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## **Rates & Benefits Committee Update on HMO Plan Renewals**

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## Background and Update

- Blue Shield's initial renewal proposal was a 16.3% increase in the non-Medicare rate
  - Through a combination of business concessions and revised underwriting assumptions, a 13.9% increase was presented at the December 10, 2009 Rates and Benefits Meeting
  - Since December, an updated renewal proposal was received from Blue Shield reducing the increase from 13.9% to 13.5% (estimated premium reduction of \$1.1 million)
- Blue Shield's initial Medicare renewal proposal presented two options for consideration
  - Coordination of Benefits (COB) Plan only option resulting in a 39.8% increase and a Medicare Advantage Plan (MA-PD) / COB option resulting in a 30.1% increase
  - Due to similar revisions as noted for the non-Medicare, the revised proposed increases presented in December were a 39.4% increase (COB only option) and a 24.5% increase (MA-PD/COB option)
  - The proposed Medicare rates for both options remain unchanged from December
- Kaiser's initial proposed non-Medicare increase of 5.6% and Medicare increase of 6.3% remains unchanged
- The preliminary list of benefit design changes presented on December 10 has been narrowed down to a proposed list of changes for the 2010/11 plan year
  - Estimated 2010/11 premium reduction of \$10 million

# HMO Renewals – Update

## Non-Medicare HMO Renewals

### Monthly Premium Rates – No Plan Design Changes

Per Employee Per Month Rates (PEPM) Blue Shield	Actives			Non-Medicare Retirees		
	Single	Single + 1	Single + 2+	Single	Single + 1	Single + 2+
Enrollment as of 8/2009	7,870	5,427	5,472	1,552	787	239
2009/10 Rates	\$525.66	\$1,051.34	\$1,487.64	\$1,172.22	\$1,697.90	\$2,134.20
2010/11 Rates	\$596.62	\$1,193.27	\$1,688.47	\$1,330.47	\$1,927.12	\$2,422.32
<b>% increase</b>	<b>13.5%</b>	<b>13.5%</b>	<b>13.5%</b>	<b>13.5%</b>	<b>13.5%</b>	<b>13.5%</b>
<b>\$ increase</b>	<b>\$70.96</b>	<b>\$141.93</b>	<b>\$200.83</b>	<b>\$158.25</b>	<b>\$229.22</b>	<b>\$288.12</b>

Kaiser	Single	Single + 1	Single + 2+	Single	Single + 1	Single + 2+
Enrollment as of 8/2009	7,212	4,507	4,627	1,836	733	190
2009/10 Rates	\$457.47	\$914.94	\$1,294.64	\$923.42	\$1,380.89	\$1,760.59
2010/11 Rates	\$482.89	\$965.78	\$1,366.58	\$974.84	\$1,457.73	\$1,858.53
<b>% increase</b>	<b>5.6%</b>	<b>5.6%</b>	<b>5.6%</b>	<b>5.6%</b>	<b>5.6%</b>	<b>5.6%</b>
<b>\$ increase</b>	<b>\$25.42</b>	<b>\$50.84</b>	<b>\$71.94</b>	<b>\$51.42</b>	<b>\$76.84</b>	<b>\$97.94</b>

## Blue Shield – Medicare Plan Options

### Overview of Options

- A summary of the 2 Medicare Plan options is as follows:

Option	Description	Single Monthly Premium Rate	Est. 2010/11 Premium Cost
1) COB Only Option	<ul style="list-style-type: none"><li>▪ Coordination of Benefits Plan is only offering</li><li>▪ Those currently enrolled in MA-PD would move into COB plan</li></ul>	\$427.95	\$25.3 million
2) MA-PD / COB Option	<ul style="list-style-type: none"><li>▪ In MA-PD if reside in MA-PD service area</li><li>▪ In COB if outside MA-PD service area</li></ul>	\$382.16	\$22.6 million

## Blue Shield – Medicare Plan Options

### Disruption Analysis under MA-PD/COB Option

	Member Count
Reside in MA-PD Service Area and Primary Care Physician in MA-PD network	2,525 (62%)
<b>Reside in MA-PD Service Area and Primary Care Physician out of MA-PD network (subject to provider disruption)</b>	<b>657 (16%)</b>
Reside outside of MA-PD Service Area (Remain in COB Plan)	895 (22%)
Total	4,077

- Member counts include subscribers and covered dependents
- Independent Practice Associations (IPAs) excluded from Blue Shield’s MA-PD network with the highest current Medicare retiree enrollment include
  - Mills Peninsula Medical Group – 291 members
  - Physicians Integrated Medical Group – 96 members
  - Palo Alto Medical Foundation – 80 members
- A full list of the IPAs excluded from Blue Shield’s MA-PD network and associated enrollment of the 657 potential disrupted HSS members is included in the Appendix

# Medicare HMO Renewals

## Monthly Premium Rates – No Plan Design Changes

Per Employee Per Month Rates (PEPM) Blue Shield	Option 1 – COB Only			Option 2 – MA-PD/COB		
	Single	Single + 1	Single + 2+	Single	Single + 1	Single + 2+
Enrollment as of 8/2009	2,601	1,054	72	2,601	1,054	72
2009/10 Rates	\$307.06	\$614.12	\$1,050.42	\$307.06	\$614.12	\$1,050.42
2010/11 Rates	\$427.95	\$855.90	\$1,351.10	\$382.16	\$764.32	\$1,259.52
<b>% increase</b>	<b>39.4%</b>	<b>39.4%</b>	<b>28.6%</b>	<b>24.5%</b>	<b>24.5%</b>	<b>19.9%</b>
<b>\$ increase</b>	<b>\$120.89</b>	<b>\$241.78</b>	<b>\$300.68</b>	<b>\$75.10</b>	<b>\$150.20</b>	<b>\$209.10</b>

Kaiser	Single	Single + 1	Single + 2+
Enrollment as of 8/2009	5,249	2,053	78
2009/10 Rates	\$344.22	\$688.44	\$1,068.14
2010/11 Rates	\$365.79	\$731.58	\$1,132.38
<b>% increase</b>	<b>6.3%</b>	<b>6.3%</b>	<b>6.0%</b>
<b>\$ increase</b>	<b>\$21.57</b>	<b>\$43.14</b>	<b>\$64.24</b>



