



# State of New Jersey

## State Health Benefits Program

### Plan Year 2018 Rate Renewal Recommendation Report

#### Local Government Employer Group

July 2017

# Table of Contents

<b>Subject</b>	<b>Page</b>
Executive Summary	3
Trend Analysis	9
Financial Projections	11
Minimum Value	13
Renewal Rate Development	14
Exhibits	17
1 – Enrollment Projections	17
2 – Trend Analysis	22
3 – Aggregate Costs	24
4 – Plan Year 2018 Premiums	30
5 – Plan Year 2018 Plan Option Summary	38
About Aon	41

## Executive Summary

The purpose of this report is to recommend premium levels for the Local Government Employer Group of the State Health Benefits Program (SHBP) for January 1, 2018 through December 31, 2018.

### Benefit Plans Maintained by the SHBP

The State of New Jersey operates the SHBP as a multiple-option program for participating Local Government Employer Employees and Retirees, with the following medical plan options for Plan Year 2018, which are summarized in Exhibit 5:

- Two self-insured Preferred Provider Organization (PPO) plans – NJ DIRECT, administered by Horizon, and the Freedom PPO, administered by Aetna. In Plan Year 2018, both Horizon and Aetna will offer five options under their respective PPO plans. These plans are available to all Employees and Retirees.
- HMO plans are administered by Aetna and Horizon. There is one HMO benefit option available to Actives, and three HMO benefit options available to Retirees.
- Two High Deductible plans are administered by Aetna and Horizon. Employees may select either High Deductible option. Early Retirees are only offered the \$4,000 High Deductible option and neither option is available to Medicare-eligible Retirees.
- A Tiered Network plan option for Active Employees only, which offers no out-of-network coverage and provides the same prescription drug benefit as those provided in the PPO 1525 product.
- Active Employees may also be enrolled in a Prescription Drug Card Plan available under the SHBP. Local Government employers may select this plan, sign up for the MMRx prescription drug coverage under the medical plan, or purchase prescription drug coverage from an outside vendor. If an employer selects SHBP prescription drug coverage, the prescription drug benefit option is linked to the medical plan selection. All prescription drug benefits are administered by Express Scripts through December 31, 2017 and will be administered by Optum effective January 1, 2018.
- All Medicare-eligible members enrolled in the PPO10 or PPO15 plans through Horizon and all Aetna Medicare-eligible members are enrolled in Medicare Advantage plans. Medicare-eligible members enrolled in Horizon's PPO1525, PPO2030 or HMO plans continue to be covered under Horizon's self-insured Medicare Supplement plans. Plan Year 2018 fully insured Medicare Advantage premium rates have been provided by Horizon and Aetna. These fully insured premium rates have assumed that the Health Insurer Fee will be in effect in Plan Year 2018. Aetna Medicare Advantage rates were finalized on July 12, 2017. Horizon Medicare Advantage rates are final as no credible experience exists for this first year business.

## Recommended Renewal Increases

Aon is recommending no increase for Active Employees, an overall decrease of 2.3% for Early Retirees, and an overall decrease of 6.2% for Medicare Retirees. For all groups combined, the recommended decrease is 1.3%.

The recommended renewal increases for Plan Year 2018 by benefit plan are listed below. Renewal increases were calculated separately for the PPO (which includes the High Deductible plans), the HMO, and the Prescription Drug Plans.

	Total	Single	EE + Spouse	Family	EE + Child(ren)
<b>Actives</b>					
PPO Medical	0.0%	0.0%	0.0%	0.0%	0.0%
HMO Medical	0.0%	0.0%	0.0%	0.0%	0.0%
PPO Rx	0.0%	0.0%	0.0%	0.0%	0.0%
HMO Rx	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Early Retirees</b>					
PPO Medical	0.0%	0.0%	0.0%	0.0%	0.0%
HMO Medical	0.0%	0.0%	0.0%	0.0%	0.0%
PPO Rx	(10.0%)	(10.0%)	(10.0%)	(10.0%)	(10.0%)
HMO Rx	(10.0%)	(10.0%)	(10.0%)	(10.0%)	(10.0%)
<b>Total</b>	<b>(2.3%)</b>	<b>(2.3%)</b>	<b>(2.3%)</b>	<b>(2.3%)</b>	<b>(2.3%)</b>
<b>Medicare Retirees</b>					
PPO Medical	(1.6%)	(1.6%)	(1.6%)	(1.6%)	(1.6%)
HMO Medical	(13.2%)	(13.2%)	(13.2%)	(13.2%)	(13.2%)
PPO Rx	(8.4%)	(8.4%)	(8.4%)	(8.4%)	(8.4%)
HMO Rx	(8.4%)	(8.4%)	(8.4%)	(8.4%)	(8.4%)
<b>Total</b>	<b>(6.2%)</b>	<b>(6.2%)</b>	<b>(6.2%)</b>	<b>(6.2%)</b>	<b>(6.2%)</b>
<b>Grand Total</b>	<b>(1.3%)</b>	<b>(1.3%)</b>	<b>(1.3%)</b>	<b>(1.3%)</b>	<b>(1.3%)</b>

These premium increases for Plan Year 2018 are projected to produce a \$49.3 million loss for Local Government Actives. The Plan Year 2018 premium increases project no gain or loss for the Local Government Retirees. The table below shows the projected Claim Stabilization Reserves at the end of Plan Years 2016-2018. The target Claim Stabilization Reserve is equivalent to 2.3 months of plan costs. The Plan Year 2018 renewal premium increases include no margin, because the projected reserve is expected to meet the target level of 2.0 months of plan costs as of 12/31/2018.

### SHBP Projected Claim Stabilization Reserve

(in \$ millions)

	Total
12/31/2016	\$302
12/31/2017	\$327
12/31/2018	\$278
Months of Plan Cost as of 12/31/2018	2.3

## Employee+Child(ren) Premium Increases

SHBP premiums are developed using fixed relative values for the difference in premiums among coverage tiers (Single, Employee+Child(ren), Employee+Spouse, and Employee+Family).

The Plan Year 2016 premiums rated Child(ren) coverage at 79% of employee costs. The Plan Year 2017 and Plan Year 2018 premiums do not include the cost of Child(ren) coverage increasing to 86% of Single coverage, which is the most recent three year average claim cost per coverage unit for children. This continuation of the gradual increase in Child(ren) premiums to bring their premiums closer to their actual experience is not reflected in the renewal because the medical premium increases are flat. Increases of 4% and 3% are anticipated in Plan Year 2019 for the Active "Ee+Child(ren)" and "Ee+Family" tiers, respectively. There is no change in the Child(ren) load for Retirees. The table below shows the Active Coverage Tier Factors in effect for Plan Year 2016, which are assumed for the Plan Year 2018 renewal.

### Active Coverage Tier Factors

Coverage Tier	PY2016
Single	1.000
Ee+Child(ren)	1.790
Ee+Spouse	2.000
Ee+Family	2.790

## Employee/Retiree Contribution Changes

**Actives:** It is anticipated that the contribution increases will motivate a small number of employees to migrate to the lower-cost benefit plans, and Plan Year 2018 enrollment projections assume that 0.5% of the enrollment in the Horizon NJ DIRECT15 plan will migrate to lower-cost plans from Plan Year 2017 to Plan Year 2018.

**Retirees:** Chapter 78 does not apply to existing retirees as of 7/1/2011 or to employees who had 20 or more years of service on 7/1/2011. For this reason, no changes to Retiree contributions are assumed for Plan Year 2018, which means that the majority of retirees will continue to have no contributions towards the cost of their retiree health benefits.

## Benefit Changes

**Retiree Prescription Drugs:** The renewal projections will assume that Retiree prescription drug copays and out-of-pocket maximums will remain unchanged from Plan Year 2017 for the SHBP. On July 27, 2017 the SHBP Plan Design Committee approved a reduction to the Mail Preferred Brand Copay for the PPO 10 and 15 plans from \$33 to \$28 effective in Plan Year 2018.

	PPO 10+15		HMO 10		1525		2030	
	2017	2018	2017	2018	2017	2018	2017	2018
Retail Generic Copay	\$10	\$10	\$6	\$6	\$7	\$7	\$3	\$3
Retail Preferred Brand Copay	\$22	\$22	\$12	\$12	\$16	\$16	\$18	\$18
Retail Non-Preferred Brand Copay	\$44	\$44	\$24	\$24	\$35	\$35	\$46	\$46
Mail Generic Copay	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5
Mail Preferred Brand Copay	\$33	\$28	\$18	\$18	\$40	\$40	\$36	\$36
Mail Non-Preferred Brand Copay	\$55	\$55	\$30	\$30	\$88	\$88	\$92	\$92
Out-of-Pocket Maximum	\$1,351	\$1,351	\$1,351	\$1,351	\$1,351	\$1,351	\$1,351	\$1,351

### Benefit Changes for Plan Year 2018:

- Tiered Network Assumptions: The SHBP Plan Design Committee approved a Tiered Network plan option for SHBP Active Employees effective January 1, 2016. The Tiered Network Plan is offered by both Horizon and Aetna. The Tiered Network Plan product replaced the HMO1525, HMO2030 & HMO2035 products and is only offered to Active Employees. Plan Year 2017 enrollment projection assumptions for the Tiered Network Plan are consistent with 2017 open enrollment results.
  - Tiered Network medical premium rates were initially priced to be 75% of NJ DIRECT15 premium rates in Plan Year 2017. The Plan Year 2018 premium rate increases will continue to be based on the NJ DIRECT 15 premium rates, as there has not yet been enough credible claims experience to rate the plan separately. The Plan provides the same prescription drug benefits as are provided in the PPO1525 product.

## Federal Healthcare Reform

In-Network Out-of-Pocket Maximum: Effective 1/1/2014, in-network medical coverage was required to include an overall out-of-pocket maximum limit that applied to both medical and prescription drugs benefits. This change was implemented for all the SHBP plans with the exception of NJ DIRECT10 and the High-Deductible plans which already had in-network out-of-pocket maximum limits less than the required maximum. These limits are indexed every year. For Plan Year 2018, this benefit change will not have a significant impact on projected costs. The chart below summarizes a history of these out-of-pocket maximums:

<b>Plan Year</b>	<b>Out-of-Pocket Maximum (Single/Family)</b>
2016	\$6,850 / \$13,700
2017	\$7,150 / \$14,300
2018	\$7,350 / \$14,700

Public Health Insurance Exchanges: The public health insurance exchanges that are mandated by Federal Healthcare Reform, which began in 2014, are assumed to have minimal impact on enrollment or cost levels within the SHBP due to the SHBP's low employee contributions and rich benefit designs.

Full-Time Employee Definition: The Patient Protection and Affordable Care Act (Affordable Care Act) defines full-time employees as employees who work 30 or more hours per week. The employer mandate, which is applicable to full-time employees, was essentially first effective 1/1/2015. This requirement is not projected to have a cost impact on the SHBP because in general, the State offers coverage to all full-time employees.

Minimum Value: Effective 1/1/2015, the Affordable Care Act requires employers to offer plans that have a minimum value of at least 60% (i.e., the plan's share of total allowed costs of benefits provided under the plan is at least 60% of such costs). All of the SHBP plan options were tested and have a minimum value in excess of 60%. More details are included in the Minimum Value section of this report.

## New Jersey State Mandates

Treatments for Substance Use Disorder and Restrictions on Opioids Law: This law mandates NJ insurers provide coverage for inpatient and outpatient treatment of substance use disorder at in-network facilities. The law also puts certain prohibitions on prior authorization or utilization management for the first 180 days per plan year of medically necessary inpatient or outpatient treatment of substance use disorder. Medically necessity is determined by the member's physician. This law is effective 5/16/2017 and is estimated to increase non-Medicare medical claims by approximately 1.1% annually.

## Federal Mandates

ACA 1557: This Federal legislation builds on prior Federal civil rights laws to prohibit discrimination on the basis of race, color, national origin, sex, age or disability, expands those requirements to apply to Health Programs and Activities and extends to those protections to transgender individuals. The rule prohibits the denial of health care or health coverage based on an individual's sex, including discrimination based on pregnancy, gender identity, and sex stereotyping. The rule also requires treatment of individuals consistent with their gender identity. Section 1557 of the ACA requires coverage for medically necessary services for gender reassignment. These include medical and behavioral evaluation and management services, laboratory tests, and surgery and prescription drugs, as applicable, to the same extent as any other condition under the contract. This law is effective 1/1/2017 and is estimated to increase medical claims by approximately 0.17% annually.

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. The collection of the HIF for Plan Year 2017 was suspended by the Consolidated Appropriations Act of 2016. Our projections assume that the HIF will be reinstated for Plan Year 2018 and is expected to increase Medicare medical costs by 14.8%.

## Vendor Changes

Medical Vendors: Aon has assumed that Horizon and Aetna will be the only medical vendors in Plan Year 2018 and that both vendors will offer all benefit options. Note that the Horizon HMO options will only offer a New Jersey provider platform.

Prescription Drug Vendor: Effective January 1, 2018, prescription drug benefits for Actives and Retirees will be administered by Optum (previously administered by Express Scripts through December 31, 2017). Prescription drug cost projections for Plan Year 2018 provided in this renewal report reflect the impact of Optum's proposal as detailed in the Truveris PBM RFP Financial Report provided on July 6, 2017.

## Financial Results

The Plan Year 2016 loss ratio decreased approximately 5.5% since the Plan Year 2017 renewal analysis. This changed the Plan Year 2016 projected loss of \$6 million to a projected gain of \$70 million.

The Plan Year 2017 projected loss ratio decreased 3.1% from last year's renewal analysis, resulting in a current projected gain of \$25 million, compared to a \$20 million projected loss from the Plan Year 2017 Renewal Report. The decrease in cost is primarily due to decreases in prescription drug claim experience.

Plan Year 2018 results were projected to produce a \$49.3 million loss for Actives and no gain or loss for Retirees. The Plan Year 2018 projected costs are \$1.462 billion, broken down as \$977 million for Actives and \$485 million for Retirees.

## Eligibility Changes

### Coverage of Adult Children to Age 31

New Jersey currently mandates the coverage of adult children under age 31 at a premium level that is equivalent to the child rate included in the standard premium tables, loaded 2% for additional expenses. The Adult child rate will be equivalent to 88% of the Single employee rate. Adult dependent enrollment is 103 as of March 2017.

## CarePoint Health System

CarePoint Health System has terminated their In-Network status with Horizon BCBS. Following this termination, Horizon and CarePoint are currently in negotiations regarding the level of reimbursement. No final outcome has been determined at this time.

## Enrollment Changes

Exhibit 1A shows historical enrollment patterns from January 2015 through May 2017 and Aon's projection of enrollment from June 2017 through December 2018. This projection assumes that Local Government Actives will increase 5.0% in Plan Year 2017 and decrease 1.0% in Plan Year 2018; Early Retiree enrollment will increase 1.0% in Plan Year 2017 and remain flat in Plan Year 2018; and Medicare Retiree enrollment will increase 4.0% per year in Plan Years 2017 and 2018.

Exhibit 1B shows the projected distribution of enrollment among benefit options and assumes that 0.5% of the enrollment in the NJ DIRECT10 will migrate to lower-cost benefit options in Plan Years 2017 and 2018.

Enrollment in the Tiered Network plans is assumed to migrate from the Aetna and Horizon Legacy DIRECT10 plans at 1.5% from 2017 to 2018.

Exhibit 1C shows enrollment by benefit option and coverage tier as of May 2017.

## Demographic Changes

The Active Employee average age was stable in Plan Years 2016 and 2017. The average HMO employee age is approximately two years older than the average age for the average PPO employee. The average age of employees enrolling in the new benefit options is approximately two years younger than the employees in the Legacy Plans.

### Average Employee Age

	2016	2017	Change
Legacy PPO	46.7	46.4	(0.3)
Legacy HMO	48.0	48.2	0.2
Legacy Total	46.8	46.6	(0.2)
New Plans	45.2	45.4	0.2
<b>Total</b>	<b>46.7</b>	<b>46.4</b>	<b>(0.3)</b>

## Trend Analysis

The recommended claim trend assumptions for Plan Years 2017 and 2018 are:

	Plan Year 2017		Plan Year 2018	
	Medical	Prescription Drugs	Medical	Prescription Drugs
PPO Actives	6.00%	11.00%	6.00%	11.00%
PPO Early Retirees	5.50%	11.00%	6.00%	11.00%
Self-Insured Medicare Retirees	4.00%	11.00%	3.50%	11.00%
HMO Actives	6.00%	11.00%	5.50%	11.00%
HMO Early Retirees	6.00%	11.00%	5.50%	11.00%

\*Does not include anti-selection trend adjustments outlined below.

