



Insurance | Risk Management | Consulting

Renewal Projection - Pre COVID-19 Claims Experience (with Trend Update)

City of Milwaukee

1/1/2021 through 12/31/2021

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City of Milwaukee

Renewal Projection - Overall

Projection Period - 1/1/2021 through 12/31/2021

Experience Period - 4/1/19 through 3/31/20			
Category	Medical	Prescription Drug	Total
Gross Paid Claims	\$117,579,714	\$36,019,748	\$153,599,462
Claims over Stop Loss Level	(\$1,000,000)	\$0	(\$1,000,000)
Total Net Paid Claims	\$116,579,714	\$36,019,748	\$152,599,462
Experience Period Lives	110,735	110,534	
PEPM Claim Cost	\$1,052.78	\$325.87	\$1,378.65
Annual Trend	4.1%	4.4%	4.1%
Trend Months	21.0	21.0	21.0
Trend Factor	1.0719	1.0783	1.0734
Trended PEPM Claim Cost	\$1,128.53	\$351.37	\$1,479.90
Dependent Ratio Adjustment	-0.13%	-0.12%	
Large Claimant Adjustment	\$0.00	N/A	\$0.00
Adjusted Claim Cost - PEPM	\$1,127.04	\$350.95	\$1,478.00
Manual Claim Cost - PEPM	\$486.59	\$91.83	\$578.41
Credibility	100%	100%	100%
Blended Claim Cost - PEPM	\$1,127.04	\$350.95	\$1,478.00
Projected Lives	9,070	9,050	9,070
Months to Project	12	12	12
Projected Claim Cost	\$122,667,358	\$38,113,488	\$160,780,846
Benefit Adjustment	0.9397	1.0000	0.9540
Adjusted Projected Claims	\$115,270,120	\$38,113,488	\$153,383,607
Total Projected Claims	\$115,270,120	\$38,113,488	\$153,383,607
Administration Fees		\$5,069,767	
Rx Rebates		(\$7,974,800)	
PPO Access Fees		\$769,499	
GBS Fees		\$125,000	
Total Projected Administration Fees		(\$2,010,534)	
Total Projected Healthcare Reform Fees		\$46,649	
Total Projected Gross Plan Costs		\$151,419,723	
Current Funding/Premium		\$146,068,812	
Projected Funding/Premium Increase		\$5,350,911	
Needed Rate Adjustment		3.7%	

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City of Milwaukee Renewal Projection - Actives

Projection Period - 1/1/2021 through 12/31/2021

Experience Period - 4/1/19 through 3/31/20			
Category	Medical	Prescription Drug	Total
Gross Paid Claims	\$79,639,776	\$17,154,590	\$96,794,366
Total Net Paid Claims	\$79,639,776	\$17,154,590	\$96,794,366
Experience Period Lives	70,015	69,964	139,979
PEPM Claim Cost	\$1,137.47	\$245.19	\$1,382.66
Annual Trend	4.1%	4.4%	4.1%
Trend Months	21.0	21.0	21.0
Trend Factor	1.0719	1.0783	1.0731
Trended PEPM Claim Cost	\$1,219.31	\$264.38	\$1,483.69
Dependent Ratio Adjustment	-0.13%	-0.12%	
Large Claimant Adjustment	\$0.00	N/A	\$0.00
Adjusted Claim Cost - PEPM	\$1,217.70	\$264.06	\$1,481.77
Manual Claim Cost - PEPM	\$486.59	\$91.83	\$578.41
Credibility	100%	100%	100%
Blended Claim Cost - PEPM	\$1,217.70	\$264.06	\$1,481.77
Projected Lives	5,796	5,796	5,796
Months to Project	12	12	12
Projected Claim Cost	\$84,693,672	\$18,366,205	\$103,059,877
Benefit Adjustment	0.9279	1.0000	0.9407
Adjusted Projected Claims	\$78,587,258	\$18,366,205	\$96,953,463
Total Projected Claims	\$78,587,258	\$18,366,205	\$96,953,463
Administration Fees		\$3,239,732	
Rx Rebates		(\$3,820,182)	
PPO Access Fees		\$491,733	
GBS Fees		\$79,879	
Total Projected Administration Fees		(\$8,838)	
Total Projected Healthcare Reform Fees		\$29,810.4	
Total Projected Gross Plan Costs		\$96,974,435	
Current Funding/Premium		\$92,946,972	
Projected Funding/Premium Increase		\$4,027,463	
Needed Rate Adjustment		4.3%	

