



State of New Jersey State Health Benefits Program

Dental Plans

Plan Year 2017 Rate Renewal Recommendation Report

September 2016

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Executive Summary

The purpose of this report is to review the experience of the Dental Plans offered through the New Jersey State Health Benefits Program (SHBP) to State Employees and Retirees, as well as Employees and Retirees of participating Local Employers, and recommend premium levels to support the Dental Plans for Plan Year 2017. Rate renewal recommendation reports on the SHBP Medical Plans have been submitted to the Division of Pensions and Benefits under separate cover.

The SHBP Dental Program currently includes the following options:

- The self-insured Employee Dental Expense Plan (DEP), administered by Aetna, which covers State Active Employees and Active Employees of participating Local Employers;
- The self-insured Retiree Dental Expense Plan, administered by Aetna, which covers State Retirees and Retirees of participating Local Employers;
- The five fully-insured Employee Dental Plan Organizations (DPOs), which cover State Active Employees and Active Employees of participating Local Employers, and
- The five fully-insured Retiree Dental Plan Organizations (DPOs), which cover State Retirees and Retirees of participating Local Employers.

The rate renewal recommendations resulting for Plan Year 2017 are reflected in Exhibit 1.

Benefit Changes

In Plan Year 2012, the Employee Dental Expense Plan changed from a passive PPO to a true PPO, which reduced claim costs 12% (\$6 million annual savings). Other than the offer of DPO enrollment to Retirees for the first time on 1/1/2015, there were no plan design changes since Plan Year 2015. The DEP plan will continue to operate as a “true PPO” with cost sharing differences between in and out-of-network claims. No benefit changes are expected in Plan Year 2017.

Financial Results

Active DEP – For Plan Year 2015, favorable experience for the DEP resulted in a 3.1% premium gain of \$1.8 million. Preliminary projections for Plan Year 2016 show a 0.3% gain of \$0.1 million. An approximately 2.8% increase in premium rates for Plan Year 2017 is projected to result in a break-even position for the Active Dental Expense Plan (i.e., plan costs equal to premium).

Retiree DEP – For Plan Year 2015, favorable experience for the Retiree DEP resulted in a 0.2% gain of \$0.1 million. Preliminary projections for Plan Year 2016 show a 2.0% loss of \$1.2 million due to unfavorable experience. An approximately 5.1% increase in premium rates for Plan Year 2017 is projected to result in a break-even position for the Retiree Dental Expense Plan (i.e., plan costs equal to premium).

DPOs – The DPOs are fully-insured, so the premiums represent a no-loss, no-gain basis for the State.

The table below summarizes the projected gains/(losses) in \$ millions for Plan Years 2015, 2016, and 2017. These results assume that premiums are fully funded each year:

Projected Gain / (Loss) \$ in Millions

| | <u>PY 2015</u> | <u>PY 2016</u> | <u>PY 2017</u> |
|-------------------------|----------------|----------------|----------------|
| Employee Dental Expense | \$1.8 | \$0.1 | \$0.0 |
| Retiree Dental Expense | \$0.1 | (\$1.2) | \$0.0 |
| DPOs | N/A | N/A | N/A |
| Total | \$1.9 | (\$1.1) | \$0.0 |

Administrative Changes

Plan Year 2017 administrative fees for the DEP were increased approximately 4.5% from Plan Year 2016 as a result of the fees guaranteed in the Dental RFP process.

Member Contributions

Retirees in the Dental Expense Plan pay 100% of the projected costs of the program. Active Employees pay 50% of the projected costs.

Historical Overview

Benefit Changes

In Plan Year 2012 the Employee Dental Expense Plan also changed from a passive PPO to a true PPO. No Benefit changes are included for 2017.

Network Changes

There were no significant changes in the Dental Expense Plan network in Plan Years 2013, 2014, 2015, 2016, and none are projected for Plan Year 2017.

Two years ago, the SHBP Dental Plan completed an RFP process to review potential DPO vendors. As a result, Aetna, Cigna, Healthplex, Horizon, and MetLife were selected to provide these benefits for Plan Year 2015 and future years. Aetna, Cigna, and MetLife have national DPO networks while Horizon and Healthplex are predominantly concentrated in New Jersey, with some coverage in adjacent counties in New York and Pennsylvania.

Enrollment Changes

Exhibit 2 shows historical enrollment patterns among the SHBP Dental Plan offerings for Plan Years 2006 through 2016 and includes Aon's projection of Plan Year 2017 enrollment.

State Active enrollment projections assume that Dental enrollment will remain consistent in Plan Year 2017, based on projections for the State medical plan enrollment and recent historical experience. Local Active enrollment projections assume that Local Active enrollment will remain stable in Plan Year 2017. Retiree dental enrollment is projected to increase 2.5% in Plan Year 2017.

