



State of New Jersey

State Health Benefits Program

Plan Year 2018 Rate Renewal Recommendation Report

State Employee Group

July 2017

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Executive Summary

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

Benefits Maintained by the SHBP

The State of New Jersey operates the SHBP as a multiple-option program for State 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 four options under their respective PPO plans. The \$10 copay PPO option is only available to certain Retirees. All other options are offered to all Employees and Retirees.
- HMO plans are administered by Aetna and Horizon. There is one HMO benefit option which is available to Actives, and three HMO benefit options which are 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.
- 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.
- Active Employees and Retirees are also enrolled in a Prescription Drug Plan available under the SHBP, which is administered by Express Scripts through December 31, 2017 and will be administered by Optum effective January 1, 2018. The prescription drug card benefit options are linked to the medical plan selection.

Recommended Renewal Increases

Aon is recommending no increase for Active Employees, a 4.4% decrease for Early Retirees, and a 6.3% decrease for Medicare Retirees. For all groups combined, the recommended decrease is 1.5%.

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), HMO, and Prescription Drug Plans.

| | Total | Single | EE + Spouse | Family | EE + Child(ren) |
|--------------------------|---------------|---------------|---------------|---------------|-----------------|
| Actives | | | | | |
| 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% |
| Total | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Early Retirees | | | | | |
| 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 | (18.1%) | (18.1%) | (18.1%) | (18.1%) | (18.1%) |
| HMO Rx | (18.1%) | (18.1%) | (18.1%) | (18.1%) | (18.1%) |
| Total | (4.4%) | (4.4%) | (4.4%) | (4.4%) | (4.4%) |
| Medicare Retirees | | | | | |
| PPO Medical | 1.6% | 1.6% | 1.6% | 1.6% | 1.6% |
| HMO Medical | (20.1%) | (20.1%) | (20.1%) | (20.1%) | (20.1%) |
| PPO Rx | (9.0%) | (9.0%) | (9.0%) | (9.0%) | (9.0%) |
| HMO Rx | (9.0%) | (9.0%) | (9.0%) | (9.0%) | (9.0%) |
| Total | (6.3%) | (6.3%) | (6.3%) | (6.3%) | (6.3%) |
| Grand Total | (1.5%) | (1.5%) | (1.5%) | (1.5%) | (1.5%) |

These premium increases for Plan Year 2018 are projected to produce a \$2.8 million gain for State Actives and approximately no loss or gain for State Retirees.

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).

For Plan Year 2018, no changes are recommended to the premium tier level factors that are shown below as they are consistent with the actual costs.

Active Coverage Tier Factors

| Coverage Tier | PY2017 | PY2018 | Increase |
|---------------|--------|--------|----------|
| Single | 1.000 | 1.000 | 0% |
| Ee+Child(ren) | 1.860 | 1.860 | 0% |
| Ee+Spouse | 2.000 | 2.000 | 0% |
| Ee+Family | 2.860 | 2.860 | 0% |

Employee/Retiree Contribution Changes

Actives: It is anticipated that the contributions 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 Health Care 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:

| Plan Year | Out-of-Pocket Maximum (Single/Family) |
|-----------|---------------------------------------|
| 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 assumes 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 procuring a new PBM starting in Plan Year 2018.

Financial Results

The current Plan Year 2016 financial results project a gain of \$148 million. By comparison, last year's renewal analysis projected a loss of \$25 million for Plan Year 2016. This resulting gain is primarily due to better-than-expected medical and prescription drug claim experience for Actives and Retirees

The current Plan Year 2017 financial results project a gain of \$131 million in total. By comparison, last year's renewal analysis projected no gain or loss for Plan Year 2017. This projected gain from last year's renewal analysis is largely due to better-than-expected medical and prescription drug claim experience for Actives and Retirees.

The Plan Year 2018 average renewal decrease is 1.5%, which is projected to produce a \$2.8 million gain for State Actives and approximately no loss or gain for State retirees for Plan Year 2018. Plan Year 2018 projected cost for the State Group is equal to \$2.5 billion, broken down as \$1.8 billion for Actives and \$0.7 billion for Retirees.

Eligibility Changes

Chapter 375 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 176 as of March 2017.

Part-Time Coverage

Part-time Employees may enroll in any of the SHBP plans. As of March 2017, 189 State part-time Employees participate, so the experience is not fully credible. Aon recommends that the rate load of 10% used in Plan Year 2017 be decreased to 4% for Plan Year 2018.

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 State Active enrollment will remain flat in Plan Years 2017 and 2018; Early Retiree enrollment will decrease 3.5% per year in Plan Year 2017 and 3.0% in Plan Year 2018; and Medicare Retiree enrollment will increase 4.0% 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 Horizon NJ DIRECT15 plan will migrate to lower-cost benefit options from Plan Year 2017 to Plan Year 2018.

In addition, 1.5% of enrollment in the Aetna and Horizon Legacy DIRECT15 plan is assumed to migrate to the Tiered Network plans in Plan Year 2018.

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

Demographic Changes

The Active Employee average age remained stable in Plan Years 2016 and 2017. The average HMO employee age is almost two years older than the average PPO employee age. The average age of Employees enrolling in the new benefit options remained stable in Plan Years 2016 and 2017, and is approximately ten years younger than Employees in the Legacy Plans.

Average Employee Age

| | 2016 | 2017 | Change |
|--------------|-------------|-------------|--------------|
| Legacy PPO | 47.7 | 47.7 | 0.1 |
| Legacy HMO | 49.2 | 49.4 | 0.3 |
| Legacy Total | 47.9 | 48.0 | 0.1 |
| New Plans | 38.5 | 38.7 | 0.2 |
| Total | 46.9 | 46.7 | (0.2) |

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% |

The Medicare Retiree medical 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:

- The two-year average experience trend for Horizon Actives is approximately 5.3%, with experience through 2016. The PPO medical trend is 6.0% in Plan Years 2017 and 2018, as compared to the PPO medical Plan Year 2017 trend of 6.5% reflected in the Plan Year 2017 Renewal Report.
- The PPO medical trend for Early Retirees is 5.5% in Plan Year 2017 and 6.0% in Plan Year 2018, as compared to the PPO Early Retiree medical trend of 6.0% in Plan Year 2017 reflected in the Plan Year 2017 Renewal Report.
- 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 is 6.0% in Plan Year 2017, a 100 basis point increase from the Plan Year 2017 Renewal Report trend of 5.0%. The HMO trend assumption for Actives in Plan Year 2018 is 5.5%.
- The medical trend assumption for HMO Early Retirees is 6.0% in Plan Year 2017 and 5.5% in Plan Year 2018, as compared to the Plan Year 2017 trend assumption of 5.5% shown in the Plan Year 2017 Renewal Report.

Prescription Drug Trends: Aon recommended trends are based on experience trends and the Aon trend survey. Active claim experience in 2015 showed a significant increase due to the increasing costs of the compound drugs. The trend recommendations have been adjusted for the compound drug change and reflect expectations of future prescription drug trends.

The Aon Plan Year 2017 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.

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 |
| PPO 10 | \$ 203.17 | \$ 243.71 | 20.0% | \$ 181.00 | \$ 215.00 | 18.8% |
| PPO 15 | \$ 201.50 | \$ 241.89 | 20.0% | \$ 172.00 | \$ 201.00 | 16.9% |
| HMO 10 | \$ 217.84 | \$ 203.73 | (6.5%) | NA | NA | NA |
| HMO 1525 | \$ 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 |
| PPO 10 | \$ 203.17 | \$ 209.66 | 3.2% | \$ 181.00 | \$ 186.00 | 2.8% |
| PPO 15 | \$ 201.50 | \$ 207.84 | 3.1% | \$ 172.00 | \$ 177.00 | 2.9% |
| HMO 10 | \$ 217.84 | \$ 167.73 | (23.0%) | NA | NA | NA |
| HMO 1525 | \$ 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. Plan Year 2018 renewal premiums were developed to match projected costs in aggregate, so there is no projected gain or loss for Plan Year 2018.

Projected Financial Results
(in \$ millions)

| | PPO 10 | PPO 15 | Legacy HMOs | New Plans | Total |
|----------------------------|---------|-----------|-------------|-----------|-----------|
| Plan Year 2016 | | | | | |
| Premium Rates x Enrollment | \$137.8 | \$1,886.8 | \$395.6 | \$77.8 | \$2,498.0 |
| Incurred Claims | \$120.5 | \$1,749.2 | \$370.3 | \$43.4 | \$2,283.4 |
| Administrative Charges | \$6.1 | \$45.7 | \$12.2 | \$2.8 | \$66.8 |
| Net Gain (Loss) | \$11.2 | \$91.9 | \$13.1 | \$31.6 | \$147.8 |
| Plan Year 2017 | | | | | |
| Premium Rates x Enrollment | \$135.2 | \$1,941.3 | \$392.2 | \$113.3 | \$2,582.0 |
| Incurred Claims | \$125.0 | \$1,808.1 | \$366.4 | \$99.6 | \$2,399.1 |
| Administrative Charges | \$2.4 | \$35.1 | \$10.3 | \$3.7 | \$51.5 |
| Net Gain (Loss) | \$7.8 | \$98.1 | \$15.5 | \$10.0 | \$131.4 |
| Plan Year 2018 | | | | | |
| Premium Rates x Enrollment | \$141.9 | \$1,868.0 | \$372.8 | \$159.2 | \$2,541.9 |
| Incurred Claims | \$140.0 | \$1,828.7 | \$359.6 | \$156.0 | \$2,484.3 |
| Administrative Charges | \$2.2 | \$36.7 | \$10.7 | \$5.2 | \$54.8 |
| Net Gain (Loss) | (\$0.3) | \$2.6 | \$2.5 | (\$2.0) | \$2.8 |

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 | \$5.21 | 54.7% |
| Prescription Drug** HDHP | \$4.32 | \$6.68 | 54.7% |
| Prescription Drug** EGWP | \$12.37 | \$10.38 | (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 healthcare 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 95% for the Active NJ DIRECT15 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. Active premium increases were set to achieve a \$2.8 million gain, and Retiree premium increases were set to achieve approximately no loss or gain for the State group. 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 the 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 were based on historical billing enrollment data by coverage tier and adjusted with 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 recommendations 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 \$4.2 million for Plan Year 2018, which is \$0.2 million more than the Plan Year 2017 projection of \$4.0 million in overhead charges.
3. NJWELL annual expenses for State Actives are projected to be \$29 per employee for Plan Years 2017 and 2018.
4. 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.

