



State of New Jersey

State Health Benefits Program

Plan Year 2019 Rate Renewal Recommendation Report

Dental Plans

July 2018

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Executive Summary

The purpose of this report is to review the experience of the Dental Plans offered through the 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 2019.

Benefits Maintained by the SHBP

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 (DEP), 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 2019 are reflected in Exhibit 1.

Benefit and Network Changes

Other than the offer of DPO enrollment to Retirees for the first time on 1/1/2015, there have been no material 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 2019.

The SHBP Dental Plan completed an RFP process to review potential DPO vendors with new contracts effective 1/1/2015. 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.

Federal Mandates

ACA 9010: Section 9010 of the ACA imposes a Health Insurer Fee (HIF) on each covered entity engaged in the business of providing health insurance for United States health risks. The HIF will help fund the federal subsidies given to lower-income families that may not have coverage. On January 22, 2018, Congress passed a spending bill which places a moratorium on this tax in 2019. The Plan Year 2019 Renewal projections assume that the HIF will not be reinstated for Plan Year 2019.

Enrollment Changes

Exhibit 2 shows historical enrollment patterns among the SHBP Dental Plan offerings for Plan Years 2015 through 2018 and includes Aon's projection of Plan Year 2019 enrollment.

Plan Year 2018 enrollment is based on enrollment patterns from January 2018 through May 2018 and includes a projection of enrollment from June 2018 through December 2019. This projection assumes that State Active enrollment will remain flat in Plan Year 2019. Local Education Active enrollment is projected to decrease 10% in Plan Year 2019 while Local Government Active enrollment is projected to increase 3.0% in 2019. State and Local Retiree enrollment is projected to increase 2.5% per year in Plan Year 2019. These increases are based on projected changes in the medical enrollment for Plan Year 2019.

The following are the Plan Year 2019 Dental Program's enrollment projections:

| | State | Local | Total |
|-----------------------------|---------------|---------------|----------------|
| Actives | | | |
| Dental Expense Plan | 60,900 | 4,100 | 65,000 |
| DPOs | 29,100 | 900 | 30,000 |
| Total Active Dental | 90,000 | 5,000 | 95,000 |
| Retirees | | | |
| Dental Expense Plan | 30,800 | 69,300 | 100,100 |
| DPOs | 3,100 | 5,800 | 8,900 |
| Total Retiree Dental | 33,900 | 75,100 | 109,000 |

Exhibits 2D and 2E show the May 2018 DEP and DPO enrollment for Actives and Retirees, respectively.

Member Contributions

Retirees in the dental plans pay 100% of the projected costs of the program. Active Employees pay 50% of the projected costs. For Local Employees, actual contributions vary by Local Employer. No changes in member contributions are assumed for Plan Year 2019.

Trend Analysis

Exhibit 3 presents the trend recommendations for Plan Year 2019 for the Active and Retiree DEP. This exhibit compares the actual increase in SHBP DEP average claims with industry benchmarks (based on Aon's Trend Survey) for the same period, separately for Employees and Retirees.

SHBP Active DEP claim increases were approximately 4.0% in Plan Year 2016 and 1.4% in Plan Year 2017. SHBP Retiree DEP claim increases were approximately 2.5% in Plan Year 2016 and 0.5% in Plan Year 2017. By comparison, the Plan Year 2018 renewal analysis showed 2016 experience trends were approximately 3.3% and 3.0% for Actives and Retirees, respectively. Aon is recommending 3.0% trend to project DEP claims for Actives and Retirees to Plan Year 2019, consistent with dental cost trend recommendations provided by the DEP and DPO vendors.

Financial Projections

Financial Results

Active DEP – For Plan Year 2017, favorable experience for the DEP resulted in a 3.3% premium gain of \$1.9 million. Preliminary projections for Plan Year 2018 show a gain of \$0.5 million. A 2.0% increase in premium rates for Plan Year 2019 is projected to result in no projected gain or loss for the Active Dental Expense Plan (i.e., plan costs equal to projected premiums).