Following are Aon's Plan Year 2017 Dental Program enrollment projections:

| | State | Local | Total |
|-----------------------------|---------------|---------------|---------------|
| Actives | | | |
| Dental Expense Plan | 60,700 | 4,600 | 65,300 |
| DPOs | 28,800 | 1,500 | 30,300 |
| Total Active Dental | 89,500 | 6,100 | 95,600 |
| Retirees | | | |
| Dental Expense Plan | 28,200 | 65,500 | 93,700 |
| DPOs | 1,900 | 2,900 | 4,800 |
| Total Retiree Dental | 30,100 | 68,400 | 98,500 |

Exhibits 2D and 2E show May 2016 DEP and DPO enrollment for Actives and Retirees, respectively.

Trend Analysis

Exhibit 3 presents Aon's trend assumptions for Plan Year 2017 for the DEPs. This exhibit compares the actual increase in SHBP Employee DEP average claims with industry norms (based on Aon's Trend Survey) for the same period, separately for Employees and Retirees.

For both SHBP Actives and Retirees, DEP claim increases range from -14.0% in Plan Year 2012 to +2.8% in Plan Year 2011. The negative claim increases in Plan Year 2012 for Actives and Plan Year 2011 for Retirees are primarily due to the change from a passive PPO to a true PPO. Aon Hewitt is recommending 3.0% trend to project DEP claims into Plan Years 2016 and 2017. Plan Year 2017 recommended DEP premium rates are 2.8% above Active rates and 5.1% above Retiree rates for Plan Year 2016 levels.

Dental Expense Plan Financial Projections

Rating Methodology

Exhibit 4 shows the aggregate costs for Plan Years 2015, 2016, and 2017, separately for Active versus Retired participants. Costs were projected separately for dental claims, administrative costs, investment income, and aggregate premiums. Exhibit 5 lists the assumptions used in projecting dental costs.

Dental Claim Projection

1. Using claim data (and claim triangles) supplied by Aetna, completed incurred claims were estimated for Plan Year 2015.
2. Aggregate dental claims for each Plan Year were divided by the average subscribers for that Plan Year to get claims per subscriber.
3. Claims per subscriber were projected to Plan Years 2016 and 2017 using the projection trend listed in Exhibit 3.
4. Aggregate Plan Year 2017 premiums are the product of the projected Plan Year 2017 enrollment and the projected premium rates.

Administrative Cost Projection

Aetna increased administrative fees by 4.5% for Actives and Retirees for Plan Year 2017. The Administrative Costs shown in Exhibit 4 are the contractual Aetna ASO fees multiplied by the projected enrollment for each year:

| | <u>DEP ASO Fees PEPM</u> | |
|----------------|---------------------------------|-----------------|
| | <u>Actives</u> | <u>Retirees</u> |
| Plan Year 2015 | \$1.55 | \$1.55 |
| Plan Year 2016 | \$1.55 | \$1.55 |
| Plan Year 2017 | \$1.62 | \$1.62 |

Investment Income

Investment Income for Plan Year 2015 reflects actual amounts credited to the Dental Plan. Investment Income for Plan Year 2016 and Plan Year 2017 assumes no change from Plan Year 2015. Investment Income amounts are stated in Exhibit 4.

Rate Renewal Development

Dental Expense Plan Rate Change Recommendation

1. Plan Year 2017 aggregate costs were calculated by summing projected costs for dental claims and administrative charges, reduced by investment income.
2. Plan Year 2017 Active aggregate projected costs are 2.8% more than Plan Year 2016 Active premiums multiplied by Plan Year 2017 projected enrollment. Therefore, **Aon is recommending a 2.8% premium rate increase for the Active Dental Expense Plan.**
3. Plan Year 2017 Retiree aggregate projected costs are 5.1% more than Plan Year 2016 Retiree premiums multiplied by Plan Year 2017 projected enrollment. Therefore, **Aon is recommending a 5.1% premium rate increase for the Retiree Dental Expense Plan.**

DPO Premiums

The Plan Year 2017 DPO premiums reflect savings which are shown below:

| | Plan Year 2017 Increase | | DPO Premium/DEP Premium | |
|------------|-------------------------|----------|-------------------------|----------|
| | Actives | Retirees | Actives | Retirees |
| Aetna | 0.0% | 0.0% | 53.1% | 55.8% |
| Cigna | 2.0% | 2.0% | 56.7% | 62.7% |
| Healthplex | 0.0% | 0.0% | 22.4% | 22.6% |
| Horizon | -5.1% | -5.1% | 47.4% | 49.2% |
| MetLife | -5.0% | -5.0% | 38.1% | 38.5% |

Horizon and MetLife reduced premiums and Cigna's premium increases are 2%. Aetna and Healthplex did not have an increase. The Plan Year 2017 DPO premiums range from 22% to 63% of the DEP cost. When Active members enroll in the DPO, the reduced cost is shared by the employee and the employer, since Actives pay 50% of the monthly premium. Retirees receive 100% of the cost savings since they pay 100% of the cost of the Retiree dental program for both DEP and DPO.