# **Proposed Benefit Design Changes**

## Proposed Benefit Design Changes

### Background

- A number of potential benefit design changes were reviewed at the December Rates and Benefits meeting based on a review of applicable benchmark information combined with increased premium costs facing the membership and employers of HSS
- The following changes are proposed for consideration:
  - Blue Shield and Kaiser:
    - \$5 copayment increase (increase to \$20 for Blue Shield and \$15 for Kaiser)
    - Increase emergency room copayment from \$50 to \$100
  - Blue Shield only:
    - Introduce \$15 copayment for preventive services (routine physical, well baby, gynecologic) and pre/post-natal care
- Some potential changes have been eliminated for consideration
  - Changes to infertility benefits and acupuncture/chiropractic visit limitations were eliminated due to filing requirements with Department of Managed Health Care (DMHC) which could jeopardize the timeline
  - Outpatient copayment increase results in minimal savings in Kaiser model – existing differential between Blue Shield and Kaiser will not expand due to overall objective of maintaining HMO's of similar value
  - Inpatient hospitalization copayment increases also eliminated

# Blue Shield Benchmarking Data



Indicates where benchmark reflects a reduction over HSS design **after proposed changes**

	Subscriber Count	Physician Copay	Hospital	Outpatient	ER	Rx Generic	Rx Brand	Rx Non-Formulary
HSS	21,347	\$15	\$100	\$50	\$50	\$5	\$20	\$35
<b>HSS after changes</b>	<b>21,347</b>	<b>\$20</b>	<b>\$100</b>	<b>\$50</b>	<b>\$100</b>	<b>\$5</b>	<b>\$20</b>	<b>\$35</b>
CalPERs	N/A	\$15	\$0	\$0	\$50	\$5	\$15	\$45
County Gov't*	N/A	\$15	\$250	N/A	\$75	\$9	\$24	\$39
BS1	36,438	\$15	\$100	\$50	\$75	\$10	\$25	\$50
BS2	10,750	\$15	\$0	\$0	\$100	carved out	carved out	carved out
BS3	9,040	\$10/\$20	\$250	\$0	\$35/\$50	\$5	\$25/\$30	\$40/\$45
BS4	8,957	\$5/\$10	\$0	\$0	\$100	\$4/\$8	\$15/\$25	\$30/\$50
BS5	8,503	\$15	\$100	\$0	\$50	\$10	\$25	\$50
BS6	6,688	\$5/\$10	\$0	\$0	\$50	\$5/\$10	\$10/\$25	\$25/\$50
BS7	6,237	\$10	\$0	\$10	\$75	\$5	\$15	\$35
BS8	6,195	\$5/\$10/ \$15/\$20	\$0-\$300	\$0-\$30	\$100	\$10	\$25	\$45
BS9	5,134	\$10	\$0	N/A	N/A	\$5	\$10	\$15
BS10	4,109	\$10	\$250	N/A	N/A	\$10	\$15	not covered

# Kaiser Benchmarking Data

○ Indicates where benchmark reflects a reduction over HSS design **after proposed changes**

	Subscriber Count	Physician Copay	Hospital	Outpatient	ER	Rx Generic	Rx Brand
HSS	16,346	\$10	\$100	\$10	\$50	\$5	\$15
<b>HSS after changes</b>	<b>16,346</b>	<b>\$15</b>	<b>\$100</b>	<b>\$15</b>	<b>\$100</b>	<b>\$5</b>	<b>\$15</b>
CalPERs	N/A	\$15	\$0	\$15	\$50	\$5	\$15
County Gov't*	N/A	○ \$15/25	○ \$250	N/A	\$75	○ \$9	○ \$24
KA1	114,245	\$15	\$0	\$15	\$50	\$5	\$15
KA2	37,588	\$15	○ \$250	\$15	\$50	○ \$10	○ \$30
KA3	16,472	\$10	\$100	\$10	\$50	\$5	\$15
KA4	16,341	○ \$20	\$0	○ \$20	\$50	○ \$10	○ \$30
KA5	13,070	○ \$20	\$0	○ \$20	\$50	○ \$10	○ \$30
KA6	9,871	○ \$20	10% MR	○ \$20	\$100	○ \$10	○ \$25
KA7	8,302	\$10	\$100	\$10	\$100	\$5	○ \$20
KA8	7,563	\$5	\$0	\$5	\$5	\$5	\$5
KA9	7,252	\$15	\$0	\$15	\$35	○ \$10	○ \$20
KA10	5,387	\$15	\$0	\$15	\$50	○ \$15	\$15

