

City of Grand Rapids

2024 Final Trend Report

October 10, 2023





October 10, 2023

Ms. Molly Clarin
Chief Financial Officer
City of Grand Rapids
300 Monroe Avenue, N.W.
Grand Rapids, Michigan 49503

Dear Ms. Clarin:

We are pleased to present the results of the annual review of self-insured claims experience for the City of Grand Rapids. The results herein are used for the following purposes:

- To establish the City's calendar year 2024 rates; and
- As inputs to the June 30, 2023 actuarial valuations of the City's "Other Postemployment Benefits" for General, Police, and Fire members.

This report should not be used for any other purpose. To the best of our knowledge, this report is complete and accurate and is in accordance with generally recognized actuarial methods. This report relies heavily on data provided by Advantage Benefits Group, which was reviewed for reasonableness but not audited. We are not responsible for the accuracy or completeness of the information provided. In our judgment, the actuarial assumptions used for the study are, individually and in aggregate, reasonable.

Future actuarial measurements (such as the projected 2025 rates) may differ significantly from the current measurements presented in this report due to plan experience differing from that anticipated by the economic or demographic assumptions. Due to the limited scope of the assignment, we did not perform an analysis of the potential range of such future measurements.

This report shall not be construed to provide tax, legal or investment advice.

Executive Summary

- Paid claims were used for the analysis. Consistent with prior rate developments, incurred claims are derived using paid claims and actuarial assumptions. No COVID-19 adjustment was made in the claims data for the current experience period (July 2022 – June 2023).
- The City desires to ultimately reflect the total claim experience into future rates. Therefore, a three-year smoothing process remains in effect in the rating for both the Pre-65 (actives and retirees) segment and the Post-65 retiree segment. One third of the gain or loss from each of the three prior years is incorporated in the implemented rates each year. The remaining gains and losses, as well as future ones, will be incorporated into future rate developments.
- The current experience period (7/1/2022 through 6/30/2023) for both the pre- and post-65 participants results in a gain due to lower claims than expected.
 - For the pre-65 segment (actives and pre-65 retirees), the combined experience for medical, Rx, dental, and vision generated a gain of \$2.5 million (6.5%) relative to the expected claim level (page 15). The 2024 implemented rates continue to be partially offset by the use of three-year smoothing of gains and losses (by 4.9% in the 2024 implemented rates). Note that the reduction in the 2022 rates was 10.0% and in 2023 was 6.6%.
 - For the post-65 participants, the combined experience generated a gain of \$67K (15.6%) relative to our expected claim level (page 16). The 2024 implemented rates will be partially offset by the use of three-year smoothing of gains and losses (by 26.5% in the 2024 implemented rates). Note that the reduction in the 2022 rates was 9.9% and in 2023 was 16.9%.
- For the 2024 rating period, several changes are planned to the healthcare TPAs along with changes in administration fees. These include:
 - Priority Health will be the new medical TPA replacing Blue Cross Blue Shield of Michigan (BCBSM). Priority Health is providing a one-time implementation credit of \$250,000. This credit was combined with the \$750,000 surplus credit for a \$1,000,000 reduction in the implemented rates. In addition to this change in medical TPA, transgender care procedures was included as an increase in claims of 1.6% since these procedures are mandates by Priority Health.
 - DisclosedRx will replace BCBSM as the Rx TPA for all three segments. DisclosedRx provides a significantly different claim processing than a typical PBM setup where claims processing incorporates risk management programs which include mitigation strategies for specialty and high-cost brand medicines. Analysis of the repricing of the BCBS Rx claims to the DisclosedRx platform was shown to produce significant savings. To be conservative, a portion, but not all of the expected savings are reflected in this report using a Rx plan factor of .878 across all segments (a reduction of 12.2%).



- For the 2021 rate setting, a Surplus Reduction Adjustment was introduced for the Pre-65 segment (actives and pre-65 retirees). For the 2024 rate setting, the Surplus Reduction Adjustment is \$750,000 and incorporating the \$250,000 Implementation Credit totals \$1,000,000. These adjustments lowered the overall rates in this segment by 2.5% for a total reduction of 7.5% when combined with the smoothing process. For the 2023 rate setting, the total reduction in the implemented rates was 11.8%.
- Trend rates are used to project results from the experience periods to the 2024 rating period. Experience is often the best indicator for future costs, but since trends vary significantly from year to year, several years of experience, professional judgment and industry benchmarks are used in setting the trend assumptions. The medical trend assumption is 6.5% and the prescription drug trend assumption is 7.5% for all three segments.
- The table below provides a summary of individual rate changes after incorporating the smoothing by segment and the surplus reduction adjustment. Note composite rate changes are different than these due to shifts in the participant distribution.

Segment	Rate Change
Active employees	+6.2%
Pre-65 retirees	+14.0%
Total Pre-65 participants	+8.0%
Post-65 retirees	-21.0%

- The results of the rate analysis in this report will be incorporated into the June 30, 2023 Annual Other Postemployment Benefits Valuations for General, Police and Fire members. The pre-65 retiree only “calculated rates” developed on page 21 of this report serve as the basis of pre-65 per capita costs. The per contract rates are converted to per member rates and then converted to age-graded rates for use in the valuations. The 2024 blended (active and pre-65 retiree) implemented rates (page 22) serve as the basis for pre-65 retiree contributions. The post-65 retirees pay 100% of the implemented rates developed on page 22.
- Projections presented in this report will differ from retiree health valuation cash flows due to:
 - Age-based projection methodology used in the valuations versus average-base projections used in this report;
 - Data variances;
 - Cash flows in the reports are net of retiree contributions; and
 - The valuation year starts July 1st while the rating year starts January 1st.



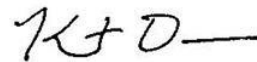
Ms. Molly Clarin
City of Grand Rapids
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James E. Pranschke and Kurt Dosson are Members of the American Academy of Actuaries (MAAA), and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

Respectively submitted,
Gabriel, Roeder, Smith & Company



James E. Pranschke, FSA, FCA, MAAA
Senior Health Care Actuary



Kurt Dosson, ASA, FCA, MAAA
Consultant and Actuary

JEP/KD:sc

cc: James D. Anderson, GRS



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Employer Paid Medical Claims Experience

Experience Year: **07/01/2021 - 06/30/2022**
 Projection Year: **01/01/2024 - 12/31/2024**

	Active	Pre-65 Retirees	Pre-65 Blend
Paid Medical Claims *	\$ 18,389,395	\$ 5,718,780	\$ 24,108,174
Trend Factor (6.5% annual trend)	1.170	1.170	
Incurral Factor	1.011	1.011	
Plan Design / Network Adjustment Factor	1.016	1.016	
Covid Experience Adjustment Factor	1.000	1.000	
Projected Incurred Claims	\$ 22,100,299	\$ 6,872,806	\$ 28,973,105
Average Contracts	1,206.66	406.47	1,613.13
Average Members (adjusted)	3,525.53	962.20	4,487.74
Per Member Per Month Claims (PMPM)	\$ 522.39	\$ 595.23	\$ 538.01

Experience Year: **07/01/2022 - 06/30/2023**
 Projection Year: **01/01/2024 - 12/31/2024**

	Active	Pre-65 Retirees	Pre-65 Blend
Paid Medical Claims	\$ 18,961,972	\$ 6,447,912	\$ 25,409,884
Trend Factor (6.5% annual trend)	1.099	1.099	
Incurral Factor	1.011	1.011	
Plan Design / Network Adjustment Factor	1.016	1.016	
Covid Experience Adjustment Factor	1.000	1.000	
Projected Incurred Claims	\$ 21,405,533	\$ 7,278,832	\$ 28,684,365
Average Contracts	1,235.73	395.57	1,631.30
Average Members (adjusted)	3,542.88	946.84	4,489.72
Per Member Per Month Claims (PMPM)	\$ 503.49	\$ 640.63	\$ 532.41
Weighted Average PMPM (60/40)	\$ 511.05	\$ 622.47	\$ 534.65
Administrative Fees	\$ 19.33	\$ 23.15	\$ 20.14
Total Medical PMPM	\$ 530.38	\$ 645.62	\$ 554.79

* See explanatory notes for detailed description.



Post-65 Retiree Medical Claims Experience

Projection Year: **01/01/2024 - 12/31/2024**

Experience Year (July to June)	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>Total / Weighted Average</u>
Experience Year				
Paid Medical Claims *	\$ 104,996	\$ 62,109	\$ 144,084	\$ 311,189
Trend Factor (6.5% annual trend)	1.246	1.170	1.099	
Incurral Factor	1.011	1.011	1.011	
Plan Design Adjustment Factor	1.000	1.000	1.000	
Covid Experience Adjustment Factor	1.000	1.000	1.000	
Projected Incurred Claims	\$ 132,264	\$ 73,467	\$ 160,090	\$ 365,821
Average Contracts	32.08	29.00	27.61	88.69
Average Members (adjusted)	37.67	34.08	32.28	104.03
Weighting Factor	33.3%	33.3%	33.3%	
Per Member Per Month Claims (PMPM)	\$ 292.62	\$ 179.64	\$ 413.28	\$ 295.18
Administrative Fees				\$ 43.14
Total Medical PMPM				\$ 338.32

* See explanatory notes for detailed description.



Medical Rate Development

	<u>Active</u>	<u>Pre-65 Retiree</u>	<u>Pre-65 Blend</u>	<u>Post-65</u>
Total Medical PMPM	\$ 530.38	\$ 645.62	\$ 554.79	\$ 338.32
Members Per Contract	2.867	2.393	2.754	1.160
Per Employee Per Month Cost (PEPM)	\$ 1,520.60	\$ 1,544.97	\$ 1,527.89	\$ 392.45
Rating Tiers				
Single	1.000	1.000	1.000	1.000
Double	2.150	1.950	2.076	1.999
Family	2.600	2.220	2.535	2.249
Composite Tier	2.072	1.772	2.000	1.160
Single Rate*	\$ 733.88	\$ 871.88	\$ 763.95	\$ 338.32
Double Rate*	\$ 1,577.84	\$ 1,700.17	\$ 1,585.96	\$ 676.30
Family Rate*	\$ 1,908.09	\$ 1,935.57	\$ 1,936.61	\$ 760.88

* Rate calculated as the PEPM times the rating tier divided by the composite tier.

