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FELRA and UFCW Health & Welfare Fund - Retiree Analysis

For 2018 Policy Year

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Annual Evaluation
FELRA and UFCW Health & Wellness Fund Retiree Analysis

- - PROJECTIONS FOR 2018 - -

Section I.

FELRA and UFCW Health & Welfare Fund Retirees

Conclusions

1. **The ERISA fund produced a loss in 2016, primarily because employer contributions were lower than needed to break even.**

2. **Although the claims were lower than projected, the Employer Contributions were lower than assumed.**

3. **Employer contributions are projected to decline 7.4% to $23.1 million. However, with the active workforce contracting, the employer MOB expressed per active Plan I employee increases from $2,242 per active per month to $2,427.**

4. **The calculated retiree copay rate changes show a decrease of approximately 6% on a per retiree basis, assuming the retirees continue to pay 20% of the projected cost for Fund coverage. This is largely due to favorable experience.**

5 **Because this is a retiree only plan, we have assumed that no material changes are required by the Affordable Care Act for the coming year.**

Section I.

FINANCIAL SUMMARY - Non-ERISA FUND

	Evaluation of Last Year Experience			Last Year's Projection	This Year's Projection		% Increase (Decrease)
					Current MOB	Updated MOB	
Experience Basis: Year of Analysis or Projection:	Expected CY16	Actual CY16	Percent Change	Expected CY17	Expected CY18	Expected CY18	Over Expected CY18/PY17
1 Claims and Expenses	$ 29,289,000	$ 26,392,627	-9.9%	$ 27,239,000	$ 26,519,000	$ 26,519,000	-2.6%
2 Employer Contributions	$ 24,927,000	$ 20,452,216	-18.0%	$ 19,719,000	$ 19,089,000	$ 21,985,000	11.5%
3 Retiree Copayments	3,962,000	3,935,488	-0.7%	4,100,000	4,150,000	3,934,000	-4.0%
4 Conversions	400,000	625,742	56.4%	200,000	600,000	600,000	200.0%
5 Total Income	$ 29,289,000	$ 25,013,446	-14.6%	$ 24,019,000	$ 23,839,000	$ 26,519,000	10.4%
6 Net Change in Fund Reserve	$ -	$ (1,379,181)	NA	$ (3,220,000)	$ (2,680,000)	$ -	-16.8%
7 Number of Retirees	5,546	5,379	-3.0%	5,452	5,322	5,322	-2.4%
8 Number of Plan I Actives	932	956	2.5%	733	755	755	3.0%
9 Number of Plan X Actives	8,734	8,771	0.4%	8,334	7,934	7,934	-4.8%
10 Mo. Claims&Exp/Ret counts	$ 440.09	$ 408.90	-7.1%	$ 416.35	$ 415.20	$ 415.20	-0.3%
11 Mo. Claims&Exp/Active counts	$ 2,618.36	$ 2,301.21	-12.1%	$ 3,096.75	$ 2,927.04	$ 2,927.04	-5.5%
12 Monthly Copays per Retiree	$ 65.54	$ 70.67	7.8%	$ 65.73	$ 74.37	$ 70.99	8.0%
13 Mo Employer Contr. per Retiree	$ 374.55	$ 316.87	-15.4%	$ 301.40	$ 298.87	$ 344.22	14.2%
14 Mo Employer Contr. per Plan I	$ 2,228.41	$ 1,783.26	-20.0%	$ 2,241.81	$ 2,106.96	$ 2,426.61	8.2%
15 Mo Employer Contr. per Plan I & X	$ 214.90	$ 175.24	-18.5%	$ 181.24	$ 183.07	$ 210.85	16.3%

Section I.

FINANCIAL SUMMARY - Non-ERISA FUND

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						Current MOB	Updated MOB	
	Experience Basis: Year of Analysis or Projection:	Expected CY16	Actual CY16	Percent Change	Expected CY17	Expected CY18	Expected CY18	Over Expected CY18/PY17
1	Claims and Expenses	$ 20,210,000	$ 19,180,022	-5.1%	$ 19,980,000	$ 20,270,000	$ 20,270,000	1.5%
2	Employer Contributions	$ 15,848,000	$ 13,239,611	-16.5%	$ 12,460,000	$ 12,840,000	$ 15,736,000	26.3%
3	Retiree Copayments	3,962,000	3,935,488	-0.7%	4,100,000	4,150,000	3,934,000	-4.0%
4	Conversions	400,000	625,742	56.4%	200,000	600,000	600,000	200.0%
5	Total Income	$ 20,210,000	$ 17,800,841	-11.9%	$ 16,760,000	$ 17,590,000	$ 20,270,000	20.9%
6	Net Change in Fund Reserve	$ -	$ (1,379,181)	NA	$ (3,220,000)	$ (2,680,000)	$ -	-16.8%
7	Number of Retirees	3,662	3,689	0.7%	3,767	3,802	3,802	0.9%
8	Number of Plan I Actives	932	956	2.5%	733	755	755	3.0%
9	Number of Plan X Actives	8,734	8,771	0.4%	8,334	7,934	7,934	-4.8%
10	Mo. Claims&Exp/Ret counts	$ 459.90	$ 433.33	-5.8%	$ 442.00	$ 444.23	$ 444.23	0.5%
11	Mo. Claims&Exp/Active counts	$ 1,806.72	$ 1,672.34	-7.4%	$ 2,271.49	$ 2,237.31	$ 2,237.31	-1.5%
12	Monthly Copays per Retiree	$ 99.26	$ 103.05	3.8%	$ 95.12	$ 104.10	$ 99.36	9.4%
13	Mo Employer Contr. per Retiree	$ 360.64	$ 299.12	-17.1%	$ 275.64	$ 281.39	$ 344.86	2.1%
14	Mo Employer Contr. per Plan I	$ 1,416.77	$ 1,154.38	-18.5%	$ 1,416.55	$ 1,417.22	$ 1,736.87	0.0%
15	Mo Employer Contr. per Plan I & X	$ 136.63	$ 113.44	-17.0%	$ 114.52	$ 123.14	$ 150.92	7.5%

Section I.

FINANCIAL SUMMARY - Non-ERISA FUND

		Evaluation of Last Year Experience			Last Year's Projection	This Year's Projection	% Increase (Decrease)
	Experience Basis: Year of Analysis or Projection:	Expected CY16	Actual CY16	Percent Change	Expected CY17	Expected CY18	Over Expected CY18/PY17
1	Claims and Expenses	$ 9,079,000	$ 7,212,605	-20.6%	$ 7,259,000	$ 6,249,000	-13.9%
2	Employer Contributions	$ 9,079,000	$ 7,212,605	-20.6%	$ 7,259,000	$ 6,249,000	-13.9%
3	Retiree Copayments	N/A	N/A	N/A	N/A	N/A	N/A
4	Conversions	N/A	N/A	N/A	N/A	N/A	N/A
5	Total Income	$ 9,079,000	$ 7,212,605	-20.6%	$ 7,259,000	$ 6,249,000	-13.9%
6	Net Change in Fund Reserve	$ -	$ -	NA	$ -	$ -	NA
7	Number of Retirees	1,884	1,690	-10.3%	1,685	1,520	-9.8%
8	Number of Plan I Actives	932	956	2.5%	733	755	3.0%
9	Number of Plan X Actives	8,734	8,771	0.4%	8,334	7,934	-4.8%
10	Mo. Claims&Exp/Ret counts	$ 401.58	$ 355.60	-11.5%	$ 359.00	$ 342.60	-4.6%
11	Mo. Claims&Exp/Active counts	$ 811.64	$ 628.88	-22.5%	$ 825.26	$ 689.74	-16.4%
12	Monthly Copays per Retiree	NA	NA	NA	NA	NA	NA
13	Mo Employer Contr. per Retiree	$ 401.58	$ 355.60	-11.5%	$ 359.00	$ 342.60	-4.6%
14	Mo Employer Contr. per Plan I	$ 811.64	$ 628.88	-22.5%	$ 825.26	$ 689.74	-16.4%
15	Mo Employer Contr. per Plan I & X	$ 78.27	$ 61.80	-21.0%	$ 66.72	$ 59.93	-10.2%

Section II.