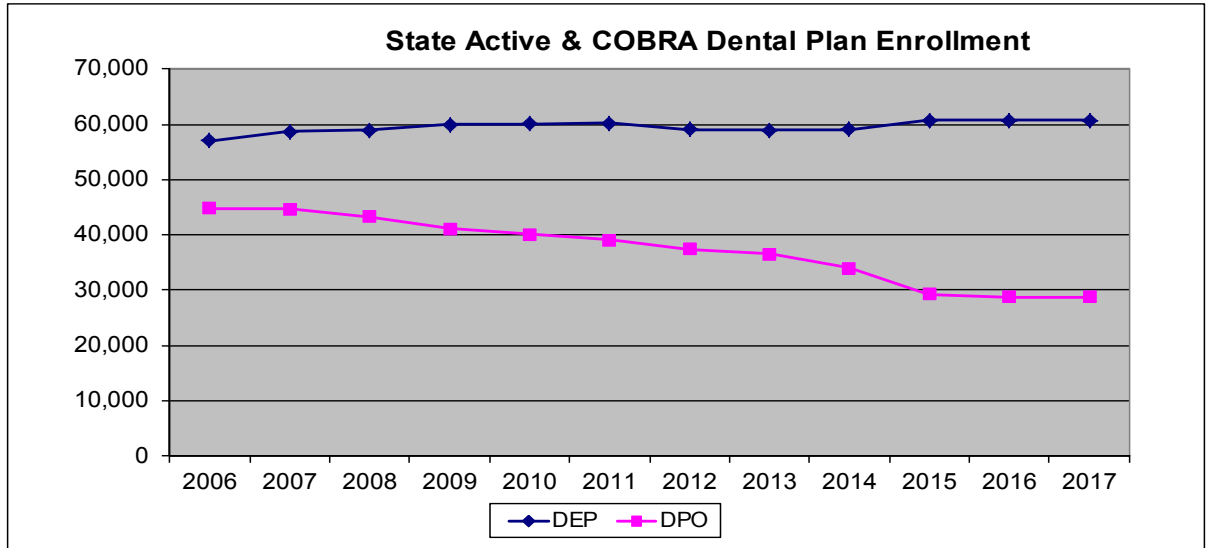
Plan Year 2017 Premium Rates

Exhibit 6 contains the premium tables for the Plan Year 2017 Dental Plan renewal. The DEP premiums were calculated by applying the percentage changes in Exhibit 1 to the Plan Year 2016 premium tables. The DPO premiums are those offered by the five DPOs.

Exhibit 1 – Recommended Renewal Increases

| | Actives | Retirees |
|----------------------------|----------------|-----------------|
| Dental Expense Plan | 2.8% | 5.1% |
| DPO Plans | | |
| Aetna | 0.0% | 0.0% |
| Cigna | 2.0% | 2.0% |
| Healthplex | 0.0% | 0.0% |
| Horizon | -5.1% | -5.1% |
| MetLife | -5.0% | -5.0% |

Exhibit 2A – State Active Enrollment Projections



Observations:

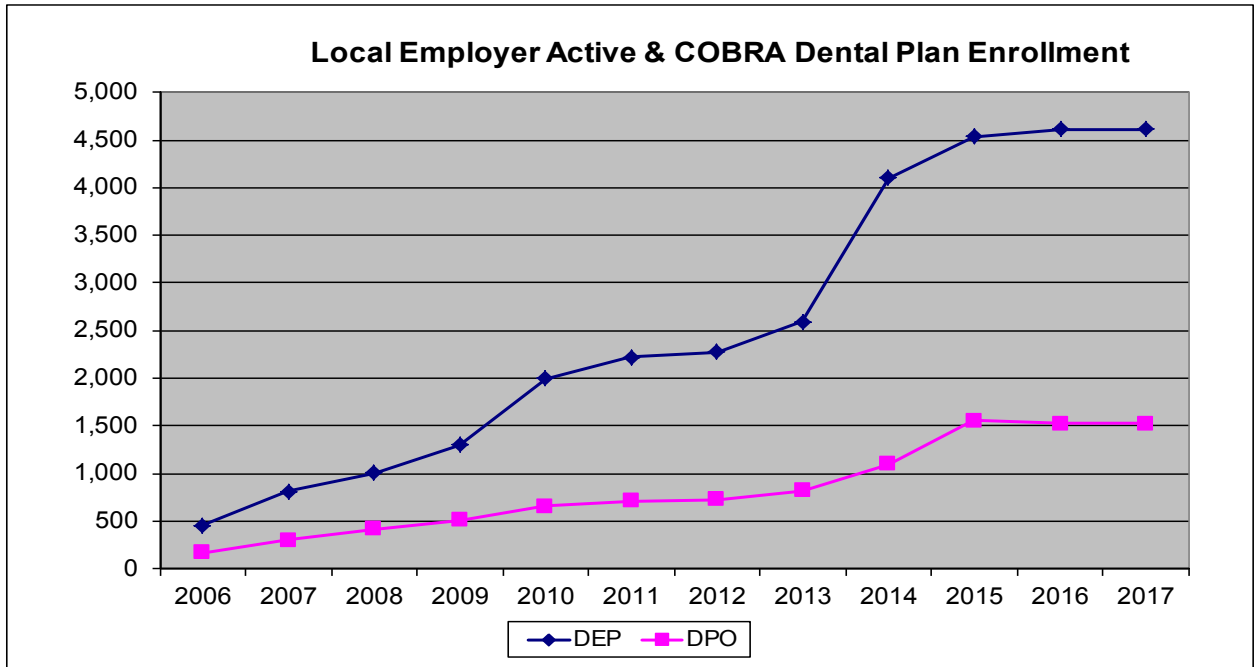
Total State Active Dental enrollment is assumed to remain stable from Plan Year 2016 to Plan Year 2017 consistent with projected medical enrollment changes and historical projections.

Dental Expense Plan Active enrollment increased from 67.5% of total Dental enrollment in Plan Year 2015 to 67.8% in Plan Year 2016. Plan Year 2017 Active Dental Expense Plan enrollment is assumed to remain at 67.8%.

Projected Plan Year 2017 Dental enrollment is 98% of projected Medical enrollment, which is consistent with Plan Year 2016.

| | Annual Change in Enrollment | | | Projected Enrollment |
|---------------------|-----------------------------|---------------------|------------------------|----------------------|
| | Actual 2014 to 2015 | Actual 2015 to 2016 | Projected 2016 to 2017 | Plan Year 2017 |
| Dental Expense Plan | 2.6% | 0.0% | 0.0% | 60,700 |
| DPOs | -14.0% | -1.5% | 0.0% | 28,800 |
| Total | -3.4% | -0.5% | 0.0% | 89,500 |

Exhibit 2B – Local Active Enrollment Projections



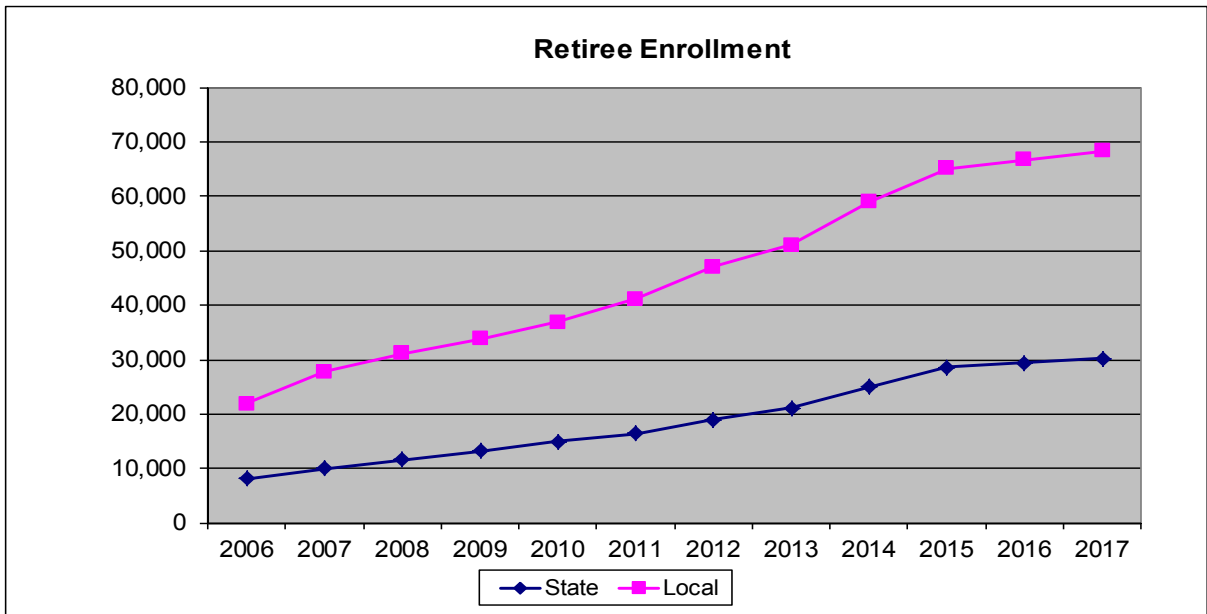
Observations:

Dental was first offered to Local Active Employees in Plan Year 2005. Initial enrollment was quite low and it has grown to 5% of Medical Plan enrollment in 2016.