Employer Paid Rx Pre-65 Claims Experience

Experience Year: 07/01/2021 - 06/30/2022

Projection Year: 01/01/2024 - 12/31/2024

	Active	Pre-65 Retirees	Pre-65 Blend
Paid Rx Claims	\$ 4,737,950	\$ 1,593,520	\$ 6,331,470
Trend Factor (7.5% annual trend)	1.198	1.198	1.198
Incurral Factor	1.006	1.006	1.006
Plan Design / Carrier Adjustment Factor	0.878	0.878	0.878
Covid Experience Adjustment Factor	1.000	1.000	1.000
Projected Incurred claims	\$ 5,013,486	\$ 1,686,191	\$ 6,699,677
Average Contracts	1,206.66	406.47	1,613.13
Average Members (adjusted)	3,525.53	962.20	4,487.74
Per Member Per Month Claims (PMPM)	\$ 118.50	\$ 146.04	\$ 124.41

Experience Year: 07/01/2022 - 06/30/2023

Projection Year: 01/01/2024 - 12/31/2024

	Active	Pre-65 Retirees	Pre-65 Blend
Paid Rx Claims	\$ 4,408,055	\$ 1,612,343	\$ 6,020,398
Trend Factor (7.5% annual trend)	1.114	1.114	1.114
Incurral Factor	1.006	1.006	1.006
Plan Design / Carrier Adjustment Factor	0.878	0.878	0.878
Covid Experience Adjustment Factor	1.000	1.000	1.000
Projected Incurred Claims	\$ 4,337,352	\$ 1,586,482	\$ 5,923,834
Average Contracts	1,235.73	395.57	1,631.30
Average Members	3,542.88	946.84	4,489.72
Per Member Per Month Claims (PMPM)	\$ 102.02	\$ 139.63	\$ 109.95
Weighted Average PMPM (60/40)	\$ 108.61	\$ 142.19	\$ 115.73
Administrative Fees	\$ 6.40	\$ 7.67	\$ 6.67
Total Rx PMPM	\$ 115.01	\$ 149.86	\$ 122.40



Pre-65 Rx Rate Development

	<u>Active</u>	<u>Pre-65 Retirees</u>	<u>Pre-65 Blend</u>
Total Rx PMPM	\$ 115.01	\$ 149.86	\$ 122.40
Members Per Contract	2.867	2.393	2.754
Per Employee Per Month Cost (PEPM)	\$ 329.73	\$ 358.61	\$ 337.09
Rating Tiers			
Single	1.000	1.000	1.000
Double	2.150	1.950	2.076
Family	2.600	2.220	2.535
Composite Tier	2.072	1.772	2.000
Single Rate*	\$ 159.14	\$ 202.38	\$ 168.55
Double Rate*	\$ 342.15	\$ 394.64	\$ 349.91
Family Rate*	\$ 413.76	\$ 449.28	\$ 427.27

* Rate calculated as the PEPM times the rating tier divided by the composite tier.

Post-65 Rx Claim Experience and Rate Development

Projection Year: 01/01/2024 - 12/31/2024

Experience Year (July to June)	Projection Year: 01/01/2024 - 12/31/2024			Total / Weighted Average
	2020-2021	2021-2022	2022-2023	
Paid Rx Claims	\$ 234,283	\$ 257,959	\$ 197,245	\$ 689,488
Trend Factor (7.5% annual trend)	1.288	1.198	1.114	
Incurral Factor	1.006	1.006	1.006	
Plan Design Adjustment Factor	0.878	0.878	0.878	
Covid Experience Adjustment Factor	1.000	1.000	1.000	
Projected Incurred Claims	\$ 266,532	\$ 272,961	\$ 194,082	\$ 733,575
Average Contracts	32.08	29.00	27.61	88.69
Average Members (adjusted)	37.67	34.08	32.28	104.03
Weighting Factor	33.3%	33.3%	33.3%	
Per Member Per Month Claims (PMPM)	\$ 589.62	\$ 667.45	\$ 501.04	\$ 586.04
Administrative Fees				\$ 1.52
Total Rx PMPM				\$ 587.56
	\$2 Copay	\$4 Copay	\$4/\$8 Copay	\$10/\$20 Copay
Overall Rx Claims PMPM	\$ 586.04	\$ 586.04	\$ 586.04	\$ 586.04
Relative Value to \$10/\$20 Copay Plan***	1.073	1.056	1.050	0.988
Utilization Assumption	1.285	1.261	1.190	0.952
PMPM based on Relative Values (RVs)**	\$ 808.03	\$ 780.38	\$ 732.25	\$ 551.21
PMPM based on Experience	\$ -	\$ -	\$ -	\$ 615.43
Administrative Fees	\$ 1.78	\$ 1.52	\$ 1.42	\$ 1.53
Weighted Average PMPM (RVs) w/ Admin	\$ 809.81	\$ 781.90	\$ 733.67	\$ 552.74
Per Employee Per Month Cost (PEPM)	\$ 939.38	\$ 907.00	\$ 851.06	\$ 641.18
Single	1.000	1.000	1.000	1.000
Double	1.999	1.999	1.999	1.999
Family	2.249	2.249	2.249	2.249
Composite Tier	1.160	1.160	1.160	1.160
Single Rate*	\$ 809.81	\$ 781.90	\$ 733.67	\$ 552.74
Double Rate*	\$ 1,618.81	\$ 1,563.02	\$ 1,466.61	\$ 1,104.93
Family Rate*	\$ 1,821.26	\$ 1,758.49	\$ 1,650.02	\$ 1,243.11

* Rate calculated as the PEPM times the rating tier divided by the composite tier.

** Uses relativities produced by GRS model to reallocate claims since PMPM based on experience is not credible.

*** Relative values are adjusted to normalize cost per member.



Employer Paid Dental Claims Experience

Experience Year: **07/01/2021 - 06/30/2022**

Projection Year: **01/01/2024 - 12/31/2024**

	<u>Active</u>	<u>Pre-65 Retirees</u>	<u>Pre-65 Blend</u>
Paid Dental Claims	\$ 1,186,453	\$ 423,020	\$ 1,609,473
Trend Factor (4% annual trend)	1.103	1.103	1.103
Incurral Factor	1.003	1.003	1.003
Plan Design Adjustment Factor	1.000	1.000	1.000
Covid Experience Adjustment Factor	1.000	1.000	1.000
Projected Incurred claims	\$ 1,312,584	\$ 467,991	\$ 1,780,574
Average Contracts	1,206.66	406.47	1,613.13
Average Members (adjusted)	3,525.53	962.20	4,487.74
Per Member Per Month Claims (PMPM)	\$ 31.03	\$ 40.53	\$ 33.07

Experience Year: **07/01/2022 - 06/30/2023**

Projection Year: **01/01/2024 - 12/31/2024**

	<u>Active</u>	<u>Pre-65 Retirees</u>	<u>Pre-65 Blend</u>
Paid Dental Claims	\$ 1,356,703	\$ 398,921	\$ 1,755,625
Trend Factor (4% annual trend)	1.060	1.060	1.060
Incurral Factor	1.003	1.003	1.003
Plan Design Adjustment Factor	1.000	1.000	1.000
Covid Experience Adjustment Factor	1.000	1.000	1.000
Projected Incurred Claims	\$ 1,442,419	\$ 424,125	\$ 1,866,545
Average Contracts	1,235.73	395.57	1,631.30
Average Members	3,542.88	946.84	4,489.72
Per Member Per Month Claims (PMPM)	\$ 33.93	\$ 37.33	\$ 34.65
Weighted Average PMPM (60/40)	\$ 32.77	\$ 38.61	\$ 34.02
Administrative Fees	\$ 1.40	\$ 1.67	\$ 1.46
Total Dental PMPM	\$ 34.17	\$ 40.28	\$ 35.48



Post-65 Retiree Dental Claims Experience

Projection Year: **01/01/2024 - 12/31/2024**

Experience Year (July to June)	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>Total / Weighted Average</u>
Experience Year				
Paid Dental Claims *	\$ 3,407	\$ 2,012	\$ 761	\$ 6,180
Trend Factor (4% annual trend)	1.147	1.103	1.060	
Incurral Factor	1.003	1.003	1.003	
Plan Design Adjustment Factor	1.000	1.000	1.000	
Covid Experience Adjustment Factor	1.000	1.000	1.000	
Projected Incurred Claims	\$ 3,920	\$ 2,226	\$ 809	\$ 6,955
Average Contracts	7.00	7.00	7.00	21.00
Average Members (adjusted)	8.22	8.23	8.19	24.64
Weighting Factor	40.0%	40.0%	20.0%	
Per Member Per Month Claims (PMPM)	\$ 39.74	\$ 22.55	\$ 8.24	\$ 26.56
Administrative Fees				\$ -
Total Dental PMPM				\$ 26.56

* See explanatory notes for detailed description.

Dental Rate Development

	<u>Active</u>	<u>Pre-65 Retiree</u>	<u>Pre-65 Blend</u>	<u>Post-65</u>
Total Dental PMPM	\$ 34.17	\$ 40.28	\$ 35.48	\$ 26.56
Members Per Contract	2.867	2.393	2.754	1.173
Per Employee Per Month Cost (PEPM)	\$ 97.97	\$ 96.39	\$ 97.71	\$ 31.15
Rating Tiers				
Single	1.000	1.000	1.000	1.000
Double	2.150	1.950	2.076	1.999
Family	2.600	2.220	2.535	2.249
Composite Tier	2.072	1.772	2.000	1.169
Single Rate*	\$ 47.28	\$ 54.40	\$ 48.86	\$ 26.65
Double Rate*	\$ 101.65	\$ 106.08	\$ 101.43	\$ 53.27
Family Rate*	\$ 122.93	\$ 120.77	\$ 123.86	\$ 59.94

* Rate calculated as the PEPM times the rating tier divided by the composite tier.

