amended, effective April 26, 2006)

ST-220-CA
 (6/06)

For information, consult Publication 223, *Questions and Answers Concerning Tax Law Section 5-a* (see *Need Help? on back*).

Contractor name		For covered agency use only Contract number or description	
Contractor's principal place of business	City	State	ZIP code
Contractor's mailing address (if different than above)		Estimated contract value over the full term of contract (but not including renewals)	
Contractor's federal employer identification number (EIN)	Contractor's sales tax ID number (if different from contractor's EIN)		\$
Contractor's telephone number	Covered agency name		
Covered agency address		Covered agency telephone number	

I, _____, hereby affirm, under penalty of perjury, that I am _____

(name)

(title)

of the above-named contractor, that I am authorized to make this certification on behalf of such contractor, and I further certify that:

(Mark an X in only one box)

- The contractor has filed Form ST-220-TD with the Department of Taxation and Finance in connection with this contract and, to the best of contractor's knowledge, the information provided on the Form ST-220-TD, is correct and complete.
- The contractor has previously filed Form ST-220-TD with the Tax Department in connection with _____
 (insert contract number or description)
 and, to the best of the contractor's knowledge, the information provided on that previously filed Form ST-220-TD, is correct and complete as of the current date, and thus the contractor is not required to file a new Form ST-220-TD at this time.

Sworn to this ___ day of _____, 20 ____

 (sign before a notary public)

 (title)

Instructions

General information

Tax Law section 5-a was amended, effective April 26, 2006. On or after that date, in all cases where a contract is subject to Tax Law section 5-a, a contractor must file (1) Form ST-220-CA, *Contractor Certification to Covered Agency*, with a covered agency, and (2) Form ST-220-TD with the Tax Department before a contract may take effect. The circumstances when a contract is subject to section 5-a are listed in Publication 223, Q&A 3. This publication is available on our Web site, by fax, or by mail. (See *Need help?* for more information on how to obtain this publication.) In addition, a contractor must file a new Form ST-220-CA with a covered agency before an existing contract with such agency may be renewed.

If you have questions, please call our information center at 1 800 698-2931.

Note: Form ST-220-CA must be signed by a person authorized to make the certification on behalf of the contractor, and the acknowledgement on page 2 of this form must be completed before a notary public.

When to complete this form

As set forth in Publication 223, a contract is subject to section 5-a, and you must make the required certification(s), if:

- i. The procuring entity is a *covered agency* within the meaning of the statute (see Publication 223, Q&A 5);
- ii. The contractor is a *contractor* within the meaning of the statute (see Publication 223, Q&A 6); and
- iii. The contract is a *contract* within the meaning of the statute. This is the case when it (a) has a value in excess of \$100,000 and (b) is a contract for *commodities or services*, as such terms are defined for purposes of the statute (see Publication 223, Q&A 8 and 9).

Furthermore, the procuring entity must have begun the solicitation to purchase on or after January 1, 2005, and the resulting contract must have been awarded, amended, extended, renewed, or assigned on or after April 26, 2006 (the effective date of the section 5-a amendments).

Individual, Corporation, Partnership, or LLC Acknowledgment

STATE OF }
: SS.:
COUNTY OF }

On the ___ day of _____ in the year 20___, before me personally appeared _____,
known to me to be the person who executed the foregoing instrument, who, being duly sworn by me did depose and say that
_he resides at _____,
Town of _____,
County of _____,
State of _____; and further that:

[Mark an X in the appropriate box and complete the accompanying statement.]

- (If an individual): _he executed the foregoing instrument in his/her name and on his/her own behalf.
(If a corporation): _he is the _____ of _____, the corporation described in said instrument; that, by authority of the Board of Directors of said corporation, _he is authorized to execute the foregoing instrument on behalf of the corporation for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said corporation as the act and deed of said corporation.
(If a partnership): _he is a _____ of _____, the partnership described in said instrument; that, by the terms of said partnership, _he is authorized to execute the foregoing instrument on behalf of the partnership for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said partnership as the act and deed of said partnership.
(If a limited liability company): _he is a duly authorized member of _____, LLC, the limited liability company described in said instrument; that _he is authorized to execute the foregoing instrument on behalf of the limited liability company for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said limited liability company as the act and deed of said limited liability company.

Notary Public
Registration No.

Privacy notification

The Commissioner of Taxation and Finance may collect and maintain personal information pursuant to the New York State Tax Law, including but not limited to, sections 5-a, 171, 171-a, 287, 308, 429, 475, 505, 697, 1096, 1142, and 1415 of that Law; and may require disclosure of social security numbers pursuant to 42 USC 405(c)(2)(C)(i).
This information will be used to determine and administer tax liabilities and, when authorized by law, for certain tax offset and exchange of tax information programs as well as for any other lawful purpose.
Information concerning quarterly wages paid to employees is provided to certain state agencies for purposes of fraud prevention, support enforcement, evaluation of the effectiveness of certain employment and training programs and other purposes authorized by law.
Failure to provide the required information may subject you to civil or criminal penalties, or both, under the Tax Law.
This information is maintained by the Director of Records Management and Data Entry, NYS Tax Department, W A Harriman Campus, Albany NY 12227; telephone 1 800 225-5829. From areas outside the United States and outside Canada, call (518) 485-6800.

Need help?
Internet access: www.nystax.gov (for information, forms, and publications)
Fax-on-demand forms: 1 800 749-3676
Telephone assistance is available from 8:00 A.M. to 5:00 P.M. (eastern time), Monday through Friday. 1 800 698-2931
To order forms and publications: 1 800 462-8100
From areas outside the U.S. and outside Canada: (518) 485-6800
Hearing and speech impaired (telecommunications device for the deaf (TDD) callers only): 1 800 634-2110
Persons with disabilities: In compliance with the Americans with Disabilities Act, we will ensure that our lobbies, offices, meeting rooms, and other facilities are accessible to persons with disabilities. If you have questions about special accommodations for persons with disabilities, please call 1 800 972-1233.



Contractor Certification

(Pursuant to Section 5-a of the Tax Law, as amended, effective April 26, 2006)

For information, consult Publication 223, *Questions and Answers Concerning Tax Law Section 5-a (see Need help? below)*.

Contractor name				
Contractor's principal place of business		City	State	ZIP code
Contractor's mailing address (if different than above)				
Contractor's federal employer identification number (EIN)		Contractor's sales tax ID number (if different from contractor's EIN)		Contractor's telephone number ()
Covered agency or state agency	Contract number or description		Estimated contract value over the full term of contract (but not including renewals) \$	
Covered agency address			Covered agency telephone number	

General information

Section 5-a of the Tax Law, as amended, effective April 26, 2006, requires certain contractors awarded certain state contracts valued at more than \$100,000 to certify to the Tax Department that they are registered to collect New York State and local sales and compensating use taxes, if they made sales delivered by any means to locations within New York State of tangible personal property or taxable services having a cumulative value in excess of \$300,000, measured over a specified period. In addition, contractors must certify to the Tax Department that each affiliate and subcontractor exceeding such sales threshold during a specified period is registered to collect New York State and local sales and compensating use taxes. Contractors must also file a Form ST-220-CA, certifying to the procuring state entity that they filed Form ST-220-TD with the Tax Department and that the information contained on Form ST-220-TD is correct and complete as of the date they file Form ST-220-CA.

All sections must be completed including all fields on the top of this page, all sections on page 2, Schedule A on page 3, if applicable, and Individual, Corporation, Partnership, or LLC Acknowledgement on page 4. If you do not complete these areas, the form will be returned to you for completion.

For more detailed information regarding this form and section 5-a of the Tax Law, see Publication 223, *Questions and Answers Concerning Tax Law Section 5-a, (as amended, effective April 26, 2006)*, available at www.nystax.gov. Information is also available by calling the Tax Department's Contractor Information Center at 1 800 698-2931.

Note: Form ST-220-TD must be signed by a person authorized to make the certification on behalf of the contractor, and the acknowledgement on page 4 of this form must be completed before a notary public.

Mail completed form to:

**NYS TAX DEPARTMENT
DATA ENTRY SECTION
W A HARRIMAN CAMPUS
ALBANY NY 12227**

Privacy notification

The Commissioner of Taxation and Finance may collect and maintain personal information pursuant to the New York State Tax Law, including but not limited to, sections 5-a, 171, 171-a, 287, 308, 429, 475, 505, 697, 1096, 1142, and 1415 of that Law; and may require disclosure of social security numbers pursuant to 42 USC 405(c)(2)(C)(i).





This information will be used to determine and administer tax liabilities and, when authorized by law, for certain tax offset and exchange of tax information programs as well as for any other lawful purpose.

Information concerning quarterly wages paid to employees is provided to certain state agencies for purposes of fraud prevention, support enforcement, evaluation of the effectiveness of certain employment and training programs and other purposes authorized by law.

Failure to provide the required information may subject you to civil or criminal penalties, or both, under the Tax Law.

This information is maintained by the Director of Records Management and Data Entry, NYS Tax Department, W A Harriman Campus, Albany NY 12227.

Need help?

	Internet access: www.nystax.gov (for information, forms, and publications)	
	Fax-on-demand forms:	1 800 748-3676
	Telephone assistance is available from 8:00 A.M. to 5:00 P.M. (eastern time), Monday through Friday.	
	To order forms and publications:	1 800 462-8100
	Sales Tax Information Center:	1 800 698-2909
	From areas outside the U.S. and outside Canada:	(518) 485-6800
	Hearing and speech impaired (telecommunications device for the deaf (TDD) callers only):	1 800 634-2110
	Persons with disabilities: In compliance with the Americans with Disabilities Act, we will ensure that our lobbies, offices, meeting rooms, and other facilities are accessible to persons with disabilities. If you have questions about special accommodations for persons with disabilities, please call 1 800 972-1233.	

I, _____, hereby affirm, under penalty of perjury, that I am _____
(name) (title)
of the above-named contractor, and that I am authorized to make this certification on behalf of such contractor.

Complete Sections 1, 2, and 3 below. Make only one entry in each section.

Section 1 — Contractor registration status

- The contractor has made sales delivered by any means to locations within New York State of tangible personal property or taxable services having a cumulative value in excess of \$300,000 during the four sales tax quarters which immediately precede the sales tax quarter in which this certification is made. The contractor is registered to collect New York State and local sales and compensating use taxes with the Commissioner of Taxation and Finance pursuant to sections 1134 and 1253 of the Tax Law, and is listed on Schedule A of this certification.
- The contractor has not made sales delivered by any means to locations within New York State of tangible personal property or taxable services having a cumulative value in excess of \$300,000 during the four sales tax quarters which immediately precede the sales tax quarter in which this certification is made.

Section 2 — Affiliate registration status

- The contractor does not have any affiliates.
- To the best of the contractor's knowledge, the contractor has one or more affiliates having made sales delivered by any means to locations within New York State of tangible personal property or taxable services having a cumulative value in excess of \$300,000 during the four sales tax quarters which immediately precede the sales tax quarter in which this certification is made, and each affiliate exceeding the \$300,000 cumulative sales threshold during such quarters is registered to collect New York State and local sales and compensating use taxes with the Commissioner of Taxation and Finance pursuant to sections 1134 and 1253 of the Tax Law. The contractor has listed each affiliate exceeding the \$300,000 cumulative sales threshold during such quarters on Schedule A of this certification.
- To the best of the contractor's knowledge, the contractor has one or more affiliates, and each affiliate has not made sales delivered by any means to locations within New York State of tangible personal property or taxable services having a cumulative value in excess of \$300,000 during the four sales tax quarters which immediately precede the sales tax quarter in which this certification is made.

Section 3 — Subcontractor registration status

- The contractor does not have any subcontractors.
- To the best of the contractor's knowledge, the contractor has one or more subcontractors having made sales delivered by any means to locations within New York State of tangible personal property or taxable services having a cumulative value in excess of \$300,000 during the four sales tax quarters which immediately precede the sales tax quarter in which this certification is made, and each subcontractor exceeding the \$300,000 cumulative sales threshold during such quarters is registered to collect New York State and local sales and compensating use taxes with the Commissioner of Taxation and Finance pursuant to sections 1134 and 1253 of the Tax Law. The contractor has listed each subcontractor exceeding the \$300,000 cumulative sales threshold during such quarters on Schedule A of this certification.
- To the best of the contractor's knowledge, the contractor has one or more subcontractors, and each subcontractor has not made sales delivered by any means to locations within New York State of tangible personal property or taxable services having a cumulative value in excess of \$300,000 during the four sales tax quarters which immediately precede the sales tax quarter in which this certification is made.

Sworn to this ____ day of _____, 20 ____

(sign before a notary public)

(title)

Schedule A — Listing of each entity (contractor, affiliate, or subcontractor) exceeding \$300,000 cumulative sales threshold

List the contractor, or affiliate, or subcontractor in Schedule A only if such entity exceeded the \$300,000 cumulative sales threshold during the specified sales tax quarters. See directions below. For more information, see Publication 223.

A Relationship to Contractor	B Name	C Address	D Federal ID Number	E Sales Tax ID Number	F Registration in progress

- Column A – Enter **C** in column A if the contractor; **A** if an affiliate of the contractor; or **S** if a subcontractor.
- Column B – Name - If the entity is a corporation or limited liability company, enter the exact legal name as registered with the NY Department of State, if applicable. If the entity is a partnership or sole proprietor, enter the name of the partnership and each partner's given name, or the given name(s) of the owner(s), as applicable. If the entity has a different DBA (doing business as) name, enter that name as well.
- Column C – Address - Enter the street address of the entity's principal place of business. Do not enter a PO box.
- Column D – ID number - Enter the federal employer identification number (EIN) assigned to the entity. If the entity is an individual, enter the social security number of that person.
- Column E – Sales tax ID number - Enter only if different from federal EIN in column D.
- Column F – If applicable, enter an X if the entity has submitted Form DTF-17 to the Tax Department but has not received its certificate of authority as of the date of this certification.

Individual, Corporation, Partnership, or LLC Acknowledgment

STATE OF _____ }
 : SS.:
COUNTY OF _____ }

On the ____ day of _____ in the year 20____, before me personally appeared _____, known to me to be the person who executed the foregoing instrument, who, being duly sworn by me did depose and say that _he resides at _____, Town of _____, County of _____, State of _____; and further that:

[Mark an X in the appropriate box and complete the accompanying statement.]

(If an individual): _he executed the foregoing instrument in his/her name and on his/her own behalf.

(If a corporation): _he is the _____ of _____, the corporation described in said instrument; that, by authority of the Board of Directors of said corporation, _he is authorized to execute the foregoing instrument on behalf of the corporation for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said corporation as the act and deed of said corporation.

(If a partnership): _he is a _____ of _____, the partnership described in said instrument; that, by the terms of said partnership, _he is authorized to execute the foregoing instrument on behalf of the partnership for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said partnership as the act and deed of said partnership.

(If a limited liability company): _he is a duly authorized member of _____ LLC, the limited liability company described in said instrument; that _he is authorized to execute the foregoing instrument on behalf of the limited liability company for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said limited liability company as the act and deed of said limited liability company.

Notary Public

Registration No. _____

This Exhibit has been intentionally
left blank

Exhibit I.H - NYS Department of Civil Service Debriefing Guidelines

NYS State Finance Law §163(9)(c), as amended by Section 3 of Chapter 137 of the Laws of 2008, requires that:

“A state agency shall, upon request, provide a debriefing to any unsuccessful offerer¹ that responded to a request for proposal or an invitation for bids, regarding the reasons that the proposal or bid submitted by the unsuccessful offerer was not selected for an award. The opportunity for an unsuccessful offerer to seek a debriefing shall be stated in the solicitation, which shall provide a reasonable time for requesting a debriefing.”

The Procurement Council Guidelines define “Debriefing” as:

The practice whereby, upon the request of a bidder, the state agency advises such bidder of the reasons why its bid was not selected for an award. It is viewed as a learning process for the bidder to be better prepared to participate in future procurements.

In accordance with the law, the Department shall make a Debriefing available to any entity that submitted a proposal or bid in response to a given solicitation (“Offeror”), including the selected Offeror after notice award is made by the Department. All Offerors shall be given written notice of award, via email with hardcopy to follow.

Timeframes associated with requesting/conducting Debriefings:

Debriefing must be requested by Offerors in writing to the designated individual or email address as set forth in the notice of award.

- **Pre-Award Debriefings:**
Any Offeror, upon request, will be afforded an opportunity for a pre-award Debriefing at least five business days prior to the date by which any protest must be filed. An Offeror’s failure to timely request a pre-award Debriefing shall not cause an extension of the time period within which a protest must be filed. In those cases where the Offeror fails to make a timely request for a pre-award Debriefing, the Department will schedule the Debriefing as soon after the time the request is made as it deems practicable.
- **Post-Award Debriefings:**
In the case of requests made by an Offeror(s) for a post-award Debriefing, the request must be received by the Department not more than twenty calendar days after final approval of the contract is received or the date the award is posted on OSC’ website at the address set forth below and the Department will schedule the Debriefing as soon after the time the request is made as it deems practicable.

<http://www1.osc.state.ny.us/transparency/contracts/contractsearch.cfm>

¹ For purposes of this policy, the terms Offeror, Offerer and Bidder are understood to have same meaning.

How Debriefings shall be conducted by the Department:

A Debriefing may be requested by any unsuccessful Offeror after a contract award is made regarding the reasons that the proposal or bid submitted by the unsuccessful Offeror was not selected for award. While a Debriefing is typically conducted in person, it may be conducted by video conference, over the phone, or through written summaries, if agreed to by the Offeror.

Since Debriefings are intended to make the procurement process open and transparent and to help the vendor community become more viable competitors for New York State goods and services, when conducting a Debriefing, the Department will, at a minimum, discuss the strengths and weaknesses of the Offeror's proposal and provide information as to the relative rating of the Offeror's proposal in each of the major evaluation categories as provided for in the solicitation document. Typically such a debriefing will include information as to the rating of the Offeror's proposal in both the technical and cost components of the evaluation and an identification of any areas in the proposal deemed deficient. The Department will not provide any documents/materials at a Debriefing as their release is subject to NYS FOIL laws.

During a **pre-award** Debriefing, the Department:

- will limit the discussion to the reasons why the Offeror's proposal/bid was unsuccessful;
- will not provide information concerning any other Offerors' proposals, including the winning proposal; will not discuss any other aspects of the Procurement Record, including but not limited to the detailed scoring and evaluation criteria as such information is subject to NYS FOIL laws; and
- may, but is not required to, offer general advice and guidance to the Offeror for the Offeror's consideration as regards future bidding opportunities.

During a **post-award** Debriefing, the Department:

- will provide information as to the reasons why the Offeror's proposal/bid was unsuccessful;
- will provide information concerning the other Offerors' proposals, including the winning proposal, but only in the context of the bid evaluation scoring;
- will not discuss specific details of other Offerors' proposals, including their individual strengths and weakness as such information is subject to NYS FOIL laws
- will not discuss any other aspects of the Procurement Record, including but not limited to the detailed scoring and evaluation criteria as such information is subject to NYS FOIL laws and
- may offer advice and guidance to the Offeror for the Offeror's consideration as regards future bidding opportunities, including those services which were the subject matter of the procurement.

General:

- ✓ The Department will schedule the same amount of time for each Offeror who requests a debriefing.
- ✓ Debriefing will not be scheduled for more than one hour.
- ✓ Debriefings will be held individually with a requesting Offeror.
- ✓ The Department's Designated Agency Contact (i.e., the Procurement Manager) is the sole person authorized to schedule a Debriefing.
- ✓ The Offeror must provide a list of intended attendees prior to the Debriefing, including their titles or relationship to the Offeror and notify the Department if the Offeror is intending to bring legal counsel, so that the Department can notify agency legal counsel.

Exhibit I.H - NYS Department of Civil Service Debriefing Guidelines

- ✓ At a minimum at least two agency employees must be present at each Debriefing.
- ✓ Debriefings will not be taped or transcribed by the Department, and Offerors are prohibited from taping the Debriefing.
- ✓ Any discussion of a proposal's strengths and weaknesses will relate to scoring of that bid submission against the RFP requirements, not against a competitor's proposal. The Department will not discuss the relative merits of one Offeror's submission against its competitors as that is not how proposals are evaluated and scored.
- ✓ Requests for copies of documents made by an Offeror at the Debriefing must be handled in accordance with the Department's FOIL procedures.

April 2011

This Exhibit has been intentionally
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<p>OSC Use Only: Reporting Code: Category Code: Date Contract Approved:</p>

FORM A

<p>State Consultant Services - Contractor's Planned Employment From Contract Start Date Through The End Of The Contract Term</p>
--

State Agency Name: Contractor Name: Contract Start Date: / /	Agency Code: Contract Number: Contract End Date: / /
--	--

Employment Category	Number of Employees	Number of hours to be worked	Amount Payable Under the Contract
Total this page			
Grand Total			

Name of person who prepared this report:
 Title:
 Preparer's Signature:
 Date Prepared: / /

Phone #:

(Use additional pages, if necessary)

FORM B

<p>OSC Use Only: Reporting Code: Category Code:</p>
--

<p>State Consultant Services Contractor's Annual Employment Report Report Period: April 1, to March 31,</p>

Contracting State Agency Name:	Agency Code:
Contract Number:	
Contract Term: / / to / /	
Contractor Name:	
Contractor Address:	
Description of Services Being Provided:	

Scope of Contract (Choose one that best fits):	
Analysis <input type="checkbox"/>	Evaluation <input type="checkbox"/>
Research <input type="checkbox"/>	Training <input type="checkbox"/>
Data Processing <input type="checkbox"/>	Computer Programming <input type="checkbox"/>
Other IT consulting <input type="checkbox"/>	Engineering <input type="checkbox"/>
Architect Services <input type="checkbox"/>	Surveying <input type="checkbox"/>
Environmental Services <input type="checkbox"/>	Health Services <input type="checkbox"/>
Mental Health Services <input type="checkbox"/>	Accounting <input type="checkbox"/>
Auditing <input type="checkbox"/>	Paralegal <input type="checkbox"/>
Legal <input type="checkbox"/>	Other Consulting <input type="checkbox"/>

Employment Category	Number of Employees	Number of Hours Worked	Amount Payable Under the Contract
Total this page			
Grand Total			

Name of person who prepared this report:	
Preparer's Signature: _____	Phone #: _____
Title: _____	
Date Prepared: / /	

Exhibit I.J – Notice of Bidding Intention Form

**NYS Department of Civil Service
RFP #ABMC-2017-1
entitled
“Actuarial Benefits Management Consulting Services”**

Notice of Bidding Intention Form

(Please PRINT Firm's Name Above)

With regard to this RFP, (check one of the following boxes applicable):

- We **ARE INTERESTED & MAY** submit a bid response.
- We **ARE NOT INTERESTED & WILL NOT** be submitting a bid response because:

Name of Contact at Firm

Title

Email Address

_____/_____/_____
Date

Complete the tables above and submit it to the ABMC Procurement Manager specified in this RFP, Section II.A.2.b. The completed table may be emailed, faxed and/or mailed (see addresses provided in this RFP, Section II.A.2.b.).

Exhibit I.K – Offeror’s Affirmation of Understanding and Agreement

Part 1 of this Exhibit I.K, as contained on the following page, should be completed by the Offeror and emailed, faxed and/or mailed to the ABMC Procurement Manager as set forth in RFP, Section II.A.2.b.

Part 2 of this Exhibit I.K should, prior to initiating any contact with the Department, be completed for each Offeror officer, employee, agent or consultant retained, employed or designated, by or on behalf of the Offeror to appear before or contact the Department in regards to this Procurement and submit it to the ABMC Procurement Manager specified in this RFP, Section II.A.2.b.

Part 1

Offeror’s Affirmation of Understanding and Agreement

Instructions:

Pursuant to State Finance Law §§139-j and 139-k, this solicitation imposes certain procurement lobbying limitations. Offerors are restricted from making contacts during the procurement’s “Restricted Period” (from the earliest written notice, advertisement or solicitation of a request for proposal, invitation for bids, or solicitation of proposals, or any other method for soliciting a response from Offerors intending to result in a procurement contract with a governmental entity and ending with the final contract award and approval by the governmental entity and, where applicable, approval by the State Comptroller) to other than designated staff, unless the contact falls within certain statutory exceptions (“permissible contacts”). the Department’s employees are required to obtain certain information from Offerors and others whenever there is a contact about the procurement during the Restricted Period, and are required to make a determination of the Offeror’s responsibility that addresses the Offeror’s compliance with the statutes’ requirements. Findings of non-responsibility result in rejection for contract award, and if an Offeror is subject to two non-responsibility findings within four years the Offeror also will be determined ineligible to submit a proposal on or be awarded a contract for four years from the date of the second non-responsibility finding.

Further information about these requirements can be found at:

<http://www.ogs.ny.gov/aboutOGS/regulations/defaultAdvisoryCouncil.html>.

As a prerequisite for participating in this procurement, an Offeror must provide the following Affirmation of Understanding and Agreement to comply with these procurement lobbying restrictions in accordance with State Finance Law §§139-j and 139-k.

Offeror Affirmation and Agreement	
The Offeror affirms that it understands the procurement lobbying requirements set forth in State Finance Law §§139-j and 139-k, and agrees to comply with the Department’s procedures regarding permissible contacts as required thereby.	
Name of Offeror:	<input type="text"/>
By:	<input type="text"/>
	(Signature)
Name:	<input type="text"/>
Title:	<input type="text"/>
Address:	<input type="text"/>
	<input type="text"/>
Date:	<input type="text"/>

Exhibit I.K – Offeror’s Affirmation of Understanding and Agreement

Part 2

Offeror Designated Contact	
First Name	
Last Name	
Company Name	
Company Address:	
Street Address	
City	
State	
Zip	
Individual's Business Telephone # (xxx) xxx-xxxx	
Principal Place of Business (1)	
Individual's Occupation	

(1) Enter the location of the individual's Principal Place of Business (e.g. Albany, NY)

Complete the table above for each Offeror officer, employee, agent or consultant retained, employed or designated, by or on behalf of the Offeror to appear before or contact the Department in regards to this Procurement, prior to the individual initiating any contact with the Department, and submit it to the ABMC Procurement Manager specified in Section II.A.2.b. of this RFP.



State of New York
Department of Civil Service
Albany, NY 12239

ADMINISTRATION DIVISION

Procurement Lobbying Policy: Restrictions
on Contacts During the Procurement Process

Policy on Restrictions on Contacts During the Procurement Process
Procurement Lobbying, Ch.4, L. 2010 State Finance Law (SFL)
Sections 139-j and 139-k

I. Definitions

For the purpose of this policy as it regards **RFP #ABMC-2017-1**, the following definitions apply:

"Article of procurement" means a commodity, service, technology, public work, construction, revenue contract, the purchase, sale or lease of real property or an acquisition or granting of other interest in real property that is the subject of a Department governmental procurement.

"Contacts" means any oral, written, or electronic communication with DCS or any other State governmental entity under circumstances where a reasonable person would infer that the communication was intended to influence the governmental entity's conduct or decision regarding the governmental procurement. However, any communications received by the Department from members of the State legislature or legislative staff, when acting in his or her official capacity, shall not be considered to be a "contact" and shall not be recorded by the Department's staff pursuant to this policy.

"Procurement Contract" means any contract or other agreement, including an amendment, extension, renewal, or change order to an existing contract (other than amendments, extensions, renewals, or change orders that are authorized and payable under the terms of the contract as it was finally awarded or approved by the comptroller, as applicable), for an article of procurement involving an estimated annualized expenditure in excess of \$15,000. Grants, contracts entered into under SFL Article 11-B, and intergovernmental agreements shall not be deemed "procurement contracts" for the purpose of this policy.

"Governmental entity" means: (1) any department, board, bureau, commission, division, office, council, committee or officer of the state, whether permanent or temporary, including the Department; (2) each house of the state legislature; (3) the unified court system; (4) any public authority, public benefit corporation or commission created by or existing pursuant to the public authorities law; (5) any public authority or public benefit corporation, at least one of whose members is appointed by the governor or who serves as a member by virtue of holding a civil office of the state; (6) a municipal agency, as that term is defined in paragraph (ii) of subdivision (s) of section one-c of the legislative law; (7) a subsidiary or affiliate of such a public authority.

"Offeror" means any individual or entity, or any employee, agent, consultant, or person acting on behalf of such individual or entity, who contacts the Department or any other State governmental entity about a governmental procurement during that procurement's restricted period of such governmental procurement whether or not the caller has a financial interest in the outcome of the procurement; provided, however, that a governmental agency or its employees that communicates with the Department regarding a governmental procurement in the exercise of its oversight duties shall not be considered an Offeror. "Offeror" includes prospective Offerors prior to the due date for the submission of offers/bids in response to the solicitation document.

Exhibit I.L – Procurement Lobbying Policy

"Proposal" means any bid, quotation, offer or response to the Department's solicitation of submissions relating to procurement.

"Governmental procurement" means:

- a) the public announcement, public notice, or public communication to any potential vendor of a determination of need for a procurement, which shall include, but not be limited to, the public notification of the specifications, bid documents, request for proposals or evaluation criteria for a procurement contract;
- b) the solicitation for a procurement contract;
- c) the evaluation of a procurement contract;
- d) the award, approval, denial, or disapproval of a procurement contract; or
- e) the approval or denial of an assignment, amendment (other than amendments that are authorized and payable under the terms of the procurement contract as it was finally awarded or approved by the State Comptroller, as applicable), renewal or extension of a procurement contract, or any other material change in the procurement contract resulting in a financial benefit to the Offeror/Contractor.

"Restricted period" means the period of time commencing with the earliest written notice, advertisement or solicitation of a request for proposal, or invitation for bids, or solicitation of proposals, or any other method for soliciting a response from Offerors intending to result in a procurement contract, and ending with the final contract award and approval of the Department and, where applicable, the State Comptroller.

"Revenue contract" means any written agreement between the Department and an Offeror whereby the Department gives or grants a concession or a franchise.

II. Designated Contacts

For each governmental procurement, the Department shall at the same time that a restricted period is imposed, designate, with regard to each governmental procurement, a person or person(s) who are knowledgeable about the procurement and who may be contacted by Offerors relating to the governmental procurement. Each Offeror who contacts the Department during procurement's restricted period is permitted to make permissible contacts only the person(s) designated by the Department for that purpose (i.e., Designated Contact). Such contacts must comply with the requirements established by SFL sections 139-j and 139-k, and with the requirements set forth by the Department in the solicitation document.

III. Offeror Affirmation of Understanding and Agreement to Comply

As a threshold requirement to participating in a procurement, the Department shall require each Offeror to provide written affirmation of its understanding of and agreement to comply with the Department's policy and procedures relating to permissible contacts during the governmental procurement's restricted period. Such a written affirmation by an Offeror shall be deemed to apply to any amendments to a procurement submitted by the Department after an initial affirmation is received with an initial bid.

Exhibit I.L – Procurement Lobbying Policy

IV. Contact Documentation

Upon any contact during the procurement's restricted period, the Department's staff shall obtain the name, address, telephone number, place of principal employment, and occupation of the person or organization making the contact, and also shall inquire whether the person or organization making the contact was the Offeror or was retained, employed, or designated by or on behalf of the Offeror to appear before or contact the Department about the procurement. All recorded contacts shall be recorded on the appropriate form(s) and included in the procurement record.

V. Non-responsibility Disclosure

The Procuring Agencies' staff shall ensure that all solicitation documents require Offerors to disclose findings of non-responsibility made within the previous four years by any State governmental entity where such prior finding of non-responsibility was due to:

- a) a violation of the procurement lobbying requirements established at SFL section 139-j; or
- b) the intentional provision of false or incomplete information to a government entity.

VI. Non-responsibility Determination

The failure of an Offeror to timely disclose accurate or complete information to the Department regarding the above shall be considered by the Department in their determination of the Offeror's responsibility. No procurement contract shall be awarded to any such Offeror, its subsidiaries, and any related or successor entity with substantially similar function, management, board of directors, officers and shareholders unless the Department finds that the award of the contract to that entity is necessary to protect public property or public health or safety, and that the entity is the only source capable of supplying the required article of procurement within the necessary timeframe, provided however, that the Department shall include in the procurement record a statement describing the basis for such finding.

VII. Contractor Certification

A contract award subject to SFL sections 139-j and 139-k shall contain a certification by the successful Offeror that all information provided to the Department with respect to the procurement lobbying requirements established by those sections is complete, true and accurate.

Each contract shall contain a provision authorizing the Department to terminate such contract in the event such certification is found to be intentionally false or intentionally incomplete. The Department shall include in the procurement record a statement describing the basis for such termination.

Any employee of the Department who becomes aware that an Offeror has made an impermissible contact(s) during the procurement shall immediately notify the DCS Ethics Officer or the DCS Director of Internal Audit. If an Offeror violates these requirements with regard to permissible contacts at a governmental entity other than the Department, the employee of that entity who becomes aware of the violation shall notify that entity's Ethics Officer, Inspector General, if any, or other official of that entity responsible for reviewing or investigating such matters, who shall in turn notify the DCS Ethics Officer or the DCS Director of Internal Audit.

VIII. DCS Review of Alleged Violations and the Imposition of Sanctions

- a) If the DCS Ethics Officer or the DCS Director of Internal Audit receives notification of an allegation that an Offeror has made an impermissible contact during the procurement's restricted period as described above, the DCS Director of Internal Audit shall immediately investigate such allegation. If the position of Director of Internal Audit is vacant, the Ethics Officer shall conduct the investigation, or the Commissioner may appoint a designee to investigate the allegation. In no event shall the person conducting the investigation be someone who has participated in the preparation of the solicitation document, the evaluation of Proposals, or the selection decision.
- b) If the investigation indicates that sufficient cause exists to believe that the allegation is true, the Department shall give the Offeror reasonable notice that an investigation is ongoing and an opportunity to be heard in response to the allegation. At the Department's discretion, such opportunity to be heard may be provided by giving the Offeror the opportunity to meet with the Department staff conducting the investigation or by the Offeror's submission of a written statement, or both. The Offeror may, but need not, be represented by counsel during the investigation. Any and all issues concerning the manner in which the investigation process is conducted shall be determined solely by the Department staff conducting the investigation.
- c) If it is found that an Offeror has knowingly and willfully made an impermissible contact in violation of these requirements, then the Department staff making such findings shall report to the President of the Civil Service Commission related instances, if any, of any Department employee's violation of Public Officers Law sections 73(5) and 74.

IX. Sanctions

- a) A finding that an Offeror has knowingly and willfully made an impermissible contact shall result in a determination of non-responsibility for such Offeror. Concomitantly, such Offeror and its subsidiaries, and any related or successor entity with substantially similar function, management, board of directors, officers and shareholders, shall not be awarded the procurement contract, unless the Department finds that the award of the procurement contract to that entity is necessary to protect public property or public health or safety, and that the entity is the only source capable of supplying the required article of procurement within the necessary timeframe. If such is the case, the Department shall include in the procurement record a statement describing the basis for such a finding.
- b) Any subsequent determination of an Offeror's non-responsibility due to violation of these requirements within four years of a prior determination of non-responsibility due to a violation of these requirements shall result in the Offeror being rendered ineligible to submit a proposal or be awarded any procurement contract for a period of four years from the date of the second non-responsibility determination.

X. Model Language For Solicitation Documents

The Department's staff shall ensure that the model language set forth below is included in all solicitation documents issued by the Department, subject to final review by their Offices of Counsel:

**Restrictions on Contacts Between
Offerors and State Staff During the Procurement Process**

- a) Pursuant to State Finance Law sections 139-j and 139-k, this procurement imposes certain procurement lobbying limitations. Offerors are restricted from making contacts during the procurement’s “Restricted Period” to other than designated staff of the Department and the Executive Branch of New York State government, unless the contact falls within certain statutory exceptions (“permissible contacts”). Staff is required to obtain certain information from Offerors and others whenever there is a contact about the procurement during the Restricted Period, and are required to make a determination of the Offeror’s responsibility that addresses the Offeror’s compliance with the statutes’ requirements. Findings of non-responsibility result in rejection for contract award, and if an Offeror is subject to two non-responsibility findings within four years the Offeror also will be determined ineligible to submit a proposal on or be awarded a contract for four years from the date of the second non-responsibility finding. The Department’s policy and procedures are attached as Exhibit I.K to this RFP. Further information about these requirements can be found at:

<http://www.ogs.ny.gov/aboutOGS/regulations/defaultAdvisoryCouncil.html>

- b) In order to ensure public confidence and integrity in the procurement process, the Department will control strictly all communications between any Offeror and participants in the evaluation process from the earliest notice of intent to solicit offers in this procurement through the final award and approval of the procurement contract by the Department and OSC, if applicable. “Offeror” means any individual or entity, or any employee, agent, consultant, or person acting on behalf of such individual or entity, who contacts the Department or any other State governmental entity about a governmental procurement during that procurement’s restricted period whether or not the caller has a financial interest in the outcome of the governmental procurement; provided, however, that a governmental agency or its employees that communicates with the Department regarding a governmental procurement in the exercise of its oversight duties shall not be considered an Offeror. “Offeror” includes prospective Offerors prior to the due date for the submission of offers/bids in response to the solicitation document. All contacts and inquiries concerning this procurement must be made to the Procurement Manager. The Department shall disqualify any Offeror who fails to comply with this requirement.

ABMC Procurement Manager
Attn: Seth Johnson
NYS Civil Service
Agency Bldg. 1
Empire State Plaza
Albany, NY 12239
Fax: **(518) 473-3292**
E-mail: **mailto:ABMC2017RFP@cs.ny.gov**

Additionally, any Offeror is strictly prohibited from making any contacts or inquiries concerning the procurement with any member, officer or employee of any governmental entity other than the Department from the date the public announcement, public notice, or public communication to any potential vendor of a determination of need for a procurement, which shall include, but not be limited to, the date the RFP is released until the end of the procurement, subject only to the specific exceptions listed below. Further, any Offeror shall not attempt to influence the procurement in any

Exhibit I.L – Procurement Lobbying Policy

manner that would result in a violation or an attempted violation of Public Officers Law sections 73(5) or 74.

- c) The following contacts are exempted from the provisions of paragraph 3 of section 139-j and as such do not need to be directed to the Procurement Manager pursuant to section 139-k:
- (1) the submission of written proposals in response to the solicitation document;
 - (2) the submission of written questions by a method set forth in the solicitation document when all written questions and responses are to be distributed to all Offerors who have expressed an interest in the procurement;
 - (3) participation in a demonstration, conference or other means for exchange of information in a setting open to all potential bidders provided for in the solicitation document;
 - (4) complaints by an Offeror regarding the failure of the Department's Procurement Manager to respond to an Offeror's authorized contacts, when such complaints are made in writing to the Department's Office of the General Counsel, provided that any such written complaints shall become a part of the procurement record;
 - (5) communications by a successful Offeror(s) who has been tentatively awarded a contract and is engaged in communications with the Department solely for the purpose of negotiating the terms of the contracts after having been notified of tentative award;
 - (6) contact by an Offeror to request the review of a procurement award when done in accordance with the procedure specified in the solicitation document;
 - (7)
 - A. contacts by an Offeror in protests, appeals or other review proceedings (including the apparent successful Offeror and its representatives) before the Department seeking a final administrative determination, or in a subsequent judicial proceeding; or
 - B. complaints of alleged improper conduct in the procurement when such complaints are made to the State Attorney General, Inspector General, District Attorney, or to a court of competent jurisdiction; or
 - C. protests, appeals or complaints to the State Comptroller's office during the process of contract approval, where the State Comptroller's approval is required provided that the state comptroller shall make a record of such communications and any response thereto which shall be entered into the procurement record pursuant to State Finance Law section 163; or
 - D. complaints of alleged improper conduct in a governmental procurement conducted by a municipal agency or local legislative body to the state comptroller's office; and
 - (8) communications between Offerors and governmental entities that solely address the determination of responsibility by a governmental entity of an Offeror.