# Proposed Benefit Design Changes

## Impact on Premiums

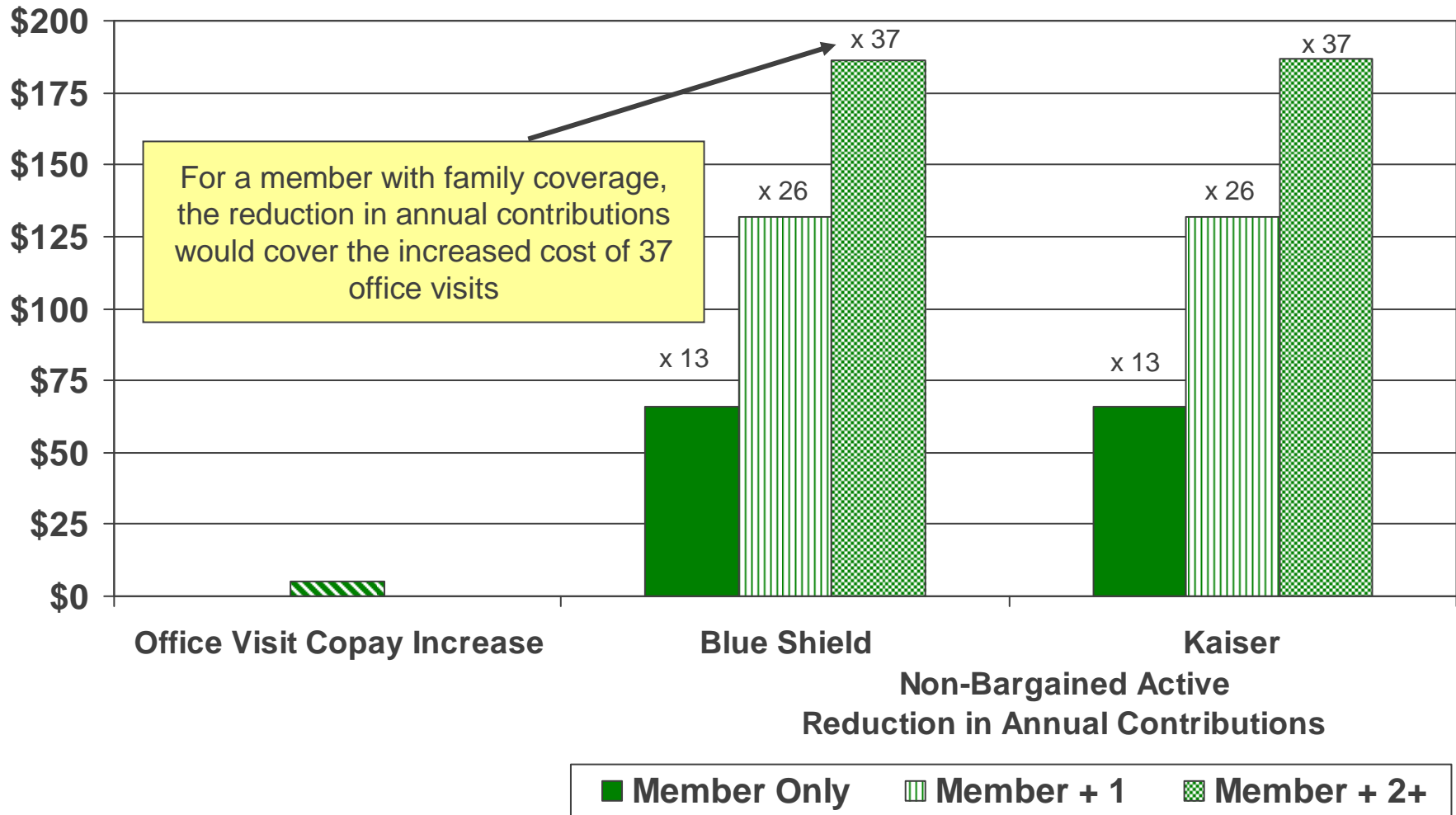
Benefit Design Change	Impact on 2010/11 Premium Rates			
	Blue Shield Non-Medicare	Blue Shield Medicare	Kaiser Non-Medicare	Kaiser Medicare
\$5 office visit copayment increase	(0.92%)	(0.66%) - (0.85%) <sup>1</sup>	(1.14%)	(4.31%)
Increase emergency room copayment from \$50 to \$100	(0.25%)	0% - (0.18%) <sup>2</sup>	(0.23%)	(2.26%)
Introduce \$15 copayment for preventive services (routine physical, well baby, gynecologic) and pre/post-natal care	(0.25%)	(0.07%) - (0.09%)	Not Applicable	
<b>Total Impact (Estimated)</b>	<b>(1.42%)</b>	<b>(0.91%) - (0.94%)</b>	<b>(1.37%)</b>	<b>(6.56%)</b>
<b>Est. Reduction in 2010/11 Aggregate Premiums (Total Reduction = \$10 million)</b>	<b>\$4.2 M</b>	<b>\$0.2 M</b>	<b>\$2.8 M</b>	<b>\$2.8 M</b>

<sup>1</sup> Range shown based on 2 potential Medicare plan options

<sup>2</sup> Change not available under MA-PD plan

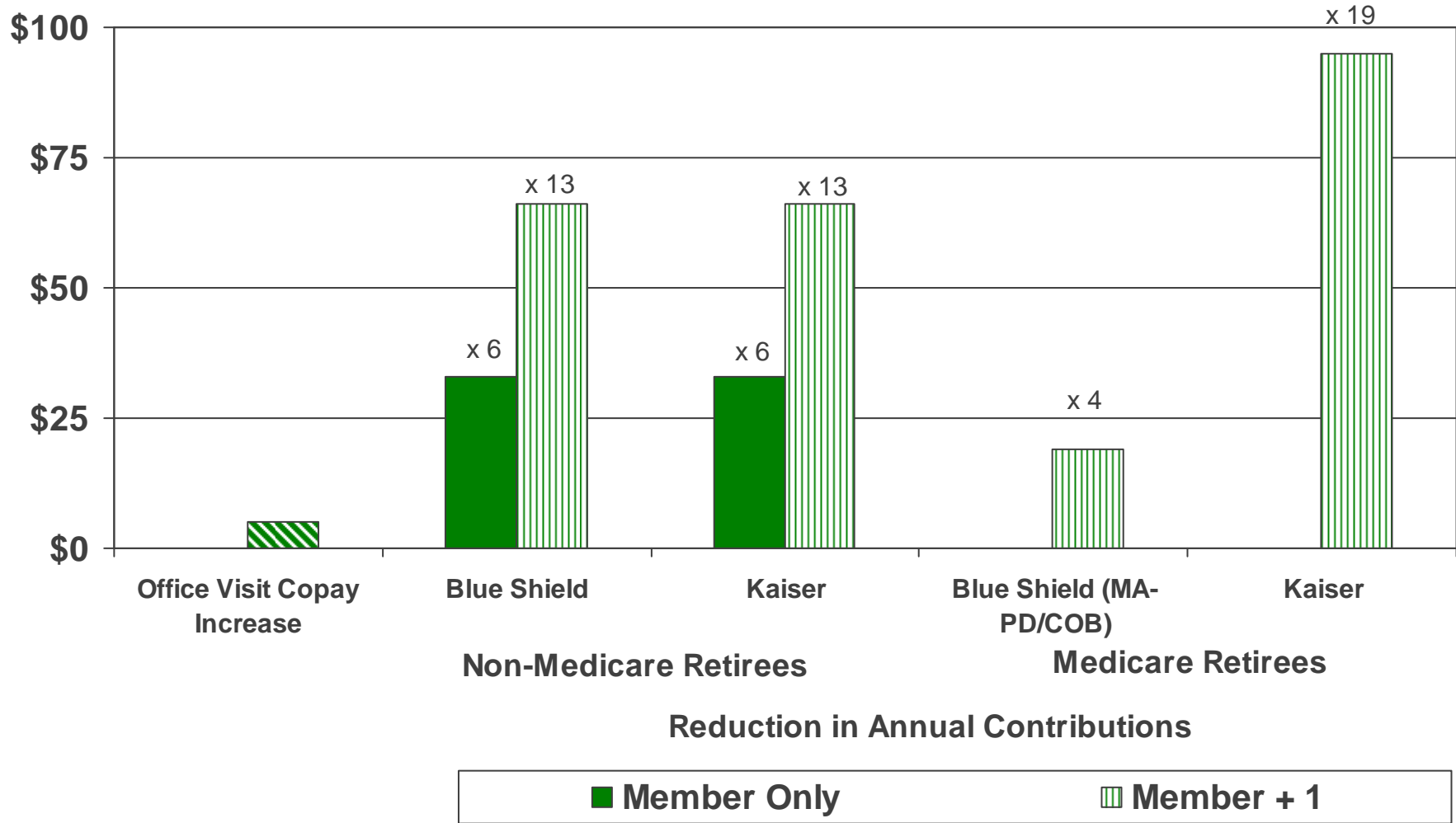
## \$5 Increase to Office Visit Copay

Annual Impact on Member Out of Pocket Costs – Non-Bargained Actives



# \$5 Increase to Office Visit Copay

## Annual Impact on Member Out of Pocket Costs – Retirees



Note:

Impact for COB only option similar to MA-PD/COB option.