Projected Copays & Contributions

The charts below show the current and projected retiree and surviving spouse copays and the employer contribution rate on a per active employee per month basis, and in aggregate dollars. These figures are calculated assuming that no gain or loss adjustments are made for prior years' experience. The retiree copays are provided assuming changes are applied uniformly to all categories, as done historically, except that Mixed Family are made equal to Medicare Single.

Retiree Copays

		Current				Projected (no gain/loss)			
		January 2017 - December 2017				January 2018 - December 2018			
		A	B,C,F	D	E	A	B,C,F	D	E
Out of Area									
Regular	Family	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Regular	Single	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mixed	Family	$ 61	$ 118	$ 242	$ 298	$ 58	$ 112	$ 229	$ 282
Medicare	Single	61	118	242	298	58	112	229	282
Medicare	Family	92	186	372	464	87	176	353	440
HMO									
Regular	Family	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Regular	Single	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mixed	Family	$ 21	$ 70	$ 90	$ 106	$ 20	$ 66	$ 85	$ 100
Medicare	Single	21	70	90	106	20	66	85	100
Medicare	Family	43	115	129	148	41	109	122	140

Employer Contributions (Traditional Method)

	Current			Projected (no gain/loss)		
	January 2017 - December 2017			January 2018 - December 2018		
	MOB	Total $ (millions)		MOB	Total $ (millions)	
Fund Coverage	$ 1,416.77	$ 15.8	million	$1,736.87	$ 15.7	million
Non-ERISA Account	811.64	7.3		689.74	6.3	million
Total	**$ 2,228.41**	**$ 23.1**	**million**	**$2,426.61**	**$ 22.0**	**million**

Section III.

Financial Projections

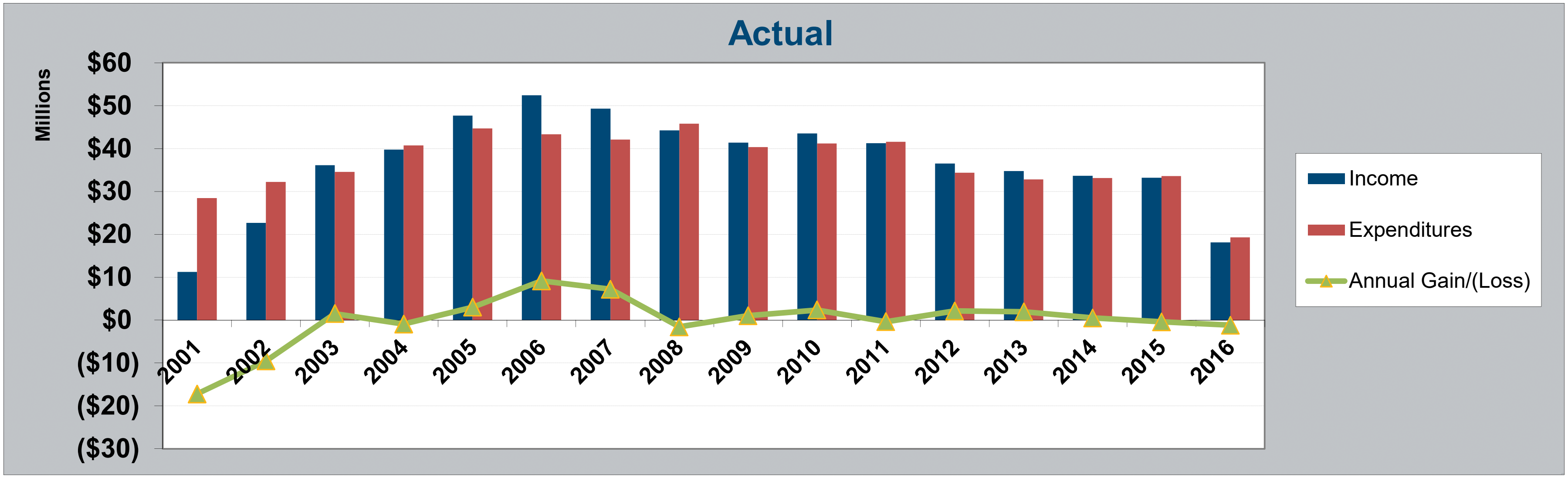
Projected Retiree Cash Flows (Excluding NME Retirees in 2016)

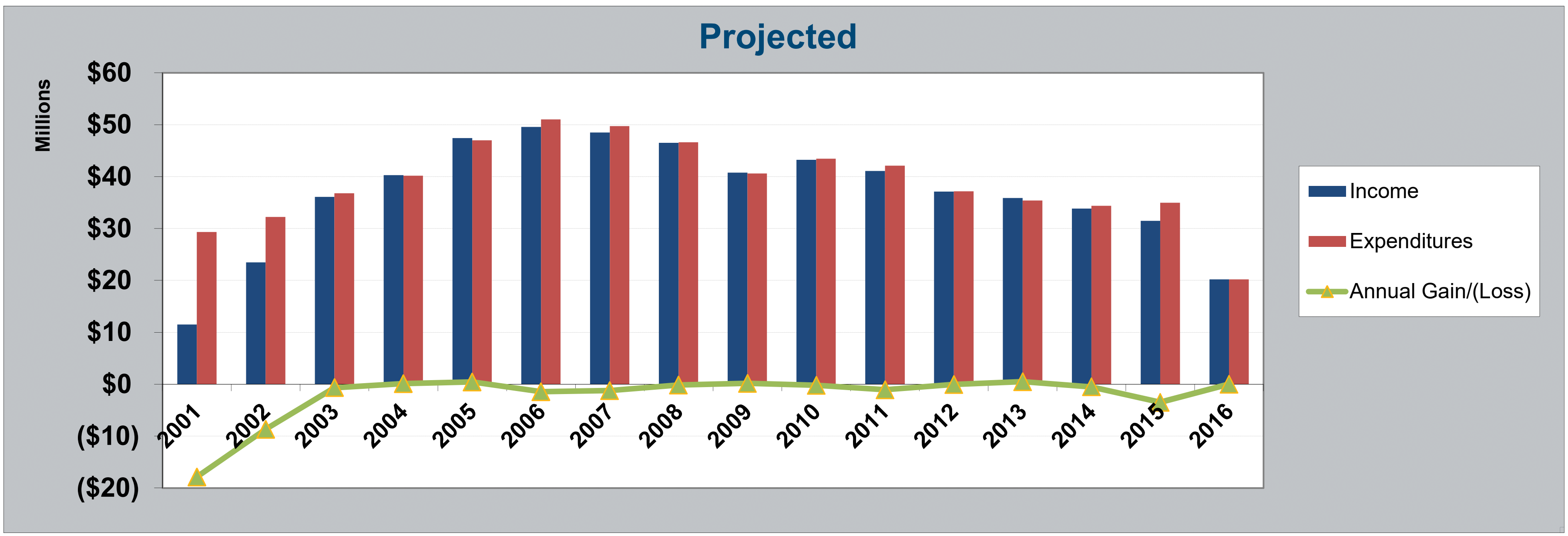
	Projected Jan 2017 - Dec 2017 *No Copay Changes*		Projected Jan 2018 - Dec 2018 *No Copay Changes*		Projected Jan 2018 - Dec 2018 *No Gain/(Loss)*	
ERISA FUND		% claims		% claims		% claims
Retirees	$ 4,100,000	21%	$ 4,150,000	20%	$ 3,934,000	19%
Employers	12,460,000	62%	12,840,000	63%	15,736,000	78%
Conversions	200,000	1%	600,000	3%	600,000	3%
TOTAL	$ 16,760,000		$ 17,590,000		$ 20,270,000	
Claims & Expenses:	$ (19,980,000)		$ (20,270,000)		$ (20,270,000)	
Net Cash Flow	$ (3,220,000)		$ (2,680,000)		$ -	
NON-ERISA FUND						
Stipend & Expenses	$ 7,259,000		$ 6,249,000		$ 6,249,000	
Participants:						
- Retirees (ERISA Fund)	3,767		3,802		3,802	
- Stipend Recipients	1,685		1,520		1,520	
- Actives	733		755		755	