Employer Paid Vision Claims Experience

Experience Year: **07/01/2021 - 06/30/2022**
 Projection Year: **01/01/2024 - 12/31/2024**

	Active	Pre-65 Retirees	Pre-65 Blend
Paid Vision Claims	\$ 541,740	\$ 203,873	\$ 745,613
Trend Factor (3.5% annual trend)	1.090	1.090	1.090
Incurral Factor	1.003	1.003	1.003
Plan Design / Carrier Adjustment Factor	1.000	1.000	1.000
Covid Experience Adjustment Factor	1.000	1.000	1.000
Projected Incurred Claims	\$ 592,268	\$ 222,888	\$ 815,156
Average Contracts	1,206.66	406.47	1,613.13
Average Members (adjusted)	3,525.53	962.20	4,487.74
Per Member Per Month Claims (PMPM)	\$ 14.00	\$ 19.30	\$ 15.14

Experience Year: **07/01/2022 - 06/30/2023**
 Projection Year: **01/01/2024 - 12/31/2024**

	Active	Pre-65 Retirees	Pre-65 Blend
Paid Vision claims	\$ 586,162	\$ 228,653	\$ 814,815
Trend Factor (3.5% annual trend)	1.053	1.053	1.053
Incurral Factor	1.003	1.003	1.003
Plan Design / Carrier Adjustment Factor	1.000	1.000	1.000
Covid Experience Adjustment Factor	1.000	1.000	1.000
Projected Incurred Claims	\$ 619,080	\$ 241,494	\$ 860,574
Average Contracts	1,235.73	395.57	1,631.30
Average Members	3,542.88	946.84	4,489.72
Per Member Per Month Claims (PMPM)	\$ 14.56	\$ 21.25	\$ 15.97
Weighted Average PMPM (60/40)	\$ 14.34	\$ 20.47	\$ 15.64
Administrative Fees	\$ 0.41	\$ 0.49	\$ 0.43
Total Vision PMPM	\$ 14.75	\$ 20.96	\$ 16.07



Post-65 Retiree Vision Claims Experience

Projection Year: **01/01/2024 - 12/31/2024**

Experience Year (July to June)	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>Total / Weighted Average</u>
Experience Year				
Paid Vision Claims *	\$ 654	\$ 366	\$ 354	\$ 1,374
Trend Factor (3.5% annual trend)	1.128	1.090	1.053	
Incurral Factor	1.003	1.003	1.003	
Plan Design Adjustment Factor	1.000	1.000	1.000	
Covid Experience Adjustment Factor	1.000	1.000	1.000	
Projected Incurred Claims	\$ 740	\$ 400	\$ 374	\$ 1,514
Average Contracts	32.08	29.00	27.61	88.69
Average Members (adjusted)	37.67	34.08	32.28	104.03
Weighting Factor	33.3%	33.3%	33.3%	
Per Member Per Month Claims (PMPM)	\$ 1.64	\$ 0.98	\$ 0.97	\$ 1.19
Administrative Fees				\$ 1.01
Total Vision PMPM				\$ 2.20

* See explanatory notes for detailed description.

Vision Rate Development

	<u>Active</u>	<u>Pre-65 Retiree</u>	<u>Pre-65 Blend</u>	<u>Post-65</u>
Total Vision PMPM	\$ 14.75	\$ 20.96	\$ 16.07	\$ 2.20
Members Per Contract	2.867	2.393	2.754	1.173
Per Employee Per Month Cost (PEPM)	\$ 42.29	\$ 50.16	\$ 44.26	\$ 2.58
Rating Tiers				
Single	1.000	1.000	1.000	1.000
Double	2.150	1.950	2.076	1.999
Family	2.600	2.220	2.535	2.249
Composite Tier	2.072	1.772	2.000	1.160
Single Rate*	\$ 20.41	\$ 28.31	\$ 22.13	\$ 2.22
Double Rate*	\$ 43.88	\$ 55.20	\$ 45.94	\$ 4.44
Family Rate*	\$ 53.07	\$ 62.85	\$ 56.10	\$ 4.99

* Rate calculated as the PEPM times the rating tier divided by the composite tier.

City of Grand Rapids

Summary of Non-Medicare Claims and Expenses

July 2022 through June 2023

July 2022	Active	Pre-65 Retiree	Total
Contracts	1,207	408	1,615
Lives	3,506	960	4,466
Medical	\$1,632,521	\$429,170	\$2,061,691
Rx Net of Rebate	\$326,374	\$96,303	\$422,677
Dental	\$108,791	\$24,219	\$133,010
Vision	\$37,658	\$12,216	\$49,875
Medical Admin Fee	\$73,013	\$23,372	\$96,385
Dental Admin Fees	\$4,124	\$1,291	\$5,415
Consultant/Actuary	\$6,880	\$2,203	\$9,083
Total	\$2,189,361	\$588,774	\$2,778,136

October 2022	Active	Pre-65 Retiree	Total
Contracts	1,231	391	1,622
Lives	3,547	930	4,477
Medical	\$1,029,188	\$437,925	\$1,467,112
Rx Net of Rebate	\$356,151	\$124,204	\$480,355
Dental	\$106,067	\$31,455	\$137,521
Vision	\$32,870	\$16,166	\$49,036
Medical Admin Fee	\$73,241	\$23,445	\$96,686
Dental Admin Fees	\$4,126	\$1,292	\$5,418
Consultant/Actuary	\$6,880	\$2,203	\$9,083
Total	\$1,608,523	\$636,689	\$2,245,212

August 2022	Active	Pre-65 Retiree	Total
Contracts	1,214	412	1,626
Lives	3,507	971	4,478
Medical	\$1,318,585	\$647,619	\$1,966,204
Rx Net of Rebate	\$350,499	\$123,896	\$474,395
Dental	\$112,221	\$40,296	\$152,517
Vision	\$35,047	\$18,961	\$54,008
Medical Admin Fee	\$73,432	\$23,506	\$96,938
Dental Admin Fees	\$4,169	\$1,305	\$5,474
Consultant/Actuary	\$6,880	\$2,203	\$9,083
Total	\$1,900,833	\$857,786	\$2,758,619

November 2022	Active	Pre-65 Retiree	Total
Contracts	1,232	388	1,620
Lives	3,540	924	4,463
Medical	\$1,100,442	\$365,394	\$1,465,836
Rx Net of Rebate	\$380,331	\$101,025	\$481,356
Dental	\$105,836	\$30,444	\$136,280
Vision	\$33,567	\$12,807	\$46,375
Medical Admin Fee	\$73,166	\$23,421	\$96,587
Dental Admin Fees	\$4,093	\$1,282	\$5,375
Consultant/Actuary	\$6,880	\$2,203	\$9,083
Total	\$1,704,315	\$536,576	\$2,240,891

September 2022	Active	Pre-65 Retiree	Total
Contracts	1,226	395	1,621
Lives	3,533	937	4,470
Medical	\$1,912,859	\$498,086	\$2,410,945
Rx Net of Rebate	\$353,138	\$106,701	\$459,839
Dental	\$103,939	\$36,955	\$140,893
Vision	\$39,162	\$11,004	\$50,165
Medical Admin Fee	\$73,249	\$23,448	\$96,697
Dental Admin Fees	\$4,217	\$1,320	\$5,537
Consultant/Actuary	\$6,880	\$2,203	\$9,083
Total	\$2,493,444	\$679,716	\$3,173,160

December 2022	Active	Pre-65 Retiree	Total
Contracts	1,233	388	1,621
Lives	3,536	922	4,459
Medical	\$1,675,622	\$800,551	\$2,476,172
Rx Net of Rebate	\$368,403	\$123,293	\$491,695
Dental	\$124,325	\$30,476	\$154,800
Vision	\$31,918	\$12,096	\$44,014
Medical Admin Fee	\$73,156	\$23,418	\$96,574
Dental Admin Fees	\$4,098	\$1,283	\$5,381
Consultant/Actuary	\$6,880	\$2,203	\$9,083
Total	\$2,284,401	\$993,318	\$3,277,720



City of Grand Rapids

Summary of Non-Medicare Claims and Expenses

July 2022 through June 2023

January 2023	Active	Pre-65 Retiree	Total
Contracts	1,240	381	1,621
Lives	3,566	906	4,472
Medical	\$1,313,489	\$477,949	\$1,791,439
Rx Net of Rebate	\$398,303	\$105,505	\$503,808
Dental	\$134,759	\$38,865	\$173,624
Vision	\$72,738	\$29,570	\$102,308
Medical Admin Fee	\$72,271	\$23,135	\$95,406
Dental Admin Fees	\$4,119	\$1,290	\$5,409
Consultant/Actuary	\$6,880	\$2,203	\$9,083
Total	\$2,002,559	\$678,517	\$2,681,076

April 2023	Active	Pre-65 Retiree	Total
Contracts	1,247	400	1,647
Lives	3,541	969	4,510
Medical	\$1,648,276	\$551,845	\$2,200,121
Rx Net of Rebate	\$377,519	\$166,948	\$544,467
Dental	\$110,032	\$32,836	\$142,868
Vision	\$39,178	\$16,139	\$55,317
Medical Admin Fee	\$73,251	\$23,448	\$96,699
Dental Admin Fees	\$4,162	\$1,303	\$5,465
Consultant/Actuary	\$6,880	\$2,203	\$9,083
Total	\$2,259,297	\$794,722	\$3,054,020