# Member Contributions

## Summary of Monthly Contributions – Actives

With No Plan Design Changes

	Employees – Charter Only			Employees – Typical Bargained		
	Single	Single + 1	Single +2+	Single	Single + 1	Single +2+
Kaiser	\$15.48	\$502.77	\$907.22	\$0.00	\$15.48	\$238.42
% change	3%	5%	5%	0%	3%	5%
\$ change	\$0.49	\$24.45	\$44.35	\$0.00	\$0.49	\$11.45
Blue Shield	\$129.40	\$730.65	\$1,229.66	\$0.00	\$129.40	\$560.86
% change	55%	19%	16%	0%	55%	33%
\$ change	\$45.88	\$115.25	\$172.83	\$0.00	\$45.88	\$139.94

## Summary of Monthly Contributions – Retirees

### With No Plan Design Changes

	Non-Medicare Retirees			Medicare Retirees		
	Single	Single + 1	Single +2+	Single	Single + 1	Single +2+
Kaiser	\$7.74	\$251.38	\$655.84	\$0.00	\$184.99	\$589.45
% change	3%	5%	5%	0%	6%	5%
\$ change	\$0.25	\$12.23	\$32.13	\$0.00	\$10.23	\$30.14
Blue Shield (COB only for Medicare Retirees)	\$64.70	\$365.32	\$864.33	\$0.00	\$216.13	\$715.14
% change	55%	19%	15%	0%	38%	20%
\$ change	\$22.94	\$57.63	\$115.20	\$0.00	\$60.05	\$117.62
Blue Shield (MA-PD / COB for Medicare Retirees)	\$64.69	\$365.31	\$864.33	\$0.00	\$193.19	\$692.20
% change	55%	19%	15%	0%	24%	16%
\$ change	\$22.93	\$57.62	\$115.20	\$0.00	\$37.11	\$94.68

## Summary of Monthly Contributions – Actives

With Proposed Benefit Design Changes

	Employees – Charter Only			Employees – Typical Bargained		
	Single	Single + 1	Single +2+	Single	Single + 1	Single +2+
Kaiser	\$8.84	\$489.49	\$888.44	\$0.00	\$8.84	\$228.74
% change	-41%	2%	3%	0%	-41%	1%
\$ change	(\$6.15)	\$11.17	\$25.57	\$0.00	(\$6.15)	\$1.78
Blue Shield	\$120.88	\$713.61	\$1,205.55	\$0.00	\$120.88	\$545.85
% change	45%	16%	14%	0%	45%	30%
\$ change	\$37.36	\$98.22	\$148.72	\$0.00	\$37.36	\$124.93

## Summary of Monthly Contributions – Retirees

### With Proposed Benefit Design Changes

	Non-Medicare Retirees			Medicare Retirees		
	Single	Single + 1	Single +2+	Single	Single + 1	Single +2+
Kaiser	\$4.42	\$244.72	\$643.61	\$0.00	\$172.97	\$571.91
% change	-41%	2%	3%	0%	(1%)	2%
\$ change	(\$3.07)	\$5.57	\$19.90	\$0.00	(\$1.79)	\$12.61
Blue Shield (COB only for Medicare Retirees)	\$60.44	\$356.80	\$848.74	\$0.00	\$214.18	\$706.12
% change	45%	16%	13%	0%	37%	18%
\$ change	\$18.68	\$49.11	\$99.61	\$0.00	\$58.10	\$108.60
Blue Shield (MA-PD / COB for Medicare Retirees)	\$60.44	\$356.80	\$848.75	\$0.00	\$191.40	\$683.34
% change	45%	16%	13%	0%	23%	14%
\$ change	\$18.68	\$49.11	\$99.62	\$0.00	\$35.32	\$85.82



# Projected Costs

## Summary of Renewal Proposals

Aggregate Premium Costs Including Proposed Benefit Changes (\$ in millions)

Premium Renewal Proposal	Membership Group				Change from 2009/10			
	Employees	Non-Medicare Retirees	Medicare Retirees	Total	Employees	Non-Medicare Retirees	Medicare Retirees	Total
City Plan	\$25.5	\$22.6	\$28.4	<b>\$76.5</b>	15.4%	27.0%	13.4%	<b>17.8%</b>
Kaiser	\$169.9	\$38.5	\$42.1	<b>\$250.5</b>	5.6%	5.6%	6.3%	<b>5.7%</b>
Blue Shield	\$244.9	\$49.9	\$22.6	<b>\$317.4</b>	13.5%	13.5%	24.5%	<b>14.2%</b>
<b>Total</b>	<b>\$440.3</b>	<b>\$111.0</b>	<b>\$93.1</b>	<b>\$644.4</b>	<b>10.4%</b>	<b>13.0%</b>	<b>12.4%</b>	<b>11.1%</b>
Kaiser with Changes	\$167.6	\$38.0	\$39.3	<b>\$244.9</b>	4.1%	4.1%	(0.7%)	<b>3.3%</b>
Blue Shield with Changes	\$241.4	\$49.2	\$22.4	<b>\$313.0</b>	11.9%	11.9%	23.3%	<b>12.6%</b>
<b>Total after Benefit Changes</b>	<b>\$434.5</b>	<b>\$109.8</b>	<b>\$90.1</b>	<b>\$634.4</b>	<b>8.9%</b>	<b>11.7%</b>	<b>8.8%</b>	<b>9.4%</b>
<b>(Difference)</b>	<b>(\$5.8)</b>	<b>(\$1.2)</b>	<b>(\$3.0)</b>	<b>(\$10.0)</b>	<b>(1.5%)</b>	<b>(1.3%)</b>	<b>(3.6%)</b>	<b>(1.7%)</b>