The Medicare Retiree trend assumptions do not reflect the fully insured Medicare Advantage plans. These premium rates are provided by Horizon and Aetna.

Exhibit 2A presents historical SHBP medical trend experience and Aon's trend assumptions for Plan Year 2018. Exhibit 2B presents similar prescription drug trend experience and assumptions. These experience trends are based on estimated incurred claim trends from January 1, 2015 to December 31, 2016. The claim costs in these exhibits have been normalized for estimated benefit and vendor changes.

Medical Trends: Aon recommended trends are based on SHBP experience adjusted for expected future changes and vendor recommended trends.

- Since the two-year average experience trend for Horizon Actives is approximately 4.5%, the PPO medical trend has been adjusted to 6.0% for Plan Years 2017 and 2018, as compared to the Plan Year 2017 PPO medical trend of 7.0% in the Plan Year 2017 Renewal Report (which does not include the anti-selection adjustment described below).
- The recommended PPO medical trend assumption for Early Retirees is equal to 5.5% in Plan Year 2017, which is 50 basis points less than the PPO active trend of 6.0%. The PPO medical trend assumption for Early Retirees is 6.0% in Plan Year 2018.
- The self-insured Medicare Retiree medical trend is 4.0% in Plan Year 2017 and 3.5% in Plan Year 2018, as compared to the Plan Year 2017 Medicare retiree medical trend of 3.5% in the Plan Year 2017 Renewal Report.
- The medical trend assumption for HMO Actives has been adjusted to 6.0% in Plan Year 2017 from 5.5% in the Plan Year 2017 Renewal Report (which does not include the anti-selection adjustment described below). The medical trend assumption for HMO Actives is 5.5% in Plan Year 2018.
- The medical trend assumption for HMO Early Retirees has been adjusted to 6.0% in Plan Year 2017, from 5.5% in the Plan Year 2017 Renewal Report. The medical trend assumption for HMO Early Retirees is 5.5% in Plan Year 2018.

Prescription Drug Trends: Aon recommended trends are based on experience trend and the Aon Trend Survey. The trend recommendations have been adjusted for the compound drug change and reflect expectations of future prescription drug trends.

The Aon prescription drug trend recommendation for Actives has been kept at the Plan Year 2017 Renewal Report level of 11.00%. The Aon Plan Year 2018 prescription drug trend recommendation is 11.00% for Actives and Retirees.

Additional Trend Adjustments: Based on expected terminations of Local Government Active employers from the SHBP, the Active medical and prescription drug trends have been increased by 25 basis points. This adjustment is consistent with Horizon's expectations and reflects anti-selection risk (employers with good experience are terminating which will affect the SHBP's loss ratio).

Medicare Advantage:

The Medicare Advantage rates were provided by Aetna and Horizon. Below is a table summarizing the fully insured Medicare Advantage rates for Plan Years 2017 and 2018:

	Aetna			Horizon		
	2017	2018	% Change	2017	2018	% Change
<b>PPO 10</b>	\$ 203.17	\$ 243.71	20.0%	\$ 179.00	\$ 212.00	18.4%
<b>PPO 15</b>	\$ 201.50	\$ 241.89	20.0%	\$ 170.00	\$ 203.00	19.4%
<b>HMO 10</b>	\$ 217.84	\$ 203.73	(6.5%)	NA	NA	NA
<b>HMO 1525</b>	\$ 184.34	\$ 175.82	(4.6%)	NA	NA	NA

The current Plan Year 2018 projection assumes that the Health Insurer Fee will be reinstated for Plan Year 2018. Aetna and Horizon have also provided alternate versions of Plan Year 2018 rates excluding the Health Insurer Fee if it is not reinstated. Below is a table summarizing the fully insured Medicare Advantage rates for Plan Years 2017 and 2018 without the Health Insurer Fee:

	Aetna			Horizon		
	2017	2018	% Change	2017	2018	% Change
<b>PPO 10</b>	\$ 203.17	\$ 209.66	3.2%	\$ 179.00	\$ 185.00	3.4%
<b>PPO 15</b>	\$ 201.50	\$ 207.84	3.1%	\$ 170.00	\$ 176.00	3.5%
<b>HMO 10</b>	\$ 217.84	\$ 167.73	(23.0%)	NA	NA	NA
<b>HMO 1525</b>	\$ 184.34	\$ 139.82	(24.2%)	NA	NA	NA

# Financial Projections

## Aggregate Financial Projections

Using the assumptions and methodology described in this report's Renewal Rate Development section, Aon updated estimated costs for Plan Years 2016, 2017 and 2018.

Projected Financial Results  
(in \$ millions)

	PPO 10	PPO 15	Legacy HMOs	New Plans	Total
<b>Plan Year 2016</b>					
Premium Rates x Enrollment	\$908.8	\$246.9	\$152.4	\$57.8	\$1,365.9
Incurred Claims	\$851.9	\$227.3	\$142.1	\$43.7	\$1,265.0
Administrative Charges	\$19.7	\$5.6	\$4.2	\$1.5	\$31.0
Net Gain (Loss)	\$37.2	\$14.0	\$6.1	\$12.6	\$69.9
<b>Plan Year 2017</b>					
Premium Rates x Enrollment	\$965.7	\$254.5	\$142.1	\$72.6	\$1,434.9
Incurred Claims	\$938.1	\$242.6	\$137.1	\$67.7	\$1,385.5
Administrative Charges	\$15.0	\$4.2	\$3.4	\$1.6	\$24.2
Net Gain (Loss)	\$12.6	\$7.7	\$1.6	\$3.3	\$25.2
<b>Plan Year 2018</b>					
Premium Rates x Enrollment	\$938.7	\$253.9	\$135.5	\$84.9	\$1,413.0
Incurred Claims	\$963.3	\$255.3	\$134.4	\$83.4	\$1,436.4
Administrative Charges	\$15.7	\$4.5	\$3.5	\$2.2	\$25.9
Net Gain (Loss)	(\$40.3)	(\$5.9)	(\$2.4)	(\$0.7)	(\$49.3)

More detailed aggregate projections are attached in Exhibit 3. The losses and gains displayed in this table and in Exhibit 3 assume that all premiums are fully funded.

## Administrative Fees

The table below compares Plan Year 2018 administrative fees per subscriber per month with Plan Year 2017 fees. The fees below do not include fees associated with NJWELL:

	PY 2017	PY 2018	Change
Aetna PPO	\$32.18	\$33.11	2.9%
Horizon* PPO	\$23.44	\$24.02	2.5%
Aetna HMO	\$43.88	\$45.15	2.9%
Horizon* HMO	\$36.70	\$37.49	2.1%
Aetna HDHP	\$33.57	\$34.54	2.9%
Horizon* HDHP	\$28.22	\$28.92	2.5%
Aetna Tiered Network	\$47.37	\$48.74	2.9%
Horizon* Tiered Network	\$46.70	\$47.87	2.5%
Prescription Drug** Rx Card	\$3.37	\$5.94	54.7%
Prescription Drug** HDHP	\$4.32	\$7.61	54.7%
Prescription Drug** EGWP	\$12.37	\$11.07	(16.1%)

\*Plan Year 2018 Horizon administrative fees are based on renewal guidance provided by Horizon and are assumed to increase by 2.5% from Plan Year 2017 levels. This 2.5% assumption is subject to change based on future guidance to be received from Horizon later in 2017.

\*\*Prescription drug administrative fees for Plan Year 2017 are consistent with the administrative fees provided by Express Scripts under the Two-Year Contract Extension. Aggregate Plan Year 2018 prescription drug administrative fees have been adjusted to reflect the savings provided by Optum's proposal in the Truveris PBM RFP Financial Report received on July 6, 2017.

## Minimum Value

Under the Affordable Care Act, beginning in 2014, eligible individuals who purchase coverage under a qualified health plan through a state health insurance exchange may receive a premium tax credit or cost-sharing subsidy unless they are eligible for other health care coverage, including coverage under an employer-sponsored health plan that is affordable to the employee and provides minimum value. A plan fails to provide minimum value if the plan's share of the total allowed costs of benefits provided under the plan is less than 60% of such costs. The 2018 SHBP plans were tested using the Minimum Value calculator provided by Health and Human Services (HHS) and the Internal Revenue Service (IRS). All the SHBP plans have a minimum value greater than the 60% minimum requirement with values ranging from 66% for the \$4,000 High Deductible plan up to 97% for the Active NJ DIRECT10 plan.

# Renewal Rate Development

## Rating Methodology

Exhibit 3 shows the aggregate projected costs for Plan Years 2016, 2017, and 2018, separately for each PPO, HMO, and High Deductible plan. Costs were projected separately for each benefit plan for Actives, Early Retirees, and Medicare Retirees, and for medical claims, prescription drug claims, administrative costs, and aggregate premiums.

Plan Year 2018 premium increases were calculated separately for Actives, Early Retirees, and Medicare Retirees, and by coverage type: PPO, HMO, and prescription drugs. Aetna experience was used to develop the HMO premium increases, Horizon experience for the PPO premium increases, and Express Scripts experience for the prescription drug premium increases. Premium increases were set to achieve a \$49 million loss for the Local Government Actives and no loss or gain for the Retirees. Aetna and Horizon have provided the Plan year 2018 fully insured Medicare Advantage premium rates.

## Medical and Prescription Drug Claim Projections

1. Using claim data and claim triangles supplied by Horizon, Aetna, and Express Scripts, Aon estimated completed incurred claims for Plan Year 2016 and the first quarter of Plan Year 2017, separately for each benefit plan, for medical versus prescription drugs, and for Actives, Early Retirees, and Medicare Retirees.
2. Capitation and other similar fixed claim charges were added to the incurred claims to arrive at projected incurred claims.
3. Estimated incurred claims in Plan Year 2016 were divided by average covered members to get average claims per member per year. Covered members are based on historical billing enrollment data by coverage tier and assumptions for the number of members per coverage tier.
4. Claims per member were projected from the mid-point of the experience period to the mid-point of Plan Year 2018 using the annual trend rates listed in the Trend Analysis section of this document.
5. Aggregate claims for Plan Year 2018 are the product of projected enrollment and the projected claims per member.
6. Plan Year 2018 projected Medicare Advantage fully insured premiums are based on Aetna's and Horizon's renewal reports.
7. Aon assumes that rebates for Plan Years 2015 and 2016 are based on actual rebate payment data received from the State. Rebates for Plan Year 2017 are assumed to be 95% of ESI's estimated rebates, adjusted to reflect the historical difference between actual rebate payments received by the State and the amounts provided by ESI. Rebates for Plan Year 2018 reflect the Plan Year 2018 projected rebate amounts from Optum's proposal in the Truveris PBM RFP Financial Report received on July 6, 2017.

8. EGWP projections include monthly CMS payments per Medicare-eligible Retiree for prescription drug coverage, an annual CMS payment for reinsurance on catastrophic claims, and prescription drug manufacturers' coverage gap reimbursement payments. These amounts are equal to recommendations from Express Scripts for Plan Years 2016 and 2017. The Plan Year 2018 EGWP projections are based on recommendation from Express Scripts, and have been adjusted based on the gross incurred claim savings due to the new PBM contract with Optum (based on the Truveris PBM RFP Financial Report received on July 6, 2017), as detailed below:
  - a. CMS per capita payments: The Plan Year 2018 CMS per capita payment is assumed to be \$15.54 Per Member Per Month (PMPM) based on data received to date from Express Scripts. It is assumed that there will be no impact to the CMS per capita payments due to the new PBM contract with Optum.
  - b. Coverage Gap Discount: The Plan Year 2018 PMPM credits are assumed to be \$59.43 based on data received from Express Scripts. Projected coverage gap amounts have been reduced by 50% of the impact of the projected gross incurred claim savings due to the new PBM contract.
  - c. Catastrophic Reinsurance: This payment has a very long lag, and the Plan Year 2016 credit is not expected until the beginning of Plan Year 2018. The Plan Year 2018 PMPM credits are assumed to be \$65.92 based on data received from Express Scripts. Projected reinsurance payments have been reduced by the full impact of the projected gross incurred claim savings due to the new PBM contract.
9. Total SHBP projected Plan Year 2018 claim costs are the sum of projected medical and prescription drug claims, capitation charges, payments from CMS related to EGWP Plus Wrap, and prescription drug rebates.

## Administrative Cost Projection

The administrative cost projection includes administrative charges, as well as some miscellaneous cost items:

1. Administrative fees are contractual ASO fees per subscriber per month multiplied by the projected average enrollment for the year.
2. Overhead charges, which are internal State of New Jersey administrative costs charged against the plans, projected at \$2.0 million for Plan Year 2018.
3. Projected investment income of \$1.3 million was used to reduce projected administrative costs for Plan Year 2018.
4. NJWELL annual expenses, projected to be \$32 per employee for Plan Year 2017 and \$33 per employee for Plan Year 2018.
  - a. Based on participation in wellness initiatives, employers are eligible for a 1% discount on their premium rates in the following plan year. Plan Year 2016 participation showed 14 Local Government employers (a total of 563 employees) were eligible for this discount. The Plan Year 2017 costs have been adjusted to reflect the total number of employees who will receive the 1% premium discount in 2017. 1% of employees are assumed to be eligible for this discount in Plan Year 2018.

5. Aggregate Plan Year 2018 prescription drug administrative fees are based on data from Express Scripts and have been adjusted to reflect the savings implied by Optum's proposal shown in the Truveris PBM RFP Financial Report received on July 6, 2017.

## Margin

1. Active and Retiree premiums include no margin, since the projected Claim Stabilization Reserve for the Local Government Group is expected to be at or above the recommended level of 2.0 at the end of Plan Year 2018.
2. Projected Claim Stabilization Reserve at December 31, 2018 is based on the actual Claim Stabilization Reserve at June 30, 2016 provided by the State.

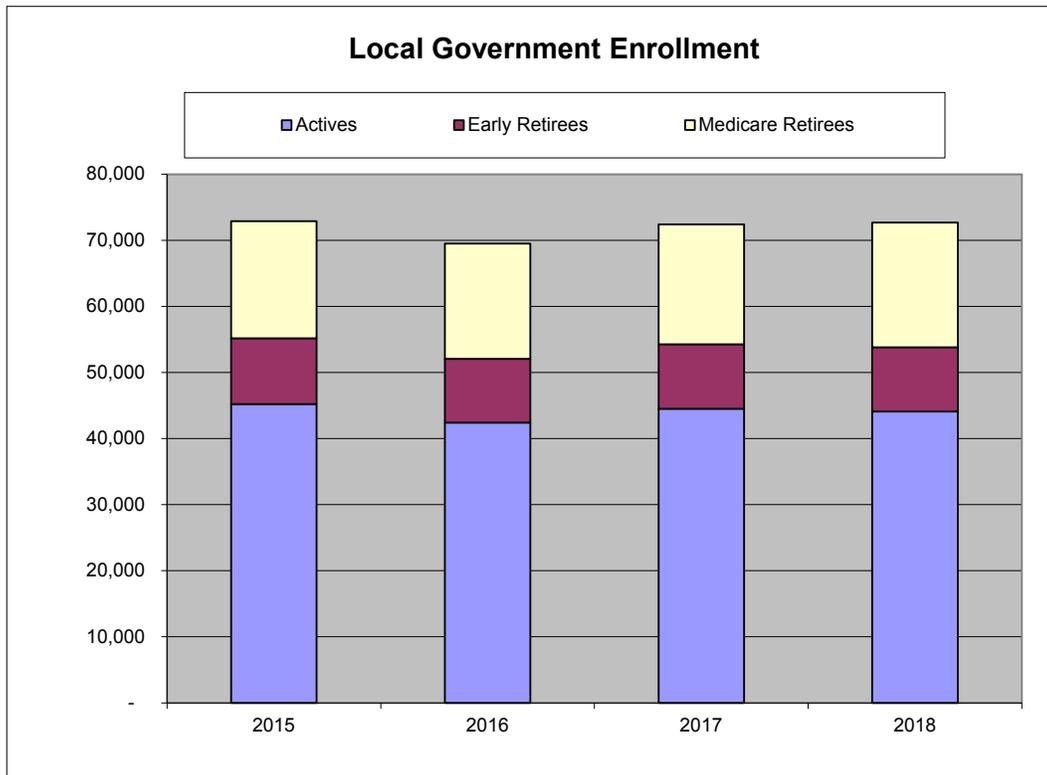
## Projected Premiums

1. Plan Year 2018 premiums were developed by applying the projected premium increase percentages listed in the Executive Summary section of this document to the Plan Year 2017 premium rates.
2. Aggregate Plan Year 2018 premiums are calculated by multiplying projected Plan Year 2018 enrollment by projected Plan Year 2018 premium rates.