Exhibit I.M - Compliance with Public Officers Law Requirements



State of New York
Department of Civil Service
Alfred E. Smith State Office Building
Albany, NY 12239

Compliance with Public Officers Law Requirements

ADM-992 (1/07)

The New York State Public Officers Law ("POL"), particularly POL Sections 73 and 74, as well as all other provisions of New York State law, rules and regulations, and policy establishes ethical standards for current and former State employees. In submitting its Proposal, the Offeror must guarantee knowledge and full compliance with such provisions for purposes of this RFP and any other activities including, but not limited to, contracts, bids, offers, and negotiations. Failure to comply with these provisions may result in disqualification from the procurement process, termination, suspension or cancellation of the contract and criminal proceedings as may be required by law.

The Offeror hereby submits its affirmative statement as to the existence of, absence of, or potential for conflict of interest on the part of the Offeror because of prior, current, or proposed contracts, engagements, or affiliations.

Please provide below an affirmative statement as to the existence of, absence of, or potential for conflict of interest on the part of the Offeror because of prior, current, or proposed contracts, engagements, or affiliations. Please attach additional pieces of paper as necessary.

Name of Offeror: _____

Name & Title of Representative: _____

Signature: _____

Date: _____

Exhibit I.N - Compliance with Americans with Disabilities Act



State of New York
Department of Civil Service
Albany, NY 12239

Compliance with Americans with Disabilities Act

ADM-987 (1/07)

The Offeror hereby provides assurance of its compliance with the Americans With Disabilities Act (42 USC§12101 et. seq.), in that any services and programs provided during the course of performance of the Agreement resultant from this RFP shall be accessible under Title II of the Americans With Disabilities Act, and as otherwise may be required under the Americans With Disabilities Act.

Name of Offeror: _____

Name & Title of Representative: _____

Signature: _____

Date: _____



State of New York
 Department of Civil Service
 Albany, NY 12239

MWBE UTILIZATION PLAN

OFFICE OF FINANCIAL ADMINISTRATION

MWBE-100 (9/2011)

INSTRUCTIONS: All Offerors must complete this MWBE Utilization Plan and submit it as part of their Proposal. The Plan must contain a detailed description of the services to be provided by each Minority and/or Woman-Owned Business Enterprise (M/WBE) identified by the Offeror.

Offeror Name:			Federal Identification No.:	
Address:			Solicitation No.:	
City, State, Zip Code:			M/WBE Goals for the Solicitation: MBE: % WBE: %	
1. M/WBE Subcontractors/Suppliers Name, Address, Email Address, Telephone No.	2. Classification	3. Federal ID No.	4. Detailed Description of Work (Attach additional sheets, if necessary.)	5. Dollar Value of Subcontracts/Supplies
A.	NYS ESD Certified <input type="checkbox"/> MBE <input type="checkbox"/> WBE			
B.	NYS ESD Certified <input type="checkbox"/> MBE <input type="checkbox"/> WBE			

6. WAIVER REQUESTED: MBE: YES NO **If YES, submit form MWBE101** / **WBE:** YES NO **If YES, submit form MWBE101**

PREPARED BY (Signature):	TELEPHONE NO.:	EMAIL ADDRESS:
NAME AND TITLE OF PREPARER (Print or Type):		
DATE: Offeror's Certification Status: <input type="checkbox"/> MBE <input type="checkbox"/> WBE		

SUBMISSION OF THIS FORM CONSTITUTES THE OFFEROR'S ACKNOWLEDGEMENT AND AGREEMENT TO COMPLY WITH THE M/WBE REQUIREMENTS SET FORTH UNDER NYS EXECUTIVE LAW, ARTICLE 15-A. FAILURE TO SUBMIT COMPLETE AND ACCURATE INFORMATION MAY RESULT IN A FIUNDING OF NONCOMPLIANCE AND/OR PROPOSAL DISQUALIFICATION.

*****FOR DEPARTMENT USE ONLY*****

REVIEWED BY:	DATE:
UTILIZATION PLAN APPROVED: <input type="checkbox"/> YES <input type="checkbox"/> NO Date: _____	
MBE CERTIFIED: <input type="checkbox"/> YES <input type="checkbox"/> NO	
WBE CERTIFIED: <input type="checkbox"/> YES <input type="checkbox"/> NO	
WAIVER GRANTED: <input type="checkbox"/> YES <input type="checkbox"/> NO	
<input type="checkbox"/> Total Waiver <input type="checkbox"/> Partial Waiver	
NOTICE OF DEFICIENCY ISSUED: <input type="checkbox"/> YES <input type="checkbox"/> NO	
Date: _____	

Exhibit I.P – Offeror’s Certification of Compliance Pursuant to State Finance Law

Offeror’s Certification of Compliance Pursuant to State Finance Law §139-k(5)

Instructions:

New York State Finance Law (SFL) §139-k(5) requires that every contract award subject to the provisions of SFL §§139-k or 139-j shall contain a certification by the Offeror that all information provided to the Department with respect to SFL §139-k is complete, true and accurate.

At the time an Offer or Bid is submitted to the Department, the Offeror must provide the following certification that the information it has and will provide to the Department pursuant to SFL §139-k is complete, true and accurate including, but not limited to, disclosures of findings of non-responsibility made within the previous four years by any State governmental entity where such finding of non-responsibility was due to a violation of SFL §139-j or due to the intentional provision of false or incomplete information to a State governmental entity.

Offeror Certification

I certify that all information provided to the Governmental Entity with respect to State Finance Law §139-k is complete, true and accurate.

Name of Offeror: _____

By: _____
(Signature)

Name: _____

Title: _____

Address: _____

Date: _____

This Exhibit has been intentionally
left blank

Exhibit I.R - Questions Template

RFP #ABMC-2017-1

“Actuarial and Benefits Management Consulting Services”

Questions Template

Question Number	RFP Page #	Section and Sub-Section Reference	Question

Offerors are requested to use the Questions Template table above in submitting questions. Offeror’s questions must be submitted to the ABMC Procurement Manager at the address specified in Section II.A.6 of this RFP, with an electronic copy (in Microsoft Word format) of the Offeror’s questions sent to the ABMC Procurement Manager’s attention at: ABMC2017RFP@cs.ny.gov.

[TO BE COMPLETED ON OFFEROR'S LETTERHEAD]

Date

Mr. Seth Johnson
Procurement Manager
Employee Benefits Division – Room 1106
NYS Department of Civil Service
Albany, NY 12239

**RE: Request for Proposals #ABMC-2017-1 entitled:
“Actuarial and Benefits Management Consulting Services,”
Firm Offer to the State of New York**

[INSERT OFFEROR NAME] hereby submits this firm and binding offer to the State of New York in response to the Department's Request for Proposals #ABMC-2017-1, entitled “**Actuarial and Benefits Management Consulting Services,**” (RFP). The Proposal hereby submitted meets or exceeds all terms, conditions, and requirements set forth in the above-referenced RFP and in the manner set forth in this RFP.

[INSERT OFFEROR NAME] accepts the terms and conditions as set forth in RFP, Section VII and Appendices A, B, C, and D and agrees to satisfy the comprehensive programmatic duties and responsibilities outlined in this RFP in the manner set forth in this RFP.

[INSERT OFFEROR NAME] agrees to execute a contractual agreement composed substantially of the terms and conditions set forth in the draft contract included in the RFP, and accepts as non-negotiable the terms and conditions set forth in Appendices A, B, C, C-1, D, D-1, and D-2 to the draft contract.

[INSERT OFFEROR NAME] further agrees, if selected as a result of the RFP, to comply with 1) the provisions of Tax Law Section 5-a, Certification Regarding Sales and Compensating Use Tax; and 2) the Workers' Compensation Law as set forth in Section II.B. of the RFP.

This formal offer will remain firm and non-revocable for a minimum period of 365 days from the Proposal Due Date as set forth in the RFP. In the event that a contract is not approved by the NYS Comptroller within the 365 day period, this offer shall remain firm and binding beyond the 365 day period and until a contract is approved by the NYS Comptroller, unless [INSERT OFFEROR NAME] delivers to the Department of Civil Service written notice of withdrawal of its Proposal.

[INSERT OFFEROR NAME]'s complete offer is set forth as follows:

Administrative Proposal: Total of twelve (12) hard copy volumes [two (2) original and ten (10) copies] and one (1) electronic copy on CD.

Technical Proposal: Total of twelve (12) hard copy volumes [two (2) original and ten (10) copies] and one (1) electronic copy on CD.

Cost Proposal: Total of twelve (12) hard copy volumes [two (2) original and ten (10) copies] and one (1) electronic copy on CD.

Exhibit I.S - Formal Offer Letter

The undersigned affirms and swears s/he has the legal authority and capacity to sign and make this offer on behalf of, **[INSERT OFFEROR NAME]** and possesses the legal authority and capacity to act on behalf of **[INSERT OFFEROR NAME]** to execute a contract with the State of New York.

The undersigned affirms and swears as to the truth and veracity of all documents included in this offer.

Date: _____

[INSERT OFFEROR NAME]

By: _____
(signature)

(name)

(title)

(phone number)

(email address)

CORPORATE OR PARTNERSHIP ACKNOWLEDGMENT

STATE OF _____ }
: **SS.:**
COUNTY OF _____ }

On the ____ day of _____ in the year 2017, before me personally appeared: _____, known to me to be the person who executed the foregoing instrument, who, being duly sworn by me did depose and say that _he resides at _____, Town of _____, County of _____, State of _____; and further that:

[Check One]

(___ **If a corporation**): _he is the _____ of _____, the corporation described in said instrument; that, by authority of the Board of Directors of said corporation, _he is authorized to execute the foregoing instrument on behalf of the corporation for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said corporation as the act and deed of said corporation.

(___ **If a partnership**): _he is the _____ of _____, the partnership described in said instrument; that, by the terms of said partnership, _he is authorized to execute the foregoing instrument on behalf of the partnership for the purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name and on behalf of said partnership as the act and deed of said partnership.

Notary Public

Exhibit I.T - Offeror Attestations Form

An authorized representative of the Offeror who is legally authorized to certify the information requested in the name of and on behalf of the Offeror is required to complete and sign the Offeror Attestations and provide all requested information. Offeror's authorized representative must certify as to the truth of the representations made by signing where indicated, below.

CERTIFICATION:

The Offeror (1) recognizes that the following representations are submitted for the express purpose of assisting the State of New York in making a determination to award a contract; (2) acknowledges and agrees by submitting the Attestation, that the State may at its discretion, verify the truth and accuracy of all statements made herein; (3) certifies that the information submitted in this certification and any attached documentation is true, accurate and complete.

Name of Business Entity Submitting Bid:		
Entity's Legal Form:		<input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other _____
No.	RFP Ref.	RFP Requirement:
1.	Section III.B.1	At time of Proposal Due Date and throughout the term of the Contract, Offeror represents and warrants that it: <input type="checkbox"/> is <input type="checkbox"/> is not Authorized to conduct business in New York State. If not authorized to conduct business in New York State at time of Proposal Due Date, the Offeror represents and warrants that it: <input type="checkbox"/> has <input type="checkbox"/> has not Filed an application for authority to do business in New York State with the New York State Secretary of State.
2.	Section III.B.2	At time of Proposal Due Date, Offeror represents and warrants that it: <input type="checkbox"/> has <input type="checkbox"/> has not completed, obtained or performed all registrations, filings, approvals, authorizations, consents and examinations required by any governmental authority for the provision of the delivery of Project Services and agree that it will, during the term of the Contract, comply with any requirements imposed upon it by law.
3.	Section III.B.3	At time of Proposal Due Date, Offeror represents and warrants that it: <input type="checkbox"/> agrees <input type="checkbox"/> does not agree that, if selected by the Department as the successful Offeror to this Procurement, the Offeror ("Contractor") shall be precluded from 1) submitting a proposal in response to; and/or 2) participating in any way in the development or consultation of any other Offeror's proposal(s) in response to any procurement undertaken by the Department for which the selected Offeror (Contractor) participated in the development of the services which are the subject matter of that procurement.

Exhibit I.T - Offeror Attestations Form

4.	Section III.B.4	<p>At time of Proposal Due Date, Offeror represents and warrants that it:</p> <p><input type="checkbox"/> agrees and acknowledges</p> <p><input type="checkbox"/> does not agree and acknowledge</p> <p>i. all claims, enrollment, and other data (i.e., materials) provided by the Department or the Department’s agents and/or contractors is being provided to the Offeror (“Contractor”) solely for the purpose of allowing the Contractor to fulfill its duties and responsibilities under the Contract;</p> <p>ii. said materials are and remain the sole property of NYS; and</p> <p>iii. that it will not share, sell, release, or make the data available to third parties in any manner without the written consent of the Department, except as directed by a court of competent jurisdiction, or as necessary to comply with applicable New York State or federal law.</p>
5.	Section III.B.5	<p>At time of Proposal Due Date, Offeror represents and warrants that, if selected by the Department as the successful Offeror in this Procurement, all activities associated with Tasks 1, 2, 3 and 4, as applicable:</p> <p><input type="checkbox"/> will</p> <p><input type="checkbox"/> will not</p> <p>be overseen by an individual certified as a Fellow in the Society of Actuaries (“FSA”).</p>
6.	Section III.B.6	<p>At time of Proposal Due Date, Offeror represents and warrants that it:</p> <p><input type="checkbox"/> does</p> <p><input type="checkbox"/> does not</p> <p>possess adequate staffing resources, financial resources and organizational capacity to perform the type, magnitude and quality of work specified in the RFP.</p>
7.	Section III.B.7	<p>At time of Proposal Due Date, Offeror represents and warrants that it:</p> <p><input type="checkbox"/> has</p> <p><input type="checkbox"/> has not</p> <p>maintained an organization capable of performing the work specified in the RFP, in continuous operation for at least the past three (3) years and that it has provided services comparable to the Project Services outlined in the RFP continuously during said period for the benefit of, at a minimum, three (3) governmental organizations with at least 100,000 health plan members.</p>
8.	Section III.B.8	<p>At time of Proposal Due Date, Offeror represents and warrants that for each of the past three (3) years:</p> <p><input type="checkbox"/> has</p> <p><input type="checkbox"/> has not</p> <p>generated gross revenue in excess of \$25,000,000 per year from benefit consulting/outsourcing.</p>

Exhibit I.T - Offeror Attestations Form

Date: _____

Signature

**[INSERT OFFEROR NAME]
[INSERT TITLE]
[INSERT COMPANY NAME]**

CORPORATE OR PARTNERSHIP ACKNOWLEDGMENT

STATE OF _____ }
: **SS.:**

COUNTY OF _____ }
On the ____ day of _____ in the year 2017, before me personally appeared:
_____, known to me to be the person who executed the foregoing
instrument, who, being duly sworn by me did depose and say that _he resides at
_____, Town of _____,
County of _____, State of _____; and further that:

[Check One]

(___ **If a corporation**): _he is the _____ of _____, the corporation described in said instrument; that, by authority of the Board of Directors of said corporation, _he is authorized to execute the foregoing instrument on behalf of the corporation for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said corporation as the act and deed of said corporation.

(___ **If a partnership**): _he is the _____ of _____, the partnership described in said instrument; that, by the terms of said partnership, _he is authorized to execute the foregoing instrument on behalf of the partnership for the purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name and on behalf of said partnership as the act and deed of said partnership.

Notary Public

Exhibit I.U.1 - Key Subcontractors or Affiliates

The Offeror must complete and submit this Exhibit as part of its Administrative Proposal. A separate form should be completed for each Key Subcontractor or Affiliate, if any. If the Offeror will not be subcontracting with any Key Subcontractor(s) or Affiliate(s) to provide any of the services required under this RFP, the Offeror must complete and submit a single Exhibit I.U.1 to that affect.

INSTRUCTION: Prepare this form for each Key Subcontractor or Affiliate	
Offeror's Name:	
<p>The Offeror:</p> <p><input type="checkbox"/> is <input type="checkbox"/> is not proposing to utilize the services of a Key Subcontractor(s) or Affiliate(s) to provide Project Services</p> <p><input type="checkbox"/> is <input type="checkbox"/> is not proposing to utilize the services of a subcontractor(s) to provide Project Services totaling \$100,000 or more during the term of the 5 year agreement</p>	
Subcontractor's Legal Name:	
Business Address:	
Subcontractor's Legal Form:	<input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other _____
<p>As of the date of the Offeror's Proposal, a subcontract</p> <p><input type="checkbox"/> has <input type="checkbox"/> has not been executed between the Offeror and the subcontractor(s) for services to be provided by such subcontractor(s) relating to Actuarial and Benefits Management Consulting Services.</p>	
<p>In the space provided below, describe the Key Subcontractor's or Affiliate's role(s) and responsibilities regarding Project Services to be provided.</p>	
<p>Relationship between Offeror and Key Subcontractor or Affiliate for Current Engagements: (Complete items 1 through 5 for each client engagement identified)</p>	
1. Client:	
2. Client Reference Name and Phone #	
3. Project Title:	
4. Project Start Date:	
5. In the space provided below, Project Status:	
<p>6. In the space provided below, describe the roles and responsibilities of the Offeror and subcontractor in regard to the project identified in 3, above:</p>	

Exhibit I.V - Program References

Reference #: _____

Current or Former Customer: _____

Abstract	
Customer For Whom Services Were Performed: _____	
Customer Address: _____ _____ _____	
Project Description: (The Offeror should submit specific details concerning the program identified in satisfaction of the requirements in this RFP, Section III.E. This information should be provided as an attachment to this form and the information provided should support the Offeror's assertion that it can successfully implement and administer programs of the scope and complexity as set forth in this RFP# ABMC-2017-1.)	
Project Contact References: (Required And Will Be Verified) (Attach 2 current and 1 former client reference)	
Contact Name: _____	Contact Title: _____
Phone Number: _____	E-Mail Address: _____
Contact Name: _____	Contact Title: _____
Phone Number: _____	E-Mail Address: _____

Exhibit I.W - Compliance with NYS Workers' Compensation Law

Sections 57 and 220 of the New York State Workers' Compensation Law (WCL) provide that the Department shall not enter into any contracts unless proof of workers' compensation and disability benefits insurance coverage is produced. Prior to entering into contracts with DCS, the selected Offeror will be required to verify for DCS, on forms authorized by the New York State Workers' Compensation Board, the fact that they are properly insured or are otherwise in compliance with the insurance provisions of the WCL. The forms to be used to show compliance with the WCL are listed below. DCS requests the Offeror submit this insurance verification information with their Proposals. Any questions relating to either workers' compensation or disability benefits coverage should be directed to the State of New York Workers' Compensation Board, Bureau of Compliance at (518)486-6307. You may also find useful information at their website <http://www.wcb.ny.gov>. Failure to provide verification of either of these types of insurance coverage by the time the winning Offeror is selected and the Contract is ready to be executed will be grounds for disqualification of an otherwise successful Proposal.

Workers' Compensation Requirements under WCL § 57:

To comply with coverage provisions of the WCL, businesses must:

- A) be legally exempt from obtaining workers' compensation insurance coverage; or
- B) obtain such coverage from insurance carriers; or
- C) be a Board-approved self-insured employer or participate in an authorized group self-insurance plan.

To assist State and municipal entities in enforcing WCL Section 57, businesses requesting permits or seeking to enter into contracts **MUST provide ONE** of the following forms to the government entity issuing the permit or entering into a contract:

- A) CE-200, Certificate of Attestation of Exemption from NYS Workers' Compensation and/or Disability Benefits Coverage ⁽¹⁾; **OR**
- B) C-105.2 -- Certificate of Workers' Compensation Insurance (the business's insurance carrier will send this form to the government entity upon request) **PLEASE NOTE:** The State Insurance Fund provides its own version of this form, the U-26.3; **OR**
- C) SI-12 -- Certificate of Workers' Compensation Self-Insurance (the business calls the Board's Self-Insurance Office at 518-402-0247), **OR** GSI-105.2 -- Certificate of Participation in Worker's Compensation Group Self-Insurance (the business's Group Self-Insurance Administrator will send this form to the government entity upon request).

Disability Benefits Requirements under Workers' Compensation Law §220(8)

To comply with coverage provisions of the WCL regarding disability benefits, businesses may:

- A) be legally exempt from obtaining disability benefits insurance coverage; or
- B) obtain such coverage from insurance carriers; or
- C) be a Board-approved self-insured employer.

Accordingly, to assist State and municipal entities in enforcing WCL Section 220(8), businesses requesting permits or seeking to enter into contracts **MUST provide ONE** of the following forms to the entity issuing the permit or entering into a contract:

- A) CE-200, Certificate of Attestation of Exemption from NYS Workers' Compensation and/or Disability Benefits Coverage⁽¹⁾; **OR**
- B) DB-120.1 -- Certificate of Disability Benefits Insurance (the business's insurance carrier will send this form to the government entity upon request); **OR**
- C) DB-155 -- Certificate of Disability Benefits Self-Insurance (the business calls the Board's Self-Insurance Office at 518-402-0247).

⁽¹⁾ *Starting December 1, 2008, Form CE-200 can be filled out electronically on the Board's website, www.wcb.state.ny.us, under the heading "Forms." Applicants filing electronically are able to print a finished Form CE-200 immediately upon completion of the electronic application. Applicants without access to a computer may obtain a paper application for the CE-200 by writing or visiting the Customer Service Center at any District Office of the Workers' Compensation Board. Applicants using the manual process may wait up to four weeks before receiving a CE-200. Once the applicant receives the CE-200, the applicant can then submit that CE-200 to the government agency from which he/she is getting the permit, license or contract.*

**Extraneous Terms Template
(Instructions for Documentation and Submission)**

Offerors shall identify all Extraneous Terms in the table provided on the following page, and shall adhere to all instructions below for preparing the table.

INSTRUCTIONS:

**RFP Section
and Sub-Section
Reference:**

The Offeror must insert the exact RFP Section, and Sub-Section number of the requirement(s) that the Offeror is proposing to modify. The Offeror must insert the nature of the proposed change and its impact on the Requirement.

RFP Requirement:

The Offeror must insert a concise description of the requirement(s) that the Offeror is proposing to modify.

**Proposed
Extraneous Term
Type:**

The Offeror must insert a one-word description, of the type of modification to each of the requirement(s) that the Offeror is proposing to modify, selected from the following list:

- Additional;
- Supplemental;
- “Or Equal”; or
- Alternative

**Proposed
Extraneous
Term:**

The one-word description must be followed by proposed alternate wording of the requirement(s).

**Impact on RFP
Requirement:**

The Offeror should describe the impact of the alternate wording. Then, the comments should explain how the modification(s) would benefit the State and provide best value. If there is a corresponding impact on the Administrative, Technical or Cost Proposal(s), that impact should be explained here with reference(s) to the parts of the volume(s) that are affected. However, **DO NOT INCLUDE ANY COST DATA IN THE ADMINISTRATIVE OR TECHNICAL PROPOSALS.**

The Offeror must use the table format described above and detailed on the following page to summarize its proposed Extraneous Terms, if any. The Offeror may refer to more voluminous narratives, tables, figures and appendices that more fully describe aspects of the Extraneous Terms, provided that the additional material is fully cross-referenced by this required table.

Extraneous Terms Template

EXTRANEIOUS TERM(S)			
No.	RFP Section and Sub-Section Reference	RFP Requirement	Proposed Extraneous Term Type
1.			<input type="checkbox"/> Additional; <input type="checkbox"/> Supplemental; <input type="checkbox"/> "Or Equal"; or <input type="checkbox"/> Alternative
<u>Proposed Extraneous Term(s):</u>			
<u>Impact on RFP Requirement:</u>			

Exhibit II.A

Collective Bargaining Units

Civil Service Employees Association (“CSEA”), AFSCME, AFL-CIO representing clerical, institutional, operational and military and naval affairs employees;

Public Employees Federation (“PEF”), AFL-CIO representing professional, scientific and technical employees;

United University Professions (“UUP”) representing professors and professional staff in the State University System;

Council 82 AFSME, AFL CIO (“C82”) representing Security Supervisors Unit (“SSPU”) comprised of supervisory security services employees;

Police Benevolent Association of New York State, Inc. (“PBANYS”) representing Agency Law Enforcement Services Unit (“ALESU”) comprised of employees with police duties and responsibilities who are employed by the Department of Environmental Conservation, Office of Parks, Recreation and Historic Preservation, and the State University of New York;

New York State Correction Officers and Police Benevolent Association (“NYSCOPBA”) representing state security personnel (other than State Police) and institution safety officers;

Police Benevolent Association of the New York State Troopers, Inc. (“PBA”) representing troopers in the Division of State Police and majors, captains, lieutenants and various levels of sergeants responsible for supervising troopers and investigators;

New York State Professional Investigators Association (“NYSPIA”) U.U.P.A., AFL-CIO representing investigators and senior investigators in the Division of State Police;

District Council 37 AFSCME, AFL-CIO (“DC-37”) representing employees of the Division of Housing and Community Renewal; and

Graduate Student Employees Union/Communication Workers of America (“GSEU/CWA”), representing teaching assistants and graduate student assistants who are employed by the State University of New York (“SUNY”), primarily at the four State University Centers located in Albany, Binghamton, Buffalo, and Stony Brook, NY.

Additional information regarding benefits negotiated with the unions and extended to non-represented state employees can be found at:

http://www.goer.ny.gov/Labor_Relations/index.cfm

Exhibit II.B

NYSHIP Enrollment Counts by Contract Type – February 2017

ENROLLMENT BY CONTRACT TYPE – February 2017																
	NEW YORK STATE					PARTICIPATING EMPLOYERS					PARTICIPATING AGENCIES					
EMPIRE PLAN	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Total</u>
Individual	64,081	71,610	507	13,594	149,792	9,965	5,395	314	1,446	17,120	31,137	45,758	178	6,505	83,578	250,490
Drug	64,081	71,605	507	13,591	149,784	9,313	5,146	311	1,446	16,216	31,137	45,758	178	6,500	83,573	249,573
No Drug	0	5	0	3	8	652	249	3	0	904	0	0	0	5	5	917
Family	84,867	51,286	114	859	137,126	20,568	9,840	61	322	30,791	72,837	44,997	97	577	118,508	286,425
Drug	84,867	51,286	114	859	137,126	19,394	9,392	60	322	29,168	72,837	44,997	97	577	118,508	284,802
No Drug	0	0	0	0	0	1,174	448	1	0	1,623	0	0	0	0	0	1,623
Total Empire	148,948	122,896	621	14,453	286,918	30,533	15,235	375	1,768	47,911	103,974	90,755	275	7,082	202,086	536,915
SEHP	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>						<u>Total</u>
Individual (all with Drug)	2,978	0	78	0	3,056	1,660	0	104	0	1,764						4,820
Family (all with Drug)	332	0	8	0	340	361	0	22	0	383						723
Total SEHP	3,310	0	86	0	3,396	2,021	0	126	0	2,147						5,543
EXCELSIOR PLAN	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Total</u>
Individual (all with Drug)											47	75	0	10	132	132
Family(all with Drug)											49	40	0	4	93	93
Total Excelsior											96	115	0	14	225	225
TOTAL EMPIRE EXCELSIOR & SEHP	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Total</u>
Individual	67,059	71,610	585	13,594	152,848	11,625	5,395	418	1,446	18,884	31,184	45,833	178	6,515	83,710	255,442
Family	85,199	51,286	122	859	137,466	20,929	9,840	83	322	31,174	72,886	45,037	97	581	118,601	287,241
Total	152,258	122,896	707	14,453	290,314	32,554	15,235	501	1,768	50,058	104,070	90,870	275	7,096	202,311	542,683
HMO's	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Total</u>
Individual	12,207	12,652	39	1,437	26,335	2,046	956	24	126	3,152						29,487
Drug	12,207	12,652	39	1,437	26,335	1,945	906	24	126	3,001						29,336
No Drug	0	0	0	0	0	101	50	0	0	151						151
Family	18,020	7,765	11	122	25,918	3,388	1,132	5	30	4,555						30,473
Drug	18,020	7,765	11	122	25,918	3,159	1,082	5	30	4,276						30,194
No Drug	0	0	0	0	0	229	50	0	0	279						279
Total HMO	30,227	20,417	50	1,559	52,253	5,434	2,088	29	156	7,707						59,960
NYSHIP TOTAL (not including Opt Outs)	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Total</u>
	182,485	143,313	757	16,012	342,567	37,988	17,323	530	1,924	57,765	104,070	90,870	275	7,096	202,311	602,643

* NYBEAS Run 2/4/2017

NYSHIP Empire Plan Experience and HMO Premium Data

EMPIRE PLAN EXPERIENCE 2000-2016						
EMPIRE BLUE CROSS BLUE SHIELD (HOSPITAL)						
Calendar Year	Premium	Incurred Claims ⁽¹⁾	Retention ⁽²⁾	Surplus	Deficit Recoupment	Dividend / (Deficit)
2000	689,560,272	638,612,692	28,904,278	22,043,302	0	22,043,302
2001	761,923,756	706,237,279	39,411,779	16,274,698	0	16,274,698
2002	867,583,186	800,422,061	68,599,978	(1,438,853)	0	(1,438,853)
2003	997,383,385 (a)	913,488,461	89,600,135	(5,705,211)	0	(5,705,211)
2004	1,170,852,317	1,046,221,282	96,169,553	28,461,482	0	28,461,482
2005 (b)	1,333,287,175	1,144,790,950	100,184,035	88,312,190	0	88,312,190
2006 (b)	1,503,384,277	1,228,814,014	98,597,580	175,972,683	0	175,972,683
2007 (b)	1,609,493,696	1,392,865,819	106,107,074	110,520,803	0	110,520,803
2008 (b)	1,766,786,043	1,528,518,158	122,384,224	115,883,661	0	115,883,661
2009 (b)	1,889,328,999	1,710,667,193	151,445,452	27,216,354	0	27,216,354
2010 (b)	2,011,602,806	1,833,878,947	152,473,761	25,250,098	0	25,250,098
2011 (b)	2,271,646,791	2,051,614,659	159,158,300	60,873,832	0	60,873,832
2012 (b)	2,359,108,782	2,083,813,715	157,939,522	117,355,545	0	117,355,545
2013 (b)	2,399,754,399	2,185,187,217	164,378,689	50,188,493	0	50,188,493
2014 (b)	2,428,791,290	2,365,499,004	100,697,603	(37,405,317)	0	(37,405,317)
2015 (b)	2,585,786,468	2,426,655,334	97,605,141	61,525,992	0	61,525,992
2016 (c)	2,726,828,794	2,715,443,705	96,810,749	(85,425,660)	0	(85,425,660)
(a) Includes release of \$5.9 million from accumulated dividends held by Empire for Empire's use to fund the incremental admin expense from 2003 that was not built into the 2003 premium rates. (b) Based on Settlement Report for respective year. (c) Based on the vendor's 2016 4th Qtr Experience Report.						
EMPIRE PLAN EXPERIENCE 2000-2016						
UNITED HEALTH CARE (MEDICAL)						
Calendar Year	Premium	Incurred Claims ⁽¹⁾	Retention ⁽²⁾	Surplus	Deficit Recoupment	Dividend / (Deficit)
2000	927,747,658	820,353,188	85,941,851	21,452,619	0	21,452,619
2001	1,079,921,208	905,198,950	91,144,917	83,577,341	0	83,577,341
2002	1,206,034,527	1,060,273,105	107,772,039	37,989,383	0	37,989,383
2003	1,338,544,533	1,134,117,550	125,609,477	78,817,506	0	78,817,506
2004	1,465,139,470	1,258,130,235	140,229,104	66,780,131	0	66,780,131
2005 (a)	1,606,092,124	1,427,776,957	143,519,361	34,795,806	0	34,795,806
2006 (a)	1,774,399,263	1,587,979,900	145,931,561	40,487,802	0	40,487,802
2007 (a)	2,042,368,213	1,711,984,797	160,980,459	169,402,957	0	169,402,957

Exhibit II.C

2008 (a)	2,205,445,034	1,795,237,288	186,697,235	223,510,511	0	223,510,511
2009 (a)	2,149,891,194	1,931,838,913	213,485,411	4,566,870	0	4,566,870
2010 (a)	2,291,722,572	1,973,058,152	219,112,823	99,551,597	0	99,551,597
2011 (a)	2,507,877,982	2,222,875,367	227,737,522	57,265,093	0	57,265,093
2012 (a)	2,463,652,233	2,200,679,792	228,686,902	34,285,539	0	34,285,539
2013 (a)	2,660,372,069	2,322,901,070	171,528,145	165,942,854	0	165,942,854
2014 (a)	2,665,972,345	2,419,961,596	173,352,516	72,658,233	0	72,658,233
2015 (a)	2,818,994,781	2,568,058,776	172,620,664	78,315,341	0	78,315,341
2016 (b)	2,880,102,946	2,792,151,789	181,190,464	(93,239,306)	0	(93,239,306)
(a) Based on Settlement Report for respective year.						
(b) Based on the vendor's 2016 4th Qtr Experience Report.						

Exhibit II.C

EMPIRE PLAN EXPERIENCE 2000-2016						
BEACON HEALTH OPTIONS/UNITED HEALTHCARE/GHI (MHSA) (a)						
Calendar Year	Premium	Incurred Claims ⁽¹⁾	Retention ⁽²⁾	Surplus	Deficit Recoupment	Dividend / (Deficit)
2000	70,325,435	52,792,539	11,783,541	5,749,355	0	5,749,355
2001	73,728,366	57,308,004	13,353,212	3,067,150	0	3,067,150
2002	72,905,394	61,635,844	14,351,752	(3,082,202)	0	(3,082,202)
2003	84,734,407	66,869,642	14,683,874	3,180,891	0	3,180,891
2004	90,765,006	67,045,748	15,873,379	7,845,879	0	7,845,879
2005 (b)	90,303,054	70,635,445	15,238,820	4,428,789	0	4,428,789
2006 (b)	96,299,618	72,809,741	15,477,603	8,012,274	0	8,012,274
2007 (b)	94,212,583	82,656,180	16,743,425	(5,187,022)	0	(5,187,022)
2008 (b)	108,449,553	97,552,490	18,594,689	(7,697,626)	0	(7,697,626)
2009 (b)	120,763,967	115,732,184	18,130,019	(13,098,236)	(4,064,792)	(9,033,444)
2010 (b)	137,726,119	109,331,988	19,674,973	8,719,158	(314,286)	0
2011 (b)	139,059,341	141,090,947	20,599,446	(22,631,052)	(8,276,749)	(14,354,303)
2012 (b)	166,428,136	132,817,063	19,297,101	14,313,972	(40,331)	0
2013 (b)	182,983,268	145,639,636	23,140,868	14,202,764	0	14,202,764
2014 (b)	179,443,599	146,033,957	13,381,167	20,028,475	0	20,028,475
2015 (b)	171,453,712	181,436,560	13,509,990	(23,492,838)	0	(23,492,838)
2016 (c)	202,275,184	192,547,538	14,890,307	(5,162,661)	0	(5,162,661)
(a) GHI 2000-2008; United Healthcare 2009-2013; Beacon Health Options (formerly ValueOptions) 2014-Present. (b) Based on Settlement Report for respective year. (c) Based on the vendor's 2016 4th Qtr Experience Report.						
EMPIRE PLAN EXPERIENCE 2000-2016						
CVS CAREMARK/UNITED HEALTHCARE/BLUE CROSS/CIGNA (PRESCRIPTION DRUGS) (a)						
Calendar Year	Premium	Incurred Claims ⁽¹⁾	Retention ⁽²⁾	Surplus	Deficit Recoupment	Dividend / (Deficit)
2000	626,612,823	557,742,337	13,067,836	55,802,650	39,354,024	16,448,626
2001	741,670,656	682,318,005	16,058,932	43,293,719	0	43,293,719
2002	861,525,344	834,429,976	16,726,823	10,368,545	0	10,368,545
2003	1,071,026,159	973,351,700	30,721,067	66,953,392	0	66,953,392
2004	1,222,536,034	1,119,580,023	42,242,751	60,713,260	0	60,713,260
2005 (b)	1,275,659,502	1,062,892,506	41,336,347	171,430,649	0	171,430,649
2006 (b)	1,416,134,548	1,170,859,088	67,787,541	177,487,919	0	177,487,919

Exhibit II.C

2007 (b)	1,480,774,132	1,240,782,664	64,686,452	175,305,016	0	175,305,016
2008 (b)	1,538,219,591	1,337,697,041	71,730,851	128,791,699	0	128,791,699
2009 (b)	1,486,982,329	1,320,816,902	87,921,602	78,243,825	0	78,243,825
2010 (b)	1,513,185,465	1,387,773,640	83,677,059	41,734,766	0	41,734,766
2011 (b)	1,752,101,871	1,532,496,886	88,309,766	131,295,219	0	131,295,219
2012 (b)	1,728,423,212	1,562,570,263	91,522,074	74,330,875	0	74,330,875
2013 (b)	1,475,347,189	1,278,540,147	126,586,640	70,220,402	0	70,220,402
2014 (b)	1,598,839,390	1,674,240,849	22,219,166	(97,620,625)	0	(97,620,625)
2015 (b)	1,625,688,059	1,578,103,844	25,212,131	22,372,084	0	22,372,084
2016 (c)	1,927,604,912	1,705,511,096	29,297,443	192,796,373	0	192,796,373

(a) CIGNA 2000-2005; Blue Cross 2006-2007; UHC 2008-2013; CVS Caremark 2014-Present.

(b) Based on Settlement Report for respective year.

(c) Based on the vendor's 2016 4th Qtr Experience Report.

Exhibit II.C

EMPIRE PLAN EXPERIENCE 2000-2016						
EMPIRE PLAN – AGGREGATE PROGRAM						
Calendar Year	Premium	Incurred Claims ⁽¹⁾	Retention ⁽²⁾	Surplus	Deficit Recoupment	Dividend / (Deficit)
2000	2,314,246,188	2,069,500,756	139,697,506	105,047,926	39,354,024	65,693,902
2001	2,657,243,986	2,351,062,238	159,968,840	146,212,908	0	146,212,908
2002	3,008,048,451	2,756,760,986	207,450,592	43,836,873	0	43,836,873
2003	3,491,688,484	3,087,827,353	260,614,553	143,246,578	0	143,246,578
2004	3,949,292,827	3,490,977,288	294,514,787	163,800,752	0	163,800,752
2005	4,305,341,855	3,706,095,858	300,278,563	298,967,434	0	298,967,434
2006	4,790,217,706	4,060,462,743	327,794,285	401,960,678	0	401,960,678
2007	5,226,848,624	4,428,289,460	348,517,410	450,041,754	0	450,041,754
2008	5,618,900,221	4,759,004,977	399,406,999	460,488,245	0	460,488,245
2009	5,646,966,489	5,079,055,192	470,982,484	96,928,813	(4,064,792)	100,993,605
2010	5,954,236,962	5,304,042,727	474,938,616	175,255,619	(314,286)	175,569,905
2011	6,670,685,985	5,948,077,859	495,805,034	226,803,092	(8,276,749)	235,079,841
2012	6,717,612,363	5,979,880,833	497,445,599	240,285,931	(40,331)	240,326,262
2013	6,718,456,925	5,932,268,070	485,634,342	300,554,513	0	300,554,513
2014	6,873,046,624	6,605,735,406	309,650,452	(42,339,234)	0	(42,339,234)
2015	7,201,923,020	6,754,254,514	308,947,926	138,720,579	0	138,720,579
2016 (3)	7,736,811,836	7,405,654,128	322,188,963	8,968,746	0	8,968,746

NOTES TO ALL TABLES:

- (1) Represents paid claims plus the change in estimated reserve.
- (2) Includes administrative expenses, risk charges, conversion charge.
- (3) Based on the vendors' 2016 4th Qtr Experience Reports.