Retiree DEP – For Plan Year 2017, favorable experience for the Retiree DEP resulted in a 2.5% gain of \$1.7 million. Preliminary projections for Plan Year 2018 show a 2.6% gain of \$1.9 million. A 0.3% increase in premium rates for Plan Year 2019 is projected to result in no projected gain or loss for the Retiree Dental Expense Plan (i.e., plan costs equal to projected premiums).

Active and Retiree 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 2017, 2018 and 2019. These results assume that premiums are fully funded each year:

Projected Gain / (Loss) \$ in Millions

| | <u>PY 2017</u> | <u>PY 2018</u> | <u>PY 2019</u> |
|-------------------------|----------------|----------------|----------------|
| Employee Dental Expense | \$1.9 | \$0.5 | \$0.0 |
| Retiree Dental Expense | \$1.7 | \$1.9 | \$0.0 |
| DPOs | N/A | N/A | N/A |
| Total | \$3.6 | \$2.4 | \$0.0 |

Rate Renewal Development and Assumptions

Exhibit 5 contains the premium tables for the Plan Year 2019 Dental Plan renewal.

Dental Expense Plan Rating Methodology

Exhibit 4 shows the aggregate costs for Plan Years 2017, 2018 and 2019, separately for Active and Retired participants. Costs were projected separately for dental claims, administrative costs, investment income and aggregate premiums.

Dental Claim Projection

1. Using claim data paid through March 2018 supplied by Aetna, completed incurred claims were estimated for Plan Year 2017.
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 2018 and 2019 using the projection trend listed in Exhibit 3.
4. Aggregate Plan Year 2019 premiums are the product of the projected Plan Year 2019 enrollment and the projected Plan Year 2019 premium rates.

Administrative Cost Projection

Plan Year 2019 administrative fees for the DEP plan will remain unchanged from Plan Year 2018. 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 2017 | \$1.62 | \$1.62 |
| Plan Year 2018 | \$1.69 | \$1.69 |
| Plan Year 2019 | \$1.69 | \$1.69 |

Plan Year 2019 DEP premiums will include projected costs for the following administrative expenses:

- Aetna ASO fees, and
- Investment income credit.

Investment Income

Investment Income for Plan Year 2017 reflects actual amounts (as provided by the State) credited to the Dental Plan. Investment Income for Plan Year 2018 and Plan Year 2019 assumes no change from Plan Year 2017. Investment Income amounts are stated in Exhibit 4.

DEP Rate Change Recommendation

1. Plan Year 2019 aggregate costs were calculated by summing projected costs for dental claims and administrative charges, reduced by investment income.
2. Plan Year 2019 Active aggregate projected costs are 2.0% more than Plan Year 2018 Active premiums multiplied by Plan Year 2019 projected enrollment. Therefore, Aon is recommending a 2.0% premium rate increase for the Active Dental Expense Plan.
3. Plan Year 2019 Retiree aggregate projected costs are 0.3% more than Plan Year 2018 Retiree premiums multiplied by Plan Year 2019 projected enrollment. Therefore, Aon is recommending a 0.3% premium rate increase for the Retiree Dental Expense Plan.

DPO Premiums

The Plan Year 2019 DPO premium increases (assuming the Health Insurer Fee is not effective for Plan Year 2019) are provided in the table below and in Exhibit 1. All DPO premiums remained flat from Plan Year 2018 to Plan Year 2019, other than the Horizon Active and Retiree DPOs which had a 2.99% decrease.

| DPO Plans | Actives | Retirees |
|------------|---------|----------|
| Aetna | 0.00% | 0.00% |
| Cigna | 0.00% | 0.00% |
| Healthplex | 0.00% | 0.00% |
| Horizon | -2.99% | -2.99% |
| MetLife | 0.00% | 0.00% |

Incurred Basis

Plan Year 2019 projections are based on expected incurred claims and expenses for Plan Year 2019.

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. No margin is included in the renewal rates.

Retiree DEP: Retirees pay 100% of the premium with no deficit recovery. No margin is included in the rates.