- Excludes vision, HSS expense load, and flex funded plan close down amount
- Assumes Blue Shield Medicare MA-PD/COB rates
- Based on enrollment as of 8/2009

## Summary of Renewal Proposals

### Distribution of Cost Increases – With Proposed Benefit Changes (\$ in millions)

	Distribution of Total Rated Cost (TRC)			
	Total Rated Cost	Employers (incl. bargained conts.)	Members	Member Contributions as a % of TRC
City Plan	\$76.1	\$60.7	\$15.4	20.2%
% change	17.4%	15.3%	27.4%	8.4%
Kaiser	\$247.4	\$225.7	\$21.7	8.8%
% change	2.9%	3.4%	(0.9%)	(3.8%)
Blue Shield	\$315.8	\$262.1	\$53.7	17.0%
% change	12.2%	9.1%	30.0%	15.8%
<b>Total</b>	<b>\$639.3</b>	<b>\$548.5</b>	<b>\$90.8</b>	<b>14.2%</b>
% change	<b>9.0%</b>	<b>7.3%</b>	<b>20.6%</b>	<b>10.6%</b>

- Assumes Blue Shield Medicare MA-PD/COB rates
- Based on enrollment as of 8/2009

## Overview of Committee Decisions

- Decide whether to accept current renewal proposals or to proceed with a search for an alternative HMO vendor and possibly narrowing network to exclude higher cost providers and facilities
- Adoption of proposed benefit design changes for HMO plans
  - Blue Shield
  - Kaiser
- Decide on Medicare COB only or MA-PD/COB combination if Blue Shield is retained as an existing vendor

# Appendix

## Blue Shield – Medicare Advantage (MA-PD) vs. COB Plan

### Comparison of Options

	Blue Shield - Medicare Advantage (MA-PD)	Blue Shield - Coordination of Benefits (COB) Plan
Medicare Parts A and B	Assign Medicare rights to carrier. Carrier provides benefits.	Maintain Parts A & B; plan coordinated with Medicare
Medicare Part D	Pharmacy benefits provided by carrier	Pharmacy benefits provided by carrier
Providers/Physicians	Members see providers in MA-PD network	Members see providers in broader HMO network
Service Area	Enroll if reside in narrower MA-PD service area, otherwise automatically enrolled in COB plan	Same as Blue Shield HMO network
Other considerations	Disruption if physician not part of network; e.g. Sutter Medical (except CPMC) not part of the Blue Shield network	No disruption relative to non-Medicare Blue Shield HMO

## Blue Shield – MA-PD Plan

### Member Disruption – IPAs Excluded from Blue Shield MA-PD Network

Medical Group Name	Members
MILLS PENINSULA MED GRP	291
PHYSICIANS INTEGRATED MED	96
PALO ALTO MEDICAL FOUNDATION	80
ALTA BATES MEDICAL GRP	36
CHINESE COMMUNITY HEALTHCARE	36
AFFINITY MED GRP	26
SUTTER EAST BAY MED FOUND	14
SUTTER MEDICAL GROUP	14
UC DAVIS HEALTH SYSTEM	13
MARIN IPA	6
SUTTER DELTA MEDICAL GROUP	6
SUTTER GOULD MED FOUNDATION	6
SCRIPPS CLINIC MEDICAL GRP	5
SEQUOIA PHYSICIANS NETWORK	5
SHARP COMMUNITY MEDICAL GRP, SCRIPPS COASTAL MED CTR, BUTTE COUNTY BSC ADMIN, COMM MED GRP THOUSAND OAKS, NORTH SANTA CLARA CNTY BSC, SAN BERNARDINO MEDICAL GRP, SUTTER MEDICAL FOUNDATION, BAY VALLEY MEDICAL GROUP, EMPIRE PHYSICIANS MED GRP, MISSION HOSPITAL AFFIL PHYS, NORTH SANTA BARBARA BSC ADMN, SUTTER INDEPENDENT PHYSICIAN, SUTTER WEST MEDICAL GROUP	<5
Total	657

## 2010/11 Renewals

### Kaiser – With Proposed Plan Design Changes

	Employee Only	Employee and One Dependent	Employee and Family	Retiree without Medicare	Retiree & Spouse w/o Medicare	Retiree & Family	Retiree with Medicare	Retiree & Spouse with Medicare	Retiree & Family
Premium	\$ 476.25	\$ 952.50	\$ 1,347.79	\$ 961.32	\$ 1,437.51	\$ 1,832.75	\$ 341.78	\$ 683.56	\$ 1,078.85
Vision Expense	\$ 3.57	\$ 7.15	\$ 10.12	\$ 3.57	\$ 7.15	\$ 10.12	\$ 3.57	\$ 7.15	\$ 10.12
Flex Funded Plan Closedown Adjustment	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04
	\$ 0.83	\$ 1.65	\$ 2.34	\$ 1.66	\$ 2.49	\$ 3.17	\$ 0.60	\$ 1.19	\$ 1.87
<b>Total</b>	<b>\$ 481.69</b>	<b>\$ 962.34</b>	<b>\$ 1,361.29</b>	<b>\$ 967.59</b>	<b>\$ 1,448.19</b>	<b>\$ 1,847.08</b>	<b>\$ 346.99</b>	<b>\$ 692.94</b>	<b>\$ 1,091.88</b>
10-County Amount	\$ 472.85	\$ 472.85	\$ 472.85	\$ 472.85			\$ 346.99		
Single Retiree Offset					\$ 472.85	\$ 472.85		\$ 346.99	\$ 346.99
"Actuarial Difference"				\$ 485.90	\$ 485.90	\$ 485.90	\$ -	\$ -	\$ -
Prop. E Subsidy				\$ 4.42	\$ 244.72	\$ 244.72	\$ -	\$ 172.98	\$ 172.98
Subtotal City Contributions (Gap Dollars)	\$ 472.85	\$ 472.85	\$ 472.85	\$ 963.17	\$ 1,203.47	\$ 1,203.47	\$ 346.99	\$ 519.97	\$ 519.97
<b>Non-Bargained Contribution Rate</b>	<b>\$ 8.84</b>	<b>\$ 489.49</b>	<b>\$ 888.44</b>	<b>\$ 4.42</b>	<b>\$ 244.72</b>	<b>\$ 643.61</b>	<b>\$ -</b>	<b>\$ 172.97</b>	<b>\$ 571.91</b>
75% Kaiser Pickup		\$ 480.65	\$ 659.70						
Single Employee Pickup	\$ 8.84								
<b>Typical Bargained Member Contribution</b>	<b>\$ -</b>	<b>\$ 8.84</b>	<b>\$ 228.74</b>						
<b>2009/10 Non-Bargained Contribution Rate</b>	<b>\$ 14.99</b>	<b>\$ 478.32</b>	<b>\$ 862.87</b>	<b>\$ 7.49</b>	<b>\$ 239.15</b>	<b>\$ 623.71</b>	<b>\$ -</b>	<b>\$ 174.76</b>	<b>\$ 559.31</b>
<b>Contribution Increase</b>	<b>-41%</b>	<b>2%</b>	<b>3%</b>	<b>-41%</b>	<b>2%</b>	<b>3%</b>	<b>0%</b>	<b>-1%</b>	<b>2%</b>
<b>2009/10 Bargained Contribution Rate</b>	<b>\$ -</b>	<b>\$ 14.99</b>	<b>\$ 226.96</b>						
<b>Contribution Increase</b>	<b>0%</b>	<b>-41%</b>	<b>1%</b>						