Section IV.

A. ERISA Fund Experience (Retirees)

The graphs below show the annual net cash flow to the Fund (excluding Non-ERISA). The net cash flow is shown both on an actual cash basis (top chart) and a projected cash basis (bottom chart). **In calendar year 2016, a $1.18 million loss developed with Fund expenditures exceeding income.**

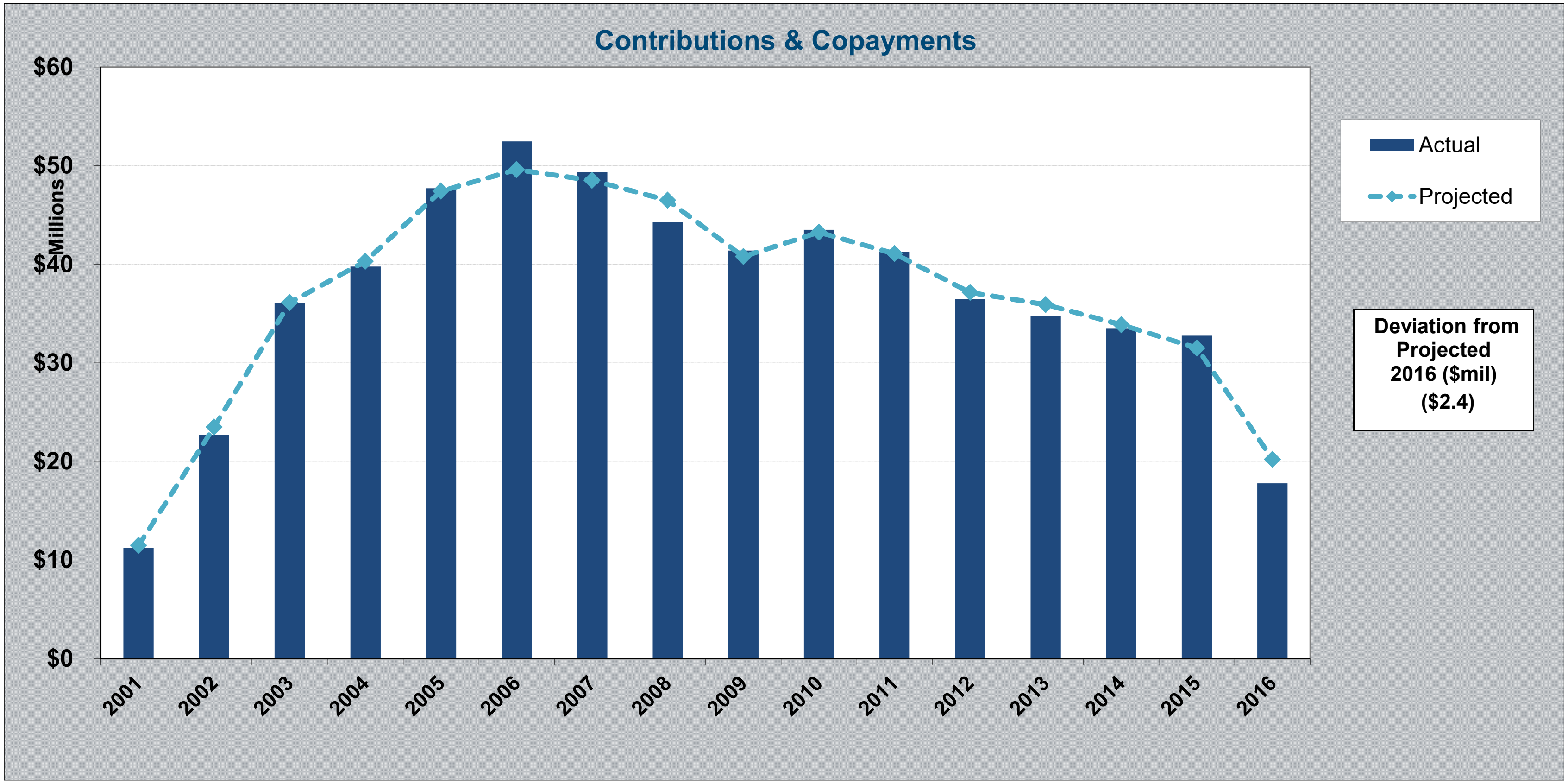




Section IV.

B. Aggregate Income (ERISA Fund)

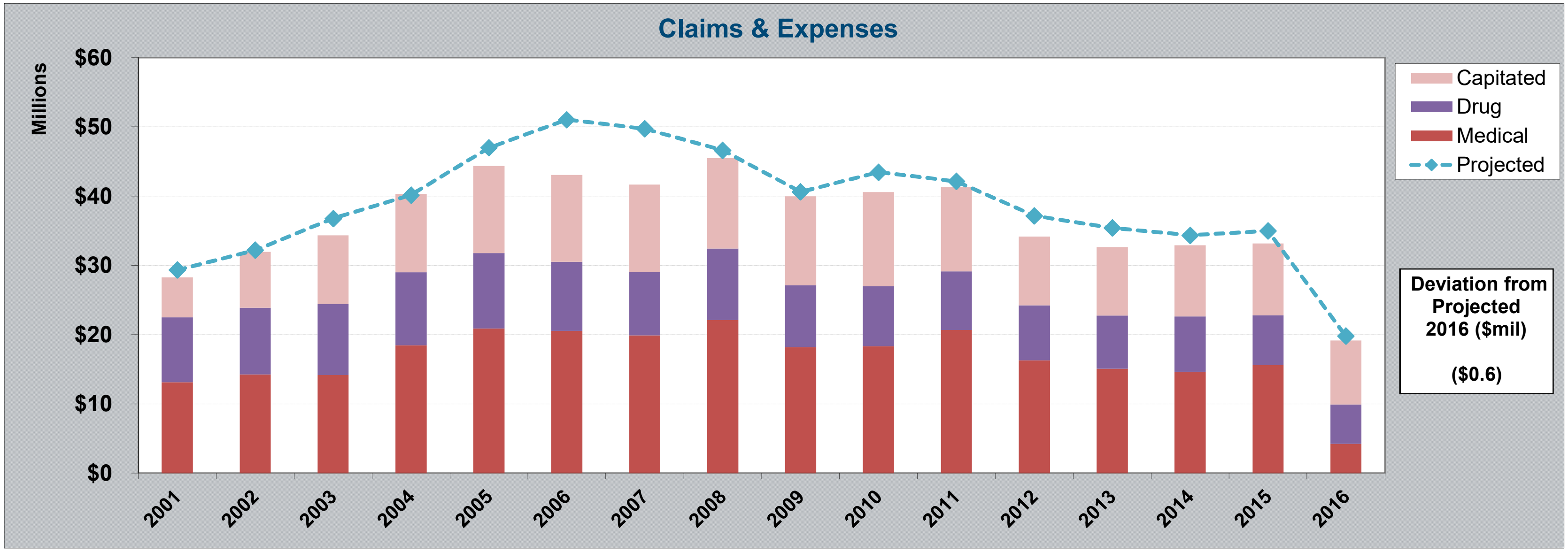
The graph below shows the actual (bars) versus projected (line) aggregate cash income to the Fund for retiree benefits (excluding Non-ERISA). **In calendar year 2016, the aggregate income was $17.8 million dollars. This was 11.9% less than we had projected for aggregate income in 2016.**