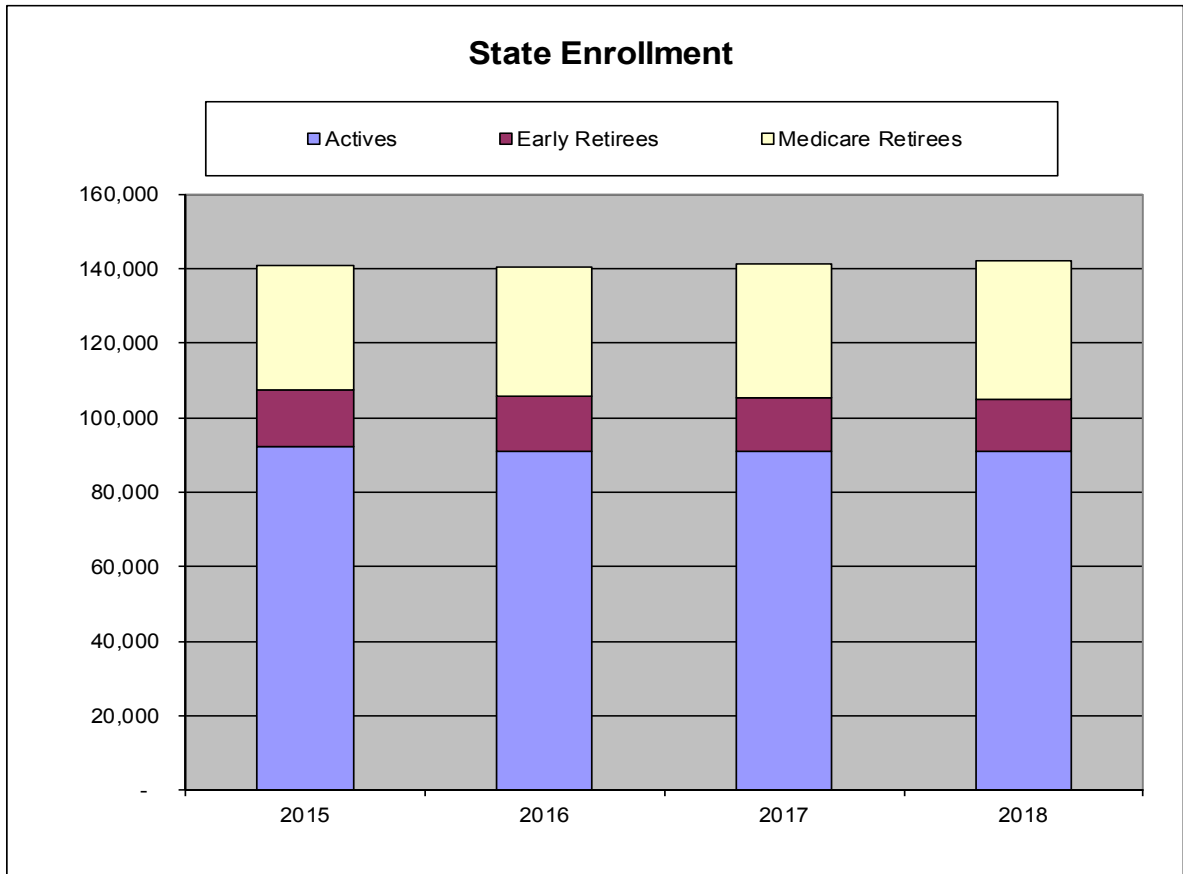
Projected Premiums

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

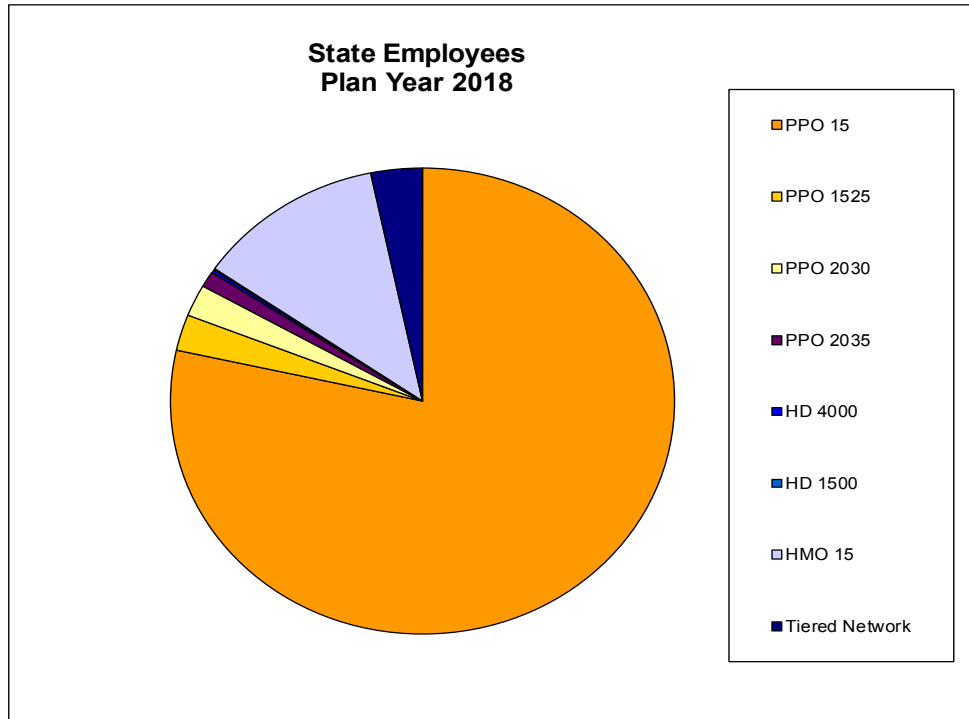
Exhibit 1A – Enrollment Projections



Annual Change in Enrollment

| | <u>Actual 2015 to 2016</u> | <u>Actual 2016 to 2017</u> | <u>Projected 2017 to 2018</u> |
|-------------------|--------------------------------|--------------------------------|-----------------------------------|
| Actives | (1.3%) | 0.0% | 0.0% |
| Early Retirees | (1.9%) | (3.5%) | (3.0%) |
| Medicare Retirees | 3.4% | 4.0% | 4.0% |

Exhibit 1B Actives – Projected Plan Year 2018 Plan Distribution



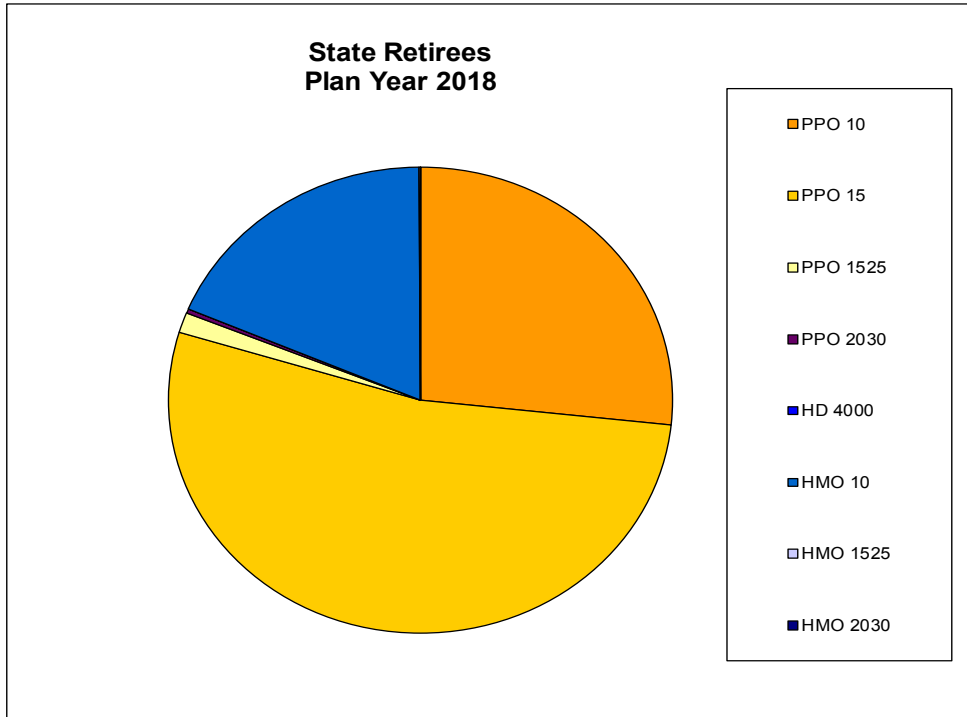
Assumes approximately 84% of employees will enroll in the PPO plans, 12% in the HMO plans, 3% in the Tiered Network plans, and less than 1% in the High Deductible plans.

Assumes approximately 91% of employees will enroll in the Legacy plans, with only approximately 9% 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 15 | 73.5% | 5.0% | 78.5% |
| PPO 1525 | 1.5% | 1.0% | 2.5% |
| PPO 2030 | 1.3% | 0.9% | 2.2% |
| PPO 2035 | 0.6% | 0.5% | 1.1% |
| HD 4000 | 0.1% | 0.1% | 0.2% |
| HD 1500 | 0.1% | 0.0% | 0.1% |
| HMO 15 | 0.8% | 11.3% | 12.1% |
| Tiered Network | 2.4% | 0.9% | 3.3% |
| Total | 80.3% | 19.7% | 100.0% |

Exhibit 1B Retirees – Projected Plan Year 2018 Plan Distribution



Assumes approximately 45% of retirees will remain in the \$10 copay plans.

Assumes approximately 81% of retirees will enroll in the PPO plans, 19% in the HMO plans, and less than 1% in the High Deductible plan.

Assumes approximately 98% of retirees will enroll in the Legacy plans, with only approximately 2% in the new benefit options.

Assumes approximately 79% of retirees will enroll in the Horizon plans and approximately 21% of retirees will enroll in the Aetna plans.

| Retirees | Horizon | Aetna | Total |
|--------------|--------------|--------------|---------------|
| PPO 10 | 25.8% | 0.9% | 26.7% |
| PPO 15 | 50.9% | 2.1% | 53.0% |
| PPO 1525 | 1.4% | 0.0% | 1.4% |
| PPO 2030 | 0.3% | 0.0% | 0.3% |
| HD 4000 | 0.0% | 0.0% | 0.0% |
| HMO 10 | 0.2% | 18.3% | 18.5% |
| HMO 1525 | 0.0% | 0.1% | 0.1% |
| HMO 2030 | 0.0% | 0.0% | 0.0% |
| Total | 78.6% | 21.4% | 100.0% |

Exhibit 1C Actives – May 2017 Enrollment

| | Number of Contracts as of May 2017 | | | | |
|-----------------------------------|------------------------------------|-------------------|---------------|-----------------------|---------------|
| | Single | Employee + Spouse | Family | Employee + Child(ren) | Total |
| STATE - ACTIVE & COBRA | | | | | |
| Medical Plans | | | | | |
| Horizon 10 PPO | 0 | 0 | 0 | 0 | 0 |
| Horizon 15 PPO | 22,318 | 11,096 | 24,228 | 10,712 | 68,354 |
| Horizon 1525 PPO | 645 | 157 | 327 | 118 | 1,247 |
| Horizon 2030 PPO | 546 | 130 | 313 | 82 | 1,071 |
| Horizon 2035 PPO | 351 | 63 | 81 | 32 | 527 |
| Horizon HD4000 | 51 | 6 | 17 | 5 | 79 |
| Horizon HD1500 | 32 | 6 | 2 | 2 | 42 |
| Horizon Legacy HMO (15) | 462 | 71 | 142 | 136 | 811 |
| Horizon Tiered Network | 553 | 117 | 356 | 170 | 1,196 |
| Horizon Total | 24,958 | 11,646 | 25,466 | 11,257 | 73,327 |
| Aetna 10 PPO | 0 | 0 | 0 | 0 | 0 |
| Aetna 15 PPO | 2,203 | 651 | 1,365 | 517 | 4,736 |
| Aetna 1525 PPO | 441 | 91 | 181 | 79 | 792 |
| Aetna 2030 PPO | 395 | 88 | 173 | 44 | 700 |
| Aetna 2035 PPO | 356 | 45 | 69 | 15 | 485 |
| Aetna HD4000 | 27 | 5 | 13 | 4 | 49 |
| Aetna HD1500 | 14 | 0 | 7 | 3 | 24 |
| Aetna Legacy HMO (15) | 3,038 | 1,537 | 3,691 | 2,025 | 10,291 |
| Aetna Tiered Network | 383 | 67 | 241 | 77 | 768 |
| Aetna Total | 6,857 | 2,484 | 5,740 | 2,764 | 17,845 |
| Total | 31,815 | 14,130 | 31,206 | 14,021 | 91,172 |

Exhibit 1C Retirees – May 2017 Enrollment

| | Number of Contracts as of May 2017 | | | | |
|-------------------------|------------------------------------|-------------------|--------------|-----------------------|---------------|
| | Single | Employee + Spouse | Family | Employee + Child(ren) | Total |
| STATE RETIREES | | | | | |
| Medical Plans | | | | | |
| Horizon 10 PPO | 7,733 | 4,513 | 273 | 145 | 12,664 |
| Horizon 15 PPO | 12,251 | 9,195 | 3,451 | 1,293 | 26,190 |
| Horizon 1525 PPO | 370 | 295 | 23 | 12 | 700 |
| Horizon 2030 PPO | 38 | 5 | 3 | 1 | 47 |
| Horizon HD4000 | 6 | 0 | 0 | 1 | 7 |
| Horizon HD1500 | 0 | 0 | 0 | 0 | 0 |
| Horizon Legacy HMO (10) | 65 | 34 | 12 | 7 | 118 |
| Horizon 1525 HMO | 9 | 1 | 1 | 0 | 11 |
| Horizon 2030 HMO | 2 | 0 | 0 | 0 | 2 |
| Horizon Total | 20,474 | 14,043 | 3,763 | 1,459 | 39,739 |
| Aetna 10 PPO | 191 | 162 | 24 | 9 | 386 |
| Aetna 15 PPO | 455 | 400 | 151 | 57 | 1,063 |
| Aetna 1525 PPO | 5 | 2 | 1 | 0 | 8 |
| Aetna 2030 PPO | 0 | 1 | 2 | 1 | 4 |
| Aetna HD4000 | 1 | 1 | 0 | 0 | 2 |
| Aetna HD1500 | 0 | 0 | 0 | 0 | 0 |
| Aetna Legacy HMO (10) | 4,193 | 2,967 | 1,527 | 671 | 9,358 |
| Aetna 1525 HMO | 17 | 9 | 5 | 2 | 33 |
| Aetna 2030 HMO | 5 | 1 | 2 | 0 | 8 |
| Aetna Total | 4,867 | 3,543 | 1,712 | 740 | 10,862 |
| Total | 25,341 | 17,586 | 5,475 | 2,199 | 50,601 |

Exhibit 2A – Medical Trend Assumption

| | (A) Increase in Claims/Ee | (B) Benefit + RFP Changes | (C) = (A) - (B) Claim Trend |
|-------------------------------------|---------------------------------|---------------------------------|--------------------------------|
| PPO Active | | | |
| 01/01/2015 - 12/31/2015 | 8.3% | 0.6% | 7.7% |
| 01/01/2016 - 12/31/2016 | 2.5% | (0.4%) | 2.9% |
| Average | | | 5.3% |
| Aon Plan Year 2018 Trend Assumption | | | 6.0% |

| | | | |
|-------------------------------------|------|--------|-------------|
| PPO Early Retiree | | | |
| 01/01/2015 - 12/31/2015 | 1.1% | 0.6% | 0.5% |
| 01/01/2016 - 12/31/2016 | 4.8% | (0.5%) | 5.3% |
| Average | | | 2.9% |
| Aon Plan Year 2018 Trend Assumption | | | 6.0% |

| | | | |
|--|--------|--------|-------------|
| Self-Insured PPO Medicare Retiree | | | |
| 01/01/2015 - 12/31/2015 | 1.9% | 0.6% | 1.3% |
| 01/01/2016 - 12/31/2016 | (0.6%) | (0.4%) | (0.2%) |
| Average | | | 0.6% |
| Aon Plan Year 2018 Trend Assumption | | | 3.5% |

| | | | |
|-------------------------------------|--------|--------|-------------|
| HMO Active | | | |
| 01/01/2015 - 12/31/2015 | (0.5%) | 0.5% | (1.0%) |
| 01/01/2016 - 12/31/2016 | 6.4% | (0.4%) | 6.8% |
| Average | | | 2.9% |
| Aon Plan Year 2018 Trend Assumption | | | 5.5% |

| | | | |
|-------------------------------------|--------|--------|-------------|
| HMO Early Retiree | | | |
| 01/01/2015 - 12/31/2015 | (0.9%) | 0.6% | (1.5%) |
| 01/01/2016 - 12/31/2016 | 16.4% | (0.4%) | 16.8% |
| Average | | | 7.7% |
| Aon Plan Year 2018 Trend Assumption | | | 5.5% |

