



Monterey Peninsula College P&C Report - January through December 2017

March 16, 2018

Christine Kerns, Senior Vice President

- Medical Plan – 2017 Premium vs. Claims (P&C) Report
 - Funding Recap
 - Premium and Claims Summary
 - Plan Performance
 - Claims vs Funding
 - Stop-Loss
 - Large Claims
- Ancillary Coverages - Review
- Compliance Updates

Premiums and Claims Report – Jan-Dec 2017

Actives, Early Retirees and Retirees 65+ on Medicare



The Premiums and Claims report is based on the period from January 1, 2017 – December 31, 2017

- This report includes Actives, Early Retirees, Medicare Retirees, and COBRA participants
- The funding rate for Actives and Early Retirees is:
 - \$1,517.00 for July 2015 – June 2016
 - \$1,668.70 for July 2016 – June 2017
 - **\$1,752.00 for Jul 2017 – June 2018**
- The funding rates for Retirees on Medicare for Jan 2017 – December 2017 are:
 - Retiree Only: \$419.39
 - Retiree + Spouse (On Medicare): \$838.76
 - One Medicare and One Non-Medicare: \$1,164.83
- The funding rates for Retirees on Medicare for January 2018 – December 2018 are:
 - Retiree Only: \$487.73
 - Retiree + Spouse (On Medicare): \$975.45
 - One Medicare and One Non-Medicare: \$1,354.65

The Premiums and Claims report is based on the period from January 1, 2017 – December 31, 2017

- History of loss ratio:
 - The loss ratio for the prior reporting period (Jul 2013 – Jun 2014) was **102.90%**
 - The loss ratio for the prior reporting period (Jul 2014 – Jun 2015) was **103.21%**
 - The loss ratio for the prior reporting period (Jul 2015 – Jun 2016) was **103.42%**
 - The loss ratio for the prior reporting period (Jul 2016 – Jun 2017) was **105.53%**
 - **The loss ratio for the current reporting period (Jan 2017 – Dec 2017) is 91.11%**

- The Total Loss Ratio has declined for the period 1/1/2017 – 12/31/2017. This is largely due to the following:
 - Fixed costs – decrease effective 7/1/2017 due to Stop Loss premium reduction with change to VOYA
 - Claims costs – average medical claims shows a decrease in the 2nd half of 2017:
 - Claims 1/1/2017 – 6/30/2017 = \$2,857,637
 - Claims 7/1/2017 – 12/31/2017 = \$2,048,290
 - Funding rates for Actives/Early Retirees increased by **4.99%** effective 7/1/2017

- For comparison purposes, the loss ratio for the period January 1, 2016 – December 31, 2016 was 107.63%

