ANTHEM NATIONAL ACCOUNTS

Annual Cost Projection for:

United Food Workers Unions & Participating

For the Contract Period:

January 1, 2014 - December 31, 2014

ANTHEM NATIONAL ACCOUNTS

United Food Workers Unions & Participating

Cost Summary

January 1, 2014 - December 31, 2014

Contracts	1,126
Members	1,717

ASO Renewal Summary (PCPM)

	Current	Renewal
Base ASO Fee (Medical)	$38.53	$39.37
Total ASO Fee	**$38.53**	**$39.37**
Commissions	N/A	N/A

Claim Renewal Summary (PCPM)

	Current	Renewal
Expected Claim Cost	$640.27	$715.18

Renewal Summary (Annual)

	Current	Renewal	Change
Medical Administration Fee	$520,617	$531,967	2.18%
Expected Claim Cost	$8,651,317	$9,663,512	11.70%
Total Expected Plan Cost	$9,171,935	$10,195,480	**11.16%**

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United Food Workers Unions & Participating

Paid Cost Projection

January 1, 2014 - December 31, 2014

I - ENROLLMENT

		PPO
	Ending Enrollment Date as of:	4/1/2013
	Number of Employees	1,126
	Number of Members	1,717
	Member to Employee Ratio	1.52

II - MEDICAL (PROJECTED CLAIMS)

	Paid Claims Period	5/1/12 - 4/30/13
	Paid Claims	$8,003,962
(-)	Claims in Excess of: N/A	$0
(=)	Paid Claims Net Large Claims Adjustment	$8,003,962
(/)	Lagged Average Enrollment	1,121
(=)	Paid Claims (PEPM)	$594.74
(x)	Adjustment Plan Design Factor	1.00
(=)	Adjusted Claims (PEPM)	$594.74
	Annual Trend	11.7%
	Trend Months	20.0
(x)	Trend Factor	1.203
(=)	Projected Claims (PEPM)	$715.18
(=)	**Annualized Claim Projection**	**$9,663,512**

V - INCURRED BUT NOT REPORTED CLAIMS (IBNR)

Based on the current enrollment, benefits, and networks, 'Incurred But Not Reported' claims are e
IBNR?

Medical IBNR Factor of 15.5% $ 1,497,844.38

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Monthly Paid Claims & Enrollment

5/1/12 - 4/30/13

Product: PPO

	Contracts	Members	Medical	Rx	PCPM
2012-04	1,149	1,751			
2012-05	1,138	1,741	$507,502	$0	$446
2012-06	1,138	1,742	$1,153,222	$0	$1,013
2012-07	1,132	1,728	$529,388	$0	$468
2012-08	1,128	1,720	$596,682	$0	$529
2012-09	1,119	1,710	$779,329	$0	$696
2012-10	1,115	1,702	$508,544	$0	$456
2012-11	1,101	1,676	$507,040	$0	$461
2012-12	1,094	1,675	$599,742	$0	$548
2013-01	1,080	1,651	$456,171	$0	$422
2013-02	1,135	1,727	$724,834	$0	$639
2013-03	1,129	1,719	$904,468	$0	$801
2013-04	1,126	1,717	$737,040	$0	$655
Total 05/1/12-4/30/13	13,435	20,508	8,003,962	0	$596

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Large Claims

5/1/12 - 4/30/13

Product:	PPO
Stop Loss Level:	N/A

Rank	Amount Paid	Claims in Excess	Status	Diagnosis Description
1	$468,639	N/A	term	SINGLE LIVEBORN
2	$299,026	N/A	active	MALIGNANT NEOPLASM OF COLON
3	$271,621	N/A	active	Chronic kidney disease
4	$247,284	N/A	term	MALIGNANT NEOPLASM OF BRAIN
5	$244,642	N/A	term	OTHER FORMS OF CHRONIC ISCHEMIC HEART DISEASE
6	$232,709	N/A	active	COMPLICATIONS AFFECTING SPECIFIED BODY SYSTEMS, NOT E
7	$190,094	N/A	active	ENCOUNTER FOR OTHER AND UNSPECIFIED AFTERCARE
8	$160,448	N/A	active	HUMAN IMMUNODEFICIENCY VIRUS [HIV] DISEASE
TOTAL	**$2,114,462.39**	**$0**		

Showing claims in excess of $150,000