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 |
|-------------------------------------|---------------------------------|---------------------------------|--------------------------------|
| Active Rx | | | |
| 01/01/2015 - 12/31/2015 | 10.5% | (2.3%) | 12.8% |
| 01/01/2016 - 12/31/2016 | 8.0% | (2.8%) | 10.8% |
| Average | | | 11.8% |
| Aon Plan Year 2018 Trend Assumption | | | 11.0% |

| | | | |
|-------------------------------------|-------|--------|--------------|
| Retiree Rx | | | |
| 01/01/2015 - 12/31/2015 | 13.2% | (2.8%) | 16.0% |
| 01/01/2016 - 12/31/2016 | 5.0% | (2.3%) | 7.3% |
| Average | | | 11.6% |
| Aon Plan Year 2018 Trend Assumption | | | 11.0% |

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

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| | 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 |
| Employees and Retirees | | | | | | | | | | | |
| Average Medical Subscribers | 140,426 | 359 | 4,872 | 13,040 | 95,561 | 20,581 | 733 | 632 | 1,155 | 35 | 8 |
| Incurred Medical Claims | \$1,632,857,000 | \$2,016,000 | \$57,941,000 | \$54,003,000 | \$1,236,836,000 | \$241,508,000 | \$6,336,000 | \$5,737,000 | \$9,124,000 | \$191,000 | \$116,000 |
| Capitation | \$28,007,000 | \$0 | \$0 | \$731,000 | \$13,501,000 | \$13,320,000 | \$102,000 | \$0 | \$145,000 | \$14,000 | \$1,000 |
| Incurred Prescription Drug Claims | \$818,948,000 | \$2,725,000 | \$22,535,000 | \$100,916,000 | \$541,652,000 | \$138,115,000 | \$2,309,000 | \$1,163,000 | \$2,837,000 | \$313,000 | \$29,000 |
| Prescription Drug Rebates | (\$122,989,000) | (\$345,000) | (\$3,556,000) | (\$12,880,000) | (\$84,031,000) | (\$20,052,000) | (\$343,000) | (\$199,000) | (\$460,000) | (\$39,000) | (\$4,000) |
| EGWP Credits | (\$73,445,000) | (\$669,000) | (\$1,294,000) | (\$25,965,000) | (\$34,380,000) | (\$10,756,000) | (\$176,000) | \$0 | (\$123,000) | (\$32,000) | (\$5,000) |
| Administrative Fees | \$66,756,000 | \$88,000 | \$2,479,000 | \$6,056,000 | \$43,216,000 | \$11,724,000 | \$437,000 | \$346,000 | \$510,000 | \$15,000 | \$4,000 |
| Total Cost | \$2,350,134,000 | \$3,815,000 | \$78,105,000 | \$122,861,000 | \$1,716,794,000 | \$373,859,000 | \$8,665,000 | \$7,047,000 | \$12,033,000 | \$462,000 | \$141,000 |
| Total Premium | \$2,497,965,000 | \$4,613,000 | \$86,809,000 | \$133,229,000 | \$1,800,036,000 | \$384,168,000 | \$11,476,000 | \$10,249,000 | \$18,686,000 | \$553,000 | \$124,000 |
| Gain (Loss) | \$147,831,000 | \$798,000 | \$8,704,000 | \$10,368,000 | \$83,242,000 | \$10,309,000 | \$2,811,000 | \$3,202,000 | \$6,653,000 | \$91,000 | (\$17,000) |
| Employees | | | | | | | | | | | |
| Average Medical Subscribers | 91,126 | N/A | 3,967 | N/A | 70,129 | 11,328 | 612 | 626 | 1,077 | N/A | N/A |
| Incurred Medical Claims | \$1,252,346,000 | N/A | \$50,331,000 | N/A | \$1,017,021,000 | \$147,832,000 | \$5,220,000 | \$5,642,000 | \$8,141,000 | N/A | N/A |
| Capitation | \$19,009,000 | N/A | \$0 | N/A | \$11,194,000 | \$7,407,000 | \$86,000 | \$0 | \$139,000 | N/A | N/A |
| Incurred Prescription Drug Claims | \$427,153,000 | N/A | \$15,486,000 | N/A | \$342,080,000 | \$59,085,000 | \$1,112,000 | \$1,138,000 | \$2,201,000 | N/A | N/A |
| Prescription Drug Rebates | (\$73,696,000) | N/A | (\$2,672,000) | N/A | (\$59,019,000) | (\$10,194,000) | (\$192,000) | (\$196,000) | (\$380,000) | 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 | \$45,038,000 | N/A | \$2,201,000 | N/A | \$31,812,000 | \$7,994,000 | \$363,000 | \$343,000 | \$475,000 | N/A | N/A |
| Total Cost | \$1,669,850,000 | N/A | \$65,346,000 | N/A | \$1,343,088,000 | \$212,124,000 | \$6,589,000 | \$6,927,000 | \$10,576,000 | N/A | N/A |
| Total Premium | \$1,790,720,000 | N/A | \$72,730,000 | N/A | \$1,408,217,000 | \$224,721,000 | \$9,776,000 | \$10,153,000 | \$17,815,000 | N/A | N/A |
| Gain (Loss) | \$120,870,000 | N/A | \$7,384,000 | N/A | \$65,129,000 | \$12,597,000 | \$3,187,000 | \$3,226,000 | \$7,239,000 | N/A | N/A |
| Retirees | | | | | | | | | | | |
| Average Medical Subscribers | 49,300 | 359 | 905 | 13,040 | 25,432 | 9,253 | 121 | 6 | 78 | 35 | 8 |
| Incurred Medical Claims | \$380,511,000 | \$2,016,000 | \$7,610,000 | \$54,003,000 | \$219,815,000 | \$93,676,000 | \$1,116,000 | \$95,000 | \$983,000 | \$191,000 | \$116,000 |
| Capitation | \$8,998,000 | \$0 | \$0 | \$731,000 | \$2,307,000 | \$5,913,000 | \$16,000 | \$0 | \$6,000 | \$14,000 | \$1,000 |
| Incurred Prescription Drug Claims | \$391,795,000 | \$2,725,000 | \$7,049,000 | \$100,916,000 | \$199,572,000 | \$79,030,000 | \$1,197,000 | \$25,000 | \$636,000 | \$313,000 | \$29,000 |
| Prescription Drug Rebates | (\$49,293,000) | (\$345,000) | (\$884,000) | (\$12,880,000) | (\$25,012,000) | (\$9,858,000) | (\$151,000) | (\$3,000) | (\$80,000) | (\$39,000) | (\$4,000) |
| EGWP Credits | (\$73,445,000) | (\$669,000) | (\$1,294,000) | (\$25,965,000) | (\$34,380,000) | (\$10,756,000) | (\$176,000) | \$0 | (\$123,000) | (\$32,000) | (\$5,000) |
| Administrative Fees | \$21,718,000 | \$88,000 | \$278,000 | \$6,056,000 | \$11,404,000 | \$3,730,000 | \$74,000 | \$3,000 | \$35,000 | \$15,000 | \$4,000 |
| Total Cost | \$680,284,000 | \$3,815,000 | \$12,759,000 | \$122,861,000 | \$373,706,000 | \$161,735,000 | \$2,076,000 | \$120,000 | \$1,457,000 | \$462,000 | \$141,000 |
| Total Premium | \$707,245,000 | \$4,613,000 | \$14,079,000 | \$133,229,000 | \$391,819,000 | \$159,447,000 | \$1,700,000 | \$96,000 | \$871,000 | \$553,000 | \$124,000 |
| Gain (Loss) | \$26,961,000 | \$798,000 | \$1,320,000 | \$10,368,000 | \$18,113,000 | (\$2,288,000) | (\$376,000) | (\$24,000) | (\$586,000) | \$91,000 | (\$17,000) |

Exhibit 3A – Plan Year 2016 Aggregate Costs

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| | 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 |
| Employees and Retirees | | | | | | | | | | | | |
| Average Medical Subscribers | 584 | 967 | 10 | 1 | 374 | 443 | 36 | 73 | 18 | 30 | 388 | 526 |
| Incurred Medical Claims | \$4,229,000 | \$6,510,000 | \$33,000 | \$178,000 | \$1,164,000 | \$1,402,000 | \$156,000 | \$49,000 | \$139,000 | \$124,000 | \$2,240,000 | \$2,825,000 |
| Capitation | \$0 | \$126,000 | \$6,000 | \$0 | \$0 | \$48,000 | \$0 | \$7,000 | \$0 | \$3,000 | \$3,000 | \$0 |
| Incurred Prescription Drug Claims | \$1,110,000 | \$2,215,000 | \$60,000 | \$1,000 | \$303,000 | \$652,000 | \$31,000 | \$10,000 | \$489,000 | \$21,000 | \$667,000 | \$795,000 |
| Prescription Drug Rebates | (\$189,000) | (\$373,000) | (\$7,000) | \$0 | (\$52,000) | (\$112,000) | (\$5,000) | (\$2,000) | (\$84,000) | (\$4,000) | (\$115,000) | (\$137,000) |
| EGWP Credits | \$0 | (\$43,000) | \$0 | (\$2,000) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Administrative Fees | \$320,000 | \$428,000 | \$6,000 | \$1,000 | \$201,000 | \$191,000 | \$20,000 | \$36,000 | \$10,000 | \$15,000 | \$275,000 | \$378,000 |
| Total Cost | \$5,470,000 | \$8,863,000 | \$98,000 | \$178,000 | \$1,616,000 | \$2,181,000 | \$202,000 | \$100,000 | \$554,000 | \$159,000 | \$3,070,000 | \$3,861,000 |
| Total Premium | \$8,992,000 | \$15,479,000 | \$163,000 | \$8,000 | \$4,300,000 | \$5,306,000 | \$325,000 | \$620,000 | \$211,000 | \$315,000 | \$5,113,000 | \$7,190,000 |
| Gain (Loss) | \$3,522,000 | \$6,616,000 | \$65,000 | (\$170,000) | \$2,684,000 | \$3,125,000 | \$123,000 | \$520,000 | (\$343,000) | \$156,000 | \$2,043,000 | \$3,329,000 |
| Employees | | | | | | | | | | | | |
| Average Medical Subscribers | 581 | 929 | N/A | N/A | 374 | 443 | 32 | 66 | 18 | 30 | 388 | 526 |
| Incurred Medical Claims | \$4,202,000 | \$5,887,000 | N/A | N/A | \$1,164,000 | \$1,402,000 | \$128,000 | \$48,000 | \$139,000 | \$124,000 | \$2,240,000 | \$2,825,000 |
| Capitation | \$0 | \$123,000 | N/A | N/A | \$0 | \$48,000 | \$0 | \$6,000 | \$0 | \$3,000 | \$3,000 | \$0 |
| Incurred Prescription Drug Claims | \$1,063,000 | \$2,021,000 | N/A | N/A | \$303,000 | \$652,000 | \$31,000 | \$9,000 | \$489,000 | \$21,000 | \$667,000 | \$795,000 |
| Prescription Drug Rebates | (\$183,000) | (\$349,000) | N/A | N/A | (\$52,000) | (\$112,000) | (\$5,000) | (\$2,000) | (\$84,000) | (\$4,000) | (\$115,000) | (\$137,000) |
| 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 | \$318,000 | \$411,000 | N/A | N/A | \$201,000 | \$191,000 | \$18,000 | \$33,000 | \$10,000 | \$15,000 | \$275,000 | \$378,000 |
| Total Cost | \$5,400,000 | \$8,093,000 | N/A | N/A | \$1,616,000 | \$2,181,000 | \$172,000 | \$94,000 | \$554,000 | \$159,000 | \$3,070,000 | \$3,861,000 |
| Total Premium | \$8,910,000 | \$15,135,000 | N/A | N/A | \$4,300,000 | \$5,306,000 | \$274,000 | \$554,000 | \$211,000 | \$315,000 | \$5,113,000 | \$7,190,000 |
| Gain (Loss) | \$3,510,000 | \$7,042,000 | N/A | N/A | \$2,684,000 | \$3,125,000 | \$102,000 | \$460,000 | (\$343,000) | \$156,000 | \$2,043,000 | \$3,329,000 |
| Retirees | | | | | | | | | | | | |
| Average Medical Subscribers | 3 | 38 | 10 | 1 | N/A | N/A | 4 | 7 | N/A | N/A | N/A | N/A |
| Incurred Medical Claims | \$27,000 | \$623,000 | \$33,000 | \$178,000 | N/A | N/A | \$28,000 | \$1,000 | N/A | N/A | N/A | N/A |
| Capitation | \$0 | \$3,000 | \$6,000 | \$0 | N/A | N/A | \$0 | \$1,000 | N/A | N/A | N/A | N/A |
| Incurred Prescription Drug Claims | \$47,000 | \$194,000 | \$60,000 | \$1,000 | N/A | N/A | \$0 | \$1,000 | N/A | N/A | N/A | N/A |
| Prescription Drug Rebates | (\$6,000) | (\$24,000) | (\$7,000) | \$0 | N/A | N/A | \$0 | \$0 | N/A | N/A | N/A | N/A |
| EGWP Credits | \$0 | (\$43,000) | \$0 | (\$2,000) | N/A | N/A | \$0 | \$0 | N/A | N/A | N/A | N/A |
| Administrative Fees | \$2,000 | \$17,000 | \$6,000 | \$1,000 | N/A | N/A | \$2,000 | \$3,000 | N/A | N/A | N/A | N/A |
| Total Cost | \$70,000 | \$770,000 | \$98,000 | \$178,000 | N/A | N/A | \$30,000 | \$6,000 | N/A | N/A | N/A | N/A |
| Total Premium | \$82,000 | \$344,000 | \$163,000 | \$8,000 | N/A | N/A | \$51,000 | \$66,000 | N/A | N/A | N/A | N/A |
| Gain (Loss) | \$12,000 | (\$426,000) | \$65,000 | (\$170,000) | N/A | N/A | \$21,000 | \$60,000 | N/A | N/A | N/A | N/A |

