



Insurance | Risk Management | Consulting

Renewal Projection

City of Milwaukee

1/1/2024 through 12/31/2024

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City of Milwaukee Renewal Projection - Overall

Projection Period - 1/1/2024 through 12/31/2024

Experience Period - 8/1/22 through 7/31/23			
Category	Medical	Prescription Drug	Total
Gross Paid Claims	\$106,062,507	\$41,260,457	\$147,322,963
Rx Rebates	\$0	(\$11,742,994)	(\$11,742,994)
Claim Adjustment	\$0	\$0	\$0
Total Net Paid Claims	\$106,062,507	\$29,517,463	\$135,579,969
Experience Period Months	98,127	97,911	
PEPM Claim Cost	\$1,080.87	\$301.47	\$1,382.35
Annual Trend	4.6%	6.5%	5.0%
Trend Months	17.0	17.0	17.0
Trend Factor	1.0655	1.0933	1.0716
Trended PEPM Claim Cost	\$1,151.66	\$329.59	\$1,481.26
Dependent Ratio Adjustment	-0.38%	-0.34%	
Large Claimant Adjustment	\$0.00	N/A	\$0.00
Adjusted Claim Cost - PEPM	\$1,147.28	\$328.47	\$1,475.74
Projected Lives	8,078	8,078	8,078
Months to Project	12	12	12
Projected Claim Cost	\$111,212,577	\$31,840,210	\$143,052,788
Benefit Adjustment	1.0048	0.9611	0.9951
Total Projected Claims	\$111,748,830	\$30,603,159	\$142,351,989
Administration Fees		\$4,362,120	
EGWP (PEPM)		\$145,668	
GBS Fees		\$125,000	
Additional Fees		\$160,000	
Total Projected Administration Fees		\$4,792,788	
Total Projected Gross Plan Costs		\$147,144,777	
Current Funding/Premium		\$141,155,124	
Projected Funding/Premium Increase		\$5,989,653	
Needed Rate Adjustment		4.2%	

*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 - 1/1/2024 through 12/31/2024

Experience Period - 8/1/22 through 7/31/23			
Category	Medical	Prescription Drug	Total
Gross Paid Claims	\$72,355,066	\$20,698,773	\$93,053,839
Rx Rebates	\$0	(\$5,891,005)	(\$5,891,005)
Total Net Paid Claims	\$72,355,066	\$14,807,767	\$87,162,833
Experience Period Months	61,837	61,810	123,647
PEPM Claim Cost	\$1,170.09	\$239.57	\$1,409.66
Annual Trend	4.6%	6.5%	4.9%
Trend Months	17.0	17.0	17.0
Trend Factor	1.0655	1.0933	1.0702
Trended PEPM Claim Cost	\$1,246.73	\$261.91	\$1,508.64
Dependent Ratio Adjustment	-0.38%	-0.34%	
Large Claimant Adjustment	\$0.00	N/A	\$0.00
Adjusted Claim Cost - PEPM	\$1,241.98	\$261.02	\$1,503.00
Projected Lives	5,149	5,149	5,149
Months to Project	12	12	12
Projected Claim Cost	\$76,739,443	\$16,127,862	\$92,867,305
Benefit Adjustment	1.0000	0.9650	0.9939
Total Projected Claims	\$76,739,443	\$15,563,387	\$92,302,829
Administration Fees		\$2,780,460	
EGWP (PEPM)		\$0	
GBS Fees		\$79,676	
Additional Fees		\$101,986	
Total Projected Administration Fees		\$2,962,122	
Total Projected Gross Plan Costs		\$95,264,951	
Current Funding/Premium		\$90,949,308	
Projected Funding/Premium Increase		\$4,315,643	
Needed Rate Adjustment		4.7%	

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Renewal Projection - Early Retirees