Section IV.

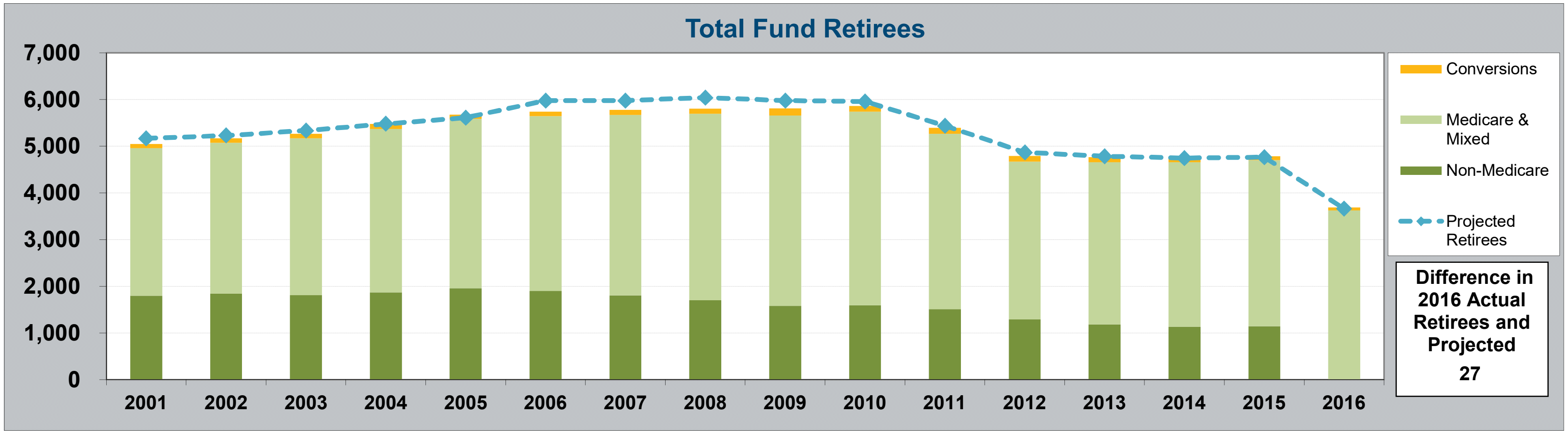
C. Claims & Expenses (ERISA Fund)

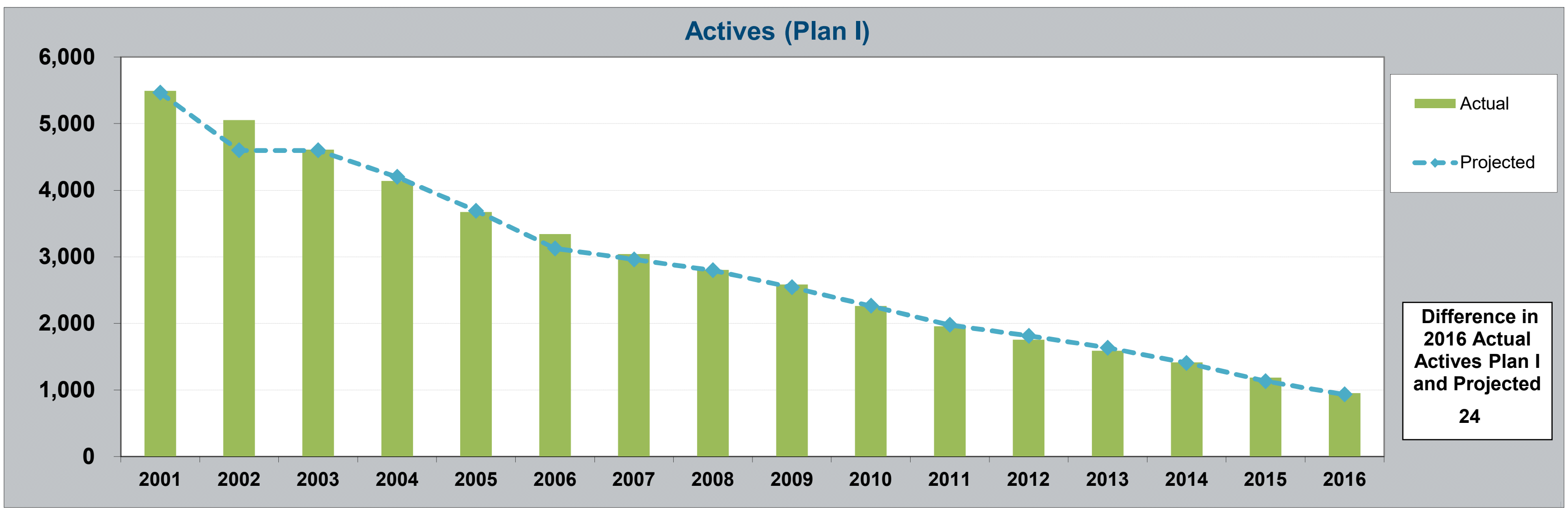
The graph below shows the actual (bars) versus projected (line) aggregate cash expenditures to the Fund for retirees and their covered dependents (Excluding Non-ERISA). The capitated figures (green bars) include all expenditures to the Fund that are regularly negotiated on a per participant or per employee or percent of claims basis. Therefore, Kaiser and Group Dental Services (GDS) premiums are included, which involve both administrative and claims charges. Additionally, the capitated figures include administrative and access fees for medical, pharmacy, vision, mental health, medical management, population management, and medical provider networks. The drug figures (purple bars) are only for claims payments made through the PBM. The medical figures (red bars) are claims payments made through the administrator (Associated Administrators) for out-of-area participants and through the CIGNA HMO. **In calendar year 2016, the aggregate expenditures were $19.2 million dollars. This was 5.1% lower than we had projected for the aggregate claims and expenses.**