Exhibit 3B – Plan Year 2017 Aggregate Costs

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| | 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 |
| Employees and Retirees | | | | | | | | | | | |
| Average Medical Subscribers | 141,295 | 383 | 5,723 | 12,741 | 94,336 | 19,585 | 904 | 786 | 1,848 | 33 | 10 |
| Incurred Medical Claims | \$1,717,479,000 | \$2,431,000 | \$72,573,000 | \$51,173,000 | \$1,272,075,000 | \$236,141,000 | \$8,756,000 | \$9,226,000 | \$17,725,000 | \$318,000 | \$68,000 |
| Capitation | \$28,247,000 | \$0 | \$0 | \$640,000 | \$13,912,000 | \$13,125,000 | \$129,000 | \$0 | \$188,000 | \$13,000 | \$1,000 |
| Incurred Prescription Drug Claims | \$863,321,000 | \$4,006,000 | \$31,003,000 | \$106,124,000 | \$549,207,000 | \$137,765,000 | \$3,876,000 | \$2,857,000 | \$10,279,000 | \$248,000 | \$64,000 |
| Prescription Drug Rebates | (\$134,837,000) | (\$516,000) | (\$5,060,000) | (\$13,183,000) | (\$88,688,000) | (\$21,573,000) | (\$642,000) | (\$501,000) | (\$1,510,000) | (\$37,000) | (\$9,000) |
| EGWP Credits | (\$75,092,000) | (\$711,000) | (\$1,505,000) | (\$24,993,000) | (\$35,341,000) | (\$11,005,000) | (\$167,000) | \$0 | (\$1,263,000) | (\$32,000) | (\$12,000) |
| Administrative Fees | \$51,529,000 | \$83,000 | \$2,568,000 | \$2,349,000 | \$32,507,000 | \$9,779,000 | \$497,000 | \$385,000 | \$752,000 | \$12,000 | \$6,000 |
| Total Cost | \$2,450,647,000 | \$5,293,000 | \$99,579,000 | \$122,110,000 | \$1,743,672,000 | \$364,232,000 | \$12,449,000 | \$11,967,000 | \$26,171,000 | \$522,000 | \$118,000 |
| Total Premium | \$2,582,009,000 | \$4,957,000 | \$104,676,000 | \$130,224,000 | \$1,836,634,000 | \$377,790,000 | \$14,363,000 | \$13,063,000 | \$27,404,000 | \$542,000 | \$126,000 |
| Gain (Loss) | \$131,362,000 | (\$336,000) | \$5,097,000 | \$8,114,000 | \$92,962,000 | \$13,558,000 | \$1,914,000 | \$1,096,000 | \$1,233,000 | \$20,000 | \$8,000 |
| Employees | | | | | | | | | | | |
| Average Medical Subscribers | 91,126 | N/A | 4,683 | N/A | 68,429 | 10,338 | 787 | 778 | 1,234 | N/A | N/A |
| Incurred Medical Claims | \$1,324,881,000 | N/A | \$62,833,000 | N/A | \$1,041,742,000 | \$141,576,000 | \$7,836,000 | \$9,132,000 | \$15,219,000 | N/A | N/A |
| Capitation | \$19,183,000 | N/A | \$0 | N/A | \$11,534,000 | \$7,136,000 | \$113,000 | \$0 | \$171,000 | N/A | N/A |
| Incurred Prescription Drug Claims | \$434,572,000 | N/A | \$20,810,000 | N/A | \$332,342,000 | \$53,669,000 | \$2,918,000 | \$2,822,000 | \$4,531,000 | N/A | N/A |
| Prescription Drug Rebates | (\$76,071,000) | N/A | (\$3,643,000) | N/A | (\$58,176,000) | (\$9,395,000) | (\$511,000) | (\$494,000) | (\$793,000) | 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 | \$38,962,000 | N/A | \$2,292,000 | N/A | \$26,316,000 | \$6,512,000 | \$428,000 | \$381,000 | \$474,000 | N/A | N/A |
| Total Cost | \$1,741,527,000 | N/A | \$82,292,000 | N/A | \$1,353,758,000 | \$199,498,000 | \$10,784,000 | \$11,841,000 | \$19,602,000 | N/A | N/A |
| Total Premium | \$1,842,931,000 | N/A | \$88,069,000 | N/A | \$1,423,793,000 | \$212,816,000 | \$12,629,000 | \$12,894,000 | \$21,319,000 | N/A | N/A |
| Gain (Loss) | \$101,404,000 | N/A | \$5,777,000 | N/A | \$70,035,000 | \$13,318,000 | \$1,845,000 | \$1,053,000 | \$1,717,000 | N/A | N/A |
| Retirees | | | | | | | | | | | |
| Average Medical Subscribers | 50,169 | 383 | 1,040 | 12,741 | 25,907 | 9,247 | 117 | 8 | 614 | 33 | 10 |
| Incurred Medical Claims | \$392,598,000 | \$2,431,000 | \$9,740,000 | \$51,173,000 | \$230,333,000 | \$94,565,000 | \$920,000 | \$94,000 | \$2,506,000 | \$318,000 | \$68,000 |
| Capitation | \$9,064,000 | \$0 | \$0 | \$640,000 | \$2,378,000 | \$5,989,000 | \$16,000 | \$0 | \$17,000 | \$13,000 | \$1,000 |
| Incurred Prescription Drug Claims | \$428,749,000 | \$4,006,000 | \$10,193,000 | \$106,124,000 | \$216,865,000 | \$84,096,000 | \$958,000 | \$35,000 | \$5,748,000 | \$248,000 | \$64,000 |
| Prescription Drug Rebates | (\$58,766,000) | (\$516,000) | (\$1,417,000) | (\$13,183,000) | (\$30,512,000) | (\$12,178,000) | (\$131,000) | (\$7,000) | (\$717,000) | (\$37,000) | (\$9,000) |
| EGWP Credits | (\$75,092,000) | (\$711,000) | (\$1,505,000) | (\$24,993,000) | (\$35,341,000) | (\$11,005,000) | (\$167,000) | \$0 | (\$1,263,000) | (\$32,000) | (\$12,000) |
| Administrative Fees | \$12,567,000 | \$83,000 | \$276,000 | \$2,349,000 | \$6,191,000 | \$3,267,000 | \$69,000 | \$4,000 | \$278,000 | \$12,000 | \$6,000 |
| Total Cost | \$709,120,000 | \$5,293,000 | \$17,287,000 | \$122,110,000 | \$389,914,000 | \$164,734,000 | \$1,665,000 | \$126,000 | \$6,569,000 | \$522,000 | \$118,000 |
| Total Premium | \$739,078,000 | \$4,957,000 | \$16,607,000 | \$130,224,000 | \$412,841,000 | \$164,974,000 | \$1,734,000 | \$169,000 | \$6,085,000 | \$542,000 | \$126,000 |
| Gain (Loss) | \$29,958,000 | (\$336,000) | (\$680,000) | \$8,114,000 | \$22,927,000 | \$240,000 | \$69,000 | \$43,000 | (\$484,000) | \$20,000 | \$8,000 |

Exhibit 3B – Plan Year 2017 Aggregate Costs

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| | 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 |
| Employees and Retirees | | | | | | | | | | | | |
| Average Medical Subscribers | 696 | 1,112 | 8 | 2 | 481 | 523 | 49 | 86 | 24 | 42 | 755 | 1,168 |
| Incurred Medical Claims | \$7,752,000 | \$12,919,000 | \$98,000 | \$8,000 | \$3,660,000 | \$4,249,000 | \$334,000 | \$523,000 | \$242,000 | \$286,000 | \$6,683,000 | \$10,239,000 |
| Capitation | \$0 | \$153,000 | \$6,000 | \$0 | \$0 | \$61,000 | \$1,000 | \$8,000 | \$0 | \$4,000 | \$6,000 | \$0 |
| Incurred Prescription Drug Claims | \$2,597,000 | \$4,409,000 | \$38,000 | \$10,000 | \$1,281,000 | \$1,433,000 | \$111,000 | \$167,000 | \$80,000 | \$91,000 | \$3,064,000 | \$4,611,000 |
| Prescription Drug Rebates | (\$455,000) | (\$758,000) | (\$7,000) | (\$1,000) | (\$224,000) | (\$251,000) | (\$20,000) | (\$29,000) | (\$14,000) | (\$16,000) | (\$536,000) | (\$807,000) |
| EGWP Credits | \$0 | (\$61,000) | \$0 | (\$2,000) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Administrative Fees | \$341,000 | \$430,000 | \$5,000 | \$1,000 | \$236,000 | \$201,000 | \$25,000 | \$39,000 | \$12,000 | \$19,000 | \$507,000 | \$775,000 |
| Total Cost | \$10,235,000 | \$17,092,000 | \$140,000 | \$16,000 | \$4,953,000 | \$5,693,000 | \$451,000 | \$708,000 | \$320,000 | \$384,000 | \$9,724,000 | \$14,818,000 |
| Total Premium | \$11,173,000 | \$18,445,000 | \$155,000 | \$19,000 | \$5,647,000 | \$6,461,000 | \$465,000 | \$744,000 | \$324,000 | \$447,000 | \$11,078,000 | \$17,272,000 |
| Gain (Loss) | \$938,000 | \$1,353,000 | \$15,000 | \$3,000 | \$694,000 | \$768,000 | \$14,000 | \$36,000 | \$4,000 | \$63,000 | \$1,354,000 | \$2,454,000 |
| Employees | | | | | | | | | | | | |
| Average Medical Subscribers | 692 | 1,066 | N/A | N/A | 481 | 523 | 47 | 79 | 24 | 42 | 755 | 1,168 |
| Incurred Medical Claims | \$7,673,000 | \$12,704,000 | N/A | N/A | \$3,660,000 | \$4,249,000 | \$320,000 | \$487,000 | \$242,000 | \$286,000 | \$6,683,000 | \$10,239,000 |
| Capitation | \$0 | \$150,000 | N/A | N/A | \$0 | \$61,000 | \$1,000 | \$7,000 | \$0 | \$4,000 | \$6,000 | \$0 |
| Incurred Prescription Drug Claims | \$2,566,000 | \$4,093,000 | N/A | N/A | \$1,281,000 | \$1,433,000 | \$106,000 | \$155,000 | \$80,000 | \$91,000 | \$3,064,000 | \$4,611,000 |
| Prescription Drug Rebates | (\$449,000) | (\$716,000) | N/A | N/A | (\$224,000) | (\$251,000) | (\$19,000) | (\$27,000) | (\$14,000) | (\$16,000) | (\$536,000) | (\$807,000) |
| 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 | \$339,000 | \$410,000 | N/A | N/A | \$236,000 | \$201,000 | \$24,000 | \$36,000 | \$12,000 | \$19,000 | \$507,000 | \$775,000 |
| Total Cost | \$10,129,000 | \$16,641,000 | N/A | N/A | \$4,953,000 | \$5,693,000 | \$432,000 | \$658,000 | \$320,000 | \$384,000 | \$9,724,000 | \$14,818,000 |
| Total Premium | \$11,063,000 | \$17,997,000 | N/A | N/A | \$5,647,000 | \$6,461,000 | \$438,000 | \$684,000 | \$324,000 | \$447,000 | \$11,078,000 | \$17,272,000 |
| Gain (Loss) | \$934,000 | \$1,356,000 | N/A | N/A | \$694,000 | \$768,000 | \$6,000 | \$26,000 | \$4,000 | \$63,000 | \$1,354,000 | \$2,454,000 |
| Retirees | | | | | | | | | | | | |
| Average Medical Subscribers | 4 | 46 | 8 | 2 | N/A | N/A | 2 | 7 | N/A | N/A | N/A | N/A |
| Incurred Medical Claims | \$79,000 | \$215,000 | \$98,000 | \$8,000 | N/A | N/A | \$14,000 | \$36,000 | N/A | N/A | N/A | N/A |
| Capitation | \$0 | \$3,000 | \$6,000 | \$0 | N/A | N/A | \$0 | \$1,000 | N/A | N/A | N/A | N/A |
| Incurred Prescription Drug Claims | \$31,000 | \$316,000 | \$38,000 | \$10,000 | N/A | N/A | \$5,000 | \$12,000 | N/A | N/A | N/A | N/A |
| Prescription Drug Rebates | (\$6,000) | (\$42,000) | (\$7,000) | (\$1,000) | N/A | N/A | (\$1,000) | (\$2,000) | N/A | N/A | N/A | N/A |
| EGWP Credits | \$0 | (\$61,000) | \$0 | (\$2,000) | N/A | N/A | \$0 | \$0 | N/A | N/A | N/A | N/A |
| Administrative Fees | \$2,000 | \$20,000 | \$5,000 | \$1,000 | N/A | N/A | \$1,000 | \$3,000 | N/A | N/A | N/A | N/A |
| Total Cost | \$106,000 | \$451,000 | \$140,000 | \$16,000 | N/A | N/A | \$19,000 | \$50,000 | N/A | N/A | N/A | N/A |
| Total Premium | \$110,000 | \$448,000 | \$155,000 | \$19,000 | N/A | N/A | \$27,000 | \$60,000 | N/A | N/A | N/A | N/A |
| Gain (Loss) | \$4,000 | (\$3,000) | \$15,000 | \$3,000 | N/A | N/A | \$8,000 | \$10,000 | N/A | N/A | N/A | N/A |