Projection Period - 1/1/2024 through 12/31/2024

Experience Period - 8/1/22 through 7/31/23			
Category	Medical	Prescription Drug	Total
Gross Paid Claims	\$31,925,818	\$10,829,023	\$42,754,841
Rx Rebates	\$0	(\$3,082,010)	(\$3,082,010)
Total Net Paid Claims	\$31,925,818	\$7,747,013	\$39,672,830
Experience Period Months	20,928	20,859	41,787
PEPM Claim Cost	\$1,525.51	\$371.40	\$1,896.91
Annual Trend	4.6%	6.5%	5.0%
Trend Months	17.0	17.0	17.0
Trend Factor	1.0655	1.0933	1.0709
Trended PEPM Claim Cost	\$1,625.42	\$406.04	\$2,031.46
Dependent Ratio Adjustment	-0.38%	-0.34%	
Large Claimant Adjustment	\$0.00	N/A	\$0.00
Adjusted Claim Cost - PEPM	\$1,619.23	\$404.65	\$2,023.88
Projected Lives	1,709	1,709	1,709
Months to Project	12	12	12
Projected Claim Cost	\$33,207,148	\$8,298,621	\$41,505,769
Benefit Adjustment	1.0000	0.9650	0.9930
Total Projected Claims	\$33,207,148	\$8,008,169	\$41,215,317
Administration Fees		\$922,860	
EGWP (PEPM)		\$0	
GBS Fees		\$26,445	
Additional Fees		\$33,850	
Total Projected Administration Fees		\$983,155	
Total Projected Gross Plan Costs		\$42,198,473	
Current Funding/Premium		\$40,055,160	
Projected Funding/Premium Increase		\$2,143,313	
Needed Rate Adjustment		5.4%	

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City of Milwaukee

Renewal Projection - Medicare Retirees

Projection Period - 1/1/2024 through 12/31/2024

Experience Period - 8/1/22 through 7/31/23			
Category	Medical	Prescription Drug	Total
Gross Paid Claims	\$1,781,623	\$9,732,661	\$11,514,284
Rx Rebates	\$0	(\$2,769,979)	(\$2,769,979)
Total Net Paid Claims	\$1,781,623	\$6,962,682	\$8,744,305
Experience Period Months	15,362	15,242	30,603
PEPM Claim Cost	\$115.98	\$456.82	\$572.80
Annual Trend	4.6%	6.5%	6.1%
Trend Months	17.0	17.0	17.0
Trend Factor	1.0655	1.0933	1.0876
Trended PEPM Claim Cost	\$123.57	\$499.43	\$623.00
Dependent Ratio Adjustment	-0.38%	-0.34%	
Large Claimant Adjustment	\$0.00	N/A	\$0.00
Adjusted Claim Cost - PEPM	\$123.10	\$497.72	\$620.82
Projected Lives	1,220	1,220	1,220
Months to Project	12	12	12
Projected Claim Cost	\$1,802,239	\$7,286,635	\$9,088,875
Benefit Adjustment	1.0000	0.9650	0.9719
Total Projected Claims	\$1,802,239	\$7,031,603	\$8,833,842
Administration Fees		\$658,800	
EGWP (PEPM)		\$145,668	
GBS Fees		\$18,878	
Additional Fees		\$24,164	
Total Projected Administration Fees		\$847,511	
Total Projected Gross Plan Costs		\$9,681,353	
Current Funding/Premium		\$10,150,656	
Projected Funding/Premium Increase		(\$469,303)	
Needed Rate Adjustment		-4.6%	

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City of Milwaukee
Renewal Equivalent Rates
1/1/2024 through 12/31/2024

EPO Actives

Rate Tier	Plan Code	Employees	Current Rates - 1/1/2023 to 12/31/2023	Renewal Rates at Expected Costs - 1/1/2024 to 12/31/2024
Single	1	1,792	\$782.00	\$819.00
Single + Spouse	2	638	\$1,564.00	\$1,638.00
Single + Child(ren)	3	828	\$1,172.00	\$1,227.00
Family	4	1,653	\$2,344.00	\$2,454.00
Total Monthly		4,911	\$7,244,224	\$7,585,110
% Change from Current			-	4.7%