Enrollment Projections

Based on historical enrollment patterns and discussions with the State, we are projecting the following enrollment for Plan Year 2019:

| | DEP | DPO | Total |
|-------------------------|------------|------------|--------------|
| Active State Employees | 60,900 | 29,100 | 90,000 |
| Active Local Employees | 4,100 | 900 | 5,000 |
| Retired State Employees | 30,800 | 3,100 | 33,900 |
| Retired Local Employees | 69,300 | 5,800 | 75,100 |
| Total | 165,100 | 38,900 | 204,000 |

Trend Rates

Trend recommendations were developed by comparing the SHBP historical dental trend with industry expectations with adjustments for an anticipated increase in utilization as the economy recovers. The trend recommendation for Plan Year 2019 is 3.0% for Employees and Retirees.

Data Assumptions

Claims: Aon received a claim file from Aetna with claims paid through March 2018 and used this information in the renewal analysis.

Enrollment: Aon used actual billing counts through May 2018 and projected billing counts through December 2019 for the exposure units in the renewal calculations. It is assumed that the State and Local enrollment in the dental plans is consistent with the enrollment projected for the medical plans.

Plan Year 2019 Premium Rates

The DEP premiums were calculated by applying the percentage changes in Exhibit 1 to the Plan Year 2018 premium tables. The DPO premiums are those offered by the five DPOs.

The Plan Year 2019 DPO premiums reflect “savings” over the DEP which are shown below:

| | DPO Premium / DEP Premium | |
|------------|--------------------------------------|----------|
| | Actives | Retirees |
| Aetna | 53.3% | 55.6% |
| Cigna | 57.1% | 62.6% |
| Healthplex | 21.8% | 21.8% |
| Horizon | 44.9% | 46.3% |
| MetLife | 37.1% | 37.2% |

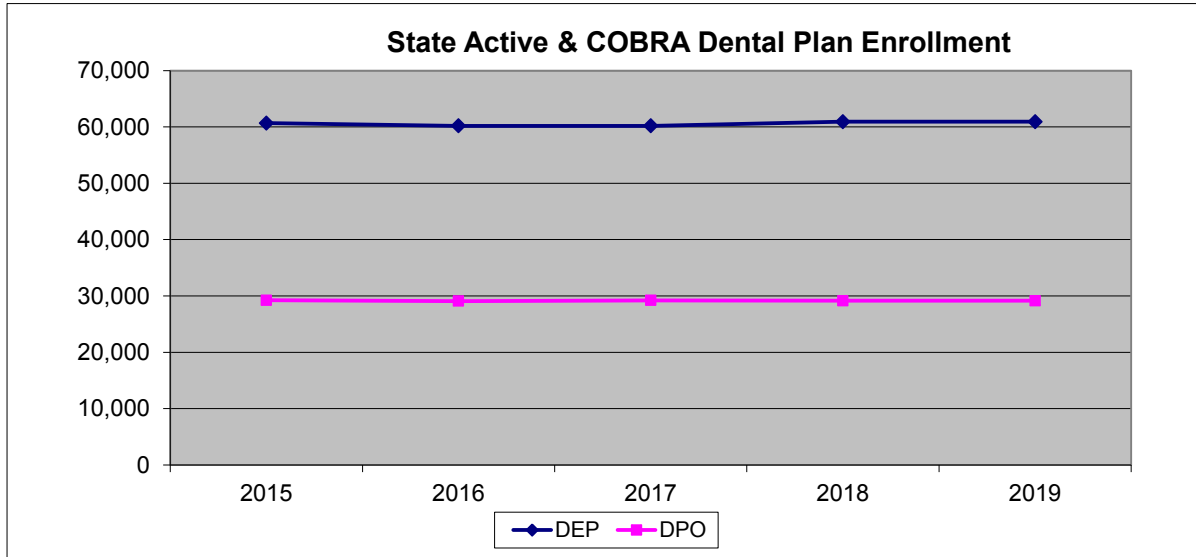
The Plan Year 2019 DPO premiums range from 22% to 63% of the DEP cost. When Active members enroll in a DPO, the reduced cost is shared by the employee and the employer, since Actives pay 50% of the monthly premium. Retirees receive 100% of the cost savings since they pay 100% of the cost of the Retiree dental program for both DEP and DPO.