Exhibit II.C

HMO PREMIUM AND EMPIRE PLAN EXPERIENCE 2000-2016				
Health Maintenance Organizations			EMPIRE PLAN AND HMO PREMIUM	
Calendar Year	Premium (a)		Calendar Year	Premium
2000	328,264,486		2000	2,642,510,674
2001	362,933,689		2001	3,020,177,675
2002	398,104,843		2002	3,406,153,294
2003	432,564,328		2003	3,924,252,812
2004	461,207,482		2004	4,410,500,309
2005	483,603,930		2005	4,788,945,785
2006	520,443,291		2006	5,310,660,997
2007	549,707,172		2007	5,776,555,796
2008	579,575,130		2008	6,198,475,351
2009	634,881,836		2009	6,281,848,325
2010	633,018,357		2010	6,587,255,319
2011	674,572,406		2011	7,345,258,391
2012	683,726,585		2012	7,401,338,948
2013	708,288,407		2013	7,426,745,332
2014	726,488,126		2014	7,599,534,750
2015	763,002,896		2015	7,964,925,916
2016	774,053,942		2016 (b)	8,510,865,778

- (a) Based on payments to HMOs; does not include NYBEAS and Medicare Part B premium components charged to enrollees.
- (b) Based on final HMO Premium plus Empire Plan vendor premium per vendors' 4th Qtr Experience reports.



New York State/SUNY GASB 45 Valuation

*Development of Recommended Actuarial Assumptions
Participating Agency 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 Agencies (PAs) of the New York State Health Insurance Program (NYSHIP) may need to value their OPEB obligation under GASB 45. In order to assist PAs 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 PAs. 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 PAs 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 PAs 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 PA. Each agency 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 agencies 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 PA 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 to each age. 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 PAs: *GASB 45 indicates that retiree 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 PA level.*

PAs pay the same premium for active employees as for non-Medicare eligible retirees, but pay different rates for Medicare eligible retirees. Our opinion is that the difference between Medicare and non-Medicare eligible retirees should not cause the Empire Plan to lose its community rated status. It would, therefore, generally be permissible under current guidance for PAs 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 PAs. Each individual PA 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 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.

MEDICARE PART B PREMIUM: The State requires that Participating Agencies reimburse the Medicare Part B premium of Medicare eligible participants. 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.

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.

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%

Note for PAs: This assumption will most likely not apply to PAs 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 the Empire Plan. 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 PAs: The trend rates above may also be appropriate for PAs using community rated premium rates. However, PAs should reflect their own expectations of future medical plan costs.

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

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

- 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.

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 PAs: Each individual PA 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. To be used for measurement of the ARC under certain actuarial cost methods.

GENERAL INFLATION: 2.75% assumed long-term inflation.

VESTEE COVERAGE: Vestees pay 100% of premium prior to eligibility for retiree medical

retirees in the NY State valuation is police, we are assuming this exception would not apply. However it may be that a participating agency would qualify for this additional limit.

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%

Note for PAs: *These participants will not produce any liability until they retire for those PAs 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.

Note for PAs: *The NYSHIP opt-out program may or may not be applicable to certain PAs.*

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 PAs: *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 PAs: *This assumption was based on the experience of the State and SUNY retirees. Each PA 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 PAs: *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 TABLE**

Age	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**

Age	TRS			
	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**

ERS						
Years of Service						
Age	< 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						
Years of Service						
Age	< 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**

Brooklyn Hospital						
Years of Service						
Age	< 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**

Years of Service	PRFS
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%
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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**

TRS-Male											
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	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**

TRS		
Age	Males	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 PAs: *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 PA 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 PAs: *These blended assumptions were based on the proportion of State retirees who were clerks as compared to laborers and may differ for a particular PA.*

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 PAs: The SUNY Hospital assumptions are based on the experience of this particular employer and are not likely to be representative of the experience of any other particular PA.

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 pensions.² 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.



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**

Age	TRS			
	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**

TRS-Male											
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	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.



New York State/SUNY GASB 45 Valuation

Development of Recommended Actuarial Assumptions
Participating Agency Version

September 2016

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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, 2016 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 August 18, 2016 report to New York State Department of Civil Service (DCS), ***New York State/SUNY Development of Recommended Actuarial Assumptions for 4/1/2016 GASB 45 Actuarial Valuation***. Employers who are Participating Agencies (PAs) of the New York State Health Insurance Program (NYSHIP) may need to value their OPEB obligation under GASB 45. In order to assist PAs 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 PAs. The assumptions in this report are a Statement of Actuarial Opinion, prepared by Tom Vicente and Betsy Hanson. Both Mr. Vicente and Ms. Hanson 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 PAs 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 PAs 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 PA. Each agency should assess its own demographics and health care 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 agencies provide their retirees or other former employees with other post-employment benefits not through NYSHIP, such as dental and life insurance, each PA 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, 2016 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, 2016. 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: 2.637% per annum as of April 1, 2016 – 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 lower than the 3.155% per annum rate used for the April 1, 2014 valuation. Note for fiscal years beginning after June 15, 2017, GASB 75 will be effective and the discount rate should be determined by that standard.

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 2015 incurred claims, paid through March 31, 2016, 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, 2016 – March 31, 2017, and adjusted as shown in the detail in Exhibit 2-1. The age 65 rates are shown below:

Coverage	Non- Medicare Eligible	Medicare Eligible	
		Before EGWP	Reflects EGWP Revenue
Medical	\$15,643	\$1,171	\$1,171
Drug	<u>\$3,462</u>	<u>\$3,462</u>	<u>\$2,550</u>
Total	\$19,105	\$4,633	\$3,721

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.

Note for PAs: *In the past, many PAs utilized community rated premium rates. Based on updates to ASOP 6, this is no longer appropriate and plans should value the age related costs.*

RETIREE CONTRIBUTIONS: The State sets retiree contributions as a percentage of premiums. Premiums are established for active employees and retirees combined. Retirees contribute varying percentages of premiums. The blended premium rate for valuation purposes based on the combination of the HMO plans is shown below.

4/1/2016 - 3/31/2017 HMO Rates			
Rates Used for Contribution Purposes			
	Non Rx	Rx	Total
Retiree/SS	\$6,269	\$1,682	\$7,950
Spouse	\$8,950	\$2,538	\$11,488

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 2017, we project the average Medicare Part B premium to be \$1,462 per Medicare eligible individual. This amount is based on the Part B premium rate for 2016 for participants with income of less than \$85,000.

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 Police and Fire Retirement System (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.

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 factors are applied to the per-capita plan costs for the Empire Plan and the HMO plans.

Note for PAs: In the past, many PAs utilized community rated premium rates. Based on updates to ASOP 6, this is no longer appropriate and plans should value the age related costs.

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
		<65	65+		Revenue
2016/17==>	2017/18	6.75%	5.30%	10.00%	5.00%
2017/18==>	2018/19	6.25%	5.20%	9.00%	5.00%
2018/19 ==>	2019/20	5.75%	5.10%	8.50%	5.00%
2019/20 ==>	2020/21	5.50%	5.00%	8.00%	5.00%
2020/21 ==>	2021/22	5.25%	4.90%	7.00%	5.00%
2021/22 ==>	2022/23	5.00%	4.80%	6.00%	5.00%
2022/23 ==>	2023/24	5.00%	4.80%	5.00%	4.75%
	2023/24+	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. 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.

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 PAs: The trend rates above may also be appropriate for PAs, however, PAs should reflect their own expectations of future medical plan costs.

HIGH COST PLAN EXCISE TAX: The Health Care Reform legislation added a new high cost plan excise tax (also known as the “Cadillac tax”). On December 18, 2015 the President signed the Consolidated Appropriations Act, 2016 into law. The new law includes provisions which impact the excise tax on high-cost group health plans introduced by the Affordable Care Act, as it will delay implementation of the excise tax for two years (i.e., from 2018 to 2020) and allow the excise tax to be deductible to the taxpayer. 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 in 2018), adjusted for the following:

- Limits will increase from 2018 to 2019 by 3.50% (CPI plus 1%);
- Limits will increase after 2019 by 2.50% (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.

The impact of the excise tax on high cost plans is calculated as an adjustment to the trend rates. Exhibit 3-1 shows the adjusted trend rates due to the excise tax.

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 the MP-2014 projection scale. The base tables are shown in Exhibit 2-3, which were published effective 2015 for the Employees’ Retirement System (ERS) and the Police and Fire Retirement System (PFRS) and 2015 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.

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

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 are police, we are assuming this exception would not apply. However it may be that a participating agency would qualify for this additional limit.

have been modified to reflect SUNY experience. These assumptions have been altered since the last valuation.

Note for PAs: Each individual PA 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. To be used for measurement of the ARC under certain actuarial cost methods.

GENERAL INFLATION: 2.50% 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%

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.

Note for PAs: The NYSHIP opt-out program may or may not be applicable to certain PAs.

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 PAs: *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 PAs: *This assumption was based on the experience of the State and SUNY retirees. Each PA 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, 2016. Reasonable assumptions were made if any data elements are unavailable or if any data elements are not within a reasonable range.

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

SUBSEQUENT EVENTS: We prepared our valuation results in September 2016, based on assumptions originally developed in August 2016. 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 Per Capita Gross Plan Costs
4/1/2016-3/31/2017**

Age	PPO claim costs				HMO claim costs		
	Medical	Rx	EGWP Revenue	Total	Medical	Rx	Total
1	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
2	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
3	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
4	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
5	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
6	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
7	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
8	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
9	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
10	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
11	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
12	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
13	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
14	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
15	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
16	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
17	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
18	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
19	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
20	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
21	\$3,512	\$453	n/a	\$3,965	\$3,205	\$330	\$3,534
22	\$3,618	\$474	n/a	\$4,092	\$3,301	\$346	\$3,646
23	\$3,726	\$497	n/a	\$4,224	\$3,400	\$362	\$3,762
24	\$3,838	\$521	n/a	\$4,359	\$3,502	\$380	\$3,881
25	\$3,953	\$546	n/a	\$4,499	\$3,607	\$398	\$4,005
26	\$4,072	\$572	n/a	\$4,644	\$3,715	\$417	\$4,132
27	\$4,194	\$600	n/a	\$4,794	\$3,826	\$437	\$4,263
28	\$4,320	\$629	n/a	\$4,948	\$3,941	\$458	\$4,399
29	\$4,449	\$659	n/a	\$5,108	\$4,059	\$480	\$4,539
30	\$4,583	\$690	n/a	\$5,273	\$4,181	\$503	\$4,684
31	\$4,720	\$724	n/a	\$5,444	\$4,307	\$527	\$4,834
32	\$4,862	\$758	n/a	\$5,620	\$4,436	\$552	\$4,988
33	\$5,008	\$795	n/a	\$5,802	\$4,569	\$579	\$5,148
34	\$5,158	\$833	n/a	\$5,991	\$4,706	\$607	\$5,313
35	\$5,313	\$873	n/a	\$6,186	\$4,847	\$636	\$5,483
36	\$5,472	\$915	n/a	\$6,387	\$4,993	\$666	\$5,659
37	\$5,636	\$959	n/a	\$6,595	\$5,142	\$698	\$5,841
38	\$5,805	\$1,005	n/a	\$6,810	\$5,297	\$732	\$6,029
39	\$5,980	\$1,053	n/a	\$7,032	\$5,456	\$767	\$6,223
40	\$6,159	\$1,103	n/a	\$7,262	\$5,619	\$804	\$6,423

**EXHIBIT 2-1 Per Capita Gross Plan Costs
4/1/2016-3/31/2017**

<u>Age</u>	<u>PPO claim costs</u>				<u>HMO claim costs</u>		
	<u>Medical</u>	<u>Rx</u>	<u>EGWP Revenue</u>	<u>Total</u>	<u>Medical</u>	<u>Rx</u>	<u>Total</u>
41	\$6,344	\$1,156	n/a	\$7,500	\$5,788	\$843	\$6,630
42	\$6,534	\$1,212	n/a	\$7,746	\$5,961	\$883	\$6,844
43	\$6,730	\$1,270	n/a	\$8,000	\$6,140	\$925	\$7,066
44	\$6,932	\$1,331	n/a	\$8,263	\$6,325	\$970	\$7,294
45	\$7,140	\$1,395	n/a	\$8,535	\$6,514	\$1,016	\$7,531
46	\$7,404	\$1,460	n/a	\$8,865	\$6,755	\$1,064	\$7,819
47	\$7,678	\$1,529	n/a	\$9,207	\$7,005	\$1,114	\$8,119
48	\$7,962	\$1,601	n/a	\$9,563	\$7,264	\$1,166	\$8,431
49	\$8,257	\$1,676	n/a	\$9,933	\$7,533	\$1,221	\$8,754
50	\$8,562	\$1,755	n/a	\$10,317	\$7,812	\$1,279	\$9,091
51	\$8,922	\$1,837	n/a	\$10,759	\$8,140	\$1,339	\$9,479
52	\$9,297	\$1,924	n/a	\$11,220	\$8,482	\$1,402	\$9,884
53	\$9,687	\$2,014	n/a	\$11,701	\$8,838	\$1,468	\$10,306
54	\$10,094	\$2,109	n/a	\$12,203	\$9,209	\$1,537	\$10,746
55	\$10,518	\$2,208	n/a	\$12,726	\$9,596	\$1,609	\$11,205
56	\$10,981	\$2,310	n/a	\$13,290	\$10,018	\$1,683	\$11,701
57	\$11,464	\$2,416	n/a	\$13,880	\$10,459	\$1,760	\$12,219
58	\$11,968	\$2,527	n/a	\$14,495	\$10,919	\$1,841	\$12,761
59	\$12,495	\$2,643	n/a	\$15,138	\$11,400	\$1,926	\$13,326
60	\$13,044	\$2,765	n/a	\$15,809	\$11,901	\$2,014	\$13,916
61	\$13,527	\$2,892	n/a	\$16,419	\$12,342	\$2,107	\$14,449
62	\$14,028	\$3,025	n/a	\$17,053	\$12,798	\$2,204	\$15,002
63	\$14,547	\$3,164	n/a	\$17,711	\$13,272	\$2,305	\$15,577
64	\$15,085	\$3,310	n/a	\$18,395	\$13,763	\$2,411	\$16,175
65	\$1,171	\$3,462	(\$912)	\$3,721	\$1,049	\$2,070	\$3,120
66	\$1,203	\$3,594	(\$947)	\$3,850	\$1,078	\$2,149	\$3,227
67	\$1,235	\$3,730	(\$983)	\$3,983	\$1,107	\$2,231	\$3,338
68	\$1,268	\$3,872	(\$1,020)	\$4,120	\$1,137	\$2,316	\$3,452
69	\$1,303	\$4,019	(\$1,059)	\$4,263	\$1,167	\$2,404	\$3,571
70	\$1,338	\$4,172	(\$1,099)	\$4,411	\$1,199	\$2,495	\$3,694
71	\$1,362	\$4,276	(\$1,126)	\$4,512	\$1,220	\$2,557	\$3,778
72	\$1,386	\$4,383	(\$1,155)	\$4,615	\$1,242	\$2,621	\$3,864
73	\$1,411	\$4,492	(\$1,183)	\$4,720	\$1,265	\$2,687	\$3,951
74	\$1,437	\$4,605	(\$1,213)	\$4,829	\$1,288	\$2,754	\$4,041
75	\$1,463	\$4,720	(\$1,243)	\$4,939	\$1,311	\$2,823	\$4,133
76	\$1,495	\$4,758	(\$1,253)	\$4,999	\$1,340	\$2,845	\$4,185
77	\$1,528	\$4,796	(\$1,263)	\$5,060	\$1,369	\$2,868	\$4,237
78	\$1,561	\$4,834	(\$1,273)	\$5,122	\$1,399	\$2,891	\$4,290
79	\$1,596	\$4,873	(\$1,284)	\$5,185	\$1,430	\$2,914	\$4,344
80	\$1,631	\$4,912	(\$1,294)	\$5,249	\$1,461	\$2,937	\$4,399

EXHIBIT 2-1 Per Capita Gross Plan Costs
4/1/2016-3/31/2017

<u>Age</u>	<u>PPO claim costs</u>				<u>HMO claim costs</u>		
	<u>Medical</u>	<u>Rx</u>	<u>EGWP Revenue</u>	<u>Total</u>	<u>Medical</u>	<u>Rx</u>	<u>Total</u>
81	\$1,676	\$4,922	(\$1,296)	\$5,302	\$1,502	\$2,943	\$4,446
82	\$1,723	\$4,931	(\$1,299)	\$5,356	\$1,544	\$2,949	\$4,494
83	\$1,772	\$4,941	(\$1,302)	\$5,411	\$1,588	\$2,955	\$4,543
84	\$1,821	\$4,951	(\$1,304)	\$5,468	\$1,632	\$2,961	\$4,593
85	\$1,872	\$4,961	(\$1,307)	\$5,526	\$1,678	\$2,967	\$4,645
86	\$1,898	\$4,966	(\$1,308)	\$5,556	\$1,701	\$2,970	\$4,671
87	\$1,925	\$4,971	(\$1,310)	\$5,587	\$1,725	\$2,973	\$4,698
88	\$1,952	\$4,976	(\$1,311)	\$5,617	\$1,749	\$2,976	\$4,725
89	\$1,979	\$4,981	(\$1,312)	\$5,648	\$1,774	\$2,979	\$4,753
90+	\$2,007	\$4,986	(\$1,313)	\$5,680	\$1,799	\$2,982	\$4,780

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%	0.036%	0.008%	0.033%	
16	0.001%	0.036%	0.008%	0.033%	
17	0.001%	0.036%	0.008%	0.033%	
18	0.001%	0.036%	0.008%	0.033%	
19	0.001%	0.036%	0.008%	0.033%	
20	0.001%	0.036%	0.008%	0.033%	0.0189%
21	0.001%	0.036%	0.008%	0.033%	0.0212%
22	0.001%	0.036%	0.008%	0.033%	0.0233%
23	0.001%	0.036%	0.008%	0.033%	0.0258%
24	0.001%	0.036%	0.008%	0.033%	0.0281%
25	0.001%	0.036%	0.008%	0.033%	0.0286%
26	0.001%	0.036%	0.008%	0.033%	0.0286%
27	0.001%	0.036%	0.008%	0.033%	0.0287%
28	0.001%	0.036%	0.008%	0.033%	0.0288%
29	0.001%	0.036%	0.008%	0.033%	0.0290%
30	0.001%	0.036%	0.008%	0.033%	0.0293%
31	0.001%	0.037%	0.008%	0.034%	0.0298%
32	0.001%	0.039%	0.008%	0.036%	0.0305%
33	0.001%	0.042%	0.008%	0.036%	0.0314%
34	0.001%	0.048%	0.008%	0.036%	0.0326%
35	0.001%	0.053%	0.008%	0.036%	0.0342%
36	0.001%	0.059%	0.008%	0.036%	0.0361%
37	0.001%	0.063%	0.008%	0.036%	0.0384%
38	0.001%	0.065%	0.008%	0.036%	0.0410%
39	0.001%	0.067%	0.008%	0.036%	0.0441%
40	0.001%	0.069%	0.008%	0.036%	0.0474%
41	0.001%	0.072%	0.008%	0.036%	0.0510%
42	0.001%	0.077%	0.008%	0.039%	0.0548%
43	0.001%	0.083%	0.008%	0.043%	0.0586%
44	0.001%	0.090%	0.008%	0.050%	0.0624%
45	0.001%	0.098%	0.008%	0.059%	0.0661%
46	0.001%	0.107%	0.008%	0.067%	0.0697%
47	0.001%	0.116%	0.008%	0.076%	0.0732%
48	0.001%	0.126%	0.008%	0.083%	0.0765%
49	0.001%	0.135%	0.008%	0.086%	0.0800%
50	0.001%	0.145%	0.008%	0.088%	0.0836%
51	0.001%	0.153%	0.006%	0.092%	0.0876%
52	0.001%	0.161%	0.006%	0.101%	0.0923%
53	0.001%	0.169%	0.006%	0.117%	0.0979%
54	0.001%	0.175%	0.006%	0.143%	0.1050%
55	0.001%	0.182%	0.006%	0.179%	0.1139%
56	0.001%	0.190%	0.006%	0.222%	0.1251%
57	0.001%	0.199%	0.006%	0.272%	0.1391%
58	0.001%	0.210%	0.006%	0.327%	0.1565%
59	0.001%	0.223%	0.006%	0.395%	0.1779%
60	0.001%	0.238%	0.006%	0.489%	0.2039%
61	0.001%	0.256%	0.006%	0.499%	0.2349%
62	0.001%	0.276%	0.006%	0.542%	0.2716%
63	0.001%	0.297%	0.006%	0.590%	0.3143%
64	0.001%	0.318%	0.006%	0.648%	0.3636%
65	0.001%	0.343%	0.006%	0.719%	0.4197%
66	0.001%	0.371%	0.006%	0.807%	0.4828%
67	0.001%	0.401%	0.006%	0.908%	0.5370%
68	0.001%	0.433%	0.006%	1.017%	0.6058%
69	0.001%	0.467%	0.006%	1.130%	0.6834%
70	0.000%	0.000%	0.006%	1.130%	0.7709%
71	0.000%	0.000%	0.006%	1.130%	0.8696%
72	0.000%	0.000%	0.006%	1.130%	0.9810%
73	0.000%	0.000%	0.006%	1.130%	1.1066%
74	0.000%	0.000%	0.006%	1.130%	1.2483%
75	0.000%	0.000%	0.006%	1.130%	1.4082%

*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%	0.036%	0.008%	0.033%	0.001%
16	0.001%	0.036%	0.008%	0.033%	0.001%
17	0.001%	0.036%	0.008%	0.033%	0.001%
18	0.001%	0.036%	0.008%	0.033%	0.001%
19	0.001%	0.036%	0.008%	0.033%	0.001%
20	0.001%	0.036%	0.008%	0.033%	0.0108%
21	0.001%	0.036%	0.008%	0.033%	0.0112%
22	0.001%	0.036%	0.008%	0.033%	0.0112%
23	0.001%	0.036%	0.008%	0.033%	0.0112%
24	0.001%	0.036%	0.008%	0.033%	0.0112%
25	0.001%	0.036%	0.008%	0.033%	0.0112%
26	0.001%	0.036%	0.008%	0.033%	0.0112%
27	0.001%	0.036%	0.008%	0.033%	0.0112%
28	0.001%	0.036%	0.008%	0.033%	0.0119%
29	0.001%	0.036%	0.008%	0.033%	0.0124%
30	0.001%	0.036%	0.008%	0.033%	0.0129%
31	0.001%	0.037%	0.008%	0.034%	0.0132%
32	0.001%	0.039%	0.008%	0.036%	0.0135%
33	0.001%	0.042%	0.008%	0.036%	0.0137%
34	0.001%	0.048%	0.008%	0.036%	0.0140%
35	0.001%	0.053%	0.008%	0.036%	0.0144%
36	0.001%	0.059%	0.008%	0.036%	0.0151%
37	0.001%	0.063%	0.008%	0.036%	0.0160%
38	0.001%	0.065%	0.008%	0.036%	0.0174%
39	0.001%	0.067%	0.008%	0.036%	0.0191%
40	0.001%	0.069%	0.008%	0.036%	0.0213%
41	0.001%	0.072%	0.008%	0.036%	0.0239%
42	0.001%	0.077%	0.008%	0.039%	0.0269%
43	0.001%	0.083%	0.008%	0.043%	0.0302%
44	0.001%	0.090%	0.008%	0.050%	0.0338%
45	0.001%	0.098%	0.008%	0.059%	0.0374%
46	0.001%	0.107%	0.008%	0.067%	0.0412%
47	0.001%	0.116%	0.008%	0.076%	0.0450%
48	0.001%	0.126%	0.008%	0.083%	0.0487%
49	0.001%	0.135%	0.008%	0.086%	0.0523%
50	0.001%	0.145%	0.008%	0.088%	0.0559%
51	0.001%	0.153%	0.006%	0.092%	0.0595%
52	0.001%	0.161%	0.006%	0.101%	0.0632%
53	0.001%	0.169%	0.006%	0.117%	0.0671%
54	0.001%	0.175%	0.006%	0.143%	0.0711%
55	0.001%	0.182%	0.006%	0.179%	0.0755%
56	0.001%	0.190%	0.006%	0.222%	0.0802%
57	0.001%	0.199%	0.006%	0.272%	0.0854%
58	0.001%	0.210%	0.006%	0.327%	0.0911%
59	0.001%	0.223%	0.006%	0.395%	0.0973%
60	0.001%	0.238%	0.006%	0.489%	0.1042%
61	0.001%	0.256%	0.006%	0.499%	0.1117%
62	0.001%	0.276%	0.006%	0.542%	0.1199%
63	0.001%	0.297%	0.006%	0.590%	0.1291%
64	0.001%	0.318%	0.006%	0.648%	0.1393%
65	0.001%	0.343%	0.006%	0.719%	0.1509%
66	0.001%	0.371%	0.006%	0.807%	0.1642%
67	0.001%	0.401%	0.006%	0.908%	0.1797%
68	0.001%	0.433%	0.006%	1.017%	0.1981%
69	0.001%	0.467%	0.006%	1.130%	0.2350%
70	0.000%	0.000%	0.006%	1.130%	0.2550%
71	0.000%	0.000%	0.006%	1.130%	0.2864%
72	0.000%	0.000%	0.006%	1.130%	0.3217%
73	0.000%	0.000%	0.006%	1.130%	0.3613%
74	0.000%	0.000%	0.006%	1.130%	0.4058%
75	0.000%	0.000%	0.006%	1.130%	0.4558%

*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	0.0331%	0.0331%	0.3305%	0.3311%	0.0305%	0.1221%
16	0.0331%	0.0331%	0.3305%	0.3311%	0.0305%	0.1221%
17	0.0331%	0.0331%	0.3305%	0.3311%	0.0305%	0.1221%
18	0.0331%	0.0331%	0.3305%	0.3311%	0.0305%	0.1221%
19	0.0331%	0.0331%	0.3305%	0.3311%	0.0305%	0.1221%
20	0.0331%	0.0331%	0.3305%	0.3311%	0.0305%	0.1221%
21	0.0333%	0.0334%	0.3324%	0.3335%	0.0307%	0.1228%
22	0.0334%	0.0336%	0.3341%	0.3357%	0.0308%	0.1234%
23	0.0336%	0.0338%	0.3357%	0.3378%	0.0310%	0.1240%
24	0.0337%	0.0340%	0.3370%	0.3397%	0.0311%	0.1245%
25	0.0339%	0.0342%	0.3382%	0.3415%	0.0312%	0.1249%
26	0.0340%	0.0345%	0.3395%	0.3447%	0.0313%	0.1254%
27	0.0342%	0.0349%	0.3411%	0.3487%	0.0315%	0.1260%
28	0.0344%	0.0353%	0.3432%	0.3530%	0.0317%	0.1268%
29	0.0346%	0.0357%	0.3452%	0.3571%	0.0319%	0.1275%
30	0.0347%	0.0360%	0.3468%	0.3599%	0.0320%	0.1281%
31	0.0353%	0.0367%	0.3536%	0.3674%	0.0321%	0.1285%
32	0.0374%	0.0388%	0.3742%	0.3885%	0.0331%	0.1322%
33	0.0041%	0.0425%	0.4105%	0.4252%	0.0349%	0.1397%
34	0.0461%	0.0474%	0.4610%	0.4740%	0.0350%	0.1400%
35	0.0516%	0.0527%	0.5160%	0.5268%	0.0350%	0.1400%
36	0.0566%	0.0574%	0.5775%	0.6493%	0.0349%	0.1397%
37	0.0604%	0.0609%	0.6371%	0.7687%	0.0318%	0.1391%
38	0.0627%	0.0630%	0.6951%	0.8854%	0.0345%	0.1382%
39	0.0640%	0.0620%	0.7513%	1.0001%	0.0343%	0.1371%
40	0.0653%	0.0654%	0.8066%	1.1135%	0.0340%	0.1361%
41	0.0677%	0.0678%	0.8313%	1.2492%	0.0338%	0.1354%
42	0.0715%	0.0717%	0.9202%	1.4185%	0.0337%	0.1348%
43	0.0769%	0.0774%	1.0004%	1.5438%	0.0362%	0.1450%
44	0.0834%	0.0842%	1.0731%	1.6430%	0.0397%	0.1586%
45	0.0907%	0.0919%	1.2040%	1.7878%	0.0466%	0.1864%
46	0.0986%	0.1004%	1.3228%	1.9295%	0.0771%	0.2068%
47	0.1071%	0.1094%	1.4548%	2.0830%	0.1076%	0.2275%
48	0.1161%	0.1193%	1.5936%	2.2372%	0.1384%	0.2484%
49	0.1254%	0.1296%	1.7420%	2.3755%	0.1694%	0.2695%
50	0.1346%	0.1397%	1.8645%	2.4882%	0.2007%	0.2911%
51	0.2058%	2.0680%	1.9939%	2.5897%	0.2055%	0.2971%
52	0.2776%	0.2747%	2.1284%	2.6748%	0.2148%	0.3100%
53	0.3515%	0.3426%	2.2741%	2.7365%	0.2296%	0.3303%
54	0.4270%	0.4104%	2.4226%	2.7776%	0.2499%	0.3569%
55	0.5036%	0.4776%	2.5497%	2.7968%	0.2756%	0.3889%
56	0.5477%	0.5143%	2.6583%	2.7845%	0.3066%	0.4256%
57	0.5889%	0.5512%	2.7587%	2.7540%	0.3427%	0.4662%
58	0.6267%	0.5882%	2.8418%	2.7106%	0.3836%	0.5103%
59	0.6610%	0.6258%	2.9190%	2.6647%	0.4291%	0.5579%
60	0.6921%	0.6645%	2.9974%	2.6127%	0.4787%	0.6090%
61	0.7212%	0.7050%	3.0752%	2.5670%	0.5324%	0.6643%
62	0.7502%	0.7486%	3.1503%	2.5246%	0.5897%	0.7249%
63	0.7816%	0.7965%	3.2265%	2.4973%	0.6510%	0.7920%
64	0.8187%	0.8493%	3.3030%	2.4864%	0.7174%	0.8675%
65	0.8658%	0.9085%	3.3905%	2.4928%	0.7909%	0.9537%
66	0.9260%	0.9750%	3.4775%	2.5188%	0.8733%	1.0534%
67	1.0034%	1.0505%	3.5862%	2.5681%	0.9673%	1.1701%
68	0.0110%	1.1356%	3.7039%	2.6400%	1.0749%	1.3073%
69	1.2201%	1.2327%	3.8327%	2.7366%	1.1980%	1.4685%
70	1.3631%	1.3426%	3.9633%	2.8598%	1.3389%	1.6575%
71	1.5304%	1.4682%	4.1292%	3.0106%	1.5002%	1.8777%
72	1.7227%	1.6119%	4.2901%	3.1924%	1.6852%	2.1326%
73	1.9404%	1.7760%	4.4839%	3.4122%	1.8980%	2.4248%
74	2.1846%	1.9635%	4.7064%	3.6659%	2.1439%	2.7575%
75	2.4567%	2.1769%	4.9841%	3.9514%	2.4284%	3.1330%

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

Age	ERS*				PFRS*	
	Healthy		Disabled		Healthy	Disabled
	Males	Females	Males	Females		
76	2.7602%	2.4197%	5.3277%	4.2849%	2.7579%	3.5541%
77	3.0998%	2.6961%	5.7124%	4.6665%	3.1396%	4.0242%
78	3.4805%	3.0095%	6.1621%	5.0826%	3.5812%	4.5451%
79	3.9111%	3.3647%	6.6938%	5.5549%	4.0934%	5.1217%
80	4.3999%	3.7662%	7.3020%	6.0952%	4.6887%	5.7566%
81	4.9564%	4.2183%	7.9750%	6.6731%	5.3726%	6.4536%
82	5.5894%	4.7263%	8.7512%	7.3143%	6.9767%	7.2151%
83	6.3095%	5.2960%	9.6250%	8.0202%	7.0655%	8.0457%
84	7.1243%	5.9308%	10.6067%	8.7900%	8.0925%	8.9469%
85	8.0425%	6.6371%	11.7086%	9.6310%	9.2516%	9.9219%
86	9.0707%	7.4190%	12.8992%	10.5424%	10.5503%	10.9731%
87	10.2131%	8.2806%	14.2045%	11.5489%	11.9938%	12.1011%
88	11.4750%	9.2282%	15.6553%	12.6556%	13.5891%	13.3088%
89	12.8614%	10.2657%	17.3219%	13.8609%	15.3431%	14.5996%
90	14.3730%	11.3895%	19.0518%	15.0870%	17.2570%	15.9722%
91	16.0158%	12.6011%	20.7882%	16.3519%	19.3388%	17.4321%
92	17.7946%	13.9012%	22.5917%	17.7138%	21.5942%	18.9824%
93	19.7128%	15.2916%	24.8256%	19.2931%	24.0275%	20.6256%
94	21.7727%	16.7700%	26.9264%	20.7091%	26.6413%	22.3622%
95	23.9776%	18.3370%	29.1577%	22.0705%	29.4396%	24.1942%
96	26.2486%	20.7467%	31.2819%	24.3758%	31.5559%	26.4591%
97	28.6010%	23.2480%	33.4811%	26.7685%	33.7467%	28.8050%
98	30.9594%	25.7644%	35.6845%	29.1754%	35.9416%	31.1570%
99	33.3377%	28.2941%	37.9080%	31.5947%	38.1568%	33.5288%
100	35.7231%	30.8415%	40.1372%	34.0311%	40.3774%	35.9077%
101	38.2685%	33.5587%	42.5154%	36.6290%	42.7465%	38.4460%
102	41.0416%	36.5254%	45.1045%	39.4642%	45.3256%	41.2116%
103	44.1890%	39.8932%	48.0400%	42.6801%	48.2496%	44.3501%
104	47.8689%	43.8353%	51.4705%	46.4433%	51.6665%	48.0195%
105	52.2186%	48.4940%	55.5212%	50.8864%	55.7010%	52.3567%
106	57.5299%	54.2034%	60.4620%	56.3289%	60.6217%	57.6525%
107	64.1286%	61.2796%	66.5983%	63.0705%	66.7328%	64.2318%
108	72.5904%	70.3711%	74.4609%	71.7282%	74.5628%	72.6687%
109	83.7452%	82.3560%	84.8199%	83.1367%	84.8784%	83.7901%
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 2014

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

<u>Age</u>	<u>Healthy</u>		<u>Disabled</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
1	0.041%	0.036%		
2	0.028%	0.024%		
3	0.023%	0.018%		
4	0.018%	0.013%		
5	0.016%	0.012%		
6	0.014%	0.011%		
7	0.012%	0.010%		
8	0.011%	0.009%		
9	0.009%	0.009%		
10	0.007%	0.008%		
11	0.008%	0.008%		
12	0.011%	0.010%		
13	0.015%	0.011%		
14	0.018%	0.012%		
15	0.022%	0.013%		
16	0.025%	0.014%		
17	0.029%	0.015%		
18	0.026%	0.014%		
19	0.029%	0.015%		
20	0.032%	0.015%		
21	0.035%	0.015%		
22	0.038%	0.015%		
23	0.040%	0.015%		
24	0.040%	0.016%		
25	0.038%	0.016%		
26	0.036%	0.016%		
27	0.035%	0.017%		
28	0.035%	0.018%		
29	0.035%	0.019%		
30	0.035%	0.020%	18.001%	10.649%
31	0.036%	0.021%	18.001%	10.649%
32	0.037%	0.022%	18.001%	10.649%
33	0.038%	0.024%	18.001%	10.328%
34	0.040%	0.025%	17.327%	10.008%
35	0.041%	0.026%	16.652%	9.691%
36	0.042%	0.028%	15.977%	9.376%
37	0.043%	0.029%	15.302%	9.068%
38	0.045%	0.031%	14.628%	8.767%
39	0.046%	0.033%	13.958%	8.475%
40	0.049%	0.036%	13.294%	8.193%
41	0.052%	0.040%	12.640%	7.920%
42	0.057%	0.044%	12.001%	7.655%
43	0.062%	0.048%	11.380%	7.397%
44	0.068%	0.054%	10.780%	7.143%
45	0.076%	0.060%	10.203%	6.894%
46	0.085%	0.067%	9.650%	6.648%
47	0.095%	0.075%	9.124%	6.406%
48	0.106%	0.083%	8.623%	6.168%
49	0.118%	0.092%	8.148%	5.931%
50	0.132%	0.101%	7.696%	5.695%
51	0.146%	0.110%	7.264%	5.454%
52	0.162%	0.120%	6.849%	5.205%
53	0.195%	0.142%	6.450%	4.942%
54	0.231%	0.165%	6.064%	4.666%
55	0.252%	0.181%	5.694%	4.381%

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

Age	TRS			
	Healthy		Disabled	
	Male	Female	Male	Female
56	0.275%	0.198%	5.344%	4.095%
57	0.300%	0.217%	5.022%	3.817%
58	0.328%	0.238%	4.731%	3.558%
59	0.358%	0.261%	4.476%	3.325%
60	0.391%	0.287%	4.260%	3.126%
61	0.426%	0.305%	4.083%	2.967%
62	0.465%	0.330%	3.946%	2.852%
63	0.505%	0.360%	3.846%	2.785%
64	0.556%	0.398%	3.783%	2.766%
65	0.620%	0.442%	3.755%	2.796%
66	0.698%	0.493%	3.762%	2.870%
67	0.789%	0.552%	3.804%	2.985%
68	0.894%	0.620%	3.880%	3.135%
69	1.015%	0.698%	3.989%	3.314%
70	1.152%	0.786%	4.133%	3.520%
71	1.307%	0.887%	4.314%	3.751%
72	1.482%	1.003%	4.534%	4.008%
73	1.679%	1.135%	4.793%	4.294%
74	1.901%	1.286%	5.089%	4.611%
75	2.152%	1.460%	5.422%	4.963%
76	2.438%	1.660%	5.788%	5.356%
77	2.763%	1.891%	6.187%	5.793%
78	3.135%	2.157%	6.616%	6.279%
79	3.559%	2.463%	7.074%	6.816%
80	4.045%	2.816%	7.560%	7.400%
81	4.600%	3.223%	8.073%	8.029%
82	5.234%	3.690%	8.613%	8.696%
83	5.959%	4.227%	8.793%	9.397%
84	6.784%	4.841%	10.004%	10.132%
85	7.725%	5.542%	11.374%	10.902%
86	8.793%	6.340%	12.921%	11.707%
87	10.004%	7.247%	14.171%	12.204%
88	11.374%	8.272%	15.813%	13.852%
89	12.921%	9.431%	17.529%	15.700%
90	14.171%	10.736%	19.313%	17.770%
91	15.813%	12.204%	21.167%	19.148%
92	17.529%	13.852%	23.098%	21.024%
93	19.313%	15.700%	25.111%	23.000%
94	21.167%	17.770%	27.211%	25.072%
95	23.098%	19.148%	29.385%	27.086%
96	25.111%	21.024%	31.399%	29.104%
97	27.211%	23.000%	33.437%	31.144%
98	29.385%	25.072%	35.460%	33.190%
99	31.399%	27.086%	37.452%	35.223%
100	33.437%	29.104%	39.398%	37.227%
101	35.460%	31.144%	41.283%	39.186%
102	37.452%	33.190%	43.095%	41.085%
103	39.398%	35.223%	44.823%	42.911%
104	41.283%	37.227%	46.459%	44.654%
105	43.095%	39.186%	47.999%	46.306%
106	44.823%	41.085%	49.438%	47.860%
107	46.459%	42.911%	50.000%	47.860%
108	47.999%	44.654%	50.000%	47.860%
109	49.438%	46.306%	50.000%	47.860%
110	50.000%	47.860%	50.000%	47.860%