## Data Assumptions

1. Claims: For medical and prescription drug claims, claim files from each of the vendors, which have claims paid through March 31, 2017, are used.
2. Enrollment: Monthly census files received from the Division of Pensions and Benefits are used to match against the claims tapes to determine enrollments for Active versus Retiree and State versus Local Employers. Billing counts from the Division of Pensions and Benefits through May 2017 are used for the exposure units in the cost analysis.

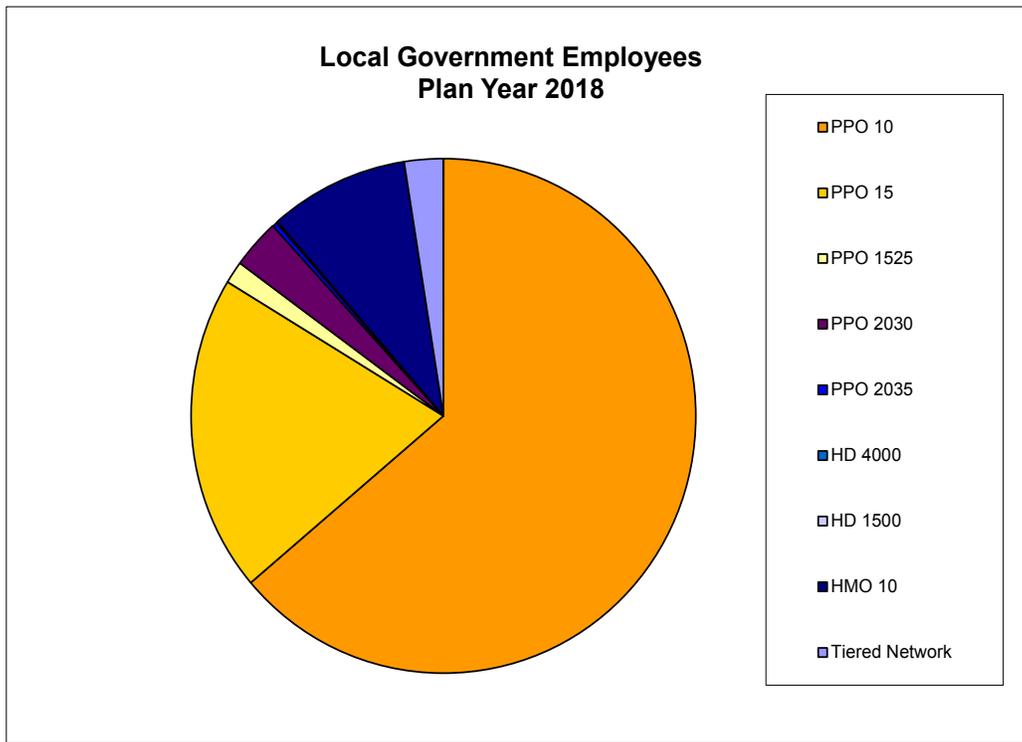
### Exhibit 1A – Enrollment Projections



#### Annual Change in Enrollment

	<u>Actual 2015 to 2016</u>	<u>Actual 2016 to 2017</u>	<u>Projected 2017 to 2018</u>
Actives	(6.1%)	5.0%	(1.0%)
Early Retirees	(3.2%)	1.0%	0.0%
Medicare Retirees	(1.7%)	4.0%	4.0%

Exhibit 1B Actives – Projected Plan Year 2018 Plan Distribution



Assumes approximately 73% of employees will remain in the \$10 copay plans.

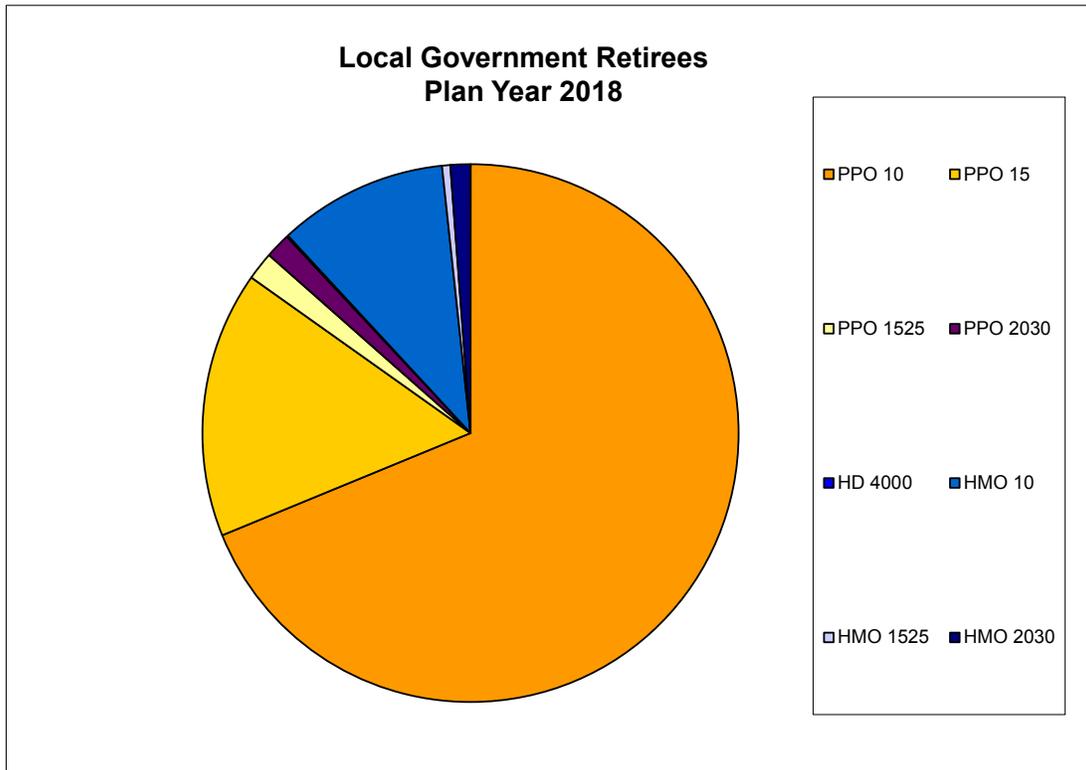
Assumes approximately 89% of employees will enroll in the PPO plans, 9% in the HMO plans, 2% in the Tiered Network plans, and less than 1% in the High Deductible plans.

Assumes approximately 93% of employees will enroll in the Legacy plans, with only approximately 7% in the new benefit options.

Assumes approximately 80% of employees will enroll in the Horizon plans and approximately 20% of employees will enroll in the Aetna plans.

Actives	Horizon	Aetna	Total
PPO 10	55.3%	8.5%	63.8%
PPO 15	19.0%	0.9%	19.9%
PPO 1525	0.8%	0.6%	1.4%
PPO 2030	2.6%	0.5%	3.1%
PPO 2035	0.2%	0.1%	0.3%
HD 4000	0.1%	0.0%	0.1%
HD 1500	0.0%	0.0%	0.0%
HMO 10	0.3%	8.6%	8.9%
Tiered Network	<u>1.8%</u>	<u>0.7%</u>	<u>2.5%</u>
<b>Total</b>	<b>80.1%</b>	<b>19.9%</b>	<b>100.0%</b>

Exhibit 1B Retirees – Projected Plan Year 2018 Plan Distribution



Assumes approximately 79% of retirees will remain in the \$10 copay plans.

Assumes approximately 88% of retirees will enroll in the PPO plans, 12% in the HMO plans, and less than 1% in the High Deductible plan.

Assumes approximately 95% of retirees will enroll in the Legacy plans, with only approximately 5% in the new benefit options.

Assumes approximately 78% of retirees will enroll in the Horizon plans and approximately 22% of retirees will enroll in the Aetna plans.

Retirees	Horizon	Aetna	Total
PPO 10	59.2%	9.6%	68.8%
PPO 15	14.7%	1.3%	16.0%
PPO 1525	1.6%	0.1%	1.7%
PPO 2030	1.3%	0.2%	1.5%
HD 4000	0.1%	0.0%	0.1%
HMO 10	0.2%	10.0%	10.2%
HMO 1525	0.1%	0.4%	0.5%
HMO 2030	<u>0.4%</u>	<u>0.8%</u>	<u>1.2%</u>
<b>Total</b>	<b>77.6%</b>	<b>22.4%</b>	<b>100.0%</b>

Exhibit 1C Actives – May 2017 Enrollment

	Number of Contracts as of May 2017				
	Single	Employee + Spouse	Family	Employee + Child(ren)	Total
<b>STATE - ACTIVE &amp; COBRA</b>					
<b>Medical Plans</b>					
Horizon 10 PPO	8,280	4,225	10,202	3,259	25,966
Horizon 15 PPO	3,070	1,457	3,170	1,123	8,820
Horizon 1525 PPO	143	48	108	31	330
Horizon 2030 PPO	390	183	459	117	1,149
Horizon 2035 PPO	46	11	24	9	90
Horizon HD4000	7	5	11	5	28
Horizon HD1500	3	0	0	0	3
Horizon Legacy HMO (10)	67	15	50	29	161
Horizon Tiered Network	136	36	120	37	329
<b>Horizon Total</b>	<b>12,142</b>	<b>5,980</b>	<b>14,144</b>	<b>4,610</b>	<b>36,876</b>
Aetna 10 PPO	1,391	529	1,285	825	4,030
Aetna 15 PPO	168	35	137	79	419
Aetna 1525 PPO	59	24	50	26	159
Aetna 2030 PPO	58	20	78	25	181
Aetna 2035 PPO	16	4	9	7	36
Aetna HD4000	3	0	2	1	6
Aetna HD1500	0	0	0	0	0
Aetna Legacy HMO (10)	1,042	602	1,619	669	3,932
Aetna Tiered Network	100	37	77	35	249
<b>Aetna Total</b>	<b>2,837</b>	<b>1,251</b>	<b>3,257</b>	<b>1,667</b>	<b>9,012</b>
<b>Total</b>	<b>14,979</b>	<b>7,231</b>	<b>17,401</b>	<b>6,277</b>	<b>45,888</b>

Exhibit 1C Retirees – May 2017 Enrollment

	Number of Contracts as of May 2017				
	Single	Employee + Spouse	Family	Employee + Child(ren)	Total
<b>STATE RETIREES</b>					
<b>Medical Plans</b>					
Horizon 10 PPO	7,661	6,538	2,495	615	17,309
Horizon 15 PPO	1,880	1,593	581	191	4,245
Horizon 1525 PPO	185	161	72	18	436
Horizon 2030 PPO	49	104	145	27	325
Horizon HD4000	4	7	5	0	16
Horizon HD1500	0	0	0	0	0
Horizon Legacy HMO (10)	22	21	15	4	62
Horizon 1525 HMO	6	9	6	2	23
Horizon 2030 HMO	18	34	44	5	101
<b>Horizon Total</b>	<b>9,825</b>	<b>8,467</b>	<b>3,363</b>	<b>862</b>	<b>22,517</b>
Aetna 10 PPO	1,262	1,018	432	166	2,878
Aetna 15 PPO	179	156	39	22	396
Aetna 1525 PPO	11	4	11	2	28
Aetna 2030 PPO	9	20	24	5	58
Aetna 2035 PPO	0	0	0	0	0
Aetna HD4000	5	1	2	0	8
Aetna HD1500	0	0	0	0	0
Aetna Legacy HMO (10)	1,176	1,032	537	182	2,927
Aetna 1525 HMO	17	43	35	7	102
Aetna 2030 HMO	23	76	115	20	234
Aetna 2035 HMO	0	0	0	0	0
<b>Aetna Total</b>	<b>2,682</b>	<b>2,350</b>	<b>1,195</b>	<b>404</b>	<b>6,631</b>
<b>Total</b>	<b>12,507</b>	<b>10,817</b>	<b>4,558</b>	<b>1,266</b>	<b>29,148</b>

Exhibit 2A – Medical Trend Assumption

	(A) Increase in Claims/Ee	(B) Benefit + RFP Changes	(C) = (A) - (B) Claim Trend
<b>PPO Active</b>			
01/01/2015 - 12/31/2015	6.0%	0.6%	5.4%
01/01/2016 - 12/31/2016	3.2%	(0.4%)	3.6%
Average			4.5%
Aon Plan Year 2018 Trend Assumption			<b>6.0%</b>

<b>PPO Early Retiree</b>			
01/01/2015 - 12/31/2015	7.3%	0.7%	6.6%
01/01/2016 - 12/31/2016	4.7%	(0.4%)	5.1%
Average			5.9%
Aon Plan Year 2018 Trend Assumption			<b>6.0%</b>

<b>Self-Insured PPO Medicare Retiree</b>			
01/01/2015 - 12/31/2015	1.6%	0.6%	1.0%
01/01/2016 - 12/31/2016	0.4%	(0.4%)	0.8%
Average			0.9%
Aon Plan Year 2018 Trend Assumption			<b>3.5%</b>

<b>HMO Active</b>			
01/01/2015 - 12/31/2015	8.7%	0.6%	8.1%
01/01/2016 - 12/31/2016	4.6%	(0.4%)	5.0%
Average			6.5%
Aon Plan Year 2018 Trend Assumption			<b>5.5%</b>

<b>HMO Early Retiree</b>			
01/01/2015 - 12/31/2015	(1.6%)	0.6%	(2.2%)
01/01/2016 - 12/31/2016	6.6%	(0.4%)	7.0%
Average			2.4%
Aon Plan Year 2018 Trend Assumption			<b>5.5%</b>

Normalizing Adjustments

1/1/2015: Breast evaluation and other medically necessary testing for Actives and Retirees.

1/1/2015: Autism and other developmental disabilities mandate for Actives and Retirees.

1/1/2016: Increase Emergency Room copays and restrict physical therapy for OON coverage.