February 2023	Active	Pre-65 Retiree	Total
Contracts	1,239	393	1,632
Lives	3,538	958	4,496
Medical	\$2,223,055	\$681,272	\$2,904,327
Rx Net of Rebate	\$340,266	\$176,404	\$516,669
Dental	\$108,362	\$26,315	\$134,677
Vision	\$103,058	\$46,693	\$149,750
Medical Admin Fee	\$72,710	\$23,275	\$95,985
Dental Admin Fees	\$4,152	\$1,300	\$5,452
Consultant/Actuary	\$6,880	\$2,203	\$9,083
Total	\$2,858,483	\$957,461	\$3,815,944

May 2023	Active	Pre-65 Retiree	Total
Contracts	1,257	398	1,655
Lives	3,573	964	4,537
Medical	\$1,534,672	\$659,743	\$2,194,415
Rx Net of Rebate	\$408,323	\$144,838	\$553,162
Dental	\$99,687	\$35,600	\$135,287
Vision	\$61,298	\$14,991	\$76,289
Medical Admin Fee	\$73,529	\$23,538	\$97,067
Dental Admin Fees	\$4,154	\$1,301	\$5,455
Consultant/Actuary	\$6,880	\$2,203	\$9,083
Total	\$2,188,544	\$882,214	\$3,070,758

March 2023	Active	Pre-65 Retiree	Total
Contracts	1,241	396	1,637
Lives	3,543	964	4,507
Medical	\$1,803,231	\$393,218	\$2,196,449
Rx Net of Rebate	\$369,617	\$182,449	\$552,066
Dental	\$124,726	\$40,736	\$165,462
Vision	\$53,264	\$22,033	\$75,297
Medical Admin Fee	\$72,871	\$23,327	\$96,198
Dental Admin Fees	\$4,146	\$1,298	\$5,444
Consultant/Actuary	\$6,880	\$2,203	\$9,083
Total	\$2,434,734	\$665,264	\$3,099,998

June 2023	Active	Pre-65 Retiree	Total
Contracts	1,261	397	1,658
Lives	3,585	958	4,542
Medical	\$1,770,033	\$505,141	\$2,275,174
Rx Net of Rebate	\$379,131	\$160,778	\$539,909
Dental	\$117,959	\$30,727	\$148,686
Vision	\$46,404	\$15,977	\$62,381
Medical Admin Fee	\$73,620	\$23,566	\$97,186
Dental Admin Fees	\$4,146	\$1,298	\$5,444
Consultant/Actuary	\$6,884	\$2,203	\$9,087
Total	\$2,398,177	\$739,690	\$3,137,867



Calculation of Gain/(Loss) on July 2022 through June 2023 Combined Active and Pre-65 Retiree Segment Experience

Period	Pre-65 Claim & Admin Costs	Active Contracts	Pre-65 Retiree Contracts	Total Non-Medicare Contracts	Expected Revenue Based on 2022 & 2023 Calculated per Contract Rates*	Gain/(Loss)
July-22	\$2,778,136	1,207	408	1,615	\$3,068,662	\$290,526
August-22	\$2,758,619	1,214	412	1,626	\$3,089,563	\$330,944
September-22	\$3,173,160	1,226	395	1,621	\$3,080,062	(\$93,098)
October-22	\$2,245,212	1,231	391	1,622	\$3,081,962	\$836,750
November-22	\$2,240,891	1,232	388	1,620	\$3,078,162	\$837,271
December-22	\$3,277,720	1,233	388	1,621	\$3,080,062	(\$197,658)
January-23	\$2,681,076	1,240	381	1,621	\$3,177,176	\$496,100
February-23	\$3,815,944	1,239	393	1,632	\$3,198,736	(\$617,208)
March-23	\$3,099,998	1,241	396	1,637	\$3,208,536	\$108,538
April-23	\$3,054,020	1,247	400	1,647	\$3,228,136	\$174,116
May-23	\$3,070,758	1,257	398	1,655	\$3,243,817	\$173,059
June-23	\$3,137,867	1,261	397	1,658	\$3,249,697	\$111,830

Total	\$35,333,401	1,236	396	1,631	\$37,784,571	\$2,451,170
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Amount of July 2022 through June 2023 experience gain/(loss) recognized in 2024 rates	\$817,057
Amount of July 2021 through June 2022 experience gain/(loss) recognized in 2024 rates	\$546,284
Amount of July 2020 through June 2021 experience gain/(loss) recognized in 2024 rates	\$607,583
Total Amount experience gain/(loss) recognized in 2024 rates	\$1,970,924

* Apply rates from page 28 for 2023 and from page 29 for 2022 to derive Expected Revenue.

Calculation of Gain/(Loss) on July 2022 through June 2023 Post-65 Retiree Experience

Period	Post-65 Claim & Admin Costs	Post-65 Contracts	Expected Revenue Based on 2022 & 2023 Calculated per Contract Rates*	Gain/(Loss)
July-22	\$30,865	29	\$39,367	\$8,502
August-22	\$56,541	29	\$39,297	(\$17,244)
September-22	\$25,772	29	\$39,297	\$13,525
October-22	\$26,912	28	\$37,339	\$10,427
November-22	\$36,615	28	\$37,130	\$515
December-22	\$24,480	27	\$34,962	\$10,482
January-23	\$23,548	28	\$34,435	\$10,887
February-23	\$27,121	28	\$34,509	\$7,388
March-23	\$32,506	27	\$33,399	\$893
April-23	\$23,613	27	\$33,399	\$9,786
May-23	\$26,608	26	\$32,363	\$5,755
June-23	\$25,654	25	\$31,362	\$5,708
Total	\$360,235	28	\$426,859	\$66,624

Portion of Gain/(Loss) Recognized in 2024 Implemented Rates

Amount of July 2022 through June 2023 experience gain/(loss) recognized in 2023 rates	\$22,208
Amount of July 2021 through June 2022 experience gain/(loss) recognized in 2023 rates	\$34,350
Amount of July 2020 through June 2021 experience gain/(loss) recognized in 2023 rates	\$31,860
Total Amount experience gain/(loss) recognized in 2024 rates	\$88,418

* Apply rates from page 28 for 2023 and from page 29 for 2022 to derive Expected Revenue.

Explanation of Rates Developed in Following Section

Page 21: "2024 Calculated Premium Rates Schedule"

This schedule develops the 2024 rates without incorporating any smoothing.

Page 22: "2024 Implemented Premium Rates"

This schedule incorporates the impact of past experience gains or losses separately for the Active and Pre-65 retiree segment and the Post-65 retiree segment. For the Active/Pre-65 retiree segment, all three experience periods show gains. Overall, the smoothing formula reduces the calculated rates by 4.9% and the surplus reduction adjustment plus the implementation credit reduces the rate by an additional 2.5%, for a total reduction of 7.5%.

For the Post-65 retiree segment, all three experience periods show gains. Gains/(losses) are spread over three years and used to adjust the current and subsequent 2 years rate developments. Overall this smoothing formula reduces the calculated rates by 26.5%.

Development of gains and losses for the most recent periods are on pages 15 and 16.

Gains/losses are determined by comparing the actual experience to the calculated rates (which are the best estimate of future costs). Gains/losses are based on average expected costs and actual monthly enrollments for the experience period.

Active Segment

The table below illustrates the development of the rates for the **Active segments**, showing actual rates for 2023 and 2024 and projected rates for the following five years. The rates are projected assuming all trend assumptions are realized and there are no plan changes or changes in population; in reality, there will be gains and losses in future years.

	2023	2024	2025	2026	2027	2028	2029
Calculated Rate for Medical/Rx/Vision	\$ 1,893.08	\$ 1,892.80	\$ 2,025.30	\$ 2,167.07	\$ 2,318.76	\$ 2,481.07	\$ 2,654.74
Calculated Rate for Dental	\$ 94.07	\$ 97.97	\$ 101.89	\$ 105.97	\$ 110.21	\$ 114.62	\$ 119.20
Total Blended PEPM	\$ 1,987.15	\$ 1,990.77	\$ 2,127.19	\$ 2,273.04	\$ 2,428.97	\$ 2,595.69	\$ 2,773.94
Annual Increase		0.18%	6.85%	6.86%	6.86%	6.86%	6.87%
Smoothing Dollars							
Smoothing July 1, 2019 - June 30, 2020	\$ (981,606)						
Smoothing July 1, 2020 - June 30, 2021	\$ (461,235)	\$ (461,235)					
Smoothing July 1, 2021 - June 30, 2022	\$ (408,635)	\$ (408,635)	\$ (408,635)				
Smoothing July 1, 2022 - June 30, 2023		\$ (618,931)	\$ (618,931)	\$ (618,931)			
Smoothing July 1, 2023 - June 30, 2024		\$ -	\$ -	\$ -			
Smoothing July 1, 2024 - June 30, 2025			\$ -	\$ -	\$ -		
Smoothing July 1, 2025 - June 30, 2026				\$ -	\$ -	\$ -	
Surplus Adjustment Rating Years 2023 - 2026	\$ (959,360)	\$ (753,680)	\$ (371,737)	\$ (2,310)	\$ -	\$ -	\$ -
COVID Credit Adjustment	\$ (580,452)	\$ -					
Total	\$ (3,391,288)	\$ (2,242,480)	\$ (1,399,303)	\$ (621,241)	\$ -	\$ -	\$ -
Contracts*	1,201	1,259	1,259	1,259	1,259	1,259	1,259
PEPM change due to smoothing	\$ (235.31)	\$ (148.43)	\$ (92.62)	\$ (41.12)	\$ -	\$ -	\$ -
Blended PEPM after Smoothing	\$ 1,751.84	\$ 1,842.34	\$ 2,034.57	\$ 2,231.92	\$ 2,428.97	\$ 2,595.69	\$ 2,773.94
Annual Increase		5.17%	10.43%	9.70%	8.83%	6.86%	6.87%
<i>* It is assumed that the pre-65 retiree population is stable with the current mix of contracts going forward.</i>							

Combined Active and Pre-65 Retiree Segment

The table below illustrates the development of the rates for the **Active/Pre-65 retiree segments**, showing actual rates for 2023 and 2024 and projected rates for the following five years. The rates are projected assuming all trend assumptions are realized and there are no plan changes or changes in population; in reality, there will be gains and losses in future years.