Exhibit 1 – Recommended Renewal Increases

The following table provides the Plan Year 2019 premium rate increases or decreases, assuming the Health Insurer Fee is not in effect for Plan Year 2019:

| | Actives | Retirees |
|----------------------------|----------------|-----------------|
| Dental Expense Plan | 2.00% | 0.30% |
| DPO Plans | | |
| Aetna | 0.00% | 0.00% |
| Cigna | 0.00% | 0.00% |
| Healthplex | 0.00% | 0.00% |
| Horizon | -2.99% | -2.99% |
| MetLife | 0.00% | 0.00% |

Exhibit 2A – State Active Enrollment Projections



Observations:

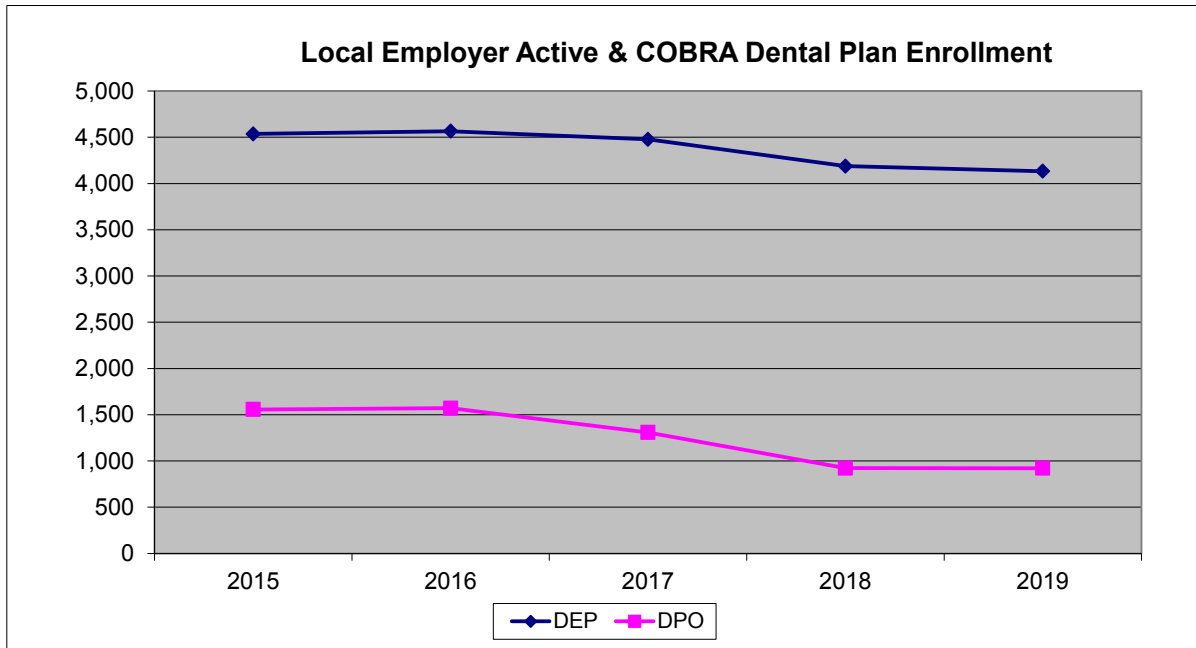
Total State Active Dental enrollment is assumed to remain stable from Plan Year 2018 to Plan Year 2019 consistent with projected medical enrollment changes and historical projections.

Dental Expense Plan Active enrollment increased from 67.3% of total Dental enrollment in Plan Year 2017 to 67.6% in Plan Year 2018. Plan Year 2019 Active Dental Expense Plan enrollment is assumed to remain at 67.6%.