## 2010/11 Renewals

### Blue Shield – With Proposed Plan Design Changes (COB Only Option for Medicare Retirees)

	Employee Only	Employee and One Dependent	Employee and Family	Retiree without Medicare	Retiree & Spouse w/o Medicare	Retiree & Family	Retiree with Medicare	Retiree & Spouse with Medicare	Retiree & Family
Premium	\$ 588.10	\$ 1,176.23	\$ 1,664.36	\$ 1,311.47	\$ 1,899.60	\$ 2,387.73	\$ 424.05	\$ 848.10	\$ 1,336.23
Vision	\$ 3.57	\$ 7.15	\$ 10.12	\$ 3.57	\$ 7.15	\$ 10.12	\$ 3.57	\$ 7.15	\$ 10.12
Expense	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04
Flex Funded Plan Closedown Adjustment	\$ 1.02	\$ 2.03	\$ 2.87	\$ 2.25	\$ 3.27	\$ 4.11	\$ 0.73	\$ 1.47	\$ 2.31
<b>Total</b>	<b>\$ 593.73</b>	<b>\$ 1,186.45</b>	<b>\$ 1,678.39</b>	<b>\$ 1,318.33</b>	<b>\$ 1,911.06</b>	<b>\$ 2,403.00</b>	<b>\$ 429.39</b>	<b>\$ 857.76</b>	<b>\$ 1,349.70</b>
10-County Amount	\$ 472.85	\$ 472.85	\$ 472.85	\$ 472.85			\$ 429.39		
Single Retiree Offset					\$ 472.85	\$ 472.85		\$ 429.39	\$ 429.39
"Actuarial Difference"				\$ 724.60	\$ 724.60	\$ 724.60	\$ -	\$ -	\$ -
Prop. E Subsidy				\$ 60.44	\$ 356.81	\$ 356.81	\$ -	\$ 214.19	\$ 214.19
Subtotal City Contributions (Gap Dollars)	\$ 472.85	\$ 472.85	\$ 472.85	\$ 1,257.89	\$ 1,554.26	\$ 1,554.26	\$ 429.39	\$ 643.58	\$ 643.58
<b>Non-Bargained Contribution Rate</b>	<b>\$ 120.88</b>	<b>\$ 713.60</b>	<b>\$ 1,205.54</b>	<b>\$ 60.44</b>	<b>\$ 356.80</b>	<b>\$ 848.74</b>	<b>\$ -</b>	<b>\$ 214.18</b>	<b>\$ 706.12</b>
75% Kaiser Pickup		\$ 592.72	\$ 659.70						
Single Employee Pickup	\$ 120.88								
<b>Typical Bargained Member Contribution</b>	<b>\$ -</b>	<b>\$ 120.88</b>	<b>\$ 545.84</b>						
<b>2009/10 Non-Bargained Contribution Rate</b>	<b>\$ 83.52</b>	<b>\$ 615.39</b>	<b>\$ 1,056.83</b>	<b>\$ 41.76</b>	<b>\$ 307.69</b>	<b>\$ 749.13</b>	<b>\$ -</b>	<b>\$ 156.08</b>	<b>\$ 597.52</b>
<b>Contribution Increase</b>	<b>45%</b>	<b>16%</b>	<b>14%</b>	<b>45%</b>	<b>16%</b>	<b>13%</b>	<b>0%</b>	<b>37%</b>	<b>18%</b>
<b>2009/10 Bargained Contribution Rate</b>	<b>\$ -</b>	<b>\$ 83.52</b>	<b>\$ 420.92</b>						
<b>Contribution Increase</b>	<b>0%</b>	<b>45%</b>	<b>30%</b>						