	2023	2024	2025	2026	2027	2028	2029
Calculated Rate for Medical/Rx/Vision	\$ 1,865.88	\$ 1,907.44	\$ 2,040.96	\$ 2,183.83	\$ 2,336.70	\$ 2,500.27	\$ 2,675.29
Calculated Rate for Dental	\$ 94.13	\$ 97.60	\$ 101.50	\$ 105.56	\$ 109.78	\$ 114.17	\$ 118.74
Total Blended PEPM	\$ 1,960.01	\$ 2,005.04	\$ 2,142.46	\$ 2,289.39	\$ 2,446.48	\$ 2,614.44	\$ 2,794.03
Annual Increase		2.30%	6.85%	6.86%	6.86%	6.87%	6.87%
Smoothing Dollars							
Smoothing July 1, 2019 - June 30, 2020	\$ (1,329,591)						
Smoothing July 1, 2020 - June 30, 2021	\$ (607,583)	\$ (607,583)					
Smoothing July 1, 2021 - June 30, 2022	\$ (546,284)	\$ (546,284)	\$ (546,284)				
Smoothing July 1, 2022 - June 30, 2023		\$ (817,057)	\$ (817,057)	\$ (817,057)			
Smoothing July 1, 2023 - June 30, 2024		\$ -	\$ -	\$ -			
Smoothing July 1, 2024 - June 30, 2025			\$ -	\$ -	\$ -		
Smoothing July 1, 2025 - June 30, 2026				\$ -	\$ -	\$ -	
Surplus Adjustment Rating Years 2023 - 2026	\$ (1,250,000)	\$ (1,000,000)	\$ (500,000)	\$ -	\$ -	\$ -	\$ -
COVID Credit Adjustment	\$ (756,301)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ (4,489,759)	\$ (2,970,924)	\$ (1,863,341)	\$ (817,057)	\$ -	\$ -	\$ -
Contracts*	1,612	1,656	1,656	1,656	1,656	1,656	1,656
PEPM change due to smoothing	\$ (232.10)	\$ (149.50)	\$ (93.77)	\$ (41.12)	\$ -	\$ -	\$ -
Blended PEPM after Smoothing	\$ 1,727.91	\$ 1,855.54	\$ 2,048.69	\$ 2,248.27	\$ 2,446.48	\$ 2,614.44	\$ 2,794.03
Annual Increase		7.39%	10.41%	9.74%	8.82%	6.87%	6.87%
* It is assumed that the pre-65 retiree population is stable with the current mix of contracts going forward.							



Post-65 Retiree Segment

The table below illustrates the development of the rates for the **Post-65 retiree segment**, showing actual rates for 2023 and 2024 and projected rates for the following five years. The rates are projected assuming all trend assumptions are realized and there are no plan changes or changes in population; in reality, there will be gains and losses in future years.

	2023	2024	2025	2026	2027	2028	2029
Calculated Rate for Medical/Rx/Vision	\$ 1,261.34	\$ 1,082.50	\$ 1,158.28	\$ 1,239.36	\$ 1,326.12	\$ 1,418.95	\$ 1,518.28
Calculated Rate for Dental	\$ 33.17	\$ 29.84	\$ 31.03	\$ 32.27	\$ 33.56	\$ 34.90	\$ 36.30
Total Blended PEPM	\$ 1,294.51	\$ 1,112.34	\$ 1,189.31	\$ 1,271.63	\$ 1,359.68	\$ 1,453.85	\$ 1,554.58
Annual Increase		-14.07%	6.92%	6.92%	6.92%	6.93%	6.93%
Smoothing Dollars							
Smoothing July 1, 2019 - June 30, 2020	\$ (9,752)						
Smoothing July 1, 2020 - June 30, 2021	\$ (31,860)	\$ (31,860)					
Smoothing July 1, 2021 - June 30, 2022	\$ (34,350)	\$ (34,350)	\$ (34,350)				
Smoothing July 1, 2022 - June 30, 2023		\$ (22,208)	\$ (22,208)	\$ (22,208)			
Smoothing July 1, 2023 - June 30, 2024		\$ -	\$ -	\$ -			
Smoothing July 1, 2024 - June 30, 2025			\$ -	\$ -	\$ -		
Smoothing July 1, 2025 - June 30, 2026				\$ -	\$ -	\$ -	
Total	\$ (75,962)	\$ (88,418)	\$ (56,558)	\$ (22,208)	\$ -	\$ -	\$ -
Contracts*	29	25	25	25	25	25	25
PEPM change due to smoothing	\$ (218.28)	\$ (294.73)	\$ (188.53)	\$ (74.03)	\$ -	\$ -	\$ -
Blended PEPM after Smoothing	\$ 1,076.23	\$ 817.61	\$ 1,000.78	\$ 1,197.60	\$ 1,359.68	\$ 1,453.85	\$ 1,554.58
Annual Increase		-24.03%	22.40%	19.67%	13.53%	6.93%	6.93%
<i>* It is assumed that the post-65 retiree population is stable with the current mix of contracts going forward.</i>							

2024 Calculated Premium Rates Without Reflection of Gain/Loss Smoothing

		Enrollment	Total	Med/Rx/Vis	Dental	Total Revenue
Active	EE Only	345	\$ 960.71	\$ 913.43	\$ 47.28	\$ 3,977,339
	2 Person	250	\$ 2,065.52	\$ 1,963.87	\$ 101.65	\$ 6,196,560
	Family	664	\$ 2,497.84	\$ 2,374.91	\$ 122.93	\$ 19,902,789
	Composite	1,259	\$ 1,990.78	\$ 1,892.80	\$ 97.97	\$ 30,076,688
Retired <65	EE Only	113	\$ 1,156.96	\$ 1,102.56	\$ 54.40	\$ 1,568,838
	2 Person	148	\$ 2,256.07	\$ 2,149.99	\$ 106.08	\$ 4,006,780
	Family	136	\$ 2,568.45	\$ 2,447.68	\$ 120.77	\$ 4,191,710
	Composite	397	\$ 2,050.24	\$ 1,953.83	\$ 96.40	\$ 9,767,328
Blended*	EE Only	458	\$ 1,009.13	\$ 960.09	\$ 49.04	\$ 5,546,177
	2 Person	398	\$ 2,136.38	\$ 2,033.08	\$ 103.30	\$ 10,203,340
	Family	800	\$ 2,509.84	\$ 2,387.28	\$ 122.56	\$ 24,094,500
	Composite	1,656	\$ 2,005.03	\$ 1,907.44	\$ 97.60	\$ 39,844,017
Retired >65 \$2 Rx Copay	EE Only	1	\$ 1,150.32	\$ 1,150.32		\$ 13,804
	w Dep>65	0	\$ 2,299.49	\$ 2,299.49		\$ -
	w Dep<65	0	\$ 2,587.07	\$ 2,587.07		\$ -
	Composite	1	\$ 1,150.32	\$ 1,150.32		\$ 13,804
Retired >65 \$4 Rx Copay	EE Only	0	\$ 1,122.42	\$ 1,122.42		\$ -
	w Dep>65	0	\$ 2,243.72	\$ 2,243.72		\$ -
	w Dep<65	0	\$ 2,524.32	\$ 2,524.32		\$ -
	Composite	0	\$ -	\$ -		\$ -
Retired >65 \$4/\$8 Rx Copay	EE Only	3	\$ 1,100.85	\$ 1,074.20	\$ 26.65	\$ 39,631
	w Dep>65	1	\$ 2,200.60	\$ 2,147.33	\$ 53.27	\$ 26,407
	w Dep<65	0	\$ 2,475.82	\$ 2,415.88	\$ 59.94	\$ -
	Composite	4	\$ 1,375.79	\$ 1,342.48	\$ 33.31	\$ 66,038
Retired >65 \$10/\$20 Rx Copay	EE Only	17	\$ 919.91	\$ 893.26	\$ 26.65	\$ 187,662
	w Dep>65	3	\$ 1,838.90	\$ 1,785.63	\$ 53.27	\$ 66,200
	w Dep<65	0	\$ 2,068.88	\$ 2,008.94	\$ 59.94	\$ -
	Composite	20	\$ 1,057.76	\$ 1,027.12	\$ 30.64	\$ 253,862
Composite >65	EE Only	21	\$ 956.73	\$ 931.35	\$ 25.38	\$ 241,096
	w Dep>65	4	\$ 1,929.33	\$ 1,876.06	\$ 53.27	\$ 92,608
	w Dep<65	0	\$ -	\$ -	\$ -	\$ -
	Composite	25	\$ 1,112.34	\$ 1,082.50	\$ 29.84	\$ 333,704

* Blended using revenue.