Projected Plan Year 2019 Dental enrollment is 99% of projected Medical enrollment, which is consistent with Plan Year 2018.

| | Annual Change in Enrollment | | | Projected Enrollment |
|---------------------|-----------------------------|------------------------|------------------------|----------------------|
| | Actual 2016 to 2017 | Projected 2017 to 2018 | Projected 2018 to 2019 | Plan Year 2019 |
| Dental Expense Plan | 0.0% | 1.2% | 0.0% | 60,900 |
| DPOs | 0.4% | -0.2% | 0.0% | 29,100 |
| Total | 0.1% | 0.8% | 0.0% | 90,000 |

Exhibit 2B – Local Active Enrollment Projections



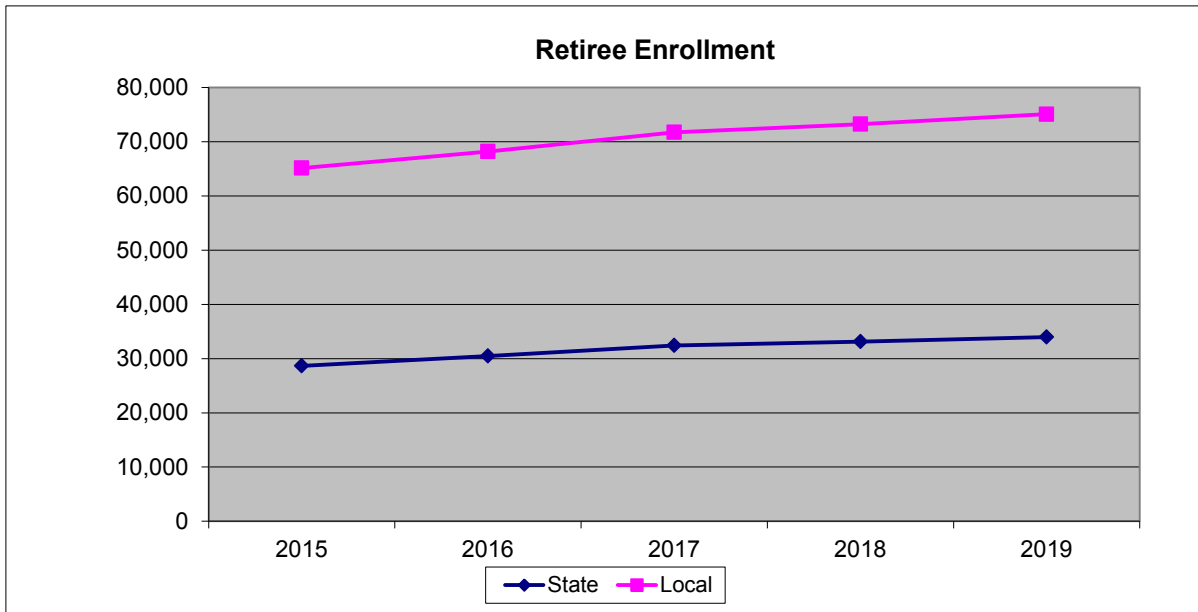
Observations:

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 2018.

Local Active Dental enrollment is projected to decrease slightly in Plan Year 2019.

| | Annual Change in Enrollment | | | Projected Enrollment |
|---------------------|-----------------------------|------------------------|------------------------|----------------------|
| | Actual 2016 to 2017 | Projected 2017 to 2018 | Projected 2018 to 2019 | Plan Year 2019 |
| Dental Expense Plan | -1.9% | -6.5% | -1.3% | 4,100 |
| DPOs | -16.7% | -29.5% | -0.2% | 900 |
| Total | -5.7% | -11.7% | -1.1% | 5,000 |

Exhibit 2C – Retiree Enrollment Projections



Observations:

The DEP 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 2019 enrollment is projected to increase 2.5%.

Plan Year 2019 Retiree Dental enrollment is projected to be 65% of State Retiree Medical enrollment and 53% of Local Employer Retiree Medical enrollment.

