

Actuals										Actual compared to scenario
	2010	2011	2012	2013	2014	2015	2016	2017	2012-2017	
<b>Total cost</b>	\$9,222,610	\$10,868,667	\$7,274,435	\$8,541,747	\$9,404,875	\$9,458,226	\$9,335,644	\$10,706,844		
<b>Less ee premiums*</b>	\$1,383,392	\$1,595,434				\$293,283	\$389,819	\$595,176		
<b>Company cost</b>	\$7,839,218	\$9,273,233				\$9,164,943	\$8,945,825	\$10,111,668		
<b>Plus H.S.A. contributions*</b>			\$943,450	119,850	\$151,100	\$70,000	\$79,360	\$375,530		
<b>Actual</b>	<b>\$7,839,218</b>	<b>\$9,273,233</b>	<b>\$8,217,885</b>	<b>\$8,661,597</b>	<b>\$9,555,975</b>	<b>\$9,234,943</b>	<b>\$9,025,185</b>	<b>\$10,487,198</b>	<b>\$55,182,783</b>	\$0

Scenarios had we stayed on the plan in use prior to 2012										2012-2017
6% increase in medical trend and no changes to the employer/employee premium cost share										
Total Cost	6%	\$10,868,667	\$11,520,787	\$12,212,034	\$12,944,756	\$13,721,442	\$14,544,728	\$15,417,412		
Employee Premium	15%	\$1,595,434	\$1,728,118	\$1,831,805	\$1,941,713	\$2,058,216	\$2,181,709	\$2,312,612		
Employer Premium		\$9,273,233	\$9,792,669	\$10,380,229	\$11,003,043	\$11,663,225	\$12,363,019	\$13,104,800	<b>\$68,306,985</b>	-\$13,124,202

6% increase in medical trend and moving the premium cost share from 85/15 to 75/25, starting in 2012										2012-2017
Total Cost	6%	\$10,868,667	\$11,520,787	\$12,212,034	\$12,944,756	\$13,721,442	\$14,544,728	\$15,417,412		
Employee Premium	25%	\$1,595,434	\$2,880,197	\$3,053,009	\$3,236,189	\$3,430,360	\$3,636,182.04	\$3,854,353		
Employer Premium		\$9,273,233	\$8,640,590	\$9,159,026	\$9,708,567	\$10,291,081	\$10,908,546	\$11,563,059	<b>\$60,270,869</b>	-\$5,088,086

7% increase in medical trend and no changes to the employer/employee premium cost share										2012-2017
Total Cost	7%	\$10,868,667	\$11,629,474	\$12,443,537	\$13,314,584	\$14,246,605	\$15,243,868	\$16,310,938		
Employee Premium	15%	\$1,595,434	\$1,744,421	\$1,866,531	\$1,997,188	\$2,136,991	\$2,286,580.16	\$2,446,641		
Employer Premium		\$9,273,233	\$9,885,053	\$10,577,006	\$11,317,397	\$12,109,615	\$12,957,288	\$13,864,298	<b>\$70,710,655</b>	-\$15,527,873

7% increase in medical trend and moving the premium cost share from 85/15 to 75/25, starting in 2012										2012-2017
Total Cost	7%	\$10,868,667	\$11,629,474	\$12,443,537	\$13,314,584	\$14,246,605	\$15,243,868	\$16,310,938		
Employee Premium	25%	\$1,595,434	\$2,907,368	\$3,110,884	\$3,328,646	\$3,561,651	\$3,810,966.93	\$4,077,735		
Employer Premium		\$9,273,233	\$8,722,105	\$9,332,653	\$9,985,938	\$10,684,954	\$11,432,901	\$12,233,204	<b>\$62,391,755</b>	-\$7,208,972

Mercer e-mail (11/17/2015)

Average Annual Trends	Medical	Rx
2017	5.75%	9.00%
2016	6.00%	9.00%
2015	6.00%	10.50%
2014	6.75%	8.08%
2013	7.00%	6.75%
2012	7.25%	6.75%

These are midpoints from the Mercer national annual trend guidelines table

As for future trends, we (Mercer) are using 5.75% (medical) and 9.5% (Rx) for 2018. We (Mercer) also do expect that Rx trend will continue to increase due to the significant uptick in the number and cost of specialty medications.

Had we made no changes to our health care plan that existed prior to 2012, and assumed a conservative medical trend of 6%, we will save our customers \$13,124,202, in the years 2012 - 2017 with our move to the HDHP in 2012.

Even with a very conservative estimate, assuming a 6% increase in medical trend over the period 2012-2017, and getting our Unions to agree to a 75/25 company/employee split, we will save our customers \$5,088,086 in the years 2012 - 2017 with our move to the HDHP in 2012.

Assuming a more realistic estimate, with a 7% increase in medical trend over the period 2012-2017, and no changes to the our health care plan that existed prior to 2012, we will save our customers \$15,527,873, in the years 2012 - 2017 with our move to the HDHP in 2012.

Assuming a more realistic estimate, with a 7% increase in medical trend over the period 2012-2017, and an assumption that we could have negotiated a 75/25 company/employee premium split, we will save our customers \$7,208,972, in the years 2012 - 2017 with our move to the HDHP in 2012.