Local Active Dental enrollment is projected to remain consistent in Plan Year 2017.

| | Annual Change in Enrollment | | | Projected Enrollment |
|---------------------|-----------------------------|------------------------|---------------------------|----------------------|
| | Actual 2014 to 2015 | Actual 2015 to 2016 | Projected 2016 to 2017 | Plan Year 2017 |
| Dental Expense Plan | 10.5% | 1.6% | 0.0% | 4,600 |
| DPOs | 41.3% | -2.0% | 0.0% | 1,500 |
| Total | 17.0% | 0.7% | 0.0% | 6,100 |

Exhibit 2C – Retiree Enrollment Projections



Observations:

Dental was first offered to Retirees in Plan Year 2005. Initially, the plan was offered to all retirees, but from Plan Year 2006 onward, it has only been open to new retirees. Starting in 2015, Retirees have access to DPOs as well as the DEP.

Plan Year 2017 enrollment is projected to increase 2.5%.

Plan Year 2017 Retiree Dental enrollment is projected to be 60% of State Retiree Medical enrollment and 51% of Local Employer Retiree Medical enrollment.

| | Annual Change in Enrollment | | | Projected Enrollment |
|---------------------|-----------------------------|------------------------|---------------------------|----------------------|
| | Actual 2014 to 2015 | Actual 2015 to 2016 | Projected 2016 to 2017 | Plan Year 2017 |
| Dental Expense Plan | 6.7% | 2.0% | 2.5% | 93,700 |
| DPOs | N/A | 13.2% | 2.5% | 4,800 |
| Total | 11.6% | 2.5% | 2.5% | 98,500 |

Exhibit 2D – May 2016 SHBP Active Enrollment

| | Number of Contracts | | | | |
|----------------------------|---|---------------------------|---------------|------------------------|---------------|
| | Single | Member&Spouse /Partner | Family | Parent + Child(ren) | Total |
| Dental Expense #399 | STATE ACTIVES & COBRA | | | | |
| | 20,237 | 11,247 | 20,915 | 8,132 | 60,531 |
| <u>DPO Plans</u> | | | | | |
| Aetna #319 | 4,820 | 1,785 | 4,431 | 2,801 | 13,837 |
| Cigna #305 | 1,660 | 622 | 1,782 | 909 | 4,973 |
| Healthplex #307 | 802 | 300 | 469 | 408 | 1,979 |
| Horizon #317 | 2,839 | 952 | 2,187 | 1,498 | 7,476 |
| MetLife #320 | 327 | 92 | 246 | 107 | 772 |
| Total DPOs | 10,448 | 3,751 | 9,115 | 5,723 | 29,037 |
| Total | 30,685 | 14,998 | 30,030 | 13,855 | 89,568 |
| Dental Expense #399 | LOCAL EMPLOYER ACTIVES & COBRA | | | | |
| | 1,430 | 870 | 1,820 | 461 | 4,581 |
| <u>DPO Plans</u> | | | | | |
| Aetna #319 | 237 | 105 | 253 | 149 | 744 |
| Cigna #305 | 62 | 21 | 93 | 34 | 210 |
| Healthplex #307 | 21 | 9 | 17 | 13 | 60 |
| Horizon #317 | 176 | 62 | 165 | 111 | 514 |
| MetLife #320 | 25 | 3 | 7 | 6 | 41 |
| Total DPOs | 521 | 200 | 535 | 313 | 1,569 |
| Total | 1,951 | 1,070 | 2,355 | 774 | 6,150 |