D. Participation (ERISA Fund)

The top graph shows the retiree participation in the Fund. **In calendar year 2016, an average of 3,622 retirees elected to participate in this Plan. This is 0.7% more retirees than we had projected.** The bottom graph shows the number of active participants that will have the option to be in the retiree program when they retire. The employers make their contributions to the Fund for retiree coverage based on the number of actives shown below on a per employee per month basis. **Actual average active employees were 2.5% higher than we had projected.**

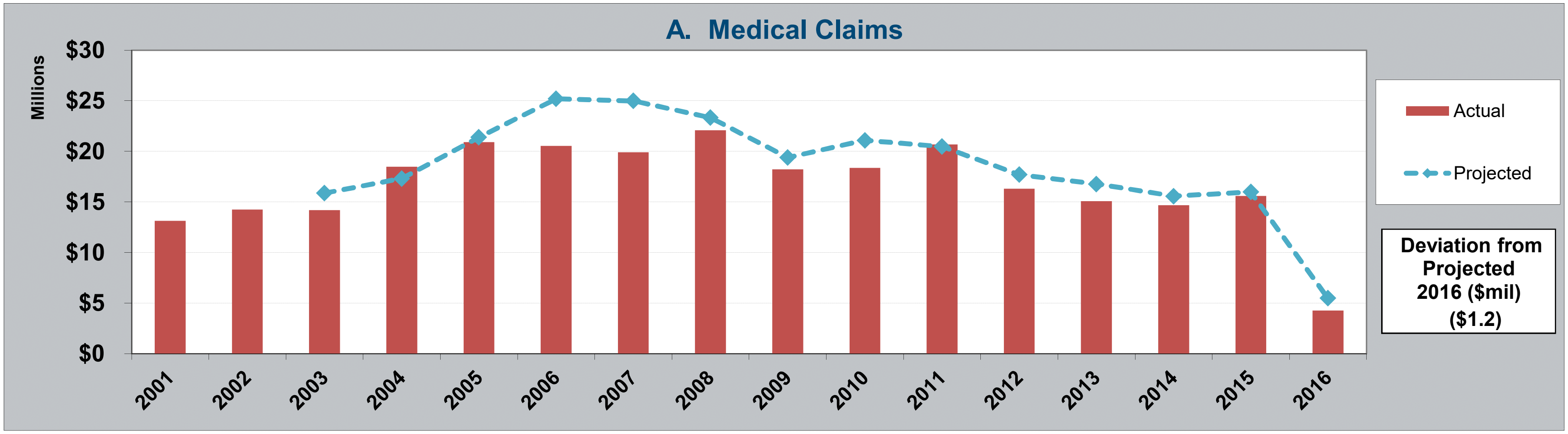


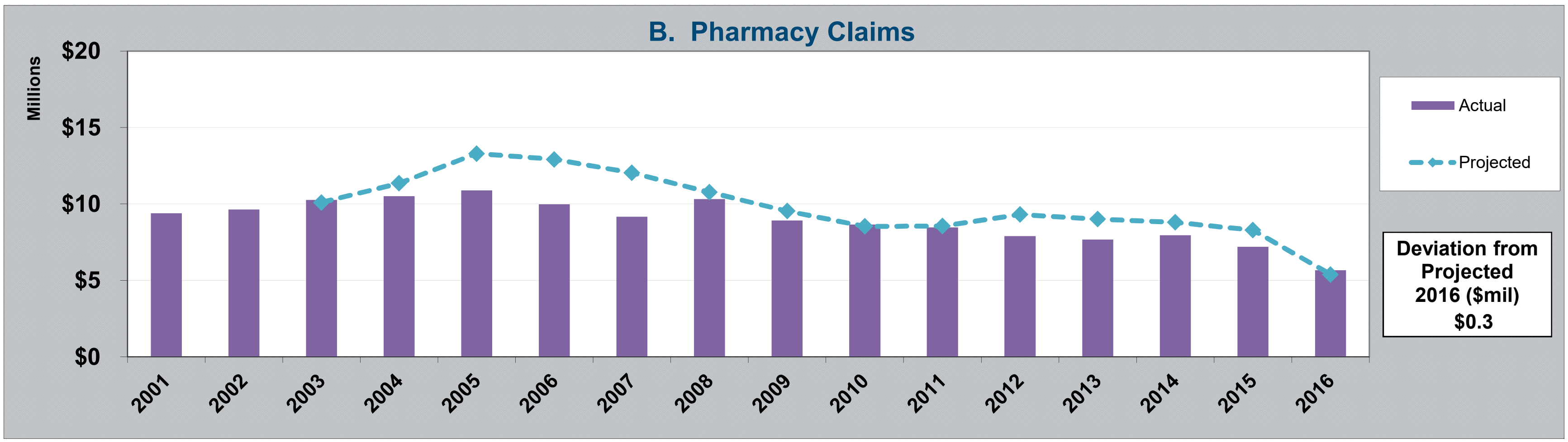


Section V.

ERISA Fund Claims & Expense Details

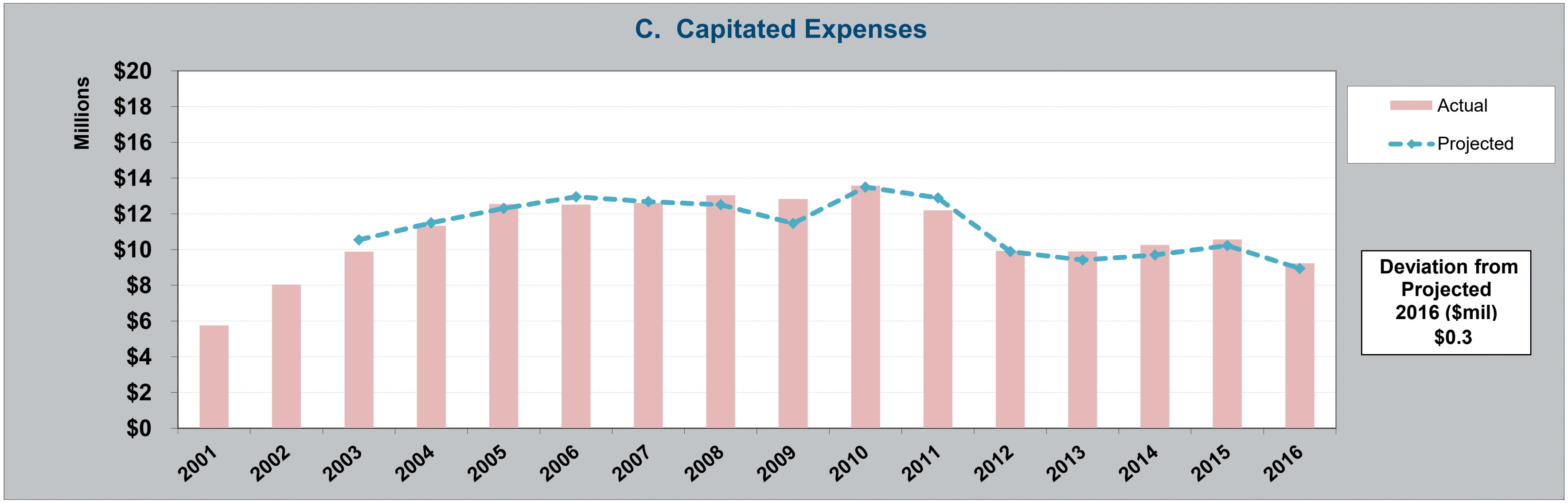
The graphs below show the actual (bars) versus projected (line) medical and pharmacy claims, excluding conversions. Kaiser premiums are included with the expenses. **Actual medical claims in 2016 were $1.2 million less than projected. Actual pharmacy claims (net of rebates) were $0.3 million less than projected.**