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	25.066%	12.991%	7.721%	6.550%	4.365%	1.510%
16	25.066%	12.991%	7.721%	6.550%	4.365%	1.510%
17	25.066%	12.991%	7.721%	6.550%	4.365%	1.510%
18	25.066%	12.991%	7.721%	6.550%	4.365%	1.510%
19	25.066%	12.991%	7.721%	6.550%	4.365%	1.510%
20	25.050%	12.991%	7.721%	6.550%	4.365%	1.510%
21	24.783%	12.991%	7.721%	6.550%	4.365%	1.510%
22	24.260%	12.991%	7.721%	6.550%	4.365%	1.510%
23	23.454%	13.701%	9.013%	6.943%	4.456%	1.510%
24	22.346%	14.193%	9.850%	7.243%	4.510%	1.510%
25	20.978%	0.145%	10.279%	7.437%	4.528%	1.510%
26	19.494%	14.689%	10.441%	7.543%	4.516%	1.510%
27	18.113%	14.683%	10.472%	7.601%	4.481%	1.510%
28	17.029%	14.473%	10.452%	7.643%	4.434%	1.510%
29	16.305%	14.055%	10.406%	7.684%	4.386%	1.523%
30	15.870%	13.472%	10.331%	7.712%	4.347%	1.558%
31	15.602%	12.814%	10.215%	7.702%	4.325%	1.618%
32	15.404%	12.190%	10.052%	7.623%	4.328%	1.700%
33	15.239%	11.689%	9.838%	7.454%	4.355%	1.793%
34	15.102%	11.330%	9.573%	7.197%	4.398%	1.877%
35	14.988%	11.073%	9.256%	6.877%	4.439%	1.934%
36	14.874%	10.849%	8.888%	6.536%	4.454%	1.950%
37	14.723%	10.603%	8.481%	6.223%	4.421%	1.921%
38	14.516%	10.318%	8.058%	5.972%	4.332%	1.856%
39	14.261%	10.012%	7.649%	5.793%	4.200%	1.773%
40	13.991%	9.714%	7.283%	5.674%	4.048%	1.692%
41	13.741%	9.446%	6.981%	5.594%	3.905%	1.630%
42	13.530%	9.211%	6.753%	5.535%	3.790%	1.594%
43	13.363%	9.004%	6.595%	5.488%	3.709%	1.582%
44	13.237%	8.819%	6.494%	5.449%	3.655%	1.583%
45	13.150%	8.652%	6.433%	5.413%	3.614%	1.582%
46	13.108%	8.506%	6.395%	5.375%	3.571%	1.561%
47	13.123%	8.382%	6.365%	5.325%	3.515%	1.515%
48	13.199%	8.279%	6.339%	5.260%	3.443%	1.448%
49	13.328%	8.198%	6.316%	5.180%	3.362%	1.374%
50	13.485%	8.135%	6.301%	5.101%	3.283%	1.308%
51	13.633%	8.089%	6.301%	5.038%	3.219%	1.260%
52	13.733%	8.060%	6.320%	5.010%	3.187%	1.229%
53	13.762%	8.048%	6.362%	5.026%	3.199%	1.211%
54	13.721%	8.056%	6.427%	5.086%	3.253%	1.202%
55	13.641%	8.095%	6.520%	5.181%	3.320%	1.198%
56	13.571%	8.188%	6.645%	5.298%	3.337%	1.196%
57	13.573%	8.364%	6.810%	5.424%	3.247%	1.196%
58	13.702%	8.653%	7.024%	5.553%	3.033%	1.196%
59	13.993%	9.081%	7.293%	5.684%	2.720%	1.196%
60	14.448%	9.655%	7.617%	5.821%	2.363%	1.196%
61	15.016%	10.356%	7.985%	5.962%	2.045%	1.196%
62	15.582%	11.118%	8.365%	6.096%	1.874%	1.196%
63	15.971%	11.118%	8.365%	6.096%	1.874%	1.196%
64	15.971%	11.118%	8.365%	6.096%	1.874%	1.196%
65	15.971%	11.118%	8.365%	6.096%	1.874%	1.196%
66	15.971%	11.118%	8.365%	6.096%	1.874%	1.196%
67	15.971%	11.118%	8.365%	6.096%	1.874%	1.196%
68	15.971%	11.118%	8.365%	6.096%	1.874%	1.196%
69	15.971%	11.118%	8.365%	6.096%	1.874%	1.196%
70	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%

Note for Tiers 5 and up, for Service=5-9.99, multiply the above rate by 0.6. For Service=10, multiply by 2

EXHIBIT 2-3 WITHDRAWAL RATES

Age	Upstate (Syracuse) Medical Center Years of Service					
	< 2	2 - 2.99	3 - 3.99	4 - 4.99	5 - 9.99	> = 10
15	21.00%	22.00%	26.00%	24.00%	16.00%	7.00%
16	21.00%	22.00%	26.00%	24.00%	16.00%	7.00%
17	21.00%	22.00%	26.00%	24.00%	16.00%	7.00%
18	21.00%	22.00%	26.00%	24.00%	16.00%	7.00%
19	21.00%	22.00%	26.00%	24.00%	16.00%	7.00%
20	21.00%	22.00%	26.00%	24.00%	16.00%	7.00%
21	20.00%	22.00%	26.00%	24.00%	16.00%	7.00%
22	20.00%	22.00%	26.00%	24.00%	16.00%	7.00%
23	20.00%	24.00%	40.00%	24.00%	16.00%	7.00%
24	20.00%	24.00%	40.00%	20.00%	16.00%	7.00%
25	20.00%	24.00%	40.00%	20.00%	16.00%	7.00%
26	20.00%	24.00%	40.00%	20.00%	16.00%	7.00%
27	16.00%	24.00%	40.00%	19.60%	15.00%	7.00%
28	16.00%	24.00%	40.00%	12.60%	15.00%	7.00%
29	16.00%	24.00%	40.00%	40.00%	15.00%	7.00%
30	16.00%	15.70%	40.00%	59.20%	20.00%	7.00%
31	16.00%	15.70%	40.00%	45.20%	20.00%	7.00%
32	16.00%	15.70%	40.00%	51.50%	20.00%	6.90%
33	16.00%	15.70%	40.00%	45.20%	20.00%	6.70%
34	16.50%	15.70%	40.00%	32.50%	20.00%	6.50%
35	16.50%	15.70%	40.00%	32.50%	18.00%	6.30%
36	16.50%	15.70%	40.00%	22.50%	18.00%	6.10%
37	16.50%	15.70%	40.00%	24.40%	18.00%	5.80%
38	16.50%	15.70%	40.00%	46.50%	18.00%	5.40%
39	16.50%	15.70%	40.00%	45.20%	9.00%	5.00%
40	16.50%	15.70%	40.00%	38.80%	9.00%	4.60%
41	16.50%	15.70%	40.00%	13.40%	9.00%	4.20%
42	16.50%	15.70%	27.50%	10.60%	9.00%	4.00%
43	16.50%	12.50%	35.00%	10.60%	9.00%	4.00%
44	16.50%	12.50%	24.00%	15.00%	9.00%	4.00%
45	16.50%	12.50%	24.00%	25.00%	9.00%	6.00%
46	16.50%	12.50%	24.00%	25.00%	9.00%	6.00%
47	16.50%	12.50%	24.00%	25.00%	9.00%	6.00%
48	16.50%	8.00%	24.00%	19.40%	9.00%	6.00%
49	16.50%	8.00%	15.50%	19.40%	9.00%	6.00%
50	16.50%	8.00%	15.50%	19.40%	9.00%	6.00%
51	16.50%	8.00%	15.50%	19.40%	5.00%	6.00%
52	10.00%	8.00%	15.50%	19.40%	5.00%	6.00%
53	10.00%	8.00%	15.50%	14.70%	5.00%	6.00%
54	10.00%	8.00%	15.50%	5.70%	5.00%	6.00%
55	10.00%	8.00%	15.50%	30.00%	5.00%	0.00%
56	10.00%	8.00%	15.50%	30.00%	5.00%	0.00%
57	10.00%	8.00%	17.00%	12.50%	3.50%	0.00%
58	8.00%	8.00%	17.00%	12.50%	3.50%	0.00%
59	8.00%	8.00%	17.00%	12.50%	3.50%	0.00%
60	8.00%	11.00%	17.00%	12.50%	3.50%	0.00%
61	8.00%	11.00%	17.00%	12.50%	3.50%	0.00%
62	8.00%	11.00%	17.00%	12.50%	3.50%	0.00%
63	3.90%	11.00%	17.00%	12.50%	3.50%	0.00%
64	3.90%	11.00%	17.00%	12.50%	3.50%	0.00%
65	3.90%	11.00%	4.50%	3.50%	3.50%	0.00%
66	3.90%	11.00%	4.50%	3.50%	3.50%	0.00%
67	3.90%	11.00%	4.50%	3.50%	3.50%	0.00%
68	3.90%	11.00%	4.50%	3.50%	3.50%	0.00%
69	3.90%	11.00%	4.50%	3.50%	3.50%	0.00%
70	0.00%	0.00%	4.50%	0.00%	0.00%	0.00%

EXHIBIT 2-3 WITHDRAWAL RATES

Age	Brooklyn Hospital & Stony Brook Hospital					
	Years of Service					
	< 2	2 - 2.99	3 - 3.99	4 - 4.99	5 - 9.99	> = 10
15	11.00%	28.00%	15.00%	16.00%	15.00%	7.00%
16	11.00%	28.00%	15.00%	16.00%	15.00%	7.00%
17	11.00%	28.00%	15.00%	16.00%	15.00%	7.00%
18	11.00%	28.00%	15.00%	16.00%	15.00%	7.00%
19	11.00%	28.00%	15.00%	16.00%	15.00%	7.00%
20	11.00%	28.00%	15.00%	16.00%	15.00%	7.00%
21	10.00%	30.00%	15.00%	16.00%	15.00%	7.00%
22	10.00%	30.00%	15.00%	16.00%	15.00%	7.00%
23	10.00%	30.00%	15.00%	16.00%	15.00%	7.00%
24	10.00%	30.00%	15.00%	16.00%	15.00%	7.00%
25	13.00%	30.00%	15.00%	16.00%	15.00%	7.00%
26	13.00%	40.00%	15.00%	22.00%	15.00%	7.00%
27	13.00%	40.00%	44.00%	40.00%	11.00%	7.00%
28	13.00%	40.00%	44.00%	40.00%	10.00%	7.00%
29	13.00%	38.00%	44.00%	40.00%	10.00%	7.00%
30	18.00%	40.00%	44.00%	40.00%	11.00%	6.00%
31	18.00%	50.00%	50.00%	34.00%	12.00%	5.80%
32	18.00%	50.00%	50.00%	34.00%	18.00%	5.60%
33	13.00%	36.00%	44.00%	34.00%	18.00%	5.40%
34	13.00%	36.00%	44.00%	34.00%	17.00%	4.80%
35	13.00%	36.00%	44.00%	34.00%	18.00%	4.20%
36	13.00%	26.00%	44.00%	34.00%	18.00%	3.60%
37	13.00%	26.00%	30.00%	30.00%	18.00%	3.00%
38	13.00%	24.00%	28.00%	29.00%	18.00%	3.00%
39	8.00%	24.00%	28.00%	29.00%	10.00%	3.00%
40	8.00%	24.00%	28.00%	18.00%	10.00%	3.00%
41	8.00%	24.00%	28.00%	18.00%	10.00%	3.00%
42	7.00%	24.00%	28.00%	17.00%	10.00%	3.00%
43	7.00%	24.00%	25.00%	17.00%	10.00%	3.00%
44	7.00%	24.00%	25.00%	17.00%	10.00%	3.00%
45	5.50%	20.00%	25.00%	17.00%	10.00%	3.00%
46	5.50%	20.00%	12.50%	17.00%	10.00%	3.00%
47	5.50%	20.00%	12.50%	16.00%	10.00%	3.00%
48	5.50%	20.00%	12.50%	16.00%	8.00%	3.00%
49	4.00%	18.00%	9.80%	16.00%	8.00%	3.00%
50	4.00%	15.00%	9.80%	16.00%	8.00%	3.00%
51	4.00%	14.00%	9.80%	15.00%	8.00%	3.00%
52	4.00%	14.00%	9.80%	15.00%	8.00%	3.00%
53	3.00%	14.00%	8.00%	15.00%	8.00%	3.00%
54	3.00%	16.00%	8.00%	5.70%	8.00%	3.00%
55	3.00%	16.00%	8.00%	13.40%	8.00%	0.00%
56	2.00%	20.00%	8.00%	5.00%	7.00%	0.00%
57	2.00%	20.00%	8.00%	5.00%	7.00%	0.00%
58	2.00%	20.00%	8.00%	5.00%	7.00%	0.00%
59	2.00%	20.00%	8.00%	5.00%	5.00%	0.00%
60	2.00%	20.00%	8.00%	5.00%	5.00%	0.00%
61	2.00%	4.00%	8.00%	5.00%	5.00%	0.00%
62	2.00%	4.00%	8.00%	5.00%	5.00%	0.00%
63	1.75%	4.00%	8.00%	5.00%	5.00%	0.00%
64	1.75%	4.00%	8.00%	5.00%	5.00%	0.00%
65	1.75%	4.00%	8.00%	5.00%	5.00%	0.00%
66	1.75%	4.00%	8.00%	5.00%	5.00%	0.00%
67	1.75%	4.00%	8.00%	5.00%	5.00%	0.00%
68	1.75%	4.00%	8.00%	5.00%	5.00%	0.00%
69	1.75%	4.00%	8.00%	5.00%	5.00%	0.00%
70	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

EXHIBIT 2-3 WITHDRAWAL RATES

Years of Service	PRFS
0	7.107%
1	4.974%
2	3.305%
3	2.203%
4	1.557%
5	1.175%
6	0.941%
7	0.792%
8	0.695%
9	0.622%
10	0.550%
11	0.474%
12	0.402%
13	0.345%
14	0.303%
15	0.277%
16	0.254%
17	0.233%
18	0.221%
19	0.221%
20	0.221%
21	0.221%
22	0.221%
23	0.221%
24	0.221%
25	0.221%
26	0.221%
27	0.221%
28	0.221%
29	0.221%
30	0.221%
31	0.221%
32	0.221%
33	0.221%
34	0.221%
35	0.221%
36	0.221%
37	0.221%
38	0.221%
39	0.221%
41	0.221%
42	0.221%
43	0.221%
44	0.221%
45	0.221%
46	0.221%
47	0.221%
48	0.221%
49	0.221%
50	0.221%

EXHIBIT 2-3 WITHDRAWAL RATES

Age	Campus - ORD											
	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	7 Years of Service	8 Years of Service	9 Years of Service	At least 10 Years of Service	
15	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
16	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
17	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
18	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
19	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
20	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
21	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
22	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
23	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
24	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
25	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
26	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
27	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
28	19.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
29	19.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	24.0%	22.0%	15.0%
30	19.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	24.0%	22.0%	13.0%
31	19.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	24.0%	22.0%	13.0%
32	17.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	24.0%	22.0%	13.0%
33	17.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	24.0%	22.0%	13.0%
34	17.0%	28.0%	28.0%	28.0%	28.0%	24.0%	24.0%	25.0%	26.0%	24.0%	22.0%	13.0%
35	14.0%	28.0%	28.0%	28.0%	28.0%	24.0%	24.0%	25.0%	26.0%	24.0%	22.0%	13.0%
36	14.0%	28.0%	28.0%	28.0%	28.0%	24.0%	24.0%	25.0%	26.0%	24.0%	17.0%	13.0%
37	14.0%	28.0%	28.0%	28.0%	28.0%	24.0%	24.0%	25.0%	26.0%	24.0%	17.0%	13.0%
38	14.0%	28.0%	28.0%	28.0%	28.0%	24.0%	24.0%	25.0%	26.0%	22.0%	17.0%	13.0%
39	14.0%	28.0%	28.0%	28.0%	28.0%	21.0%	21.0%	25.0%	21.0%	21.0%	17.0%	13.0%
40	14.0%	28.0%	28.0%	28.0%	28.0%	21.0%	21.0%	21.0%	21.0%	21.0%	17.0%	13.0%
41	14.0%	28.0%	28.0%	28.0%	28.0%	21.0%	21.0%	21.0%	21.0%	21.0%	17.0%	13.0%
42	22.0%	28.0%	28.0%	28.0%	28.0%	21.0%	21.0%	21.0%	21.0%	21.0%	17.0%	13.0%
43	22.0%	28.0%	28.0%	28.0%	28.0%	21.0%	21.0%	21.0%	21.0%	21.0%	17.0%	13.0%
44	22.0%	28.0%	28.0%	28.0%	28.0%	21.0%	21.0%	21.0%	21.0%	21.0%	17.0%	13.0%
45	22.0%	26.0%	26.0%	25.0%	21.0%	21.0%	21.0%	20.0%	21.0%	19.0%	13.0%	13.0%
46	22.0%	26.0%	26.0%	25.0%	21.0%	21.0%	21.0%	20.0%	21.0%	19.0%	13.0%	13.0%
47	22.0%	26.0%	26.0%	25.0%	21.0%	21.0%	21.0%	20.0%	21.0%	19.0%	13.0%	13.0%
48	22.0%	26.0%	26.0%	25.0%	21.0%	22.0%	20.0%	20.0%	21.0%	19.0%	13.0%	13.0%
49	22.0%	26.0%	26.0%	25.0%	21.0%	22.0%	20.0%	20.0%	21.0%	19.0%	13.0%	13.0%
50	22.0%	26.0%	26.0%	25.0%	21.0%	22.0%	20.0%	20.0%	21.0%	19.0%	13.0%	13.0%
51	22.0%	26.0%	26.0%	25.0%	21.0%	22.0%	20.0%	20.0%	21.0%	19.0%	13.0%	13.0%
52	22.0%	26.0%	26.0%	25.0%	21.0%	22.0%	20.0%	20.0%	21.0%	19.0%	10.0%	12.0%
53	22.0%	26.0%	26.0%	25.0%	21.0%	22.0%	20.0%	20.0%	21.0%	19.0%	10.0%	12.0%
54	22.0%	26.0%	26.0%	26.0%	21.0%	22.0%	20.0%	20.0%	23.0%	19.0%	10.0%	12.0%
55	22.0%	26.0%	26.0%	26.0%	21.0%	22.0%	20.0%	20.0%	23.0%	19.0%	10.0%	0.0%
56	22.0%	26.0%	26.0%	26.0%	21.0%	22.0%	20.0%	20.0%	23.0%	19.0%	10.0%	0.0%
57	21.0%	21.0%	21.0%	20.0%	21.0%	22.0%	21.0%	20.0%	20.0%	19.0%	10.0%	0.0%
58	21.0%	21.0%	21.0%	20.0%	21.0%	22.0%	21.0%	20.0%	20.0%	19.0%	10.0%	0.0%
59	21.0%	21.0%	21.0%	20.0%	21.0%	22.0%	21.0%	20.0%	20.0%	19.0%	10.0%	0.0%
60	19.0%	21.0%	21.0%	20.0%	21.0%	22.0%	21.0%	20.0%	20.0%	19.0%	10.0%	0.0%
61	19.0%	21.0%	21.0%	13.0%	21.0%	22.0%	21.0%	13.0%	13.0%	10.0%	10.0%	0.0%
62	19.0%	21.0%	21.0%	13.0%	21.0%	22.0%	21.0%	13.0%	13.0%	10.0%	10.0%	0.0%
63	19.0%	17.0%	17.0%	13.0%	21.0%	20.0%	21.0%	13.0%	13.0%	10.0%	10.0%	0.0%
64	19.0%	17.0%	17.0%	13.0%	21.0%	20.0%	21.0%	13.0%	13.0%	10.0%	10.0%	0.0%
65	19.0%	17.0%	17.0%	13.0%	21.0%	20.0%	20.0%	13.0%	13.0%	10.0%	10.0%	0.0%
66	19.0%	17.0%	17.0%	13.0%	21.0%	20.0%	20.0%	13.0%	13.0%	10.0%	10.0%	0.0%
67	19.0%	17.0%	17.0%	13.0%	21.0%	20.0%	20.0%	13.0%	13.0%	10.0%	10.0%	0.0%
68	19.0%	17.0%	17.0%	13.0%	21.0%	20.0%	20.0%	13.0%	13.0%	10.0%	10.0%	0.0%
69	19.0%	17.0%	17.0%	13.0%	21.0%	20.0%	20.0%	13.0%	13.0%	10.0%	10.0%	0.0%
70	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

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	7 Years of Service	8 Years of Service	9 Years of Service	At least 10 Years of Service
20	25.4275%	16.5892%	11.6327%	9.4647%	5.7858%	3.5354%	2.0319%	1.1763%	1.0924%	0.7796%	0.8873%
21	25.4275%	13.9607%	11.6327%	9.4647%	5.7858%	3.5354%	2.0319%	1.1763%	1.0924%	0.7796%	0.8873%
22	25.8777%	12.6464%	11.6327%	9.4647%	5.7858%	3.5354%	2.0319%	1.1763%	1.0924%	0.7796%	0.8873%
23	26.7780%	12.4274%	11.6327%	9.4647%	5.7858%	3.5354%	2.0319%	1.1763%	1.0924%	0.7796%	0.8873%
24	28.1285%	13.3035%	11.9082%	8.8647%	5.7858%	3.5354%	2.0319%	1.1763%	1.0924%	0.7796%	0.8873%
25	29.4790%	16.8083%	12.4171%	8.1761%	5.7858%	3.5354%	2.0319%	1.1763%	1.0924%	0.7796%	0.8873%
26	30.8295%	18.5606%	12.8845%	7.7761%	5.7858%	3.6379%	2.0319%	1.1763%	1.1922%	0.7796%	0.8873%
27	31.9549%	19.4368%	13.1962%	8.0715%	5.9296%	3.6635%	2.0319%	1.1763%	1.2975%	0.7796%	0.8873%
28	32.5176%	19.6558%	13.4039%	8.3668%	6.1071%	3.6892%	2.0319%	1.1763%	1.3931%	0.7796%	0.8873%
29	32.8927%	19.4368%	13.5424%	8.6621%	6.4622%	3.7533%	2.1368%	1.2912%	1.4537%	0.7796%	0.8873%
30	33.0803%	19.0091%	13.6168%	8.9575%	6.8227%	4.0481%	2.5825%	1.9809%	1.5106%	0.7796%	0.8873%
31	32.2070%	18.7568%	13.1286%	9.3049%	6.9540%	4.3533%	3.1397%	2.2317%	1.5955%	0.7796%	0.8873%
32	31.3337%	18.5045%	12.5654%	9.6523%	7.0854%	4.6585%	3.6969%	2.3571%	1.8078%	0.7796%	0.8873%
33	30.4605%	18.2523%	12.3777%	9.9997%	7.2167%	4.9638%	3.9754%	2.3884%	2.0201%	0.8513%	0.8873%
34	29.5872%	18.0000%	12.6812%	10.3470%	7.3481%	5.2690%	4.1147%	2.3963%	2.2323%	1.1216%	0.8873%
35	28.7140%	17.7477%	13.3047%	10.5207%	7.4794%	5.5742%	4.1993%	2.3963%	2.3738%	1.5946%	0.8508%
36	28.6690%	17.1821%	13.8075%	10.4196%	7.7092%	6.0321%	4.1209%	2.3963%	2.4021%	1.9585%	0.8299%
37	28.6241%	16.6165%	13.5561%	10.1447%	7.6326%	6.4899%	4.0425%	2.3963%	2.4163%	2.0908%	0.8091%
38	28.5791%	16.0509%	13.0616%	9.8699%	7.5560%	6.7189%	3.9641%	2.5293%	2.4233%	2.1664%	0.7882%
39	28.5342%	15.4853%	13.0202%	9.5950%	7.4219%	6.7761%	3.8857%	3.4440%	2.4269%	2.1916%	0.7673%
40	28.4892%	15.2025%	12.9787%	9.3202%	6.9959%	6.7904%	3.8073%	3.7085%	2.5711%	2.1664%	0.7464%
41	28.9068%	15.2732%	13.2358%	9.4006%	6.7933%	6.4863%	3.5133%	3.7747%	2.7438%	2.1286%	0.7534%
42	29.3244%	15.6266%	13.4928%	9.4810%	6.6920%	5.7260%	3.3664%	3.7747%	2.9166%	2.0625%	0.7638%
43	29.7420%	15.9800%	13.7499%	9.5614%	6.5907%	5.3458%	3.5133%	3.7747%	3.0893%	1.8971%	0.7795%
44	30.1596%	16.3334%	14.0070%	9.6418%	6.4894%	5.2983%	3.8073%	3.7747%	3.2620%	1.6781%	0.8147%
45	30.3684%	16.6868%	14.2640%	8.6769%	6.3881%	5.2698%	4.5610%	3.7747%	3.3484%	1.5314%	0.8659%
46	29.7917%	16.9216%	14.2902%	7.7120%	6.4110%	5.4366%	5.3147%	3.7747%	3.2404%	1.4047%	0.8915%
47	29.0062%	17.1564%	14.3164%	7.3904%	6.7541%	5.5072%	6.0684%	3.7747%	2.9166%	1.4943%	0.9043%
48	28.2207%	17.3912%	14.3426%	7.7120%	7.0973%	5.7785%	6.4453%	3.8438%	2.7546%	2.0435%	0.9106%
49	27.4352%	17.6260%	14.3687%	9.2398%	7.2689%	5.9956%	6.5709%	4.2311%	2.8356%	2.2630%	0.9170%
50	26.6497%	17.8609%	14.3949%	9.9585%	7.2689%	6.1041%	6.5709%	4.4893%	3.2404%	2.3728%	0.9227%
51	25.8643%	17.8609%	14.4211%	10.6772%	7.2689%	6.1041%	6.5709%	4.5754%	3.6452%	2.3728%	0.9227%
52	25.0788%	17.8609%	14.4211%	11.0366%	7.2689%	6.1041%	6.5709%	4.7475%	3.7465%	2.3728%	0.9227%
53	24.6860%	17.8609%	14.4211%	11.0366%	7.2689%	6.1041%	6.5709%	4.8336%	3.7754%	2.3728%	0.9227%
54	24.6860%	17.8609%	14.4211%	11.0366%	7.2689%	6.1041%	6.5709%	5.1133%	3.7754%	2.3728%	0.9227%

EXHIBIT 2-3 WITHDRAWAL RATES

Age	TRS -Female										
	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	22.1624%	11.1743%	10.0290%	5.9871%	7.9156%	5.7015%	4.1279%	3.0151%	3.7037%	2.2766%	1.9527%
21	22.2584%	10.2302%	10.0290%	5.9871%	7.9156%	5.7015%	4.1279%	3.0151%	3.7037%	2.2766%	1.9527%
22	22.7539%	10.0414%	10.0290%	5.9871%	7.9156%	5.7015%	4.1279%	3.0151%	3.7037%	2.2766%	1.9527%
23	24.1991%	10.7967%	10.0290%	5.9871%	7.9156%	5.7015%	4.1279%	3.0151%	3.7037%	2.2766%	1.9527%
24	30.6350%	13.0625%	10.0290%	5.9474%	7.9156%	5.7015%	4.1279%	3.0151%	3.7037%	2.2766%	1.9527%
25	33.2325%	17.5943%	10.2290%	6.4680%	4.2156%	5.1015%	4.0469%	3.0151%	3.7037%	2.2766%	1.9527%
26	35.3217%	18.9852%	10.6684%	7.2489%	4.8382%	4.7684%	3.9012%	3.0151%	3.7037%	2.2766%	1.9527%
27	36.0933%	19.8520%	12.7538%	8.0297%	5.1495%	3.9255%	3.7846%	3.0151%	3.7037%	2.2766%	1.9527%
28	36.0817%	20.2853%	14.1441%	8.8106%	5.4608%	4.2029%	3.7458%	3.0151%	3.5810%	2.2766%	1.9527%
29	35.4235%	20.5020%	14.1602%	9.5915%	5.7721%	4.8963%	3.9012%	3.1232%	3.2407%	2.2766%	1.9527%
30	34.6747%	20.2316%	13.9988%	9.9819%	7.3286%	5.3123%	4.2120%	3.3722%	2.9005%	2.2766%	1.9527%
31	34.3752%	19.9612%	13.6830%	10.6115%	7.6094%	6.0404%	5.1611%	3.6984%	2.9725%	2.4035%	1.9527%
32	33.5848%	19.5888%	13.3673%	10.9263%	7.8901%	6.7684%	5.6356%	4.0686%	3.2607%	2.6574%	1.9527%
33	32.7944%	19.2164%	13.0516%	11.2411%	8.1709%	7.1845%	5.8505%	4.3387%	3.5489%	2.7589%	1.9527%
34	32.0040%	18.8440%	12.7358%	11.3290%	8.4516%	7.2885%	6.0654%	4.5088%	3.8371%	3.0635%	1.9527%
35	31.2137%	18.1656%	12.4201%	11.3729%	8.7323%	7.3130%	6.1088%	4.6793%	3.9811%	3.3681%	1.8793%
36	30.4496%	17.4543%	12.2312%	11.0640%	8.6076%	7.0552%	5.8894%	4.8497%	4.0833%	3.5204%	1.7327%
37	29.6856%	16.7429%	12.0422%	10.5598%	8.4828%	6.7974%	5.6701%	4.8838%	4.0413%	3.4443%	1.5860%
38	28.9215%	16.0316%	11.8533%	10.0557%	8.2956%	6.5396%	5.4507%	4.9179%	3.9994%	3.3681%	1.4393%
39	28.1575%	15.3202%	11.6644%	9.5515%	8.0149%	6.2819%	5.2314%	4.9213%	3.9574%	3.1777%	1.2192%
40	27.3935%	14.6089%	11.4754%	9.2994%	7.3750%	6.0241%	5.0120%	4.9359%	3.9155%	3.0254%	1.1459%
41	26.9779%	14.4793%	11.1172%	9.1252%	7.4162%	5.9860%	4.8675%	4.4929%	3.7437%	3.0242%	1.1182%
42	26.5623%	14.3498%	10.7590%	9.2030%	7.4575%	5.9479%	4.7230%	4.0499%	3.5718%	3.0230%	1.0905%
43	26.1467%	14.2203%	10.4009%	9.2809%	7.4987%	5.9098%	4.5785%	3.6070%	3.4000%	3.0218%	1.0628%
44	25.7311%	14.0908%	10.0427%	9.3587%	7.5400%	5.8717%	4.4339%	3.5516%	3.2282%	3.0207%	1.0351%
45	25.3155%	14.0260%	9.8636%	9.4366%	7.5812%	5.8336%	4.3617%	3.8284%	3.0564%	3.0195%	1.0074%
46	25.7124%	14.2616%	9.9349%	9.5174%	7.4383%	5.8048%	4.4604%	3.8381%	3.0284%	2.9256%	0.9941%
47	26.7047%	14.3794%	10.1854%	9.5983%	7.2954%	5.7761%	4.6315%	3.8478%	3.0004%	2.8317%	0.9808%
48	27.6970%	14.7033%	10.4358%	9.6791%	7.1525%	5.7474%	4.8025%	3.8574%	2.9724%	2.7377%	0.9675%
49	28.6893%	15.1626%	10.6862%	9.7600%	7.0096%	5.7187%	4.9735%	3.8671%	2.9444%	2.6438%	0.9542%
50	29.6815%	15.4630%	10.9367%	9.8408%	6.8667%	5.6900%	5.1446%	3.8767%	2.9164%	2.5499%	0.9409%
51	29.9296%	15.7633%	11.1871%	9.8408%	6.7238%	5.6900%	5.1446%	3.8767%	2.9164%	2.5499%	0.9409%
52	29.9296%	16.0636%	11.1871%	9.8408%	6.7238%	5.6900%	5.1446%	3.8767%	2.9164%	2.5499%	0.9409%
53	29.9296%	16.2138%	11.1871%	9.8408%	6.7238%	5.6900%	5.1446%	3.8767%	2.9164%	2.5499%	0.9409%
54	29.9296%	16.2138%	11.1871%	9.8408%	6.7238%	5.6900%	5.1446%	3.8767%	2.9164%	2.5499%	0.9409%

EXHIBIT 2-4 DISABILITY RATES

Age	ERS			PFRS		TRS	
	Accidental Disability Tiers 1 & 2	Accidental Disability Tiers 3, 4, 5	All Other Disability	Accidental Disability*	All Other Disability	Male Disability **	Female Disability **
15	0.020%	0.001%	0.049%	0.053%	0.047%		
16	0.020%	0.001%	0.049%	0.053%	0.047%		
17	0.020%	0.001%	0.049%	0.053%	0.047%		
18	0.020%	0.001%	0.049%	0.053%	0.047%		
19	0.020%	0.001%	0.049%	0.053%	0.047%		
20	0.020%	0.001%	0.049%	0.053%	0.047%		
21	0.020%	0.001%	0.049%	0.053%	0.047%		
22	0.020%	0.001%	0.049%	0.053%	0.047%		
23	0.020%	0.001%	0.049%	0.053%	0.047%		
24	0.020%	0.001%	0.049%	0.053%	0.047%		
25	0.020%	0.001%	0.049%	0.053%	0.047%		
26	0.020%	0.001%	0.049%	0.053%	0.047%		
27	0.020%	0.001%	0.049%	0.053%	0.047%		
28	0.020%	0.001%	0.049%	0.056%	0.047%		
29	0.020%	0.001%	0.049%	0.060%	0.047%		
30	0.020%	0.001%	0.049%	0.065%	0.047%	0.0003%	0.0005%
31	0.020%	0.001%	0.049%	0.087%	0.047%	0.0008%	0.0008%
32	0.020%	0.001%	0.055%	0.114%	0.047%	0.0015%	0.0010%
33	0.020%	0.001%	0.065%	0.146%	0.047%	0.0024%	0.0037%
34	0.020%	0.001%	0.077%	0.181%	0.047%	0.0040%	0.0076%
35	0.020%	0.003%	0.087%	0.219%	0.047%	0.0062%	0.0098%
36	0.020%	0.004%	0.095%	0.261%	0.047%	0.0091%	0.0102%
37	0.020%	0.004%	0.099%	0.303%	0.047%	0.0126%	0.0105%
38	0.020%	0.004%	0.101%	0.345%	0.047%	0.0164%	0.0126%
39	0.020%	0.004%	0.103%	0.386%	0.047%	0.0196%	0.0159%
40	0.020%	0.004%	0.108%	0.424%	0.038%	0.0226%	0.0214%
41	0.020%	0.004%	0.119%	0.464%	0.032%	0.0245%	0.0274%
42	0.020%	0.004%	0.137%	0.507%	0.029%	0.0278%	0.0310%
43	0.020%	0.004%	0.160%	0.555%	0.031%	0.0330%	0.0376%
44	0.020%	0.004%	0.185%	0.610%	0.037%	0.0398%	0.0452%
45	0.020%	0.005%	0.212%	0.666%	0.047%	0.0470%	0.0501%
46	0.020%	0.005%	0.240%	0.714%	0.059%	0.0530%	0.0522%
47	0.020%	0.006%	0.270%	0.747%	0.073%	0.0569%	0.0568%
48	0.020%	0.006%	0.299%	0.758%	0.079%	0.0611%	0.0666%
49	0.020%	0.006%	0.326%	0.763%	0.086%	0.0707%	0.0818%
50	0.020%	0.005%	0.348%	0.762%	0.092%	0.0889%	0.0986%
51	0.020%	0.005%	0.364%	0.758%	0.100%	0.1091%	0.1187%
52	0.020%	0.005%	0.374%	0.754%	0.108%	0.1190%	0.1325%
53	0.020%	0.004%	0.404%	0.751%	0.116%	0.1250%	0.1380%
54	0.020%	0.004%	4.370%	0.748%	0.126%	0.1225%	0.1375%
55	0.015%	0.003%	0.472%	0.745%	0.136%		
56	0.015%	0.002%	0.509%	0.743%	0.147%		
57	0.015%	0.002%	0.550%	0.742%	0.158%		
58	0.015%	0.001%	0.594%	0.742%	0.171%		
59	0.015%	0.001%	0.642%	0.742%	0.185%		
60	0.015%	0.001%	0.693%	0.742%	0.200%		
61	0.015%	0.001%	0.748%	0.742%	0.216%		
62	0.015%	0.001%	0.808%	0.742%	0.233%		
63	0.015%	0.001%	0.873%	0.742%	0.251%		
64	0.015%	0.001%	0.943%	0.742%	0.272%		
65	0.015%	0.001%	1.018%	0.742%	0.293%		
66	0.015%	0.001%	1.100%	0.742%	0.317%		
67	0.015%	0.001%	1.188%	0.742%	0.342%		
68	0.015%	0.001%	1.283%	0.742%	0.369%		
69	0.015%	0.001%	1.385%	0.742%	0.399%		
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

Age	ERS – Tier 1 Years of Service			Age	ERS Tiers 2, 3 & 4 Years of Service		
	<20	20-29.99	>= 30		<20	20-29.99	>= 30
55	16.985%	34.977%	77.499%	55	5.709%	9.699%	49.644%
56	9.286%	13.929%	26.808%	56	3.790%	5.833%	18.949%
57	7.541%	11.619%	23.320%	57	3.798%	6.138%	19.353%
58	9.055%	12.956%	21.587%	58	4.130%	6.845%	18.667%
59	10.371%	15.469%	21.164%	59	4.706%	7.568%	20.626%
60	10.331%	17.394%	21.365%	60	5.402%	8.467%	21.232%
61	13.785%	21.229%	24.184%	61	8.467%	18.948%	25.166%
62	19.152%	34.528%	35.390%	62	14.854%	37.678%	34.932%
63	15.155%	25.017%	23.024%	63	11.136%	24.518%	26.016%
64	17.236%	29.052%	23.115%	64	12.653%	24.300%	22.955%
65	22.845%	29.262%	26.254%	65	16.595%	28.931%	22.940%
66	23.898%	31.788%	26.292%	66	18.398%	32.495%	26.979%
67	19.844%	28.362%	22.238%	67	16.206%	27.929%	25.803%
68	15.865%	31.095%	20.547%	68	15.145%	27.447%	22.906%
69	19.512%	26.244%	18.605%	69	15.375%	26.557%	24.605%
70	100.000%	100.000%	100.000%	70	100.000%	100.000%	100.000%