Exhibit 2E – May 2016 SHBP Retiree Enrollment

| | Number of Contracts | | | | Total |
|--------------------------------|---------------------|---------------------------|--------------|------------------------|---------------|
| | Single | Member&Spouse /Partner | Family | Parent + Child(ren) | |
| STATE RETIREES | | | | | |
| Dental Expense #399 | 13,247 | 9,841 | 3,667 | 1,584 | 28,339 |
| DPO Plans | | | | | |
| Aetna #319 | 439 | 371 | 202 | 92 | 1,104 |
| Cigna #305 | 117 | 112 | 57 | 22 | 308 |
| Healthplex #307 | 110 | 67 | 45 | 33 | 255 |
| Horizon #317 | 161 | 143 | 46 | 25 | 375 |
| MetLife #320 | 36 | 51 | 26 | 7 | 120 |
| Total DPOs | 863 | 744 | 376 | 179 | 2,162 |
| Total | 14,110 | 10,585 | 4,043 | 1,763 | 30,501 |
| LOCAL EMPLOYER RETIREES | | | | | |
| Dental Expense #399 | 31,480 | 26,280 | 4,559 | 1,753 | 64,072 |
| DPO Plans | | | | | |
| Aetna #319 | 561 | 549 | 146 | 59 | 1,315 |
| Cigna #305 | 164 | 202 | 51 | 8 | 425 |
| Healthplex #307 | 55 | 56 | 16 | 11 | 138 |
| Horizon #317 | 401 | 306 | 135 | 40 | 882 |
| MetLife #320 | 174 | 147 | 53 | 19 | 393 |
| Total DPOs | 1,355 | 1,260 | 401 | 137 | 3,153 |
| Total | 32,835 | 27,540 | 4,960 | 1,890 | 67,225 |

Exhibit 3 – Trend Analysis

| | Actual | | Aon Industry Trends | | | |
|---------------------|-------------------------------|------------------------------|---------------------|------|---------------|--------------|
| | SHBP Employee Claim Increases | SHBP Retiree Claim Increases | Indemnity | PPO | SHBP Employee | SHBP Retiree |
| 2010 to 2011 actual | 0.6% | 2.8% | 6.8% | 6.0% | -5.4% | -4.0% |
| 2011 to 2012 actual | -14.0% | -1.9% | 6.0% | 6.0% | -20.0% | -7.9% |
| 2012 to 2013 actual | 1.5% | 2.5% | 5.5% | 5.4% | -3.9% | -3.0% |
| 2013 to 2014 actual | -0.1% | 0.1% | 5.5% | 5.0% | -5.1% | -4.9% |
| 2014 to 2015 actual | 1.8% | 1.4% | 5.5% | 5.0% | -3.2% | -3.6% |
| Projection Trend | 3.0% | 3.0% | 5.6% | 4.5% | -1.5% | -1.5% |

Observations:

Employee Dental changed from a passive PPO to a true PPO in Plan Year 2012, which resulted in an 12% decrease in claims.

4th quarter 2012 claims were 8% lower than expected due to Hurricane Sandy; this reduced the total increase for Plan Year 2012 by 2%.

2013 increases reflect lower than usual utilization, likely due to the change to a true PPO and the aftermath of Hurricane Sandy.

2015 reflects the results from the Dental RFP, which added a Retiree DPO plan option.