Exhibit 2B – Prescription Drug Trend Assumption

	(A) Increase in Claims/Ee	(B) Benefit + RFP Changes	(C) = (A) - (B) Claim Trend
<b>Active Rx</b>			
01/01/2015 - 12/31/2015	18.3%	(2.4%)	20.7%
01/01/2016 - 12/31/2016	13.0%	(2.9%)	15.9%
Average			18.3%
Aon Plan Year 2018 Trend Assumption			<b>11.0%</b>

<b>Retiree Rx</b>			
01/01/2015 - 12/31/2015	17.4%	(3.2%)	20.6%
01/01/2016 - 12/31/2016	9.8%	(2.2%)	12.0%
Average			16.3%
Aon Plan Year 2018 Trend Assumption			<b>11.0%</b>

Normalizing Adjustments:

- 1/1/2014 and 1/1/2015: Retiree Rx Copay and OOP maximum change
- 1/1/2015: ESI Contract Extension (Actives & Retirees)
- 10/1/2015: Adjustment for Hepatitis C medications
- 3/1/2016: Adjustment for compound drugs

Exhibit 3A – Plan Year 2016 Aggregate Costs

Page 1 of 2

	Legacy Plans							1525			
	Total	Aetna PPO 10	Aetna PPO 15	NJ DIRECT 10	NJ DIRECT 15	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Employees and Retirees</b>											
Average Medical Subscribers	69,483	2,425	556	43,451	12,658	7,281	203	168	498	103	22
Incurred Medical Claims	\$952,965,000	\$40,830,000	\$6,789,000	\$612,305,000	\$161,311,000	\$95,195,000	\$1,462,000	\$2,037,000	\$7,622,000	\$1,028,000	\$229,000
Capitation	\$13,724,000	\$0	\$0	\$5,930,000	\$1,741,000	\$5,423,000	\$38,000	\$0	\$70,000	\$57,000	\$6,000
Incurred Prescription Drug Claims	\$391,998,000	\$14,540,000	\$4,727,000	\$241,564,000	\$70,247,000	\$49,918,000	\$956,000	\$830,000	\$2,496,000	\$742,000	\$158,000
Prescription Drug Rebates	(\$55,935,000)	(\$2,068,000)	(\$701,000)	(\$34,417,000)	(\$10,096,000)	(\$7,111,000)	(\$139,000)	(\$127,000)	(\$351,000)	(\$95,000)	(\$20,000)
EGWP Credits	(\$37,700,000)	(\$1,503,000)	(\$403,000)	(\$25,226,000)	(\$6,372,000)	(\$3,546,000)	(\$67,000)	\$0	(\$233,000)	(\$111,000)	(\$15,000)
Administrative Fees	\$30,955,000	\$1,050,000	\$230,000	\$18,614,000	\$5,418,000	\$4,080,000	\$120,000	\$90,000	\$211,000	\$44,000	\$13,000
<b>Total Cost</b>	<b>\$1,296,007,000</b>	<b>\$52,849,000</b>	<b>\$10,642,000</b>	<b>\$818,770,000</b>	<b>\$222,249,000</b>	<b>\$143,959,000</b>	<b>\$2,370,000</b>	<b>\$2,830,000</b>	<b>\$9,815,000</b>	<b>\$1,665,000</b>	<b>\$371,000</b>
<b>Total Premium</b>	<b>\$1,365,857,000</b>	<b>\$50,975,000</b>	<b>\$10,260,000</b>	<b>\$857,797,000</b>	<b>\$236,633,000</b>	<b>\$148,287,000</b>	<b>\$4,099,000</b>	<b>\$3,465,000</b>	<b>\$9,739,000</b>	<b>\$2,154,000</b>	<b>\$490,000</b>
<b>Gain (Loss)</b>	<b>\$69,850,000</b>	<b>(\$1,874,000)</b>	<b>(\$382,000)</b>	<b>\$39,027,000</b>	<b>\$14,384,000</b>	<b>\$4,328,000</b>	<b>\$1,729,000</b>	<b>\$635,000</b>	<b>(\$76,000)</b>	<b>\$489,000</b>	<b>\$119,000</b>
<b>Employees</b>											
Average Medical Subscribers	42,420	1,314	299	26,143	8,351	4,310	143	141	283	N/A	N/A
Incurred Medical Claims	\$684,501,000	\$25,327,000	\$4,332,000	\$446,746,000	\$120,168,000	\$64,728,000	\$1,067,000	\$1,683,000	\$4,186,000	N/A	N/A
Capitation	\$9,641,000	\$0	\$0	\$4,375,000	\$1,358,000	\$3,691,000	\$28,000	\$0	\$44,000	N/A	N/A
Incurred Prescription Drug Claims	\$174,334,000	\$6,309,000	\$2,962,000	\$105,558,000	\$33,258,000	\$22,001,000	\$520,000	\$669,000	\$954,000	N/A	N/A
Prescription Drug Rebates	(\$27,982,000)	(\$1,013,000)	(\$475,000)	(\$16,944,000)	(\$5,338,000)	(\$3,531,000)	(\$83,000)	(\$107,000)	(\$153,000)	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$19,262,000	\$697,000	\$157,000	\$10,975,000	\$3,516,000	\$2,925,000	\$84,000	\$76,000	\$118,000	N/A	N/A
<b>Total Cost</b>	<b>\$859,756,000</b>	<b>\$31,320,000</b>	<b>\$6,976,000</b>	<b>\$550,710,000</b>	<b>\$152,962,000</b>	<b>\$89,814,000</b>	<b>\$1,616,000</b>	<b>\$2,321,000</b>	<b>\$5,149,000</b>	<b>N/A</b>	<b>N/A</b>
<b>Total Premium</b>	<b>\$909,854,000</b>	<b>\$29,935,000</b>	<b>\$6,011,000</b>	<b>\$573,765,000</b>	<b>\$170,274,000</b>	<b>\$93,893,000</b>	<b>\$2,912,000</b>	<b>\$2,763,000</b>	<b>\$5,414,000</b>	<b>N/A</b>	<b>N/A</b>
<b>Gain (Loss)</b>	<b>\$50,098,000</b>	<b>(\$1,385,000)</b>	<b>(\$965,000)</b>	<b>\$23,055,000</b>	<b>\$17,312,000</b>	<b>\$4,079,000</b>	<b>\$1,296,000</b>	<b>\$442,000</b>	<b>\$265,000</b>	<b>N/A</b>	<b>N/A</b>
<b>Retirees</b>											
Average Medical Subscribers	27,063	1,111	257	17,308	4,307	2,971	60	27	215	103	22
Incurred Medical Claims	\$268,464,000	\$15,503,000	\$2,457,000	\$165,559,000	\$41,143,000	\$30,467,000	\$395,000	\$354,000	\$3,436,000	\$1,028,000	\$229,000
Capitation	\$4,083,000	\$0	\$0	\$1,555,000	\$383,000	\$1,732,000	\$10,000	\$0	\$26,000	\$57,000	\$6,000
Incurred Prescription Drug Claims	\$217,664,000	\$8,231,000	\$1,765,000	\$136,006,000	\$36,989,000	\$27,917,000	\$436,000	\$161,000	\$1,542,000	\$742,000	\$158,000
Prescription Drug Rebates	(\$27,953,000)	(\$1,055,000)	(\$226,000)	(\$17,473,000)	(\$4,758,000)	(\$3,580,000)	(\$56,000)	(\$20,000)	(\$198,000)	(\$95,000)	(\$20,000)
EGWP Credits	(\$37,700,000)	(\$1,503,000)	(\$403,000)	(\$25,226,000)	(\$6,372,000)	(\$3,546,000)	(\$67,000)	\$0	(\$233,000)	(\$111,000)	(\$15,000)
Administrative Fees	\$11,693,000	\$353,000	\$73,000	\$7,639,000	\$1,902,000	\$1,155,000	\$36,000	\$14,000	\$93,000	\$44,000	\$13,000
<b>Total Cost</b>	<b>\$436,251,000</b>	<b>\$21,529,000</b>	<b>\$3,666,000</b>	<b>\$268,060,000</b>	<b>\$69,287,000</b>	<b>\$54,145,000</b>	<b>\$754,000</b>	<b>\$509,000</b>	<b>\$4,666,000</b>	<b>\$1,665,000</b>	<b>\$371,000</b>
<b>Total Premium</b>	<b>\$456,003,000</b>	<b>\$21,040,000</b>	<b>\$4,249,000</b>	<b>\$284,032,000</b>	<b>\$66,359,000</b>	<b>\$54,394,000</b>	<b>\$1,187,000</b>	<b>\$702,000</b>	<b>\$4,325,000</b>	<b>\$2,154,000</b>	<b>\$490,000</b>
<b>Gain (Loss)</b>	<b>\$19,752,000</b>	<b>(\$489,000)</b>	<b>\$583,000</b>	<b>\$15,972,000</b>	<b>(\$2,928,000)</b>	<b>\$249,000</b>	<b>\$433,000</b>	<b>\$193,000</b>	<b>(\$341,000)</b>	<b>\$489,000</b>	<b>\$119,000</b>

Exhibit 3A – Plan Year 2016 Aggregate Costs  
Page 2 of 2

	2030				2035		HD 4000		HD 1500		Tiered Network	
	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna PPO	Horizon PPO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Employees and Retirees</b>												
Average Medical Subscribers	191	1,127	238	99	18	54	13	44	-	4	152	178
Incurred Medical Claims	\$2,015,000	\$15,074,000	\$2,949,000	\$1,006,000	\$113,000	\$418,000	\$8,000	\$153,000	\$5,000	\$0	\$1,339,000	\$1,077,000
Capitation	\$0	\$181,000	\$246,000	\$23,000	\$0	\$3,000	\$0	\$6,000	\$0	\$0	\$0	\$0
Incurred Prescription Drug Claims	\$715,000	\$2,561,000	\$1,166,000	\$726,000	\$36,000	\$61,000	\$6,000	\$9,000	\$0	\$0	\$289,000	\$251,000
Prescription Drug Rebates	(\$109,000)	(\$357,000)	(\$147,000)	(\$93,000)	(\$6,000)	(\$10,000)	(\$1,000)	(\$1,000)	\$0	\$0	(\$46,000)	(\$40,000)
EGWP Credits	\$0	(\$189,000)	\$0	(\$35,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative Fees	\$103,000	\$470,000	\$158,000	\$58,000	\$10,000	\$23,000	\$7,000	\$22,000	\$0	\$2,000	\$104,000	\$128,000
Total Cost	\$2,724,000	\$17,740,000	\$4,372,000	\$1,685,000	\$153,000	\$495,000	\$20,000	\$189,000	\$5,000	\$2,000	\$1,686,000	\$1,416,000
Total Premium	\$4,159,000	\$21,996,000	\$6,471,000	\$2,410,000	\$279,000	\$747,000	\$120,000	\$578,000	\$0	\$32,000	\$2,173,000	\$2,993,000
Gain (Loss)	\$1,435,000	\$4,256,000	\$2,099,000	\$725,000	\$126,000	\$252,000	\$100,000	\$389,000	(\$5,000)	\$30,000	\$487,000	\$1,577,000
<b>Employees</b>												
Average Medical Subscribers	145	853	N/A	N/A	18	54	4	28	-	4	152	178
Incurred Medical Claims	\$1,440,000	\$11,797,000	N/A	N/A	\$113,000	\$418,000	\$0	\$75,000	\$5,000	\$0	\$1,339,000	\$1,077,000
Capitation	\$0	\$138,000	N/A	N/A	\$0	\$3,000	\$0	\$4,000	\$0	\$0	\$0	\$0
Incurred Prescription Drug Claims	\$534,000	\$926,000	N/A	N/A	\$36,000	\$61,000	\$0	\$6,000	\$0	\$0	\$289,000	\$251,000
Prescription Drug Rebates	(\$86,000)	(\$149,000)	N/A	N/A	(\$6,000)	(\$10,000)	\$0	(\$1,000)	\$0	\$0	(\$46,000)	(\$40,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$79,000	\$351,000	N/A	N/A	\$10,000	\$23,000	\$2,000	\$15,000	\$0	\$2,000	\$104,000	\$128,000
Total Cost	\$1,967,000	\$13,063,000	N/A	N/A	\$153,000	\$495,000	\$2,000	\$99,000	\$5,000	\$2,000	\$1,686,000	\$1,416,000
Total Premium	\$2,832,000	\$15,451,000	N/A	N/A	\$279,000	\$747,000	\$21,000	\$359,000	\$0	\$32,000	\$2,173,000	\$2,993,000
Gain (Loss)	\$865,000	\$2,388,000	N/A	N/A	\$126,000	\$252,000	\$19,000	\$260,000	(\$5,000)	\$30,000	\$487,000	\$1,577,000
<b>Retirees</b>												
Average Medical Subscribers	46	274	238	99	N/A	N/A	9	16	N/A	N/A	N/A	N/A
Incurred Medical Claims	\$575,000	\$3,277,000	\$2,949,000	\$1,006,000	N/A	N/A	\$8,000	\$78,000	N/A	N/A	N/A	N/A
Capitation	\$0	\$43,000	\$246,000	\$23,000	N/A	N/A	\$0	\$2,000	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	\$181,000	\$1,635,000	\$1,166,000	\$726,000	N/A	N/A	\$6,000	\$3,000	N/A	N/A	N/A	N/A
Prescription Drug Rebates	(\$23,000)	(\$208,000)	(\$147,000)	(\$93,000)	N/A	N/A	(\$1,000)	\$0	N/A	N/A	N/A	N/A
EGWP Credits	\$0	(\$189,000)	\$0	(\$35,000)	N/A	N/A	\$0	\$0	N/A	N/A	N/A	N/A
Administrative Fees	\$24,000	\$119,000	\$158,000	\$58,000	N/A	N/A	\$5,000	\$7,000	N/A	N/A	N/A	N/A
Total Cost	\$757,000	\$4,677,000	\$4,372,000	\$1,685,000	N/A	N/A	\$18,000	\$90,000	N/A	N/A	N/A	N/A
Total Premium	\$1,327,000	\$6,545,000	\$6,471,000	\$2,410,000	N/A	N/A	\$99,000	\$219,000	N/A	N/A	N/A	N/A
Gain (Loss)	\$570,000	\$1,868,000	\$2,099,000	\$725,000	N/A	N/A	\$81,000	\$129,000	N/A	N/A	N/A	N/A

Exhibit 3B – Plan Year 2017 Aggregate Costs

Page 1 of 2

	Legacy Plans							1525			
	Total	Aetna PPO 10	Aetna PPO 15	NJ DIRECT 10	NJ DIRECT 15	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Employees and Retirees</b>											
Average Medical Subscribers	72,383	6,537	775	41,854	12,649	6,650	213	179	702	98	22
Incurred Medical Claims	\$1,050,944,000	\$96,288,000	\$9,330,000	\$626,921,000	\$172,782,000	\$90,904,000	\$2,985,000	\$2,821,000	\$8,436,000	\$1,347,000	\$299,000
Capitation	\$13,684,000	\$0	\$0	\$6,002,000	\$1,850,000	\$5,134,000	\$38,000	\$0	\$80,000	\$58,000	\$6,000
Incurred Prescription Drug Claims	\$427,998,000	\$40,950,000	\$5,596,000	\$240,249,000	\$71,913,000	\$48,362,000	\$1,189,000	\$1,008,000	\$4,708,000	\$1,007,000	\$165,000
Prescription Drug Rebates	(\$68,488,000)	(\$6,420,000)	(\$850,000)	(\$38,360,000)	(\$11,489,000)	(\$7,812,000)	(\$197,000)	(\$180,000)	(\$720,000)	(\$159,000)	(\$27,000)
EGWP Credits	(\$38,553,000)	(\$3,654,000)	(\$596,000)	(\$23,934,000)	(\$5,966,000)	(\$3,416,000)	(\$68,000)	\$0	(\$562,000)	(\$107,000)	(\$16,000)
Administrative Fees	\$24,177,000	\$2,454,000	\$272,000	\$12,561,000	\$3,957,000	\$3,274,000	\$112,000	\$83,000	\$197,000	\$35,000	\$12,000
<b>Total Cost</b>	<b>\$1,409,762,000</b>	<b>\$129,618,000</b>	<b>\$13,752,000</b>	<b>\$823,439,000</b>	<b>\$233,047,000</b>	<b>\$136,446,000</b>	<b>\$4,059,000</b>	<b>\$3,732,000</b>	<b>\$12,139,000</b>	<b>\$2,181,000</b>	<b>\$439,000</b>
<b>Total Premium</b>	<b>\$1,434,933,000</b>	<b>\$127,023,000</b>	<b>\$13,495,000</b>	<b>\$838,641,000</b>	<b>\$241,010,000</b>	<b>\$137,880,000</b>	<b>\$4,191,000</b>	<b>\$3,722,000</b>	<b>\$12,267,000</b>	<b>\$2,173,000</b>	<b>\$499,000</b>
<b>Gain (Loss)</b>	<b>\$25,171,000</b>	<b>(\$2,595,000)</b>	<b>(\$257,000)</b>	<b>\$15,202,000</b>	<b>\$7,963,000</b>	<b>\$1,434,000</b>	<b>\$132,000</b>	<b>(\$10,000)</b>	<b>\$128,000</b>	<b>(\$8,000)</b>	<b>\$60,000</b>
<b>Employees</b>											
Average Medical Subscribers	44,523	3,857	401	25,227	8,567	3,843	154	153	318	N/A	N/A
Incurred Medical Claims	\$762,205,000	\$67,041,000	\$5,965,000	\$460,288,000	\$132,489,000	\$61,806,000	\$2,315,000	\$2,278,000	\$4,352,000	N/A	N/A
Capitation	\$9,658,000	\$0	\$0	\$4,438,000	\$1,474,000	\$3,470,000	\$29,000	\$0	\$50,000	N/A	N/A
Incurred Prescription Drug Claims	\$182,107,000	\$13,719,000	\$1,637,000	\$101,891,000	\$34,662,000	\$20,407,000	\$668,000	\$825,000	\$1,154,000	N/A	N/A
Prescription Drug Rebates	(\$32,218,000)	(\$2,427,000)	(\$290,000)	(\$18,026,000)	(\$6,132,000)	(\$3,610,000)	(\$118,000)	(\$146,000)	(\$204,000)	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$17,387,000	\$1,751,000	\$185,000	\$8,897,000	\$3,063,000	\$2,324,000	\$80,000	\$72,000	\$114,000	N/A	N/A
<b>Total Cost</b>	<b>\$939,139,000</b>	<b>\$80,084,000</b>	<b>\$7,497,000</b>	<b>\$557,488,000</b>	<b>\$165,556,000</b>	<b>\$84,397,000</b>	<b>\$2,974,000</b>	<b>\$3,029,000</b>	<b>\$5,466,000</b>	<b>N/A</b>	<b>N/A</b>
<b>Total Premium</b>	<b>\$941,298,000</b>	<b>\$79,151,000</b>	<b>\$7,905,000</b>	<b>\$548,989,000</b>	<b>\$174,389,000</b>	<b>\$83,814,000</b>	<b>\$3,002,000</b>	<b>\$3,014,000</b>	<b>\$5,975,000</b>	<b>N/A</b>	<b>N/A</b>
<b>Gain (Loss)</b>	<b>\$2,159,000</b>	<b>(\$933,000)</b>	<b>\$408,000</b>	<b>(\$8,499,000)</b>	<b>\$8,833,000</b>	<b>(\$583,000)</b>	<b>\$28,000</b>	<b>(\$15,000)</b>	<b>\$509,000</b>	<b>N/A</b>	<b>N/A</b>
<b>Retirees</b>											
Average Medical Subscribers	27,860	2,680	374	16,627	4,082	2,807	59	26	384	98	22
Incurred Medical Claims	\$288,739,000	\$29,247,000	\$3,365,000	\$166,633,000	\$40,293,000	\$29,098,000	\$670,000	\$543,000	\$4,084,000	\$1,347,000	\$299,000
Capitation	\$4,026,000	\$0	\$0	\$1,564,000	\$376,000	\$1,664,000	\$9,000	\$0	\$30,000	\$58,000	\$6,000
Incurred Prescription Drug Claims	\$245,891,000	\$27,231,000	\$3,959,000	\$138,358,000	\$37,251,000	\$27,955,000	\$521,000	\$183,000	\$3,554,000	\$1,007,000	\$165,000
Prescription Drug Rebates	(\$36,270,000)	(\$3,993,000)	(\$560,000)	(\$20,334,000)	(\$5,357,000)	(\$4,202,000)	(\$79,000)	(\$34,000)	(\$516,000)	(\$159,000)	(\$27,000)
EGWP Credits	(\$38,553,000)	(\$3,654,000)	(\$596,000)	(\$23,934,000)	(\$5,966,000)	(\$3,416,000)	(\$68,000)	\$0	(\$562,000)	(\$107,000)	(\$16,000)
Administrative Fees	\$6,790,000	\$703,000	\$87,000	\$3,664,000	\$894,000	\$950,000	\$32,000	\$11,000	\$83,000	\$35,000	\$12,000
<b>Total Cost</b>	<b>\$470,623,000</b>	<b>\$49,534,000</b>	<b>\$6,255,000</b>	<b>\$265,951,000</b>	<b>\$67,491,000</b>	<b>\$52,049,000</b>	<b>\$1,085,000</b>	<b>\$703,000</b>	<b>\$6,673,000</b>	<b>\$2,181,000</b>	<b>\$439,000</b>
<b>Total Premium</b>	<b>\$493,635,000</b>	<b>\$47,872,000</b>	<b>\$5,590,000</b>	<b>\$289,652,000</b>	<b>\$66,621,000</b>	<b>\$54,066,000</b>	<b>\$1,189,000</b>	<b>\$708,000</b>	<b>\$6,292,000</b>	<b>\$2,173,000</b>	<b>\$499,000</b>
<b>Gain (Loss)</b>	<b>\$23,012,000</b>	<b>(\$1,662,000)</b>	<b>(\$665,000)</b>	<b>\$23,701,000</b>	<b>(\$870,000)</b>	<b>\$2,017,000</b>	<b>\$104,000</b>	<b>\$5,000</b>	<b>(\$381,000)</b>	<b>(\$8,000)</b>	<b>\$60,000</b>