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City of Milwaukee

Renewal Projection - Early Retirees

Projection Period - 1/1/2021 through 12/31/2021

Experience Period - 4/1/19 through 3/31/20			
Category	Medical	Prescription Drug	Total
Gross Paid Claims	\$33,022,435	\$8,704,828	\$41,727,263
Claims over Stop Loss Level	(\$1,000,000)	\$0	(\$1,000,000)
Total Net Paid Claims	\$32,022,435	\$8,704,828	\$40,727,263
Experience Period Lives	19,322	19,302	38,624
PEPM Claim Cost	\$1,657.30	\$450.98	\$2,108.28
Annual Trend	4.1%	4.4%	4.1%
Trend Months	21.0	21.0	21.0
Trend Factor	1.0719	1.0783	1.0733
Trended PEPM Claim Cost	\$1,776.54	\$486.28	\$2,262.82
Dependent Ratio Adjustment	-0.13%	-0.12%	
Large Claimant Adjustment	\$0.00	N/A	\$0.00
Adjusted Claim Cost - PEPM	\$1,774.21	\$485.69	\$2,259.90
Manual Claim Cost - PEPM	\$486.59	\$91.83	\$578.41
Credibility	100%	100%	100%
Blended Claim Cost - PEPM	\$1,774.21	\$485.69	\$2,259.90
Projected Lives	1,598	1,598	1,598
Months to Project	12	12	12
Projected Claim Cost	\$34,022,224	\$9,313,652	\$43,335,876
Benefit Adjustment	0.9434	1.0000	0.9556
Adjusted Projected Claims	\$32,096,566	\$9,313,652	\$41,410,218
Total Projected Claims	\$32,096,566	\$9,313,652	\$41,410,218
Administration Fees		\$893,218	
Rx Rebates		(\$1,913,322)	
PPO Access Fees		\$135,574	
GBS Fees		\$22,023	
Total Projected Administration Fees		(\$862,507)	
Total Projected Healthcare Reform Fees		\$8,218.9	
Total Projected Gross Plan Costs		\$40,555,930	
Current Funding/Premium		\$38,268,672	
Projected Funding/Premium Increase		\$2,287,258	
Needed Rate Adjustment		6.0%	

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City of Milwaukee

Renewal Projection - Medicare Retirees

Projection Period - 1/1/2021 through 12/31/2021

Experience Period - 4/1/19 through 3/31/20			
Category	Medical	Prescription Drug	Total
Gross Paid Claims	\$4,917,504	\$10,160,329	\$15,077,833
Total Net Paid Claims	\$4,917,504	\$10,160,329	\$15,077,833
Experience Period Lives	21,398	21,268	42,666
PEPM Claim Cost	\$229.81	\$477.73	\$707.54
Annual Trend	4.1%	4.4%	4.3%
Trend Months	21.0	21.0	21.0
Trend Factor	1.0719	1.0783	1.0762
Trended PEPM Claim Cost	\$246.35	\$515.12	\$761.46
Dependent Ratio Adjustment	-0.13%	-0.12%	
Large Claimant Adjustment	\$0.00	N/A	\$0.00
Adjusted Claim Cost - PEPM	\$246.02	\$514.50	\$760.52
Manual Claim Cost - PEPM	\$486.59	\$91.83	\$578.41
Credibility	100%	100%	100%
Blended Claim Cost - PEPM	\$246.02	\$514.50	\$760.52
Projected Lives	1,676	1,676	1,676
Months to Project	12	12	12
Projected Claim Cost	\$4,947,994	\$10,347,620	\$15,295,614
Benefit Adjustment	0.9269	1.0000	0.9764
Adjusted Projected Claims	\$4,586,296	\$10,347,620	\$14,933,916
Total Projected Claims	\$4,586,296	\$10,347,620	\$14,933,916
Administration Fees		\$936,817	
Rx Rebates		(\$2,241,295)	
PPO Access Fees		\$142,192	
GBS Fees		\$23,098	
Total Projected Administration Fees		(\$1,139,188)	
Total Projected Healthcare Reform Fees		\$8,620.1	
Total Projected Gross Plan Costs		\$13,803,348	
Current Funding/Premium		\$14,678,412	
Projected Funding/Premium Increase		(\$875,064)	
Needed Rate Adjustment		-6.0%	

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City of Milwaukee
Renewal Equivalent Rates
1/1/2021 through 12/31/2021