Exhibit 3C – Projected Plan Year 2018 Aggregate Costs

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| | 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 |
| Employees and Retirees | | | | | | | | | | | |
| Average Medical Subscribers | 142,307 | 394 | 5,671 | 13,213 | 92,994 | 19,683 | 907 | 902 | 2,075 | 38 | 16 |
| Incurred Medical Claims | \$1,823,005,000 | \$2,834,000 | \$82,984,000 | \$72,635,000 | \$1,300,780,000 | \$232,862,000 | \$11,591,000 | \$13,966,000 | \$24,179,000 | \$363,000 | \$123,000 |
| Capitation | \$28,937,000 | \$0 | \$0 | \$1,180,000 | \$14,130,000 | \$12,830,000 | \$170,000 | \$0 | \$264,000 | \$15,000 | \$1,000 |
| Incurred Prescription Drug Claims | \$985,412,000 | \$4,068,000 | \$38,376,000 | \$113,875,000 | \$617,208,000 | \$152,762,000 | \$5,638,000 | \$4,994,000 | \$13,770,000 | \$340,000 | \$128,000 |
| Prescription Drug Rebates | (\$272,428,000) | (\$964,000) | (\$10,988,000) | (\$26,287,000) | (\$174,899,000) | (\$42,171,000) | (\$1,634,000) | (\$1,502,000) | (\$3,671,000) | (\$89,000) | (\$32,000) |
| EGWP Credits | (\$80,618,000) | (\$725,000) | (\$1,595,000) | (\$26,662,000) | (\$37,355,000) | (\$12,283,000) | (\$192,000) | \$0 | (\$1,462,000) | (\$48,000) | (\$25,000) |
| Administrative Fees | \$54,762,000 | \$78,000 | \$2,702,000 | \$2,150,000 | \$34,010,000 | \$10,193,000 | \$526,000 | \$474,000 | \$883,000 | \$14,000 | \$9,000 |
| Total Cost | \$2,539,070,000 | \$5,291,000 | \$111,479,000 | \$136,891,000 | \$1,753,874,000 | \$354,193,000 | \$16,099,000 | \$17,932,000 | \$33,963,000 | \$595,000 | \$204,000 |
| Total Premium | \$2,541,896,000 | \$4,894,000 | \$110,041,000 | \$136,970,000 | \$1,757,920,000 | \$355,473,000 | \$17,320,000 | \$17,782,000 | \$33,630,000 | \$571,000 | \$211,000 |
| Gain (Loss) | \$2,826,000 | (\$397,000) | (\$1,438,000) | \$79,000 | \$4,046,000 | \$1,280,000 | \$1,221,000 | (\$150,000) | (\$333,000) | (\$24,000) | \$7,000 |
| Employees | | | | | | | | | | | |
| Average Medical Subscribers | 91,128 | N/A | 4,613 | N/A | 66,954 | 10,338 | 787 | 879 | 1,334 | N/A | N/A |
| Incurred Medical Claims | \$1,399,550,000 | N/A | \$73,210,000 | N/A | \$1,059,764,000 | \$142,684,000 | \$10,618,000 | \$13,554,000 | \$20,523,000 | N/A | N/A |
| Capitation | \$19,633,000 | N/A | \$0 | N/A | \$11,734,000 | \$7,192,000 | \$153,000 | \$0 | \$230,000 | N/A | N/A |
| Incurred Prescription Drug Claims | \$528,566,000 | N/A | \$27,903,000 | N/A | \$389,070,000 | \$62,540,000 | \$4,571,000 | \$4,821,000 | \$7,031,000 | N/A | N/A |
| Prescription Drug Rebates | (\$158,328,000) | N/A | (\$8,358,000) | N/A | (\$116,543,000) | (\$18,733,000) | (\$1,369,000) | (\$1,444,000) | (\$2,106,000) | 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 | \$42,474,000 | N/A | \$2,431,000 | N/A | \$27,988,000 | \$6,943,000 | \$456,000 | \$463,000 | \$558,000 | N/A | N/A |
| Total Cost | \$1,831,895,000 | N/A | \$95,186,000 | N/A | \$1,372,013,000 | \$200,626,000 | \$14,429,000 | \$17,394,000 | \$26,236,000 | N/A | N/A |
| Total Premium | \$1,834,622,000 | N/A | \$94,411,000 | N/A | \$1,370,426,000 | \$206,256,000 | \$15,572,000 | \$17,227,000 | \$26,157,000 | N/A | N/A |
| Gain (Loss) | \$2,727,000 | N/A | (\$775,000) | N/A | (\$1,587,000) | \$5,630,000 | \$1,143,000 | (\$167,000) | (\$79,000) | N/A | N/A |
| Retirees | | | | | | | | | | | |
| Average Medical Subscribers | 51,179 | 394 | 1,058 | 13,213 | 26,040 | 9,345 | 120 | 23 | 741 | 38 | 16 |
| Incurred Medical Claims | \$423,455,000 | \$2,834,000 | \$9,774,000 | \$72,635,000 | \$241,016,000 | \$90,178,000 | \$973,000 | \$412,000 | \$3,656,000 | \$363,000 | \$123,000 |
| Capitation | \$9,304,000 | \$0 | \$0 | \$1,180,000 | \$2,396,000 | \$5,638,000 | \$17,000 | \$0 | \$34,000 | \$15,000 | \$1,000 |
| Incurred Prescription Drug Claims | \$456,846,000 | \$4,068,000 | \$10,473,000 | \$113,875,000 | \$228,138,000 | \$90,222,000 | \$1,067,000 | \$173,000 | \$6,739,000 | \$340,000 | \$128,000 |
| Prescription Drug Rebates | (\$114,100,000) | (\$964,000) | (\$2,630,000) | (\$26,287,000) | (\$58,356,000) | (\$23,438,000) | (\$265,000) | (\$58,000) | (\$1,565,000) | (\$89,000) | (\$32,000) |
| EGWP Credits | (\$80,618,000) | (\$725,000) | (\$1,595,000) | (\$26,662,000) | (\$37,355,000) | (\$12,283,000) | (\$192,000) | \$0 | (\$1,462,000) | (\$48,000) | (\$25,000) |
| Administrative Fees | \$12,288,000 | \$78,000 | \$271,000 | \$2,150,000 | \$6,022,000 | \$3,250,000 | \$70,000 | \$11,000 | \$325,000 | \$14,000 | \$9,000 |
| Total Cost | \$707,175,000 | \$5,291,000 | \$16,293,000 | \$136,891,000 | \$381,861,000 | \$153,567,000 | \$1,670,000 | \$538,000 | \$7,727,000 | \$595,000 | \$204,000 |
| Total Premium | \$707,274,000 | \$4,894,000 | \$15,630,000 | \$136,970,000 | \$387,494,000 | \$149,217,000 | \$1,748,000 | \$555,000 | \$7,473,000 | \$571,000 | \$211,000 |
| Gain (Loss) | \$99,000 | (\$397,000) | (\$663,000) | \$79,000 | \$5,633,000 | (\$4,350,000) | \$78,000 | \$17,000 | (\$254,000) | (\$24,000) | \$7,000 |

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 |
| Employees and Retirees | | | | | | | | | | | | |
| Average Medical Subscribers | 800 | 1,300 | 9 | 11 | 500 | 541 | 59 | 96 | 33 | 51 | 826 | 2,188 |
| Incurred Medical Claims | \$11,661,000 | \$17,597,000 | \$144,000 | \$73,000 | \$6,232,000 | \$6,729,000 | \$520,000 | \$849,000 | \$425,000 | \$660,000 | \$9,827,000 | \$25,971,000 |
| Capitation | \$0 | \$210,000 | \$9,000 | \$0 | \$0 | \$96,000 | \$1,000 | \$13,000 | \$1,000 | \$9,000 | \$8,000 | \$0 |
| Incurred Prescription Drug Claims | \$4,508,000 | \$7,491,000 | \$65,000 | \$91,000 | \$2,510,000 | \$2,611,000 | \$199,000 | \$314,000 | \$162,000 | \$242,000 | \$4,529,000 | \$11,531,000 |
| Prescription Drug Rebates | (\$1,355,000) | (\$2,169,000) | (\$22,000) | (\$22,000) | (\$752,000) | (\$782,000) | (\$61,000) | (\$95,000) | (\$49,000) | (\$73,000) | (\$1,357,000) | (\$3,454,000) |
| EGWP Credits | \$0 | (\$252,000) | \$0 | (\$19,000) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Administrative Fees | \$421,000 | \$546,000 | \$6,000 | \$6,000 | \$263,000 | \$226,000 | \$33,000 | \$48,000 | \$18,000 | \$25,000 | \$590,000 | \$1,541,000 |
| Total Cost | \$15,235,000 | \$23,423,000 | \$202,000 | \$129,000 | \$8,253,000 | \$8,880,000 | \$692,000 | \$1,129,000 | \$557,000 | \$863,000 | \$13,597,000 | \$35,589,000 |
| Total Premium | \$15,095,000 | \$23,324,000 | \$193,000 | \$134,000 | \$8,135,000 | \$8,808,000 | \$647,000 | \$1,056,000 | \$529,000 | \$824,000 | \$13,243,000 | \$35,096,000 |
| Gain (Loss) | (\$140,000) | (\$99,000) | (\$9,000) | \$5,000 | (\$118,000) | (\$72,000) | (\$45,000) | (\$73,000) | (\$28,000) | (\$39,000) | (\$354,000) | (\$493,000) |
| Employees | | | | | | | | | | | | |
| Average Medical Subscribers | 783 | 1,157 | N/A | N/A | 500 | 541 | 56 | 88 | 33 | 51 | 826 | 2,188 |
| Incurred Medical Claims | \$11,365,000 | \$16,735,000 | N/A | N/A | \$6,232,000 | \$6,729,000 | \$486,000 | \$767,000 | \$425,000 | \$660,000 | \$9,827,000 | \$25,971,000 |
| Capitation | \$0 | \$198,000 | N/A | N/A | \$0 | \$96,000 | \$1,000 | \$11,000 | \$1,000 | \$9,000 | \$8,000 | \$0 |
| Incurred Prescription Drug Claims | \$4,374,000 | \$6,204,000 | N/A | N/A | \$2,510,000 | \$2,611,000 | \$185,000 | \$282,000 | \$162,000 | \$242,000 | \$4,529,000 | \$11,531,000 |
| Prescription Drug Rebates | (\$1,310,000) | (\$1,858,000) | N/A | N/A | (\$752,000) | (\$782,000) | (\$56,000) | (\$84,000) | (\$49,000) | (\$73,000) | (\$1,357,000) | (\$3,454,000) |
| 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 | \$413,000 | \$484,000 | N/A | N/A | \$263,000 | \$226,000 | \$31,000 | \$44,000 | \$18,000 | \$25,000 | \$590,000 | \$1,541,000 |
| Total Cost | \$14,842,000 | \$21,763,000 | N/A | N/A | \$8,253,000 | \$8,880,000 | \$647,000 | \$1,020,000 | \$557,000 | \$863,000 | \$13,597,000 | \$35,589,000 |
| Total Premium | \$14,688,000 | \$21,687,000 | N/A | N/A | \$8,135,000 | \$8,808,000 | \$606,000 | \$957,000 | \$529,000 | \$824,000 | \$13,243,000 | \$35,096,000 |
| Gain (Loss) | (\$154,000) | (\$76,000) | N/A | N/A | (\$118,000) | (\$72,000) | (\$41,000) | (\$63,000) | (\$28,000) | (\$39,000) | (\$354,000) | (\$493,000) |
| Retirees | | | | | | | | | | | | |
| Average Medical Subscribers | 17 | 143 | 9 | 11 | N/A | N/A | 3 | 8 | N/A | N/A | N/A | N/A |
| Incurred Medical Claims | \$296,000 | \$862,000 | \$144,000 | \$73,000 | N/A | N/A | \$34,000 | \$82,000 | N/A | N/A | N/A | N/A |
| Capitation | \$0 | \$12,000 | \$9,000 | \$0 | N/A | N/A | \$0 | \$2,000 | N/A | N/A | N/A | N/A |
| Incurred Prescription Drug Claims | \$134,000 | \$1,287,000 | \$65,000 | \$91,000 | N/A | N/A | \$14,000 | \$32,000 | N/A | N/A | N/A | N/A |
| Prescription Drug Rebates | (\$45,000) | (\$311,000) | (\$22,000) | (\$22,000) | N/A | N/A | (\$5,000) | (\$11,000) | N/A | N/A | N/A | N/A |
| EGWP Credits | \$0 | (\$252,000) | \$0 | (\$19,000) | N/A | N/A | \$0 | \$0 | N/A | N/A | N/A | N/A |
| Administrative Fees | \$8,000 | \$62,000 | \$6,000 | \$6,000 | N/A | N/A | \$2,000 | \$4,000 | N/A | N/A | N/A | N/A |
| Total Cost | \$393,000 | \$1,660,000 | \$202,000 | \$129,000 | N/A | N/A | \$45,000 | \$109,000 | N/A | N/A | N/A | N/A |
| Total Premium | \$407,000 | \$1,637,000 | \$193,000 | \$134,000 | N/A | N/A | \$41,000 | \$99,000 | N/A | N/A | N/A | N/A |
| Gain (Loss) | \$14,000 | (\$23,000) | (\$9,000) | \$5,000 | N/A | N/A | (\$4,000) | (\$10,000) | N/A | N/A | N/A | N/A |