MPC – FUNDING vs CLAIMS

Actives, Early Retirees, Retirees 65+ on Medicare, and COBRA



		Funding / Premium					Paid Claims		Credits/ Rebates		Fixed Costs			Loss Ratio		Surplus / Deficit	
A	B	C	D	E	F	G	H	I	J	K	L	M	O	P	Q	R	S
Month	Actives, COBRA, Retirees U65, Retirees O65	Actives	Early Retiree	Retiree on Medicare ¹	COBRA ²	Total	DHS Medical Paid Claims	Gross Rx Claims	Stop Loss Credits ³	Rx Rebates ⁴	Net Total Claims	Stop Loss Fee ⁵	Medical Admin ⁶	Total Fixed Costs	Total Expenses	Income and Expense Ratio	Total Expenses
Jul-16	405	\$442,206	\$53,398	\$53,588	\$1,548	\$550,740	\$289,974	\$146,334	\$0	\$0	\$436,308	\$100,459	\$21,850	\$122,309	\$558,617	101.43%	-\$7,877
Aug-16	407	\$445,543	\$53,398	\$53,588	\$1,548	\$554,077	\$357,362	\$136,024	(\$72,500)	\$0	\$420,887	\$97,710	\$20,649	\$118,359	\$539,245	97.32%	\$14,832
Sep-16	417	\$452,218	\$58,405	\$54,094	\$3,096	\$567,812	\$490,633	\$134,915	\$0	(\$10,433)	\$615,115	\$100,719	\$21,578	\$122,297	\$737,412	129.87%	-\$169,600
Oct-16	413	\$452,218	\$56,736	\$53,083	\$2,322	\$564,358	\$259,099	\$131,815	\$0	\$0	\$390,915	\$103,333	\$22,286	\$125,619	\$516,533	91.53%	\$47,824
Nov-16	408	\$447,212	\$55,067	\$52,577	\$2,322	\$557,178	\$289,428	\$127,328	(\$159,282)	\$0	\$257,474	\$100,210	\$21,504	\$121,714	\$379,188	68.06%	\$177,990
Dec-16	408	\$447,212	\$55,067	\$52,577	\$2,322	\$557,178	\$498,258	\$116,938	\$0	(\$8,832)	\$606,364	\$98,618	\$20,955	\$119,573	\$725,937	130.29%	-\$168,759
Jan-17	404	\$447,212	\$56,736	\$50,555	\$1,548	\$556,050	\$360,329	\$173,617	\$0	\$0	\$533,945	\$101,288	\$21,699	\$122,986	\$656,932	118.14%	-\$100,882
Feb-17	402	\$445,543	\$58,405	\$50,049	\$774	\$554,771	\$388,843	\$114,350	\$0	\$0	\$503,194	\$100,352	\$21,543	\$121,895	\$625,088	112.68%	-\$70,318
Mar-17	399	\$442,206	\$56,736	\$50,049	\$774	\$549,765	\$344,170	\$131,359	\$0	(\$38,000)	\$437,528	\$95,834	\$19,956	\$115,790	\$553,318	100.65%	-\$3,554
Apr-17	400	\$440,537	\$60,073	\$50,049	\$774	\$551,433	\$236,686	\$137,896	(\$9,940)	\$0	\$364,641	\$100,434	\$21,400	\$121,834	\$486,476	88.22%	\$64,958
May-17	400	\$442,206	\$60,073	\$49,544	\$774	\$552,596	\$317,581	\$123,068	(\$6,188)	\$0	\$434,461	\$94,445	\$19,638	\$114,082	\$548,543	99.27%	\$4,053
Jun-17	395	\$442,206	\$58,405	\$47,522	\$774	\$548,906	\$480,429	\$132,753	(\$5,899)	(\$23,416)	\$583,867	\$100,889	\$21,493	\$122,382	\$706,249	128.66%	-\$157,344
Jul-17	398	\$452,016	\$68,328	\$50,555	\$844	\$571,743	\$357,649	\$178,236	(\$97,892)	\$0	\$437,993	\$77,400	\$20,780	\$98,179	\$536,172	93.78%	\$35,571
Aug-17	406	\$469,536	\$68,328	\$49,544	\$844	\$588,252	\$296,361	\$117,031	(\$82,827)	\$0	\$330,566	\$78,834	\$21,725	\$100,559	\$431,125	73.29%	\$157,128
Sep-17	404	\$471,288	\$68,328	\$48,027	\$844	\$588,488	\$111,190	\$111,301	\$0	\$0	\$222,491	\$75,736	\$20,727	\$96,463	\$318,954	54.20%	\$269,534
Oct-17	408	\$476,544	\$68,328	\$48,533	\$844	\$594,249	\$294,392	\$150,288	\$0	\$0	\$444,680	\$78,703	\$21,901	\$100,604	\$545,283	91.76%	\$48,966
Nov-17	406	\$474,792	\$66,576	\$48,533	\$844	\$590,745	\$392,591	\$133,480	(\$393,737)	\$0	\$132,334	\$78,957	\$21,966	\$100,923	\$233,257	39.49%	\$357,488
Dec-17	392	\$474,792	\$63,072	\$42,466	\$844	\$581,175	\$352,423	\$127,804	\$0	\$0	\$480,227	\$78,156	\$21,634	\$99,791	\$580,017	99.80%	\$1,157
PY 2014-15	4,813	\$4,708,768	\$658,378	\$656,444	\$0	\$6,023,590	\$3,637,189	\$1,872,991	(\$341,794)	(\$52,713)	\$5,115,673	\$858,275	\$242,976	\$1,101,252	\$6,216,925	103.21%	-\$193,335
PY 2015-16	4,839	\$4,760,346	\$623,487	\$644,576	\$11,608	\$6,040,017	\$4,165,261	\$1,657,851	(\$857,644)	(\$45,443)	\$4,920,025	\$1,078,888	\$247,899	\$1,326,787	\$6,246,812	103.42%	-\$206,794
PY 2016-17	4,858	\$5,346,515	\$682,498	\$617,277	\$18,573	\$6,664,863	\$4,312,791	\$1,606,398	(\$253,809)	(\$80,681)	\$5,584,699	\$1,194,290	\$254,550	\$1,448,840	\$7,033,539	105.53%	-\$368,676
Rolling 12	4,814	\$5,478,876	\$753,387	\$585,427	\$10,483	\$6,828,173	\$3,932,644	\$1,631,182	(\$596,482)	(\$61,416)	\$4,905,927	\$1,061,027	\$254,461	\$1,315,488	\$6,221,415	91.11%	\$606,758

¹ - Retiree Subsidy is not included. Funding amounts for July 2015 - Dec 2017 are estimated and actual amounts may vary.

Effective Date	1-1-15-12-31-15	1-1-16-12-31-16	1-1-17-12-31-17
Retiree (M)	\$349.49	\$349.49	\$419.39
Retiree + Spouse(M)(M)	\$698.97	\$698.97	\$838.76
One on One Off	\$970.69	\$970.69	\$1,164.83

² - COBRA reflect medical enrollments only, MPC does pay for dental members on COBRA which has incurred minimal admin costs not shown here

³ - Stop loss credits represent amounts paid to MPC as reported by DHS; actual reimbursements may differ.

⁴ - Rx Rebates are reported in the months they are received and not incurred.