Age	ERS – Tier 5 Years of Service			Age	ERS-Tier 6 Years of Service		
	<20	20-29.99	>= 30		<20	20-29.99	>= 30
55	4.567%	7.759%	9.699%	55	4.567%	7.759%	9.699%
56	3.032%	4.666%	5.833%	56	3.032%	4.666%	5.833%
57	3.038%	4.910%	6.138%	57	3.038%	4.910%	6.138%
58	3.304%	5.476%	6.845%	58	3.304%	5.476%	6.845%
59	3.765%	6.054%	7.568%	59	3.765%	6.054%	7.568%
60	4.322%	6.774%	8.467%	60	4.322%	6.774%	8.467%
61	6.774%	15.158%	18.948%	61	6.774%	15.158%	18.948%
62	34.854%	47.678%	42.932%	62	9.854%	17.678%	27.678%
63	11.136%	24.518%	26.016%	63	36.136%	54.518%	35.016%
64	12.653%	24.300%	22.955%	64	12.653%	24.300%	22.955%
65	16.595%	28.931%	22.940%	65	16.595%	28.931%	22.940%
66	18.398%	32.495%	26.979%	66	18.398%	32.495%	26.979%
67	16.206%	27.929%	25.803%	67	16.206%	27.929%	25.803%
68	15.145%	27.447%	22.906%	68	15.145%	27.447%	22.906%
69	15.375%	26.557%	24.605%	69	15.375%	26.557%	24.605%
70	100.000%	100.000%	100.000%	70	100.000%	100.000%	100.000%

EXHIBIT 2-5 RETIREMENT RATES

<u>Age</u>	PFRS – Tier 1 Years of Service			<u>Age</u>	PFRS Tiers 2+ Years of Service		
	<u><20</u>	<u>20-29.99</u>	<u>> = 30</u>		<u><20</u>	<u>20-29.99</u>	<u>> = 30</u>
55	16.9850%	34.9770%	77.4990%	55	16.9850%	34.9770%	34.9770%
56	9.2860%	13.9290%	26.8080%	56	9.2860%	13.9290%	13.9290%
57	7.5410%	11.6190%	23.3200%	57	7.5410%	11.6190%	11.6190%
58	9.0550%	12.9560%	21.5870%	58	9.0550%	12.9560%	12.9560%
59	10.3710%	15.4690%	21.1640%	59	10.3710%	15.4690%	15.4690%
60	10.3310%	17.3940%	21.3650%	60	10.3310%	17.3940%	17.3940%
61	13.7850%	21.2290%	24.1840%	61	13.7850%	21.2290%	21.2290%
62	19.1520%	34.5280%	35.3900%	62	19.1520%	34.5280%	34.5280%
63	15.1550%	25.0170%	23.0240%	63	15.1550%	25.0170%	25.0170%
64	17.2360%	29.0520%	23.1150%	64	17.2360%	29.0520%	29.0520%
65	22.8450%	29.2620%	26.2540%	65	22.8450%	29.2620%	29.2620%
66	23.8980%	31.7880%	26.2920%	66	23.8980%	31.7880%	31.7880%
67	19.8440%	28.3620%	22.2380%	67	19.8440%	28.3620%	28.3620%
68	15.8650%	31.0950%	20.5470%	68	15.8650%	31.0950%	31.0950%
69	19.5120%	26.2440%	18.6050%	69	19.5120%	26.2440%	26.2440%
70	100.0000%	100.0000%	100.0000%	70	100.0000%	100.0000%	100.0000%

<u>Age</u>	Campus- OPD Gender	
	<u>Male</u>	<u>Female</u>
55	14.9660%	42.3520%
56	15.6730%	6.8110%
57	13.7650%	11.3590%
58	14.1260%	15.3500%
59	8.7310%	14.7200%
60	15.9830%	32.1530%
61	9.1370%	7.2390%
62	23.2370%	45.4750%
63	30.2020%	33.5850%
64	25.3080%	23.1600%
65	37.7420%	53.2100%
66	80.4840%	74.4940%
67	71.5000%	78.2187%
68	45.7670%	82.1296%
69	53.2900%	86.2361%
70	100.0000%	100.0000%

EXHIBIT 2-5 RETIREMENT RATES

Age	Stony Brook Hospital and Brooklyn Hospital Years of Service			Age	Syracuse Hospital Years of Service		
	<20	20-29.99	> = 30		<20	20-29.99	> = 30
55	3.638%	6.021%	11.535%	55	3.280%	8.177%	45.994%
56	2.598%	3.479%	7.116%	56	2.667%	6.296%	20.528%
57	0.749%	2.088%	16.905%	57	5.452%	11.468%	23.624%
58	3.227%	4.447%	10.315%	58	6.580%	14.904%	10.557%
59	1.988%	3.078%	9.547%	59	4.765%	4.257%	16.795%
60	3.316%	4.060%	7.418%	60	6.750%	15.016%	18.350%
61	3.506%	1.826%	15.485%	61	17.361%	1.192%	16.334%
62	16.651%	27.625%	19.936%	62	35.591%	37.295%	57.204%
63	10.340%	5.067%	17.625%	63	22.540%	19.553%	42.265%
64	16.173%	11.397%	25.838%	64	29.289%	23.624%	42.265%
65	17.935%	16.318%	33.333%	65	47.777%	29.289%	13.397%
66	19.936%	52.860%	51.962%	66	47.777%	62.204%	39.706%
67	35.242%	8.974%	15.485%	67	13.397%	42.265%	29.289%
68	18.350%	57.360%	46.548%	68	29.289%	21.250%	20.472%
69	24.407%	10.557%	45.870%	69	29.289%	21.250%	20.472%
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%	28.858%
26	22.135%	20.282%
27	22.418%	15.548%
28	21.834%	14.194%
29	20.314%	14.808%
30	18.023%	15.703%
31	15.638%	15.953%
32	15.787%	15.952%
33	18.173%	16.334%
34	20.559%	17.794%
35	23.067%	20.875%
36	27.093%	25.848%
37	33.205%	32.815%
38	38.247%	32.815%
39	39.053%	32.815%
40	39.053%	32.815%
41	39.053%	32.815%
42	39.053%	32.815%
43	39.053%	32.815%
44	39.053%	32.815%
45	39.053%	32.815%
46	39.053%	32.815%
47	39.053%	32.815%
48	39.053%	32.815%
49	39.053%	32.815%
50	100.000%	100.000%

EXHIBIT 2-5 RETIREMENT RATES

Age	TRS					
	Tier 1		Tiers 2, 3, 4, SVC<30		Tiers 2, 3, 4, SVC=30+	
	Males	Females	Males	Females	Males	Females
55	30.6695%	31.3992%	3.1965%	3.4565%	30.6695%	31.3992%
56	28.0779%	28.8116%	3.1782%	3.5761%	28.0779%	28.8116%
57	25.2448%	26.9473%	3.6262%	4.1750%	25.2448%	26.9473%
58	25.9437%	26.1016%	4.3899%	4.6349%	25.9437%	26.1016%
59	28.6545%	26.8785%	5.6398%	6.0339%	28.6545%	26.8785%
60	31.1011%	27.9410%	6.3578%	7.0415%	31.1011%	27.9410%
61	32.0232%	27.7166%	7.2217%	8.2590%	32.0232%	27.7166%
62	27.0303%	25.7157%	27.0303%	25.7157%	27.0303%	25.7157%
63	22.9352%	23.2947%	22.9352%	23.2947%	22.9352%	23.2947%
64	20.6863%	21.9224%	20.6863%	21.9224%	20.6863%	21.9224%
65	20.9678%	23.8272%	20.9678%	23.8272%	20.9678%	23.8272%
66	21.7437%	24.4523%	21.7437%	24.4523%	21.7437%	24.4523%
67	21.6934%	23.6791%	21.6934%	23.6791%	21.6934%	23.6791%
68	20.8294%	22.0367%	20.8294%	22.0367%	20.8294%	22.0367%
69	18.7086%	23.0935%	18.7086%	23.0935%	18.7086%	23.0935%
70	16.3555%	22.9295%	16.3555%	22.9295%	16.3555%	22.9295%
71	14.6721%	21.2056%	14.6721%	21.2056%	14.6721%	21.2056%
72	16.9602%	18.0451%	16.9602%	18.0451%	16.9602%	18.0451%
73	16.7377%	18.3107%	16.7377%	18.3107%	16.7377%	18.3107%
74	16.4226%	19.2125%	16.4226%	19.2125%	16.4226%	19.2125%
75	13.3890%	19.0633%	13.3890%	19.0633%	13.3890%	19.0633%
76	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%

Age	TRS					
	Tier 5, SVC<30		Tier 5, SVC=30+		Tier 6	
	Males	Females	Males	Females	Males	Females
55	1.5983%	1.7283%	1.5983%	1.7283%	1.5983%	1.7283%
56	1.5891%	1.7881%	1.5891%	1.7881%	1.5891%	1.7881%
57	1.8131%	2.0875%	30.6695%	31.3992%	1.8131%	2.0875%
58	2.1950%	2.3175%	28.0779%	28.8116%	2.1950%	2.3175%
59	2.8199%	3.0170%	25.2448%	26.9473%	2.8199%	3.0170%
60	3.1789%	3.5208%	25.9437%	26.1016%	3.1789%	3.5208%
61	3.6109%	4.1295%	28.6545%	26.8785%	3.6109%	4.1295%
62	27.0303%	25.7157%	27.0303%	25.7157%	3.9942%	4.6683%
63	22.9352%	23.2947%	22.9352%	23.2947%	30.6695%	31.3992%
64	20.6863%	21.9224%	20.6863%	21.9224%	28.0779%	28.8116%
65	20.9678%	23.8272%	20.9678%	23.8272%	25.2448%	26.9473%
66	21.7437%	24.4523%	21.7437%	24.4523%	25.9437%	26.1016%
67	21.6934%	23.6791%	21.6934%	23.6791%	28.6545%	26.8785%
68	20.8294%	22.0367%	20.8294%	22.0367%	31.1011%	27.9410%
69	18.7086%	23.0935%	18.7086%	23.0935%	32.0232%	27.7166%
70	16.3555%	22.9295%	16.3555%	22.9295%	27.0303%	25.7157%
71	14.6721%	21.2056%	14.6721%	21.2056%	22.9352%	23.2947%
72	16.9602%	18.0451%	16.9602%	18.0451%	20.6863%	21.9224%
73	16.7377%	18.3107%	16.7377%	18.3107%	20.9678%	23.8272%
74	16.4226%	19.2125%	16.4226%	19.2125%	21.7437%	24.4523%
75	13.3890%	19.0633%	13.3890%	19.0633%	21.6934%	23.6791%
76	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%

EXHIBIT 2-6 SALARY SCALE

Service	ERS	PFRS
0	8.00%	27.00%
1	8.00%	27.00%
2	7.00%	13.50%
3	6.00%	11.50%
4	5.00%	9.50%
5	4.50%	7.50%
6	4.20%	5.30%
7	4.10%	4.40%
8	4.00%	4.30%
9	3.90%	4.20%
10	3.80%	4.10%
11	3.70%	4.00%
12	3.60%	3.90%
13	3.50%	3.80%
14	3.40%	3.70%
15	3.30%	3.60%
16	3.20%	3.50%
17	3.10%	3.40%
18	3.00%	3.30%
19	3.00%	3.30%
20	3.00%	3.30%
21	3.00%	3.30%
22	3.00%	3.30%
23	3.00%	3.30%
24	3.00%	3.30%
25	3.00%	3.30%
26	3.00%	3.30%
27	3.00%	3.30%
28	3.00%	3.30%
29	3.00%	3.30%
30	3.00%	3.30%
31	3.00%	3.30%
32	3.00%	3.30%
33	3.00%	3.30%
34	3.00%	3.30%
35	3.00%	3.30%
36	3.00%	3.30%
37	3.00%	3.30%
38	3.00%	3.30%
39	3.00%	3.30%
40	3.00%	3.30%
41	3.00%	3.30%
42	3.00%	3.30%
43	3.00%	3.30%
44	3.00%	3.30%
45	3.00%	3.30%
46	3.00%	3.30%
47	3.00%	3.30%
48	3.00%	3.30%
49	3.00%	3.30%
50	3.00%	3.30%
51	3.00%	3.30%
52	3.00%	3.30%
53	3.00%	3.30%
54	3.00%	3.30%
55	3.00%	3.30%

EXHIBIT 2-6 SALARY SCALE

Duration	TRS
	Rate
1	10.00%
2	7.00%
3	6.06%
4	5.22%
5	4.72%
6	4.45%
7	4.31%
8	4.22%
9	4.15%
10	4.07%
11	3.98%
12	3.87%
13	3.75%
14	3.61%
15	3.46%
16	3.31%
17	3.17%
18	3.04%
19	2.93%
20	2.82%
21	2.72%
22	2.63%
23	2.54%
24	2.45%
25	2.37%
26	2.29%
27	2.22%
28	2.15%
29	2.10%
30	2.06%
31	2.02%
32	2.00%
33	1.95%
34	1.93%
35	1.90%
36	1.86%
37	1.80%
38	1.76%
39	1.76%

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 Health Care 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 health care 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.

Exhibit 3-1 Medical Trend Assumption as Adjusted for Excise Tax Computations

NYS Empire Plan

Year	Adjusted Trend				
	Pre-65		Post-65		EGWP
	Med	RX	Med	RX	
2016/17	6.75%	10.00%	5.30%	10.00%	5.00%
2017/18	6.25%	9.00%	5.20%	9.00%	5.00%
2018/19	5.75%	8.50%	5.10%	8.50%	5.00%
2019/20	5.50%	8.00%	5.00%	8.00%	5.00%
2020/21	5.25%	7.00%	4.90%	7.00%	5.00%
2021/22	5.00%	6.00%	4.80%	6.00%	5.00%
2022/23	5.00%	5.00%	4.80%	5.00%	4.75%
2023/24	4.75%	4.75%	4.75%	4.75%	4.75%
2024/25	4.75%	4.75%	4.75%	4.75%	4.75%
2025/26	4.75%	4.75%	4.75%	4.75%	4.75%
2026/27	4.75%	4.75%	4.75%	4.75%	4.75%
2027/28	4.75%	4.75%	4.75%	4.75%	4.75%
2028/29	4.75%	4.75%	4.75%	4.75%	4.75%
2029/30	4.75%	4.75%	4.75%	4.75%	4.75%
2030/31	4.75%	4.75%	4.75%	4.75%	4.75%
2031/32	4.75%	4.75%	4.75%	4.75%	4.75%
2032/33	4.75%	4.75%	4.75%	4.75%	4.75%
2033/34	4.75%	4.75%	4.75%	4.75%	4.75%
2034/35	4.75%	4.75%	4.75%	4.75%	4.75%
2035/36	4.75%	4.75%	4.75%	4.75%	4.75%
2036/37	4.75%	4.75%	4.75%	4.75%	4.75%
2037/38	5.25%	5.25%	5.05%	4.98%	4.75%
2038/39	5.45%	5.45%	5.15%	5.06%	4.75%
2039/40	5.45%	5.45%	5.15%	5.06%	4.75%
2040/41	5.55%	5.55%	5.35%	5.22%	4.75%
2041/42	5.55%	5.55%	5.65%	5.45%	4.75%
2042/43	5.55%	5.55%	5.55%	5.38%	4.75%
2043/44	5.55%	5.55%	5.55%	5.38%	4.75%
2044/45	5.55%	5.55%	5.55%	5.38%	4.75%
2045/46	5.45%	5.45%	5.55%	5.38%	4.75%

Exhibit 3-1 Medical Trend Assumption as Adjusted for Excise Tax Computations

NYS Empire Plan

Year	Adjusted Trend				EGWP
	Pre-65		Post-65		
	Med	RX	Med	RX	
2046/47	5.45%	5.45%	5.45%	5.30%	4.75%
2047/48	5.45%	5.45%	5.45%	5.30%	4.75%
2048/49	5.45%	5.45%	5.45%	5.30%	4.75%
2049/50	5.45%	5.45%	5.45%	5.30%	4.75%
2050/51	5.35%	5.35%	5.45%	5.30%	4.75%
2051/52	5.35%	5.35%	5.35%	5.23%	4.75%
2052/53	5.35%	5.35%	5.35%	5.23%	4.75%
2053/54	5.35%	5.35%	5.35%	5.23%	4.75%
2054/55	5.35%	5.35%	5.35%	5.23%	4.75%
2055/56	5.35%	5.35%	5.35%	5.23%	4.75%
2056/57	5.25%	5.25%	5.35%	5.23%	4.75%
2057/58	5.25%	5.25%	5.25%	5.15%	4.75%
2058/59	5.25%	5.25%	5.25%	5.15%	4.75%
2059/60	5.25%	5.25%	5.25%	5.15%	4.75%
2060/61	5.25%	5.25%	5.25%	5.15%	4.75%
2061/62	5.25%	5.25%	5.25%	5.15%	4.75%
2062/63	5.25%	5.25%	5.25%	5.15%	4.75%
2063/64	5.15%	5.15%	5.25%	5.15%	4.75%
2064/65	5.15%	5.15%	5.15%	5.07%	4.75%
2065/66	5.15%	5.15%	5.15%	5.07%	4.75%
2066/67	5.15%	5.15%	5.15%	5.07%	4.75%
2067/68	5.15%	5.15%	5.15%	5.07%	4.75%
2068/69	5.15%	5.15%	5.15%	5.07%	4.75%
2069/70	5.15%	5.15%	5.15%	5.07%	4.75%
2070/71	5.15%	5.15%	5.15%	5.07%	4.75%
2071/72	5.15%	5.15%	5.15%	5.07%	4.75%
2072/73	5.15%	5.15%	5.15%	5.07%	4.75%
2073/74	5.05%	5.05%	5.15%	5.07%	4.75%
2074/75	5.05%	5.05%	5.05%	4.99%	4.75%
2075/76	5.05%	5.05%	5.05%	4.99%	4.75%
2076/77	5.05%	5.05%	5.05%	4.99%	4.75%
2077/78	5.05%	5.05%	5.05%	4.99%	4.75%
2078/79	5.05%	5.05%	5.05%	4.99%	4.75%

Exhibit 3-1 Medical Trend Assumption as Adjusted for Excise Tax Computations

NYS Empire Plan

Year	Adjusted Trend				EGWP
	Pre-65		Post-65		
	Med	RX	Med	RX	
2079/80	5.05%	5.05%	5.05%	4.99%	4.75%
2080/81	5.05%	5.05%	5.05%	4.99%	4.75%
2081/82	5.05%	5.05%	5.05%	4.99%	4.75%
2082/83	5.05%	5.05%	5.05%	4.99%	4.75%
2083/84	5.05%	5.05%	5.05%	4.99%	4.75%
2084/85	5.05%	5.05%	5.05%	4.99%	4.75%
2085/86	5.05%	5.05%	5.05%	4.99%	4.75%
2086/87	5.05%	5.05%	5.05%	4.99%	4.75%
2087/88	4.95%	4.95%	5.05%	4.99%	4.75%
2088/89	4.95%	4.95%	4.95%	4.91%	4.75%
2089/90	4.95%	4.95%	4.95%	4.91%	4.75%
2090/91	4.95%	4.95%	4.95%	4.91%	4.75%
2091/92	4.95%	4.95%	4.95%	4.91%	4.75%
2092/93	4.95%	4.95%	4.95%	4.91%	4.75%
2093/94	4.95%	4.95%	4.95%	4.91%	4.75%
2094/95	4.95%	4.95%	4.95%	4.91%	4.75%
2095/96	4.95%	4.95%	4.95%	4.91%	4.75%
2096/97	4.95%	4.95%	4.95%	4.91%	4.75%
2097/98	4.95%	4.95%	4.95%	4.91%	4.75%
2098/99	4.95%	4.95%	4.95%	4.91%	4.75%
2099/100	4.95%	4.95%	4.95%	4.91%	4.75%

Exhibit 3-1 Medical Trend Assumption as Adjusted for Excise Tax Computations

NYS HMOs

Year	Adjusted Trend				
	Pre-65		Post-65		EGWP
	Med	RX	Med	RX	
2016/17	6.75%	10.00%	5.30%	10.00%	5.00%
2017/18	6.25%	9.00%	5.20%	9.00%	5.00%
2018/19	5.75%	8.50%	5.10%	8.50%	5.00%
2019/20	5.50%	8.00%	5.00%	8.00%	5.00%
2020/21	5.25%	7.00%	4.90%	7.00%	5.00%
2021/22	5.00%	6.00%	4.80%	6.00%	5.00%
2022/23	5.00%	5.00%	4.80%	5.00%	4.75%
2023/24	4.75%	4.75%	4.75%	4.75%	4.75%
2024/25	4.75%	4.75%	4.75%	4.75%	4.75%
2025/26	4.75%	4.75%	4.75%	4.75%	4.75%
2026/27	4.75%	4.75%	4.75%	4.75%	4.75%
2027/28	4.75%	4.75%	4.75%	4.75%	4.75%
2028/29	4.75%	4.75%	4.75%	4.75%	4.75%
2029/30	4.75%	4.75%	4.75%	4.75%	4.75%
2030/31	4.75%	4.75%	4.75%	4.75%	4.75%
2031/32	4.75%	4.75%	4.75%	4.75%	4.75%
2032/33	4.75%	4.75%	4.75%	4.75%	4.75%
2033/34	4.75%	4.75%	4.75%	4.75%	4.75%
2034/35	4.75%	4.75%	4.75%	4.75%	4.75%
2035/36	4.75%	4.75%	4.75%	4.75%	4.75%
2036/37	4.75%	4.75%	4.75%	4.75%	4.75%
2037/38	4.75%	4.75%	4.75%	4.75%	4.75%
2038/39	4.75%	4.75%	4.75%	4.75%	4.75%
2039/40	4.75%	4.75%	4.75%	4.75%	4.75%
2040/41	4.75%	4.75%	4.75%	4.75%	4.75%
2041/42	4.75%	4.75%	4.75%	4.75%	4.75%
2042/43	4.75%	4.75%	4.75%	4.75%	4.75%
2043/44	5.45%	5.45%	5.15%	5.15%	4.75%
2044/45	5.45%	5.45%	5.15%	5.15%	4.75%
2045/46	5.45%	5.45%	5.15%	5.15%	4.75%

Exhibit 3-1 Medical Trend Assumption as Adjusted for Excise Tax Computations

NYS HMOs

Year	Adjusted Trend				
	Pre-65		Post-65		EGWP
	Med	RX	Med	RX	
2046/47	5.55%	5.55%	5.65%	5.65%	4.75%
2047/48	5.55%	5.55%	5.55%	5.55%	4.75%
2048/49	5.55%	5.55%	5.55%	5.55%	4.75%
2049/50	5.55%	5.55%	5.55%	5.55%	4.75%
2050/51	5.45%	5.45%	5.55%	5.55%	4.75%
2051/52	5.45%	5.45%	5.45%	5.45%	4.75%
2052/53	5.45%	5.45%	5.45%	5.45%	4.75%
2053/54	5.45%	5.45%	5.45%	5.45%	4.75%
2054/55	5.45%	5.45%	5.45%	5.45%	4.75%
2055/56	5.35%	5.35%	5.45%	5.45%	4.75%
2056/57	5.35%	5.35%	5.35%	5.35%	4.75%
2057/58	5.35%	5.35%	5.35%	5.35%	4.75%
2058/59	5.35%	5.35%	5.35%	5.35%	4.75%
2059/60	5.35%	5.35%	5.35%	5.35%	4.75%
2060/61	5.35%	5.35%	5.35%	5.35%	4.75%
2061/62	5.25%	5.25%	5.35%	5.35%	4.75%
2062/63	5.25%	5.25%	5.25%	5.25%	4.75%
2063/64	5.25%	5.25%	5.25%	5.25%	4.75%
2064/65	5.25%	5.25%	5.25%	5.25%	4.75%
2065/66	5.25%	5.25%	5.25%	5.25%	4.75%
2066/67	5.25%	5.25%	5.25%	5.25%	4.75%
2067/68	5.25%	5.25%	5.25%	5.25%	4.75%
2068/69	5.25%	5.25%	5.25%	5.25%	4.75%
2069/70	5.15%	5.15%	5.25%	5.25%	4.75%
2070/71	5.15%	5.15%	5.15%	5.15%	4.75%
2071/72	5.15%	5.15%	5.15%	5.15%	4.75%
2072/73	5.15%	5.15%	5.15%	5.15%	4.75%
2073/74	5.15%	5.15%	5.15%	5.15%	4.75%
2074/75	5.15%	5.15%	5.15%	5.15%	4.75%
2075/76	5.15%	5.15%	5.15%	5.15%	4.75%
2076/77	5.15%	5.15%	5.15%	5.15%	4.75%
2077/78	5.15%	5.15%	5.15%	5.15%	4.75%
2078/79	5.15%	5.15%	5.15%	5.15%	4.75%

Exhibit 3-1 Medical Trend Assumption as Adjusted for Excise Tax Computations

NYS HMOs

Year	Adjusted Trend				
	Pre-65		Post-65		EGWP
	Med	RX	Med	RX	
2079/80	5.05%	5.05%	5.15%	5.15%	4.75%
2080/81	5.05%	5.05%	5.05%	5.05%	4.75%
2081/82	5.05%	5.05%	5.05%	5.05%	4.75%
2082/83	5.05%	5.05%	5.05%	5.05%	4.75%
2083/84	5.05%	5.05%	5.05%	5.05%	4.75%
2084/85	5.05%	5.05%	5.05%	5.05%	4.75%
2085/86	5.05%	5.05%	5.05%	5.05%	4.75%
2086/87	5.05%	5.05%	5.05%	5.05%	4.75%
2087/88	5.05%	5.05%	5.05%	5.05%	4.75%
2088/89	5.05%	5.05%	5.05%	5.05%	4.75%
2089/90	5.05%	5.05%	5.05%	5.05%	4.75%
2090/91	5.05%	5.05%	5.05%	5.05%	4.75%
2091/92	5.05%	5.05%	5.05%	5.05%	4.75%
2092/93	5.05%	5.05%	5.05%	5.05%	4.75%
2093/94	4.95%	4.95%	5.05%	5.05%	4.75%
2094/95	4.95%	4.95%	4.95%	4.95%	4.75%
2095/96	4.95%	4.95%	4.95%	4.95%	4.75%
2096/97	4.95%	4.95%	4.95%	4.95%	4.75%
2097/98	4.95%	4.95%	4.95%	4.95%	4.75%
2098/99	4.95%	4.95%	4.95%	4.95%	4.75%
2099/100	4.95%	4.95%	4.95%	4.95%	4.75%

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 ERS and, to a lesser extent, by the PFRS. We reviewed the 2015 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. These assumptions are different than what was used for prior year valuations, reflecting a study of the experience from April 1, 2010 through March 31, 2015.

Note for PAs: *The New York State & Local Retirement System applied mortality improvement by projecting the rates using Scale MP 2014 generationally for the mortality of current retirees. Each individual PA should determine the assumption about mortality improvement after consulting with their actuary.*

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	85.0%	15.0%
Females	92.5%	7.5%

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

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. This experience has been

reviewed for the 2016 valuation and updated tables are included in Exhibit 2-3. We will continue using separate assumptions for these populations for the April 1, 2016 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 for each tier level. The rates developed combine Brooklyn Hospital and Stony Brook Hospital. The rates for Syracuse Hospital remain separate since they differ enough from the other hospitals

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. The plan completed an experience study of the withdrawal and retirement rates for SUNY Campus-ORD members who participate in TIAA/CREF and has developed separate tables for this population for the 2016 valuation. These group specific tables will be used for participants who are specifically noted as TIAA/CREF in the data. We will continue to recommend using the TRS assumptions for valuing SUNY Campus employees who are not clearly identified as ERS, PFRS, or TIAA/CREF.

Note for PAs: *The SUNY Hospital and SUNY Campus- ORD assumptions are based on the experience of these particular employers and are not likely to be representative of the experience of any other particular PA.*

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 Health Care 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 Care 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 2020 and after) had a 40% tax applied and was adjusted to reflect an assumed 35% corporate tax rate. The unleveraged trend rates for 2019 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 Betsy Hanson. Both Ms. Hanson 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.



New York State/SUNY GASB 45 Valuation

Development of Recommended Actuarial Assumptions
Participating Employer Version

September 2016

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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, 2016 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 August 18, 2016 report to New York State Department of Civil Service (DCS), New York State/SUNY Development of Recommended Actuarial Assumptions for 4/1/2016 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 Betsy Hanson. Both Mr. Vicente and Ms. Hanson 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 health care 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 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, 2016 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, 2016. 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: 2.637% per annum as of April 1, 2016 – 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 lower than the 3.155% per annum rate used for the April 1, 2014 valuation. Note for fiscal years beginning after June 15, 2017, GASB 75 will be effective and the discount rate should be determined by that standard.

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.

Note for PEs: *In the past, many PEs utilized community rated premium rates. Based on updates to ASOP 6, this is no longer appropriate and plans should value the age related costs.*

For retirees in the Empire Plan, the per capita costs were based on 2015 incurred claims, paid through March 31, 2016, 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, 2016 – March 31, 2017, and adjusted as shown in the detail in Exhibit 2-1. The age 65 rates are shown below:

Coverage	Non-Medicare Eligible	Medicare Eligible	
		Before EGWP	Reflects EGWP Revenue
Medical	\$15,643	\$1,171	\$1,171
Drug	<u>\$3,462</u>	<u>\$3,462</u>	<u>\$2,550</u>
Total	\$19,105	\$4,633	\$3,721

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.

Note for PEs: Effective April 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 2015 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.

RETIREE CONTRIBUTIONS: The State sets retiree contributions as a percentage of premiums. Premiums are established for active employees and retirees combined. Retirees contribute varying percentages of premiums. The blended premium rate for valuation purposes based on the combination of the HMO plans is shown below.

4/1/2016 - 3/31/2017 HMO Rates			
Rates Used for Contribution Purposes			
	Non Rx	Rx	Total
Retiree/SS	\$6,269	\$1,682	\$7,950
Spouse	\$8,950	\$2,538	\$11,488

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 2017, we project the average Medicare Part B premium to be \$1,462 per Medicare eligible individual. This amount is based on the Part B premium rate for 2016 for participants with income of less than \$85,000.

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 Police and Fire Retirement System (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.

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
		<65	65+		Revenue
2016/17==>	2017/18	6.75%	5.30%	10.00%	5.00%
2017/18==>	2018/19	6.25%	5.20%	9.00%	5.00%
2018/19 ==>	2019/20	5.75%	5.10%	8.50%	5.00%
2019/20 ==>	2020/21	5.50%	5.00%	8.00%	5.00%
2020/21 ==>	2021/22	5.25%	4.90%	7.00%	5.00%
2021/22 ==>	2022/23	5.00%	4.80%	6.00%	5.00%
2022/23 ==>	2023/24	5.00%	4.80%	5.00%	4.75%
	2023/24+	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.

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 factors are applied to the per-capita plan costs for the Empire Plan and the HMO plans.

Note for PEs: *In the past, many PEs utilized community rated premium rates. Based on updates to ASOP 6, this is no longer appropriate and plans should value the age related costs.*

HIGH COST PLAN EXCISE TAX: The Health Care Reform legislation added a new high cost plan excise tax (also known as the “Cadillac tax”). On December 18, 2015, the President signed the Consolidated Appropriations Act, 2016 into law. The new law includes provisions which impact the excise tax on high-cost group health plans introduced by the Affordable Care Act, as it will delay implementation of the excise tax for two years (i.e., from 2018 to 2020) and allow the excise tax to be deductible to the taxpayer. 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 in 2018), adjusted for the following:

- Limits will increase from 2018 to 2019 by 3.50% (CPI plus 1%);
- Limits will increase after 2019 by 2.50% (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.

The impact of the excise tax on high cost plans is calculated as an adjustment to the trend rates. Exhibit 3-1 shows the adjusted trend rates due to the excise tax.

MORTALITY: These assumptions are 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 the MP-2014 projection scale. The base tables are shown in Exhibit 2-2, which were published effective 2015 for the Employees’ Retirement System (ERS) and Police and Fire Retirement System (PFRS) and 2015 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

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 are police, we are assuming that this exception would not apply. However it may be that a participating employer would qualify for this additional limit.

TRS assumptions.

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 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: 2.50% 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%

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 health care 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, 2016. 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 September 2016, based on assumptions originally developed in August 2016. 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 Per Capita Gross Plan Costs
4/1/2016-3/31/2017

<u>Age</u>	<u>PPO claim costs</u>				<u>HMO claim costs</u>		
	<u>Medical</u>	<u>Rx</u>	<u>EGWP Revenue</u>	<u>Total</u>	<u>Medical</u>	<u>Rx</u>	<u>Total</u>
1	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
2	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
3	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
4	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
5	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
6	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
7	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
8	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
9	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
10	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
11	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
12	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
13	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
14	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
15	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
16	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
17	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
18	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
19	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
20	\$3,410	\$432	n/a	\$3,842	\$3,111	\$315	\$3,426
21	\$3,512	\$453	n/a	\$3,965	\$3,205	\$330	\$3,534
22	\$3,618	\$474	n/a	\$4,092	\$3,301	\$346	\$3,646
23	\$3,726	\$497	n/a	\$4,224	\$3,400	\$362	\$3,762
24	\$3,838	\$521	n/a	\$4,359	\$3,502	\$380	\$3,881
25	\$3,953	\$546	n/a	\$4,499	\$3,607	\$398	\$4,005
26	\$4,072	\$572	n/a	\$4,644	\$3,715	\$417	\$4,132
27	\$4,194	\$600	n/a	\$4,794	\$3,826	\$437	\$4,263
28	\$4,320	\$629	n/a	\$4,948	\$3,941	\$458	\$4,399
29	\$4,449	\$659	n/a	\$5,108	\$4,059	\$480	\$4,539
30	\$4,583	\$690	n/a	\$5,273	\$4,181	\$503	\$4,684
31	\$4,720	\$724	n/a	\$5,444	\$4,307	\$527	\$4,834
32	\$4,862	\$758	n/a	\$5,620	\$4,436	\$552	\$4,988
33	\$5,008	\$795	n/a	\$5,802	\$4,569	\$579	\$5,148
34	\$5,158	\$833	n/a	\$5,991	\$4,706	\$607	\$5,313
35	\$5,313	\$873	n/a	\$6,186	\$4,847	\$636	\$5,483
36	\$5,472	\$915	n/a	\$6,387	\$4,993	\$666	\$5,659
37	\$5,636	\$959	n/a	\$6,595	\$5,142	\$698	\$5,841
38	\$5,805	\$1,005	n/a	\$6,810	\$5,297	\$732	\$6,029
39	\$5,980	\$1,053	n/a	\$7,032	\$5,456	\$767	\$6,223
40	\$6,159	\$1,103	n/a	\$7,262	\$5,619	\$804	\$6,423

EXHIBIT 2-1 Per Capita Gross Plan Costs
4/1/2016-3/31/2017

<u>Age</u>	<u>PPO claim costs</u>			<u>HMO claim costs</u>			
	<u>Medical</u>	<u>Rx</u>	<u>EGWP Revenue</u>	<u>Total</u>	<u>Medical</u>	<u>Rx</u>	<u>Total</u>
41	\$6,344	\$1,156	n/a	\$7,500	\$5,788	\$843	\$6,630
42	\$6,534	\$1,212	n/a	\$7,746	\$5,961	\$883	\$6,844
43	\$6,730	\$1,270	n/a	\$8,000	\$6,140	\$925	\$7,066
44	\$6,932	\$1,331	n/a	\$8,263	\$6,325	\$970	\$7,294
45	\$7,140	\$1,395	n/a	\$8,535	\$6,514	\$1,016	\$7,531
46	\$7,404	\$1,460	n/a	\$8,865	\$6,755	\$1,064	\$7,819
47	\$7,678	\$1,529	n/a	\$9,207	\$7,005	\$1,114	\$8,119
48	\$7,962	\$1,601	n/a	\$9,563	\$7,264	\$1,166	\$8,431
49	\$8,257	\$1,676	n/a	\$9,933	\$7,533	\$1,221	\$8,754
50	\$8,562	\$1,755	n/a	\$10,317	\$7,812	\$1,279	\$9,091
51	\$8,922	\$1,837	n/a	\$10,759	\$8,140	\$1,339	\$9,479
52	\$9,297	\$1,924	n/a	\$11,220	\$8,482	\$1,402	\$9,884
53	\$9,687	\$2,014	n/a	\$11,701	\$8,838	\$1,468	\$10,306
54	\$10,094	\$2,109	n/a	\$12,203	\$9,209	\$1,537	\$10,746
55	\$10,518	\$2,208	n/a	\$12,726	\$9,596	\$1,609	\$11,205
56	\$10,981	\$2,310	n/a	\$13,290	\$10,018	\$1,683	\$11,701
57	\$11,464	\$2,416	n/a	\$13,880	\$10,459	\$1,760	\$12,219
58	\$11,968	\$2,527	n/a	\$14,495	\$10,919	\$1,841	\$12,761
59	\$12,495	\$2,643	n/a	\$15,138	\$11,400	\$1,926	\$13,326
60	\$13,044	\$2,765	n/a	\$15,809	\$11,901	\$2,014	\$13,916
61	\$13,527	\$2,892	n/a	\$16,419	\$12,342	\$2,107	\$14,449
62	\$14,028	\$3,025	n/a	\$17,053	\$12,798	\$2,204	\$15,002
63	\$14,547	\$3,164	n/a	\$17,711	\$13,272	\$2,305	\$15,577
64	\$15,085	\$3,310	n/a	\$18,395	\$13,763	\$2,411	\$16,175
65	\$1,171	\$3,462	(\$912)	\$3,721	\$1,049	\$2,070	\$3,120
66	\$1,203	\$3,594	(\$947)	\$3,850	\$1,078	\$2,149	\$3,227
67	\$1,235	\$3,730	(\$983)	\$3,983	\$1,107	\$2,231	\$3,338
68	\$1,268	\$3,872	(\$1,020)	\$4,120	\$1,137	\$2,316	\$3,452
69	\$1,303	\$4,019	(\$1,059)	\$4,263	\$1,167	\$2,404	\$3,571
70	\$1,338	\$4,172	(\$1,099)	\$4,411	\$1,199	\$2,495	\$3,694
71	\$1,362	\$4,276	(\$1,126)	\$4,512	\$1,220	\$2,557	\$3,778
72	\$1,386	\$4,383	(\$1,155)	\$4,615	\$1,242	\$2,621	\$3,864
73	\$1,411	\$4,492	(\$1,183)	\$4,720	\$1,265	\$2,687	\$3,951
74	\$1,437	\$4,605	(\$1,213)	\$4,829	\$1,288	\$2,754	\$4,041
75	\$1,463	\$4,720	(\$1,243)	\$4,939	\$1,311	\$2,823	\$4,133
76	\$1,495	\$4,758	(\$1,253)	\$4,999	\$1,340	\$2,845	\$4,185
77	\$1,528	\$4,796	(\$1,263)	\$5,060	\$1,369	\$2,868	\$4,237
78	\$1,561	\$4,834	(\$1,273)	\$5,122	\$1,399	\$2,891	\$4,290
79	\$1,596	\$4,873	(\$1,284)	\$5,185	\$1,430	\$2,914	\$4,344
80	\$1,631	\$4,912	(\$1,294)	\$5,249	\$1,461	\$2,937	\$4,399