## 2010/11 Renewals

### Blue Shield – With Proposed Plan Design Changes (MA-PD/COB Option for Medicare Retirees)

	Employee Only	Employee and One Dependent	Employee and Family	Retiree without Medicare	Retiree & Spouse w/o Medicare	Retiree & Family	Retiree with Medicare	Retiree & Spouse with Medicare	Retiree & Family
Premium	\$ 588.10	\$ 1,176.23	\$ 1,664.36	\$ 1,311.47	\$ 1,899.60	\$ 2,387.73	\$ 378.57	\$ 757.14	\$ 1,245.27
Vision	\$ 3.57	\$ 7.15	\$ 10.12	\$ 3.57	\$ 7.15	\$ 10.12	\$ 3.57	\$ 7.15	\$ 10.12
Expense	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04
Flex Funded Plan Closedown Adjustment	\$ 1.02	\$ 2.04	\$ 2.88	\$ 2.26	\$ 3.28	\$ 4.13	\$ 0.66	\$ 1.32	\$ 2.16
<b>Total</b>	<b>\$ 593.73</b>	<b>\$ 1,186.46</b>	<b>\$ 1,678.40</b>	<b>\$ 1,318.34</b>	<b>\$ 1,911.07</b>	<b>\$ 2,403.02</b>	<b>\$ 383.84</b>	<b>\$ 766.65</b>	<b>\$ 1,258.59</b>
10-County Amount	\$ 472.85	\$ 472.85	\$ 472.85	\$ 472.85			\$ 383.84		
Single Retiree Offset					\$ 472.85	\$ 472.85		\$ 383.84	\$ 383.84
"Actuarial Difference"				\$ 724.61	\$ 724.61	\$ 724.61	\$ -	\$ -	\$ -
Prop. E Subsidy				\$ 60.44	\$ 356.81	\$ 356.81	\$ -	\$ 191.41	\$ 191.41
Subtotal City Contributions (Gap Dollars)	\$ 472.85	\$ 472.85	\$ 472.85	\$ 1,257.90	\$ 1,554.27	\$ 1,554.27	\$ 383.84	\$ 575.25	\$ 575.25
<b>Non-Bargained Contribution Rate</b>	<b>\$ 120.88</b>	<b>\$ 713.61</b>	<b>\$ 1,205.55</b>	<b>\$ 60.44</b>	<b>\$ 356.80</b>	<b>\$ 848.75</b>	<b>\$ -</b>	<b>\$ 191.40</b>	<b>\$ 683.34</b>
75% Kaiser Pickup		\$ 592.73	\$ 659.70						
Single Employee Pickup	\$ 120.88								
<b>Typical Bargained Member Contribution</b>	<b>\$ -</b>	<b>\$ 120.88</b>	<b>\$ 545.85</b>						
<b>2009/10 Non-Bargained Contribution Rate</b>	<b>\$ 83.52</b>	<b>\$ 615.39</b>	<b>\$ 1,056.83</b>	<b>\$ 41.76</b>	<b>\$ 307.69</b>	<b>\$ 749.13</b>	<b>\$ -</b>	<b>\$ 156.08</b>	<b>\$ 597.52</b>
<b>Contribution Increase</b>	<b>45%</b>	<b>16%</b>	<b>14%</b>	<b>45%</b>	<b>16%</b>	<b>13%</b>	<b>0%</b>	<b>23%</b>	<b>14%</b>
<b>2009/10 Bargained Contribution Rate</b>	<b>\$ -</b>	<b>\$ 83.52</b>	<b>\$ 420.92</b>						
<b>Contribution Increase</b>	<b>0%</b>	<b>45%</b>	<b>30%</b>						

# 2010/11 Renewals

## Kaiser – No Plan Design Changes

	Employee Only	Employee and One Dependent	Employee and Family	Retiree without Medicare	Retiree & Spouse w/o Medicare	Retiree & Family	Retiree with Medicare	Retiree & Spouse with Medicare	Retiree & Family
Premium	\$ 482.89	\$ 965.78	\$ 1,366.58	\$ 974.84	\$ 1,457.73	\$ 1,858.53	\$ 365.79	\$ 731.58	\$ 1,132.38
Vision	\$ 3.57	\$ 7.15	\$ 10.12	\$ 3.57	\$ 7.15	\$ 10.12	\$ 3.57	\$ 7.15	\$ 10.12
Expense	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04
Flex Funded Plan Closedown Adjustment	\$ 0.83	\$ 1.65	\$ 2.33	\$ 1.66	\$ 2.48	\$ 3.17	\$ 0.63	\$ 1.25	\$ 1.94
<b>Total</b>	<b>\$ 488.33</b>	<b>\$ 975.62</b>	<b>\$ 1,380.07</b>	<b>\$ 981.11</b>	<b>\$ 1,468.40</b>	<b>\$ 1,872.86</b>	<b>\$ 371.03</b>	<b>\$ 741.02</b>	<b>\$ 1,145.48</b>
10-County Amount	\$ 472.85	\$ 472.85	\$ 472.85	\$ 472.85			\$ 371.03		
Single Retiree Offset					\$ 472.85	\$ 472.85		\$ 371.03	\$ 371.03
"Actuarial Difference"				\$ 492.78	\$ 492.78	\$ 492.78	\$ -	\$ -	\$ -
Prop. E Subsidy				\$ 7.74	\$ 251.39	\$ 251.39	\$ -	\$ 185.00	\$ 185.00
Subtotal City Contributions (Gap Dollars)	\$ 472.85	\$ 472.85	\$ 472.85	\$ 973.37	\$ 1,217.02	\$ 1,217.02	\$ 371.03	\$ 556.03	\$ 556.03
<b>Non-Bargained Contribution Rate</b>	<b>\$ 15.48</b>	<b>\$ 502.77</b>	<b>\$ 907.22</b>	<b>\$ 7.74</b>	<b>\$ 251.38</b>	<b>\$ 655.84</b>	<b>\$ -</b>	<b>\$ 184.99</b>	<b>\$ 589.45</b>
75% Kaiser Pickup		\$ 487.29	\$ 668.81						
Single Employee Pickup	\$ 15.48								
<b>Typical Bargained Member Contribution</b>	<b>\$ -</b>	<b>\$ 15.48</b>	<b>\$ 238.42</b>						
<b>2009/10 Non-Bargained Contribution Rate</b>	<b>\$ 14.99</b>	<b>\$ 478.32</b>	<b>\$ 862.87</b>	<b>\$ 7.49</b>	<b>\$ 239.15</b>	<b>\$ 623.71</b>	<b>\$ -</b>	<b>\$ 174.76</b>	<b>559.31</b>
<b>Contribution Increase</b>	<b>3%</b>	<b>5%</b>	<b>5%</b>	<b>3%</b>	<b>5%</b>	<b>5%</b>	<b>0%</b>	<b>6%</b>	<b>5%</b>
<b>2009/10 Bargained Contribution Rate</b>	<b>\$ -</b>	<b>\$ 14.99</b>	<b>\$ 226.96</b>						
<b>Contribution Increase</b>	<b>0%</b>	<b>3%</b>	<b>5%</b>						