EPO Actives

Rate Tier	Plan Code	Employees	Current Rates - 1/1/2020 to 12/31/2020	Renewal Rates at Expected Costs - 1/1/2021 to 12/31/2021
Single	1	1,882	\$694.00	\$724.00
Single + Spouse	2	735	\$1,388.00	\$1,448.00
Single + Child(ren)	3	960	\$1,041.00	\$1,086.00
Family	4	1,979	\$2,082.00	\$2,172.00
Total Monthly		5,556	\$7,445,926	\$7,767,796
% Change from Current			-	4.3%

EPO Early Retirees

Rate Tier	Plan Code	Employees	Current Rates - 1/1/2020 to 12/31/2020	Renewal Rates at Expected Costs - 1/1/2021 to 12/31/2021
Single	1	532	\$1,087.00	\$1,152.00
Single + Spouse	2	478	\$2,172.00	\$2,302.00
Single + Child(ren)	9	128	\$1,630.00	\$1,727.00
Family	3	365	\$3,259.00	\$3,454.00
Total Monthly		1,503	\$3,014,675	\$3,194,986
% Change from Current			-	6.0%

EPO Medicare Retirees

Rate Tier	Plan Code	Employees	Current Rates - 1/1/2020 to 12/31/2020	Renewal Rates at Expected Costs - 1/1/2021 to 12/31/2021
Single	4	280	\$509.00	\$479.00
Single + Spouse	5	117	\$1,017.00	\$956.00
Single + Child(ren)	10	9	\$1,069.00	\$1,005.00
Family	8	3	\$1,578.00	\$1,484.00
Medicare Split Single + Spouse	6	163	\$1,630.00	\$1,533.00
Medicare Split Family	7	24	\$2,189.00	\$2,059.00
Total Monthly		596	\$594,090	\$558,764
% Change from Current			-	-6.0%

PPO Actives

Rate Tier	Plan Code	Employees	Current Rates - 1/1/2020 to 12/31/2020	Renewal Rates at Expected Costs - 1/1/2021 to 12/31/2021
Single	1	108	\$817.00	\$852.00
Single + Spouse	2	36	\$1,634.00	\$1,705.00
Single + Child(ren)	3	39	\$1,226.00	\$1,279.00
Family	4	43	\$2,451.00	\$2,557.00
Total Monthly		226	\$300,267	\$313,228
% Change from Current			-	4.3%

PPO Early Retirees

Rate Tier	Plan Code	Employees	Current Rates - 1/1/2020 to 12/31/2020	Renewal Rates at Expected Costs - 1/1/2021 to 12/31/2021
Single	1	50	\$1,176.00	\$1,246.00
Single + Spouse	2	24	\$2,352.00	\$2,493.00
Single + Child(ren)	9	9	\$1,765.00	\$1,870.00
Family	3	12	\$3,528.00	\$3,739.00
Total Monthly		95	\$173,469	\$183,830
% Change from Current			-	6.0%

PPO Medicare Retirees

Rate Tier	Plan Code	Employees	Current Rates - 1/1/2020 to 12/31/2020	Renewal Rates at Expected Costs - 1/1/2021 to 12/31/2021
Single	4	740	\$435.00	\$409.00
Single + Spouse	5	308	\$821.00	\$772.00
Single + Child(ren)	10	2	\$1,067.00	\$1,003.00
Family	8	3	\$1,152.00	\$1,083.00
Medicare Split Single + Spouse	6	24	\$1,884.00	\$1,772.00
Medicare Split Family	7	3	\$2,207.00	\$2,075.00
Total Monthly		1,080	\$632,195	\$594,444
% Change from Current			-	-6.0%

HDHP

Rate Tier	Plan Code	Employees	Current Rates - 1/1/2020 to 12/31/2020	Renewal Rates at Expected Costs - 1/1/2021 to 12/31/2021
Single	1	11	\$673.00	\$702.00
Single + Spouse	2	1	\$1,346.00	\$1,404.00
Single + Child(ren)	3	1	\$1,010.00	\$1,054.00
Family	4	1	\$2,020.00	\$2,108.00
Total Monthly		14	\$11,779	\$12,288
% Change from Current			-	4.3%

Total Monthly - All PPO Plans		9,070	\$12,172,401	\$12,625,336
Total Annual - All PPO Plans			\$146,068,812	\$151,504,032
Annual Change from Current			-	\$5,435,220
% Change from Current			-	3.7%

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