Exhibit 3B – Plan Year 2017 Aggregate Costs

Page 2 of 2

	2030				2035		HD 4000		HD 1500		Tiered Network	
	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna PPO	Horizon PPO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Employees and Retirees</b>												
Average Medical Subscribers	229	1,418	224	96	33	87	14	42	-	3	241	317
Incurred Medical Claims	\$3,911,000	\$21,704,000	\$4,156,000	\$1,542,000	\$343,000	\$945,000	\$119,000	\$451,000	\$0	\$15,000	\$2,193,000	\$3,452,000
Capitation	\$0	\$238,000	\$244,000	\$22,000	\$0	\$6,000	\$0	\$6,000	\$0	\$0	\$0	\$0
Incurred Prescription Drug Claims	\$1,370,000	\$5,943,000	\$1,808,000	\$701,000	\$79,000	\$282,000	\$39,000	\$138,000	\$11,000	\$22,000	\$633,000	\$1,825,000
Prescription Drug Rebates	(\$248,000)	(\$1,026,000)	(\$340,000)	(\$123,000)	(\$14,000)	(\$50,000)	(\$7,000)	(\$25,000)	(\$2,000)	(\$4,000)	(\$112,000)	(\$323,000)
EGWP Credits	\$0	(\$201,000)	\$0	(\$33,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative Fees	\$105,000	\$501,000	\$128,000	\$49,000	\$15,000	\$32,000	\$7,000	\$18,000	\$0	\$1,000	\$155,000	\$209,000
Total Cost	\$5,138,000	\$27,159,000	\$5,996,000	\$2,158,000	\$423,000	\$1,215,000	\$158,000	\$588,000	\$9,000	\$34,000	\$2,869,000	\$5,163,000
Total Premium	\$5,131,000	\$28,435,000	\$6,614,000	\$2,509,000	\$469,000	\$1,226,000	\$163,000	\$588,000	\$0	\$24,000	\$3,484,000	\$5,389,000
Gain (Loss)	(\$7,000)	\$1,276,000	\$618,000	\$351,000	\$46,000	\$11,000	\$5,000	\$0	(\$9,000)	(\$10,000)	\$615,000	\$226,000
<b>Employees</b>												
Average Medical Subscribers	175	1,113	N/A	N/A	33	87	7	27	-	3	241	317
Incurred Medical Claims	\$2,710,000	\$15,687,000	N/A	N/A	\$343,000	\$945,000	\$51,000	\$275,000	\$0	\$15,000	\$2,193,000	\$3,452,000
Capitation	\$0	\$187,000	N/A	N/A	\$0	\$6,000	\$0	\$4,000	\$0	\$0	\$0	\$0
Incurred Prescription Drug Claims	\$936,000	\$3,251,000	N/A	N/A	\$79,000	\$282,000	\$16,000	\$89,000	\$11,000	\$22,000	\$633,000	\$1,825,000
Prescription Drug Rebates	(\$166,000)	(\$575,000)	N/A	N/A	(\$14,000)	(\$50,000)	(\$3,000)	(\$16,000)	(\$2,000)	(\$4,000)	(\$112,000)	(\$323,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$82,000	\$392,000	N/A	N/A	\$15,000	\$32,000	\$3,000	\$12,000	\$0	\$1,000	\$155,000	\$209,000
Total Cost	\$3,562,000	\$18,942,000	N/A	N/A	\$423,000	\$1,215,000	\$67,000	\$364,000	\$9,000	\$34,000	\$2,869,000	\$5,163,000
Total Premium	\$3,491,000	\$20,581,000	N/A	N/A	\$469,000	\$1,226,000	\$65,000	\$330,000	\$0	\$24,000	\$3,484,000	\$5,389,000
Gain (Loss)	(\$71,000)	\$1,639,000	N/A	N/A	\$46,000	\$11,000	(\$2,000)	(\$34,000)	(\$9,000)	(\$10,000)	\$615,000	\$226,000
<b>Retirees</b>												
Average Medical Subscribers	54	305	224	96	N/A	N/A	7	15	N/A	N/A	N/A	N/A
Incurred Medical Claims	\$1,201,000	\$6,017,000	\$4,156,000	\$1,542,000	N/A	N/A	\$68,000	\$176,000	N/A	N/A	N/A	N/A
Capitation	\$0	\$51,000	\$244,000	\$22,000	N/A	N/A	\$0	\$2,000	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	\$434,000	\$2,692,000	\$1,808,000	\$701,000	N/A	N/A	\$23,000	\$49,000	N/A	N/A	N/A	N/A
Prescription Drug Rebates	(\$82,000)	(\$451,000)	(\$340,000)	(\$123,000)	N/A	N/A	(\$4,000)	(\$9,000)	N/A	N/A	N/A	N/A
EGWP Credits	\$0	(\$201,000)	\$0	(\$33,000)	N/A	N/A	\$0	\$0	N/A	N/A	N/A	N/A
Administrative Fees	\$23,000	\$109,000	\$128,000	\$49,000	N/A	N/A	\$4,000	\$6,000	N/A	N/A	N/A	N/A
Total Cost	\$1,576,000	\$8,217,000	\$5,996,000	\$2,158,000	N/A	N/A	\$91,000	\$224,000	N/A	N/A	N/A	N/A
Total Premium	\$1,640,000	\$7,854,000	\$6,614,000	\$2,509,000	N/A	N/A	\$98,000	\$258,000	N/A	N/A	N/A	N/A
Gain (Loss)	\$64,000	(\$363,000)	\$618,000	\$351,000	N/A	N/A	\$7,000	\$34,000	N/A	N/A	N/A	N/A

Exhibit 3C – Projected Plan Year 2018 Aggregate Costs  
Page 1 of 2

	Legacy Plans							1525			
	Total	Aetna PPO 10	Aetna PPO 15	NJ DIRECT 10	NJ DIRECT 15	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Employees and Retirees</b>											
Average Medical Subscribers	72,660	6,510	776	41,316	12,548	6,676	213	237	814	103	25
Incurred Medical Claims	\$1,113,017,000	\$104,691,000	\$10,388,000	\$652,163,000	\$186,520,000	\$90,940,000	\$3,187,000	\$4,225,000	\$10,287,000	\$1,088,000	\$310,000
Capitation	\$14,036,000	\$0	\$0	\$6,201,000	\$1,985,000	\$5,145,000	\$43,000	\$0	\$99,000	\$45,000	\$6,000
Incurred Prescription Drug Claims	\$478,221,000	\$48,423,000	\$6,270,000	\$264,322,000	\$80,046,000	\$51,707,000	\$1,315,000	\$1,431,000	\$5,743,000	\$991,000	\$207,000
Prescription Drug Rebates	(\$127,449,000)	(\$12,758,000)	(\$1,601,000)	(\$70,325,000)	(\$21,315,000)	(\$13,804,000)	(\$360,000)	(\$419,000)	(\$1,459,000)	(\$253,000)	(\$54,000)
EGWP Credits	(\$41,512,000)	(\$3,960,000)	(\$643,000)	(\$25,458,000)	(\$6,372,000)	(\$3,775,000)	(\$74,000)	\$0	(\$705,000)	(\$123,000)	(\$25,000)
Administrative Fees	\$25,936,000	\$2,588,000	\$283,000	\$13,157,000	\$4,198,000	\$3,414,000	\$117,000	\$115,000	\$237,000	\$38,000	\$14,000
Total Cost	\$1,462,249,000	\$138,984,000	\$14,697,000	\$840,060,000	\$245,062,000	\$133,627,000	\$4,228,000	\$5,352,000	\$14,202,000	\$1,786,000	\$458,000
Total Premium	\$1,412,988,000	\$131,223,000	\$14,065,000	\$807,514,000	\$239,793,000	\$131,180,000	\$4,311,000	\$5,059,000	\$13,972,000	\$1,785,000	\$494,000
Gain (Loss)	(\$49,261,000)	(\$7,761,000)	(\$632,000)	(\$32,546,000)	(\$5,269,000)	(\$2,447,000)	\$83,000	(\$293,000)	(\$230,000)	(\$1,000)	\$36,000
<b>Employees</b>											
Average Medical Subscribers	44,076	3,761	391	24,383	8,354	3,804	153	200	363	N/A	N/A
Incurred Medical Claims	\$797,193,000	\$72,178,000	\$6,543,000	\$467,339,000	\$141,161,000	\$61,343,000	\$2,532,000	\$3,368,000	\$5,821,000	N/A	N/A
Capitation	\$9,841,000	\$0	\$0	\$4,507,000	\$1,571,000	\$3,441,000	\$34,000	\$0	\$67,000	N/A	N/A
Incurred Prescription Drug Claims	\$213,078,000	\$18,910,000	\$2,025,000	\$115,919,000	\$40,143,000	\$21,323,000	\$768,000	\$1,113,000	\$1,500,000	N/A	N/A
Prescription Drug Rebates	(\$61,677,000)	(\$5,474,000)	(\$586,000)	(\$33,554,000)	(\$11,620,000)	(\$6,172,000)	(\$222,000)	(\$322,000)	(\$434,000)	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$18,916,000	\$1,863,000	\$195,000	\$9,435,000	\$3,283,000	\$2,423,000	\$83,000	\$98,000	\$140,000	N/A	N/A
Total Cost	\$977,351,000	\$87,477,000	\$8,177,000	\$563,646,000	\$174,538,000	\$82,358,000	\$3,195,000	\$4,257,000	\$7,094,000	N/A	N/A
Total Premium	\$928,044,000	\$82,262,000	\$8,231,000	\$525,039,000	\$172,892,000	\$78,817,000	\$3,167,000	\$4,031,000	\$7,190,000	N/A	N/A
Gain (Loss)	(\$49,307,000)	(\$5,215,000)	\$54,000	(\$38,607,000)	(\$1,646,000)	(\$3,541,000)	(\$28,000)	(\$226,000)	\$96,000	N/A	N/A
<b>Retirees</b>											
Average Medical Subscribers	28,584	2,749	385	16,933	4,194	2,872	60	37	451	103	25
Incurred Medical Claims	\$315,824,000	\$32,513,000	\$3,845,000	\$184,824,000	\$45,359,000	\$29,597,000	\$655,000	\$857,000	\$4,466,000	\$1,088,000	\$310,000
Capitation	\$4,195,000	\$0	\$0	\$1,694,000	\$414,000	\$1,704,000	\$9,000	\$0	\$32,000	\$45,000	\$6,000
Incurred Prescription Drug Claims	\$265,143,000	\$29,513,000	\$4,245,000	\$148,403,000	\$39,903,000	\$30,384,000	\$547,000	\$318,000	\$4,243,000	\$991,000	\$207,000
Prescription Drug Rebates	(\$65,772,000)	(\$7,284,000)	(\$1,015,000)	(\$36,771,000)	(\$9,695,000)	(\$7,632,000)	(\$138,000)	(\$97,000)	(\$1,025,000)	(\$253,000)	(\$54,000)
EGWP Credits	(\$41,512,000)	(\$3,960,000)	(\$643,000)	(\$25,458,000)	(\$6,372,000)	(\$3,775,000)	(\$74,000)	\$0	(\$705,000)	(\$123,000)	(\$25,000)
Administrative Fees	\$7,020,000	\$725,000	\$88,000	\$3,722,000	\$915,000	\$991,000	\$34,000	\$17,000	\$97,000	\$38,000	\$14,000
Total Cost	\$484,898,000	\$51,507,000	\$6,520,000	\$276,414,000	\$70,524,000	\$51,269,000	\$1,033,000	\$1,095,000	\$7,108,000	\$1,786,000	\$458,000
Total Premium	\$484,944,000	\$48,961,000	\$5,834,000	\$282,475,000	\$66,901,000	\$52,363,000	\$1,144,000	\$1,028,000	\$6,782,000	\$1,785,000	\$494,000
Gain (Loss)	\$46,000	(\$2,546,000)	(\$686,000)	\$6,061,000	(\$3,623,000)	\$1,094,000	\$111,000	(\$67,000)	(\$326,000)	(\$1,000)	\$36,000

