

**City of Milwaukee
2014 Retiree Rate Projection**

| Cost Projection | Retirees | | |
|-------------------------------------|-----------------------|--------------------------|----------------------|
| | Early Retirees | Medicare Retirees | Total Retiree |
| Paid Claims-Medical 8/1/12-7/31/13 | \$24,702,879 | \$6,235,210 | \$30,938,089 |
| Paid Claims-Rx 8/1/12-7/31/13 | \$5,716,609 | \$5,676,837 | \$11,393,447 |
| Total | \$30,419,488 | \$11,912,047 | \$42,331,535 |
| | | | |
| Average Enrollment 8/1/12-7/31/13 | 1,737 | 2,184 | 3,921 |
| Average Members 8/1/12-7/31/13 | 3,420 | 3,025 | 6,444 |
| Current Enrollment 7/31/13 | 1,702 | 2,150 | 3,852 |
| | | | |
| Trend-Medical | 6.5% | 6.5% | |
| Trend-Rx | 8.5% | 8.5% | |
| Trend Months | 17 | 17 | |
| Trend Factor-Medical | 1.093 | 1.093 | |
| Trend Factor-Rx | 1.123 | 1.123 | |
| | | | |
| Projected Claims-Medical 2014 | \$26,458,745 | \$6,712,203 | \$33,170,948 |
| Projected Claims-Rx 2014 | \$6,286,473 | \$6,274,329 | \$12,560,802 |
| Total | \$32,745,218 | \$12,986,531 | \$45,731,750 |
| | | | |
| Administrative Expense Per Contract | | | |
| UHC | \$45.56 | \$41.29 | |
| MEDCO | \$1.53 | \$14.46 | |
| | | | |
| Projected Administrative Cost 2014 | \$961,766 | \$1,438,350 | \$2,400,116 |
| | | | |
| Total Projected Cost 2014 | \$33,706,985 | \$14,424,881 | \$48,131,866 |
| | | | |
| Projected Claims-Medical 2014 pmpm | \$658.11 | \$187.83 | |
| Projected Claims-Rx 2014 pmpm | \$156.36 | \$175.58 | |
| Total | \$814.47 | \$363.40 | |
| | | | |
| Projected Cost-Medical 2014 pmpm | \$681.25 | \$217.64 | |
| Projected Cost-Rx 2014 pmpm | \$157.14 | \$186.02 | |
| Total | \$838.39 | \$403.65 | |

**City of Milwaukee
2014 Retiree Rate Projection**

Income at Current Rates

| | Plan | 2013 Rates | | Enrollment | | |
|-------------------|------|-------------|------------|-------------|--------|--------------|
| | | Choice Plus | Choice | Choice Plus | Choice | |
| Early Retirees | 1 | \$915.49 | \$845.36 | 140 | 481 | \$6,421,701 |
| | 2 | \$1,830.97 | \$1,690.73 | 141 | 441 | \$12,036,092 |
| | 3 | \$2,746.46 | \$2,536.09 | 64 | 269 | \$10,313,319 |
| | 9 | \$1,373.23 | \$1,268.05 | 24 | 64 | \$1,377,291 |
| Medicare Retirees | 4 | \$305.79 | \$357.84 | 1,058 | 276 | \$5,068,425 |
| | 5 | \$578.80 | \$715.64 | 525 | 95 | \$4,465,826 |
| | 6 | \$1,325.50 | \$1,146.80 | 71 | 162 | \$3,364,126 |
| | 7 | \$1,553.56 | \$1,541.28 | 8 | 16 | \$432,820 |
| | 8 | \$810.08 | \$1,110.15 | 4 | 1 | \$50,769 |
| | 10 | \$750.95 | \$752.31 | 4 | 7 | \$96,509 |

2014 Income at Current Rates and Enrollment

\$43,626,879

Increase Needed-Early Retirees
Increase Needed-Medicare Retirees
Overall Increase

11.8%
7.0%
10.3%

Recommended 2014 Rates

| | Plan | Choice Plus | Choice | Increase |
|-------------------|------|-------------|------------|----------|
| Early Retirees | 1 | \$1,023.55 | \$945.15 | 11.8% |
| | 2 | \$2,047.09 | \$1,890.29 | 11.8% |
| | 3 | \$3,070.64 | \$2,835.44 | 11.8% |
| | 9 | \$1,535.32 | \$1,417.72 | 11.8% |
| Medicare Retirees | 4 | \$327.26 | \$382.96 | 7.0% |
| | 5 | \$619.44 | \$765.89 | 7.0% |
| | 6 | \$1,418.57 | \$1,227.32 | 7.0% |
| | 7 | \$1,662.64 | \$1,649.51 | 7.0% |
| | 8 | \$866.96 | \$1,188.10 | 7.0% |
| | 10 | \$803.68 | \$805.14 | 7.0% |