2024 Implemented Premium Rates Reflecting Gain/Loss Smoothing and Surplus Reduction Adjustment

		Enrollment	Total	Med/Rx/Vis	Dental	Total Revenue
Active	EE Only	345	\$ 889.08	\$ 845.32	\$ 43.76	\$ 3,680,774
	2 Person	250	\$ 1,911.51	\$ 1,817.44	\$ 94.07	\$ 5,734,521
	Family	664	\$ 2,311.59	\$ 2,197.83	\$ 113.76	\$ 18,418,763
	Composite	1,259	\$ 1,842.34	\$ 1,751.67	\$ 90.67	\$ 27,834,058
Retired <65	EE Only	113	\$ 1,070.69	\$ 1,020.35	\$ 50.34	\$ 1,451,859
	2 Person	148	\$ 2,087.85	\$ 1,989.68	\$ 98.17	\$ 3,708,020
	Family	136	\$ 2,376.94	\$ 2,265.17	\$ 111.77	\$ 3,879,161
	Composite	397	\$ 1,897.36	\$ 1,808.15	\$ 89.21	\$ 9,039,040
Blended*	EE Only	458	\$ 933.89	\$ 888.50	\$ 45.39	\$ 5,132,659
	2 Person	398	\$ 1,977.08	\$ 1,881.49	\$ 95.59	\$ 9,442,534
	Family	800	\$ 2,322.70	\$ 2,209.28	\$ 113.42	\$ 22,297,920
	Composite	1,656	\$ 1,855.53	\$ 1,765.21	\$ 90.32	\$ 36,873,113
Retired >65 \$2 Rx Copay	EE Only	1	\$ 845.53	\$ 845.53	\$ -	\$ 10,146
	w Dep>65	0	\$ 1,690.22	\$ 1,690.22	\$ -	\$ -
	w Dep<65	0	\$ 1,901.60	\$ 1,901.60	\$ -	\$ -
	Composite	1	\$ 845.53	\$ 845.53	\$ -	\$ 10,146
Retired >65 \$4 Rx Copay	EE Only	0	\$ 825.02	\$ 825.02	\$ -	\$ -
	w Dep>65	0	\$ 1,649.23	\$ 1,649.23	\$ -	\$ -
	w Dep<65	0	\$ 1,855.48	\$ 1,855.48	\$ -	\$ -
	Composite	0	\$ -	\$ -	\$ -	\$ -
Retired >65 \$4/\$8 Rx Copay	EE Only	3	\$ 809.17	\$ 789.58	\$ 19.59	\$ 29,130
	w Dep>65	1	\$ 1,617.53	\$ 1,578.37	\$ 39.16	\$ 19,410
	w Dep<65	0	\$ 1,819.83	\$ 1,775.77	\$ 44.06	\$ -
	Composite	4	\$ 1,011.26	\$ 986.78	\$ 24.48	\$ 48,540
Retired >65 \$10/\$20 Rx Copay	EE Only	17	\$ 676.17	\$ 656.58	\$ 19.59	\$ 137,939
	w Dep>65	3	\$ 1,351.67	\$ 1,312.51	\$ 39.16	\$ 48,660
	w Dep<65	0	\$ 1,520.71	\$ 1,476.65	\$ 44.06	\$ -
	Composite	20	\$ 777.49	\$ 754.97	\$ 22.52	\$ 186,599
Composite >65	EE Only	21	\$ 703.24	\$ 684.58	\$ 18.66	\$ 177,216
	w Dep>65	4	\$ 1,418.14	\$ 1,378.98	\$ 39.16	\$ 68,071
	w Dep<65	0	\$ -	\$ -	\$ -	\$ -
	Composite	25	\$ 817.61	\$ 795.68	\$ 21.94	\$ 245,287

* Blended using revenue.



2024 Implemented Rates vs. 2023 Implemented Rates (Dollar Increases)

		Total	Med/Rx/Vis	Dental	Total Revenue*
Active	EE Only	\$ 51.98	\$ 47.85	\$ 4.13	\$ 17,933
	2 Person	\$ 111.76	\$ 102.88	\$ 8.87	\$ 27,940
	Family	\$ 135.14	\$ 124.41	\$ 10.73	\$ 89,735
	Composite	\$ 90.50	\$ 82.76	\$ 7.74	\$ 135,608
Retired <65	EE Only	\$ 131.82	\$ 128.56	\$ 3.25	\$ 14,895
	2 Person	\$ 257.04	\$ 250.69	\$ 6.35	\$ 38,042
	Family	\$ 292.63	\$ 285.40	\$ 7.24	\$ 39,798
	Composite	\$ 239.37	\$ 233.30	\$ 6.07	\$ 92,735
Blended	EE Only	\$ 68.80	\$ 65.09	\$ 3.71	\$ 31,510
	2 Person	\$ 165.24	\$ 157.42	\$ 7.81	\$ 65,766
	Family	\$ 162.26	\$ 152.13	\$ 10.13	\$ 129,808
	Composite	\$ 127.62	\$ 120.29	\$ 7.33	\$ 227,084
Retired >65 \$2 Rx Copay	EE Only	\$ (234.72)	\$ (234.72)	\$ -	\$ (235)
	w Dep>65	\$ (469.19)	\$ (469.19)	\$ -	\$ -
	w Dep<65	\$ (527.87)	\$ (527.87)	\$ -	\$ -
	Composite	\$ (234.72)	\$ (234.72)	\$ -	\$ (235)
Retired >65 \$4 Rx Copay	EE Only	\$ (228.88)	\$ (228.88)	\$ -	\$ -
	w Dep>65	\$ (457.54)	\$ (457.54)	\$ -	\$ -
	w Dep<65	\$ (514.76)	\$ (514.76)	\$ -	\$ -
	Composite	\$ -	\$ -	\$ -	\$ -
Retired >65 \$4/\$8 Rx Copay	EE Only	\$ (222.78)	\$ (218.84)	\$ (3.94)	\$ (668)
	w Dep>65	\$ (445.33)	\$ (437.45)	\$ (7.88)	\$ (445)
	w Dep<65	\$ (501.01)	\$ (492.15)	\$ (8.86)	\$ -
	Composite	\$ (278.41)	\$ (273.49)	\$ (4.92)	\$ (1,113)
Retired >65 \$10/\$20 Rx Copay	EE Only	\$ (185.07)	\$ (181.13)	\$ (3.94)	\$ (3,146)
	w Dep>65	\$ (369.94)	\$ (362.07)	\$ (7.88)	\$ (1,110)
	w Dep<65	\$ (416.21)	\$ (407.35)	\$ (8.86)	\$ -
	Composite	\$ (262.99)	\$ (257.09)	\$ (5.90)	\$ (4,256)
Composite >65	EE Only	\$ (189.78)	\$ (185.94)	\$ (3.85)	\$ (3,985)
	w Dep>65	\$ (360.34)	\$ (352.48)	\$ (7.88)	\$ (1,441)
	w Dep<65	\$ -	\$ -	\$ -	\$ -
	Composite	\$ (258.61)	\$ (252.97)	\$ (5.64)	\$ (5,426)

* Change in revenue uses the current enrollment applied to the rate change.



2024 Implemented Rates vs. 2023 Implemented Rates (Percentage Increases)

		Total	Med/Rx/Vis	Dental	Total Revenue*
Active	EE Only	6.21%	6.00%	10.42%	6.21%
	2 Person	6.21%	6.00%	10.41%	6.21%
	Family	6.21%	6.00%	10.41%	6.21%
	Composite	5.17%	4.96%	9.33%	6.21%
Retired <65	EE Only	14.04%	14.42%	6.90%	14.04%
	2 Person	14.04%	14.42%	6.92%	14.04%
	Family	14.04%	14.42%	6.93%	14.04%
	Composite	14.44%	14.81%	7.30%	14.04%
Blended	EE Only	7.95%	7.91%	8.90%	7.95%
	2 Person	9.12%	9.13%	8.90%	9.12%
	Family	7.51%	7.40%	9.81%	7.51%
	Composite	7.39%	7.31%	8.83%	7.98%
Retired >65 \$2 Rx Copay	EE Only	(21.73%)	(21.73%)	N/A	(21.73%)
	w Dep>65	(21.73%)	(21.73%)	N/A	N/A
	w Dep<65	(21.73%)	(21.73%)	N/A	N/A
	Composite	(21.73%)	(21.73%)	N/A	(21.73%)
Retired >65 \$4 Rx Copay	EE Only	(21.72%)	(21.72%)	N/A	N/A
	w Dep>65	(21.72%)	(21.72%)	N/A	N/A
	w Dep<65	(21.72%)	(21.72%)	N/A	N/A
	Composite	N/A	N/A	N/A	N/A
Retired >65 \$4/\$8 Rx Copay	EE Only	(21.59%)	(21.70%)	(16.74%)	(21.59%)
	w Dep>65	(21.59%)	(21.70%)	(16.74%)	(21.59%)
	w Dep<65	(21.59%)	(21.70%)	(16.74%)	N/A
	Composite	(21.59%)	(21.70%)	(16.73%)	(21.59%)
Retired >65 \$10/\$20 Rx Copay	EE Only	(21.49%)	(21.62%)	(16.74%)	(21.49%)
	w Dep>65	(21.49%)	(21.62%)	(16.74%)	(21.49%)
	w Dep<65	(21.49%)	(21.62%)	(16.74%)	N/A
	Composite	(25.28%)	(25.40%)	(20.76%)	(21.49%)
Composite >65	EE Only	(21.25%)	(21.36%)	(17.10%)	(21.25%)
	w Dep>65	(20.26%)	(20.36%)	(16.74%)	(20.26%)
	w Dep<65	N/A	N/A	N/A	N/A
	Composite	(24.03%)	(24.12%)	(20.45%)	(20.98%)

* % change in revenue uses the current enrollment applied to the rate change.