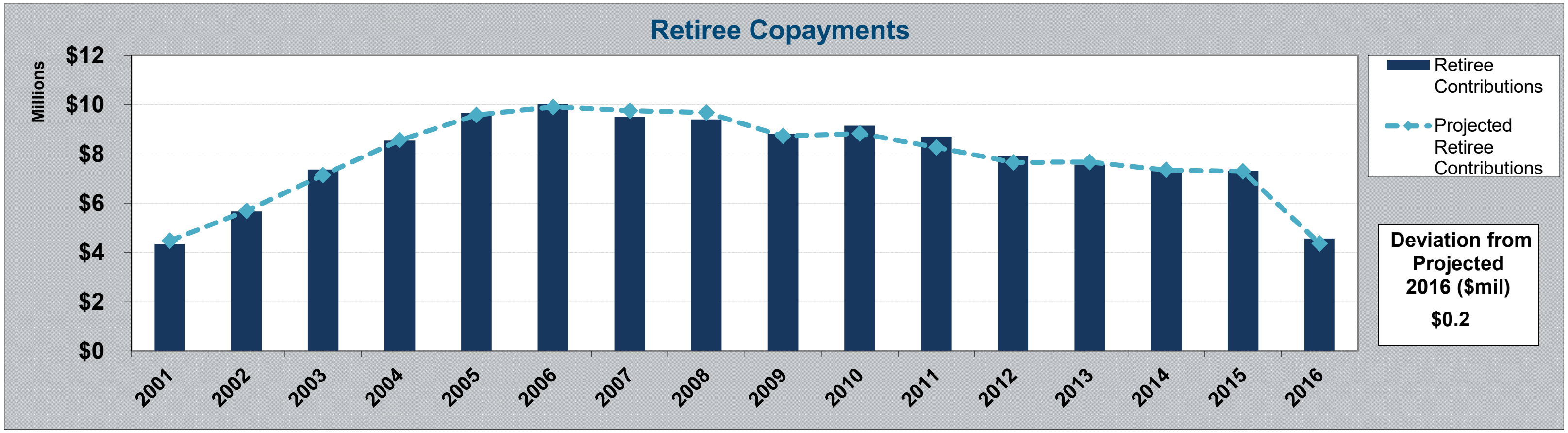
ERISA Fund Claims & Expense Details (Continued)

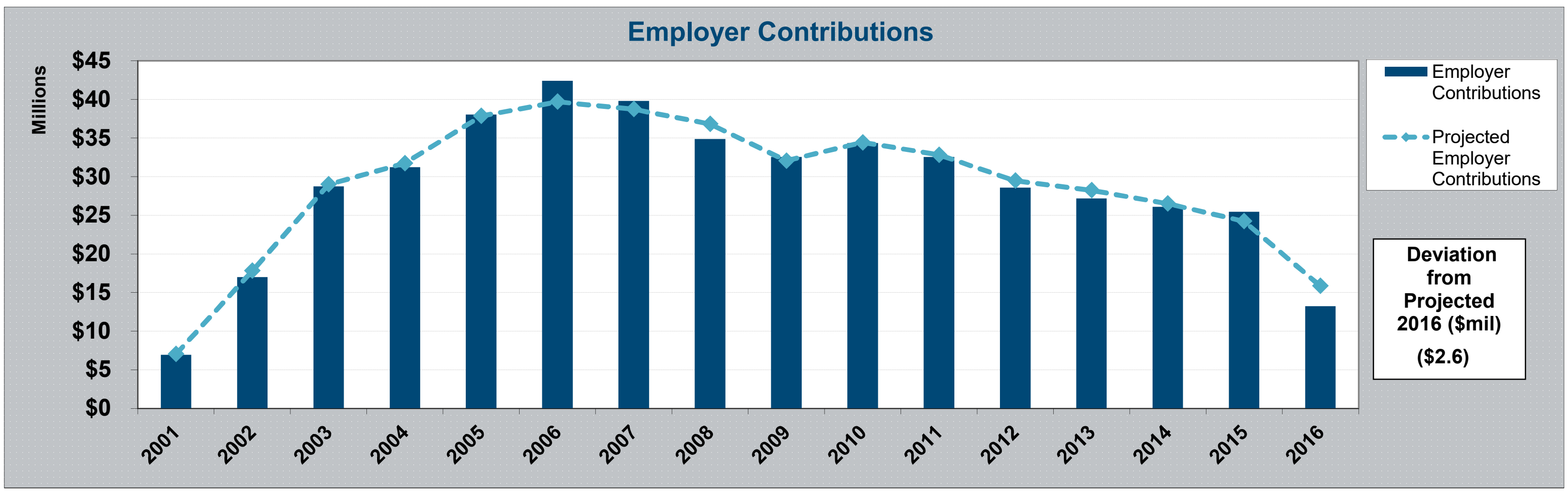
The graph below shows the actual (bars) versus projected (line) capitated expenditures. These include all expenditures to the Fund that are regularly negotiated on a per participant, or per employee, or percent of claims basis. Kaiser and Group Dental Services (GDS) premiums are included, which include both administrative and claims charges. Additionally, the capitated figures include administrative and access fees for medical, pharmacy, vision, mental health, medical management, population management, and medical provider networks (including CIGNA's non-claim fees).



Contributions & Copayments (ERISA Fund)

The graphs below show the actual (bars) versus projected (line) cash income split by retiree copayments (including conversions) and employer contributions.





Appendix A - Gain/(Loss) Allocation

The chart below is to maintain an accounting of the gains and losses. The gains and losses are split between the employers and retirees based on a bargained agreement that employers would pay for 80% of the costs (excluding conversion). There are two options from a collectively bargained agreement prior to 2001. Conversion costs for this purpose are assumed to be the actual contributions that participants pay into the Fund, so their gains/losses are spilt 80% / 20% for the employers / retirees.

				Balance Carried Forward @ 8%			
				Option 1 - Blended:		Option 2 - Actual:	
				Employers	Retirees	Employers	Retirees
Balance from 12/31/2009 ($ in millions)				$ (33.6)	$ 25.8	$ (34.7)	$ 26.9
		Employers	**Retirees**				
1/1/10 to 12/31/10							
Income	$ 42.9	34.4	8.6				
Clm&Exp	40.0	32.0	8.0				
Gain/(Loss)	2.9	2.3	0.6	(35.4)	28.4	(36.6)	29.6
1/1/11 to 12/31/11							
Income	41.0	32.5	8.4				
Clm&Exp	41.1	32.9	8.2				
Gain/(Loss)	(0.1)	(0.3)	0.2	(35.9)	31.3	(37.2)	32.5
1/1/12 to 12/31/12							
Income	35.9	28.6	7.3				
Clm&Exp	33.9	27.2	6.8				
Gain/(Loss)	2.0	1.4	0.5	(39.1)	34.0	(40.5)	35.3
1/1/13 to 12/31/13							
Income	34.1	27.2	6.9				
Clm&Exp	32.5	26.0	6.5				
Gain/(Loss)	1.6	1.2	0.4	(40.8)	37.2	(42.3)	38.7
1/1/14 to 12/31/14							
Income	33.0	26.1	6.9				
Clm&Exp	32.7	26.1	6.5				
Gain/(Loss)	0.4	(0.0)	0.4	(42.9)	40.6	(44.5)	42.2
1/1/15 to 12/31/15							
Income	32.5	25.5	7.1				
Clm&Exp	33.2	26.5	6.6				
Gain/(Loss)	(0.7)	(1.1)	0.4	(46.4)	44.3	(48.2)	46.0
1/1/16 to 12/31/16							
ERISA Income	17.5	13.2	4.3				
Clm&Exp	19.0	15.2	3.8				
Gain/(Loss)	(1.5)	(2.0)	0.5	(51.2)	48.3	(53.1)	50.1

All figures exclude conversions. Totals may not add due to rounding.