Projected Plan Year 2019 Retiree Enrollment

| | DEP | DPO | Total |
|----------------|---------|-------|---------|
| State | 30,800 | 3,100 | 33,900 |
| Local Employer | 69,300 | 5,800 | 75,100 |
| Total Dental | 100,100 | 8,900 | 109,000 |

| | Annual Change in Enrollment | | | Projected Enrollment Plan Year 2019 |
|---------------------|-----------------------------|---------------------------|---------------------------|----------------------------------------|
| | Actual 2016 to 2017 | Projected 2017 to 2018 | Projected 2018 to 2019 | |
| Dental Expense Plan | 3.6% | 1.4% | 2.5% | 100,100 |
| DPOs | 38.5% | 10.7% | 2.5% | 8,900 |
| Total | 5.6% | 2.1% | 2.5% | 109,000 |

Exhibit 2D – May 2018 SHBP Active Enrollment

| | Number of Contracts | | | | |
|----------------------------|-------------------------------------------|---------------------------|---------------|------------------------|---------------|
| | Single | Member&Spouse /Partner | Family | Parent + Child(ren) | Total |
| | STATE ACTIVES & COBRA | | | | |
| Dental Expense #399 | 20,439 | 11,071 | 20,784 | 8,126 | 60,420 |
| <u>DPO Plans</u> | | | | | |
| Aetna #319 | 5,072 | 1,766 | 4,239 | 2,617 | 13,694 |
| Cigna #305 | 1,738 | 640 | 1,600 | 836 | 4,814 |
| Healthplex #307 | 833 | 295 | 404 | 347 | 1,879 |
| Horizon #317 | 3,342 | 982 | 2,144 | 1,585 | 8,053 |
| MetLife #320 | 528 | 132 | 340 | 150 | 1,150 |
| Total DPOs | 11,513 | 3,815 | 8,727 | 5,535 | 29,590 |
| Total | 31,952 | 14,886 | 29,511 | 13,661 | 90,010 |
| | LOCAL EMPLOYER ACTIVES & COBRA | | | | |
| Dental Expense #399 | 1,395 | 808 | 1,691 | 505 | 4,399 |
| <u>DPO Plans</u> | | | | | |
| Aetna #319 | 170 | 73 | 149 | 60 | 452 |
| Cigna #305 | 45 | 24 | 50 | 13 | 132 |
| Healthplex #307 | 6 | 2 | 4 | 1 | 13 |
| Horizon #317 | 130 | 54 | 108 | 61 | 353 |
| MetLife #320 | 29 | 9 | 14 | 6 | 58 |
| Total DPOs | 380 | 162 | 325 | 141 | 1,008 |
| Total | 1,775 | 970 | 2,016 | 646 | 5,407 |

Exhibit 2E – May 2018 SHBP Retiree Enrollment

| | Number of Contracts | | | | |
|----------------------------|--------------------------------|---------------------------|--------------|------------------------|---------------|
| | Single | Member&Spouse /Partner | Family | Parent + Child(ren) | Total |
| Dental Expense #399 | STATE RETIREES | | | | |
| | 14,297 | 11,111 | 3,652 | 1,504 | 30,564 |
| <u>DPO Plans</u> | | | | | |
| Aetna #319 | 706 | 556 | 310 | 156 | 1,728 |
| Cigna #305 | 164 | 169 | 87 | 32 | 452 |
| Healthplex #307 | 192 | 131 | 55 | 49 | 427 |
| Horizon #317 | 230 | 201 | 79 | 37 | 547 |
| MetLife #320 | 44 | 58 | 24 | 7 | 133 |
| Total DPOs | 1,336 | 1,115 | 555 | 281 | 3,287 |
| Total | 15,633 | 12,226 | 4,207 | 1,785 | 33,851 |
| Dental Expense #399 | LOCAL EMPLOYER RETIREES | | | | |
| | 33,390 | 28,383 | 4,330 | 1,606 | 67,709 |
| <u>DPO Plans</u> | | | | | |
| Aetna #319 | 1,136 | 939 | 311 | 112 | 2,498 |
| Cigna #305 | 219 | 254 | 66 | 19 | 558 |
| Healthplex #307 | 98 | 77 | 41 | 17 | 233 |
| Horizon #317 | 818 | 638 | 293 | 113 | 1,862 |
| MetLife #320 | 240 | 211 | 100 | 34 | 585 |
| Total DPOs | 2,511 | 2,119 | 811 | 295 | 5,736 |
| Total | 35,901 | 30,502 | 5,141 | 1,901 | 73,445 |