2025 Trended Calculated Premium Rates

(Assumes No Change in Covered Lives from 2023)

		Enrollment	Total	Med/Rx/Vis	Dental	Total Revenue
Active	EE Only	345	\$ 1,026.54	\$ 977.37	\$ 49.17	\$ 4,249,876
	2 Person	250	\$ 2,207.06	\$ 2,101.34	\$ 105.72	\$ 6,621,180
	Family	664	\$ 2,669.00	\$ 2,541.15	\$ 127.85	\$ 21,266,592
	Composite	1,259	\$ 2,127.19	\$ 2,025.30	\$ 101.90	\$ 32,137,648
Retired <65	EE Only	113	\$ 1,236.32	\$ 1,179.74	\$ 56.58	\$ 1,676,450
	2 Person	148	\$ 2,410.81	\$ 2,300.49	\$ 110.32	\$ 4,281,599
	Family	136	\$ 2,744.62	\$ 2,619.02	\$ 125.60	\$ 4,479,220
	Composite	397	\$ 2,190.86	\$ 2,090.60	\$ 100.26	\$ 10,437,269
Blended	EE Only	458	\$ 1,078.30	\$ 1,027.30	\$ 51.00	\$ 5,926,326
	2 Person	398	\$ 2,282.83	\$ 2,175.40	\$ 107.43	\$ 10,902,779
	Family	800	\$ 2,681.86	\$ 2,554.39	\$ 127.47	\$ 25,745,812
	Composite	1,656	\$ 2,142.46	\$ 2,040.96	\$ 101.50	\$ 42,574,917
Retired >65 \$2 Rx Copay	EE Only	1	\$ 1,230.84	\$ 1,230.84	\$ -	\$ 14,770
	w Dep>65	0	\$ 2,460.45	\$ 2,460.45	\$ -	\$ -
	w Dep<65	0	\$ 2,768.16	\$ 2,768.16	\$ -	\$ -
	Composite	1	\$ 1,230.84	\$ 1,230.84	\$ -	\$ 14,770
Retired >65 \$4 Rx Copay	EE Only	0	\$ 1,200.99	\$ 1,200.99	\$ -	\$ -
	w Dep>65	0	\$ 2,400.78	\$ 2,400.78	\$ -	\$ -
	w Dep<65	0	\$ 2,701.02	\$ 2,701.02	\$ -	\$ -
	Composite	0	\$ -	\$ -	\$ -	\$ -
Retired >65 \$4/\$8 Rx Copay	EE Only	3	\$ 1,177.11	\$ 1,149.39	\$ 27.72	\$ 42,376
	w Dep>65	1	\$ 2,353.04	\$ 2,297.64	\$ 55.40	\$ 28,236
	w Dep<65	0	\$ 2,647.33	\$ 2,584.99	\$ 62.34	\$ -
	Composite	4	\$ 1,471.09	\$ 1,436.45	\$ 34.64	\$ 70,612
Retired >65 \$10/\$20 Rx Copay	EE Only	17	\$ 983.51	\$ 955.79	\$ 27.72	\$ 200,636
	w Dep>65	3	\$ 1,966.02	\$ 1,910.62	\$ 55.40	\$ 70,777
	w Dep<65	0	\$ 2,211.91	\$ 2,149.57	\$ 62.34	\$ -
	Composite	20	\$ 1,130.89	\$ 1,099.01	\$ 31.87	\$ 271,413
Composite >65	EE Only	21	\$ 1,022.94	\$ 996.54	\$ 26.40	\$ 257,781
	w Dep>65	4	\$ 2,062.78	\$ 2,007.38	\$ 55.40	\$ 99,013
	w Dep<65	0	\$ -	\$ -	\$ -	\$ -
	Composite	25	\$ 1,189.31	\$ 1,158.27	\$ 31.04	\$ 356,794



2025 Projected Smoothed Premium Rates

(Assumes No Change in Covered Lives from 2023)

		Enrollment	Total	Med/Rx/Vis	Dental	Total Revenue
Active	EE Only	345	\$ 981.84	\$ 934.81	\$ 47.03	\$ 4,064,818
	2 Person	250	\$ 2,110.95	\$ 2,009.84	\$ 101.11	\$ 6,332,850
	Family	664	\$ 2,552.78	\$ 2,430.50	\$ 122.28	\$ 20,340,551
	Composite	1,259	\$ 2,034.57	\$ 1,937.11	\$ 97.46	\$ 30,738,219
Retired <65	EE Only	113	\$ 1,182.48	\$ 1,128.37	\$ 54.11	\$ 1,603,443
	2 Person	148	\$ 2,305.84	\$ 2,200.32	\$ 105.52	\$ 4,095,172
	Family	136	\$ 2,625.11	\$ 2,504.98	\$ 120.13	\$ 4,284,180
	Composite	397	\$ 2,095.46	\$ 1,999.57	\$ 95.89	\$ 9,982,795
Blended	EE Only	458	\$ 1,031.34	\$ 982.57	\$ 48.78	\$ 5,668,260
	2 Person	398	\$ 2,183.42	\$ 2,080.67	\$ 102.75	\$ 10,428,022
	Family	800	\$ 2,565.08	\$ 2,443.16	\$ 121.91	\$ 24,624,731
	Composite	1,656	\$ 2,049.17	\$ 1,952.08	\$ 97.08	\$ 40,721,013
Retired >65 \$2 Rx Copay	EE Only	1	\$ 1,051.26	\$ 1,051.26	\$ -	\$ 12,615
	w Dep>65	0	\$ 2,101.47	\$ 2,101.47	\$ -	\$ -
	w Dep<65	0	\$ 2,364.28	\$ 2,364.28	\$ -	\$ -
	Composite	1	\$ 1,051.26	\$ 1,051.26	\$ -	\$ 12,615
Retired >65 \$4 Rx Copay	EE Only	0	\$ 1,025.76	\$ 1,025.76	\$ -	\$ -
	w Dep>65	0	\$ 2,050.50	\$ 2,050.50	\$ -	\$ -
	w Dep<65	0	\$ 2,306.94	\$ 2,306.94	\$ -	\$ -
	Composite	0	\$ -	\$ -	\$ -	\$ -
Retired >65 \$4/\$8 Rx Copay	EE Only	3	\$ 1,005.36	\$ 981.69	\$ 23.67	\$ 36,193
	w Dep>65	1	\$ 2,009.73	\$ 1,962.41	\$ 47.32	\$ 24,117
	w Dep<65	0	\$ 2,261.07	\$ 2,207.83	\$ 53.24	\$ -
	Composite	4	\$ 1,256.45	\$ 1,226.87	\$ 29.58	\$ 60,310
Retired >65 \$10/\$20 Rx Copay	EE Only	17	\$ 840.01	\$ 816.34	\$ 23.67	\$ 171,362
	w Dep>65	3	\$ 1,679.18	\$ 1,631.86	\$ 47.32	\$ 60,450
	w Dep<65	0	\$ 1,889.18	\$ 1,835.94	\$ 53.24	\$ -
	Composite	20	\$ 965.89	\$ 938.67	\$ 27.22	\$ 231,812
Composite >65	EE Only	21	\$ 873.69	\$ 851.15	\$ 22.54	\$ 220,170
	w Dep>65	4	\$ 1,761.82	\$ 1,714.50	\$ 47.32	\$ 84,567
	w Dep<65	0	\$ -	\$ -	\$ -	\$ -
	Composite	25	\$ 1,015.79	\$ 989.29	\$ 26.50	\$ 304,737

The rates are projected assuming all trend assumptions are realized and there are no plan changes or changes in population; in reality, there will be gains and losses so the actual 2025 rates developed next year will differ from the rates above.



2023 Implemented Premium Rates Reflecting Gain/Loss Smoothing

		Enrollment	Total	Med/Rx/Vis	Dental	Total Revenue
Active	EE Only	311	\$ 837.10	\$ 797.47	\$ 39.63	\$ 3,124,045
	2 Person	248	\$ 1,799.75	\$ 1,714.55	\$ 85.20	\$ 5,356,051
	Family	642	\$ 2,176.45	\$ 2,073.42	\$ 103.03	\$ 16,767,357
	Composite	1,201	\$ 1,751.84	\$ 1,668.91	\$ 82.93	\$ 25,247,453
Retired <65	EE Only	118	\$ 938.88	\$ 891.79	\$ 47.09	\$ 1,329,448
	2 Person	158	\$ 1,830.81	\$ 1,738.99	\$ 91.82	\$ 3,471,209
	Family	135	\$ 2,084.31	\$ 1,979.78	\$ 104.53	\$ 3,376,575
	Composite	411	\$ 1,657.99	\$ 1,574.85	\$ 83.14	\$ 8,177,232
Blended*	EE Only	429	\$ 865.09	\$ 823.41	\$ 41.68	\$ 4,453,483
	2 Person	406	\$ 1,811.84	\$ 1,724.06	\$ 87.78	\$ 8,827,284
	Family	777	\$ 2,160.44	\$ 2,057.15	\$ 103.29	\$ 20,143,943
	Composite	1,612	\$ 1,727.91	\$ 1,644.92	\$ 82.99	\$ 33,424,711
Retired >65 \$2 Rx Copay	EE Only	1	\$ 1,080.25	\$ 1,080.25	\$ -	\$ 12,963
	w Dep>65	0	\$ 2,159.41	\$ 2,159.41	\$ -	\$ -
	w Dep<65	0	\$ 2,429.47	\$ 2,429.47	\$ -	\$ -
	Composite	1	\$ 1,080.25	\$ 1,080.25	\$ -	\$ 12,963
Retired >65 \$4 Rx Copay	EE Only	0	\$ 1,053.91	\$ 1,053.91	\$ -	\$ -
	w Dep>65	0	\$ 2,106.76	\$ 2,106.76	\$ -	\$ -
	w Dep<65	0	\$ 2,370.24	\$ 2,370.24	\$ -	\$ -
	Composite	0	\$ -	\$ -	\$ -	\$ -
Retired >65 \$4/\$8 Rx Copay	EE Only	3	\$ 1,031.95	\$ 1,008.42	\$ 23.53	\$ 37,150
	w Dep>65	1	\$ 2,062.86	\$ 2,015.83	\$ 47.03	\$ 24,754
	w Dep<65	0	\$ 2,320.84	\$ 2,267.92	\$ 52.92	\$ -
	Composite	4	\$ 1,289.67	\$ 1,260.27	\$ 29.40	\$ 61,904
Retired >65 \$10/\$20 Rx Copay	EE Only	19	\$ 861.24	\$ 837.71	\$ 23.53	\$ 196,363
	w Dep>65	5	\$ 1,721.61	\$ 1,674.58	\$ 47.03	\$ 103,297
	w Dep<65	0	\$ 1,936.92	\$ 1,884.00	\$ 52.92	\$ -
	Composite	24	\$ 1,040.48	\$ 1,012.06	\$ 28.42	\$ 299,660
Composite >65	EE Only	23	\$ 893.02	\$ 870.52	\$ 22.50	\$ 246,474
	w Dep>65	6	\$ 1,778.48	\$ 1,731.45	\$ 47.03	\$ 128,051
	w Dep<65	0	\$ -	\$ -	\$ -	\$ -
	Composite	29	\$ 1,076.22	\$ 1,048.65	\$ 27.58	\$ 374,525

* Blended using revenue.



