

**City of Milwaukee
2019 Retiree Rate Projection**

Cost Projection	Retirees		
	Early Retirees	Medicare Retirees	Total Retiree
Paid Claims-Medical 9/1/17-8/31/18	\$28,330,815	\$4,926,263	\$33,257,079
Paid Claims-Rx 9/1/17-8/31/18	\$5,575,599	\$8,952,335	\$14,527,935
Total	\$33,906,415	\$13,878,599	\$47,785,013
Average Enrollment 9/1/17-8/31/18	1,718	1,808	3,526
Average Members 9/1/17-8/31/18	3,743	2,466	6,210
Current Enrollment 8/31/18	1,741	1,763	3,504
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 2019	\$30,008,125	\$5,018,458	\$35,026,583
Projected Claims-Rx 2019	\$6,142,919	\$9,486,204	\$15,629,123
Total Projected Claims	\$36,151,044	\$14,504,661	\$50,655,705
Claims Administrative Expense Per Contract			
UHC	\$46.47	\$42.11	
OptumRx	\$3.23	\$24.73	
Claims Administrative Expense 2019	\$1,038,332	\$1,413,989	\$2,452,321
Additional Administrative Cost	\$56,000	\$57,000	\$113,000
Total Administrative Cost	\$1,094,332	\$1,470,989	\$2,565,321
Total Projected Cost 2019	\$37,245,377	\$15,975,650	\$53,221,026
Savings due to Plan Changes-Medical	\$0	\$0	\$0
Savings due to Plan Changes-Rx	(\$110,586)	(\$170,773)	(\$281,359)
Total Projected Cost 2019 with Savings	\$37,134,790	\$15,804,877	\$52,939,667
Projected Claims-Medical 2019 pepm	\$1,436.35	\$237.21	
Projected Claims-Rx 2019 pepm	\$294.03	\$448.39	
Total Projected Claims-2019 pepm	\$1,730.38	\$685.61	
Projected Cost-Medical 2019 pepm	\$1,485.50	\$282.02	
Projected Cost-Rx 2019 pepm	\$297.26	\$473.12	
Total Projected Cost-2019 pepm	\$1,782.76	\$755.14	

**City of Milwaukee
2019 Retiree Rate Projection**

Income at Current Rates

	Plan	2018 Rates		Enrollment		
		Choice Plus	Choice	Choice Plus	Choice	
Early Retirees	1	\$1,042.00	\$964.00	68	521	\$6,869,164
	2	\$2,086.00	\$1,926.00	42	464	\$11,764,849
	3	\$3,128.00	\$2,890.00	18	366	\$13,365,066
	9	\$1,565.00	\$1,445.00	18	92	\$1,927,818
Medicare Retirees	4	\$401.00	\$469.00	864	279	\$5,726,689
	5	\$758.00	\$938.00	399	115	\$4,918,802
	6	\$1,737.00	\$1,503.00	33	176	\$3,869,182
	7	\$2,035.00	\$2,019.00	10	24	\$823,322
	8	\$1,062.00	\$1,455.00	5	1	\$80,949
	10	\$984.00	\$986.00	3	8	\$129,710
2019 Income at Current Rates and Enrollment						\$49,475,551

Increase Needed-Early Retirees	9.5%
Increase Needed-Medicare Retirees	1.6%
Overall Increase	7.0%

Recommended 2019 Rates

	Plan	Choice Plus	Choice	Increase
Early Retirees	1	\$1,141.00	\$1,055.00	9.5%
	2	\$2,283.00	\$2,108.00	9.4%
	3	\$3,424.00	\$3,163.00	9.5%
	9	\$1,713.00	\$1,582.00	9.5%
Medicare Retirees	4	\$408.00	\$477.00	1.7%
	5	\$770.00	\$953.00	1.6%
	6	\$1,766.00	\$1,528.00	1.7%
	7	\$2,069.00	\$2,052.00	1.7%
	8	\$1,080.00	\$1,479.00	1.7%
	10	\$1,000.00	\$1,002.00	1.6%