⁵ - Stop Loss fees are as stated by DHS. As of July 1, 2017, MPC has switched Stop Loss carriers to Voya Financial

⁶ - Medical Admin Fee Includes:

DHS TPA Fee (\$22 PEPM 15-16 PY / \$22.75 PEPM 16-17 PY / \$22.75 PEPM 17-18PY)
 Anthem JAA Network / Disease Management (\$24.76 PEPM 15-16 PY / \$25.37 PEPM 16-17 PY / \$25.37 PEPM 17-18 PY)
 COBRA Admin Fee (\$1 PPPM & \$8 PPPM)
 Retiree Admin Fee (\$5.50 PPPM)

MPC – FUNDING vs CLAIMS

Actives



		Funding / Premium	Paid Claims		Credits/ Rebates			Fixed Costs			Loss Ratio	
Month	Actives	Internal Funding ¹	DHS Medical Paid Claims	Gross Rx Claims	Stop Loss Credits ²	Rx Rebates ³	Net Total Claims	Stop Loss Fee ⁴	Medical Admin ⁵	Total Fixed Costs	Total Expenses	Income and Expense Ratio
Jul-16	265	\$442,206	\$126,865	\$86,377	\$0	\$0	\$213,242	\$69,446	\$13,017	\$82,462	\$295,704	66.87%
Aug-16	267	\$445,543	\$288,055	\$80,442	-\$67,298	\$0	\$435,794	\$69,921	\$13,017	\$82,938	\$518,732	116.43%
Sep-16	271	\$452,218	\$411,180	\$63,576	\$0	-\$10,433	\$485,189	\$70,375	\$13,115	\$83,490	\$568,679	125.75%
Oct-16	271	\$452,218	\$200,163	\$78,624	\$0	\$0	\$278,787	\$71,540	\$13,459	\$84,999	\$363,786	80.44%
Nov-16	268	\$447,212	\$224,497	\$71,826	-\$159,282	\$0	\$455,606	\$70,035	\$13,115	\$83,150	\$538,756	120.47%
Dec-16	268	\$447,212	\$356,854	\$60,841	\$0	-\$8,832	\$426,528	\$71,425	\$13,361	\$84,786	\$511,313	114.33%
Jan-17	268	\$447,212	\$313,791	\$105,566	\$0	\$0	\$419,356	\$70,687	\$13,164	\$83,851	\$503,207	112.52%
Feb-17	267	\$445,543	\$297,743	\$60,382	\$0	\$0	\$358,125	\$70,205	\$13,115	\$83,320	\$441,445	99.08%
Mar-17	265	\$442,206	\$298,763	\$70,666	\$0	-\$38,000	\$407,429	\$69,948	\$12,968	\$82,916	\$490,345	110.89%
Apr-17	264	\$440,537	\$202,463	\$95,161	\$0	\$0	\$297,624	\$70,375	\$13,115	\$83,490	\$381,114	86.51%
May-17	265	\$442,206	\$263,037	\$61,272	\$0	\$0	\$324,309	\$68,985	\$12,869	\$81,855	\$406,163	91.85%
Jun-17	265	\$442,206	\$418,042	\$78,098	\$0	-\$23,416	\$519,556	\$69,921	\$13,017	\$82,938	\$602,494	136.25%
Jul-17	258	\$452,016	\$264,081	\$128,745	-\$97,892	\$0	\$490,718	\$53,551	\$12,897	\$66,448	\$557,166	123.26%
Aug-17	268	\$469,536	\$200,278	\$70,978	-\$42,492	\$0	\$313,748	\$54,380	\$13,147	\$67,527	\$381,275	81.20%
Sep-17	269	\$471,288	\$70,339	\$60,284	\$0	\$0	\$130,623	\$54,929	\$13,297	\$68,226	\$198,849	42.19%
Oct-17	272	\$476,544	\$226,158	\$103,961	\$0	\$0	\$330,119	\$55,476	\$13,496	\$68,972	\$399,091	83.75%
Nov-17	271	\$474,792	\$259,429	\$75,764	-\$393,737	\$0	\$728,930	\$56,042	\$13,546	\$69,587	\$798,517	168.18%
Dec-17	271	\$474,792	\$271,004	\$73,214	\$0	\$0	\$344,218	\$56,491	\$13,695	\$70,186	\$414,404	97.26%
PY 2016-17	3,204	\$5,346,515	\$3,401,453	\$912,830	-\$226,580	-\$80,681	\$4,621,545	\$842,862	\$157,331	\$1,000,193	\$5,621,738	105.15%
Rolling 12	3,203	\$5,478,876	\$3,085,128	\$984,090	-\$534,121	-\$61,416	\$4,664,754	\$750,989	\$158,326	\$909,315	\$5,574,069	101.74%

¹ - \$1,517.00 15-16 funding rate; \$1,668.70 16-17 PY funding; \$1752.00 17-18 PY funding

² - Stop loss credits represent amounts paid to MPC as reported by DHS; actual reimbursements may differ.

³ - Rx Rebates are reported in the months they are received and not incurred; actual rebates include 180 day lag

⁴ - Stop Loss fees are as stated by DHS. As of July 1, 2017, MPC has switched Stop Loss carriers to Voya Financial

⁵ - Medical Admin Fee Includes:

DHS TPA Fee (\$22 PEPM 15-16 PY / \$22.75 PEPM 16-17 PY / \$22.75 PEPM 17-18PY)

Anthem JAA Network / Disease Management (\$24.76 PEPM 15-16 PY / \$25.37 PEPM 16-17 PY / \$25.37 PEPM 17-18 PY)

COBRA Admin Fee (\$1 PPPM & \$8 PPPM)

Retiree Admin Fee (\$5.50 PPPM)