Exhibit 3C – Projected Plan Year 2018 Aggregate Costs

Page 2 of 2

	2030				2035		HD 4000		HD 1500		Tiered Network	
	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna PPO	Horizon PPO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Employees and Retirees</b>												
Average Medical Subscribers	281	1,506	225	102	42	95	19	47	4	7	302	812
Incurred Medical Claims	\$4,787,000	\$22,495,000	\$3,823,000	\$1,407,000	\$535,000	\$1,321,000	\$210,000	\$529,000	\$60,000	\$99,000	\$3,688,000	\$10,264,000
Capitation	\$0	\$248,000	\$224,000	\$20,000	\$0	\$10,000	\$0	\$8,000	\$0	\$2,000	\$0	\$0
Incurred Prescription Drug Claims	\$1,705,000	\$7,826,000	\$1,842,000	\$784,000	\$157,000	\$417,000	\$69,000	\$164,000	\$19,000	\$28,000	\$1,235,000	\$3,520,000
Prescription Drug Rebates	(\$502,000)	(\$2,192,000)	(\$563,000)	(\$219,000)	(\$46,000)	(\$121,000)	(\$20,000)	(\$49,000)	(\$5,000)	(\$8,000)	(\$357,000)	(\$1,019,000)
EGWP Credits	\$0	(\$320,000)	\$0	(\$57,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative Fees	\$137,000	\$586,000	\$140,000	\$56,000	\$21,000	\$37,000	\$10,000	\$22,000	\$2,000	\$3,000	\$207,000	\$554,000
Total Cost	\$6,127,000	\$28,643,000	\$5,466,000	\$1,991,000	\$667,000	\$1,664,000	\$269,000	\$674,000	\$76,000	\$124,000	\$4,773,000	\$13,319,000
Total Premium	\$5,854,000	\$28,799,000	\$5,637,000	\$2,210,000	\$683,000	\$1,576,000	\$243,000	\$606,000	\$71,000	\$118,000	\$4,790,000	\$13,005,000
Gain (Loss)	(\$273,000)	\$156,000	\$171,000	\$219,000	\$16,000	(\$88,000)	(\$26,000)	(\$68,000)	(\$5,000)	(\$6,000)	\$17,000	(\$314,000)
<b>Employees</b>												
Average Medical Subscribers	217	1,146	N/A	N/A	42	95	11	31	4	7	302	812
Incurred Medical Claims	\$3,392,000	\$17,132,000	N/A	N/A	\$535,000	\$1,321,000	\$99,000	\$318,000	\$60,000	\$99,000	\$3,688,000	\$10,264,000
Capitation	\$0	\$204,000	N/A	N/A	\$0	\$10,000	\$0	\$5,000	\$0	\$2,000	\$0	\$0
Incurred Prescription Drug Claims	\$1,149,000	\$4,725,000	N/A	N/A	\$157,000	\$417,000	\$28,000	\$99,000	\$19,000	\$28,000	\$1,235,000	\$3,520,000
Prescription Drug Rebates	(\$332,000)	(\$1,368,000)	N/A	N/A	(\$46,000)	(\$121,000)	(\$8,000)	(\$29,000)	(\$5,000)	(\$8,000)	(\$357,000)	(\$1,019,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$107,000	\$444,000	N/A	N/A	\$21,000	\$37,000	\$6,000	\$15,000	\$2,000	\$3,000	\$207,000	\$554,000
Total Cost	\$4,316,000	\$21,137,000	N/A	N/A	\$667,000	\$1,664,000	\$125,000	\$408,000	\$76,000	\$124,000	\$4,773,000	\$13,319,000
Total Premium	\$4,152,000	\$21,535,000	N/A	N/A	\$683,000	\$1,576,000	\$118,000	\$367,000	\$71,000	\$118,000	\$4,790,000	\$13,005,000
Gain (Loss)	(\$164,000)	\$398,000	N/A	N/A	\$16,000	(\$88,000)	(\$7,000)	(\$41,000)	(\$5,000)	(\$6,000)	\$17,000	(\$314,000)
<b>Retirees</b>												
Average Medical Subscribers	64	360	225	102	N/A	N/A	8	16	N/A	N/A	N/A	N/A
Incurred Medical Claims	\$1,395,000	\$5,363,000	\$3,823,000	\$1,407,000	N/A	N/A	\$111,000	\$211,000	N/A	N/A	N/A	N/A
Capitation	\$0	\$44,000	\$224,000	\$20,000	N/A	N/A	\$0	\$3,000	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	\$556,000	\$3,101,000	\$1,842,000	\$784,000	N/A	N/A	\$41,000	\$65,000	N/A	N/A	N/A	N/A
Prescription Drug Rebates	(\$170,000)	(\$824,000)	(\$563,000)	(\$219,000)	N/A	N/A	(\$12,000)	(\$20,000)	N/A	N/A	N/A	N/A
EGWP Credits	\$0	(\$320,000)	\$0	(\$57,000)	N/A	N/A	\$0	\$0	N/A	N/A	N/A	N/A
Administrative Fees	\$30,000	\$142,000	\$140,000	\$56,000	N/A	N/A	\$4,000	\$7,000	N/A	N/A	N/A	N/A
Total Cost	\$1,811,000	\$7,506,000	\$5,466,000	\$1,991,000	N/A	N/A	\$144,000	\$266,000	N/A	N/A	N/A	N/A
Total Premium	\$1,702,000	\$7,264,000	\$5,637,000	\$2,210,000	N/A	N/A	\$125,000	\$239,000	N/A	N/A	N/A	N/A
Gain (Loss)	(\$109,000)	(\$242,000)	\$171,000	\$219,000	N/A	N/A	(\$19,000)	(\$27,000)	N/A	N/A	N/A	N/A

Exhibit 4A – Plan Year 2018 Monthly Active Premiums

Page 1 of 2

	Legacy Plans						1525			
	Aetna PPO10	Aetna PPO15	Horizon DIR10	Horizon DIR15	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Medical Coverage Only</b>										
Single	\$799.96	\$761.75	\$792.04	\$754.23	\$739.94	\$732.54	\$738.94	\$731.63	N/A	N/A
Employee+Spouse	\$1,599.92	\$1,523.49	\$1,584.07	\$1,508.45	\$1,479.88	\$1,465.07	\$1,477.88	\$1,463.26	N/A	N/A
Family	\$2,231.89	\$2,125.27	\$2,209.79	\$2,104.28	\$2,064.43	\$2,043.77	\$2,061.65	\$2,041.24	N/A	N/A
Employee+Child(ren)	\$1,431.93	\$1,363.53	\$1,417.75	\$1,350.06	\$1,324.49	\$1,311.24	\$1,322.71	\$1,309.61	N/A	N/A
Adult Child Rate	\$644.61	\$613.82	\$638.22	\$607.75	\$596.24	\$590.27	\$595.45	\$589.54	N/A	N/A
	Legacy Plans						1525			
	Aetna PPO10	Aetna PPO15	Horizon DIR10	Horizon DIR15	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Rx Card</b>										
Single	\$196.39	\$196.39	\$196.39	\$196.39	\$196.39	\$196.39	\$178.12	\$178.12	N/A	N/A
Employee+Spouse	\$392.79	\$392.79	\$392.79	\$392.79	\$392.79	\$392.79	\$356.27	\$356.27	N/A	N/A
Family	\$547.94	\$547.94	\$547.94	\$547.94	\$547.94	\$547.94	\$496.96	\$496.96	N/A	N/A
Employee+Child(ren)	\$351.55	\$351.55	\$351.55	\$351.55	\$351.55	\$351.55	\$318.84	\$318.84	N/A	N/A
Adult Child Rate	\$158.26	\$158.26	\$158.26	\$158.26	\$158.26	\$158.26	\$143.53	\$143.53	N/A	N/A
	Legacy Plans						1525			
	Aetna PPO10	Aetna PPO15	Horizon DIR10	Horizon DIR15	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Rx with Medical Coverage</b>										
Single	\$986.35	\$948.14	\$935.25	\$890.57	\$926.33	\$918.93	\$866.71	\$859.40	N/A	N/A
Employee+Spouse	\$1,972.71	\$1,896.28	\$1,870.49	\$1,781.15	\$1,852.67	\$1,837.86	\$1,733.40	\$1,718.78	N/A	N/A
Family	\$2,751.93	\$2,645.31	\$2,609.34	\$2,484.68	\$2,584.47	\$2,563.81	\$2,418.13	\$2,397.72	N/A	N/A
Employee+Child(ren)	\$1,765.57	\$1,697.17	\$1,674.09	\$1,594.11	\$1,658.14	\$1,644.88	\$1,551.42	\$1,538.32	N/A	N/A
Adult Child Rate	\$794.80	\$764.01	\$753.63	\$717.61	\$746.45	\$740.47	\$698.40	\$692.50	N/A	N/A

Exhibit 4A – Plan Year 2018 Monthly Active Premiums

Page 2 of 2

	2030				2035			
	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Medical Coverage Only</b>								
Single	\$694.58	\$687.70	N/A	N/A	\$597.34	\$591.42	N/A	N/A
Employee+Spouse	\$1,389.17	\$1,375.40	N/A	N/A	\$1,194.68	\$1,182.84	N/A	N/A
Family	\$1,937.89	\$1,918.69	N/A	N/A	\$1,666.58	\$1,650.06	N/A	N/A
Employee+Child(ren)	\$1,243.31	\$1,230.99	N/A	N/A	\$1,069.24	\$1,058.64	N/A	N/A
Adult Child Rate	\$559.70	\$554.16	N/A	N/A	\$481.34	\$476.56	N/A	N/A
	2030				2035			
	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Rx Card</b>								
Single	\$181.29	\$181.29	N/A	N/A	\$163.16	\$163.16	N/A	N/A
Employee+Spouse	\$362.54	\$362.54	N/A	N/A	\$326.30	\$326.30	N/A	N/A
Family	\$505.79	\$505.79	N/A	N/A	\$455.20	\$455.20	N/A	N/A
Employee+Child(ren)	\$324.51	\$324.51	N/A	N/A	\$292.05	\$292.05	N/A	N/A
Adult Child Rate	\$146.08	\$146.08	N/A	N/A	\$131.47	\$131.47	N/A	N/A
	2030				2035			
	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Rx with Medical Coverage</b>								
Single	\$822.36	\$815.47	N/A	N/A	\$712.32	\$706.40	N/A	N/A
Employee+Spouse	\$1,644.69	\$1,630.93	N/A	N/A	\$1,424.66	\$1,412.82	N/A	N/A
Family	\$2,294.37	\$2,275.17	N/A	N/A	\$1,987.39	\$1,970.87	N/A	N/A
Employee+Child(ren)	\$1,472.02	\$1,459.70	N/A	N/A	\$1,275.06	\$1,264.46	N/A	N/A
Adult Child Rate	\$662.64	\$657.11	N/A	N/A	\$573.98	\$569.22	N/A	N/A
	HD 4000		HD 1500		Tiered Network			
	Aetna PPO	Horizon PPO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO		
<b>Medical Coverage Only</b>								
Single	\$383.07	\$383.75	\$568.13	\$569.14	\$565.67	\$565.67		
Employee+Spouse	\$766.13	\$767.49	\$1,136.26	\$1,138.28	\$1,131.34	\$1,131.35		
Family	\$1,068.76	\$1,070.65	\$1,585.08	\$1,587.90	\$1,578.22	\$1,578.22		
Employee+Child(ren)	\$685.69	\$686.90	\$1,016.95	\$1,018.76	\$1,012.55	\$1,012.55		
Adult Child Rate	\$308.67	\$309.21	\$457.80	\$458.61	\$455.82	\$455.82		
	HD 4000		HD 1500		Tiered Network			
	Aetna PPO	Horizon PPO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO		
<b>Rx Card</b>								
Single	\$116.70	\$116.70	\$173.09	\$173.09	\$178.12	\$178.12		
Employee+Spouse	\$233.39	\$233.39	\$346.16	\$346.16	\$356.27	\$356.27		
Family	\$325.60	\$325.60	\$482.92	\$482.92	\$496.96	\$496.96		
Employee+Child(ren)	\$208.90	\$208.90	\$309.83	\$309.83	\$318.84	\$318.84		
Adult Child Rate	\$94.04	\$94.04	\$139.47	\$139.47	\$143.53	\$143.53		
	HD 4000		HD 1500		Tiered Network			
	Aetna PPO	Horizon PPO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO		
<b>Rx with Medical Coverage</b>								
Single	\$499.77	\$500.45	\$741.22	\$742.23	\$693.45	\$693.45		
Employee+Spouse	\$999.52	\$1,000.88	\$1,482.43	\$1,484.44	\$1,386.87	\$1,386.87		
Family	\$1,394.36	\$1,396.25	\$2,068.00	\$2,070.82	\$1,934.70	\$1,934.70		
Employee+Child(ren)	\$894.59	\$895.80	\$1,326.78	\$1,328.59	\$1,241.26	\$1,241.26		
Adult Child Rate	\$402.72	\$403.26	\$597.27	\$598.09	\$558.77	\$558.77		

Exhibit 4B – Plan Year 2018 Annual Active Premiums

Page 1 of 2

	Legacy Plans						1525			
	Aetna PPO10	Aetna PPO15	Horizon DIR10	Horizon DIR15	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Medical Coverage Only</b>										
Single	\$9,600	\$9,141	\$9,504	\$9,051	\$8,879	\$8,790	\$8,867	\$8,780	N/A	N/A
Employee+Spouse	\$19,199	\$18,282	\$19,009	\$18,101	\$17,759	\$17,581	\$17,735	\$17,559	N/A	N/A
Family	\$26,783	\$25,503	\$26,517	\$25,251	\$24,773	\$24,525	\$24,740	\$24,495	N/A	N/A
Employee+Child(ren)	\$17,183	\$16,362	\$17,013	\$16,201	\$15,894	\$15,735	\$15,873	\$15,715	N/A	N/A
Adult Child Rate	\$7,735	\$7,366	\$7,659	\$7,293	\$7,155	\$7,083	\$7,145	\$7,074	N/A	N/A
	Legacy Plans						1525			
	Aetna PPO10	Aetna PPO15	Horizon DIR10	Horizon DIR15	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Rx Card</b>										
Single	\$2,357	\$2,357	\$2,357	\$2,357	\$2,357	\$2,357	\$2,137	\$2,137	N/A	N/A
Employee+Spouse	\$4,713	\$4,713	\$4,713	\$4,713	\$4,713	\$4,713	\$4,275	\$4,275	N/A	N/A
Family	\$6,575	\$6,575	\$6,575	\$6,575	\$6,575	\$6,575	\$5,964	\$5,964	N/A	N/A
Employee+Child(ren)	\$4,219	\$4,219	\$4,219	\$4,219	\$4,219	\$4,219	\$3,826	\$3,826	N/A	N/A
Adult Child Rate	\$1,899	\$1,899	\$1,899	\$1,899	\$1,899	\$1,899	\$1,722	\$1,722	N/A	N/A
	Legacy Plans						1525			
	Aetna PPO10	Aetna PPO15	Horizon DIR10	Horizon DIR15	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Rx with Medical Coverage</b>										
Single	\$11,836	\$11,378	\$11,223	\$10,687	\$11,116	\$11,027	\$10,401	\$10,313	N/A	N/A
Employee+Spouse	\$23,673	\$22,755	\$22,446	\$21,374	\$22,232	\$22,054	\$20,801	\$20,625	N/A	N/A
Family	\$33,023	\$31,744	\$31,312	\$29,816	\$31,014	\$30,766	\$29,018	\$28,773	N/A	N/A
Employee+Child(ren)	\$21,187	\$20,366	\$20,089	\$19,129	\$19,898	\$19,739	\$18,617	\$18,460	N/A	N/A
Adult Child Rate	\$9,538	\$9,168	\$9,044	\$8,611	\$8,957	\$8,886	\$8,381	\$8,310	N/A	N/A

Exhibit 4B – Plan Year 2018 Annual Active Premiums

Page 2 of 2

	2030				2035			
	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Medical Coverage Only</b>								
Single	\$8,335	\$8,252	N/A	N/A	\$7,168	\$7,097	N/A	N/A
Employee+Spouse	\$16,670	\$16,505	N/A	N/A	\$14,336	\$14,194	N/A	N/A
Family	\$23,255	\$23,024	N/A	N/A	\$19,999	\$19,801	N/A	N/A
Employee+Child(ren)	\$14,920	\$14,772	N/A	N/A	\$12,831	\$12,704	N/A	N/A
Adult Child Rate	\$6,716	\$6,650	N/A	N/A	\$5,776	\$5,719	N/A	N/A
	2030				2035			
	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Rx Card</b>								
Single	\$2,175	\$2,175	N/A	N/A	\$1,958	\$1,958	N/A	N/A
Employee+Spouse	\$4,350	\$4,350	N/A	N/A	\$3,916	\$3,916	N/A	N/A
Family	\$6,069	\$6,069	N/A	N/A	\$5,462	\$5,462	N/A	N/A
Employee+Child(ren)	\$3,894	\$3,894	N/A	N/A	\$3,505	\$3,505	N/A	N/A
Adult Child Rate	\$1,753	\$1,753	N/A	N/A	\$1,578	\$1,578	N/A	N/A
	2030				2035			
	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Rx with Medical Coverage</b>								
Single	\$9,868	\$9,786	N/A	N/A	\$8,548	\$8,477	N/A	N/A
Employee+Spouse	\$19,736	\$19,571	N/A	N/A	\$17,096	\$16,954	N/A	N/A
Family	\$27,532	\$27,302	N/A	N/A	\$23,849	\$23,650	N/A	N/A
Employee+Child(ren)	\$17,664	\$17,516	N/A	N/A	\$15,301	\$15,174	N/A	N/A
Adult Child Rate	\$7,952	\$7,885	N/A	N/A	\$6,888	\$6,831	N/A	N/A

