

**City of Milwaukee  
2017 Retiree Rate Projection**

Cost Projection	Retirees		
	Early Retirees	Medicare Retirees	Total Retiree
Paid Claims-Medical 8/1/15-7/31/16	\$25,861,034	\$4,850,277	\$30,711,311
Paid Claims-Rx 8/1/15-7/31/16	\$3,705,737	\$8,416,601	\$12,122,337
Total	\$29,566,771	\$13,266,878	\$42,833,649
Average Enrollment 8/1/15-7/31/16	1,595	2,005	3,600
Average Members 8/1/15-7/31/16	3,343	2,721	6,064
Current Enrollment 7/31/16	1,583	1,950	3,533
Trend-Medical	4.0%	4.0%	
Trend-Rx	7.0%	7.0%	
Trend Months-Medical	17	17	
Trend Months-Rx	17	17	
Trend Factor-Medical	1.057	1.057	
Trend Factor-Rx	1.101	1.101	
Projected Claims-Medical 2017	\$27,138,601	\$4,985,918	\$32,124,519
Projected Claims-Rx 2017	\$4,048,672	\$9,007,656	\$13,056,328
Total Projected Claims	\$31,187,273	\$13,993,574	\$45,180,847
Claims Administrative Expense Per Contract			
UHC	\$46.47	\$42.11	
OptumRx	\$2.92	\$17.57	
Claims Administrative Expense 2017	\$938,212	\$1,396,483	\$2,334,695
Additional Administrative Cost	\$316,000	\$389,000	\$705,000
Total Administrative Cost	\$1,254,212	\$1,785,483	\$3,039,695
Total Projected Cost 2017	\$32,441,485	\$15,779,057	\$48,220,542
Savings due to Plan Changes-Medical	\$0	\$0	\$0
Savings due to Plan Changes-Rx	\$0	\$0	\$0
Total Projected Cost 2017 with Savings	\$32,441,485	\$15,779,057	\$48,220,542
Projected Claims-Medical 2017 pepm	\$1,428.65	\$213.07	
Projected Claims-Rx 2017 pepm	\$213.13	\$384.94	
Total Projected Claims-2017 pepm	\$1,641.78	\$598.02	
Projected Cost-Medical 2017 pepm	\$1,491.75	\$271.81	
Projected Cost-Rx 2017 pepm	\$216.05	\$402.51	
Total Projected Cost-2017 pepm	\$1,707.81	\$674.32	

**City of Milwaukee  
2017 Retiree Rate Projection**

**Income at Current Rates**

	Plan	2016 Rates		Enrollment		
		Choice Plus	Choice	Choice Plus	Choice	
Early Retirees	1	\$1,022.00	\$945.00	92	470	\$6,450,751
	2	\$2,045.00	\$1,888.00	78	421	\$11,457,114
	3	\$3,067.00	\$2,833.00	25	285	\$10,600,918
	9	\$1,534.00	\$1,416.00	21	60	\$1,404,005
Medicare Retirees	4	\$387.00	\$453.00	959	285	\$6,003,409
	5	\$733.00	\$907.00	452	105	\$5,112,808
	6	\$1,678.00	\$1,453.00	37	195	\$4,141,098
	7	\$1,967.00	\$1,952.00	10	26	\$833,737
	8	\$1,026.00	\$1,406.00	5	1	\$77,381
	10	\$951.00	\$953.00	2	6	\$90,214

2017 Income at Current Rates and Enrollment

\$46,171,434

<b>Increase Needed-Early Retirees</b>	<b>8.5%</b>	<b>8.5%</b>
<b>Increase Needed-Medicare Retirees</b>	<b>-2.9%</b>	<b>-2.9%</b>
<b>Overall Increase</b>	<b>4.4%</b>	<b>4.4%</b>

Prior to Plan Changes

**Recommended 2017 Rates**

	Plan	Choice Plus	Choice	Increase
Early Retirees	1	\$1,108.00	\$1,025.00	8.4%
	2	\$2,218.00	\$2,048.00	8.5%
	3	\$3,326.00	\$3,072.00	8.4%
	9	\$1,664.00	\$1,536.00	8.5%
Medicare Retirees	4	\$376.00	\$440.00	-2.8%
	5	\$711.00	\$880.00	-3.0%
	6	\$1,629.00	\$1,410.00	-2.9%
	7	\$1,909.00	\$1,894.00	-2.9%
	8	\$996.00	\$1,365.00	-2.9%
	10	\$923.00	\$925.00	-2.9%