



Insurance | Risk Management | Consulting

## Renewal Projection

# City of Milwaukee

1/1/2025 through 12/31/2025

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## City of Milwaukee

### Renewal Projection - Overall

Projection Period - 1/1/2025 through 12/31/2025

Experience Period - 8/1/23 through 7/31/24			
Category	Medical	Prescription Drug	Total
Gross Paid Claims	\$102,041,334	\$44,115,870	\$146,157,204
Claim Adjustment	\$0	\$0	\$0
<b>Total Net Paid Claims</b>	<b>\$102,041,334</b>	<b>\$44,115,870</b>	<b>\$146,157,204</b>
Experience Period Months	96,631	96,547	
PEPM Claim Cost	\$1,055.99	\$456.94	\$1,512.93
Annual Trend	4.3%	9.2%	5.8%
Trend Months	17.0	17.0	17.0
Trend Factor	1.0621	1.1334	1.0836
Trended PEPM Claim Cost	\$1,121.54	\$517.90	\$1,639.44
Dependent Ratio Adjustment	-0.88%	-0.77%	
Adjusted Claim Cost - PEPM	\$1,111.71	\$513.93	\$1,625.65
Projected Lives	7,990	7,990	7,990
Months to Project	12	12	12
Projected Claim Cost	\$106,591,170	\$49,276,018	\$155,867,188
Claim Adjustment	1.0153	1.0025	1.0112
Adjusted Projected Claims	\$108,221,999	\$49,397,066	\$157,619,065
Rx Rebates	\$0	(\$18,276,914)	(\$18,276,914)
<b>Total Projected Claims</b>	<b>\$108,221,999</b>	<b>\$31,120,152</b>	<b>\$139,342,150</b>
Administration Fees		\$4,314,600	
EGWP (PEPM)		\$131,937	
GBS Fees		\$125,000	
Additional Fees		\$160,000	
<b>Total Projected Administration Fees</b>		<b>\$4,731,537</b>	
<b>Total Projected Gross Plan Costs</b>		<b>\$144,073,687</b>	
Current Funding/Premium		\$143,077,944	
Projected Funding/Premium Increase		\$995,743	
<b>Needed Rate Adjustment</b>		<b>0.7%</b>	

\*Group Specific Trend is based on the most recent 36 months of data for Medical and the most recent 24 months for Prescription Drug

\*Group Specific Trend would change if the mix between Actives, Early Retirees, and Medicare Retirees were to change

\*Gallagher recommends using Gallagher's predictive trend as opposed to group specific historical trend

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## City of Milwaukee

### Renewal Projection - Actives

Projection Period - 1/1/2025 through 12/31/2025

Experience Period - 8/1/23 through 7/31/24			
Category	Medical	Prescription Drug	Total
Gross Paid Claims	\$70,993,986	\$22,962,431	\$93,956,417
Claim Adjustment	\$0	\$0	\$0
<b>Total Net Paid Claims</b>	<b>\$70,993,986</b>	<b>\$22,962,431</b>	<b>\$93,956,417</b>
Experience Period Employee Months	62,887	63,078	125,965
PEPM Claim Cost	\$1,128.91	\$364.03	\$1,492.95
Annual Trend	4.3%	9.2%	5.5%
Trend Months	17.0	17.0	17.0
Trend Factor	1.0621	1.1334	1.0795
Trended PEPM Claim Cost	\$1,198.99	\$412.60	\$1,611.59
Dependent Ratio Adjustment	-0.88%	-0.77%	
Adjusted Claim Cost - PEPM	\$1,188.49	\$409.44	\$1,597.93
Projected Lives	5,342	5,342	5,342
Months to Project	12	12	12
Projected Claim Cost	\$76,186,734	\$26,246,814	\$102,433,549
Claim Adjustment	1.0080	1.0080	1.0080
Adjusted Projected Claims	\$76,796,228	\$26,456,789	\$103,253,017
Rx Rebates	\$0	(\$9,789,012)	(\$9,789,012)
<b>Total Projected Claims</b>	<b>\$76,796,228</b>	<b>\$16,667,777</b>	<b>\$93,464,005</b>
Administration Fees		\$2,884,680	
EGWP (PEPM)		\$0	
GBS Fees		\$83,573	
Additional Fees		\$106,974	
<b>Total Projected Administration Fees</b>		<b>\$3,075,227</b>	
<b>Total Projected Gross Plan Costs</b>		<b>\$96,539,232</b>	
<b>Current Funding/Premium</b>		<b>\$96,526,608</b>	
<b>Projected Funding/Premium Increase</b>		<b>\$12,624</b>	
<b>Needed Rate Adjustment</b>		<b>0.0%</b>	