Exhibit 3 – Trend Analysis

| | Actual | | Aon Industry Trends | | | |
|---------------------|-------------------------------|------------------------------|---------------------|------|---------------|--------------|
| | SHBP Employee Claim Increases | SHBP Retiree Claim Increases | Indemnity | PPO | SHBP Employee | SHBP Retiree |
| 2015 to 2016 actual | 4.0% | 2.5% | 4.0% | 4.1% | -0.1% | -1.6% |
| 2016 to 2017 actual | 1.4% | 0.5% | 3.8% | 4.0% | -2.6% | -3.5% |
| Projection Trend | 3.0% | 3.0% | 3.8% | 4.0% | -1.0% | -1.0% |

Observations:

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 2017 | | | | | | | | | |
| Average Dental Subscribers | 64,678 | 30,513 | 95,191 | 96,337 | 7,831 | 104,168 | 161,015 | 38,344 | 199,359 |
| Incurred Claims | \$ 55,435,000 | N/A | N/A | \$ 65,579,000 | N/A | N/A | \$ 121,014,000 | N/A | N/A |
| Administrative Fees | \$ 1,257,000 | N/A | N/A | \$ 1,873,000 | N/A | N/A | \$ 3,130,000 | N/A | N/A |
| Investment Income | \$ (8,000) | N/A | N/A | \$ (100,000) | N/A | N/A | \$ (108,000) | N/A | N/A |
| Total Cost | \$ 56,684,000 | N/A | N/A | \$ 67,352,000 | N/A | N/A | \$ 124,036,000 | N/A | N/A |
| Premium | \$ 58,626,000 | \$ 13,431,000 | \$ 72,057,000 | \$ 69,101,000 | \$ 3,070,000 | \$ 72,171,000 | \$ 127,727,000 | \$ 16,501,000 | \$ 144,228,000 |
| Gain (Loss) | \$ 1,942,000 | N/A | N/A | \$ 1,749,000 | N/A | N/A | \$ 3,691,000 | N/A | N/A |
| Plan Year 2018 | | | | | | | | | |
| Average Dental Subscribers | 65,129 | 30,069 | 95,198 | 97,726 | 8,666 | 106,392 | 162,855 | 38,735 | 201,590 |
| Incurred Claims | \$ 57,514,000 | N/A | N/A | \$ 68,527,000 | N/A | N/A | \$ 126,041,000 | N/A | N/A |
| Administrative Fees | \$ 1,321,000 | N/A | N/A | \$ 1,982,000 | N/A | N/A | \$ 3,303,000 | N/A | N/A |
| Investment Income | \$ (8,000) | N/A | N/A | \$ (100,000) | N/A | N/A | \$ (108,000) | N/A | N/A |
| Total Cost | \$ 58,827,000 | N/A | N/A | \$ 70,409,000 | N/A | N/A | \$ 129,236,000 | N/A | N/A |
| Premium | \$ 59,338,000 | \$ 13,345,000 | \$ 72,683,000 | \$ 72,283,000 | \$ 3,460,000 | \$ 75,743,000 | \$ 131,621,000 | \$ 16,805,000 | \$ 148,426,000 |
| Gain (Loss) | \$ 511,000 | N/A | N/A | \$ 1,874,000 | N/A | N/A | \$ 2,385,000 | N/A | N/A |
| Plan Year 2019 | | | | | | | | | |
| Average Dental Subscribers | 65,075 | 30,067 | 95,142 | 100,169 | 8,883 | 109,052 | 165,244 | 38,950 | 204,194 |
| Incurred Claims | \$ 59,196,000 | N/A | N/A | \$ 72,348,000 | N/A | N/A | \$ 131,544,000 | N/A | N/A |
| Administrative Fees | \$ 1,320,000 | N/A | N/A | \$ 2,031,000 | N/A | N/A | \$ 3,351,000 | N/A | N/A |
| Investment Income | \$ (8,000) | N/A | N/A | \$ (100,000) | N/A | N/A | \$ (108,000) | N/A | N/A |
| Total Cost | \$ 60,508,000 | N/A | N/A | \$ 74,279,000 | N/A | N/A | \$ 134,787,000 | N/A | N/A |
| Premium | \$ 60,508,000 | \$ 13,246,000 | \$ 73,754,000 | \$ 74,279,000 | \$ 3,520,000 | \$ 77,799,000 | \$ 134,787,000 | \$ 16,766,000 | \$ 151,553,000 |
| Gain (Loss) | \$ - | N/A | N/A | \$ - | N/A | N/A | \$ - | N/A | N/A |