Exhibit 4 – Dental Financial Projections

| | Actives | | | Retirees | | | Total | | |
|----------------------------|---------------|---------------|---------------|----------------|--------------|---------------|----------------|---------------|----------------|
| | DEP | DPO | Total | DEP | DPO | Total | DEP | DPO | Total |
| Plan Year 2015 | | | | | | | | | |
| Average Dental Subscribers | 65,215 | 30,778 | 95,993 | 89,599 | 4,192 | 93,792 | 154,814 | 34,970 | 189,784 |
| Incurred Claims | \$ 54,583,000 | N/A | N/A | \$ 58,967,000 | N/A | N/A | \$ 113,550,000 | N/A | N/A |
| Administrative Fees | \$ 1,213,000 | N/A | N/A | \$ 1,667,000 | N/A | N/A | \$ 2,880,000 | N/A | N/A |
| Investment Income | \$ 3,000 | N/A | N/A | \$ 2,000 | N/A | N/A | \$ 5,000 | N/A | N/A |
| Total Cost | \$ 55,799,000 | N/A | N/A | \$ 60,636,000 | N/A | N/A | \$ 116,435,000 | N/A | N/A |
| Premium | \$ 57,592,000 | \$ 13,793,000 | \$ 71,385,000 | \$ 60,768,000 | \$ 1,609,000 | \$ 62,377,000 | \$ 118,360,000 | \$ 15,402,000 | \$ 133,762,000 |
| Gain (Loss) | \$ 1,793,000 | N/A | N/A | \$ 132,000 | N/A | N/A | \$ 1,925,000 | N/A | N/A |
| Plan Year 2016 | | | | | | | | | |
| Average Dental Subscribers | 65,300 | 30,311 | 95,611 | 91,396 | 4,748 | 96,144 | 156,695 | 35,059 | 191,754 |
| Incurred Claims | \$ 56,293,000 | N/A | N/A | \$ 61,953,000 | N/A | N/A | \$ 118,246,000 | N/A | N/A |
| Administrative Fees | \$ 1,215,000 | N/A | N/A | \$ 1,701,000 | N/A | N/A | \$ 2,916,000 | N/A | N/A |
| Investment Income | \$ 2,000 | N/A | N/A | \$ 2,000 | N/A | N/A | \$ 4,000 | N/A | N/A |
| Total Cost | \$ 57,510,000 | N/A | N/A | \$ 63,656,000 | N/A | N/A | \$ 121,166,000 | N/A | N/A |
| Premium | \$ 57,659,000 | \$ 13,654,000 | \$ 71,313,000 | \$ 62,407,000 | \$ 1,881,000 | \$ 64,288,000 | \$ 120,066,000 | \$ 15,535,000 | \$ 135,601,000 |
| Gain (Loss) | \$ 149,000 | N/A | N/A | \$ (1,249,000) | N/A | N/A | \$ (1,100,000) | N/A | N/A |
| Plan Year 2017 | | | | | | | | | |
| Average Dental Subscribers | 65,300 | 30,311 | 95,611 | 93,681 | 4,866 | 98,547 | 158,980 | 35,178 | 194,158 |
| Incurred Claims | \$ 57,982,000 | N/A | N/A | \$ 65,407,000 | N/A | N/A | \$ 123,389,000 | N/A | N/A |
| Administrative Fees | \$ 1,269,000 | N/A | N/A | \$ 1,821,000 | N/A | N/A | \$ 3,090,000 | N/A | N/A |
| Investment Income | \$ 2,000 | N/A | N/A | \$ 2,000 | N/A | N/A | \$ 4,000 | N/A | N/A |
| Total Cost | \$ 59,253,000 | N/A | N/A | \$ 67,230,000 | N/A | N/A | \$ 126,483,000 | N/A | N/A |
| Premium | \$ 59,253,000 | \$ 13,517,000 | \$ 72,770,000 | \$ 67,230,000 | \$ 1,906,000 | \$ 69,136,000 | \$ 126,483,000 | \$ 15,423,000 | \$ 141,906,000 |
| Gain (Loss) | \$ - | N/A | N/A | \$ - | N/A | N/A | \$ - | N/A | N/A |

Exhibit 5 – Projection Assumptions

Benefit Design Changes

We are assuming that there will be no plan design changes for Employees or Retirees in Plan Year 2017.

Vendor Changes

Aetna remains as the only DEP vendor in Plan Year 2017. Plan Year 2017 DPO vendors are Aetna, Cigna, Healthplex, Horizon, and MetLife. There are no changes from Plan Year 2016.

Member Contributions

State Active Plans: Employees will continue to pay 50% of the DEP premium and 50% of the premium for each DPO.

Local Employer Active Plans: There will be no change to the current requirements: Employees pay a maximum of 50% of premium for the DEP and for each DPO vendor. Actual contributions vary by Local Employer.

State and Local Employer Retiree Plans: There will be no change to current requirements. Retirees will continue to pay 100% of the premium.

Incurred Basis

Plan Year 2017 projections are based on expected incurred claims and expenses for Plan Year 2017.

Margin

DPO Plans: DPO rates have no additional margin, since these plans are insured by the vendors.

Employee DEP: Active Employees pay half the projected cost of the Dental Plan with no deficit recovery and no margin is included in the renewal rates.

Retiree DEP: Retirees pay 100% of the premium with no deficit recovery.

Administrative Expenses

Plan Year 2017 DEP premiums will include projected costs for the following administrative expenses:

- Aetna ASO fees, and
- Investment income credit.

Enrollment Projections

Based on historical enrollment patterns and discussions with the State, we are projecting the following enrollment for Plan Year 2017:

| | DEP | DPO | Total |
|-------------------------|------------|------------|--------------|
| Active State Employees | 60,700 | 28,800 | 89,500 |
| Active Local Employees | 4,600 | 1,500 | 6,100 |
| Retired State Employees | 28,200 | 1,900 | 30,100 |
| Retired Local Employees | 65,500 | 2,900 | 68,400 |
| Total | 159,000 | 35,100 | 194,100 |

Trend Rates

Trend assumptions were developed by comparing the SHBP historical trend with industry norms, and making adjustments for an anticipated increase in utilization as the economy recovers. The trend assumption for Plan Year 2017 is 3.0% for Employees and 3.0% for Retirees.

Data Assumptions

Claims: Aon received a claim file from Aetna with claims paid through March 2016 and used this information in the renewal analysis.

Enrollment: Aon used actual billing counts through May 2016 and projected billing counts through December 2017 for the exposure units in the renewal calculations.