**EXHIBIT 2-1 Per Capita Gross Plan Costs
4/1/2016-3/31/2017**

<u>Age</u>	<u>PPO claim costs</u>				<u>HMO claim costs</u>		
	<u>Medical</u>	<u>Rx</u>	<u>EGWP Revenue</u>	<u>Total</u>	<u>Medical</u>	<u>Rx</u>	<u>Total</u>
81	\$1,676	\$4,922	(\$1,296)	\$5,302	\$1,502	\$2,943	\$4,446
82	\$1,723	\$4,931	(\$1,299)	\$5,356	\$1,544	\$2,949	\$4,494
83	\$1,772	\$4,941	(\$1,302)	\$5,411	\$1,588	\$2,955	\$4,543
84	\$1,821	\$4,951	(\$1,304)	\$5,468	\$1,632	\$2,961	\$4,593
85	\$1,872	\$4,961	(\$1,307)	\$5,526	\$1,678	\$2,967	\$4,645
86	\$1,898	\$4,966	(\$1,308)	\$5,556	\$1,701	\$2,970	\$4,671
87	\$1,925	\$4,971	(\$1,310)	\$5,587	\$1,725	\$2,973	\$4,698
88	\$1,952	\$4,976	(\$1,311)	\$5,617	\$1,749	\$2,976	\$4,725
89	\$1,979	\$4,981	(\$1,312)	\$5,648	\$1,774	\$2,979	\$4,753
90+	\$2,007	\$4,986	(\$1,313)	\$5,680	\$1,799	\$2,982	\$4,780

**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%	0.036%	0.008%	0.033%	
16	0.001%	0.036%	0.008%	0.033%	
17	0.001%	0.036%	0.008%	0.033%	
18	0.001%	0.036%	0.008%	0.033%	
19	0.001%	0.036%	0.008%	0.033%	
20	0.001%	0.036%	0.008%	0.033%	0.0189%
21	0.001%	0.036%	0.008%	0.033%	0.0212%
22	0.001%	0.036%	0.008%	0.033%	0.0233%
23	0.001%	0.036%	0.008%	0.033%	0.0258%
24	0.001%	0.036%	0.008%	0.033%	0.0281%
25	0.001%	0.036%	0.008%	0.033%	0.0286%
26	0.001%	0.036%	0.008%	0.033%	0.0286%
27	0.001%	0.036%	0.008%	0.033%	0.0287%
28	0.001%	0.036%	0.008%	0.033%	0.0288%
29	0.001%	0.036%	0.008%	0.033%	0.0290%
30	0.001%	0.036%	0.008%	0.033%	0.0293%
31	0.001%	0.037%	0.008%	0.034%	0.0298%
32	0.001%	0.039%	0.008%	0.036%	0.0305%
33	0.001%	0.042%	0.008%	0.036%	0.0314%
34	0.001%	0.048%	0.008%	0.036%	0.0326%
35	0.001%	0.053%	0.008%	0.036%	0.0342%
36	0.001%	0.059%	0.008%	0.036%	0.0361%
37	0.001%	0.063%	0.008%	0.036%	0.0384%
38	0.001%	0.065%	0.008%	0.036%	0.0410%
39	0.001%	0.067%	0.008%	0.036%	0.0441%
40	0.001%	0.069%	0.008%	0.036%	0.0474%
41	0.001%	0.072%	0.008%	0.036%	0.0510%
42	0.001%	0.077%	0.008%	0.039%	0.0548%
43	0.001%	0.083%	0.008%	0.043%	0.0586%
44	0.001%	0.090%	0.008%	0.050%	0.0624%
45	0.001%	0.098%	0.008%	0.059%	0.0661%
46	0.001%	0.107%	0.008%	0.067%	0.0697%
47	0.001%	0.116%	0.008%	0.076%	0.0732%
48	0.001%	0.126%	0.008%	0.083%	0.0765%
49	0.001%	0.135%	0.008%	0.086%	0.0800%
50	0.001%	0.145%	0.008%	0.088%	0.0836%
51	0.001%	0.153%	0.006%	0.092%	0.0876%
52	0.001%	0.161%	0.006%	0.101%	0.0923%
53	0.001%	0.169%	0.006%	0.117%	0.0979%
54	0.001%	0.175%	0.006%	0.143%	0.1050%
55	0.001%	0.182%	0.006%	0.179%	0.1139%
56	0.001%	0.190%	0.006%	0.222%	0.1251%
57	0.001%	0.199%	0.006%	0.272%	0.1391%
58	0.001%	0.210%	0.006%	0.327%	0.1565%
59	0.001%	0.223%	0.006%	0.395%	0.1779%
60	0.001%	0.238%	0.006%	0.489%	0.2039%
61	0.001%	0.256%	0.006%	0.499%	0.2349%
62	0.001%	0.276%	0.006%	0.542%	0.2716%
63	0.001%	0.297%	0.006%	0.590%	0.3143%
64	0.001%	0.318%	0.006%	0.648%	0.3636%
65	0.001%	0.343%	0.006%	0.719%	0.4197%
66	0.001%	0.371%	0.006%	0.807%	0.4828%
67	0.001%	0.401%	0.006%	0.908%	0.5370%
68	0.001%	0.433%	0.006%	1.017%	0.6058%
69	0.001%	0.467%	0.006%	1.130%	0.6834%
70	0.000%	0.000%	0.006%	1.130%	0.7709%
71	0.000%	0.000%	0.006%	1.130%	0.8696%
72	0.000%	0.000%	0.006%	1.130%	0.9810%
73	0.000%	0.000%	0.006%	1.130%	1.1066%
74	0.000%	0.000%	0.006%	1.130%	1.2483%
75	0.000%	0.000%	0.006%	1.130%	1.4082%

*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%	0.036%	0.008%	0.033%	
16	0.001%	0.036%	0.008%	0.033%	
17	0.001%	0.036%	0.008%	0.033%	
18	0.001%	0.036%	0.008%	0.033%	
19	0.001%	0.036%	0.008%	0.033%	
20	0.001%	0.036%	0.008%	0.033%	0.0108%
21	0.001%	0.036%	0.008%	0.033%	0.0112%
22	0.001%	0.036%	0.008%	0.033%	0.0112%
23	0.001%	0.036%	0.008%	0.033%	0.0112%
24	0.001%	0.036%	0.008%	0.033%	0.0112%
25	0.001%	0.036%	0.008%	0.033%	0.0112%
26	0.001%	0.036%	0.008%	0.033%	0.0112%
27	0.001%	0.036%	0.008%	0.033%	0.0112%
28	0.001%	0.036%	0.008%	0.033%	0.0119%
29	0.001%	0.036%	0.008%	0.033%	0.0124%
30	0.001%	0.036%	0.008%	0.033%	0.0129%
31	0.001%	0.037%	0.008%	0.034%	0.0132%
32	0.001%	0.039%	0.008%	0.036%	0.0135%
33	0.001%	0.042%	0.008%	0.036%	0.0137%
34	0.001%	0.048%	0.008%	0.036%	0.0140%
35	0.001%	0.053%	0.008%	0.036%	0.0144%
36	0.001%	0.059%	0.008%	0.036%	0.0151%
37	0.001%	0.063%	0.008%	0.036%	0.0160%
38	0.001%	0.065%	0.008%	0.036%	0.0174%
39	0.001%	0.067%	0.008%	0.036%	0.0191%
40	0.001%	0.069%	0.008%	0.036%	0.0213%
41	0.001%	0.072%	0.008%	0.036%	0.0239%
42	0.001%	0.077%	0.008%	0.039%	0.0269%
43	0.001%	0.083%	0.008%	0.043%	0.0302%
44	0.001%	0.090%	0.008%	0.050%	0.0338%
45	0.001%	0.098%	0.008%	0.059%	0.0374%
46	0.001%	0.107%	0.008%	0.067%	0.0412%
47	0.001%	0.116%	0.008%	0.076%	0.0450%
48	0.001%	0.126%	0.008%	0.083%	0.0487%
49	0.001%	0.135%	0.008%	0.086%	0.0523%
50	0.001%	0.145%	0.008%	0.088%	0.0559%
51	0.001%	0.153%	0.006%	0.092%	0.0595%
52	0.001%	0.161%	0.006%	0.101%	0.0632%
53	0.001%	0.169%	0.006%	0.117%	0.0671%
54	0.001%	0.175%	0.006%	0.143%	0.0711%
55	0.001%	0.182%	0.006%	0.179%	0.0755%
56	0.001%	0.190%	0.006%	0.222%	0.0802%
57	0.001%	0.199%	0.006%	0.272%	0.0854%
58	0.001%	0.210%	0.006%	0.327%	0.0911%
59	0.001%	0.223%	0.006%	0.395%	0.0973%
60	0.001%	0.238%	0.006%	0.489%	0.1042%
61	0.001%	0.256%	0.006%	0.499%	0.1117%
62	0.001%	0.276%	0.006%	0.542%	0.1199%
63	0.001%	0.297%	0.006%	0.590%	0.1291%
64	0.001%	0.318%	0.006%	0.648%	0.1393%
65	0.001%	0.343%	0.006%	0.719%	0.1509%
66	0.001%	0.371%	0.006%	0.807%	0.1642%
67	0.001%	0.401%	0.006%	0.908%	0.1797%
68	0.001%	0.433%	0.006%	1.017%	0.1981%
69	0.001%	0.467%	0.006%	1.130%	0.2350%
70	0.000%	0.000%	0.006%	1.130%	0.2550%
71	0.000%	0.000%	0.006%	1.130%	0.2864%
72	0.000%	0.000%	0.006%	1.130%	0.3217%
73	0.000%	0.000%	0.006%	1.130%	0.3613%
74	0.000%	0.000%	0.006%	1.130%	0.4058%
75	0.000%	0.000%	0.006%	1.130%	0.4558%

*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	0.0331%	0.0331%	0.3305%	0.3311%	0.0305%	0.1221%
16	0.0331%	0.0331%	0.3305%	0.3311%	0.0305%	0.1221%
17	0.0331%	0.0331%	0.3305%	0.3311%	0.0305%	0.1221%
18	0.0331%	0.0331%	0.3305%	0.3311%	0.0305%	0.1221%
19	0.0331%	0.0331%	0.3305%	0.3311%	0.0305%	0.1221%
20	0.0331%	0.0331%	0.3305%	0.3311%	0.0305%	0.1221%
21	0.0333%	0.0334%	0.3324%	0.3335%	0.0307%	0.1228%
22	0.0334%	0.0336%	0.3341%	0.3357%	0.0308%	0.1234%
23	0.0336%	0.0338%	0.3357%	0.3378%	0.0310%	0.1240%
24	0.0337%	0.0340%	0.3370%	0.3397%	0.0311%	0.1245%
25	0.0339%	0.0342%	0.3382%	0.3415%	0.0312%	0.1249%
26	0.0340%	0.0345%	0.3395%	0.3447%	0.0313%	0.1254%
27	0.0342%	0.0349%	0.3411%	0.3487%	0.0315%	0.1260%
28	0.0344%	0.0353%	0.3432%	0.3530%	0.0317%	0.1268%
29	0.0346%	0.0357%	0.3452%	0.3571%	0.0319%	0.1275%
30	0.0347%	0.0360%	0.3468%	0.3599%	0.0320%	0.1281%
31	0.0353%	0.0367%	0.3536%	0.3674%	0.0321%	0.1285%
32	0.0374%	0.0388%	0.3742%	0.3885%	0.0331%	0.1322%
33	0.0041%	0.0425%	0.4105%	0.4252%	0.0349%	0.1397%
34	0.0461%	0.0474%	0.4610%	0.4740%	0.0350%	0.1400%
35	0.0516%	0.0527%	0.5160%	0.5268%	0.0350%	0.1400%
36	0.0566%	0.0574%	0.5775%	0.6493%	0.0349%	0.1397%
37	0.0604%	0.0609%	0.6371%	0.7687%	0.0318%	0.1391%
38	0.0627%	0.0630%	0.6951%	0.8854%	0.0345%	0.1382%
39	0.0640%	0.0620%	0.7513%	1.0001%	0.0343%	0.1371%
40	0.0653%	0.0654%	0.8066%	1.1135%	0.0340%	0.1361%
41	0.0677%	0.0678%	0.8313%	1.2492%	0.0338%	0.1354%
42	0.0715%	0.0717%	0.9202%	1.4185%	0.0337%	0.1348%
43	0.0769%	0.0774%	1.0004%	1.5438%	0.0362%	0.1450%
44	0.0834%	0.0842%	1.0731%	1.6430%	0.0397%	0.1586%
45	0.0907%	0.0919%	1.2040%	1.7878%	0.0466%	0.1864%
46	0.0986%	0.1004%	1.3228%	1.9295%	0.0771%	0.2068%
47	0.1071%	0.1094%	1.4548%	2.0830%	0.1076%	0.2275%
48	0.1161%	0.1193%	1.5936%	2.2372%	0.1384%	0.2484%
49	0.1254%	0.1296%	1.7420%	2.3755%	0.1694%	0.2695%
50	0.1346%	0.1397%	1.8645%	2.4882%	0.2007%	0.2911%
51	0.2058%	2.0680%	1.9939%	2.5897%	0.2055%	0.2971%
52	0.2776%	0.2747%	2.1284%	2.6748%	0.2148%	0.3100%
53	0.3515%	0.3426%	2.2741%	2.7365%	0.2296%	0.3303%
54	0.4270%	0.4104%	2.4226%	2.7776%	0.2499%	0.3569%
55	0.5036%	0.4776%	2.5497%	2.7968%	0.2756%	0.3889%
56	0.5477%	0.5143%	2.6583%	2.7845%	0.3066%	0.4256%
57	0.5889%	0.5512%	2.7587%	2.7540%	0.3427%	0.4662%
58	0.6267%	0.5882%	2.8418%	2.7106%	0.3836%	0.5103%
59	0.6610%	0.6258%	2.9190%	2.6647%	0.4291%	0.5579%
60	0.6921%	0.6645%	2.9974%	2.6127%	0.4787%	0.6090%
61	0.7212%	0.7050%	3.0752%	2.5670%	0.5324%	0.6643%
62	0.7502%	0.7486%	3.1503%	2.5246%	0.5897%	0.7249%
63	0.7816%	0.7965%	3.2265%	2.4973%	0.6510%	0.7920%
64	0.8187%	0.8493%	3.3030%	2.4864%	0.7174%	0.8675%
65	0.8658%	0.9085%	3.3905%	2.4928%	0.7909%	0.9537%
66	0.9260%	0.9750%	3.4775%	2.5188%	0.8733%	1.0534%
67	1.0034%	1.0505%	3.5862%	2.5681%	0.9673%	1.1701%
68	0.0110%	1.1356%	3.7039%	2.6400%	1.0749%	1.3073%
69	1.2201%	1.2327%	3.8327%	2.7366%	1.1980%	1.4685%
70	1.3631%	1.3426%	3.9633%	2.8598%	1.3389%	1.6575%
71	1.5304%	1.4682%	4.1292%	3.0106%	1.5002%	1.8777%
72	1.7227%	1.6119%	4.2901%	3.1924%	1.6852%	2.1326%
73	1.9404%	1.7760%	4.4839%	3.4122%	1.8980%	2.4248%
74	2.1846%	1.9635%	4.7064%	3.6659%	2.1439%	2.7575%
75	2.4567%	2.1769%	4.9841%	3.9514%	2.4284%	3.1330%

EXHIBIT 2-2 POSTRETIREMENT MORTALITY RATES

BASE TABLES

Age	ERS*				PFRS*	
	Healthy		Disabled		Healthy	Disabled
	Males	Females	Males	Females		
76	2.7602%	2.4197%	5.3277%	4.2849%	2.7579%	3.5541%
77	3.0998%	2.6961%	5.7124%	4.6665%	3.1396%	4.0242%
78	3.4805%	3.0095%	6.1621%	5.0826%	3.5812%	4.5451%
79	3.9111%	3.3647%	6.6938%	5.5549%	4.0934%	5.1217%
80	4.3999%	3.7662%	7.3020%	6.0952%	4.6887%	5.7566%
81	4.9564%	4.2183%	7.9750%	6.6731%	5.3726%	6.4536%
82	5.5894%	4.7263%	8.7512%	7.3143%	6.9767%	7.2151%
83	6.3095%	5.2960%	9.6250%	8.0202%	7.0655%	8.0457%
84	7.1243%	5.9308%	10.6067%	8.7900%	8.0925%	8.9469%
85	8.0425%	6.6371%	11.7086%	9.6310%	9.2516%	9.9219%
86	9.0707%	7.4190%	12.8992%	10.5424%	10.5503%	10.9731%
87	10.2131%	8.2806%	14.2045%	11.5489%	11.9938%	12.1011%
88	11.4750%	9.2282%	15.6553%	12.6556%	13.5891%	13.3088%
89	12.8614%	10.2657%	17.3219%	13.8609%	15.3431%	14.5996%
90	14.3730%	11.3895%	19.0518%	15.0870%	17.2570%	15.9722%
91	16.0158%	12.6011%	20.7882%	16.3519%	19.3388%	17.4321%
92	17.7946%	13.9012%	22.5917%	17.7138%	21.5942%	18.9824%
93	19.7128%	15.2916%	24.8256%	19.2931%	24.0275%	20.6256%
94	21.7727%	16.7700%	26.9264%	20.7091%	26.6413%	22.3622%
95	23.9776%	18.3370%	29.1577%	22.0705%	29.4396%	24.1942%
96	26.2486%	20.7467%	31.2819%	24.3758%	31.5559%	26.4591%
97	28.6010%	23.2480%	33.4811%	26.7685%	33.7467%	28.8050%
98	30.9594%	25.7644%	35.6845%	29.1754%	35.9416%	31.1570%
99	33.3377%	28.2941%	37.9080%	31.5947%	38.1568%	33.5288%
100	35.7231%	30.8415%	40.1372%	34.0311%	40.3774%	35.9077%
101	38.2685%	33.5587%	42.5154%	36.6290%	42.7465%	38.4460%
102	41.0416%	36.5254%	45.1045%	39.4642%	45.3256%	41.2116%
103	44.1890%	39.8932%	48.0400%	42.6801%	48.2496%	44.3501%
104	47.8689%	43.8353%	51.4705%	46.4433%	51.6665%	48.0195%
105	52.2186%	48.4940%	55.5212%	50.8864%	55.7010%	52.3567%
106	57.5299%	54.2034%	60.4620%	56.3289%	60.6217%	57.6525%
107	64.1286%	61.2796%	66.5983%	63.0705%	66.7328%	64.2318%
108	72.5904%	70.3711%	74.4609%	71.7282%	74.5628%	72.6687%
109	83.7452%	82.3560%	84.8199%	83.1367%	84.8784%	83.7901%
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 2014

EXHIBIT 2-2 POSTRETIREMENT MORTALITY RATES

BASE TABLES

Age	TRS			
	Healthy		Disabled	
	Male	Female	Male	Female
1	0.041%	0.036%		
2	0.028%	0.024%		
3	0.023%	0.018%		
4	0.018%	0.013%		
5	0.016%	0.012%		
6	0.014%	0.011%		
7	0.012%	0.010%		
8	0.011%	0.009%		
9	0.009%	0.009%		
10	0.007%	0.008%		
11	0.008%	0.008%		
12	0.011%	0.010%		
13	0.015%	0.011%		
14	0.018%	0.012%		
15	0.022%	0.013%		
16	0.025%	0.014%		
17	0.029%	0.015%		
18	0.026%	0.014%		
19	0.029%	0.015%		
20	0.032%	0.015%		
21	0.035%	0.015%		
22	0.038%	0.015%		
23	0.040%	0.015%		
24	0.040%	0.016%		
25	0.038%	0.016%		
26	0.036%	0.016%		
27	0.035%	0.017%		
28	0.035%	0.018%		
29	0.035%	0.019%		
30	0.035%	0.020%	18.001%	10.649%
31	0.036%	0.021%	18.001%	10.649%
32	0.037%	0.022%	18.001%	10.649%
33	0.038%	0.024%	18.001%	10.328%
34	0.040%	0.025%	17.327%	10.008%
35	0.041%	0.026%	16.652%	9.691%
36	0.042%	0.028%	15.977%	9.376%
37	0.043%	0.029%	15.302%	9.068%
38	0.045%	0.031%	14.628%	8.767%
39	0.046%	0.033%	13.958%	8.475%
40	0.049%	0.036%	13.294%	8.193%
41	0.052%	0.040%	12.640%	7.920%
42	0.057%	0.044%	12.001%	7.655%
43	0.062%	0.048%	11.380%	7.397%
44	0.068%	0.054%	10.780%	7.143%
45	0.076%	0.060%	10.203%	6.894%
46	0.085%	0.067%	9.650%	6.648%
47	0.095%	0.075%	9.124%	6.406%
48	0.106%	0.083%	8.623%	6.168%
49	0.118%	0.092%	8.148%	5.931%
50	0.132%	0.101%	7.696%	5.695%
51	0.146%	0.110%	7.264%	5.454%
52	0.162%	0.120%	6.849%	5.205%
53	0.195%	0.142%	6.450%	4.942%
54	0.231%	0.165%	6.064%	4.666%
55	0.252%	0.181%	5.694%	4.381%

EXHIBIT 2-2 POSTRETIREMENT MORTALITY RATES
BASE TABLES

Age	TRS			
	Healthy		Disabled	
	Male	Female	Male	Female
56	0.275%	0.198%	5.344%	4.095%
57	0.300%	0.217%	5.022%	3.817%
58	0.328%	0.238%	4.731%	3.558%
59	0.358%	0.261%	4.476%	3.325%
60	0.391%	0.287%	4.260%	3.126%
61	0.426%	0.305%	4.083%	2.967%
62	0.465%	0.330%	3.946%	2.852%
63	0.505%	0.360%	3.846%	2.785%
64	0.556%	0.398%	3.783%	2.766%
65	0.620%	0.442%	3.755%	2.796%
66	0.698%	0.493%	3.762%	2.870%
67	0.789%	0.552%	3.804%	2.985%
68	0.894%	0.620%	3.880%	3.135%
69	1.015%	0.698%	3.989%	3.314%
70	1.152%	0.786%	4.133%	3.520%
71	1.307%	0.887%	4.314%	3.751%
72	1.482%	1.003%	4.534%	4.008%
73	1.679%	1.135%	4.793%	4.294%
74	1.901%	1.286%	5.089%	4.611%
75	2.152%	1.460%	5.422%	4.963%
76	2.438%	1.660%	5.788%	5.356%
77	2.763%	1.891%	6.187%	5.793%
78	3.135%	2.157%	6.616%	6.279%
79	3.559%	2.463%	7.074%	6.816%
80	4.045%	2.816%	7.560%	7.400%
81	4.600%	3.223%	8.073%	8.029%
82	5.234%	3.690%	8.613%	8.696%
83	5.959%	4.227%	8.793%	9.397%
84	6.784%	4.841%	10.004%	10.132%
85	7.725%	5.542%	11.374%	10.902%
86	8.793%	6.340%	12.921%	11.707%
87	10.004%	7.247%	14.171%	12.204%
88	11.374%	8.272%	15.813%	13.852%
89	12.921%	9.431%	17.529%	15.700%
90	14.171%	10.736%	19.313%	17.770%
91	15.813%	12.204%	21.167%	19.148%
92	17.529%	13.852%	23.098%	21.024%
93	19.313%	15.700%	25.111%	23.000%
94	21.167%	17.770%	27.211%	25.072%
95	23.098%	19.148%	29.385%	27.086%
96	25.111%	21.024%	31.399%	29.104%
97	27.211%	23.000%	33.437%	31.144%
98	29.385%	25.072%	35.460%	33.190%
99	31.399%	27.086%	37.452%	35.223%
100	33.437%	29.104%	39.398%	37.227%
101	35.460%	31.144%	41.283%	39.186%
102	37.452%	33.190%	43.095%	41.085%
103	39.398%	35.223%	44.823%	42.911%
104	41.283%	37.227%	46.459%	44.654%
105	43.095%	39.186%	47.999%	46.306%
106	44.823%	41.085%	49.438%	47.860%
107	46.459%	42.911%	50.000%	47.860%
108	47.999%	44.654%	50.000%	47.860%
109	49.438%	46.306%	50.000%	47.860%
110	50.000%	47.860%	50.000%	47.860%

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	25.066%	12.991%	7.721%	6.550%	4.365%	1.510%
16	25.066%	12.991%	7.721%	6.550%	4.365%	1.510%
17	25.066%	12.991%	7.721%	6.550%	4.365%	1.510%
18	25.066%	12.991%	7.721%	6.550%	4.365%	1.510%
19	25.066%	12.991%	7.721%	6.550%	4.365%	1.510%
20	25.050%	12.991%	7.721%	6.550%	4.365%	1.510%
21	24.783%	12.991%	7.721%	6.550%	4.365%	1.510%
22	24.260%	12.991%	7.721%	6.550%	4.365%	1.510%
23	23.454%	13.701%	9.013%	6.943%	4.456%	1.510%
24	22.346%	14.193%	9.850%	7.243%	4.510%	1.510%
25	20.978%	0.145%	10.279%	7.437%	4.528%	1.510%
26	19.494%	14.689%	10.441%	7.543%	4.516%	1.510%
27	18.113%	14.683%	10.472%	7.601%	4.481%	1.510%
28	17.029%	14.473%	10.452%	7.643%	4.434%	1.510%
29	16.305%	14.055%	10.406%	7.684%	4.386%	1.523%
30	15.870%	13.472%	10.331%	7.712%	4.347%	1.558%
31	15.602%	12.814%	10.215%	7.702%	4.325%	1.618%
32	15.404%	12.190%	10.052%	7.623%	4.328%	1.700%
33	15.239%	11.689%	9.838%	7.454%	4.355%	1.793%
34	15.102%	11.330%	9.573%	7.197%	4.398%	1.877%
35	14.988%	11.073%	9.256%	6.877%	4.439%	1.934%
36	14.874%	10.849%	8.888%	6.536%	4.454%	1.950%
37	14.723%	10.603%	8.481%	6.223%	4.421%	1.921%
38	14.516%	10.318%	8.058%	5.972%	4.332%	1.856%
39	14.261%	10.012%	7.649%	5.793%	4.200%	1.773%
40	13.991%	9.714%	7.283%	5.674%	4.048%	1.692%
41	13.741%	9.446%	6.981%	5.594%	3.905%	1.630%
42	13.530%	9.211%	6.753%	5.535%	3.790%	1.594%
43	13.363%	9.004%	6.595%	5.488%	3.709%	1.582%
44	13.237%	8.819%	6.494%	5.449%	3.655%	1.583%
45	13.150%	8.652%	6.433%	5.413%	3.614%	1.582%
46	13.108%	8.506%	6.395%	5.375%	3.571%	1.561%
47	13.123%	8.382%	6.365%	5.325%	3.515%	1.515%
48	13.199%	8.279%	6.339%	5.260%	3.443%	1.448%
49	13.328%	8.198%	6.316%	5.180%	3.362%	1.374%
50	13.485%	8.135%	6.301%	5.101%	3.283%	1.308%
51	13.633%	8.089%	6.301%	5.038%	3.219%	1.260%
52	13.733%	8.060%	6.320%	5.010%	3.187%	1.229%
53	13.762%	8.048%	6.362%	5.026%	3.199%	1.211%
54	13.721%	8.056%	6.427%	5.086%	3.253%	1.202%
55	13.641%	8.095%	6.520%	5.181%	3.320%	1.198%
56	13.571%	8.188%	6.645%	5.298%	3.337%	1.196%
57	13.573%	8.364%	6.810%	5.424%	3.247%	1.196%
58	13.702%	8.653%	7.024%	5.553%	3.033%	1.196%
59	13.993%	9.081%	7.293%	5.684%	2.720%	1.196%
60	14.448%	9.655%	7.617%	5.821%	2.363%	1.196%
61	15.016%	10.356%	7.985%	5.962%	2.045%	1.196%
62	15.582%	11.118%	8.365%	6.096%	1.874%	1.196%
63	15.971%	11.118%	8.365%	6.096%	1.874%	1.196%
64	15.971%	11.118%	8.365%	6.096%	1.874%	1.196%
65	15.971%	11.118%	8.365%	6.096%	1.874%	1.196%
66	15.971%	11.118%	8.365%	6.096%	1.874%	1.196%
67	15.971%	11.118%	8.365%	6.096%	1.874%	1.196%
68	15.971%	11.118%	8.365%	6.096%	1.874%	1.196%
69	15.971%	11.118%	8.365%	6.096%	1.874%	1.196%
70	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%

Note for Tiers 5 and up, for Service=5-9.99, multiply the above rate by 0.6. For Service=10, multiply by 2

EXHIBIT 2-3 WITHDRAWAL RATES

Age	Upstate (Syracuse) Medical Center					
	Years of Service					
	< 2	2 - 2.99	3 - 3.99	4 - 4.99	5 - 9.99	> = 10
15	21.00%	22.00%	26.00%	24.00%	16.00%	7.00%
16	21.00%	22.00%	26.00%	24.00%	16.00%	7.00%
17	21.00%	22.00%	26.00%	24.00%	16.00%	7.00%
18	21.00%	22.00%	26.00%	24.00%	16.00%	7.00%
19	21.00%	22.00%	26.00%	24.00%	16.00%	7.00%
20	21.00%	22.00%	26.00%	24.00%	16.00%	7.00%
21	20.00%	22.00%	26.00%	24.00%	16.00%	7.00%
22	20.00%	22.00%	26.00%	24.00%	16.00%	7.00%
23	20.00%	24.00%	40.00%	24.00%	16.00%	7.00%
24	20.00%	24.00%	40.00%	20.00%	16.00%	7.00%
25	20.00%	24.00%	40.00%	20.00%	16.00%	7.00%
26	20.00%	24.00%	40.00%	20.00%	16.00%	7.00%
27	16.00%	24.00%	40.00%	19.60%	15.00%	7.00%
28	16.00%	24.00%	40.00%	12.60%	15.00%	7.00%
29	16.00%	24.00%	40.00%	40.00%	15.00%	7.00%
30	16.00%	15.70%	40.00%	59.20%	20.00%	7.00%
31	16.00%	15.70%	40.00%	45.20%	20.00%	7.00%
32	16.00%	15.70%	40.00%	51.50%	20.00%	6.90%
33	16.00%	15.70%	40.00%	45.20%	20.00%	6.70%
34	16.50%	15.70%	40.00%	32.50%	20.00%	6.50%
35	16.50%	15.70%	40.00%	32.50%	18.00%	6.30%
36	16.50%	15.70%	40.00%	22.50%	18.00%	6.10%
37	16.50%	15.70%	40.00%	24.40%	18.00%	5.80%
38	16.50%	15.70%	40.00%	46.50%	18.00%	5.40%
39	16.50%	15.70%	40.00%	45.20%	9.00%	5.00%
40	16.50%	15.70%	40.00%	38.80%	9.00%	4.60%
41	16.50%	15.70%	40.00%	13.40%	9.00%	4.20%
42	16.50%	15.70%	27.50%	10.60%	9.00%	4.00%
43	16.50%	12.50%	35.00%	10.60%	9.00%	4.00%
44	16.50%	12.50%	24.00%	15.00%	9.00%	4.00%
45	16.50%	12.50%	24.00%	25.00%	9.00%	6.00%
46	16.50%	12.50%	24.00%	25.00%	9.00%	6.00%
47	16.50%	12.50%	24.00%	25.00%	9.00%	6.00%
48	16.50%	8.00%	24.00%	19.40%	9.00%	6.00%
49	16.50%	8.00%	15.50%	19.40%	9.00%	6.00%
50	16.50%	8.00%	15.50%	19.40%	9.00%	6.00%
51	16.50%	8.00%	15.50%	19.40%	5.00%	6.00%
52	10.00%	8.00%	15.50%	19.40%	5.00%	6.00%
53	10.00%	8.00%	15.50%	14.70%	5.00%	6.00%
54	10.00%	8.00%	15.50%	5.70%	5.00%	6.00%
55	10.00%	8.00%	15.50%	30.00%	5.00%	0.00%
56	10.00%	8.00%	15.50%	30.00%	5.00%	0.00%
57	10.00%	8.00%	17.00%	12.50%	3.50%	0.00%
58	8.00%	8.00%	17.00%	12.50%	3.50%	0.00%
59	8.00%	8.00%	17.00%	12.50%	3.50%	0.00%
60	8.00%	11.00%	17.00%	12.50%	3.50%	0.00%
61	8.00%	11.00%	17.00%	12.50%	3.50%	0.00%
62	8.00%	11.00%	17.00%	12.50%	3.50%	0.00%
63	3.90%	11.00%	17.00%	12.50%	3.50%	0.00%
64	3.90%	11.00%	17.00%	12.50%	3.50%	0.00%
65	3.90%	11.00%	4.50%	3.50%	3.50%	0.00%
66	3.90%	11.00%	4.50%	3.50%	3.50%	0.00%
67	3.90%	11.00%	4.50%	3.50%	3.50%	0.00%
68	3.90%	11.00%	4.50%	3.50%	3.50%	0.00%
69	3.90%	11.00%	4.50%	3.50%	3.50%	0.00%
70	0.00%	0.00%	4.50%	0.00%	0.00%	0.00%

EXHIBIT 2-3 WITHDRAWAL RATES

Age	Brooklyn Hospital & Stony Brook Hospital					
	Years of Service					
	≤ 2	2 - 2.99	3 - 3.99	4 - 4.99	5 - 9.99	≥ 10
15	11.00%	28.00%	15.00%	16.00%	15.00%	7.00%
16	11.00%	28.00%	15.00%	16.00%	15.00%	7.00%
17	11.00%	28.00%	15.00%	16.00%	15.00%	7.00%
18	11.00%	28.00%	15.00%	16.00%	15.00%	7.00%
19	11.00%	28.00%	15.00%	16.00%	15.00%	7.00%
20	11.00%	28.00%	15.00%	16.00%	15.00%	7.00%
21	10.00%	30.00%	15.00%	16.00%	15.00%	7.00%
22	10.00%	30.00%	15.00%	16.00%	15.00%	7.00%
23	10.00%	30.00%	15.00%	16.00%	15.00%	7.00%
24	10.00%	30.00%	15.00%	16.00%	15.00%	7.00%
25	13.00%	30.00%	15.00%	16.00%	15.00%	7.00%
26	13.00%	40.00%	15.00%	22.00%	15.00%	7.00%
27	13.00%	40.00%	44.00%	40.00%	11.00%	7.00%
28	13.00%	40.00%	44.00%	40.00%	10.00%	7.00%
29	13.00%	38.00%	44.00%	40.00%	10.00%	7.00%
30	18.00%	40.00%	44.00%	40.00%	11.00%	6.00%
31	18.00%	50.00%	50.00%	34.00%	12.00%	5.80%
32	18.00%	50.00%	50.00%	34.00%	18.00%	5.60%
33	13.00%	36.00%	44.00%	34.00%	18.00%	5.40%
34	13.00%	36.00%	44.00%	34.00%	17.00%	4.80%
35	13.00%	36.00%	44.00%	34.00%	18.00%	4.20%
36	13.00%	26.00%	44.00%	34.00%	18.00%	3.60%
37	13.00%	26.00%	30.00%	30.00%	18.00%	3.00%
38	13.00%	24.00%	28.00%	29.00%	18.00%	3.00%
39	8.00%	24.00%	28.00%	29.00%	10.00%	3.00%
40	8.00%	24.00%	28.00%	18.00%	10.00%	3.00%
41	8.00%	24.00%	28.00%	18.00%	10.00%	3.00%
42	7.00%	24.00%	28.00%	17.00%	10.00%	3.00%
43	7.00%	24.00%	25.00%	17.00%	10.00%	3.00%
44	7.00%	24.00%	25.00%	17.00%	10.00%	3.00%
45	5.50%	20.00%	25.00%	17.00%	10.00%	3.00%
46	5.50%	20.00%	12.50%	17.00%	10.00%	3.00%
47	5.50%	20.00%	12.50%	16.00%	10.00%	3.00%
48	5.50%	20.00%	12.50%	16.00%	8.00%	3.00%
49	4.00%	18.00%	9.80%	16.00%	8.00%	3.00%
50	4.00%	15.00%	9.80%	16.00%	8.00%	3.00%
51	4.00%	14.00%	9.80%	15.00%	8.00%	3.00%
52	4.00%	14.00%	9.80%	15.00%	8.00%	3.00%
53	3.00%	14.00%	8.00%	15.00%	8.00%	3.00%
54	3.00%	16.00%	8.00%	5.70%	8.00%	3.00%
55	3.00%	16.00%	8.00%	13.40%	8.00%	0.00%
56	2.00%	20.00%	8.00%	5.00%	7.00%	0.00%
57	2.00%	20.00%	8.00%	5.00%	7.00%	0.00%
58	2.00%	20.00%	8.00%	5.00%	7.00%	0.00%
59	2.00%	20.00%	8.00%	5.00%	5.00%	0.00%
60	2.00%	20.00%	8.00%	5.00%	5.00%	0.00%
61	2.00%	4.00%	8.00%	5.00%	5.00%	0.00%
62	2.00%	4.00%	8.00%	5.00%	5.00%	0.00%
63	1.75%	4.00%	8.00%	5.00%	5.00%	0.00%
64	1.75%	4.00%	8.00%	5.00%	5.00%	0.00%
65	1.75%	4.00%	8.00%	5.00%	5.00%	0.00%
66	1.75%	4.00%	8.00%	5.00%	5.00%	0.00%
67	1.75%	4.00%	8.00%	5.00%	5.00%	0.00%
68	1.75%	4.00%	8.00%	5.00%	5.00%	0.00%
69	1.75%	4.00%	8.00%	5.00%	5.00%	0.00%
70	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

EXHIBIT 2-3 WITHDRAWAL RATES

Years of Service	PRFS
0	7.107%
1	4.974%
2	3.305%
3	2.203%
4	1.557%
5	1.175%
6	0.941%
7	0.792%
8	0.695%
9	0.622%
10	0.550%
11	0.474%
12	0.402%
13	0.345%
14	0.303%
15	0.277%
16	0.254%
17	0.233%
18	0.221%
19	0.221%
20	0.221%
21	0.221%
22	0.221%
23	0.221%
24	0.221%
25	0.221%
26	0.221%
27	0.221%
28	0.221%
29	0.221%
30	0.221%
31	0.221%
32	0.221%
33	0.221%
34	0.221%
35	0.221%
36	0.221%
37	0.221%
38	0.221%
39	0.221%
41	0.221%
42	0.221%
43	0.221%
44	0.221%
45	0.221%
46	0.221%
47	0.221%
48	0.221%
49	0.221%
50	0.221%