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## City of Milwaukee

### Renewal Projection - Early Retirees

Projection Period - 1/1/2025 through 12/31/2025

Experience Period - 8/1/23 through 7/31/24			
Category	Medical	Prescription Drug	Total
Gross Paid Claims	\$28,944,890	\$11,213,047	\$40,157,938
Claim Adjustment	\$0	\$0	\$0
<b>Total Net Paid Claims</b>	<b>\$28,944,890</b>	<b>\$11,213,047</b>	<b>\$40,157,938</b>
Experience Period Employee Months	19,780	19,620	39,400
PEPM Claim Cost	\$1,463.34	\$571.51	\$2,034.85
Annual Trend	4.3%	9.2%	5.7%
Trend Months	17.0	17.0	17.0
Trend Factor	1.0621	1.1334	1.0821
Trended PEPM Claim Cost	\$1,554.18	\$647.76	\$2,201.94
Dependent Ratio Adjustment	-0.88%	-0.77%	
<b>Adjusted Claim Cost - PEPM</b>	<b>\$1,540.56</b>	<b>\$642.80</b>	<b>\$2,183.36</b>
Projected Lives	1,543	1,543	1,543
Months to Project	12	12	12
Projected Claim Cost	\$28,525,045	\$11,902,093	\$40,427,139
Claim Adjustment	1.0280	1.0280	1.0280
<b>Adjusted Projected Claims</b>	<b>\$29,323,955</b>	<b>\$12,235,439</b>	<b>\$41,559,394</b>
Rx Rebates	\$0	(\$4,527,112)	(\$4,527,112)
<b>Total Projected Claims</b>	<b>\$29,323,955</b>	<b>\$7,708,326</b>	<b>\$37,032,282</b>
Administration Fees		\$833,220	
EGWP (PEPM)		\$0	
GBS Fees		\$24,140	
Additional Fees		\$30,899	
<b>Total Projected Administration Fees</b>		<b>\$888,258</b>	
<b>Total Projected Gross Plan Costs</b>		<b>\$37,920,540</b>	
<b>Current Funding/Premium</b>		<b>\$37,920,540</b>	
<b>Projected Funding/Premium Increase</b>		<b>\$0</b>	
<b>Needed Rate Adjustment</b>		<b>0.0%</b>	

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## City of Milwaukee

### Renewal Projection - Medicare Retirees

Projection Period - 1/1/2025 through 12/31/2025

Experience Period - 8/1/23 through 7/31/24			
Category	Medical	Prescription Drug	Total
Gross Paid Claims	\$2,102,458	\$9,940,391	\$12,042,849
Claim Adjustment	\$0	\$0	\$0
<b>Total Net Paid Claims</b>	<b>\$2,102,458</b>	<b>\$9,940,391</b>	<b>\$12,042,849</b>
Experience Period Months	13,964	13,849	27,813
PEPM Claim Cost	\$150.56	\$717.77	\$868.33
Annual Trend	4.3%	9.2%	8.4%
Trend Months	17.0	17.0	17.0
Trend Factor	1.0621	1.1334	1.1210
Trended PEPM Claim Cost	\$159.91	\$813.53	\$973.44
Dependent Ratio Adjustment	-0.88%	-0.77%	
<b>Adjusted Claim Cost - PEPM</b>	<b>\$158.51</b>	<b>\$807.30</b>	<b>\$965.81</b>
Projected Lives	1,105	1,105	1,105
Months to Project	12	12	12
Projected Claim Cost	\$2,101,815	\$10,704,838	\$12,806,653
Claim Adjustment	1.0000	1.0000	1.0000
<b>Adjusted Projected Claims</b>	<b>\$2,101,815</b>	<b>\$10,704,838</b>	<b>\$12,806,653</b>
Rx Rebates	\$0	(\$3,960,790)	(\$3,960,790)
<b>Total Projected Claims</b>	<b>\$2,101,815</b>	<b>\$6,744,048</b>	<b>\$8,845,863</b>
Administration Fees		\$596,700	
EGWP (PEPM)		\$131,937	
GBS Fees		\$17,287	
Additional Fees		\$22,128	
<b>Total Projected Administration Fees</b>		<b>\$768,052</b>	
<b>Total Projected Gross Plan Costs</b>		<b>\$9,613,915</b>	
<b>Current Funding/Premium</b>		<b>\$8,630,796</b>	
<b>Projected Funding/Premium Increase</b>		<b>\$983,119</b>	
<b>Needed Rate Adjustment</b>		<b>11.4%</b>	