Exhibit 6A – Plan Year 2017 Employee Monthly Premiums

| <u>DENTAL PROVIDER ORGANIZATIONS (DPOs)</u> | <u>Premiums</u> | <u>Employee Contributions*</u> |
|---|-----------------|--------------------------------|
| CIGNA (DPO #305) | | |
| SINGLE | \$22.24 | \$11.12 |
| Member & Spouse/Partner | \$38.68 | \$19.34 |
| FAMILY | \$63.24 | \$31.62 |
| PARENT & CHILD | \$46.88 | \$23.44 |
| HEALTHPLEX (DPO #307) | | |
| SINGLE | \$8.78 | \$4.39 |
| Member & Spouse/Partner | \$15.27 | \$7.64 |
| FAMILY | \$24.95 | \$12.48 |
| PARENT & CHILD | \$18.49 | \$9.25 |
| HORIZON DENTAL CHOICE (DPO #317) | | |
| SINGLE | \$18.59 | \$9.30 |
| Member & Spouse/Partner | \$32.31 | \$16.16 |
| FAMILY | \$52.84 | \$26.42 |
| PARENT & CHILD | \$39.14 | \$19.57 |
| AETNA (DPO #319) | | |
| SINGLE | \$20.84 | \$10.42 |
| Member & Spouse/Partner | \$36.28 | \$18.14 |
| FAMILY | \$59.34 | \$29.67 |
| PARENT & CHILD | \$43.97 | \$21.99 |
| METLIFE (DPO #320) | | |
| SINGLE | \$14.97 | \$7.49 |
| Member & Spouse/Partner | \$25.37 | \$12.69 |
| FAMILY | \$40.95 | \$20.48 |
| PARENT & CHILD | \$30.55 | \$15.28 |
| <u>EMPLOYEE DENTAL EXPENSE PLAN - #399</u> | | |
| SINGLE | \$39.26 | \$19.63 |
| Member & Spouse/Partner | \$68.22 | \$34.11 |
| FAMILY | \$111.60 | \$55.80 |
| PARENT & CHILD | \$82.67 | \$41.34 |

* Based on 50% of each DPO's premium rate

Exhibit 6B – Plan Year 2017 Retiree Monthly Premiums

| <u>DENTAL PROVIDER ORGANIZATIONS (DPOs)</u> | <u>Premiums</u> | <u>Retiree Contributions</u> |
|---|-----------------|------------------------------|
| CIGNA (DPO #305) | | |
| SINGLE | \$24.38 | \$24.38 |
| Member & Spouse/Partner | \$46.52 | \$46.52 |
| FAMILY | \$83.51 | \$83.51 |
| PARENT & CHILD | \$74.09 | \$74.09 |
| <hr/> | | |
| HEALTHPLEX (DPO #307) | | |
| SINGLE | \$8.78 | \$8.78 |
| Member & Spouse/Partner | \$15.27 | \$15.27 |
| FAMILY | \$24.95 | \$24.95 |
| PARENT & CHILD | \$18.49 | \$18.49 |
| <hr/> | | |
| HORIZON DENTAL CHOICE (DPO #317) | | |
| SINGLE | \$19.14 | \$19.14 |
| Member & Spouse/Partner | \$33.28 | \$33.28 |
| FAMILY | \$54.43 | \$54.43 |
| PARENT & CHILD | \$40.31 | \$40.31 |
| <hr/> | | |
| AETNA (DPO #319) | | |
| SINGLE | \$21.71 | \$21.71 |
| Member & Spouse/Partner | \$37.78 | \$37.78 |
| FAMILY | \$61.80 | \$61.80 |
| PARENT & CHILD | \$45.80 | \$45.80 |
| <hr/> | | |
| METLIFE (DPO #320) | | |
| SINGLE | \$14.97 | \$14.97 |
| Member & Spouse/Partner | \$25.37 | \$25.37 |
| FAMILY | \$40.95 | \$40.95 |
| PARENT & CHILD | \$30.55 | \$30.55 |
| <hr/> | | |
| RETIREE DENTAL EXPENSE PLAN - #398 | | |
| SINGLE | \$38.89 | \$38.89 |
| Member & Spouse/Partner | \$76.73 | \$76.73 |
| FAMILY | \$99.98 | \$99.98 |
| PARENT & CHILD | \$57.82 | \$57.82 |
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About Aon

Aon Hewitt empowers organizations and individuals to secure a better future through innovative talent, retirement and health solutions. We advise, design and execute a wide range of solutions that enable clients to cultivate talent to drive organizational and personal performance and growth, navigate retirement risk while providing new levels of financial security, and redefine health solutions for greater choice, affordability and wellness. Aon Hewitt is the global leader in human resource solutions, with over 35,000 professionals in 90 countries serving more than 20,000 clients worldwide across 100+ solutions. For more information on Aon Hewitt, please visit aonhewitt.com.

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