EXHIBIT 2-3 WITHDRAWAL RATES

Age	Campus - ORD											
	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	
15	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
16	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
17	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
18	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
19	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
20	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
21	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
22	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
23	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
24	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
25	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
26	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
27	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
28	19.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	24.0%	24.0%	22.0%	15.0%
29	19.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	24.0%	22.0%	15.0%
30	19.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	24.0%	22.0%	13.0%
31	19.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	24.0%	22.0%	13.0%
32	17.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	24.0%	22.0%	13.0%
33	17.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	24.0%	22.0%	13.0%
34	17.0%	28.0%	28.0%	28.0%	28.0%	24.0%	24.0%	25.0%	26.0%	24.0%	22.0%	13.0%
35	14.0%	28.0%	28.0%	28.0%	28.0%	24.0%	24.0%	25.0%	26.0%	24.0%	22.0%	13.0%
36	14.0%	28.0%	28.0%	28.0%	28.0%	24.0%	24.0%	25.0%	26.0%	24.0%	22.0%	13.0%
37	14.0%	28.0%	28.0%	28.0%	28.0%	24.0%	24.0%	25.0%	26.0%	24.0%	17.0%	13.0%
38	14.0%	28.0%	28.0%	28.0%	28.0%	24.0%	24.0%	25.0%	26.0%	22.0%	17.0%	13.0%
39	14.0%	28.0%	28.0%	28.0%	28.0%	21.0%	21.0%	25.0%	21.0%	21.0%	17.0%	13.0%
40	14.0%	28.0%	28.0%	28.0%	28.0%	21.0%	21.0%	21.0%	21.0%	21.0%	17.0%	13.0%
41	14.0%	28.0%	28.0%	28.0%	28.0%	21.0%	21.0%	21.0%	21.0%	21.0%	17.0%	13.0%
42	22.0%	28.0%	28.0%	28.0%	28.0%	21.0%	21.0%	21.0%	21.0%	21.0%	17.0%	13.0%
43	22.0%	28.0%	28.0%	28.0%	28.0%	21.0%	21.0%	21.0%	21.0%	21.0%	17.0%	13.0%
44	22.0%	28.0%	28.0%	28.0%	28.0%	21.0%	21.0%	21.0%	21.0%	21.0%	17.0%	13.0%
45	22.0%	26.0%	26.0%	25.0%	21.0%	21.0%	21.0%	20.0%	21.0%	19.0%	13.0%	13.0%
46	22.0%	26.0%	26.0%	25.0%	21.0%	21.0%	21.0%	20.0%	21.0%	19.0%	13.0%	13.0%
47	22.0%	26.0%	26.0%	25.0%	21.0%	21.0%	21.0%	20.0%	21.0%	19.0%	13.0%	13.0%
48	22.0%	26.0%	26.0%	25.0%	21.0%	22.0%	20.0%	21.0%	19.0%	13.0%	13.0%	13.0%
49	22.0%	26.0%	26.0%	25.0%	21.0%	22.0%	20.0%	21.0%	19.0%	13.0%	13.0%	13.0%
50	22.0%	26.0%	26.0%	25.0%	21.0%	22.0%	20.0%	21.0%	19.0%	13.0%	13.0%	13.0%
51	22.0%	26.0%	26.0%	25.0%	21.0%	22.0%	20.0%	21.0%	19.0%	13.0%	13.0%	13.0%
52	22.0%	26.0%	26.0%	25.0%	21.0%	22.0%	20.0%	21.0%	19.0%	10.0%	12.0%	12.0%
53	22.0%	26.0%	26.0%	25.0%	21.0%	22.0%	20.0%	21.0%	19.0%	10.0%	12.0%	12.0%
54	22.0%	26.0%	26.0%	26.0%	21.0%	22.0%	20.0%	23.0%	19.0%	10.0%	10.0%	12.0%
55	22.0%	26.0%	26.0%	26.0%	21.0%	22.0%	20.0%	23.0%	19.0%	10.0%	10.0%	0.0%
56	22.0%	26.0%	26.0%	26.0%	21.0%	22.0%	20.0%	23.0%	19.0%	10.0%	10.0%	0.0%
57	21.0%	21.0%	21.0%	20.0%	21.0%	22.0%	21.0%	20.0%	19.0%	10.0%	10.0%	0.0%
58	21.0%	21.0%	21.0%	20.0%	21.0%	22.0%	21.0%	20.0%	19.0%	10.0%	10.0%	0.0%
59	21.0%	21.0%	21.0%	20.0%	21.0%	22.0%	21.0%	20.0%	19.0%	10.0%	10.0%	0.0%
60	19.0%	21.0%	21.0%	20.0%	21.0%	22.0%	21.0%	20.0%	19.0%	10.0%	10.0%	0.0%
61	19.0%	21.0%	21.0%	13.0%	21.0%	22.0%	21.0%	13.0%	13.0%	10.0%	10.0%	0.0%
62	19.0%	21.0%	21.0%	13.0%	21.0%	22.0%	21.0%	13.0%	13.0%	10.0%	10.0%	0.0%
63	19.0%	17.0%	17.0%	13.0%	21.0%	20.0%	21.0%	13.0%	13.0%	10.0%	10.0%	0.0%
64	19.0%	17.0%	17.0%	13.0%	21.0%	20.0%	21.0%	13.0%	13.0%	10.0%	10.0%	0.0%
65	19.0%	17.0%	17.0%	13.0%	21.0%	20.0%	20.0%	13.0%	13.0%	10.0%	10.0%	0.0%
66	19.0%	17.0%	17.0%	13.0%	21.0%	20.0%	20.0%	13.0%	13.0%	10.0%	10.0%	0.0%
67	19.0%	17.0%	17.0%	13.0%	21.0%	20.0%	20.0%	13.0%	13.0%	10.0%	10.0%	0.0%
68	19.0%	17.0%	17.0%	13.0%	21.0%	20.0%	20.0%	13.0%	13.0%	10.0%	10.0%	0.0%
69	19.0%	17.0%	17.0%	13.0%	21.0%	20.0%	20.0%	13.0%	13.0%	10.0%	10.0%	0.0%
70	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

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	7 Years of Service	8 Years of Service	9 Years of Service	At least 10 Years of Service
20	25.4275%	16.5892%	11.6327%	9.4647%	5.7858%	3.5354%	2.0319%	1.1763%	1.0924%	0.7796%	0.8873%
21	25.4275%	13.9607%	11.6327%	9.4647%	5.7858%	3.5354%	2.0319%	1.1763%	1.0924%	0.7796%	0.8873%
22	25.8777%	12.6464%	11.6327%	9.4647%	5.7858%	3.5354%	2.0319%	1.1763%	1.0924%	0.7796%	0.8873%
23	26.7780%	12.4274%	11.6327%	9.4647%	5.7858%	3.5354%	2.0319%	1.1763%	1.0924%	0.7796%	0.8873%
24	28.1285%	13.3035%	11.9082%	8.8647%	5.7858%	3.5354%	2.0319%	1.1763%	1.0924%	0.7796%	0.8873%
25	29.4790%	16.8083%	12.4171%	8.1761%	5.7858%	3.5354%	2.0319%	1.1763%	1.0924%	0.7796%	0.8873%
26	30.8295%	18.5606%	12.8845%	7.7761%	5.7858%	3.6379%	2.0319%	1.1763%	1.1922%	0.7796%	0.8873%
27	31.9549%	19.4368%	13.1962%	8.0715%	5.9296%	3.6635%	2.0319%	1.1763%	1.2975%	0.7796%	0.8873%
28	32.5176%	19.6558%	13.4039%	8.3668%	6.1071%	3.6892%	2.0319%	1.1763%	1.3931%	0.7796%	0.8873%
29	32.8927%	19.4368%	13.5424%	8.6621%	6.4622%	3.7533%	2.1368%	1.2912%	1.4537%	0.7796%	0.8873%
30	33.0803%	19.0091%	13.6168%	8.9575%	6.8227%	4.0481%	2.5825%	1.9809%	1.5106%	0.7796%	0.8873%
31	32.2070%	18.7568%	13.1286%	9.3049%	6.9540%	4.3533%	3.1397%	2.2317%	1.5955%	0.7796%	0.8873%
32	31.3337%	18.5045%	12.5654%	9.6523%	7.0854%	4.6585%	3.6969%	2.3571%	1.8078%	0.7796%	0.8873%
33	30.4605%	18.2523%	12.3777%	9.9997%	7.2167%	4.9638%	3.9754%	2.3884%	2.0201%	0.8513%	0.8873%
34	29.5872%	18.0000%	12.6812%	10.3470%	7.3481%	5.2690%	4.1147%	2.3963%	2.2323%	1.1216%	0.8873%
35	28.7140%	17.7477%	13.3047%	10.5207%	7.4794%	5.5742%	4.1993%	2.3963%	2.3738%	1.5946%	0.8508%
36	28.6690%	17.1821%	13.8075%	10.4196%	7.7092%	6.0321%	4.1209%	2.3963%	2.4021%	1.9585%	0.8299%
37	28.6241%	16.6165%	13.5561%	10.1447%	7.6326%	6.4899%	4.0425%	2.3963%	2.4163%	2.0908%	0.8091%
38	28.5791%	16.0509%	13.0616%	9.8699%	7.5560%	6.7189%	3.9641%	2.5293%	2.4233%	2.1664%	0.7882%
39	28.5342%	15.4853%	13.0202%	9.5950%	7.4219%	6.7761%	3.8857%	3.4440%	2.4269%	2.1916%	0.7673%
40	28.4892%	15.2025%	12.9787%	9.3202%	6.9959%	6.7904%	3.8073%	3.7085%	2.5711%	2.1664%	0.7464%
41	28.9068%	15.2732%	13.2358%	9.4006%	6.7933%	6.4863%	3.5133%	3.7747%	2.7438%	2.1286%	0.7534%
42	29.3244%	15.6266%	13.4928%	9.4810%	6.6920%	5.7260%	3.3664%	3.7747%	2.9166%	2.0625%	0.7638%
43	29.7420%	15.9800%	13.7499%	9.5614%	6.5907%	5.3458%	3.5133%	3.7747%	3.0893%	1.8971%	0.7795%
44	30.1596%	16.3334%	14.0070%	9.6418%	6.4894%	5.2983%	3.8073%	3.7747%	3.2620%	1.6781%	0.8147%
45	30.3684%	16.6868%	14.2640%	8.6769%	6.3881%	5.2698%	4.5610%	3.7747%	3.3484%	1.5314%	0.8659%
46	29.7917%	16.9216%	14.2902%	7.7120%	6.4110%	5.4366%	5.3147%	3.7747%	3.2404%	1.4047%	0.8915%
47	29.0062%	17.1564%	14.3164%	7.3904%	6.7541%	5.5072%	6.0684%	3.7747%	2.9166%	1.4943%	0.9043%
48	28.2207%	17.3912%	14.3426%	7.7120%	7.0973%	5.7785%	6.4453%	3.8438%	2.7546%	2.0435%	0.9106%
49	27.4352%	17.6260%	14.3687%	9.2398%	7.2689%	5.9956%	6.5709%	4.2311%	2.8356%	2.2630%	0.9170%
50	26.6497%	17.8609%	14.3949%	9.9585%	7.2689%	6.1041%	6.5709%	4.4893%	3.2404%	2.3728%	0.9227%
51	25.8643%	17.8609%	14.4211%	10.6772%	7.2689%	6.1041%	6.5709%	4.5754%	3.6452%	2.3728%	0.9227%
52	25.0788%	17.8609%	14.4211%	11.0366%	7.2689%	6.1041%	6.5709%	4.7475%	3.7465%	2.3728%	0.9227%
53	24.6860%	17.8609%	14.4211%	11.0366%	7.2689%	6.1041%	6.5709%	4.8336%	3.7754%	2.3728%	0.9227%
54	24.6860%	17.8609%	14.4211%	11.0366%	7.2689%	6.1041%	6.5709%	5.1133%	3.7754%	2.3728%	0.9227%

EXHIBIT 2-3 WITHDRAWAL RATES

Age	TRS-Female										
	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	22.1624%	11.1743%	10.0290%	5.9871%	7.9156%	5.7015%	4.1279%	3.0151%	3.7037%	2.2766%	1.9527%
21	22.2584%	10.2302%	10.0290%	5.9871%	7.9156%	5.7015%	4.1279%	3.0151%	3.7037%	2.2766%	1.9527%
22	22.7539%	10.0414%	10.0290%	5.9871%	7.9156%	5.7015%	4.1279%	3.0151%	3.7037%	2.2766%	1.9527%
23	24.1991%	10.7967%	10.0290%	5.9871%	7.9156%	5.7015%	4.1279%	3.0151%	3.7037%	2.2766%	1.9527%
24	30.6350%	13.0625%	10.0290%	5.9474%	7.9156%	5.7015%	4.1279%	3.0151%	3.7037%	2.2766%	1.9527%
25	33.2325%	17.5943%	10.2290%	6.4680%	4.2156%	5.1015%	4.0469%	3.0151%	3.7037%	2.2766%	1.9527%
26	35.3217%	18.9852%	10.6684%	7.2489%	4.8382%	4.7684%	3.9012%	3.0151%	3.7037%	2.2766%	1.9527%
27	36.0933%	19.8520%	12.7538%	8.0297%	5.1495%	3.9255%	3.7846%	3.0151%	3.7037%	2.2766%	1.9527%
28	36.0817%	20.2853%	14.1441%	8.8106%	5.4608%	4.2029%	3.7458%	3.0151%	3.5810%	2.2766%	1.9527%
29	35.4235%	20.5020%	14.1602%	9.5915%	5.7721%	4.8963%	3.9012%	3.1232%	3.2407%	2.2766%	1.9527%
30	34.6747%	20.2316%	13.9988%	9.9819%	7.3286%	5.3123%	4.2120%	3.3722%	2.9005%	2.2766%	1.9527%
31	34.3752%	19.9612%	13.6830%	10.6115%	7.6094%	6.0404%	5.1611%	3.6984%	2.9725%	2.4035%	1.9527%
32	33.5848%	19.5888%	13.3673%	10.9263%	7.8901%	6.7684%	5.6356%	4.0686%	3.2607%	2.6574%	1.9527%
33	32.7944%	19.2164%	13.0516%	11.2411%	8.1709%	7.1845%	5.8505%	4.3387%	3.5489%	2.7589%	1.9527%
34	32.0040%	18.8440%	12.7358%	11.3290%	8.4516%	7.2885%	6.0654%	4.5088%	3.8371%	3.0635%	1.9527%
35	31.2137%	18.1656%	12.4201%	11.3729%	8.7323%	7.3130%	6.1088%	4.6793%	3.9811%	3.3681%	1.8793%
36	30.4496%	17.4543%	12.2312%	11.0640%	8.6076%	7.0552%	5.8894%	4.8497%	4.0833%	3.5204%	1.7327%
37	29.6856%	16.7429%	12.0422%	10.5598%	8.4828%	6.7974%	5.6701%	4.8838%	4.0413%	3.4443%	1.5860%
38	28.9215%	16.0316%	11.8533%	10.0557%	8.2956%	6.5396%	5.4507%	4.9179%	3.9994%	3.3681%	1.4393%
39	28.1575%	15.3202%	11.6644%	9.5515%	8.0149%	6.2819%	5.2314%	4.9213%	3.9574%	3.1777%	1.2192%
40	27.3935%	14.6089%	11.4754%	9.2994%	7.3750%	6.0241%	5.0120%	4.9359%	3.9155%	3.0254%	1.1459%
41	26.9779%	14.4793%	11.1172%	9.1252%	7.4162%	5.9860%	4.8675%	4.4929%	3.7437%	3.0242%	1.1182%
42	26.5623%	14.3498%	10.7590%	9.2030%	7.4575%	5.9479%	4.7230%	4.0499%	3.5718%	3.0230%	1.0905%
43	26.1467%	14.2203%	10.4009%	9.2809%	7.4987%	5.9098%	4.5785%	3.6070%	3.4000%	3.0218%	1.0628%
44	25.7311%	14.0908%	10.0427%	9.3587%	7.5400%	5.8717%	4.4339%	3.5516%	3.2282%	3.0207%	1.0351%
45	25.3155%	14.0260%	9.8636%	9.4366%	7.5812%	5.8336%	4.3617%	3.8284%	3.0564%	3.0195%	1.0074%
46	25.7124%	14.2616%	9.9349%	9.5174%	7.4383%	5.8048%	4.4604%	3.8381%	3.0284%	2.9256%	0.9941%
47	26.7047%	14.3794%	10.1854%	9.5983%	7.2954%	5.7761%	4.6315%	3.8478%	3.0004%	2.8317%	0.9808%
48	27.6970%	14.7033%	10.4358%	9.6791%	7.1525%	5.7474%	4.8025%	3.8574%	2.9724%	2.7377%	0.9675%
49	28.6893%	15.1626%	10.6862%	9.7600%	7.0096%	5.7187%	4.9735%	3.8671%	2.9444%	2.6438%	0.9542%
50	29.6815%	15.4630%	10.9367%	9.8408%	6.8667%	5.6900%	5.1446%	3.8767%	2.9164%	2.5499%	0.9409%
51	29.9296%	15.7633%	11.1871%	9.8408%	6.7238%	5.6900%	5.1446%	3.8767%	2.9164%	2.5499%	0.9409%
52	29.9296%	16.0636%	11.1871%	9.8408%	6.7238%	5.6900%	5.1446%	3.8767%	2.9164%	2.5499%	0.9409%
53	29.9296%	16.2138%	11.1871%	9.8408%	6.7238%	5.6900%	5.1446%	3.8767%	2.9164%	2.5499%	0.9409%
54	29.9296%	16.2138%	11.1871%	9.8408%	6.7238%	5.6900%	5.1446%	3.8767%	2.9164%	2.5499%	0.9409%

EXHIBIT 2-4 DISABILITY RATES

Age	ERS			PFRS		TRS	
	Accidental Disability Tiers 1 & 2	Accidental Disability Tiers 3, 4, 5	All Other Disability	Accidental Disability*	All Other Disability	Male Disability **	Female Disability **
15	0.020%	0.001%	0.049%	0.053%	0.047%		
16	0.020%	0.001%	0.049%	0.053%	0.047%		
17	0.020%	0.001%	0.049%	0.053%	0.047%		
18	0.020%	0.001%	0.049%	0.053%	0.047%		
19	0.020%	0.001%	0.049%	0.053%	0.047%		
20	0.020%	0.001%	0.049%	0.053%	0.047%		
21	0.020%	0.001%	0.049%	0.053%	0.047%		
22	0.020%	0.001%	0.049%	0.053%	0.047%		
23	0.020%	0.001%	0.049%	0.053%	0.047%		
24	0.020%	0.001%	0.049%	0.053%	0.047%		
25	0.020%	0.001%	0.049%	0.053%	0.047%		
26	0.020%	0.001%	0.049%	0.053%	0.047%		
27	0.020%	0.001%	0.049%	0.053%	0.047%		
28	0.020%	0.001%	0.049%	0.056%	0.047%		
29	0.020%	0.001%	0.049%	0.060%	0.047%		
30	0.020%	0.001%	0.049%	0.065%	0.047%	0.0003%	0.0005%
31	0.020%	0.001%	0.049%	0.087%	0.047%	0.0008%	0.0008%
32	0.020%	0.001%	0.055%	0.114%	0.047%	0.0015%	0.0010%
33	0.020%	0.001%	0.065%	0.146%	0.047%	0.0024%	0.0037%
34	0.020%	0.001%	0.077%	0.181%	0.047%	0.0040%	0.0076%
35	0.020%	0.003%	0.087%	0.219%	0.047%	0.0062%	0.0098%
36	0.020%	0.004%	0.095%	0.261%	0.047%	0.0091%	0.0102%
37	0.020%	0.004%	0.099%	0.303%	0.047%	0.0126%	0.0105%
38	0.020%	0.004%	0.101%	0.345%	0.047%	0.0164%	0.0126%
39	0.020%	0.004%	0.103%	0.386%	0.047%	0.0196%	0.0159%
40	0.020%	0.004%	0.108%	0.424%	0.038%	0.0226%	0.0214%
41	0.020%	0.004%	0.119%	0.464%	0.032%	0.0245%	0.0274%
42	0.020%	0.004%	0.137%	0.507%	0.029%	0.0278%	0.0310%
43	0.020%	0.004%	0.160%	0.555%	0.031%	0.0330%	0.0376%
44	0.020%	0.004%	0.185%	0.610%	0.037%	0.0398%	0.0452%
45	0.020%	0.005%	0.212%	0.666%	0.047%	0.0470%	0.0501%
46	0.020%	0.005%	0.240%	0.714%	0.059%	0.0530%	0.0522%
47	0.020%	0.006%	0.270%	0.747%	0.073%	0.0569%	0.0568%
48	0.020%	0.006%	0.299%	0.758%	0.079%	0.0611%	0.0666%
49	0.020%	0.006%	0.326%	0.763%	0.086%	0.0707%	0.0818%
50	0.020%	0.005%	0.348%	0.762%	0.092%	0.0889%	0.0986%
51	0.020%	0.005%	0.364%	0.758%	0.100%	0.1091%	0.1187%
52	0.020%	0.005%	0.374%	0.754%	0.108%	0.1190%	0.1325%
53	0.020%	0.004%	0.404%	0.751%	0.116%	0.1250%	0.1380%
54	0.020%	0.004%	4.370%	0.748%	0.126%	0.1225%	0.1375%
55	0.015%	0.003%	0.472%	0.745%	0.136%		
56	0.015%	0.002%	0.509%	0.743%	0.147%		
57	0.015%	0.002%	0.550%	0.742%	0.158%		
58	0.015%	0.001%	0.594%	0.742%	0.171%		
59	0.015%	0.001%	0.642%	0.742%	0.185%		
60	0.015%	0.001%	0.693%	0.742%	0.200%		
61	0.015%	0.001%	0.748%	0.742%	0.216%		
62	0.015%	0.001%	0.808%	0.742%	0.233%		
63	0.015%	0.001%	0.873%	0.742%	0.251%		
64	0.015%	0.001%	0.943%	0.742%	0.272%		
65	0.015%	0.001%	1.018%	0.742%	0.293%		
66	0.015%	0.001%	1.100%	0.742%	0.317%		
67	0.015%	0.001%	1.188%	0.742%	0.342%		
68	0.015%	0.001%	1.283%	0.742%	0.369%		
69	0.015%	0.001%	1.385%	0.742%	0.399%		
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

Age	ERS – Tier 1 Years of Service			Age	ERS Tiers 2, 3 & 4 Years of Service		
	<20	20-29.99	> = 30		<20	20-29.99	> = 30
55	16.985%	34.977%	77.499%	55	5.709%	9.699%	49.644%
56	9.286%	13.929%	26.808%	56	3.790%	5.833%	18.949%
57	7.541%	11.619%	23.320%	57	3.798%	6.138%	19.353%
58	9.055%	12.956%	21.587%	58	4.130%	6.845%	18.667%
59	10.371%	15.469%	21.164%	59	4.706%	7.568%	20.626%
60	10.331%	17.394%	21.365%	60	5.402%	8.467%	21.232%
61	13.785%	21.229%	24.184%	61	8.467%	18.948%	25.166%
62	19.152%	34.528%	35.390%	62	14.854%	37.678%	34.932%
63	15.155%	25.017%	23.024%	63	11.136%	24.518%	26.016%
64	17.236%	29.052%	23.115%	64	12.653%	24.300%	22.955%
65	22.845%	29.262%	26.254%	65	16.595%	28.931%	22.940%
66	23.898%	31.788%	26.292%	66	18.398%	32.495%	26.979%
67	19.844%	28.362%	22.238%	67	16.206%	27.929%	25.803%
68	15.865%	31.095%	20.547%	68	15.145%	27.447%	22.906%
69	19.512%	26.244%	18.605%	69	15.375%	26.557%	24.605%
70	100.000%	100.000%	100.000%	70	100.000%	100.000%	100.000%

Age	ERS – Tier 5 Years of Service			Age	ERS-Tier 6 Years of Service		
	<20	20-29.99	> = 30		<20	20-29.99	> = 30
55	4.567%	7.759%	9.699%	55	4.567%	7.759%	9.699%
56	3.032%	4.666%	5.833%	56	3.032%	4.666%	5.833%
57	3.038%	4.910%	6.138%	57	3.038%	4.910%	6.138%
58	3.304%	5.476%	6.845%	58	3.304%	5.476%	6.845%
59	3.765%	6.054%	7.568%	59	3.765%	6.054%	7.568%
60	4.322%	6.774%	8.467%	60	4.322%	6.774%	8.467%
61	6.774%	15.158%	18.948%	61	6.774%	15.158%	18.948%
62	34.854%	47.678%	42.932%	62	9.854%	17.678%	27.678%
63	11.136%	24.518%	26.016%	63	36.136%	54.518%	35.016%
64	12.653%	24.300%	22.955%	64	12.653%	24.300%	22.955%
65	16.595%	28.931%	22.940%	65	16.595%	28.931%	22.940%
66	18.398%	32.495%	26.979%	66	18.398%	32.495%	26.979%
67	16.206%	27.929%	25.803%	67	16.206%	27.929%	25.803%
68	15.145%	27.447%	22.906%	68	15.145%	27.447%	22.906%
69	15.375%	26.557%	24.605%	69	15.375%	26.557%	24.605%
70	100.000%	100.000%	100.000%	70	100.000%	100.000%	100.000%

EXHIBIT 2-5 RETIREMENT RATES

Age	PFRS – Tier 1 Years of Service			Age	PFRS Tiers 2+ Years of Service		
	<20	20-29.99	> = 30		<20	20-29.99	> = 30
55	16.9850%	34.9770%	77.4990%	55	16.9850%	34.9770%	34.9770%
56	9.2860%	13.9290%	26.8080%	56	9.2860%	13.9290%	13.9290%
57	7.5410%	11.6190%	23.3200%	57	7.5410%	11.6190%	11.6190%
58	9.0550%	12.9560%	21.5870%	58	9.0550%	12.9560%	12.9560%
59	10.3710%	15.4690%	21.1640%	59	10.3710%	15.4690%	15.4690%
60	10.3310%	17.3940%	21.3650%	60	10.3310%	17.3940%	17.3940%
61	13.7850%	21.2290%	24.1840%	61	13.7850%	21.2290%	21.2290%
62	19.1520%	34.5280%	35.3900%	62	19.1520%	34.5280%	34.5280%
63	15.1550%	25.0170%	23.0240%	63	15.1550%	25.0170%	25.0170%
64	17.2360%	29.0520%	23.1150%	64	17.2360%	29.0520%	29.0520%
65	22.8450%	29.2620%	26.2540%	65	22.8450%	29.2620%	29.2620%
66	23.8980%	31.7880%	26.2920%	66	23.8980%	31.7880%	31.7880%
67	19.8440%	28.3620%	22.2380%	67	19.8440%	28.3620%	28.3620%
68	15.8650%	31.0950%	20.5470%	68	15.8650%	31.0950%	31.0950%
69	19.5120%	26.2440%	18.6050%	69	19.5120%	26.2440%	26.2440%
70	100.0000%	100.0000%	100.0000%	70	100.000%	100.000%	100.000%

Age	Campus- OPD Gender	
	Male	Female
55	14.9660%	42.3520%
56	15.6730%	6.8110%
57	13.7650%	11.3590%
58	14.1260%	15.3500%
59	8.7310%	14.7200%
60	15.9830%	32.1530%
61	9.1370%	7.2390%
62	23.2370%	45.4750%
63	30.2020%	33.5850%
64	25.3080%	23.1600%
65	37.7420%	53.2100%
66	80.4840%	74.4940%
67	71.5000%	78.2187%
68	45.7670%	82.1296%
69	53.2900%	86.2361%
70	100.0000%	100.0000%

EXHIBIT 2-5 RETIREMENT RATES

Age	Stony Brook Hospital and Brooklyn Hospital Years of Service			Age	Syracuse Hospital Years of Service		
	<20	20-29.99	> = 30		<20	20-29.99	> = 30
55	3.638%	6.021%	11.535%	55	3.280%	8.177%	45.994%
56	2.598%	3.479%	7.116%	56	2.667%	6.296%	20.528%
57	0.749%	2.088%	16.905%	57	5.452%	11.468%	23.624%
58	3.227%	4.447%	10.315%	58	6.580%	14.904%	10.557%
59	1.988%	3.078%	9.547%	59	4.765%	4.257%	16.795%
60	3.316%	4.060%	7.418%	60	6.750%	15.016%	18.350%
61	3.506%	1.826%	15.485%	61	17.361%	1.192%	16.334%
62	16.651%	27.625%	19.936%	62	35.591%	37.295%	57.204%
63	10.340%	5.067%	17.625%	63	22.540%	19.553%	42.265%
64	16.173%	11.397%	25.838%	64	29.289%	23.624%	42.265%
65	17.935%	16.318%	33.333%	65	47.777%	29.289%	13.397%
66	19.936%	52.860%	51.962%	66	47.777%	62.204%	39.706%
67	35.242%	8.974%	15.485%	67	13.397%	42.265%	29.289%
68	18.350%	57.360%	46.548%	68	29.289%	21.250%	20.472%
69	24.407%	10.557%	45.870%	69	29.289%	21.250%	20.472%
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%	28.858%
26	22.135%	20.282%
27	22.418%	15.548%
28	21.834%	14.194%
29	20.314%	14.808%
30	18.023%	15.703%
31	15.638%	15.953%
32	15.787%	15.952%
33	18.173%	16.334%
34	20.559%	17.794%
35	23.067%	20.875%
36	27.093%	25.848%
37	33.205%	32.815%
38	38.247%	32.815%
39	39.053%	32.815%
40	39.053%	32.815%
41	39.053%	32.815%
42	39.053%	32.815%
43	39.053%	32.815%
44	39.053%	32.815%
45	39.053%	32.815%
46	39.053%	32.815%
47	39.053%	32.815%
48	39.053%	32.815%
49	39.053%	32.815%
50	100.000%	100.000%

EXHIBIT 2-5
EXHIBIT 2-5 RETIREMENT RATES

Age	TRS					
	Tier 1		Tiers 2, 3, 4, SVC<30		Tiers 2, 3, 4, SVC=30+	
	Males	Females	Males	Females	Males	Females
55	30.6695%	31.3992%	3.1965%	3.4565%	30.6695%	31.3992%
56	28.0779%	28.8116%	3.1782%	3.5761%	28.0779%	28.8116%
57	25.2448%	26.9473%	3.6262%	4.1750%	25.2448%	26.9473%
58	25.9437%	26.1016%	4.3899%	4.6349%	25.9437%	26.1016%
59	28.6545%	26.8785%	5.6398%	6.0339%	28.6545%	26.8785%
60	31.1011%	27.9410%	6.3578%	7.0415%	31.1011%	27.9410%
61	32.0232%	27.7166%	7.2217%	8.2590%	32.0232%	27.7166%
62	27.0303%	25.7157%	27.0303%	25.7157%	27.0303%	25.7157%
63	22.9352%	23.2947%	22.9352%	23.2947%	22.9352%	23.2947%
64	20.6863%	21.9224%	20.6863%	21.9224%	20.6863%	21.9224%
65	20.9678%	23.8272%	20.9678%	23.8272%	20.9678%	23.8272%
66	21.7437%	24.4523%	21.7437%	24.4523%	21.7437%	24.4523%
67	21.6934%	23.6791%	21.6934%	23.6791%	21.6934%	23.6791%
68	20.8294%	22.0367%	20.8294%	22.0367%	20.8294%	22.0367%
69	18.7086%	23.0935%	18.7086%	23.0935%	18.7086%	23.0935%
70	16.3555%	22.9295%	16.3555%	22.9295%	16.3555%	22.9295%
71	14.6721%	21.2056%	14.6721%	21.2056%	14.6721%	21.2056%
72	16.9602%	18.0451%	16.9602%	18.0451%	16.9602%	18.0451%
73	16.7377%	18.3107%	16.7377%	18.3107%	16.7377%	18.3107%
74	16.4226%	19.2125%	16.4226%	19.2125%	16.4226%	19.2125%
75	13.3890%	19.0633%	13.3890%	19.0633%	13.3890%	19.0633%
76	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%

Age	TRS					
	Tier 5, SVC<30		Tier 5, SVC=30+		Tier 6	
	Males	Females	Males	Females	Males	Females
55	1.5983%	1.7283%	1.5983%	1.7283%	1.5983%	1.7283%
56	1.5891%	1.7881%	1.5891%	1.7881%	1.5891%	1.7881%
57	1.8131%	2.0875%	30.6695%	31.3992%	1.8131%	2.0875%
58	2.1950%	2.3175%	28.0779%	28.8116%	2.1950%	2.3175%
59	2.8199%	3.0170%	25.2448%	26.9473%	2.8199%	3.0170%
60	3.1789%	3.5208%	25.9437%	26.1016%	3.1789%	3.5208%
61	3.6109%	4.1295%	28.6545%	26.8785%	3.6109%	4.1295%
62	27.0303%	25.7157%	27.0303%	25.7157%	3.9942%	4.6683%
63	22.9352%	23.2947%	22.9352%	23.2947%	30.6695%	31.3992%
64	20.6863%	21.9224%	20.6863%	21.9224%	28.0779%	28.8116%
65	20.9678%	23.8272%	20.9678%	23.8272%	25.2448%	26.9473%
66	21.7437%	24.4523%	21.7437%	24.4523%	25.9437%	26.1016%
67	21.6934%	23.6791%	21.6934%	23.6791%	28.6545%	26.8785%
68	20.8294%	22.0367%	20.8294%	22.0367%	31.1011%	27.9410%
69	18.7086%	23.0935%	18.7086%	23.0935%	32.0232%	27.7166%
70	16.3555%	22.9295%	16.3555%	22.9295%	27.0303%	25.7157%
71	14.6721%	21.2056%	14.6721%	21.2056%	22.9352%	23.2947%
72	16.9602%	18.0451%	16.9602%	18.0451%	20.6863%	21.9224%
73	16.7377%	18.3107%	16.7377%	18.3107%	20.9678%	23.8272%
74	16.4226%	19.2125%	16.4226%	19.2125%	21.7437%	24.4523%
75	13.3890%	19.0633%	13.3890%	19.0633%	21.6934%	23.6791%
76	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%

EXHIBIT 2-6 SALARY SCALE

Service	ERS	PFRS
0	8.00%	27.00%
1	8.00%	27.00%
2	7.00%	13.50%
3	6.00%	11.50%
4	5.00%	9.50%
5	4.50%	7.50%
6	4.20%	5.30%
7	4.10%	4.40%
8	4.00%	4.30%
9	3.90%	4.20%
10	3.80%	4.10%
11	3.70%	4.00%
12	3.60%	3.90%
13	3.50%	3.80%
14	3.40%	3.70%
15	3.30%	3.60%
16	3.20%	3.50%
17	3.10%	3.40%
18	3.00%	3.30%
19	3.00%	3.30%
20	3.00%	3.30%
21	3.00%	3.30%
22	3.00%	3.30%
23	3.00%	3.30%
24	3.00%	3.30%
25	3.00%	3.30%
26	3.00%	3.30%
27	3.00%	3.30%
28	3.00%	3.30%
29	3.00%	3.30%
30	3.00%	3.30%
31	3.00%	3.30%
32	3.00%	3.30%
33	3.00%	3.30%
34	3.00%	3.30%
35	3.00%	3.30%
36	3.00%	3.30%
37	3.00%	3.30%
38	3.00%	3.30%
39	3.00%	3.30%
40	3.00%	3.30%
41	3.00%	3.30%
42	3.00%	3.30%
43	3.00%	3.30%
44	3.00%	3.30%
45	3.00%	3.30%
46	3.00%	3.30%
47	3.00%	3.30%
48	3.00%	3.30%
49	3.00%	3.30%
50	3.00%	3.30%
51	3.00%	3.30%
52	3.00%	3.30%
53	3.00%	3.30%
54	3.00%	3.30%
55	3.00%	3.30%

EXHIBIT 2-6 SALARY SCALE

<u>Duration</u>	<u>TRS Rate</u>
1	10.00%
2	7.00%
3	6.06%
4	5.22%
5	4.72%
6	4.45%
7	4.31%
8	4.22%
9	4.15%
10	4.07%
11	3.98%
12	3.87%
13	3.75%
14	3.61%
15	3.46%
16	3.31%
17	3.17%
18	3.04%
19	2.93%
20	2.82%
21	2.72%
22	2.63%
23	2.54%
24	2.45%
25	2.37%
26	2.29%
27	2.22%
28	2.15%
29	2.10%
30	2.06%
31	2.02%
32	2.00%
33	1.95%
34	1.93%
35	1.90%
36	1.86%
37	1.80%
38	1.76%
39	1.76%

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 Health Care 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 health care 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.