## 2010/11 Renewals

### Blue Shield – No Plan Design Changes (COB Only Option for Medicare Retirees))

	Employee Only	Employee and One Dependent	Employee and Family	Retiree without Medicare	Retiree & Spouse w/o Medicare	Retiree & Family	Retiree with Medicare	Retiree & Spouse with Medicare	Retiree & Family
Premium	\$ 596.62	\$ 1,193.27	\$ 1,688.47	\$ 1,330.47	\$ 1,927.12	\$ 2,422.32	\$ 427.95	\$ 855.90	\$ 1,351.10
Vision	\$ 3.57	\$ 7.15	\$ 10.12	\$ 3.57	\$ 7.15	\$ 10.12	\$ 3.57	\$ 7.15	\$ 10.12
Expense	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04
Flex Funded Plan Closedown Adjustment	\$ 1.01	\$ 2.03	\$ 2.87	\$ 2.25	\$ 3.26	\$ 4.11	\$ 0.73	\$ 1.46	\$ 2.30
<b>Total</b>	<b>\$ 602.24</b>	<b>\$ 1,203.49</b>	<b>\$ 1,702.50</b>	<b>\$ 1,337.33</b>	<b>\$ 1,938.57</b>	<b>\$ 2,437.59</b>	<b>\$ 433.29</b>	<b>\$ 865.55</b>	<b>\$ 1,364.56</b>
10-County Amount	\$ 472.85	\$ 472.85	\$ 472.85	\$ 472.85			\$ 433.29		
Single Retiree Offset					\$ 472.85	\$ 472.85		\$ 433.29	\$ 433.29
"Actuarial Difference"				\$ 735.09	\$ 735.09	\$ 735.09	\$ -	\$ -	\$ -
Prop. E Subsidy				\$ 64.70	\$ 365.32	\$ 365.32	\$ -	\$ 216.13	\$ 216.13
Subtotal City Contributions (Gap Dollars)	\$ 472.85	\$ 472.85	\$ 472.85	\$ 1,272.64	\$ 1,573.26	\$ 1,573.26	\$ 433.29	\$ 649.42	\$ 649.42
<b>Non-Bargained Contribution Rate</b>	<b>\$ 129.39</b>	<b>\$ 730.64</b>	<b>\$ 1,229.65</b>	<b>\$ 64.69</b>	<b>\$ 365.31</b>	<b>\$ 864.33</b>	<b>\$ -</b>	<b>\$ 216.13</b>	<b>\$ 715.14</b>
75% Kaiser Pickup		\$ 601.25	\$ 668.81						
Single Employee Pickup	\$ 129.39								
<b>Typical Bargained Member Contribution</b>	<b>\$ -</b>	<b>\$ 129.39</b>	<b>\$ 560.85</b>						
<b>2009/10 Non-Bargained Contribution Rate</b>	<b>\$ 83.52</b>	<b>\$ 615.39</b>	<b>\$ 1,056.83</b>	<b>\$ 41.76</b>	<b>\$ 307.69</b>	<b>\$ 749.13</b>	<b>\$ -</b>	<b>\$ 156.08</b>	<b>597.52</b>
<b>Contribution Increase</b>	<b>55%</b>	<b>19%</b>	<b>16%</b>	<b>55%</b>	<b>19%</b>	<b>15%</b>	<b>0%</b>	<b>38%</b>	<b>20%</b>
<b>2009/10 Bargained Contribution Rate</b>	<b>\$ -</b>	<b>\$ 83.52</b>	<b>\$ 420.92</b>						
<b>Contribution Increase</b>	<b>0%</b>	<b>55%</b>	<b>33%</b>						

## 2010/11 Renewals

### Blue Shield – No Plan Design Changes (MA-PD/COB Option for Medicare Retirees)

	Employee Only	Employee and One Dependent	Employee and Family	Retiree without Medicare	Retiree & Spouse w/o Medicare	Retiree & Family	Retiree with Medicare	Retiree & Spouse with Medicare	Retiree & Family
Premium	\$ 596.62	\$ 1,193.27	\$ 1,688.47	\$ 1,330.47	\$ 1,927.12	\$ 2,422.32	\$ 382.16	\$ 764.32	\$ 1,259.52
Vision	\$ 3.57	\$ 7.15	\$ 10.12	\$ 3.57	\$ 7.15	\$ 10.12	\$ 3.57	\$ 7.15	\$ 10.12
Expense	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04
Flex Funded Plan Closedown Adjustment	\$ 1.02	\$ 2.04	\$ 2.88	\$ 2.26	\$ 3.28	\$ 4.12	\$ 0.66	\$ 1.31	\$ 2.15
<b>Total</b>	<b>\$ 602.25</b>	<b>\$ 1,203.50</b>	<b>\$ 1,702.51</b>	<b>\$ 1,337.34</b>	<b>\$ 1,938.59</b>	<b>\$ 2,437.60</b>	<b>\$ 387.43</b>	<b>\$ 773.82</b>	<b>\$ 1,272.83</b>
10-County Amount	\$ 472.85	\$ 472.85	\$ 472.85	\$ 472.85			\$ 387.43		
Single Retiree Offset					\$ 472.85	\$ 472.85		\$ 387.43	\$ 387.43
"Actuarial Difference"				\$ 735.09	\$ 735.09	\$ 735.09	\$ -	\$ -	\$ -
Prop. E Subsidy				\$ 64.70	\$ 365.33	\$ 365.33	\$ -	\$ 193.20	\$ 193.20
Subtotal City Contributions (Gap Dollars)	\$ 472.85	\$ 472.85	\$ 472.85	\$ 1,272.64	\$ 1,573.27	\$ 1,573.27	\$ 387.43	\$ 580.63	\$ 580.63
<b>Non-Bargained Contribution Rate</b>	<b>\$ 129.40</b>	<b>\$ 730.65</b>	<b>\$ 1,229.66</b>	<b>\$ 64.70</b>	<b>\$ 365.32</b>	<b>\$ 864.33</b>	<b>\$ -</b>	<b>\$ 193.19</b>	<b>\$ 692.20</b>
75% Kaiser Pickup		\$ 601.25	\$ 668.81						
Single Employee Pickup	\$ 129.40								
<b>Typical Bargained Member Contribution</b>	<b>\$ -</b>	<b>\$ 129.40</b>	<b>\$ 560.86</b>						
<b>2009/10 Non-Bargained Contribution Rate</b>	<b>\$ 83.52</b>	<b>\$ 615.39</b>	<b>\$ 1,056.83</b>	<b>\$ 41.76</b>	<b>\$ 307.69</b>	<b>\$ 749.13</b>	<b>\$ -</b>	<b>\$ 156.08</b>	<b>\$ 597.52</b>
<b>Contribution Increase</b>	<b>55%</b>	<b>19%</b>	<b>16%</b>	<b>55%</b>	<b>19%</b>	<b>15%</b>	<b>0%</b>	<b>24%</b>	<b>16%</b>
<b>2009/10 Bargained Contribution Rate</b>	<b>\$ -</b>	<b>\$ 83.52</b>	<b>\$ 420.92</b>						
<b>Contribution Increase</b>	<b>0%</b>	<b>55%</b>	<b>33%</b>						

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