Exhibit 5A – Plan Year 2019 Employee Monthly Premiums

| <u>DENTAL PROVIDER ORGANIZATIONS (DPOs)</u> | <u>Premiums</u> | <u>Employee Contributions*</u> |
|---------------------------------------------|-----------------|--------------------------------|
| CIGNA (DPO #305) | | |
| SINGLE | \$23.02 | \$11.51 |
| Member & Spouse/Partner | \$40.03 | \$20.02 |
| FAMILY | \$65.45 | \$32.73 |
| PARENT & CHILD | \$48.52 | \$24.26 |
| 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 | \$18.12 | \$9.06 |
| Member & Spouse/Partner | \$31.50 | \$15.75 |
| FAMILY | \$51.51 | \$25.76 |
| PARENT & CHILD | \$38.16 | \$19.08 |
| AETNA (DPO #319) | | |
| SINGLE | \$21.51 | \$10.76 |
| Member & Spouse/Partner | \$37.44 | \$18.72 |
| FAMILY | \$61.24 | \$30.62 |
| PARENT & CHILD | \$45.38 | \$22.69 |
| 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 |
| EMPLOYEE DENTAL EXPENSE PLAN - #399 | | |
| SINGLE | \$40.33 | \$20.17 |
| Member & Spouse/Partner | \$70.09 | \$35.05 |
| FAMILY | \$114.65 | \$57.33 |
| PARENT & CHILD | \$84.93 | \$42.47 |

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

Exhibit 5B – Plan Year 2019 Retiree Monthly Premiums

| <u>DENTAL PROVIDER ORGANIZATIONS (DPOs)</u> | <u>Premiums</u> | <u>Retiree Contributions</u> |
|--------------------------------------------------|-----------------|------------------------------|
| CIGNA (DPO #305) | | |
| SINGLE | \$25.23 | \$25.23 |
| Member & Spouse/Partner | \$48.15 | \$48.15 |
| FAMILY | \$86.43 | \$86.43 |
| PARENT & CHILD | \$76.68 | \$76.68 |
| 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 |
| HORIZON DENTAL CHOICE (DPO #317) | | |
| SINGLE | \$18.66 | \$18.66 |
| Member & Spouse/Partner | \$32.44 | \$32.44 |
| FAMILY | \$53.07 | \$53.07 |
| PARENT & CHILD | \$39.30 | \$39.30 |
| AETNA (DPO #319) | | |
| SINGLE | \$22.40 | \$22.40 |
| Member & Spouse/Partner | \$38.99 | \$38.99 |
| FAMILY | \$63.78 | \$63.78 |
| PARENT & CHILD | \$47.27 | \$47.27 |
| 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 |
| <u>RETIREE DENTAL EXPENSE PLAN - #398</u> | | |
| SINGLE | \$40.29 | \$40.29 |
| Member & Spouse/Partner | \$79.48 | \$79.48 |
| FAMILY | \$103.58 | \$103.58 |
| PARENT & CHILD | \$59.91 | \$59.91 |

Aon

About Aon

Aon plc (NYSE: AON) is a leading global professional services firm providing a broad range of risk, retirement and health solutions. Our 50,000 colleagues in 120 countries empower results for clients by using proprietary data and analytics to deliver insights that reduce volatility and improve performance.

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