

**City of Milwaukee
2018 Retiree Rate Projection**

Cost Projection	Retirees		
	Early Retirees	Medicare Retirees	Total Retiree
Paid Claims-Medical 9/1/16-8/31/17	\$24,213,083	\$5,276,177	\$29,489,260
Paid Claims-Rx 9/1/16-8/31/17	\$4,693,438	\$8,620,427	\$13,313,865
Total	\$28,906,521	\$13,896,604	\$42,803,125
Average Enrollment 9/1/16-8/31/17	1,614	1,901	3,515
Average Members 9/1/16-8/31/17	3,419	2,602	6,020
Current Enrollment 8/31/17	1,679	1,875	3,554
Trend-Medical	3.25%	3.25%	
Trend-Rx	6.25%	6.25%	
Trend Months-Medical	16.5	16.5	
Trend Months-Rx	16.5	16.5	
Trend Factor-Medical	1.045	1.045	
Trend Factor-Rx	1.087	1.087	
Projected Claims-Medical 2018	\$26,317,901	\$5,437,738	\$31,755,639
Projected Claims-Rx 2018	\$5,306,347	\$9,241,260	\$14,547,608
Total Projected Claims	\$31,624,248	\$14,678,998	\$46,303,247
Claims Administrative Expense Per Contract			
UHC	\$46.47	\$42.11	
OptumRx	\$2.98	\$24.23	
Claims Administrative Expense 2018	\$996,319	\$1,492,742	\$2,489,061
Additional Administrative Cost	\$143,000	\$160,000	\$303,000
Total Administrative Cost	\$1,139,319	\$1,652,742	\$2,792,061
Total Projected Cost 2018	\$32,763,567	\$16,331,740	\$49,095,307
Savings due to Plan Changes-Medical	\$0	\$0	\$0
Savings due to Plan Changes-Rx	\$0	\$0	\$0
Total Projected Cost 2018 with Savings	\$32,763,567	\$16,331,740	\$49,095,307
Projected Claims-Medical 2018 pepm	\$1,306.23	\$241.68	
Projected Claims-Rx 2018 pepm	\$263.37	\$410.72	
Total Projected Claims-2018 pepm	\$1,569.60	\$652.40	
Projected Cost-Medical 2018 pepm	\$1,359.80	\$290.90	
Projected Cost-Rx 2018 pepm	\$266.35	\$434.96	
Total Projected Cost-2018 pepm	\$1,626.14	\$725.86	

**City of Milwaukee
2018 Retiree Rate Projection**

Income at Current Rates

	Plan	2017 Rates		Enrollment		
		Choice Plus	Choice	Choice Plus	Choice	
Early Retirees	1	\$1,108.00	\$1,025.00	75	496	\$7,095,398
	2	\$2,218.00	\$2,048.00	58	445	\$12,487,150
	3	\$3,326.00	\$3,072.00	22	342	\$13,488,822
	9	\$1,664.00	\$1,536.00	21	73	\$1,761,299
Medicare Retirees	4	\$376.00	\$440.00	922	283	\$5,655,386
	5	\$711.00	\$880.00	432	117	\$4,918,171
	6	\$1,629.00	\$1,410.00	34	183	\$3,758,881
	7	\$1,909.00	\$1,894.00	10	24	\$781,146
	8	\$996.00	\$1,365.00	5	2	\$93,308
	10	\$923.00	\$925.00	3	7	\$111,872

2018 Income at Current Rates and Enrollment

\$50,151,434

Prior to Plan Changes

Increase Needed-Early Retirees	-5.9%	-5.9%
Increase Needed-Medicare Retirees	6.6%	6.6%
Overall Increase	-2.1%	-2.1%

Recommended 2018 Rates

	Plan	Choice Plus	Choice	Increase
Early Retirees	1	\$1,042.00	\$964.00	-6.0%
	2	\$2,086.00	\$1,926.00	-6.0%
	3	\$3,128.00	\$2,890.00	-6.0%
	9	\$1,565.00	\$1,445.00	-5.9%
Medicare Retirees	4	\$401.00	\$469.00	6.6%
	5	\$758.00	\$938.00	6.6%
	6	\$1,737.00	\$1,503.00	6.6%
	7	\$2,035.00	\$2,019.00	6.6%
	8	\$1,062.00	\$1,455.00	6.6%
	10	\$984.00	\$986.00	6.6%