MPC – FUNDING vs CLAIMS

Early Retirees



		Funding / Premium	Paid Claims		Credits/ Rebates			Fixed Costs			Loss Ratio	
Month	Early Retirees U65	Internal Funding ¹	DHS Medical Paid Claims	Gross Rx Claims	Stop Loss Credits ²	Rx Rebates ³	Net Total Claims	Stop Loss Fee ⁴	Medical Admin ⁵	Total Fixed Costs	Total Expenses	Income and Expense Ratio
Jul-16	32	\$53,398	\$142,791	\$7,915	\$0	\$0	\$150,706	\$7,435	\$1,598	\$9,033	\$159,739	299.15%
Aug-16	32	\$53,398	\$48,035	\$7,860	-\$5,201	\$0	\$61,097	\$7,435	\$1,584	\$9,018	\$70,115	131.31%
Sep-16	35	\$58,405	\$51,566	\$13,730	\$0	\$0	\$65,296	\$8,370	\$1,717	\$10,087	\$75,383	129.07%
Oct-16	34	\$56,736	\$31,116	\$11,781	\$0	\$0	\$42,897	\$8,058	\$1,696	\$9,755	\$52,652	92.80%
Nov-16	33	\$55,067	\$52,650	\$8,686	\$0	\$0	\$61,336	\$7,916	\$1,633	\$9,549	\$70,885	128.73%
Dec-16	33	\$55,067	\$128,119	\$9,634	\$0	\$0	\$137,753	\$7,916	\$1,633	\$9,549	\$147,302	267.50%
Jan-17	34	\$56,736	\$26,776	\$14,532	\$0	\$0	\$41,308	\$8,058	\$1,681	\$9,739	\$51,047	89.97%
Feb-17	35	\$58,405	\$73,249	\$7,208	\$0	\$0	\$80,457	\$8,852	\$1,779	\$10,631	\$91,089	155.96%
Mar-17	34	\$56,736	\$22,480	\$8,359	\$0	\$0	\$30,839	\$8,228	\$1,681	\$9,909	\$40,748	71.82%
Apr-17	36	\$60,073	\$20,136	\$6,317	-\$9,940	\$0	\$36,393	\$7,292	\$1,447	\$8,739	\$45,132	75.13%
May-17	36	\$60,073	\$28,312	\$9,100	-\$6,188	\$0	\$43,599	\$9,590	\$1,962	\$11,552	\$55,152	91.81%
Jun-17	35	\$58,405	\$38,674	\$7,454	-\$5,899	\$0	\$52,027	\$8,540	\$1,717	\$10,257	\$62,284	106.64%
Jul-17	39	\$68,328	\$72,436	\$6,457	\$0	\$0	\$78,894	\$7,306	\$1,889	\$9,195	\$88,089	128.92%
Aug-17	39	\$68,328	\$43,209	\$7,638	-\$40,335	\$0	\$91,182	\$7,306	\$1,889	\$9,195	\$100,377	146.90%
Sep-17	39	\$68,328	\$25,659	\$4,774	\$0	\$0	\$30,433	\$7,592	\$2,038	\$9,630	\$40,063	58.63%
Oct-17	39	\$68,328	\$49,255	\$4,209	\$0	\$0	\$53,464	\$7,396	\$1,939	\$9,335	\$62,799	91.91%
Nov-17	38	\$66,576	\$122,003	\$3,885	\$0	\$0	\$125,888	\$7,143	\$1,888	\$9,030	\$134,919	202.65%
Dec-17	36	\$63,072	\$63,182	\$2,869	\$0	\$0	\$66,051	\$6,791	\$1,788	\$8,580	\$74,631	116.33%
PY 2016-17	409	\$682,498	\$663,905	\$112,578	-\$27,228	\$0	\$803,711	\$97,692	\$20,127	\$117,818	\$921,529	135.02%
Rolling 12	440	\$753,387	\$585,371	\$82,804	-\$62,362	\$0	\$730,537	\$94,095	\$21,697	\$115,792	\$846,330	112.34%

¹ - \$1,517.00 15-16 funding rate; \$1,668.70 16-17 PY funding; \$1752.00 17-18 PY funding
² - Stop loss credits represent amounts paid to MPC as reported by DHS; actual reimbursements may differ.
³ - Rx Rebates are reported in the months they are received and not incurred.
⁴ - Stop Loss fees are as stated by DHS. As of July 1, 2017, MPC has switched Stop Loss carriers to Voya Financial

⁵ - Medical Admin Fee Includes:
DHS TPA Fee (\$22 PEPM 15-16 PY / \$22.75 PEPM 16-17 PY / \$22.75 PEPM 17-18PY)
Anthem JAA Network / Disease Management (\$24.76 PEPM 15-16 PY / \$25.37 PEPM 16-17 PY / \$25.37 PEPM 17-18 PY)
COBRA Admin Fee (\$1 PPPM & \$8 PPPM)
Retiree Admin Fee (\$5.50 PPPM)