2023 Calculated Premium Rates Without Reflection of Gain/Loss Smoothing

		Enrollment	Total	Med/Rx/Vis	Dental	Total Revenue
Active	EE Only	311	\$ 949.54	\$ 904.59	\$ 44.95	\$ 3,543,683
	2 Person	248	\$ 2,041.50	\$ 1,944.86	\$ 96.64	\$ 6,075,504
	Family	642	\$ 2,468.80	\$ 2,351.93	\$ 116.87	\$ 19,019,635
	Composite	1,201	\$ 1,987.15	\$ 1,893.08	\$ 94.07	\$ 28,638,822
Retired <65	EE Only	118	\$ 1,064.99	\$ 1,011.58	\$ 53.41	\$ 1,508,026
	2 Person	158	\$ 2,076.73	\$ 1,972.58	\$ 104.15	\$ 3,937,480
	Family	135	\$ 2,364.28	\$ 2,245.71	\$ 118.57	\$ 3,830,134
	Composite	411	\$ 1,880.71	\$ 1,786.39	\$ 94.32	\$ 9,275,640
Blended*	EE Only	429	\$ 981.30	\$ 934.02	\$ 47.28	\$ 5,051,709
	2 Person	406	\$ 2,055.21	\$ 1,955.65	\$ 99.56	\$ 10,012,984
	Family	777	\$ 2,450.64	\$ 2,333.47	\$ 117.17	\$ 22,849,769
	Composite	1,612	\$ 1,960.01	\$ 1,865.88	\$ 94.13	\$ 37,914,462
Retired >65 \$2 Rx Copay	EE Only	1	\$ 1,299.35	\$ 1,299.35		\$ 15,592
	w Dep>65	0	\$ 2,597.40	\$ 2,597.40		\$ -
	w Dep<65	0	\$ 2,922.23	\$ 2,922.23		\$ -
	Composite	1	\$ 1,299.35	\$ 1,299.35		\$ 15,592
Retired >65 \$4 Rx Copay	EE Only	0	\$ 1,267.67	\$ 1,267.67		\$ -
	w Dep>65	0	\$ 2,534.07	\$ 2,534.07		\$ -
	w Dep<65	0	\$ 2,850.99	\$ 2,850.99		\$ -
	Composite	0	\$ -	\$ -		\$ -
Retired >65 \$4/\$8 Rx Copay	EE Only	3	\$ 1,241.25	\$ 1,212.95	\$ 28.30	\$ 44,685
	w Dep>65	1	\$ 2,481.26	\$ 2,424.69	\$ 56.57	\$ 29,775
	w Dep<65	0	\$ 2,791.57	\$ 2,727.92	\$ 63.65	\$ -
	Composite	4	\$ 1,551.25	\$ 1,515.89	\$ 35.37	\$ 74,460
Retired >65 \$10/\$20 Rx Copay	EE Only	19	\$ 1,035.92	\$ 1,007.62	\$ 28.30	\$ 236,190
	w Dep>65	5	\$ 2,070.80	\$ 2,014.23	\$ 56.57	\$ 124,248
	w Dep<65	0	\$ 2,329.78	\$ 2,266.13	\$ 63.65	\$ -
	Composite	24	\$ 1,251.52	\$ 1,217.33	\$ 34.19	\$ 360,438
Composite >65	EE Only	23	\$ 1,074.16	\$ 1,047.09	\$ 27.07	\$ 296,467
	w Dep>65	6	\$ 2,139.21	\$ 2,082.64	\$ 56.57	\$ 154,023
	w Dep<65	0	\$ -	\$ -	\$ -	\$ -
	Composite	29	\$ 1,294.50	\$ 1,261.34	\$ 33.17	\$ 450,490

* Blended using revenue.



2022 Calculated Premium Rates Without Reflection of Gain/Loss Smoothing

		Enrollment	Total	Med/Rx/Vis	Dental	Total Revenue
Active	EE Only	312	\$ 900.21	\$ 858.45	\$ 41.76	\$ 3,370,386
	2 Person	253	\$ 1,935.44	\$ 1,845.66	\$ 89.78	\$ 5,875,996
	Family	647	\$ 2,340.55	\$ 2,231.97	\$ 108.58	\$ 18,172,030
	Composite	1,212	\$ 1,885.20	\$ 1,797.75	\$ 87.45	\$ 27,418,412
Retired <65	EE Only	115	\$ 1,102.43	\$ 1,054.55	\$ 47.88	\$ 1,521,353
	2 Person	146	\$ 2,149.74	\$ 2,056.37	\$ 93.37	\$ 3,766,344
	Family	134	\$ 2,447.39	\$ 2,341.10	\$ 106.29	\$ 3,935,403
	Composite	395	\$ 1,945.80	\$ 1,861.29	\$ 84.51	\$ 9,223,100
Blended*	EE Only	427	\$ 954.67	\$ 911.26	\$ 43.41	\$ 4,891,740
	2 Person	399	\$ 2,013.86	\$ 1,922.76	\$ 91.09	\$ 9,642,340
	Family	781	\$ 2,358.88	\$ 2,250.69	\$ 108.19	\$ 22,107,433
	Composite	1,607	\$ 1,900.10	\$ 1,813.37	\$ 86.73	\$ 36,641,513
Retired >65 \$2 Rx Copay	EE Only	1	\$ 1,356.06	\$ 1,356.06		\$ 16,273
	w Dep>65	0	\$ 2,710.76	\$ 2,710.76		\$ -
	w Dep<65	0	\$ 3,049.78	\$ 3,049.78		\$ -
	Composite	1	\$ 1,356.06	\$ 1,356.06		\$ 16,273
Retired >65 \$4 Rx Copay	EE Only	0	\$ 1,322.72	\$ 1,322.72		\$ -
	w Dep>65	0	\$ 2,644.12	\$ 2,644.12		\$ -
	w Dep<65	0	\$ 2,974.80	\$ 2,974.80		\$ -
	Composite	0	\$ -	\$ -		\$ -
Retired >65 \$4/\$8 Rx Copay	EE Only	4	\$ 1,300.52	\$ 1,265.21	\$ 35.31	\$ 62,425
	w Dep>65	1	\$ 2,599.73	\$ 2,529.15	\$ 70.58	\$ 31,197
	w Dep<65	0	\$ 2,924.87	\$ 2,845.46	\$ 79.41	\$ -
	Composite	5	\$ 1,560.36	\$ 1,518.00	\$ 42.36	\$ 93,622
Retired >65 \$10/\$20 Rx Copay	EE Only	19	\$ 1,084.32	\$ 1,049.01	\$ 35.31	\$ 247,225
	w Dep>65	4	\$ 2,167.55	\$ 2,096.97	\$ 70.58	\$ 104,042
	w Dep<65	0	\$ 2,438.63	\$ 2,359.22	\$ 79.41	\$ -
	Composite	23	\$ 1,272.71	\$ 1,231.26	\$ 41.44	\$ 351,267
Composite >65	EE Only	24	\$ 1,131.68	\$ 1,097.84	\$ 33.84	\$ 325,923
	w Dep>65	5	\$ 2,253.99	\$ 2,183.41	\$ 70.58	\$ 135,239
	w Dep<65	0	\$ -	\$ -	\$ -	\$ -
	Composite	29	\$ 1,325.17	\$ 1,285.00	\$ 40.17	\$ 461,162

* Blended using revenue.



Explanatory Notes – Data, Methods and Assumptions

- Paid claims were used for the analysis. Consistent with prior rate developments, incurred claims are derived using paid claims and actuarial assumptions.
- The City of Grand Rapids has chosen not to incorporate Specific or Aggregate Stop Loss Insurance in their benefit program. This increases the exposure for extremely large claims which could result in the rates included in this projection to be inadequate.
- Effective 1/1/2020, network, carrier, and plan changes were made and have been incorporated into this rate development via plan / carrier / network adjustment on the various experience development pages.
- Rx rebates have been netted out of the Rx paid claims on a paid basis. The following are the Rx rebates that were removed:
 - FYE 2021: \$1,275,464 (16.4% reduction)
 - FYE 2022: \$1,980,485 (23.1% reduction)
 - FYE 2023: \$3,494,222 (36.0% reduction)
 - These rebates are uniformly netted out of paid Rx claims – Active, Pre-65 Retirees, and Post-65 Retirees on a percentage of claim basis.
- Claim amounts used are net of amounts paid by the member directly to the health care provider such as copays, coinsurance, etc.
- Amounts paid by the member directly to the City have not been removed from claims.
- Pre-65 claims include claims for Medicare spouses of non-Medicare members.
- Analysis was done on a per member per month basis.
- Two adjustments are made to adjust the calculated rates to obtain the implemented rates – three-year smoothing and surplus reduction. Both adjustments are made in total and split prorationally to the Active & Pre-65 Retiree segments.
- Incurral factors estimated assuming a two-month payment lag for medical and a one-month lag for Rx, dental and vision.
- Generally, a weighted average of the two experience periods was used in the analysis to smooth out yearly claim fluctuations.
- For the Post-65 segments, due to very few participants, a weighted average of the three experience periods is used.
- Trend assumptions were chosen primarily based on national trends cited in National Health Trend surveys and recent claim experience under the City of Grand Rapids benefit programs.
- Rating tiers have recently been reviewed and determined not to be revised at this time.
- The current plan distribution (members in each tier) was used to allocate costs to each tier.
- Blended pre-65 rates are a weighted average of the active and pre-65 retiree rates.
- Rates include GRS fees and city personnel costs associated with administering the benefit program.
- Projections will differ from the OPEB valuation cash flows due to the following:
 - Projections ignore new retirees and deaths; and
 - Projections ignore members turning age 65 during the year.
- Projections in this report and the OPEB valuation report are not adjusted for election changes that occur after the valuation date.