EPO Early Retirees

Rate Tier	Plan Code	Employees	Current Rates - 1/1/2023 to 12/31/2023	Renewal Rates at Expected Costs - 1/1/2024 to 12/31/2024
Single	1	558	\$1,051.00	\$1,108.00
Single + Spouse	2	521	\$2,100.00	\$2,213.00
Single + Child(ren)	9	146	\$1,575.00	\$1,660.00
Family	3	414	\$3,150.00	\$3,320.00
Total Monthly		1,639	\$3,214,608	\$3,388,077
% Change from Current			-	5.4%

EPO Medicare Retirees

Rate Tier	Plan Code	Employees	Current Rates - 1/1/2023 to 12/31/2023	Renewal Rates at Expected Costs - 1/1/2024 to 12/31/2024
Single	4	280	\$482.00	\$460.00
Single + Spouse	5	116	\$962.00	\$918.00
Single + Child(ren)	10	9	\$1,011.00	\$964.00
Family	8	0	\$1,493.00	\$1,424.00
Medicare Split Single + Spouse	6	123	\$1,542.00	\$1,471.00
Medicare Split Family	7	22	\$2,072.00	\$1,977.00
Total Monthly		550	\$490,901	\$468,391
% Change from Current			-	-4.6%

PPO Actives

Rate Tier	Plan Code	Employees	Current Rates - 1/1/2023 to 12/31/2023	Renewal Rates at Expected Costs - 1/1/2024 to 12/31/2024
Single	1	105	\$919.00	\$962.00
Single + Spouse	2	26	\$1,841.00	\$1,928.00
Single + Child(ren)	3	43	\$1,381.00	\$1,446.00
Family	4	39	\$2,760.00	\$2,890.00
Total Monthly		213	\$311,384	\$326,026
% Change from Current			-	4.7%

PPO Early Retirees

Rate Tier	Plan Code	Employees	Current Rates - 1/1/2023 to 12/31/2023	Renewal Rates at Expected Costs - 1/1/2024 to 12/31/2024
Single	1	37	\$1,136.00	\$1,197.00
Single + Spouse	2	17	\$2,274.00	\$2,397.00
Single + Child(ren)	9	7	\$1,706.00	\$1,798.00
Family	3	9	\$3,410.00	\$3,594.00
Total Monthly		70	\$123,322	\$129,970
% Change from Current			-	5.4%

PPO Medicare Retirees

Rate Tier	Plan Code	Employees	Current Rates - 1/1/2023 to 12/31/2023	Renewal Rates at Expected Costs - 1/1/2024 to 12/31/2024
Single	4	477	\$411.00	\$392.00
Single + Spouse	5	183	\$777.00	\$741.00
Single + Child(ren)	10	0	\$1,009.00	\$963.00
Family	8	2	\$1,090.00	\$1,040.00
Medicare Split Single + Spouse	6	7	\$1,783.00	\$1,701.00
Medicare Split Family	7	1	\$2,088.00	\$1,992.00
Total Monthly		670	\$354,987	\$338,566
% Change from Current			-	-4.6%

HDHP

Rate Tier	Plan Code	Employees	Current Rates - 1/1/2023 to 12/31/2023	Renewal Rates at Expected Costs - 1/1/2024 to 12/31/2024
Single	1	20	\$758.00	\$794.00
Single + Spouse	2	1	\$1,515.00	\$1,586.00
Single + Child(ren)	3	2	\$1,138.00	\$1,191.00
Family	4	2	\$2,275.00	\$2,382.00
Total Monthly		25	\$23,501	\$24,612
% Change from Current			-	4.7%

Total Monthly - All PPO Plans		8,078	\$11,762,927	\$12,260,752
Total Annual - All PPO Plans			\$141,155,124	\$147,129,024
Annual Change from Current			-	\$5,973,900
% Change from Current			-	4.2%

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