MPC – FUNDING vs CLAIMS

Retirees 65+ on Medicare



Month	Retiree O65	Funding / Premium	Paid Claims		Credits/ Rebates		Net Total Claims	Fixed Costs			Loss Ratio	
		Internal Funding ¹	DHS Medical Paid Claims	Gross Rx Claims	Stop Loss Credits ²	Rx Rebates ³		Stop Loss Fee ⁴	Medical Admin ⁵	Total Fixed Costs	Total Expenses	Income and Expense Ratio
Jul-16	106	\$53,588	\$20,197	\$51,133	\$0	\$0	\$71,330	\$23,166	\$7,175	\$30,341	\$101,671	189.73%
Aug-16	106	\$53,588	\$20,993	\$47,448	\$0	\$0	\$68,441	\$19,934	\$5,989	\$25,922	\$94,364	176.09%
Sep-16	107	\$54,094	\$27,262	\$56,950	\$0	\$0	\$84,212	\$21,689	\$6,627	\$28,316	\$112,527	208.02%
Oct-16	105	\$53,083	\$27,820	\$40,342	\$0	\$0	\$68,162	\$23,024	\$7,040	\$30,065	\$98,227	185.04%
Nov-16	104	\$52,577	\$12,280	\$46,596	\$0	\$0	\$58,877	\$21,832	\$6,667	\$28,498	\$87,375	166.18%
Dec-16	104	\$52,577	\$13,284	\$46,062	\$0	\$0	\$59,346	\$19,135	\$5,871	\$25,006	\$84,352	160.44%
Jan-17	100	\$50,555	\$19,762	\$52,475	\$0	\$0	\$72,237	\$22,116	\$6,794	\$28,910	\$101,146	200.07%
Feb-17	99	\$50,049	\$17,851	\$46,410	\$0	\$0	\$64,261	\$21,011	\$6,618	\$27,629	\$91,890	183.60%
Mar-17	99	\$50,049	\$22,927	\$51,911	\$0	\$0	\$74,837	\$17,516	\$5,277	\$22,793	\$97,630	195.07%
Apr-17	99	\$50,049	\$13,455	\$36,100	\$0	\$0	\$49,555	\$22,625	\$6,808	\$29,433	\$78,988	157.82%
May-17	98	\$49,544	\$26,232	\$52,340	\$0	\$0	\$78,572	\$15,869	\$4,776	\$20,645	\$99,217	200.26%
Jun-17	94	\$47,522	\$22,672	\$46,916	\$0	\$0	\$69,589	\$22,143	\$6,730	\$28,874	\$98,462	207.19%
Jul-17	100	\$50,555	\$21,132	\$42,720	\$0	\$0	\$63,853	\$16,542	\$5,964	\$22,506	\$86,358	170.82%
Aug-17	98	\$49,544	\$52,874	\$38,095	\$0	\$0	\$90,969	\$17,049	\$6,659	\$23,709	\$114,678	231.47%
Sep-17	95	\$48,027	\$15,192	\$46,209	\$0	\$0	\$61,401	\$13,020	\$5,362	\$18,382	\$79,783	166.12%
Oct-17	96	\$48,533	\$18,855	\$42,054	\$0	\$0	\$60,908	\$15,733	\$6,436	\$22,170	\$83,078	171.18%
Nov-17	96	\$48,533	\$10,914	\$53,830	\$0	\$0	\$64,744	\$15,675	\$6,502	\$22,177	\$86,921	179.10%
Dec-17	84	\$42,466	\$18,237	\$51,690	\$0	\$0	\$69,927	\$14,777	\$6,121	\$20,898	\$90,824	213.87%
PY 2016-17	1,221	\$617,277	\$244,735	\$574,683	\$0	\$0	\$819,418	\$250,060	\$76,372	\$326,431	\$1,145,849	185.63%
Rolling 12	1,158	\$585,427	\$260,103	\$560,749	\$0	\$0	\$820,852	\$214,076	\$74,048	\$288,124	\$1,108,976	189.43%

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Effective Date	1.1.15-12.31.15	1.1.16-12.31.16	1.1.17-12.31.17
Retiree (M)	\$349.49	\$349.49	\$419.39
Retiree + Spouse(M)(M)	\$698.97	\$698.97	\$838.76
One on One Off	\$970.69	\$970.69	\$1,164.83

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Anthem JAA Network / Disease Management (\$24.76 PEPM 15-16 PY / \$25.37 PEPM 16-17 PY / \$25.37 PEPM 17-18 PY)
COBRA Admin Fee (\$1 PPPM & \$8 PPPM)
Retiree Admin Fee (\$5.50 PPPM)

