

**City of Milwaukee
2020 Retiree Rate Projection**

| Cost Projection | Retirees | | |
|--|----------------|-------------------|---------------|
| | Early Retirees | Medicare Retirees | Total Retiree |
| Paid Claims-Medical 9/1/18-8/31/19 | \$29,596,121 | \$5,035,141 | \$34,631,262 |
| Paid Claims-Rx 9/1/18-8/31/19 | \$5,945,810 | \$8,758,060 | \$14,703,870 |
| Total | \$35,541,931 | \$13,793,201 | \$49,335,133 |
| Average Enrollment 9/1/18-8/31/19 | 1,729 | 1,709 | 3,438 |
| Average Members 9/1/18-8/31/19 | 3,774 | 2,326 | 6,100 |
| Current Enrollment 8/31/19 | 1,724 | 1,679 | 3,403 |
| Trend-Medical | 3.25% | 3.25% | |
| Trend-Rx | 6.25% | 6.25% | |
| Trend Months-Medical | 16 | 16 | |
| Trend Months-Rx | 16 | 16 | |
| Trend Factor-Medical | 1.044 | 1.044 | |
| Trend Factor-Rx | 1.084 | 1.084 | |
| Projected Claims-Medical 2020 | \$30,800,654 | \$5,162,266 | \$35,962,920 |
| Projected Claims-Rx 2020 | \$6,428,674 | \$9,328,715 | \$15,757,388 |
| Total Projected Claims | \$37,229,328 | \$14,490,981 | \$51,720,309 |
| Claims Administrative Expense Per Contract | | | |
| UHC | \$47.40 | \$42.95 | |
| OptumRx | \$3.14 | \$25.75 | |
| Claims Administrative Expense 2020 | \$1,045,603 | \$1,384,185 | \$2,429,788 |
| Additional Administrative Cost | \$56,000 | \$55,000 | \$111,000 |
| Total Administrative Cost | \$1,101,603 | \$1,439,185 | \$2,540,788 |
| Total Projected Cost 2020 | \$38,330,930 | \$15,930,166 | \$54,261,096 |
| Savings due to Plan Changes-Medical | \$0 | \$0 | \$0 |
| Savings due to Plan Changes-Rx | \$0 | \$0 | \$0 |
| Total Projected Cost 2020 with Savings | \$38,330,930 | \$15,930,166 | \$54,261,096 |
| Projected Claims-Medical 2020 pepm | \$1,488.82 | \$256.22 | |
| Projected Claims-Rx 2020 pepm | \$310.74 | \$463.01 | |
| Total Projected Claims-2020 pepm | \$1,799.56 | \$719.23 | |
| Projected Cost-Medical 2020 pepm | \$1,538.92 | \$301.90 | |
| Projected Cost-Rx 2020 pepm | \$313.89 | \$488.76 | |
| Total Projected Cost-2020 pepm | \$1,852.81 | \$790.66 | |

**City of Milwaukee
2020 Retiree Rate Projection**

Income at Current Rates

| | Plan | 2019 Rates | | Enrollment | | |
|---|------|-------------|------------|-------------|--------|--------------|
| | | Choice Plus | Choice | Choice Plus | Choice | |
| Early Retirees | 1 | \$1,141.00 | \$1,055.00 | 58 | 538 | \$7,612,858 |
| | 2 | \$2,283.00 | \$2,108.00 | 35 | 476 | \$12,982,673 |
| | 3 | \$3,424.00 | \$3,163.00 | 11 | 368 | \$14,402,443 |
| | 9 | \$1,713.00 | \$1,582.00 | 13 | 102 | \$2,202,516 |
| Medicare Retirees | 4 | \$408.00 | \$477.00 | 789 | 283 | \$5,484,320 |
| | 5 | \$770.00 | \$953.00 | 367 | 114 | \$4,691,205 |
| | 6 | \$1,766.00 | \$1,528.00 | 26 | 175 | \$3,762,192 |
| | 7 | \$2,069.00 | \$2,052.00 | 6 | 26 | \$782,068 |
| | 8 | \$1,080.00 | \$1,479.00 | 6 | 1 | \$94,646 |
| | 10 | \$1,000.00 | \$1,002.00 | 3 | 7 | \$119,083 |
| 2020 Income at Current Rates and Enrollment | | | | | | \$52,134,004 |

| | |
|--|-------------|
| Increase Needed-Early Retirees | 3.0% |
| Increase Needed-Medicare Retirees | 6.7% |
| Overall Increase | 4.1% |

Recommended 2020 Rates

| | Plan | Choice Plus | Choice | Increase |
|-------------------|------|-------------|------------|----------|
| Early Retirees | 1 | \$1,176.00 | \$1,087.00 | 3.1% |
| | 2 | \$2,352.00 | \$2,172.00 | 3.0% |
| | 3 | \$3,528.00 | \$3,259.00 | 3.0% |
| | 9 | \$1,765.00 | \$1,630.00 | 3.0% |
| Medicare Retirees | 4 | \$435.00 | \$509.00 | 6.6% |
| | 5 | \$821.00 | \$1,017.00 | 6.6% |
| | 6 | \$1,884.00 | \$1,630.00 | 6.7% |
| | 7 | \$2,207.00 | \$2,189.00 | 6.7% |
| | 8 | \$1,152.00 | \$1,578.00 | 6.7% |
| | 10 | \$1,067.00 | \$1,069.00 | 6.7% |