	HD 4000		HD 1500		Tiered Network	
	Aetna PPO	Horizon PPO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Medical Coverage Only</b>						
Single	\$4,597	\$4,605	\$6,818	\$6,830	\$6,788	\$6,788
Employee+Spouse	\$9,194	\$9,210	\$13,635	\$13,659	\$13,576	\$13,576
Family	\$12,825	\$12,848	\$19,021	\$19,055	\$18,939	\$18,939
Employee+Child(ren)	\$8,228	\$8,243	\$12,203	\$12,225	\$12,151	\$12,151
Adult Child Rate	\$3,704	\$3,711	\$5,494	\$5,503	\$5,470	\$5,470
	HD 4000		HD 1500		Tiered Network	
	Aetna PPO	Horizon PPO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Rx Card</b>						
Single	\$1,400	\$1,400	\$2,077	\$2,077	\$2,137	\$2,137
Employee+Spouse	\$2,801	\$2,801	\$4,154	\$4,154	\$4,275	\$4,275
Family	\$3,907	\$3,907	\$5,795	\$5,795	\$5,964	\$5,964
Employee+Child(ren)	\$2,507	\$2,507	\$3,718	\$3,718	\$3,826	\$3,826
Adult Child Rate	\$1,128	\$1,128	\$1,674	\$1,674	\$1,722	\$1,722
	HD 4000		HD 1500		Tiered Network	
	Aetna PPO	Horizon PPO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Rx with Medical Coverage</b>						
Single	\$5,997	\$6,005	\$8,895	\$8,907	\$8,321	\$8,321
Employee+Spouse	\$11,994	\$12,011	\$17,789	\$17,813	\$16,642	\$16,642
Family	\$16,732	\$16,755	\$24,816	\$24,850	\$23,216	\$23,216
Employee+Child(ren)	\$10,735	\$10,750	\$15,921	\$15,943	\$14,895	\$14,895
Adult Child Rate	\$4,833	\$4,839	\$7,167	\$7,177	\$6,705	\$6,705

Exhibit 4C – Plan Year 2018 Monthly Retiree Premiums  
Page 1 of 2

	Legacy Plans						1525			
	Aetna PPO10	Aetna PPO15	Horizon DIR10	Horizon DIR15	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Total Premium</b>										
Single - 0 Medicare	\$1,363.26	\$1,298.69	\$1,363.26	\$1,298.69	\$1,271.00	\$1,261.03	\$1,244.34	\$1,244.34	\$1,165.91	\$1,157.08
Single - 1 Medicare	\$557.05	\$555.23	\$525.34	\$516.34	\$564.50	\$612.76	N/A	\$498.33	\$479.48	\$557.24
EE+Spouse - 0 Medicare	\$2,972.02	\$2,831.14	\$2,972.02	\$2,831.14	\$2,771.33	\$2,749.59	\$2,712.64	\$2,712.64	\$2,541.62	\$2,522.42
EE+Spouse - 1 Medicare	\$1,936.98	\$1,846.52	\$1,781.95	\$1,736.04	\$1,909.47	\$1,897.01	N/A	\$1,746.83	\$1,748.20	\$1,736.85
EE+Spouse - 2 Medicare	\$1,114.11	\$1,110.47	\$1,050.69	\$1,032.69	\$1,128.98	\$1,225.51	N/A	\$996.67	\$958.95	\$1,114.46
Family - 0 Medicare	\$3,380.98	\$3,220.74	\$3,380.98	\$3,220.74	\$3,153.11	\$3,128.36	\$3,085.93	\$3,085.93	\$2,891.41	\$2,869.54
Family - 1 Medicare	\$2,331.00	\$2,222.06	\$2,139.61	\$2,085.41	\$2,272.47	\$2,257.17	N/A	\$2,103.92	\$2,081.75	\$2,067.88
Family - 2 Medicare	\$1,444.60	\$1,439.82	\$1,362.37	\$1,338.98	\$1,404.86	\$1,525.00	N/A	\$1,292.30	\$1,205.98	\$1,391.04
EE+Ch - 0 Medicare	\$1,908.60	\$1,818.16	\$1,908.60	\$1,818.16	\$1,780.01	\$1,766.05	\$1,742.11	\$1,742.11	\$1,632.26	\$1,619.93
EE+Ch - 1 Medicare	\$882.00	\$879.08	\$831.79	\$817.51	\$827.57	\$898.37	N/A	\$789.03	\$717.41	\$822.03
<b>Medical Premium</b>										
Single - 0 Medicare	\$1,081.91	\$1,017.34	\$1,081.91	\$1,017.34	\$997.55	\$987.58	\$971.70	\$971.70	\$880.97	\$872.14
Single - 1 Medicare	\$243.71	\$241.89	\$212.00	\$203.00	\$203.73	\$251.99	N/A	\$194.67	\$175.82	\$253.58
EE+Spouse - 0 Medicare	\$2,358.62	\$2,217.74	\$2,358.62	\$2,217.74	\$2,174.62	\$2,152.88	\$2,118.21	\$2,118.21	\$1,920.41	\$1,901.21
EE+Spouse - 1 Medicare	\$1,320.57	\$1,230.11	\$1,165.54	\$1,119.63	\$1,245.80	\$1,233.34	N/A	\$1,149.47	\$1,137.33	\$1,125.98
EE+Spouse - 2 Medicare	\$487.42	\$483.78	\$424.00	\$406.00	\$407.46	\$503.99	N/A	\$389.36	\$351.64	\$507.15
Family - 0 Medicare	\$2,683.18	\$2,522.94	\$2,683.18	\$2,522.94	\$2,473.90	\$2,449.15	\$2,409.72	\$2,409.72	\$2,184.73	\$2,162.86
Family - 1 Medicare	\$1,630.42	\$1,521.48	\$1,439.03	\$1,384.83	\$1,529.05	\$1,513.75	N/A	\$1,425.01	\$1,387.48	\$1,373.61
Family - 2 Medicare	\$632.01	\$627.23	\$549.78	\$526.39	\$507.00	\$627.14	N/A	\$504.84	\$418.52	\$603.58
EE+Ch - 0 Medicare	\$1,514.67	\$1,424.23	\$1,514.67	\$1,424.23	\$1,396.57	\$1,382.61	\$1,360.35	\$1,360.35	\$1,233.31	\$1,220.98
EE+Ch - 1 Medicare	\$385.88	\$382.96	\$335.67	\$321.39	\$298.80	\$369.60	N/A	\$308.25	\$236.63	\$341.25
<b>Rx Premium</b>										
Single - 0 Medicare	\$281.35	\$281.35	\$281.35	\$281.35	\$273.45	\$273.45	\$272.64	\$272.64	\$284.94	\$284.94
Single - 1 Medicare	\$313.34	\$313.34	\$313.34	\$313.34	\$360.77	\$360.77	N/A	\$303.66	\$303.66	\$303.66
EE+Spouse - 0 Medicare	\$613.40	\$613.40	\$613.40	\$613.40	\$596.71	\$596.71	\$594.43	\$594.43	\$621.21	\$621.21
EE+Spouse - 1 Medicare	\$616.41	\$616.41	\$616.41	\$616.41	\$663.67	\$663.67	N/A	\$597.36	\$610.87	\$610.87
EE+Spouse - 2 Medicare	\$626.69	\$626.69	\$626.69	\$626.69	\$721.52	\$721.52	N/A	\$607.31	\$607.31	\$607.31
Family - 0 Medicare	\$697.80	\$697.80	\$697.80	\$697.80	\$679.21	\$679.21	\$676.21	\$676.21	\$706.68	\$706.68
Family - 1 Medicare	\$700.58	\$700.58	\$700.58	\$700.58	\$743.42	\$743.42	N/A	\$678.91	\$694.27	\$694.27
Family - 2 Medicare	\$812.59	\$812.59	\$812.59	\$812.59	\$897.86	\$897.86	N/A	\$787.46	\$787.46	\$787.46
EE+Ch - 0 Medicare	\$393.93	\$393.93	\$393.93	\$393.93	\$383.44	\$383.44	\$381.76	\$381.76	\$398.95	\$398.95
EE+Ch - 1 Medicare	\$496.12	\$496.12	\$496.12	\$496.12	\$528.77	\$528.77	N/A	\$480.78	\$480.78	\$480.78

Exhibit 4C – Plan Year 2018 Monthly Retiree Premiums

Page 2 of 2

	2030				HD 4000	
	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO
<b>Total Premium</b>						
Single - 0 Medicare	\$1,189.66	\$1,189.66	\$1,114.77	\$1,106.49	\$703.51	\$703.51
Single - 1 Medicare	N/A	\$489.09	N/A	\$546.11	N/A	N/A
EE+Spouse - 0 Medicare	\$2,593.43	\$2,593.43	\$2,430.16	\$2,412.13	\$1,533.65	\$1,533.65
EE+Spouse - 1 Medicare	N/A	\$1,683.96	N/A	\$1,675.62	N/A	N/A
EE+Spouse - 2 Medicare	N/A	\$978.22	N/A	\$1,092.25	N/A	N/A
Family - 0 Medicare	\$2,950.29	\$2,950.29	\$2,764.59	\$2,744.08	\$1,744.70	\$1,744.70
Family - 1 Medicare	N/A	\$2,025.62	N/A	\$1,992.33	N/A	N/A
Family - 2 Medicare	N/A	\$1,268.37	N/A	\$1,363.44	N/A	N/A
EE+Ch - 0 Medicare	\$1,665.49	\$1,665.49	\$1,560.68	\$1,549.10	\$984.90	\$984.90
EE+Ch - 1 Medicare	N/A	\$774.42	N/A	\$805.78	N/A	N/A
<b>Medical Premium</b>						
Single - 0 Medicare	\$914.42	\$914.42	\$827.14	\$818.86	\$523.46	\$523.46
Single - 1 Medicare	N/A	\$182.55	N/A	\$239.57	N/A	N/A
EE+Spouse - 0 Medicare	\$1,993.35	\$1,993.35	\$1,803.05	\$1,785.02	\$1,141.14	\$1,141.14
EE+Spouse - 1 Medicare	N/A	\$1,080.93	N/A	\$1,058.95	N/A	N/A
EE+Spouse - 2 Medicare	N/A	\$365.13	N/A	\$479.16	N/A	N/A
Family - 0 Medicare	\$2,267.67	\$2,267.67	\$2,051.21	\$2,030.70	\$1,298.18	\$1,298.18
Family - 1 Medicare	N/A	\$1,340.25	N/A	\$1,291.45	N/A	N/A
Family - 2 Medicare	N/A	\$473.42	N/A	\$568.49	N/A	N/A
EE+Ch - 0 Medicare	\$1,280.13	\$1,280.13	\$1,157.95	\$1,146.37	\$732.84	\$732.84
EE+Ch - 1 Medicare	N/A	\$289.06	N/A	\$320.42	N/A	N/A
<b>Rx Premium</b>						
Single - 0 Medicare	\$275.24	\$275.24	\$287.63	\$287.63	\$180.05	\$180.05
Single - 1 Medicare	N/A	\$306.54	N/A	\$306.54	N/A	N/A
EE+Spouse - 0 Medicare	\$600.08	\$600.08	\$627.11	\$627.11	\$392.51	\$392.51
EE+Spouse - 1 Medicare	N/A	\$603.03	N/A	\$616.67	N/A	N/A
EE+Spouse - 2 Medicare	N/A	\$613.09	N/A	\$613.09	N/A	N/A
Family - 0 Medicare	\$682.62	\$682.62	\$713.38	\$713.38	\$446.52	\$446.52
Family - 1 Medicare	N/A	\$685.37	N/A	\$700.88	N/A	N/A
Family - 2 Medicare	N/A	\$794.95	N/A	\$794.95	N/A	N/A
EE+Ch - 0 Medicare	\$385.36	\$385.36	\$402.73	\$402.73	\$252.06	\$252.06
EE+Ch - 1 Medicare	N/A	\$485.36	N/A	\$485.36	N/A	N/A

Exhibit 4D – Plan Year 2018 Annual Retiree Premiums  
Page 1 of 2

	Legacy Plans						1525			
	Aetna PPO10	Aetna PPO15	Horizon DIR10	Horizon DIR15	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Total Premium</b>										
Single - 0 Medicare	\$16,359	\$15,584	\$16,359	\$15,584	\$15,252	\$15,132	\$14,932	\$14,932	\$13,991	\$13,885
Single - 1 Medicare	\$6,685	\$6,663	\$6,304	\$6,196	\$6,774	\$7,353	N/A	\$5,980	\$5,754	\$6,687
EE+Spouse - 0 Medicare	\$35,664	\$33,974	\$35,664	\$33,974	\$33,256	\$32,995	\$32,552	\$32,552	\$30,499	\$30,269
EE+Spouse - 1 Medicare	\$23,244	\$22,158	\$21,383	\$20,832	\$22,914	\$22,764	N/A	\$20,962	\$20,978	\$20,842
EE+Spouse - 2 Medicare	\$13,369	\$13,326	\$12,608	\$12,392	\$13,548	\$14,706	N/A	\$11,960	\$11,507	\$13,374
Family - 0 Medicare	\$40,572	\$38,649	\$40,572	\$38,649	\$37,837	\$37,540	\$37,031	\$37,031	\$34,697	\$34,434
Family - 1 Medicare	\$27,972	\$26,665	\$25,675	\$25,025	\$27,270	\$27,086	N/A	\$25,247	\$24,981	\$24,815
Family - 2 Medicare	\$17,335	\$17,278	\$16,348	\$16,068	\$16,858	\$18,300	N/A	\$15,508	\$14,472	\$16,692
EE+Ch - 0 Medicare	\$22,903	\$21,818	\$22,903	\$21,818	\$21,360	\$21,193	\$20,905	\$20,905	\$19,587	\$19,439
EE+Ch - 1 Medicare	\$10,584	\$10,549	\$9,981	\$9,810	\$9,931	\$10,780	N/A	\$9,468	\$8,609	\$9,864
<b>Medical Premium</b>										
Single - 0 Medicare	\$12,983	\$12,208	\$12,983	\$12,208	\$11,971	\$11,851	\$11,660	\$11,660	\$10,572	\$10,466
Single - 1 Medicare	\$2,925	\$2,903	\$2,544	\$2,436	\$2,445	\$3,024	N/A	\$2,336	\$2,110	\$3,043
EE+Spouse - 0 Medicare	\$28,303	\$26,613	\$28,303	\$26,613	\$26,095	\$25,835	\$25,419	\$25,419	\$23,045	\$22,815
EE+Spouse - 1 Medicare	\$15,847	\$14,761	\$13,986	\$13,436	\$14,950	\$14,800	N/A	\$13,794	\$13,648	\$13,512
EE+Spouse - 2 Medicare	\$5,849	\$5,805	\$5,088	\$4,872	\$4,890	\$6,048	N/A	\$4,672	\$4,220	\$6,086
Family - 0 Medicare	\$32,198	\$30,275	\$32,198	\$30,275	\$29,687	\$29,390	\$28,917	\$28,917	\$26,217	\$25,954
Family - 1 Medicare	\$19,565	\$18,258	\$17,268	\$16,618	\$18,349	\$18,165	N/A	\$17,100	\$16,650	\$16,483
Family - 2 Medicare	\$7,584	\$7,527	\$6,597	\$6,317	\$6,084	\$7,526	N/A	\$6,058	\$5,022	\$7,243
EE+Ch - 0 Medicare	\$18,176	\$17,091	\$18,176	\$17,091	\$16,759	\$16,591	\$16,324	\$16,324	\$14,800	\$14,652
EE+Ch - 1 Medicare	\$4,631	\$4,596	\$4,028	\$3,857	\$3,586	\$4,435	N/A	\$3,699	\$2,840	\$4,095
<b>Rx Premium</b>										
Single - 0 Medicare	\$3,376	\$3,376	\$3,376	\$3,376	\$3,281	\$3,281	\$3,272	\$3,272	\$3,419	\$3,419
Single - 1 Medicare	\$3,760	\$3,760	\$3,760	\$3,760	\$4,329	\$4,329	N/A	\$3,644	\$3,644	\$3,644
EE+Spouse - 0 Medicare	\$7,361	\$7,361	\$7,361	\$7,361	\$7,161	\$7,161	\$7,133	\$7,133	\$7,455	\$7,455
EE+Spouse - 1 Medicare	\$7,397	\$7,397	\$7,397	\$7,397	\$7,964	\$7,964	N/A	\$7,168	\$7,330	\$7,330
EE+Spouse - 2 Medicare	\$7,520	\$7,520	\$7,520	\$7,520	\$8,658	\$8,658	N/A	\$7,288	\$7,288	\$7,288
Family - 0 Medicare	\$8,374	\$8,374	\$8,374	\$8,374	\$8,151	\$8,151	\$8,115	\$8,115	\$8,480	\$8,480
Family - 1 Medicare	\$8,407	\$8,407	\$8,407	\$8,407	\$8,921	\$8,921	N/A	\$8,147	\$8,331	\$8,331
Family - 2 Medicare	\$9,751	\$9,751	\$9,751	\$9,751	\$10,774	\$10,774	N/A	\$9,450	\$9,450	\$9,450
EE+Ch - 0 Medicare	\$4,727	\$4,727	\$4,727	\$4,727	\$4,601	\$4,601	\$4,581	\$4,581	\$4,787	\$4,787
EE+Ch - 1 Medicare	\$5,953	\$5,953	\$5,953	\$5,953	\$6,345	\$6,345	N/A	\$5,769	\$5,769	\$5,769