MPC – FUNDING vs CLAIMS

COBRA Participants

Month	COBRA	Funding / Premium	Paid Claims		Credits/ Rebates		Net Total Claims	Fixed Costs			Loss Ratio	
		Internal Funding ¹	DHS Medical Paid Claims	Gross Rx Claims	Stop Loss Credits ²	Rx Rebates ²		Stop Loss Fee ⁴	Medical Admin ⁵	Total Fixed Costs	Total Expenses	Income and Expense Ratio
Jul-16	2	\$1,548	\$122	\$908	\$0	\$0	\$0	\$413	\$60	\$473	\$473	31%
Aug-16	2	\$1,548	\$279	\$274	\$0	\$0	\$0	\$421	\$60	\$481	\$481	31%
Sep-16	4	\$3,096	\$626	\$659	\$0	\$0	\$0	\$284	\$120	\$404	\$404	13%
Oct-16	3	\$2,322	\$0	\$1,068	\$0	\$0	\$0	\$711	\$90	\$801	\$801	34%
Nov-16	3	\$2,322	\$0	\$220	\$0	\$0	\$0	\$427	\$90	\$517	\$517	22%
Dec-16	3	\$2,322	\$0	\$401	\$0	\$0	\$0	\$142	\$90	\$232	\$232	10%
Jan-17	2	\$1,548	\$0	\$1,045	\$0	\$0	\$0	\$427	\$60	\$487	\$487	31%
Feb-17	1	\$774	\$0	\$350	\$0	\$0	\$0	\$284	\$30	\$314	\$314	41%
Mar-17	1	\$774	\$0	\$423	\$0	\$0	\$0	\$142	\$30	\$172	\$172	22%
Apr-17	1	\$774	\$632	\$318	\$0	\$0	\$0	\$142	\$30	\$172	\$172	22%
May-17	1	\$774	\$0	\$356	\$0	\$0	\$0	\$0	\$30	\$30	\$30	4%
Jun-17	1	\$774	\$1,041	\$284	\$0	\$0	\$0	\$284	\$30	\$314	\$314	41%
Jul-17	1	\$844	\$0	\$313	\$0	\$0	\$0	\$0	\$30	\$30	\$30	4%
Aug-17	1	\$844	\$0	\$320	\$0	\$0	\$0	\$98	\$30	\$128	\$128	15%
Sep-17	1	\$844	\$0	\$34	\$0	\$0	\$0	\$195	\$30	\$225	\$225	27%
Oct-17	1	\$844	\$123	\$65	\$0	\$0	\$0	\$98	\$30	\$128	\$128	15%
Nov-17	1	\$844	\$245	\$0	\$0	\$0	\$0	\$98	\$30	\$128	\$128	15%
Dec-17	1	\$844	\$0	\$30	\$0	\$0	\$0	\$98	\$30	\$128	\$128	15%
PY 2016-17	24	\$18,573	\$2,699	\$6,307	\$0	\$0	\$0	\$3,677	\$720	\$4,397	\$4,397	23.67%
Rolling 12	13	\$10,483	\$2,041	\$3,539	\$0	\$0	\$0	\$1,866	\$390	\$2,256	\$2,256	21.52%

¹ - Cobra Rates: EE \$844.39 EE+1 \$1,688.78 EF \$2,389.63

² - Stop loss credits represent amounts paid to MPC as reported by DHS; actual reimbursements may differ.

³ - Rx Rebates are reported in the months they are received and not incurred.

⁴ - Stop Loss fees are as stated by DHS. As of July 1, 2017, MPC has switched Stop Loss carriers to Voya Financial

⁵ - Medical Admin Fee Includes:

DHS TPA Fee (\$22 PEPM 15-16 PY / \$22.75 PEPM 16-17 PY / \$22.75 PEPM 17-18PY)

Anthem JAA Network / Disease Management (\$24.76 PEPM 15-16 PY / \$25.37 PEPM 16-17 PY / \$25.37 PEPM 17-18 PY)

COBRA Admin Fee (\$1 PPPM & \$8 PPPM)

Over 65 Retiree Rating

- MPC increased the Over 65 Retiree rates by 16.3% effective January 1, 2018
- Rates are as follows:
 - Retiree Only: \$487.73
 - Two on Medicare: \$975.45
 - One on Medicare, one without Medicare: \$1,354.65
- The District contribution of \$125.55 is not included in the rates above

MPC - STOP LOSS

\$150,000 Specific Deductible



Month	Total Enrollment	Stop Loss Premium ¹	Stop Loss Requested Reimbursements ²	Stop Loss Paid Reimbursement ³	Loss Ratio Requested Reimbursements
Jul-16	405	\$100,459	\$0	\$0	0.0%
Aug-16	407	\$97,710	\$0	\$0	0.0%
Sep-16	417	\$100,719	\$0	\$0	0.0%
Oct-16	413	\$103,333	\$0	\$0	0.0%
Nov-16	408	\$100,210	\$159,282	\$159,282	158.9%
Dec-16	408	\$98,618	\$0	\$0	0.0%
Jan-17	404	\$101,288	\$0	\$83,963	0.0%
Feb-17	402	\$100,352	\$42,004	\$0	41.9%
Mar-17	399	\$95,834	\$0	\$4,461	0.00%
Apr-17	400	\$100,434	\$3,500	\$9,940	3.48%
May-17	400	\$94,445	\$68,008	\$8,889	72.01%
Jun-17	395	\$100,889	\$124,605	\$101,090	123.51%
Jul-17	398	\$77,400	\$0	\$0	0.00%
Aug-17	406	\$78,834	\$0	\$0	0.00%
Sep-17	404	\$75,736	\$0	\$0	0.00%
Oct-17	408	\$78,703	\$543,737	\$0	690.87%
Nov-17	406	\$78,957	\$0	\$393,737	0.00%
Dec-17	392	\$78,156	\$208,284	\$58,284	266.50%
PY 16-17	4,858	\$1,194,290	\$397,400	\$367,626	30.78%
Rolling 12	4,814	\$1,061,027	\$990,139	\$660,364	62.24%

¹ Stop Loss fees are as stated by DHS

² Stop loss requested reimbursements as reported by Stealth through June 2017, and with Voya starting July 2017.

³ Stop loss paid reimbursement represent amounts paid to MPC as reported by DHS and Stealth through June 2017. Reported by DHS and Voya starting July 2017.