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**City of Milwaukee**  
**Renewal Equivalent Rates**  
**1/1/2025 through 12/31/2025**

*EPO Actives*

Rate Tier	Plan Code	Employees	Current Rates - 1/1/2024 to 12/31/2024	Renewal Rates at Expected Costs - 1/1/2025 to 12/31/2025
Single	1	1,965	\$819.00	\$819.00
Single + Spouse	2	660	\$1,638.00	\$1,638.00
Single + Child(ren)	3	863	\$1,227.00	\$1,227.00
Family	4	1,603	\$2,454.00	\$2,454.00
Total Monthly		5,091	\$7,683,078	\$7,683,078
% Change from Current			-	<b>0.0%</b>

*EPO Early Retirees*

Rate Tier	Plan Code	Employees	Current Rates - 1/1/2024 to 12/31/2024	Renewal Rates at Expected Costs - 1/1/2025 to 12/31/2025
Single	1	531	\$1,108.00	\$1,108.00
Single + Spouse	2	433	\$2,213.00	\$2,213.00
Single + Child(ren)	9	133	\$1,660.00	\$1,660.00
Family	3	389	\$3,320.00	\$3,320.00
Total Monthly		1,486	\$3,058,837	\$3,058,837
% Change from Current			-	<b>0.0%</b>

*EPO Medicare Retirees*

Rate Tier	Plan Code	Employees	Current Rates - 1/1/2024 to 12/31/2024	Renewal Rates at Expected Costs - 1/1/2025 to 12/31/2025
Single	4	273	\$460.00	\$512.00
Single + Spouse	5	111	\$918.00	\$1,023.00
Single + Child(ren)	10	8	\$964.00	\$1,074.00
Family	8	0	\$1,424.00	\$1,586.00
Medicare Split Single + Spouse	6	106	\$1,471.00	\$1,639.00
Medicare Split Family	7	19	\$1,977.00	\$2,202.00
Total Monthly		517	\$428,679	\$477,493
% Change from Current			-	11.4%

*PPO Actives*

Rate Tier	Plan Code	Employees	Current Rates - 1/1/2024 to 12/31/2024	Renewal Rates at Expected Costs - 1/1/2025 to 12/31/2025
Single	1	113	\$962.00	\$962.00
Single + Spouse	2	28	\$1,928.00	\$1,928.00
Single + Child(ren)	3	38	\$1,446.00	\$1,446.00
Family	4	38	\$2,890.00	\$2,890.00
Total Monthly		217	\$327,458	\$327,458
% Change from Current			-	0.0%

*PPO Early Retirees*

Rate Tier	Plan Code	Employees	Current Rates - 1/1/2024 to 12/31/2024	Renewal Rates at Expected Costs - 1/1/2025 to 12/31/2025
Single	1	36	\$1,197.00	\$1,197.00
Single + Spouse	2	10	\$2,397.00	\$2,397.00
Single + Child(ren)	9	3	\$1,798.00	\$1,798.00
Family	3	8	\$3,594.00	\$3,594.00
Total Monthly		57	\$101,208	\$101,208
% Change from Current			-	<b>0.0%</b>

*PPO Medicare Retirees*

Rate Tier	Plan Code	Employees	Current Rates - 1/1/2024 to 12/31/2024	Renewal Rates at Expected Costs - 1/1/2025 to 12/31/2025
Single	4	425	\$392.00	\$437.00
Single + Spouse	5	160	\$741.00	\$825.00
Single + Child(ren)	10	0	\$963.00	\$1,073.00
Family	8	0	\$1,040.00	\$1,159.00
Medicare Split Single + Spouse	6	2	\$1,701.00	\$1,895.00
Medicare Split Family	7	1	\$1,992.00	\$2,219.00
Total Monthly		588	\$290,554	\$323,734
% Change from Current			-	<b>11.4%</b>



*HDHP*

Rate Tier	Plan Code	Employees	Current Rates - 1/1/2024 to 12/31/2024	Renewal Rates at Expected Costs - 1/1/2025 to 12/31/2025
Single	1	27	\$794.00	\$794.00
Single + Spouse	2	0	\$1,586.00	\$1,586.00
Single + Child(ren)	3	4	\$1,191.00	\$1,191.00
Family	4	3	\$2,382.00	\$2,382.00
Total Monthly		34	\$33,348	\$33,348
% Change from Current			-	<b>0.0%</b>

Total Monthly - All PPO Plans		7,990	\$11,923,162	\$12,005,156
Total Annual - All PPO Plans			\$143,077,944	\$144,061,872
Annual Change from Current			-	<b>\$983,928</b>
% Change from Current			-	<b>0.7%</b>

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