Exhibit 4A – Plan Year 2018 Monthly Active Premiums

| | Legacy Plans | | | | 1525 | | | |
|------------------------------|--------------|---------------|------------|-------------|----------------|-------------|-----------|-------------|
| | Aetna PPO15 | Horizon DIR15 | Aetna HMO | Horizon HMO | Aetna PPO | Horizon PPO | Aetna HMO | Horizon HMO |
| Medical Coverage Only | | | | | | | | |
| Single | \$695.55 | \$695.55 | \$673.15 | \$666.41 | \$676.07 | \$676.07 | N/A | N/A |
| Employee+Spouse | \$1,391.10 | \$1,391.10 | \$1,346.30 | \$1,332.82 | \$1,352.14 | \$1,352.14 | N/A | N/A |
| Family | \$1,989.27 | \$1,989.27 | \$1,925.21 | \$1,905.93 | \$1,933.56 | \$1,933.56 | N/A | N/A |
| Employee+Child(ren) | \$1,293.72 | \$1,293.72 | \$1,252.06 | \$1,239.52 | \$1,257.49 | \$1,257.49 | N/A | N/A |
| Adult Child Rate | \$610.13 | \$610.13 | \$590.49 | \$584.57 | \$593.05 | \$593.05 | N/A | N/A |
| | Legacy Plans | | | | 1525 | | | |
| | Aetna PPO15 | Horizon DIR15 | Aetna HMO | Horizon HMO | Aetna PPO | Horizon PPO | Aetna HMO | Horizon HMO |
| Rx Card | | | | | | | | |
| Single | \$190.71 | \$190.71 | \$190.71 | \$190.71 | \$172.97 | \$172.97 | N/A | N/A |
| Employee+Spouse | \$381.43 | \$381.43 | \$381.43 | \$381.43 | \$345.96 | \$345.96 | N/A | N/A |
| Family | \$545.43 | \$545.43 | \$545.43 | \$545.43 | \$494.69 | \$494.69 | N/A | N/A |
| Employee+Child(ren) | \$354.72 | \$354.72 | \$354.72 | \$354.72 | \$321.72 | \$321.72 | N/A | N/A |
| Adult Child Rate | \$167.29 | \$167.29 | \$167.29 | \$167.29 | \$151.73 | \$151.73 | N/A | N/A |
| | 2030 | | | | 2035 | | | |
| | Aetna PPO | Horizon PPO | Aetna HMO | Horizon HMO | Aetna PPO | Horizon PPO | Aetna HMO | Horizon HMO |
| Medical Coverage Only | | | | | | | | |
| Single | \$635.73 | \$635.73 | N/A | N/A | \$546.72 | \$546.72 | N/A | N/A |
| Employee+Spouse | \$1,271.46 | \$1,271.46 | N/A | N/A | \$1,093.44 | \$1,093.44 | N/A | N/A |
| Family | \$1,818.19 | \$1,818.19 | N/A | N/A | \$1,563.62 | \$1,563.62 | N/A | N/A |
| Employee+Child(ren) | \$1,182.46 | \$1,182.46 | N/A | N/A | \$1,016.90 | \$1,016.90 | N/A | N/A |
| Adult Child Rate | \$557.66 | \$557.66 | N/A | N/A | \$479.58 | \$479.58 | N/A | N/A |
| | 2030 | | | | 2035 | | | |
| | Aetna PPO | Horizon PPO | Aetna HMO | Horizon HMO | Aetna PPO | Horizon PPO | Aetna HMO | Horizon HMO |
| Rx Card | | | | | | | | |
| Single | \$176.04 | \$176.04 | N/A | N/A | \$158.45 | \$158.45 | N/A | N/A |
| Employee+Spouse | \$352.06 | \$352.06 | N/A | N/A | \$316.88 | \$316.88 | N/A | N/A |
| Family | \$503.47 | \$503.47 | N/A | N/A | \$453.17 | \$453.17 | N/A | N/A |
| Employee+Child(ren) | \$327.43 | \$327.43 | N/A | N/A | \$294.72 | \$294.72 | N/A | N/A |
| Adult Child Rate | \$154.42 | \$154.42 | N/A | N/A | \$139.00 | \$139.00 | N/A | N/A |
| | HD 4000 | | HD 1500 | | Tiered Network | | | |
| | Aetna PPO | Horizon PPO | Aetna PPO | Horizon PPO | Aetna HMO | Horizon HMO | | |
| Medical Coverage Only | | | | | | | | |
| Single | \$354.15 | \$354.15 | \$525.24 | \$525.24 | \$521.66 | \$521.66 | | |
| Employee+Spouse | \$708.30 | \$708.30 | \$1,050.48 | \$1,050.48 | \$1,043.32 | \$1,043.32 | | |
| Family | \$1,012.87 | \$1,012.87 | \$1,502.19 | \$1,502.19 | \$1,491.95 | \$1,491.95 | | |
| Employee+Child(ren) | \$658.72 | \$658.72 | \$976.95 | \$976.95 | \$970.29 | \$970.29 | | |
| Adult Child Rate | \$310.66 | \$310.66 | \$460.74 | \$460.74 | \$457.60 | \$457.60 | | |
| | HD 4000 | | HD 1500 | | Tiered Network | | | |
| | Aetna PPO | Horizon PPO | Aetna PPO | Horizon PPO | Aetna HMO | Horizon HMO | | |
| Rx Card | | | | | | | | |
| Single | \$116.30 | \$116.30 | \$172.49 | \$172.49 | \$172.97 | \$172.97 | | |
| Employee+Spouse | \$232.61 | \$232.61 | \$344.97 | \$344.97 | \$345.96 | \$345.96 | | |
| Family | \$332.62 | \$332.62 | \$493.32 | \$493.32 | \$494.69 | \$494.69 | | |
| Employee+Child(ren) | \$216.32 | \$216.32 | \$320.83 | \$320.83 | \$321.72 | \$321.72 | | |
| Adult Child Rate | \$102.02 | \$102.02 | \$151.31 | \$151.31 | \$151.73 | \$151.73 | | |

Exhibit 4B – Plan Year 2018 Annual Active Premiums

| | Legacy Plans | | | | 1525 | | | |
|------------------------------|--------------|---------------|-----------|-------------|----------------|-------------|-----------|-------------|
| | Aetna PPO15 | Horizon DIR15 | Aetna HMO | Horizon HMO | Aetna PPO | Horizon PPO | Aetna HMO | Horizon HMO |
| Medical Coverage Only | | | | | | | | |
| Single | \$8,347 | \$8,347 | \$8,078 | \$7,997 | \$8,113 | \$8,113 | N/A | N/A |
| Employee+Spouse | \$16,693 | \$16,693 | \$16,156 | \$15,994 | \$16,226 | \$16,226 | N/A | N/A |
| Family | \$23,871 | \$23,871 | \$23,103 | \$22,871 | \$23,203 | \$23,203 | N/A | N/A |
| Employee+Child(ren) | \$15,525 | \$15,525 | \$15,025 | \$14,874 | \$15,090 | \$15,090 | N/A | N/A |
| Adult Child Rate | \$7,322 | \$7,322 | \$7,086 | \$7,015 | \$7,117 | \$7,117 | N/A | N/A |
| | Legacy Plans | | | | 1525 | | | |
| | Aetna PPO15 | Horizon DIR15 | Aetna HMO | Horizon HMO | Aetna PPO | Horizon PPO | Aetna HMO | Horizon HMO |
| Rx Card | | | | | | | | |
| Single | \$2,289 | \$2,289 | \$2,289 | \$2,289 | \$2,076 | \$2,076 | N/A | N/A |
| Employee+Spouse | \$4,577 | \$4,577 | \$4,577 | \$4,577 | \$4,152 | \$4,152 | N/A | N/A |
| Family | \$6,545 | \$6,545 | \$6,545 | \$6,545 | \$5,936 | \$5,936 | N/A | N/A |
| Employee+Child(ren) | \$4,257 | \$4,257 | \$4,257 | \$4,257 | \$3,861 | \$3,861 | N/A | N/A |
| Adult Child Rate | \$2,007 | \$2,007 | \$2,007 | \$2,007 | \$1,821 | \$1,821 | N/A | N/A |
| | 2030 | | | | 2035 | | | |
| | Aetna PPO | Horizon PPO | Aetna HMO | Horizon HMO | Aetna PPO | Horizon PPO | Aetna HMO | Horizon HMO |
| Medical Coverage Only | | | | | | | | |
| Single | \$7,629 | \$7,629 | N/A | N/A | \$6,561 | \$6,561 | N/A | N/A |
| Employee+Spouse | \$15,258 | \$15,258 | N/A | N/A | \$13,121 | \$13,121 | N/A | N/A |
| Family | \$21,818 | \$21,818 | N/A | N/A | \$18,763 | \$18,763 | N/A | N/A |
| Employee+Child(ren) | \$14,190 | \$14,190 | N/A | N/A | \$12,203 | \$12,203 | N/A | N/A |
| Adult Child Rate | \$6,692 | \$6,692 | N/A | N/A | \$5,755 | \$5,755 | N/A | N/A |
| | 2030 | | | | 2035 | | | |
| | Aetna PPO | Horizon PPO | Aetna HMO | Horizon HMO | Aetna PPO | Horizon PPO | Aetna HMO | Horizon HMO |
| Rx Card | | | | | | | | |
| Single | \$2,112 | \$2,112 | N/A | N/A | \$1,901 | \$1,901 | N/A | N/A |
| Employee+Spouse | \$4,225 | \$4,225 | N/A | N/A | \$3,803 | \$3,803 | N/A | N/A |
| Family | \$6,042 | \$6,042 | N/A | N/A | \$5,438 | \$5,438 | N/A | N/A |
| Employee+Child(ren) | \$3,929 | \$3,929 | N/A | N/A | \$3,537 | \$3,537 | N/A | N/A |
| Adult Child Rate | \$1,853 | \$1,853 | N/A | N/A | \$1,668 | \$1,668 | N/A | N/A |
| | HD 4000 | | HD 1500 | | Tiered Network | | | |
| | Aetna PPO | Horizon PPO | Aetna PPO | Horizon PPO | Aetna HMO | Horizon HMO | | |
| Medical Coverage Only | | | | | | | | |
| Single | \$4,250 | \$4,250 | \$6,303 | \$6,303 | \$6,260 | \$6,260 | | |
| Employee+Spouse | \$8,500 | \$8,500 | \$12,606 | \$12,606 | \$12,520 | \$12,520 | | |
| Family | \$12,154 | \$12,154 | \$18,026 | \$18,026 | \$17,903 | \$17,903 | | |
| Employee+Child(ren) | \$7,905 | \$7,905 | \$11,723 | \$11,723 | \$11,643 | \$11,643 | | |
| Adult Child Rate | \$3,728 | \$3,728 | \$5,529 | \$5,529 | \$5,491 | \$5,491 | | |
| | HD 4000 | | HD 1500 | | Tiered Network | | | |
| | Aetna PPO | Horizon PPO | Aetna PPO | Horizon PPO | Aetna HMO | Horizon HMO | | |
| Rx Card | | | | | | | | |
| Single | \$1,396 | \$1,396 | \$2,070 | \$2,070 | \$2,076 | \$2,076 | | |
| Employee+Spouse | \$2,791 | \$2,791 | \$4,140 | \$4,140 | \$4,152 | \$4,152 | | |
| Family | \$3,991 | \$3,991 | \$5,920 | \$5,920 | \$5,936 | \$5,936 | | |
| Employee+Child(ren) | \$2,596 | \$2,596 | \$3,850 | \$3,850 | \$3,861 | \$3,861 | | |
| Adult Child Rate | \$1,224 | \$1,224 | \$1,816 | \$1,816 | \$1,821 | \$1,821 | | |