MPC LARGE CLAIMS

Over \$50,000



Start Date: July 1, 2017
 End Date: June 30, 2018
 Claims as of: December 31, 2017

Claimant	Claimant Status	Claimant Type	Diagnostic Category	Total Paid Claims ¹
1	Active	Self	Dissecting aortic aneurysm (any part), thoracic	\$585,349
2	Retiree	Self	Major depressive disorder, recurrent episode, severe, without mention of psychotic behavior, suicidal ideation. Excludes suicidal tendencies	\$175,821
3	Active	Self	Malignant neoplasm of breast (female), unspecified site, Secondary malignant neoplasm of bone & bone marrow	\$86,936
4	Active	Self	Other specified intestinal obstruction	\$59,418
Total				\$907,524

¹ Total Paid Claims as stated by DHS

² Large Claimant Report last updated on 1/18

Ancillary Coverages

ANCILLARY COVERAGES 2017-2018

2017-18 Delta Dental (ACSIG)



For the 7/1/2017 renewal, Alliant's underwriting calculation suggested a decrease of - 11.51% to MPC's funding rate. Alliant recommended a rate decrease and MPC decided to hold the rates for plan year 2017/18.

ACSIG Self-funded Program fees are valid through September 31, 2018 and are as follows:

- Delta Dental Administration rate is 5.86% of paid claims
- ACSIG fee is \$0.60 per employee per month

ANCILLARY COVERAGES 2017-2018

2017-18 Delta Dental (ACSIG)



Dental Benefits	Delta Dental (ACSIG) PPO PLAN	
	PPO Network	Premier & Non PPO Networks
Calendar Year Maximum	\$1,700/Member	\$1,500/Member
Calendar Year Deductible	No Deductibles	
Individual / Family	None (Waived for Diagnostic & Preventive)	
Diagnostic and Preventive		
Oral Exam	70%-100%	
X-Rays		
Teeth Cleaning		
Fluoride Treatment		
Space Maintainers		
Bitewings		
Basic Services		
Sealants	70%-100%	
Amalgam/Composite Fillings		
Periodontics (Gum disease)		
Endodontics (Root Canal)		
Extractions & Other Oral Surgery		
Major Services		
Crown Repair	70%-100%	
Restorative - Inlays and Crowns		
Prosthodontics	50%	
Orthodontics		
Eligible for Benefit	Children Only	
Benefit Level	50% with \$500 lifetime max per child	
Accident		
Calendar Year Maximum	100%	
Rate Guarantee	Separate \$1,000 Max per person	
Rates	1 Year	
	Current	Projected
Composite Funding Rate	\$115.15	\$115.15
Monthly Premium	\$32,818	\$32,818
Annual Premium	\$393,813	\$393,813
\$ Difference	\$0	
% Difference	0.0%	

EE's
285

This document is intended as a quick reference, not a comprehensive description. Limitations and exclusions can be found in the official plan documents. In case of any discrepancies, the official plan documents will govern.

ANCILLARY COVERAGES 2017-2018

2017-18 VSP Vision (ACSIG)



For the July 1, 2017 renewal, Alliant's underwriting calculation suggested a decrease of - 21.11% to MPC's funding rate. Alliant recommended a rate decrease and MPC decided to hold the rates for plan year 2017/18.

ACSIG Self-funded Program fees are valid through September 31, 2018 are as follows:

- VSP Administration rate is 12.5% of paid claims

ANCILLARY COVERAGES 2017-2018

2017-18 VSP Vision (ACSIG)



Vision Benefits	VSP (ACSIG) Vision Plan	
	In-Network	Out-of-Network
	Copay:	Pays Up To:
Exam & Prescription Glasses	No Charge	\$45
Lenses		
Single	No Charge	\$45
Bifocal	No Charge	\$65
Trifocal	No Charge	\$85
Frames	\$120 Allowance	\$47
Contact Lenses		
Medically Necessary	No Charge	\$210
Elective	\$120 Allowance	\$105
Frequency of Services		
Eye Examination	12 Months	
Lenses	12 Months	
Frames	24 Months	
Contact Lenses	12 Months	
Rate Guarantee	1 Year	
Rates	Current	Projected
Composite Funding Rate	\$10.31	\$10.31
Monthly Premium	\$3,031	\$3,031
Annual Premium	\$36,374	\$36,374
\$ Difference	\$0	
% Difference	0.00%	

EE's

294

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ANCILLARY COVERAGES 2017-2018