Appendix B - Summary of Plan or Policy Changes

Below is a summary of significant policy changes made from year-to-year:

Date	Change
1992	Old System
1993	Changed Copay Structure
1994	Increased Copays & Employer Contributions
1996	Incorporate HMO Medicare Risk Contracts
1998	Incorporate HMO Medicare Drug Riders and expand HMO area
2000	Medicare risk marketplace begins contracting, pushing out over 200 retirees into the out-of-area regions.
-	Added CIGNA's non-Medicare HMO in June. Use of CIGNA is mandatory for all living in the region.
-	Changed Aggregate Contribution Split ER/Ret to 80/20
-	Changed Copay & Contribution increases to be consistent with actives
-	Granted a 2-Year Retiree Copay Reduction (July 1, 2001 to June 30, 2003)
-	Added new benefits
2001	Substantial withdrawal of Medicare risk contract providers. Over 1,200 retirees are pushed into the out-of-area region in January. By July, slightly over 750 are back in an HMO Medicare risk area. Significant premiums for drug riders
-	Increase retiree copays with a $1.3 million reduction
-	No employer contribution increase
2002	The Medicare risk availability is stable for this Plan's region.
-	Increase retiree copays with a $1.3 million reduction
-	Employer contribution increase
2003	Medicare risk marketplace slightly expanding for this Plan allowing slightly over 350 back in area in March.
-	Switched Pharmacy Benefits Manager to NMHCRx
-	5% load on retiree copays to fund reserve
2004	Copay increase in Pharmacy benefit by 3%
-	Increase in Out-of-Pocket, Deductible and Lifetime Limit
2005	Pharmacy Benefits: Implement a stricter mandatory generic program, add a quantity and dose limitation program, add a specialty drug program (Ascend)
2006	Medicare Part D begins
2008	Reduced retiree benefits and copays by 11.5% on average
2011	Removed Lifetime Limits and other changes required by the Affordable Care Act
2012	Reduced CIGNA HMO benefits by 5.7% to reflect modified plan design; Reduce Kaiser Medicare HMO benefits to reflect Plan A benefits
2014	Eliminate Base Plan, OOA Emergency room copay increase to $75, amend Coordination of Benefits to prevent duplication
2015	Narrower Rx Formulary and other contracting changes
2016	Non-Medicare retirees changed to $350 monthly stipend from non-ERISA account.

Appendix B - Summary of Plan or Policy Changes

FELRA UFCW Health & Welfare Fund

Plan Last Modified:	1/1/2016	1/1/2016
Provider Network:	**HMO (Kaiser)**	**Out of Area (OOA)**
Medicare Benefits	**Kaiser Medicare Advantage**	**Medicare Supplement**
Prescription Drugs		
Retail (INN)	$ 15 copay	11% (Dependents $200 ded + 25%)
Retail (OON)	$ 25 copay	18% (Dependents $200 ded + 25%)
Mail Order	$ 10 copay	
Vision Care Services		
Exam	Covered at 100%; 1 exam / 24 months	Covered at 100%; 1 exam / 24 months
Lens	1 pair lenses / 24 months	1 pair lenses / 24 months
Frames	1 frame / 24 months	1 frame / 24 months
Contacts	Not Covered	Not Covered
Dental:		
Annual Deductible	N/A	N/A
Coinsurance (Preventive / Prosthotic / Restoration)	Copay based on schedule	Copay based on schedule
Annual Maximum Covered	N/A	N/A
Orthodontics	$425 per year + $75 completion	$425 per year + $75 completion

Appendix C - Assumptions and Methods

- Annual trends are shown below and applied for an average of 18 months.

Medical	6.00%
Prescription drug	10.00%
Capitated	See below

- Data provided by Associated Administrators, including Administrative Manager's Reports, Retiree Utilization Reports, capitation rates, detailed participant data both individual and by monthly copay.

- Participants were projected using recent changes in copay categories. The final assumed population is shown on page 15.

- Medical claims assume a 3-month lag between incurred and paid. Drug claims assume a 1-month lag.

- Notes on claim cost development:
  - Claims costs were developed using experience through June 2017 for out-of-area Medicare participants.
  - Premium rates for Medicare participants were used for HMO participants.
  - The claims costs for mixed participants was set equal to the claim costs for single Medicare.
  - Prescription drug costs for Medicare Participants are net of any savings due to Medicare Retiree Drug Subsidy
  - The claims costs for disabled participants (category F) were derived by increasing the retirees costs (after removing the implicit spouse cost) by 44% for medical and 40% for drug.

- Participants in copay categories A-E are assumed to have the same average experience.

- Actual capitated rates and HMO premiums were used where known. Otherwise, capitated rates and non-Medicare HMO rates are assumed to increase at 3% annually, and Medicare HMO rates are assumed to increase at the trend rates shown above, assuming 50% medical/50% drug.

Rate at 1/1/2018*	Out-of-Area	HMO
Capitated Rate	$ 57.58	$ 41.18

Average HMO Premiums Assumed at 1/1/2018		
Mixed Family	Medicare Single	Medicare Family
$ 246.32	$ 246.32	$ 439.88

* Includes dental, vision, life, EAP, medical management, mental health and administrative fees.

- Final claim costs are shown in the chart below.

	Out-of-Area		HMO	
	Non-Dis	Disabled	Non-Dis	Disabled
Mixed Family	$ 464	N/A	$ 288	N/A
Medicare Single	$ 462	$ 632	$ 288	$ 288
Medicare Family	$ 751	$ 914	$ 481	$ 481

Appendix C - Assumptions and Methods (Continued)

Reliance Statement: In preparing our report, we relied without audit, on information (some oral and some written) supplied by Associated Administrators. This information includes, but is not limited to, the plan provisions, employee data, and financial information.

Scope: Actuarial computations provided in this report are for purposes of assisting the Trustees in establishing retiree copays and employer contribution rates. The projections and reserve calculations reported in the enclosed exhibits have been made on a basis consistent with our understanding of the associated Actuarial Standards of Practice. Determinations for other purposes may be significantly different from the results in this report. Actual results will be different than our projections and vary to the extent that the Plan experience differs from the assumptions. Other users of this report are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.