Exhibit 3-1 Medical Trend Assumption as Adjusted for Excise Tax Computations

NYS Empire Plan

<u>Year</u>	<u>Adjusted Trend</u>				
	<u>Pre-65</u>		<u>Post-65</u>		<u>EGWP</u>
	<u>Med</u>	<u>RX</u>	<u>Med</u>	<u>RX</u>	
2016/17	6.75%	10.00%	5.30%	10.00%	5.00%
2017/18	6.25%	9.00%	5.20%	9.00%	5.00%
2018/19	5.75%	8.50%	5.10%	8.50%	5.00%
2019/20	5.50%	8.00%	5.00%	8.00%	5.00%
2020/21	5.25%	7.00%	4.90%	7.00%	5.00%
2021/22	5.00%	6.00%	4.80%	6.00%	5.00%
2022/23	5.00%	5.00%	4.80%	5.00%	4.75%
2023/24	4.75%	4.75%	4.75%	4.75%	4.75%
2024/25	4.75%	4.75%	4.75%	4.75%	4.75%
2025/26	4.75%	4.75%	4.75%	4.75%	4.75%
2026/27	4.75%	4.75%	4.75%	4.75%	4.75%
2027/28	4.75%	4.75%	4.75%	4.75%	4.75%
2028/29	4.75%	4.75%	4.75%	4.75%	4.75%
2029/30	4.75%	4.75%	4.75%	4.75%	4.75%
2030/31	4.75%	4.75%	4.75%	4.75%	4.75%
2031/32	4.75%	4.75%	4.75%	4.75%	4.75%
2032/33	4.75%	4.75%	4.75%	4.75%	4.75%
2033/34	4.75%	4.75%	4.75%	4.75%	4.75%
2034/35	4.75%	4.75%	4.75%	4.75%	4.75%
2035/36	4.75%	4.75%	4.75%	4.75%	4.75%
2036/37	4.75%	4.75%	4.75%	4.75%	4.75%
2037/38	5.25%	5.25%	5.05%	4.98%	4.75%
2038/39	5.45%	5.45%	5.15%	5.06%	4.75%
2039/40	5.45%	5.45%	5.15%	5.06%	4.75%
2040/41	5.55%	5.55%	5.35%	5.22%	4.75%
2041/42	5.55%	5.55%	5.65%	5.45%	4.75%
2042/43	5.55%	5.55%	5.55%	5.38%	4.75%
2043/44	5.55%	5.55%	5.55%	5.38%	4.75%
2044/45	5.55%	5.55%	5.55%	5.38%	4.75%
2045/46	5.45%	5.45%	5.55%	5.38%	4.75%

Exhibit 3-1 Medical Trend Assumption as Adjusted for Excise Tax Computations

NYS Empire Plan

<u>Year</u>	<u>Adjusted Trend</u>				
	<u>Pre-65</u>		<u>Post-65</u>		<u>EGWP</u>
	<u>Med</u>	<u>RX</u>	<u>Med</u>	<u>RX</u>	
2046/47	5.45%	5.45%	5.45%	5.30%	4.75%
2047/48	5.45%	5.45%	5.45%	5.30%	4.75%
2048/49	5.45%	5.45%	5.45%	5.30%	4.75%
2049/50	5.45%	5.45%	5.45%	5.30%	4.75%
2050/51	5.35%	5.35%	5.45%	5.30%	4.75%
2051/52	5.35%	5.35%	5.35%	5.23%	4.75%
2052/53	5.35%	5.35%	5.35%	5.23%	4.75%
2053/54	5.35%	5.35%	5.35%	5.23%	4.75%
2054/55	5.35%	5.35%	5.35%	5.23%	4.75%
2055/56	5.35%	5.35%	5.35%	5.23%	4.75%
2056/57	5.25%	5.25%	5.35%	5.23%	4.75%
2057/58	5.25%	5.25%	5.25%	5.15%	4.75%
2058/59	5.25%	5.25%	5.25%	5.15%	4.75%
2059/60	5.25%	5.25%	5.25%	5.15%	4.75%
2060/61	5.25%	5.25%	5.25%	5.15%	4.75%
2061/62	5.25%	5.25%	5.25%	5.15%	4.75%
2062/63	5.25%	5.25%	5.25%	5.15%	4.75%
2063/64	5.15%	5.15%	5.25%	5.15%	4.75%
2064/65	5.15%	5.15%	5.15%	5.07%	4.75%
2065/66	5.15%	5.15%	5.15%	5.07%	4.75%
2066/67	5.15%	5.15%	5.15%	5.07%	4.75%
2067/68	5.15%	5.15%	5.15%	5.07%	4.75%
2068/69	5.15%	5.15%	5.15%	5.07%	4.75%
2069/70	5.15%	5.15%	5.15%	5.07%	4.75%
2070/71	5.15%	5.15%	5.15%	5.07%	4.75%
2071/72	5.15%	5.15%	5.15%	5.07%	4.75%
2072/73	5.15%	5.15%	5.15%	5.07%	4.75%
2073/74	5.05%	5.05%	5.15%	5.07%	4.75%
2074/75	5.05%	5.05%	5.05%	4.99%	4.75%
2075/76	5.05%	5.05%	5.05%	4.99%	4.75%
2076/77	5.05%	5.05%	5.05%	4.99%	4.75%
2077/78	5.05%	5.05%	5.05%	4.99%	4.75%
2078/79	5.05%	5.05%	5.05%	4.99%	4.75%

Exhibit 3-1 Medical Trend Assumption as Adjusted for Excise Tax Computations

NYS Empire Plan

<u>Year</u>	<u>Adjusted Trend</u>				
	<u>Pre-65</u>		<u>Post-65</u>		<u>EGWP</u>
	<u>Med</u>	<u>RX</u>	<u>Med</u>	<u>RX</u>	
2079/80	5.05%	5.05%	5.05%	4.99%	4.75%
2080/81	5.05%	5.05%	5.05%	4.99%	4.75%
2081/82	5.05%	5.05%	5.05%	4.99%	4.75%
2082/83	5.05%	5.05%	5.05%	4.99%	4.75%
2083/84	5.05%	5.05%	5.05%	4.99%	4.75%
2084/85	5.05%	5.05%	5.05%	4.99%	4.75%
2085/86	5.05%	5.05%	5.05%	4.99%	4.75%
2086/87	5.05%	5.05%	5.05%	4.99%	4.75%
2087/88	4.95%	4.95%	5.05%	4.99%	4.75%
2088/89	4.95%	4.95%	4.95%	4.91%	4.75%
2089/90	4.95%	4.95%	4.95%	4.91%	4.75%
2090/91	4.95%	4.95%	4.95%	4.91%	4.75%
2091/92	4.95%	4.95%	4.95%	4.91%	4.75%
2092/93	4.95%	4.95%	4.95%	4.91%	4.75%
2093/94	4.95%	4.95%	4.95%	4.91%	4.75%
2094/95	4.95%	4.95%	4.95%	4.91%	4.75%
2095/96	4.95%	4.95%	4.95%	4.91%	4.75%
2096/97	4.95%	4.95%	4.95%	4.91%	4.75%
2097/98	4.95%	4.95%	4.95%	4.91%	4.75%
2098/99	4.95%	4.95%	4.95%	4.91%	4.75%
2099/100	4.95%	4.95%	4.95%	4.91%	4.75%

Exhibit 3-1 Medical Trend Assumption as Adjusted for Excise Tax Computations

NYS HMOs

<u>Year</u>	<u>Adjusted Trend</u>				
	<u>Pre-65</u>		<u>Post-65</u>		<u>EGWP</u>
	<u>Med</u>	<u>RX</u>	<u>Med</u>	<u>RX</u>	
2016/17	6.75%	10.00%	5.30%	10.00%	5.00%
2017/18	6.25%	9.00%	5.20%	9.00%	5.00%
2018/19	5.75%	8.50%	5.10%	8.50%	5.00%
2019/20	5.50%	8.00%	5.00%	8.00%	5.00%
2020/21	5.25%	7.00%	4.90%	7.00%	5.00%
2021/22	5.00%	6.00%	4.80%	6.00%	5.00%
2022/23	5.00%	5.00%	4.80%	5.00%	4.75%
2023/24	4.75%	4.75%	4.75%	4.75%	4.75%
2024/25	4.75%	4.75%	4.75%	4.75%	4.75%
2025/26	4.75%	4.75%	4.75%	4.75%	4.75%
2026/27	4.75%	4.75%	4.75%	4.75%	4.75%
2027/28	4.75%	4.75%	4.75%	4.75%	4.75%
2028/29	4.75%	4.75%	4.75%	4.75%	4.75%
2029/30	4.75%	4.75%	4.75%	4.75%	4.75%
2030/31	4.75%	4.75%	4.75%	4.75%	4.75%
2031/32	4.75%	4.75%	4.75%	4.75%	4.75%
2032/33	4.75%	4.75%	4.75%	4.75%	4.75%
2033/34	4.75%	4.75%	4.75%	4.75%	4.75%
2034/35	4.75%	4.75%	4.75%	4.75%	4.75%
2035/36	4.75%	4.75%	4.75%	4.75%	4.75%
2036/37	4.75%	4.75%	4.75%	4.75%	4.75%
2037/38	4.75%	4.75%	4.75%	4.75%	4.75%
2038/39	4.75%	4.75%	4.75%	4.75%	4.75%
2039/40	4.75%	4.75%	4.75%	4.75%	4.75%
2040/41	4.75%	4.75%	4.75%	4.75%	4.75%
2041/42	4.75%	4.75%	4.75%	4.75%	4.75%
2042/43	4.75%	4.75%	4.75%	4.75%	4.75%
2043/44	5.45%	5.45%	5.15%	5.15%	4.75%
2044/45	5.45%	5.45%	5.15%	5.15%	4.75%
2045/46	5.45%	5.45%	5.15%	5.15%	4.75%

Exhibit 3-1 Medical Trend Assumption as Adjusted for Excise Tax Computations

NYS HMOs

<u>Year</u>	<u>Adjusted Trend</u>				
	<u>Pre-65</u>		<u>Post-65</u>		<u>EGWP</u>
	<u>Med</u>	<u>RX</u>	<u>Med</u>	<u>RX</u>	
2046/47	5.55%	5.55%	5.65%	5.65%	4.75%
2047/48	5.55%	5.55%	5.55%	5.55%	4.75%
2048/49	5.55%	5.55%	5.55%	5.55%	4.75%
2049/50	5.55%	5.55%	5.55%	5.55%	4.75%
2050/51	5.45%	5.45%	5.55%	5.55%	4.75%
2051/52	5.45%	5.45%	5.45%	5.45%	4.75%
2052/53	5.45%	5.45%	5.45%	5.45%	4.75%
2053/54	5.45%	5.45%	5.45%	5.45%	4.75%
2054/55	5.45%	5.45%	5.45%	5.45%	4.75%
2055/56	5.35%	5.35%	5.45%	5.45%	4.75%
2056/57	5.35%	5.35%	5.35%	5.35%	4.75%
2057/58	5.35%	5.35%	5.35%	5.35%	4.75%
2058/59	5.35%	5.35%	5.35%	5.35%	4.75%
2059/60	5.35%	5.35%	5.35%	5.35%	4.75%
2060/61	5.35%	5.35%	5.35%	5.35%	4.75%
2061/62	5.25%	5.25%	5.35%	5.35%	4.75%
2062/63	5.25%	5.25%	5.25%	5.25%	4.75%
2063/64	5.25%	5.25%	5.25%	5.25%	4.75%
2064/65	5.25%	5.25%	5.25%	5.25%	4.75%
2065/66	5.25%	5.25%	5.25%	5.25%	4.75%
2066/67	5.25%	5.25%	5.25%	5.25%	4.75%
2067/68	5.25%	5.25%	5.25%	5.25%	4.75%
2068/69	5.25%	5.25%	5.25%	5.25%	4.75%
2069/70	5.15%	5.15%	5.25%	5.25%	4.75%
2070/71	5.15%	5.15%	5.15%	5.15%	4.75%
2071/72	5.15%	5.15%	5.15%	5.15%	4.75%
2072/73	5.15%	5.15%	5.15%	5.15%	4.75%
2073/74	5.15%	5.15%	5.15%	5.15%	4.75%
2074/75	5.15%	5.15%	5.15%	5.15%	4.75%
2075/76	5.15%	5.15%	5.15%	5.15%	4.75%
2076/77	5.15%	5.15%	5.15%	5.15%	4.75%
2077/78	5.15%	5.15%	5.15%	5.15%	4.75%
2078/79	5.15%	5.15%	5.15%	5.15%	4.75%

Exhibit 3-1 Medical Trend Assumption as Adjusted for Excise Tax Computations

NYS HMOs

<u>Year</u>	<u>Adjusted Trend</u>				
	<u>Pre-65</u>		<u>Post-65</u>		<u>EGWP</u>
	<u>Med</u>	<u>RX</u>	<u>Med</u>	<u>RX</u>	
2079/80	5.05%	5.05%	5.15%	5.15%	4.75%
2080/81	5.05%	5.05%	5.05%	5.05%	4.75%
2081/82	5.05%	5.05%	5.05%	5.05%	4.75%
2082/83	5.05%	5.05%	5.05%	5.05%	4.75%
2083/84	5.05%	5.05%	5.05%	5.05%	4.75%
2084/85	5.05%	5.05%	5.05%	5.05%	4.75%
2085/86	5.05%	5.05%	5.05%	5.05%	4.75%
2086/87	5.05%	5.05%	5.05%	5.05%	4.75%
2087/88	5.05%	5.05%	5.05%	5.05%	4.75%
2088/89	5.05%	5.05%	5.05%	5.05%	4.75%
2089/90	5.05%	5.05%	5.05%	5.05%	4.75%
2090/91	5.05%	5.05%	5.05%	5.05%	4.75%
2091/92	5.05%	5.05%	5.05%	5.05%	4.75%
2092/93	5.05%	5.05%	5.05%	5.05%	4.75%
2093/94	4.95%	4.95%	5.05%	5.05%	4.75%
2094/95	4.95%	4.95%	4.95%	4.95%	4.75%
2095/96	4.95%	4.95%	4.95%	4.95%	4.75%
2096/97	4.95%	4.95%	4.95%	4.95%	4.75%
2097/98	4.95%	4.95%	4.95%	4.95%	4.75%
2098/99	4.95%	4.95%	4.95%	4.95%	4.75%
2099/100	4.95%	4.95%	4.95%	4.95%	4.75%

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 ERS and, to a lesser extent, by the PFRS. We reviewed the 2015 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. These assumptions are different than what was used for prior year valuations, reflecting a study of the experience from April 1, 2010 through March 31, 2015.

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. Each individual PE should determine the assumption about mortality improvement after consulting with their actuary.*

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	85.0%	15.0%
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. This experience has been reviewed for the 2016 valuation and updated tables are included in Exhibit 2-3. We will continue using

separate assumptions for these populations for the April 1, 2016 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 for each tier level. The rates developed combine Brooklyn Hospital and Stony Brook Hospital. The rates for Syracuse Hospital remain separate since they differ enough from the other hospitals

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. The plan completed an experience study of the withdrawal and retirement rates for SUNY Campus-ORD members who participate in TIAA/CREF and has developed separate tables for this population for the 2016 valuation. These group specific tables will be used for participants who are specifically noted as TIAA/CREF in the data. We will continue to recommend using the TRS assumptions for valuing SUNY Campus employees who are not clearly identified as ERS, PFRS, or TIAA/CREF.

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

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 Health Care 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 Care 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 2020 and after) had a 40% tax applied and was adjusted to reflect an assumed 35% corporate tax rate. The unleveraged trend rates for 2019 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 Betsy Hanson. Both Ms. Hanson 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.

Exhibit II.E

Empire Plan Sample Vendor Rate Renewal Report

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Exhibit II.E

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Standard Empire Plan Vendor Reports

EMPIRE PLAN				
<u>SCHEDULE OF PRESCRIPTION DRUG REPORTS</u>				
	<u>Report Name</u>	<u>Frequency</u>	<u>Due Date</u>	<u>Type</u>
1	Annual Financial Experience Report	Annually	March 15th	Paper & Electronic
2	Annual Rate Renewal Report	Annually	September 1st	Paper & Electronic
3	Quarterly Financial Experience Report	Quarterly	15th day after end of quarter	Paper & Electronic
4	Quarterly Rebates/Other Pharma Revenue Report	Quarterly	60 days after end of quarter	Electronic
5	Rebate True-Up File	Annually	60 days after end of year	Electronic
7	Medicare Part D Catastrophic Reinsurance Reconciliation and Low Income Cost Sharing Report	Annually	December 31 st of the year following year of incurral	Electronic
	<u>MIS (MS Access) Reports</u>			
8	Annual Report of Claims/Credits Paid by Agency	Annually	30 days after end of year	Electronic
9	Quarterly Participating Agency Claims (PA Mediprime Claims)	Quarterly	30 days after end of quarter	Electronic
10	Monthly Paid Claims by Month of Incurral	Monthly	30 days after end of month	Electronic
11	Monthly Paid Claims by Pharmacy and Rx Type	Monthly	30 days after end of month	Electronic

Exhibit II.F

Standard Empire Plan Vendor Reports

EMPIRE PLAN				
<u>SCHEDULE OF HOSPITAL REPORTS</u>				
	<u>Report Name</u>	<u>Frequency</u>	<u>Due Date</u>	Type
1	Annual Financial Experience Report	Annually	March 15th	Paper & Electronic
2	Annual Rate Renewal Report	Annually	September 1st	Paper & Electronic
3	Quarterly Statement of Experience	Quarterly	23rd day after end of quarter	Paper & Electronic
4	Quarterly Trend Statistics Report	Quarterly	35th day after end of quarter	Electronic
5	Quarterly Administrative Fee and COB Savings Report	Quarterly	30th day after end of quarter	Electronic
	<i><u>MIS (MS Access) Reports</u></i>			
7	Claims Paid by Agency	Annually	January 31st	Electronic
8	Quarterly Paid Claims by Type of Service	Quarterly	15th day after end of quarter	Electronic
9	Quarterly Participating Agency Claims (PA Mediprime Claims)	Quarterly	15th day after end of quarter	Electronic
10	Monthly Paid Claims by Month of Incurral	Monthly	15th day after end of month	Electronic

Standard Empire Plan Vendor Reports

EMPIRE PLAN				
<u>SCHEDULE OF MENTAL HEALTH/SUBSTANCE ABUSE REPORTS</u>				
	<u>Report Name</u>	<u>Frequency</u>	<u>Due Date</u>	<u>Type</u>
1	Annual Financial Experience Report	Annually	March 15th	Paper & Electronic
2	Annual Rate Renewal Report	Annually	September 1st	Paper & Electronic
3	Quarterly Statement of Experience	Quarterly	15th day after end of quarter	Paper & Electronic
4	Claims Production Report	Monthly	15th day after end of month	Electronic
5	COB Savings Report	Monthly	15th day after end of month	Electronic
6	Copay Savings Report	Monthly	15th day after end of month	Electronic
7	In-Network Triangle Report	Monthly	15th day after end of month	Electronic
8	Out-of-Network Triangle Report	Monthly	15th day after end of month	Electronic
	<u>MIS (MS Access) Reports</u>			
9	Claims Paid by Agency	Annually	30th day after end of year	Electronic
10	Quarterly Paid Claims by Type of Service	Quarterly	15th day after end of quarter	Electronic
11	Quarterly Participating Agency Claims (PA Mediprime Claims)	Quarterly	15th day after end of quarter	Electronic
12	Monthly Paid Claims by Month of Incurral	Monthly	15th day after end of month	Electronic

Exhibit II.F

Standard Empire Plan Vendor Reports

EMPIRE PLAN				
<u>SCHEDULE OF MEDICAL REPORTS</u>				
	<u>Report Name</u>	<u>Frequency</u>	<u>Due Date</u>	<u>Type</u>
1	Annual Financial Experience Report	Annually	March 15th	Paper & Electronic
2	Annual Rate Renewal Report	Annually	September 1st	Paper & Electronic
3	Quarterly Statement of Experience	Quarterly	15th day after end of quarter	Paper & Electronic
4	Quarterly Trend Statistics & Executive Summary Report	Quarterly	23rd day after end of quarter	Electronic
7	Monthly Activity Report	Monthly	15 th day after end of month	Electronic
	<u>MIS (MS Access) Reports</u>			
9	Monthly Paid Claims Report	Monthly	15th day after end of month	Electronic
10	Quarterly Participating Agency Claims (PA Mediprime Claims)	Quarterly	23rd day after end of quarter	Electronic
11	Claims/Credits Paid by Agency	Annually	January 30th	Electronic

Exhibit II.G

Sample Call Letter

August XX, 2016

Dear:

This letter outlines the documentation United HealthCare Insurance Company of New York, Inc. (UHC) is required to provide in support of the vendor's January 1, 2017 premium equivalent rate recommendations for the NYSHIP Medical contract. UHC should quote its best estimated Core, NY Enhancement and PA Enhancement rates as well as the rates for the Student Employee Health Plan (SEHP) and the Excelsior Plan. As in the past, separate, self-supporting rates must be developed for each rate component.

2017 Premium Rate Documentation

The standard documentation to support UHC's January 1, 2017 premium equivalent rate recommendations must include, at a minimum:

- Projected 2016 and 2017 experience statements with earned premium presented on a 2 tier (individual and family) basis.
- Historical (2010 to 2015) and projected (2016 to 2017) aggregate trend factors including cost per charge, number of charges per 1000 contracts and cost per contract. Trends for the Participating Provider and Basic Medical Program experience should be presented separately and in the aggregate.
- A detailed justification to support all trend projections including comparisons with UHC corporate and industry trends.
- Detailed worksheets presenting the development of the Plan Year 2016 and 2017 aggregate incurred claims including adjustments for any plan benefit changes, trend factors, Par Provider Schedule recommendations, and credits.
- A worksheet cross footing the respective 2016 and 2017 paid claims and reserves to the incurred claims.
- Supported factors used to allocate total claims (incurred, paid and reserves) into the various components (Core, NY Enhancement and PA Enhancement).
- Calculation of any backlog adjustment.
- Identify and quantify all factors contributing to the projected 2016 gain/(loss), if any.
- Detailed worksheets, with narrative, to support all projected administrative expenses and other elements of retention for 2016 and 2017. An itemization of the various components of the administrative expense should be provided, including the calculation of any rate driven component (i.e. if the cost is calculated on a per member per month basis, present the monthly rate times the # of members times 12 months).

Exhibit II.G

- Projected reserves for the periods ending 12/31/2016 and 12/31/2017.
- As applicable, savings/costs attributable to plan changes implemented in 2016 and 2017, including collectively bargained plan changes and plan changes mandated by State and federal legislation.

The premium rates for the SEHP need to be developed separately based on its program benefits and experience and the premium rates for the Excelsior Plan need to be developed based on the difference in the benefit level between the Excelsior Plan and the Empire Plan.

Although the State will require a reapportionment of the individual and family rates charged to the Participating Agencies into a structure which recognizes the difference in costs between Mediprime and Plan prime enrollees, UHC is not required to submit any information regarding this allocation in the original renewal submission. Once we reach agreement on the 2017 baseline premium equivalent rates, Mediprime rates will be developed by the State and discussed with UHC.

Review Schedule

The rate renewal request is due to the State by September 1st. The renewal document should also be sent to the attention of the State's "Benefits Management Consultant" at such time. My office has set up a meeting on September 14th at 1:30 p.m. at the Department of Civil Service for UHC representatives to brief the staff of the Council on Employee Health Insurance on its rate recommendations. The presentation to the Joint Labor Management Committee has been scheduled for October 6th at NYSUT in Latham. Additional meetings and briefings will be scheduled as necessary.

Please contact me if you have any questions concerning the requested documentation or tentative timetable. Thank you for your cooperation in this regard.

Sincerely,

Assistant Director
Financial Services
Employee Benefits Division
NYS Department of Civil Service

Exhibit II.H

Sample Vendor Quarterly Report

Outline of Medical Program Vendor Report on Quarterly Experience

Cover Letter Narrative describing the projected program experience, including incurred claims rate development, and the development of succeeding year premium rate recommendations.

Section I: Experience of Current Quarter and Year to Date
Schedule of Paid Claims

Section II: Prior Year Experience Reconciliation

Section III: Projected Current Year Experience
Paid Claims Reconciliation
Determination of Open & Unreported Reserve
Administrative Expense Summary and Detail

Section IV: Succeeding Year – Budget Recommendation (Rate Recommendations)
Development of Projected Rates

Section V: Estimated Number of Contracts

Section VI: Triangle Report

Exhibit II.I

Utilization Statistics

As noted in RFP Section II.A.12, the Department has taken care in preparing the data accompanying the RFP; however, the Department does not warrant the accuracy of the data. The data, including numbers and statistics, which appear in the RFP are for informational purposes only and, an Offeror's reliance and use of such numbers or statistics, in preparing its Proposal, is at the Offeror's own risk. The numbers and statistics are not guarantees or representations of any levels of past or future performance or participation.

Task #1 – Premium Rate Renewals As of October 2016

Since the inception of the prior and current actuarial and benefit consulting services contracts with Aon Consulting, Inc. ("Incumbent"), the Incumbent has performed four (4) Task #1 projects. The number of hours expended by Position Title for each of the four (4) Task #1 projects is shown in the table below:

Contract Year	Principal	Lead Consultant	Consultant	Analyst	Total Hours
2013	35.75	420.75	1.50	14.00	472.00
2014	21.50	180.00	1.50	12.25	215.25
2015	13.00	150.25		92.50	255.75
2016		148.25	5.00	102.75	256.00
Total Task 1	70.25	899.25	8.00	221.50	943.00

Task #2 – Quarterly Analysis As of February 2017

Since the inception of the prior and current contract with the Incumbent, the Incumbent has performed seven (7) Task #2 projects. The number of hours expended by Position Title for each of the seven (7) Task #2 projects is shown in the table below:

Month-Year	Principal	Lead Consultant	Consultant	Analyst	Total Hours
February 2014	13.50	109.00	6.75	12.75	142.00
May 2014	5.00	83.25	8.50	16.25	113.00
February 2015	6.50	65.25	10.25	40.25	122.25
May 2015	2.00	56.50	4.50	65.50	128.50
February 2016		54.50	4.50	79.00	138.00
May 2016	1.50	49.50	5.50	77.50	134.00
February 2017		54.50	7.50	63.50	125.50
Total Task 2	28.50	472.50	47.50	354.7	903.25

Exhibit II.I

Task #3 – GASB 45 Valuation As of November 2016

Since the inception of the prior and current contract with the Incumbent, the Incumbent has completed two (2) annual GASB 45 Valuation (“2014 Valuation”) and two Year Two Roll Forward and is in the process of completing its third Year Two Roll Forward (2015). The Valuations include production of a valuation report, an assumption report, a modified assumption report for PEs and a modified assumption report for PAs. The incumbent also produced a paper and exhibits which illustrated the impact of whether the Unfunded Actuarial Accrued Liability (UAAL) is amortized over a closed or open basis and whether NYS prefunds its OPEB obligation or continues on the Pay-As-You-Go basis. The number of hours expended by Position Title for these various projects, through November 2016, is shown in the table below:

Service Date	Principal	Lead Consultant	Consultant	Analyst	Total Hours
March 2015	47.65	166.20	95.00	373.20	682.05
April 2015	2.30	1.50		3.25	7.05
August 2015	4.85	6.50		44.75	56.10
September 2015	10.25	3.25		3.00	16.50
April 2016		9.95	1.50	6.25	17.70
May 2016		15.50		26.75	42.25
June 2016	12.60	39.75	1.50	147.00	200.85
July 2016	10.40	29.25	4.75	71.75	116.15
August 2016	2.50	8.50	1.00	67.00	79.00
September 2016	18.10	13.75	6.50	64.25	102.60
October 2016	3.00	2.50		1.50	7.00
November 2016	5.70	4.00	2.50	7.00	19.20
Total Task 3	117.35	300.65	112.75	815.70	1346.45

Exhibit II.I

Task #4 Ad Hoc Projects As of February 2017

Since the inception of the prior and current contract with the Incumbent through February 2017, the Incumbent has undertaken 20 (20) Ad Hoc Projects for the Department, in addition to the GASB Valuation project, for which the Department has been billed for services rendered. In regard to those projects, to date, the Incumbent has provided approximately 1,800 billable hours of consulting services. See table below for a breakdown of the hours expended by project by Position Title.

Task 4 Assigned Number	Principal	Lead Consultant	Consultant	Analyst	Total Hours
1		48.00	3.50	35.50	87.00
2	3.25	1.25		1.25	5.75
3	39.10	28.00	8.50	33.50	109.10
4		2.00	1.00		3.00
5	91.00	81.75	3.50	80.75	257.00
6	8.75	4.00		1.00	13.75
7	28.00	68.00		29.00	125.00
8		1.00		1.00	2.0
9	.50	7.00	.50	1.00	9.00
10	3.75	6.75		4.75	15.25
11	.25	1.00		1.00	2.25
12	18.50	20.75	55.00	70.25	164.50
13	21.25	26.75	4.75	11.50	64.25
14	9.50	140.45	38.25	93.50	281.70
15	22.00	76.25	25.25	98.75	222.25
16		3.00	13.25		16.25
17	1.50	44.50	8.00	6.50	60.50
18	4.75	60.25	13.75	4.00	82.75
19	131.40	118.00	15.75	58.25	323.40
20		9.20	13.50	8.75	31.45
Totals	383.50	747.90	204.50	540.25	1876.15

Exhibit III.B

Project Abstract

Sample # _____

Project Title:	
Name of the Client for whom services were performed:	
Client Contact Information:	
Contact's Name:	
Contact's Title:	
Phone Number:	
Email Address:	
<p>Project Description: The Offeror should submit specific details concerning the project identified in satisfaction of the requirements in RFP Section IV.B.4. The required information should be provided as an attachment to this Abstract Form. Include the Sample # and Project Title on the attachment and entitle the document or that section of the document containing the required information as "Project Description – Project Title _____".</p>	
<p>Complexity of Issue: In the space provided below or as an attachment to this Abstract Form, describe the complexities of the sample project. (If provided as an attachment, include the Sample # and Project Title on the attachment and entitle the document or that section of the document containing the required information as "Complexity of Issue")</p>	
<p>Urgency: In the space provided below or as an attachment to this Abstract Form, provide an explanation of what caused the undertaking to be urgent in nature. (If provided as an attachment, include the Sample # and Project Title on the attachment and entitle the document or that section of the document containing the required information as "Exigency")</p>	
<p>Resources: In the space provided below or as an attachment to this Abstract Form, detail the resources used to undertake the project (number and titles of analysts and man-hours expended per title) - (Note: the titles to be used should be the Positions Titles set forth in RFP Section V Assumption 6.) (If provided as an attachment, Include the Sample # and Project Title on the attachment and entitle the document or that section of the document containing the required information as "Resources")</p>	
<p>Timeline: In the space provided below or as an attachment to this Abstract Form, detail the timeline (at a minimum provide start and end dates) to undertake and complete the project. (If provided as an attachment, include the Sample # and Project Title on the attachment and entitle the document or that section of the document containing the required information as "Timeline")</p>	
<p>Change Orders: In the space provided below or as an attachment to this Abstract Form, provide a description of any change orders issued in regard to the project. (If provided as an attachment, include the Sample # and Project Title on the attachment and entitle the document or that section of the document containing the required information as "Change Orders")</p>	
<p>Modifications/Corrections: In the space provided below or as an attachment to this Abstract Form, provide an explanation of any modifications/corrections required to secure the client's approval of the final deliverable(s). (If provided as an attachment, include the Sample # and Project Title on the attachment and entitle the document or that section of the document containing the required information as "Modifications/Corrections")</p>	
<p>Cost: In the space provided below or as an attachment to this Abstract Form, indicate the initial projected cost of the project and the final cost of the project. Provide an explanation as to any variance in the two amounts. (If provided as an attachment, include the Sample # and Project Title on the attachment and entitle the document or that section of the document containing the required information as "Cost")</p>	
<p>Initial Projected Cost: _____</p> <p>Final Cost: _____</p> <p>Explanation of Variance:</p>	
<p>Sample Deliverable: As a separate attachment to this Abstract Form, provide a copy of the final deliverable(s) (e.g., report or documentation) resultant from the project, if permissible. If it is not permissible to release, indicate why and provide a general description of the final deliverable(s). Include the Sample # and Project Title on the attachment and entitle the document as "Sample Deliverable".</p>	

Diversity Practices Questionnaire

I, _____, as _____ (title) of _____ firm or company (hereafter referred to as the company), swear and/or affirm under penalty of perjury that the answers submitted to the following questions are complete and accurate to the best of my knowledge:

1. Does your company have a Chief Diversity Officer or other individual who is tasked with supplier diversity initiatives? Yes or No

If Yes, provide the name, title, description of duties, and evidence of initiatives performed by this individual or individuals.

2. What percentage of your company's gross revenues (from your prior fiscal year) was paid to New York State certified minority and/or women-owned business enterprises as subcontractors, suppliers, joint-venturers, partners or other similar arrangement for the provision of goods or services to your company's clients or customers?

3. What percentage of your company's overhead (i.e. those expenditures that are not directly related to the provision of goods or services to your company's clients or customers) or non-contract-related expenses (from your prior fiscal year) was paid to New York State certified minority- and women-owned business enterprises as suppliers/contractors?¹

4. Does your company provide technical training² to minority- and women-owned business enterprises? Yes or No

If Yes, provide a description of such training which should include, but not be limited to, the date the program was initiated, the names and the number of minority- and women-owned business enterprises participating in such training, the number of years such training has been offered and the number of hours per year for which such training occurs.

5. Is your company participating in a government approved minority- and women-owned business enterprise mentor-protégé program?

If Yes, identify the governmental mentoring program in which your company participates and provide evidence demonstrating the extent of your company's commitment to the governmental mentoring program.

¹ Do not include onsite project overhead.

² Technical training is the process of teaching employees how to more accurately and thoroughly perform the technical components of their jobs. Training can include technology applications, products, sales and service tactics, and more. Technical skills are job-specific as opposed to soft skills, which are transferable.

Exhibit IV.A – Diversity Practices Questionnaire

6. Does your company include specific quantitative goals for the utilization of minority- and women-owned business enterprises in its non-government procurements? Yes or No

If Yes, provide a description of such non-government procurements (including time period, goal, scope and dollar amount) and indicate the percentage of the goals that were attained.

7. Does your company have a formal minority- and women-owned business enterprise supplier diversity program? Yes or No

If Yes, provide documentation of program activities and a copy of policy or program materials.

8. Does your company plan to enter into partnering or subcontracting agreements with New York State certified minority- and women-owned business enterprises if selected as the successful respondent? Yes or No

If Yes, attach Utilization Plan Exhibit I.O

All information provided in connection with the questionnaire is subject to audit and any fraudulent statements are subject to criminal prosecution and debarment.

Signature of Owner/Official _____

Printed Name of Signatory _____

Title _____

Name of Business _____

Address _____

City, State, Zip _____

Exhibit IV.A – Diversity Practices Questionnaire

STATE OF _____
COUNTY OF _____) ss:

On the _____ day of _____, 2017, before me, the undersigned, a Notary Public in and for the State of _____, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to this certification and said person executed this instrument.

Notary Public

Exhibit IV.B

New York State Diversity Practices Scoring Matrix

Questions

Q1 - CDO or other person tasked with function					Yes	No	Total
					5 pts	0 pts	
Q2 - Percentage of prior yr. revenues that involved M/WBEs as subs or JVs/partners	20%+	15-19%	10-14%	5-9%	1-4%	0%	
	20 pts	14 pts	10 pts	6 pts	2 pts	0pts	
Q3 - Percentage of overhead expenses paid to M/WBEs	20%+	15-19%	10-14%	5-9%	1-4%	0%	
	16 pts	10 pts	7 pts	4 pts	1 pts	0pts	
Q4 - M/WBE Training			Robust	Moderate	Minimum	None	
			16 pts	8 pts	4 pts	0 pts	
Q5 - M/WBE Mentoring			Robust	Moderate	Minimum	None	
			12 pts	8 pts	4 pts	0 pts	
Q6 - Written M/WBE goals included in the Company's procurements			Robust	Moderate	Minimum	No	
			20 pts	12 pts	6 pts	0 pts	
Q7 - Formal Supplier Diversity Program			Robust	Moderate	Minimum	No	
			6 pts	4 pts	2 pts	0 pts	

New York State Diversity Practices Scoring Matrix

Exhibit IV.C

Q8 - Utilization Plan			Robust	Moderate	Minimum	No	
			5 pts	3 pts	1 pts	0 pts	
Total Diversity Score (Max 100 pts)							
Weighted Score (Up to 10% of Technical)							

Task #1 – Premium Rate Renewals and Plan Funding Requirements

Period	1/1/2018 – 12/31/2018 (Year 1)			1/1/2019 – 12/31/2019 (Year 2)			1/1/2020 – 12/31/2020 (Year 3)		
	Fixed Hourly Rate	# Hours	Total Projected Cost	Fixed Hourly Rate	# Hours	Total Projected Cost	Fixed Hourly Rate	# Hours	Total Projected Cost
Principal	/hr		\$	/hr		\$	/hr		\$
Lead Consultant	/hr		\$	/hr		\$	/hr		\$
Consultant	/hr		\$	/hr		\$	/hr		\$
Analyst	/hr		\$	/hr		\$	/hr		\$
Not-To-Exceed Total Cost			\$			\$			\$

Period	1/1/2021 – 12/31/2021 (Year 4)			1/1/2022 – 12/31/2022 (Year 5)			Task #1 Five Year Total
	Fixed Hourly Rate	# Hours	Total Projected Cost	Fixed Hourly Rate	# Hours	Total Projected Cost	(=Sum of Years 1 – 5 Not-To-Exceed Total Cost amounts)
Principal	/hr		\$	/hr		\$	
Lead Consultant	/hr		\$	/hr		\$	
Consultant	/hr		\$	/hr		\$	
Analyst	/hr		\$	/hr		\$	
Not-To-Exceed Total Cost			\$			\$	\$

Task #2 – Quarterly Analysis

Year 1 (1/1/2018 – 12/31/2018)	1st Quarter 2018 (Due 05/2018)			4th Quarter 2018 (Due 02/2019)			Year 1 Totals ⁽¹⁾
	Fixed Hourly Rate	# Hours	Total Projected Costs	Fixed Hourly Rate	# Hours	Total Projected Cost	
Position Title							
Principal	/hr		\$	/hr		\$	
Lead Consultant	/hr		\$	/hr		\$	
Consultant	/hr		\$	/hr		\$	
Analyst	/hr		\$	/hr		\$	
Not-To-Exceed Total Cost						\$	\$

⁽¹⁾ = Sum of 1st and 4th Quarter Not-To-Exceed Total Cost amounts.

Year 2 (1/1/2019 – 12/31/2019)	1st Quarter 2019 (Due 05/2019)			4th Quarter 2019 (Due 02/2020)			Year 2 Totals ⁽¹⁾
	Fixed Hourly Rate	# Hours	Total Projected Costs	Fixed Hourly Rate	# Hours	Total Projected Cost	
Position Title							
Principal	/hr		\$	/hr		\$	
Lead Consultant	/hr		\$	/hr		\$	
Consultant	/hr		\$	/hr		\$	
Analyst	/hr		\$	/hr		\$	
Not-To-Exceed Total Cost			\$			\$	\$

⁽¹⁾ = Sum of 1st and 4th Quarter Not-To-Exceed Total Cost amounts.

Year 3 (1/1/2020 – 12/31/2020)	1st Quarter 2020 (Due 05/2020)			4th Quarter 2020 (Due 02/2021)			Year 3 Totals ⁽¹⁾
	Fixed Hourly Rate	# Hours	Total Projected Costs	Fixed Hourly Rate	# Hours	Total Projected Cost	
Position Title							
Principal	/hr		\$	/hr		\$	
Lead Consultant	/hr		\$	/hr		\$	
Consultant	/hr		\$	/hr		\$	
Analyst	/hr		\$	/hr		\$	
Not-To-Exceed Total Cost			\$			\$	\$

⁽¹⁾ = Sum of 1st and 4th Quarter Not-To-Exceed Total Cost amounts.

Task #2 – Quarterly Analysis

Year 4 (1/1/2021 – 12/31/2021) Position Title	1st Quarter 2021 (Due 05/2021)			4th Quarter 2021 (Due 02/2022)			Year 4 Totals ⁽¹⁾
	Fixed Hourly Rate	# Hours	Total Projected Costs	Fixed Hourly Rate	# Hours	Total Projected Cost	
Principal	/hr		\$	/hr		\$	
Lead Consultant	/hr		\$	/hr		\$	
Consultant	/hr		\$	/hr		\$	
Analyst	/hr		\$	/hr		\$	
Not-To-Exceed Total Cost			\$			\$	\$

⁽¹⁾ = Sum of 1st and 4th Quarter Not-To-Exceed Total Cost amounts.

Year 5 (1/1/2022 – 12/31/2022) Position Title	1st Quarter 2022 (Due 05/2022)			4th Quarter 2022 (Due 02/2023) *			Year 5 Totals ⁽¹⁾
	Fixed Hourly Rate	# Hours	Total Projected Costs	Fixed Hourly Rate	# Hours	Total Projected Cost	
Principal	/hr		\$	/hr		\$	
Lead Consultant	/hr		\$	/hr		\$	
Consultant	/hr		\$	/hr		\$	
Analyst	/hr		\$	/hr		\$	
Not-To-Exceed Total Cost			\$			\$	\$

(1) = Sum of 1st and 4th Quarter Not-To-Exceed Total Cost amounts.

***Transition Services billed at Year 5 rates.**

Task #2 Five Year Total amount ⁽²⁾	\$
--	----

⁽²⁾= Sum of Year 1 Total amount through Year 5 Totals amount.

Tasks #3 and #4 – GASB 45 Valuation and Ad Hoc Projects Fixed Hourly Rates

Fixed Hourly Rates					
Position Title	Year 1 (1/1/2018 – 12/31/2018)	Year 2 (1/1/2019 – 12/31/2019)	Year 3 (1/1/2020 – 12/31/2020)	Year 4 (1/1/2021 – 12/31/2021)	Year 5 (1/1/2022 – 12/31/2022)
Principal					
Lead Consultant					
Consultant					
Analyst					

Transition Services billed at Year 5 rates.

Task #3 Projected Hours Per Position Per Activity

Projected Hours Per Position Task #3 Activity				
Position Title	April 1, 2018 Valuation	April 1, 2019 Valuation	April 1, 2020 Valuation	April 1, 2021 Valuation
Principal				
Lead Consultant				
Consultant				
Analyst				