Exhibit 4D – Plan Year 2018 Annual Retiree Premiums  
Page 2 of 2

	2030				HD 4000	
	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO
<b>Total Premium</b>						
Single - 0 Medicare	\$14,276	\$14,276	\$13,377	\$13,278	\$8,442	\$8,442
Single - 1 Medicare	N/A	\$5,869	N/A	\$6,553	N/A	N/A
EE+Spouse - 0 Medicare	\$31,121	\$31,121	\$29,162	\$28,946	\$18,404	\$18,404
EE+Spouse - 1 Medicare	N/A	\$20,208	N/A	\$20,107	N/A	N/A
EE+Spouse - 2 Medicare	N/A	\$11,739	N/A	\$13,107	N/A	N/A
Family - 0 Medicare	\$35,403	\$35,403	\$33,175	\$32,929	\$20,936	\$20,936
Family - 1 Medicare	N/A	\$24,307	N/A	\$23,908	N/A	N/A
Family - 2 Medicare	N/A	\$15,220	N/A	\$16,361	N/A	N/A
EE+Ch - 0 Medicare	\$19,986	\$19,986	\$18,728	\$18,589	\$11,819	\$11,819
EE+Ch - 1 Medicare	N/A	\$9,293	N/A	\$9,669	N/A	N/A
<b>Medical Premium</b>						
Single - 0 Medicare	\$10,973	\$10,973	\$9,926	\$9,826	\$6,282	\$6,282
Single - 1 Medicare	N/A	\$2,191	N/A	\$2,875	N/A	N/A
EE+Spouse - 0 Medicare	\$23,920	\$23,920	\$21,637	\$21,420	\$13,694	\$13,694
EE+Spouse - 1 Medicare	N/A	\$12,971	N/A	\$12,707	N/A	N/A
EE+Spouse - 2 Medicare	N/A	\$4,382	N/A	\$5,750	N/A	N/A
Family - 0 Medicare	\$27,212	\$27,212	\$24,615	\$24,368	\$15,578	\$15,578
Family - 1 Medicare	N/A	\$16,083	N/A	\$15,497	N/A	N/A
Family - 2 Medicare	N/A	\$5,681	N/A	\$6,822	N/A	N/A
EE+Ch - 0 Medicare	\$15,362	\$15,362	\$13,895	\$13,756	\$8,794	\$8,794
EE+Ch - 1 Medicare	N/A	\$3,469	N/A	\$3,845	N/A	N/A
<b>Rx Premium</b>						
Single - 0 Medicare	\$3,303	\$3,303	\$3,452	\$3,452	\$2,161	\$2,161
Single - 1 Medicare	N/A	\$3,678	N/A	\$3,678	N/A	N/A
EE+Spouse - 0 Medicare	\$7,201	\$7,201	\$7,525	\$7,525	\$4,710	\$4,710
EE+Spouse - 1 Medicare	N/A	\$7,236	N/A	\$7,400	N/A	N/A
EE+Spouse - 2 Medicare	N/A	\$7,357	N/A	\$7,357	N/A	N/A
Family - 0 Medicare	\$8,191	\$8,191	\$8,561	\$8,561	\$5,358	\$5,358
Family - 1 Medicare	N/A	\$8,224	N/A	\$8,411	N/A	N/A
Family - 2 Medicare	N/A	\$9,539	N/A	\$9,539	N/A	N/A
EE+Ch - 0 Medicare	\$4,624	\$4,624	\$4,833	\$4,833	\$3,025	\$3,025
EE+Ch - 1 Medicare	N/A	\$5,824	N/A	\$5,824	N/A	N/A

Exhibit 5A – Plan Year 2018 Employee Plan Option Summary

	\$10 PPO			\$15 PPO			1525 PPO		2030 PPO		2035 PPO		\$10 HMO	Tiered Network		HD1500	HD4000
														Tier 1	Tier 2		
<b>Medical</b>																	
<b>In-Network</b>																	
Deductible (Single/Family)	N/A			N/A			N/A		N/A		\$200/person for non-copayment services		\$100 for medical appliances and DME	N/A	\$1,500/\$3,000	\$1,500/\$3,000	\$4,000/\$8,000
OOP Maximum (Single/Family)	\$400/\$1,000			\$5,880/\$11,760			\$5,880/\$11,760		\$5,880/\$11,760		\$5,880/\$11,760		\$5,880 / \$11,760	\$2,500/\$5,000	\$4,500/\$9,000	\$2,500/\$5,000	\$5,000/\$10,000
PCP Copay	\$10			\$15			\$15		\$20		\$20		\$10	\$5	\$20	N/A	N/A
Specialist Copay	\$10			\$15			\$25		\$30 for adults/\$20 for children		\$35		\$10	\$15	\$30	N/A	N/A
Emergency Room	\$75			\$100			\$100		\$125		\$300		\$85	\$100	\$100	N/A	N/A
Coinsurance	10% on ambulance, prosthetic devices, DME			10% on ambulance, prosthetic devices, DME			10% on ambulance, prosthetic devices, DME		10% on ambulance, prosthetic devices, DME		20% after deductible for non-copayment services		N/A	N/A	20%	20% on all in-network charges	20% on all in-network charges
Coinsurance OOP Maximum (Single/Family)	N/A			\$400/\$1,000			\$400/\$1,000		\$800/\$2,000		\$2,000/\$5,000		N/A	N/A	N/A	N/A	N/A
<b>Out-of-Network</b>																	
Deductible (Single/Family)	\$100/\$250			\$100/\$250			\$100/\$250		\$200/\$500		\$800/\$2,000		N/A	N/A	N/A	Combined with in-network deductible	Combined with in-network deductible
OOP Maximum (Single/Family)	\$2,000/\$5,000			\$2,000/\$5,000			\$2,000/\$5,000		\$5,000/\$12,000		\$6,500/\$13,000		N/A	N/A	N/A	\$3,500 / \$7,000	\$6,000 / \$12,000
Coinsurance	20%			30%			30%		30%		40%		N/A	N/A	N/A	40%	40%
Inpatient Hospital	\$200 per stay			\$200 per stay			\$200 per stay		\$500 per stay		\$600 per stay		N/A	N/A	N/A	N/A	N/A
Employer HSA Funding	N/A			N/A			N/A		N/A		N/A		N/A	N/A	N/A	\$300	\$0
<b>Prescription Drug</b>	<b>\$10 PPO Rx Card</b>	<b>\$10 PPO NJ DIRECT MM Rx</b>	<b>\$10 PPO Aetna PPO</b>	<b>\$15 PPO Rx Card</b>	<b>\$15 PPO NJ DIRECT MM Rx</b>	<b>\$15 PPO Aetna PPO</b>	<b>All Other Plans</b>	<b>NJ DIRECT MM Rx</b>	<b>All Other Plans</b>	<b>NJ DIRECT MM Rx</b>	<b>All Other Plans</b>	<b>NJ DIRECT MM Rx</b>	<b>HMO</b>	<b>Rx Copay</b>			
OOP Maximum (Single/Family)	\$1,470 / \$2,940	OOP Max Applies	\$1,470 / \$2,940	\$1,470 / \$2,940	Coinsurance OOP Max Applies	\$1,470 / \$2,940	\$1,470 / \$2,940	Coinsurance OOP Max Applies	\$1,470 / \$2,940	Coinsurance OOP Max Applies	\$1,470 / \$2,940	Coinsurance OOP Max Applies	\$1,470 / \$2,940	\$1,470 / \$2,940			
Retail - Generic	\$3	10%	\$5	\$3	10%	\$5	\$7	15%	\$3	15%	\$7	20%	\$3	\$7			
Retail - Single-Source Brand	\$10	10%	\$10	\$10	10%	\$10	\$16	15%	\$18	15%	\$21	20%	\$10	\$16		Subject to deductible and coinsurance	Subject to deductible and coinsurance
Retail - Multi-Source Brand	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference			
Mail - Generic	\$5	10%	\$5	\$5	10%	\$5	\$18	15%	\$5	15%	\$18	20%	\$5	\$18			
Mail - Single-Source Brand	\$15	10%	\$15	\$15	10%	\$15	\$40	15%	\$36	15%	\$52	20%	\$15	\$40			
Mail - Multi-Source Brand	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference			

\*Family amounts are 2.5x per member amounts listed in table.

\*\*The 1525, 2030, and 2035 plans are offered on a PPO plan basis only. Tiered Network Plan Option does not have OON benefits.

### Exhibit 5B – Plan Year 2018 Early Retiree Plan Option Summary

	\$10 PPO	\$15 PPO	1525 PPO	2030 PPO	\$10 HMO	1525 HMO	2030 HMO	HD 4000
<b>Medical</b>								
<b>In-Network</b>								
Deductible (Single/Family)	N/A	N/A	N/A	N/A	\$100 for medical appliances and DME	\$100 for medical appliances and DME	\$100 for medical appliances and DME	\$4,000/\$8,000
OOP Maximum (Single/Family)	\$400/\$1,000	\$5,999/\$11,998	\$5,999/\$11,998	\$5,999/\$11,998	\$5,999/\$11,998	\$5,999/\$11,998	\$5,999/\$11,998	\$5,000/\$10,000
PCP Copay	\$10	\$15	\$15	\$20	\$10	\$15	\$20	N/A
Specialist Copay	\$10	\$15	\$25	\$30 for adults/\$20 for children	\$10	\$25	\$30 for adults/\$20 for children	N/A
Emergency Room	\$75	\$100	\$100	\$125	\$85	\$100	\$125	N/A
Coinsurance	10% on ambulance, prosthetic devices, DME	10% on ambulance, prosthetic devices, DME	10% on ambulance, prosthetic devices, DME	10% on ambulance, prosthetic devices, DME	N/A	N/A	N/A	20% on all in-network charges
Coinsurance OOP Maximum (Single/Family)	N/A	\$400/\$1,000	\$400/\$1,000	\$800/\$2,000	N/A	N/A	N/A	N/A
<b>Out-of-Network</b>								
Deductible (Single/Family)	\$100/\$250	\$100/\$250	\$100/\$250	\$200/\$500	N/A	N/A	N/A	Combined with in-network deductible
OOP Maximum (Single/Family)	\$2,000/\$5,000	\$2,000/\$5,000	\$2,000/\$5,000	\$5,000/\$12,500	N/A	N/A	N/A	\$6,000/\$12,000
Coinsurance	20%	30%	30%	30%	N/A	N/A	N/A	40%
Inpatient Hospital	\$200 per stay	\$200 per stay	\$200 per stay	\$500 per stay	N/A	N/A	N/A	N/A
<b>Prescription Drug</b>								
OOP Maximum (Single/Family)	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	Subject to deductible and coinsurance
Retail - Generic	\$10	\$10	\$7	\$3	\$6	\$7	\$3	
Retail - Preferred	\$22	\$22	\$16	\$18	\$12	\$16	\$18	
Retail - Non-Preferred	\$44	\$44	\$35	\$46	\$24	\$35	\$46	
Retail - brand with generic equivalent available	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	
Mail - Generic	\$5	\$5	\$5	\$5	\$5	\$5	\$5	
Mail - Preferred	\$28	\$28	\$40	\$36	\$18	\$40	\$36	
Mail - Non-Preferred	\$55	\$55	\$88	\$92	\$30	\$88	\$92	
Mail - brand with generic equivalent available	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	Mbr Pays difference	

\*HMO plans do not have OON benefits.

Exhibit 5C – Plan Year 2018 Medicare Retiree Plan Option Summary

	\$10 PPO (Horizon)	\$10 PPO (Aetna)	\$15 PPO (Horizon)	\$15 PPO (Aetna)	1525 PPO	2030 PPO	Legacy HMO (Horizon)	Legacy HMO (Aetna)	1525 HMO	2030 HMO
<b>Medical</b>										
<b>In-Network</b>										
Deductible	N/A	N/A	N/A	N/A	N/A	N/A	\$100 for medical appliances and DME	N/A	\$100 for medical appliances and DME	\$100 for medical appliances and DME
OOP Maximum (Single/Family)	\$400 per person	\$1,000 per person	\$5,999 per person	\$1,000 per person	\$5,999/\$11,998	\$5,999/\$11,998	\$5,999/\$11,998	\$2,500 per person	\$5,999 per person	\$5,999 per person
PCP Copay	\$10	\$10	\$15	\$15	\$15	\$20	\$10	\$10	\$15	\$20
Specialist Copay	\$10	\$10	\$15	\$15	\$25	\$30 for adults/ \$20 children	\$10	\$10	\$25	\$30 for adults/ \$20 children
Emergency Room	\$75	\$75	\$75	\$75	\$100	\$125	\$85	\$75	\$100	\$125
Coinsurance	10% on ambulance, prosthetic devices, DME	N/A	10% on ambulance, prosthetic devices, DME	N/A	10% on ambulance, prosthetic devices, DME	10% on ambulance, prosthetic devices, DME	N/A	N/A	N/A	N/A
Coinsurance OOP Maximum (Single/Family)	N/A	N/A	\$400/\$1,000	N/A	\$400/\$1,000	\$800/\$2,000	N/A	N/A	N/A	N/A
<b>Out-of-Network</b>										
Deductible (Single/Family)	\$100 per person	N/A	\$100 per person	N/A	\$100 per person	\$200 per person	N/A	N/A	N/A	N/A
OOP Maximum (Single/Family)	\$2,000 per person	Combined with in-network	\$2,000 per person	Combined with in-network	\$2,000 per person	\$5,000 per person	N/A	N/A	N/A	N/A
Coinsurance	10% on ambulance, prosthetic devices, DME	N/A	10% on ambulance, prosthetic devices, DME	N/A	30%	30%	N/A	N/A	N/A	N/A
Inpatient Hospital	N/A	N/A	N/A	N/A	\$200 per stay	\$500 per stay	N/A	N/A	N/A	N/A
<b>Prescription Drug</b>										
OOP Maximum (Single/Family)	\$1,351/\$2,702		\$1,351/\$2,702		\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702		\$1,351/\$2,702	\$1,351/\$2,702
Retail - Generic	\$10		\$10		\$7	\$3	\$6		\$7	\$3
Retail - Preferred	\$22		\$22		\$16	\$18	\$12		\$16	\$18
Retail - Non-Preferred	\$44		\$44		\$35	\$46	\$24		\$35	\$46
Mail - Generic	\$5		\$5		\$5	\$5	\$5		\$5	\$5
Mail - Preferred	\$28		\$28		\$40	\$36	\$18		\$40	\$36
Mail - Non- Preferred	\$55		\$55		\$88	\$92	\$30		\$88	\$92

\*HMO plans do not have OON benefits

\*\*Family amounts are 2.5x per member amounts listed in table.

\*\*\*Family amounts are 2x per member amounts listed in table.

## About Aon

Aon 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 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, please visit [aonhewitt.com](http://aonhewitt.com).

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