

FINAL 2018 EMPIRE PLAN EXPERIENCE
In (000's)

	EMPIRE BLUE CROSS	UNITED HEALTHCARE MEDICAL				BEACON HEALTH OPTIONS MHSA				CVS CAREMARK DRUG	TOTAL
		Core	NY Enhancement	PA Enhancement	Combined	Core	NY Enhancement	PA Enhancement	Combined		
A Premium (1)	3,279,048	2,582,734	345,643	369,584	3,297,961	219,452	37,625	26,621	283,698	2,043,871	8,904,578
B Incurred Claims (2)	3,038,649	2,375,354	320,481	338,843	3,034,678	182,430	33,325	31,143	246,898	1,942,864	8,263,089
C Administrative Expense (3)	94,120	130,412	28,229	30,908	189,549	11,534	2,072	1,908	15,514	30,148	329,331
D Gain/(Loss) (A-B-C)	146,279	76,968	(3,067)	(167)	73,734	25,488	2,228	(6,430)	21,286	70,859	312,158

(1) Earned Premium - Premium which pays for coverage for the period reported (accrual basis).

(2) Incurred Claims - Represents the cost of covered services provided during the period reported by the vendor (accrual basis).

(3) Administrative Expenses - All charges by the vendor other than for the payment of claims.
 Includes vendor's cost to administer the program, interest charges, and other retention.

Source: Vendors' 2018 Annual Experience Reports

PROJECTED 2019 EMPIRE PLAN EXPERIENCE
In (000's)

	EMPIRE	UNITED HEALTHCARE MEDICAL				BEACON HEALTH OPTIONS MHSA				CVS CAREMARK	TOTAL
	BLUE CROSS	NY	PA	Combined	NY	PA	Combined	DRUG			
		Core	Enhancement		Enhancement	Core		Enhancement	Enhancement	Combined	
A Premium (1)	3,391,222	2,723,756	357,328	371,894	3,452,978	221,683	37,328	35,089	294,100	1,886,562	9,024,862
B Incurred Claims (2)	3,300,245	2,514,890	350,675	361,303	3,226,868	208,465	31,717	26,456	266,638	1,802,242	8,595,993
C Administrative Expense (3)	94,909	164,058	16,735	17,287	198,080	12,198	1,878	1,583	15,659	27,872	336,520
D Gain/(Loss) (A-B-C)	(3,932)	44,808	(10,082)	(6,696)	28,030	1,020	3,733	7,050	11,803	56,448	92,349

(1) Earned Premium - Premium which pays for coverage for the period reported (accrual basis).

(2) Incurred Claims - Represents the cost of covered services provided during the period reported by the vendor (accrual basis).

(3) Administrative Expenses - All charges by the vendor other than for the payment of claims. Includes vendor's cost to administer the program, interest charges, and other retention.

Source: Vendors' 2019 1st Quarter Experience Reports.

2020 Premium Projections

Empire Plan

	Monthly Gross Premium Rates (1)			Monthly Net Premium Rates (2)		
	<u>2019</u>	<u>2020 (3)</u>	<u>% Change</u>	<u>2019</u>	<u>2020 (3)</u>	<u>% Change</u>
<u>Optimistic Projections</u>						
Individual Plan Prime	1,055.48	1,102.12	4.4%	1,042.85	1,076.82	3.3%
Family Plan Prime	2,441.27	2,546.45	4.3%	2,412.77	2,487.83	3.1%
Individual Mediprime	419.89	432.64	3.0%	403.27	415.85	3.1%
Family - 1 Mediprime	1,805.70	1,876.99	3.9%	1,773.19	1,826.86	3.0%
Family - 2+ Mediprime	1,170.10	1,207.50	3.2%	1,133.57	1,165.87	2.8%
Aggregate			4.1%			3.1%
<u>Best Estimate Projections</u>						
Individual Plan Prime	1,055.48	1,124.79	6.6%	1,042.85	1,099.49	5.4%
Family Plan Prime	2,441.27	2,598.67	6.4%	2,412.77	2,540.05	5.3%
Individual Mediprime	419.89	444.22	5.8%	403.27	427.43	6.0%
Family - 1 Mediprime	1,805.70	1,918.11	6.2%	1,773.19	1,867.98	5.3%
Family - 2+ Mediprime	1,170.10	1,237.53	5.8%	1,133.57	1,195.90	5.5%
Aggregate			6.3%			5.4%
<u>Pessimistic Projections</u>						
Individual Plan Prime	1,055.48	1,147.89	8.8%	1,042.85	1,122.59	7.6%
Family Plan Prime	2,441.27	2,651.90	8.6%	2,412.77	2,593.28	7.5%
Individual Mediprime	419.89	455.87	8.6%	403.27	439.08	8.9%
Family - 1 Mediprime	1,805.70	1,959.87	8.5%	1,773.19	1,909.74	7.7%
Family - 2+ Mediprime	1,170.10	1,267.82	8.4%	1,133.57	1,226.19	8.2%
Aggregate			8.6%			7.7%

(1) Represents premiums set to fund all self insured costs.