Compliance with Actuarial Standards: To the best of our knowledge, this report is has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the applicable Actuarial Standards of Practice as Promulgated by the Actuarial Standards Board. We are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report. This report does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

John L Colberg, FSA, EA, MAAA
Principal Consulting Actuary

Charles Sceiford, ASA
Associate Actuary

Appendix D - Projected Retiree Counts

Retiree Counts

		Current					Projected				
		June 2017					January 2018 - December 2018				
		A	**B, C, F**	**D**	**E**	**Total**	**A**	**B, C, F**	**D**	**E**	**Total**
Out-of-Area											
Regular	Family	-	-	-	-	**-**	-	-	-	-	**-**
Regular	Single	-	-	-	-	**-**	-	-	-	-	**-**
Mixed	Family	4	17	-	-	**21**	4	17	-	-	**21**
Medicare	Single	236	703	99	18	**1,056**	255	754	95	17	**1,121**
Medicare	Family	178	328	21	4	**531**	180	338	18	4	**540**
Totals		**418**	**1,048**	**120**	**22**	**1,608**	**439**	**1,109**	**113**	**21**	**1,682**
HMO											
Regular	Family	-	-	-	-	**-**	-	-	-	-	**-**
Regular	Single	-	-	-	-	**-**	-	-	-	-	**-**
Mixed	Family	6	9	-	-	**15**	6	9	-	-	**15**
Medicare	Single	547	771	103	28	**1,449**	547	771	103	28	**1,449**
Medicare	Family	260	261	25	2	**548**	259	260	25	2	**546**
Totals		**813**	**1,041**	**128**	**30**	**2,012**	**812**	**1,040**	**128**	**30**	**2,010**
TOTAL		**1,231**	**2,089**	**248**	**52**	**3,620**	**1,251**	**2,149**	**241**	**51**	**3,692**
Conversions						**107**					**110**

Appendix E - Tabular Results ($ millions)

Page 7 **Total Fund Experience (Retirees)**

		CY 2011	CY 2012	CY 2013	CY 2014	CY 2015	ERISA CY 2016	Change CY 2015 TO 2016	Change per Retiree (%)	Change per Active/mo ($)
ACTUAL	Income	$ 41.2	$ 36.5	$ 34.8	$ 33.6	$ 33.2	$ 18.1	-45.3%	-1.7%	$ (749.69)
	Expenditures	$ 41.6	$ 34.4	$ 32.8	$ 33.1	$ 33.6	$ 19.3	-42.5%	1.0%	$ (675.43)
	Accumulated Gain/(Loss)	$ (0.4)	$ 2.1	$ 1.9	$ 0.5	$ (0.4)	$ (1.2)	N/A	N/A	$ (74.26)
PROJECTED	Income	$ 41.1	$ 37.1	$ 35.9	$ 33.9	$ 31.5	$ 20.2	-35.8%	-7.3%	$ (451.41)
	Expenditures	$ 42.1	$ 37.2	$ 35.4	$ 34.4	$ 35.0	$ 20.2	-42.2%	1.5%	$ (696.19)
	Accumulated Gain/(Loss)	$ (1.1)	$ (0.0)	$ 0.5	$ (0.5)	$ (3.5)	$ 0.0	N/A	N/A	$ 244.78

Page 8 **Aggregate Income**

	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015	ERISA CY 2016	Change CY 2015 TO 2016	Change per Retiree (%)	Change per Active/mo ($)
Actual	$ 41.2	$ 36.5	$ 34.8	$ 33.5	$ 32.8	$ 17.8	-45.7%	-2.6%	$ (750.20)
Projected	$ 40.6	$ 36.6	$ 35.4	$ 33.4	$ 31.0	$ 19.8	-36.1%	-7.4%	$ (451.15)

Page 9 **Claims & Expenses**

	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015	ERISA CY 2016	Change CY 2015 TO 2016	Change per Retiree (%)	Change per Active/mo ($)
Medical	$ 20.7	$ 16.3	$ 15.1	$ 14.7	$ 15.6	$ 4.3	-72.6%	6.0%	$ (724.31)
Drug	$ 8.5	$ 7.9	$ 7.7	$ 8.0	$ 7.2	$ 5.7	-21.3%	-9.8%	$ (12.02)
Expenses	$ 12.2	$ 9.9	$ 9.9	$ 10.3	$ 10.4	$ 9.2	-10.9%	0.5%	$ 77.32
Total	$ 41.3	$ 34.2	$ 32.7	$ 32.9	$ 33.2	$ 19.2	-42.2%	0.5%	$ (659.00)
Projected Total	$ 42.1	$ 37.2	$ 35.4	$ 34.4	$ 35.0	$ 19.8	-43.4%	1.5%	$ (731.06)

Page 10 **Participatioin**

		CY 2011	CY 2012	CY 2013	CY 2014	CY 2015	ERISA CY 2016	Change CY 2015 TO 2016	Change per Retiree (%)	Change per Active/mo ($)
RETIREES	Retirees (Non-Medicare)	1,505	1,290	1,181	1,129	1,145	-	-100.0%	n/a	n/a
	Retirees (Medicare)	3,762	3,378	3,476	3,530	3,557	3,621	1.8%	n/a	n/a
	Conversions	129	123	111	109	82	68	-17.3%	n/a	n/a
	Total Retirees	5,396	4,790	4,768	4,767	4,784	3,689	-22.9%	n/a	n/a
	Projected	5,439	4,864	4,784	4,746	4,767	3,662	-23.2%	n/a	n/a
ACTIVES (PLAN I)	Actual	1,960	1,758	1,592	1,416	1,186	956	-19.4%	n/a	n/a
	Projected	1,977	1,813	1,634	1,406	1,131	932	-17.6%	n/a	n/a

Appendix E - Tabular Results ($ millions)

		CY 2011	CY 2012	CY 2013	CY 2014	CY 2015	ERISA CY 2016	Change CY 2015 TO 2016	Change per Retiree (%)	Change per Active/mo ($)
Page 11 **Claim & Expense Detail**										
MEDICAL	Actual*	$ 20.7	$ 16.3	$ 15.1	$ 14.7	$ 15.6	$ 4.3	-72.6%	6.0%	$ (724.31)
	Projected*	$ 20.5	$ 17.7	$ 16.8	$ 15.6	$ 16.0	$ 5.5	-65.7%	2.2%	$ (644.16)
PHARMACY	Actual*	$ 8.5	$ 7.9	$ 7.7	$ 8.0	$ 7.2	$ 5.7	-21.3%	-9.8%	$ 37.88
	Projected*	$ 8.6	$ 9.3	$ 9.0	$ 8.8	$ 8.3	$ 5.4	-35.0%	-6.3%	$ 63.76
Page 12 **Claim & Expense Detail (continued)**										
CAPITATED	Actual*	$ 12.2	$ 9.9	$ 9.9	$ 10.3	$ 10.6	$ 9.2	-12.6%	2.5%	$ 138.13
	Projected*	$ 12.9	$ 9.9	$ 9.4	$ 9.7	$ 10.2	$ 8.9	-12.6%	5.0%	$ 147.60
Page 13 **Contributions & Copayments**										
RETIREES	Actual*	$ 8.7	$ 7.9	$ 7.6	$ 7.4	$ 7.3	$ 4.6	-37.6%	-1.8%	$ 77.20
	Projected*	$ 8.3	$ 7.7	$ 7.7	$ 7.3	$ 7.3	$ 4.4	-40.2%	-1.2%	$ 79.70
EMPLOYERS	Actual*	$ 32.5	$ 28.6	$ 27.2	$ 26.1	$ 25.5	$ 13.2	-48.0%	-2.8%	$ 252.19
	Projected*	$ 32.8	$ 29.5	$ 28.2	$ 26.5	$ 24.2	$ 15.8	-34.5%	-9.0%	$ 140.97

*includes conversions