Anthem Life AD&D



Basic Life/AD&D Benefits	Anthem Employee Life AD&D Anthem Dependent Life
Employee Coverage Age Range	Life AD&D Volumes
Under Age 25	\$162,240
Age 25-29	\$141,960
Age 30-34	\$121,680
Age 35-39	\$104,442
Age 40-44	\$83,148
Age 45-49	\$62,361
Age 50-54	\$43,000
Age 55-59	\$35,000
Age 60-64	\$30,000
Age 65-69	\$18,000
Age 70-74	\$9,000
Age 75-79	\$4,000
Age 80-84	\$2,000
Age 85 and Over	\$1,000
Under Age 50	\$50,000.00
Age 50-54	\$43,000.00
Age 55-59	\$35,000.00
Age 60-64	\$30,000.00
Age 65-69	\$18,000.00
Age 70-74	\$9,000.00
Age 75-79	\$4,000.00
Age 80-84	\$2,000.00
Age 85 and Over	\$1,000.00
Dependent Coverage	
Spouse	\$1,500
Child(ren)	8 days - Under 6 Months = \$100 Over 6 Months = \$1,500 (Child coverage can continue until 24 if they are a full-time)
Additional Benefit Provisions	
Waiver of Premium	Prior to age 60 until age 65, Anthem will pay premium after the first 9 month
Accelerated Death Benefit	75% of group term life
Seat Belt Provision (AD&D)	10% of the AD&D benefit amount
Rate Guarantee	2 Year 7/1/2016 - 6/30/2018
Monthly Rates	Current
Estimated Life Insurance Volume	\$8,054,776
Estimated AD&D Volume	\$5,344,000
Basic Life Rate per \$1,000	\$0.160
Dependent Life Rate	\$0.570
AD&D Rate per \$1,000	\$0.027
Estimated Monthly Premium	\$1,433
Estimated Annual Premium	\$17,197

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ANCILLARY COVERAGES 2017-2018

Voya Long Term Disability



Long Term Disability Benefits
Eligibility
Class 1 - Certified Employees
Class 2 - Academic Employees
Elimination Period
Monthly Benefit Percentage
Minimum Monthly Benefit
Maximum Monthly Benefit Class 1 & 2
Own Occupation Definition
Definition of Disability
Maximum Benefit Duration
Residual Disability Coverage
Recurrent Disabilities
Mental Health / Substance Abuse Limitations
Pre-Existing Condition
Rate Guarantee
Rates
Insurance Volume
Rate per \$100
MONTHLY PREMIUM
ANNUAL PREMIUM

Voya Current Benefits
Certified Employees An active F/T certified employees with 5 years of credited STRS service and working at least 20 hours per week
Academic Employees An active F/T academic employee with less than 5 years of credited STRS service and working at least 20 hours per week; and all other full-time employees working 30 hours each week
150 Days
66.67%
Greater of \$100 or 10% of Monthly Earnings
\$3,500
24 Months
Occupation and Earnings
Class 1: 24 Month Duration Elimination Period can be satisfied with total and/or partial
During Elim Period: 30 days 24 Months Lifetime
3 / 12
3 Years
Proposed
\$1,157,722
\$0.170
\$1,968
\$23,618

\$ Difference
% Difference

\$4,168
21%

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Compliance Updates

Pay or Play Update

The ACA requires employers to provide *Affordable* and *Comprehensive* coverage to any employee working over 30+ hours per week

To ensure the employer avoids the 4980H Shared Responsibility Penalty, each year the affordability calculations must be re-done

Contribution Percentage

2017: 9.69% of annual salary

2018: 9.56% of annual salary

If an eligible employee working 30+ hours per week has to pay more than 9.56% of annual salary for health coverage, the employer may be assessed a penalty by the IRS

Federal Poverty Line

2017: \$12,060 (for plan years beginning first 6 months of 2018)

Important! The ACA's employer mandate to offer coverage to full-time employees and employer reporting obligations have not been eliminated

Compliance Update - ACA

- On January 22, 2018, the president signed a bill put forward by Congress to end the federal government "shutdown"
- The bill also delays the implementation of several of the Affordable Care Act's health care related taxes, including:
 - The tax on high-cost employer sponsored health coverage (the "Cadillac" tax) – 2022
 - 40% excise tax on health insurance premium over \$10,200/\$27,500
 - The annual fee on health insurance providers (2019)
 - 1% to 3%
 - The medical device tax (2019)
 - 2.3%
- The taxes were intended to offset the cost of expanding coverage to lower and middle-income individuals under the ACA, but had remained widely unpopular

Tax Cuts and Jobs Act

On 12/22/17, President Trump signed the Tax Cuts & Jobs Act - The law includes a number of provisions likely to impact employers and group health plans, including:

- **ACA Individual Mandate:**
 - Eliminates individual mandate altogether effective 12/31/2018
 - This will likely create instability in the public exchanges, which may in turn affect enrollment in employer-sponsored plans
- **Bicycle Commuting Reimbursement:**
 - Suspends the \$20/month exclusion from employee income, effective 2018 through 2025
- **Moving Expense Reimbursement:**
 - Suspends the individual deduction for work-related moving expenses, effective 2018 through 2025

DISCLOSURES



This proposal is for information purposes only and does not amend, extend or alter the policy in any way. Please refer to the policy form for completed coverage and exclusion information.

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To learn more about companies doing business in California, visit the California Department of Insurance website at www.insurance.ca.gov.

NY REGULATION 194 DISCLOSURE

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Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Line of Coverage	Carrier	A.M. Best Rating
Medical PPO (Self Funded)	Anthem	A
Dental (ACSIG) PPO	Delta Dental	A
Vision (ACSIG)	VSP	A
Basic Life, Dep Life, and AD&D	Anthem	A
LTD	Voya	A
Stop Loss	Voya	A

The logo features the word "Alliant" in a bold, italicized, white sans-serif font. To the left of the "A" is a stylized white arrowhead pointing right. Below "Alliant" is the text "EMPLOYEE BENEFITS" in a white, all-caps, sans-serif font.

Alliant
EMPLOYEE BENEFITS

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