(2) Represents cost to a participating agency.

(3) Projected Rates.

2020 Premium Projections

Excelsior Plan

<u>Optimistic Projections</u>	Monthly Gross Premium Rates (1)			Monthly Net Premium Rates (2)		
	<u>2019</u>	<u>2020 (3)</u>	<u>% Change</u>	<u>2019</u>	<u>2020 (3)</u>	<u>% Change</u>
Individual Plan Prime	953.85	996.79	4.5%	943.70	972.56	3.1%
Family Plan Prime	2,221.81	2,320.57	4.4%	2,198.72	2,264.36	3.0%
Individual Mediprime	373.81	385.86	3.2%	359.78	371.03	3.1%
Family - 1 Mediprime	1,641.77	1,709.63	4.1%	1,614.80	1,662.83	3.0%
Family - 2+ Mediprime	1,061.73	1,098.68	3.5%	1,030.89	1,061.30	2.9%
Aggregate			4.3%			3.0%

<u>Best Estimate Projections</u>	Monthly Gross Premium Rates (1)			Monthly Net Premium Rates (2)		
	<u>2019</u>	<u>2020 (3)</u>	<u>% Change</u>	<u>2019</u>	<u>2020 (3)</u>	<u>% Change</u>
Individual Plan Prime	953.85	1,015.86	6.5%	943.70	991.63	5.1%
Family Plan Prime	2,221.81	2,364.80	6.4%	2,198.72	2,308.59	5.0%
Individual Mediprime	373.81	395.91	5.9%	359.78	381.08	5.9%
Family - 1 Mediprime	1,641.77	1,744.85	6.3%	1,614.80	1,698.05	5.2%
Family - 2+ Mediprime	1,061.73	1,124.92	6.0%	1,030.89	1,087.54	5.5%
Aggregate			6.4%			5.1%

<u>Pessimistic Projections</u>	Monthly Gross Premium Rates (1)			Monthly Net Premium Rates (2)		
	<u>2019</u>	<u>2020 (3)</u>	<u>% Change</u>	<u>2019</u>	<u>2020 (3)</u>	<u>% Change</u>
Individual Plan Prime	953.85	1,036.61	8.7%	943.70	1,012.38	7.3%
Family Plan Prime	2,221.81	2,413.00	8.6%	2,198.72	2,356.79	7.2%
Individual Mediprime	373.81	406.21	8.7%	359.78	391.38	8.8%
Family - 1 Mediprime	1,641.77	1,782.61	8.6%	1,614.80	1,735.81	7.5%
Family - 2+ Mediprime	1,061.73	1,152.22	8.5%	1,030.89	1,114.84	8.1%
Aggregate			8.6%			7.4%

(1) Represents premiums set to fund all self insured costs.

(2) Represents cost to a participating agency.

(3) Projected Rates.

**EMPIRE PLAN
PA 5 TIER GROUP RATES
2011 - 2020 Monthly Rates**

	Gross Rate(1)	% Change	Net Rate(2)	% Change
Individual Planprime				
2011	734.00	11.2%	693.92	13.3%
2012	751.55	2.4%	712.75	2.7%
2013	779.91	3.8%	767.98	7.7%
2014	789.31	1.2%	771.54	0.5%
2015	830.01	5.2%	805.05	4.3%
2016	874.17	5.3%	849.01	5.5%
2017	957.11	9.5%	944.39	11.2%
2018	1,022.47	6.8%	1,014.98	7.5%
2019	1,055.48	3.2%	1,042.85	2.7%
2020	1,124.79	6.6%	1,099.49	5.4%
<u>Average Percent Increase</u>				
From Inception of 5 Tier Structure (1996)		6.9%		7.3%
Most Recent 10 Years		5.5%		6.1%
Most Recent 5 Years		6.3%		6.5%
Family Planprime				
2011	1,598.49	11.7%	1,513.92	13.7%
2012	1,645.31	2.9%	1,562.80	3.2%
2013	1,712.76	4.1%	1,686.56	7.9%
2014	1,752.26	2.3%	1,714.19	1.6%
2015	1,862.59	6.3%	1,808.86	5.5%
2016	1,980.96	6.4%	1,926.21	6.5%
2017	2,188.54	10.5%	2,160.64	12.2%
2018	2,364.48	8.0%	2,348.15	8.7%
2019	2,441.27	3.2%	2,412.77	2.8%
2020	2,598.67	6.4%	2,540.05	5.3%
<u>Average Percent Increase</u>				
From Inception of 5 Tier Structure (1996)		7.0%		7.3%
Most Recent 10 Years		6.2%		6.7%
Most Recent 5 Years		6.9%		7.1%
Individual Medprime				
2011	446.90	11.5%	405.64	10.4%
2012	447.66	0.2%	419.24	3.4%
2013	409.85	-8.4%	399.33	-4.7%
2014	424.22	3.5%	408.77	2.4%
2015	412.95	-2.7%	401.84	-1.7%
2016	459.28	11.2%	452.79	12.7%
2017	439.91	-4.2%	421.40	-6.9%
2018	449.90	2.3%	444.39	5.5%
2019	419.89	-6.7%	403.27	-9.3%
2020	444.22	5.8%	427.43	6.0%
<u>Average Percent Increase</u>				
From Inception of 5 Tier Structure (1996)		3.4%		3.8%
Most Recent 10 Years		1.2%		1.8%
Most Recent 5 Years		1.7%		1.6%