Exhibit 4C – Plan Year 2018 Monthly Retiree Premiums

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| | Legacy Plans | | | | | | 1525 | | | |
|------------------------|--------------|-------------|---------------|---------------|------------|-------------|------------|-------------|------------|-------------|
| | Aetna PPO10 | Aetna PPO15 | Horizon DIR10 | Horizon DIR15 | Aetna HMO | Horizon HMO | Aetna PPO | Horizon PPO | Aetna HMO | Horizon HMO |
| Total Premium | | | | | | | | | | |
| Single - 0 Medicare | \$1,294.19 | \$1,231.33 | \$1,294.19 | \$1,231.33 | \$1,172.32 | \$1,163.20 | \$1,188.19 | \$1,188.19 | \$1,083.09 | \$1,074.78 |
| Single - 1 Medicare | \$551.14 | \$549.32 | \$522.43 | \$508.43 | \$557.89 | \$629.00 | N/A | \$490.54 | \$491.87 | \$582.93 |
| EE+Spouse - 0 Medicare | \$2,821.33 | \$2,684.33 | \$2,821.33 | \$2,684.33 | \$2,554.03 | \$2,534.17 | \$2,590.23 | \$2,590.23 | \$2,361.14 | \$2,343.04 |
| EE+Spouse - 1 Medicare | \$1,809.86 | \$1,724.09 | \$1,728.55 | \$1,671.94 | \$1,787.63 | \$1,776.29 | N/A | \$1,641.22 | \$1,653.45 | \$1,642.91 |
| EE+Spouse - 2 Medicare | \$1,102.27 | \$1,098.63 | \$1,044.85 | \$1,016.85 | \$1,115.79 | \$1,258.01 | N/A | \$981.07 | \$983.73 | \$1,165.82 |
| Family - 0 Medicare | \$3,209.59 | \$3,053.73 | \$3,209.59 | \$3,053.73 | \$2,905.58 | \$2,882.98 | \$2,946.66 | \$2,946.66 | \$2,686.06 | \$2,665.45 |
| Family - 1 Medicare | \$2,170.74 | \$2,067.84 | \$2,070.48 | \$2,003.43 | \$2,110.61 | \$2,096.83 | N/A | \$1,970.52 | \$1,953.71 | \$1,940.94 |
| Family - 2 Medicare | \$1,421.14 | \$1,416.52 | \$1,347.11 | \$1,311.07 | \$1,369.08 | \$1,543.65 | N/A | \$1,264.88 | \$1,224.98 | \$1,437.32 |
| EE+Ch - 0 Medicare | \$1,811.84 | \$1,723.90 | \$1,811.84 | \$1,723.90 | \$1,640.04 | \$1,627.29 | \$1,663.45 | \$1,663.45 | \$1,516.35 | \$1,504.71 |
| EE+Ch - 1 Medicare | \$872.63 | \$869.78 | \$827.17 | \$805.03 | \$818.06 | \$922.37 | N/A | \$776.67 | \$737.89 | \$860.89 |
| Medical Premium | | | | | | | | | | |
| Single - 0 Medicare | \$1,047.13 | \$984.27 | \$1,047.13 | \$984.27 | \$910.79 | \$901.67 | \$945.23 | \$945.23 | \$830.55 | \$822.24 |
| Single - 1 Medicare | \$243.71 | \$241.89 | \$215.00 | \$201.00 | \$203.73 | \$274.84 | N/A | \$188.22 | \$175.82 | \$266.88 |
| EE+Spouse - 0 Medicare | \$2,282.71 | \$2,145.71 | \$2,282.71 | \$2,145.71 | \$1,985.53 | \$1,965.67 | \$2,060.59 | \$2,060.59 | \$1,810.60 | \$1,792.50 |
| EE+Spouse - 1 Medicare | \$1,223.96 | \$1,138.19 | \$1,142.65 | \$1,086.04 | \$1,133.84 | \$1,122.50 | N/A | \$1,065.09 | \$1,052.89 | \$1,042.35 |
| EE+Spouse - 2 Medicare | \$487.42 | \$483.78 | \$430.00 | \$402.00 | \$407.46 | \$549.68 | N/A | \$376.46 | \$351.64 | \$533.73 |
| Family - 0 Medicare | \$2,596.84 | \$2,440.98 | \$2,596.84 | \$2,440.98 | \$2,258.77 | \$2,236.17 | \$2,344.14 | \$2,344.14 | \$2,059.75 | \$2,039.14 |
| Family - 1 Medicare | \$1,509.04 | \$1,406.14 | \$1,408.78 | \$1,341.73 | \$1,377.92 | \$1,364.14 | N/A | \$1,319.86 | \$1,275.45 | \$1,262.68 |
| Family - 2 Medicare | \$628.41 | \$623.79 | \$554.38 | \$518.34 | \$500.13 | \$674.70 | N/A | \$485.36 | \$410.02 | \$622.36 |
| EE+Ch - 0 Medicare | \$1,465.96 | \$1,378.02 | \$1,465.96 | \$1,378.02 | \$1,275.13 | \$1,262.38 | \$1,323.34 | \$1,323.34 | \$1,162.81 | \$1,151.17 |
| EE+Ch - 1 Medicare | \$385.87 | \$383.02 | \$340.41 | \$318.27 | \$298.79 | \$403.10 | N/A | \$298.04 | \$237.50 | \$360.50 |
| Rx Premium | | | | | | | | | | |
| Single - 0 Medicare | \$247.06 | \$247.06 | \$247.06 | \$247.06 | \$261.53 | \$261.53 | \$242.96 | \$242.96 | \$252.54 | \$252.54 |
| Single - 1 Medicare | \$307.43 | \$307.43 | \$307.43 | \$307.43 | \$354.16 | \$354.16 | N/A | \$302.32 | \$316.05 | \$316.05 |
| EE+Spouse - 0 Medicare | \$538.62 | \$538.62 | \$538.62 | \$538.62 | \$568.50 | \$568.50 | \$529.64 | \$529.64 | \$550.54 | \$550.54 |
| EE+Spouse - 1 Medicare | \$585.90 | \$585.90 | \$585.90 | \$585.90 | \$653.79 | \$653.79 | N/A | \$576.13 | \$600.56 | \$600.56 |
| EE+Spouse - 2 Medicare | \$614.85 | \$614.85 | \$614.85 | \$614.85 | \$708.33 | \$708.33 | N/A | \$604.61 | \$632.09 | \$632.09 |
| Family - 0 Medicare | \$612.75 | \$612.75 | \$612.75 | \$612.75 | \$646.81 | \$646.81 | \$602.52 | \$602.52 | \$626.31 | \$626.31 |
| Family - 1 Medicare | \$661.70 | \$661.70 | \$661.70 | \$661.70 | \$732.69 | \$732.69 | N/A | \$650.66 | \$678.26 | \$678.26 |
| Family - 2 Medicare | \$792.73 | \$792.73 | \$792.73 | \$792.73 | \$868.95 | \$868.95 | N/A | \$779.52 | \$814.96 | \$814.96 |
| EE+Ch - 0 Medicare | \$345.88 | \$345.88 | \$345.88 | \$345.88 | \$364.91 | \$364.91 | \$340.11 | \$340.11 | \$353.54 | \$353.54 |
| EE+Ch - 1 Medicare | \$486.76 | \$486.76 | \$486.76 | \$486.76 | \$519.27 | \$519.27 | N/A | \$478.63 | \$500.39 | \$500.39 |

Exhibit 4C – Plan Year 2018 Monthly Retiree Premiums

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| | 2030 | | | | HD 4000 | |
|------------------------|------------|-------------|------------|-------------|------------|-------------|
| | Aetna PPO | Horizon PPO | Aetna HMO | Horizon HMO | Aetna PPO | Horizon PPO |
| Total Premium | | | | | | |
| Single - 0 Medicare | \$1,138.30 | \$1,138.30 | \$1,038.29 | \$1,030.46 | \$657.07 | \$657.07 |
| Single - 1 Medicare | N/A | \$481.47 | N/A | \$572.39 | N/A | N/A |
| EE+Spouse - 0 Medicare | \$2,481.53 | \$2,481.53 | \$2,263.50 | \$2,246.42 | \$1,432.37 | \$1,432.37 |
| EE+Spouse - 1 Medicare | N/A | \$1,586.11 | N/A | \$1,591.28 | N/A | N/A |
| EE+Spouse - 2 Medicare | N/A | \$962.94 | N/A | \$1,144.83 | N/A | N/A |
| Family - 0 Medicare | \$2,822.97 | \$2,822.97 | \$2,574.95 | \$2,555.53 | \$1,629.49 | \$1,629.49 |
| Family - 1 Medicare | N/A | \$1,902.09 | N/A | \$1,877.54 | N/A | N/A |
| Family - 2 Medicare | N/A | \$1,241.50 | N/A | \$1,411.55 | N/A | N/A |
| EE+Ch - 0 Medicare | \$1,593.65 | \$1,593.65 | \$1,453.61 | \$1,442.64 | \$919.88 | \$919.88 |
| EE+Ch - 1 Medicare | N/A | \$762.31 | N/A | \$845.53 | N/A | N/A |
| Medical Premium | | | | | | |
| Single - 0 Medicare | \$893.07 | \$893.07 | \$783.39 | \$775.56 | \$496.26 | \$496.26 |
| Single - 1 Medicare | N/A | \$176.33 | N/A | \$253.38 | N/A | N/A |
| EE+Spouse - 0 Medicare | \$1,946.91 | \$1,946.91 | \$1,707.78 | \$1,690.70 | \$1,081.83 | \$1,081.83 |
| EE+Spouse - 1 Medicare | N/A | \$1,004.59 | N/A | \$985.10 | N/A | N/A |
| EE+Spouse - 2 Medicare | N/A | \$352.68 | N/A | \$506.81 | N/A | N/A |
| Family - 0 Medicare | \$2,214.81 | \$2,214.81 | \$1,942.77 | \$1,923.35 | \$1,230.70 | \$1,230.70 |
| Family - 1 Medicare | N/A | \$1,245.32 | N/A | \$1,192.92 | N/A | N/A |
| Family - 2 Medicare | N/A | \$454.68 | N/A | \$588.97 | N/A | N/A |
| EE+Ch - 0 Medicare | \$1,250.34 | \$1,250.34 | \$1,096.75 | \$1,085.78 | \$694.75 | \$694.75 |
| EE+Ch - 1 Medicare | N/A | \$279.19 | N/A | \$340.45 | N/A | N/A |
| Rx Premium | | | | | | |
| Single - 0 Medicare | \$245.23 | \$245.23 | \$254.90 | \$254.90 | \$160.81 | \$160.81 |
| Single - 1 Medicare | N/A | \$305.14 | N/A | \$319.01 | N/A | N/A |
| EE+Spouse - 0 Medicare | \$534.62 | \$534.62 | \$555.72 | \$555.72 | \$350.54 | \$350.54 |
| EE+Spouse - 1 Medicare | N/A | \$581.52 | N/A | \$606.18 | N/A | N/A |
| EE+Spouse - 2 Medicare | N/A | \$610.26 | N/A | \$638.02 | N/A | N/A |
| Family - 0 Medicare | \$608.16 | \$608.16 | \$632.18 | \$632.18 | \$398.79 | \$398.79 |
| Family - 1 Medicare | N/A | \$656.77 | N/A | \$684.62 | N/A | N/A |
| Family - 2 Medicare | N/A | \$786.82 | N/A | \$822.58 | N/A | N/A |
| EE+Ch - 0 Medicare | \$343.31 | \$343.31 | \$356.86 | \$356.86 | \$225.13 | \$225.13 |
| EE+Ch - 1 Medicare | N/A | \$483.12 | N/A | \$505.08 | N/A | N/A |