(1) Represents premiums paid to the vendors (2011-2013) and premiums set to fund all self insured costs (2014-2020).
(2) Represents cost to a participating agency.

EMPIRE PLAN PA 5 TIER GROUP RATES 2011 - 2020 Monthly Rates
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	Gross Rate(1)	% Change	Net Rate(2)	% Change
Family - 1 Medprime				
2011	1,311.39	11.9%	1,225.62	12.9%
2012	1,341.42	2.3%	1,269.28	3.6%
2013	1,342.71	0.1%	1,317.93	3.8%
2014	1,387.18	3.3%	1,351.42	2.5%
2015	1,445.54	4.2%	1,405.68	4.0%
2016	1,566.06	8.3%	1,530.00	8.8%
2017	1,671.33	6.7%	1,637.63	7.0%
2018	1,791.89	7.2%	1,777.54	8.5%
2019	1,805.70	0.8%	1,773.19	-0.2%
2020 projected	1,918.11	6.2%	1,867.98	5.3%
<u>Average Percent Increase</u>				
From Inception of 5 Tier Structure (1996)		5.8%		6.1%
Most Recent 10 Years		5.1%		5.6%
Most Recent 5 Years		5.9%		5.9%
Family - 2 or More Medprime				
2011	1,024.28	12.3%	937.31	11.5%
2012	1,037.53	1.3%	975.77	4.1%
2013	972.66	-6.3%	949.28	-2.7%
2014	1,022.11	5.1%	988.69	4.2%
2015	1,028.48	0.6%	1,002.46	1.4%
2016	1,151.17	11.9%	1,133.77	13.1%
2017	1,154.11	0.3%	1,114.63	-1.7%
2018	1,219.31	5.6%	1,206.95	8.3%
2019	1,170.10	-4.0%	1,133.57	-6.1%
2020 projected	1,237.53	5.8%	1,195.90	5.5%
<u>Average Percent Increase</u>				
From Inception of 5 Tier Structure (1996)		4.3%		4.7%
Most Recent 10 Years		3.3%		3.7%
Most Recent 5 Years		3.9%		3.8%

(1) Represents premiums paid to the vendors (2011-2013) and premiums set to fund all self insured costs (2014-2020).
(2) Represents cost to a participating agency.

**EMPIRE PLAN
PA 2 TIER GROUP RATES
2011 - 2020 Monthly Rates
(For Illustrative Purposes Only)**

	Gross Rate(1)	% Change	Net Rate(2)	% Change
Individual				
2011	621.78	11.5%	581.69	12.8%
2012	619.95	-0.3%	584.75	0.5%
2013	608.23	-1.9%	594.58	1.7%
2014	619.05	1.8%	602.57	1.3%
2015	643.84	4.0%	624.64	3.7%
2016	681.30	5.8%	663.86	6.3%
2017	724.25	6.3%	710.27	7.0%
2018	770.58	6.4%	764.28	7.6%
2019	780.11	1.2%	765.06	0.1%
2020	830.96	6.5%	810.06	5.9%
Average Percent Increase				
From Inception (1986)		6.6%		6.6%
Most Recent 10 Years		4.1%		4.7%
Most Recent 5 Years		5.3%		5.4%
Family				
2011	1,441.84	11.2%	1,353.97	12.5%
2012	1,478.23	2.5%	1,398.52	3.3%
2013	1,502.55	1.6%	1,471.47	5.2%
2014	1,539.35	2.4%	1,502.31	2.1%
2015	1,604.08	4.2%	1,557.93	3.7%
2016	1,722.49	7.4%	1,678.01	7.7%
2017	1,856.96	7.8%	1,825.69	8.8%
2018	1,979.89	6.6%	1,965.09	7.6%
2019	2,002.23	1.1%	1,968.14	0.2%
2020	2,130.29	6.4%	2,078.95	5.6%
Average Percent Increase				
From Inception (1986)		7.2%		7.3%
Most Recent 10 Years		5.1%		5.7%
Most Recent 5 Years		5.9%		6.0%

(1) Represents premiums paid to the vendors (2011-2013) and premiums set to fund all self insured costs (2014-2020)

(2) Represents cost to a participating agency.