Exhibit 4D – Plan Year 2018 Annual Retiree Premiums

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| | Legacy Plans | | | | | | 1525 | | | |
|------------------------|--------------|-------------|---------------|---------------|-----------|-------------|-----------|-------------|-----------|-------------|
| | Aetna PPO10 | Aetna PPO15 | Horizon DIR10 | Horizon DIR15 | Aetna HMO | Horizon HMO | Aetna PPO | Horizon PPO | Aetna HMO | Horizon HMO |
| Total Premium | | | | | | | | | | |
| Single - 0 Medicare | \$15,530 | \$14,776 | \$15,530 | \$14,776 | \$14,068 | \$13,958 | \$14,258 | \$14,258 | \$12,997 | \$12,897 |
| Single - 1 Medicare | \$6,614 | \$6,592 | \$6,269 | \$6,101 | \$6,695 | \$7,548 | N/A | \$5,886 | \$5,902 | \$6,995 |
| EE+Spouse - 0 Medicare | \$33,856 | \$32,212 | \$33,856 | \$32,212 | \$30,648 | \$30,410 | \$31,083 | \$31,083 | \$28,334 | \$28,116 |
| EE+Spouse - 1 Medicare | \$21,718 | \$20,689 | \$20,743 | \$20,063 | \$21,452 | \$21,315 | N/A | \$19,695 | \$19,841 | \$19,715 |
| EE+Spouse - 2 Medicare | \$13,227 | \$13,184 | \$12,538 | \$12,202 | \$13,389 | \$15,096 | N/A | \$11,773 | \$11,805 | \$13,990 |
| Family - 0 Medicare | \$38,515 | \$36,645 | \$38,515 | \$36,645 | \$34,867 | \$34,596 | \$35,360 | \$35,360 | \$32,233 | \$31,985 |
| Family - 1 Medicare | \$26,049 | \$24,814 | \$24,846 | \$24,041 | \$25,327 | \$25,162 | N/A | \$23,646 | \$23,445 | \$23,291 |
| Family - 2 Medicare | \$17,054 | \$16,998 | \$16,165 | \$15,733 | \$16,429 | \$18,524 | N/A | \$15,179 | \$14,700 | \$17,248 |
| EE+Ch - 0 Medicare | \$21,742 | \$20,687 | \$21,742 | \$20,687 | \$19,680 | \$19,527 | \$19,961 | \$19,961 | \$18,196 | \$18,057 |
| EE+Ch - 1 Medicare | \$10,472 | \$10,437 | \$9,926 | \$9,660 | \$9,817 | \$11,068 | N/A | \$9,320 | \$8,855 | \$10,331 |
| Medical Premium | | | | | | | | | | |
| Single - 0 Medicare | \$12,566 | \$11,811 | \$12,566 | \$11,811 | \$10,929 | \$10,820 | \$11,343 | \$11,343 | \$9,967 | \$9,867 |
| Single - 1 Medicare | \$2,925 | \$2,903 | \$2,580 | \$2,412 | \$2,445 | \$3,298 | N/A | \$2,259 | \$2,110 | \$3,203 |
| EE+Spouse - 0 Medicare | \$27,393 | \$25,749 | \$27,393 | \$25,749 | \$23,826 | \$23,588 | \$24,727 | \$24,727 | \$21,727 | \$21,510 |
| EE+Spouse - 1 Medicare | \$14,688 | \$13,658 | \$13,712 | \$13,032 | \$13,606 | \$13,470 | N/A | \$12,781 | \$12,635 | \$12,508 |
| EE+Spouse - 2 Medicare | \$5,849 | \$5,805 | \$5,160 | \$4,824 | \$4,890 | \$6,596 | N/A | \$4,518 | \$4,220 | \$6,405 |
| Family - 0 Medicare | \$31,162 | \$29,292 | \$31,162 | \$29,292 | \$27,105 | \$26,834 | \$28,130 | \$28,130 | \$24,717 | \$24,470 |
| Family - 1 Medicare | \$18,108 | \$16,874 | \$16,905 | \$16,101 | \$16,535 | \$16,370 | N/A | \$15,838 | \$15,305 | \$15,152 |
| Family - 2 Medicare | \$7,541 | \$7,485 | \$6,653 | \$6,220 | \$6,002 | \$8,096 | N/A | \$5,824 | \$4,920 | \$7,468 |
| EE+Ch - 0 Medicare | \$17,592 | \$16,536 | \$17,592 | \$16,536 | \$15,302 | \$15,149 | \$15,880 | \$15,880 | \$13,954 | \$13,814 |
| EE+Ch - 1 Medicare | \$4,630 | \$4,596 | \$4,085 | \$3,819 | \$3,585 | \$4,837 | N/A | \$3,576 | \$2,850 | \$4,326 |
| Rx Premium | | | | | | | | | | |
| Single - 0 Medicare | \$2,965 | \$2,965 | \$2,965 | \$2,965 | \$3,138 | \$3,138 | \$2,916 | \$2,916 | \$3,030 | \$3,030 |
| Single - 1 Medicare | \$3,689 | \$3,689 | \$3,689 | \$3,689 | \$4,250 | \$4,250 | N/A | \$3,628 | \$3,793 | \$3,793 |
| EE+Spouse - 0 Medicare | \$6,463 | \$6,463 | \$6,463 | \$6,463 | \$6,822 | \$6,822 | \$6,356 | \$6,356 | \$6,606 | \$6,606 |
| EE+Spouse - 1 Medicare | \$7,031 | \$7,031 | \$7,031 | \$7,031 | \$7,845 | \$7,845 | N/A | \$6,914 | \$7,207 | \$7,207 |
| EE+Spouse - 2 Medicare | \$7,378 | \$7,378 | \$7,378 | \$7,378 | \$8,500 | \$8,500 | N/A | \$7,255 | \$7,585 | \$7,585 |
| Family - 0 Medicare | \$7,353 | \$7,353 | \$7,353 | \$7,353 | \$7,762 | \$7,762 | \$7,230 | \$7,230 | \$7,516 | \$7,516 |
| Family - 1 Medicare | \$7,940 | \$7,940 | \$7,940 | \$7,940 | \$8,792 | \$8,792 | N/A | \$7,808 | \$8,139 | \$8,139 |
| Family - 2 Medicare | \$9,513 | \$9,513 | \$9,513 | \$9,513 | \$10,427 | \$10,427 | N/A | \$9,354 | \$9,780 | \$9,780 |
| EE+Ch - 0 Medicare | \$4,151 | \$4,151 | \$4,151 | \$4,151 | \$4,379 | \$4,379 | \$4,081 | \$4,081 | \$4,242 | \$4,242 |
| EE+Ch - 1 Medicare | \$5,841 | \$5,841 | \$5,841 | \$5,841 | \$6,231 | \$6,231 | N/A | \$5,744 | \$6,005 | \$6,005 |

Exhibit 4D – Plan Year 2018 Annual Retiree Premiums

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| | 2030 | | | | HD 4000 | |
|------------------------|-----------|-------------|-----------|-------------|-----------|-------------|
| | Aetna PPO | Horizon PPO | Aetna HMO | Horizon HMO | Aetna PPO | Horizon PPO |
| Total Premium | | | | | | |
| Single - 0 Medicare | \$13,660 | \$13,660 | \$12,459 | \$12,366 | \$7,885 | \$7,885 |
| Single - 1 Medicare | N/A | \$5,778 | N/A | \$6,869 | N/A | N/A |
| EE+Spouse - 0 Medicare | \$29,778 | \$29,778 | \$27,162 | \$26,957 | \$17,188 | \$17,188 |
| EE+Spouse - 1 Medicare | N/A | \$19,033 | N/A | \$19,095 | N/A | N/A |
| EE+Spouse - 2 Medicare | N/A | \$11,555 | N/A | \$13,738 | N/A | N/A |
| Family - 0 Medicare | \$33,876 | \$33,876 | \$30,899 | \$30,666 | \$19,554 | \$19,554 |
| Family - 1 Medicare | N/A | \$22,825 | N/A | \$22,530 | N/A | N/A |
| Family - 2 Medicare | N/A | \$14,898 | N/A | \$16,939 | N/A | N/A |
| EE+Ch - 0 Medicare | \$19,124 | \$19,124 | \$17,443 | \$17,312 | \$11,039 | \$11,039 |
| EE+Ch - 1 Medicare | N/A | \$9,148 | N/A | \$10,146 | N/A | N/A |
| Medical Premium | | | | | | |
| Single - 0 Medicare | \$10,717 | \$10,717 | \$9,401 | \$9,307 | \$5,955 | \$5,955 |
| Single - 1 Medicare | N/A | \$2,116 | N/A | \$3,041 | N/A | N/A |
| EE+Spouse - 0 Medicare | \$23,363 | \$23,363 | \$20,493 | \$20,288 | \$12,982 | \$12,982 |
| EE+Spouse - 1 Medicare | N/A | \$12,055 | N/A | \$11,821 | N/A | N/A |
| EE+Spouse - 2 Medicare | N/A | \$4,232 | N/A | \$6,082 | N/A | N/A |
| Family - 0 Medicare | \$26,578 | \$26,578 | \$23,313 | \$23,080 | \$14,768 | \$14,768 |
| Family - 1 Medicare | N/A | \$14,944 | N/A | \$14,315 | N/A | N/A |
| Family - 2 Medicare | N/A | \$5,456 | N/A | \$7,068 | N/A | N/A |
| EE+Ch - 0 Medicare | \$15,004 | \$15,004 | \$13,161 | \$13,029 | \$8,337 | \$8,337 |
| EE+Ch - 1 Medicare | N/A | \$3,350 | N/A | \$4,085 | N/A | N/A |
| Rx Premium | | | | | | |
| Single - 0 Medicare | \$2,943 | \$2,943 | \$3,059 | \$3,059 | \$1,930 | \$1,930 |
| Single - 1 Medicare | N/A | \$3,662 | N/A | \$3,828 | N/A | N/A |
| EE+Spouse - 0 Medicare | \$6,415 | \$6,415 | \$6,669 | \$6,669 | \$4,206 | \$4,206 |
| EE+Spouse - 1 Medicare | N/A | \$6,978 | N/A | \$7,274 | N/A | N/A |
| EE+Spouse - 2 Medicare | N/A | \$7,323 | N/A | \$7,656 | N/A | N/A |
| Family - 0 Medicare | \$7,298 | \$7,298 | \$7,586 | \$7,586 | \$4,785 | \$4,785 |
| Family - 1 Medicare | N/A | \$7,881 | N/A | \$8,215 | N/A | N/A |
| Family - 2 Medicare | N/A | \$9,442 | N/A | \$9,871 | N/A | N/A |
| EE+Ch - 0 Medicare | \$4,120 | \$4,120 | \$4,282 | \$4,282 | \$2,702 | \$2,702 |
| EE+Ch - 1 Medicare | N/A | \$5,797 | N/A | \$6,061 | N/A | N/A |

Exhibit 5A – Plan Year 2018 Employee Plan Option Summary

| | \$15 PPO | 1525 PPO | 2030 PPO | 2035 PPO | \$15 HMO | Tiered Network | | HD 1500 | HD 4000 |
|---|---|---|---|---|--------------------------------------|---------------------|-----------------|---------------------------------------|---------------------------------------|
| Medical | | | | | | Tier 1 | Tier 2 | | |
| In-Network | | | | | | | | | |
| Deductible (Single/Family) | 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) | \$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 | \$15 | \$15 | \$20 | \$20 | \$15 | \$5 | \$20 | N/A | N/A |
| Specialist Copay | \$15 | \$25 | \$30 for adults/\$20 children | \$35 | \$15 | \$15 | \$30 | N/A | N/A |
| Emergency Room | \$100 | \$100 | \$125 | \$300 | \$100 | \$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 | 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) | \$400/\$1,000 | \$400/\$1,000 | \$800/\$2,000 | \$2,000/\$5,000 | N/A | N/A | N/A | N/A | N/A |
| Out-of-Network | | | | | | | | | |
| Deductible (Single/Family) | \$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 | \$5,000/\$12,500 | \$6,500/\$13,000 | N/A | N/A | N/A | \$3,500/\$7,000 | \$6,000/\$12,000 |
| Coinsurance | 30% | 30% | 30% | 40% | N/A | N/A | N/A | 40% | 40% |
| Inpatient Hospital | \$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 | \$300 | \$0 |
| Prescription Drug | | | | | | | | | |
| OOP Maximum (Single/Family) | \$1,470/\$2,940 | \$1,470/\$2,940 | \$1,470/\$2,940 | \$1,470/\$2,940 | \$1,470/\$2,940 | \$1,470/\$2,940 | | Subject to deductible and coinsurance | Subject to deductible and coinsurance |
| Retail - Generic | \$3 | \$7 | \$3 | \$7 | \$3 | \$7 | | | |
| Retail - Single-Source Brand | \$10 | \$16 | \$18 | \$21 | \$10 | \$16 | | | |
| Retail - Multi-Source Brand | Mbr pays difference | Mbr pays difference | Mbr pays difference | Mbr pays difference | Mbr pays difference | Mbr pays difference | | | |
| Mail - Generic | \$5 | \$18 | \$5 | \$18 | \$5 | \$18 | | | |
| Mail - Single-Source Brand | \$15 | \$40 | \$36 | \$52 | \$15 | \$40 | | | |
| Mail - Multi-Source Brand | 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 |
|--|---|---|---|---|--------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|
| Medical | | | | | | | | |
| In-Network | | | | | | | | |
| 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 children | \$10 | \$25 | \$30 for adults/ \$20 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/\$1000 | \$400/\$1000 | \$800/\$2,000 | N/A | N/A | N/A | N/A |
| Out-of-Network | | | | | | | | |
| 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 |
| Prescription Drug | | | | | | | | |
| 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 |
|---|---|--------------------------|---|--------------------------|---|---|--------------------------------------|--------------------|--------------------------------------|--------------------------------------|
| Medical | | | | | | | | | | |
| In-Network | | | | | | | | | | |
| Deductible (Single Family) | 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 | \$5,799 per person | \$1,000 per person | \$5,999/\$11,998 | \$5,999/\$11,998 | \$5,999/\$11,998 | \$2,500 per person | \$5,999/\$11,998 | \$5,999/\$11,998 |
| PCP Copay | \$10 | \$10 | \$15 | \$15 | \$15 | \$20 | \$10 | \$10 | \$15 | \$20 |
| Specialist Copay | \$10 | \$10 | \$15 | \$15 | \$25 | \$30 for adults/\$20 for children | \$10 | \$10 | \$25 | \$30 for adults/\$20 for 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 |
| Out-of-Network | | | | | | | | | | |
| 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 |
| Prescription Drug | | | | | | | | | | |
| 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.

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