

August 22, 2017

Reference Request for Proposals #3000008513 soliciting Proposals from qualified Proposers who are interested in providing actuarial services to facilitate administration and management of the health and welfare benefit programs offered by the Office of Group Benefits (“OGB”).

Addendum #1 provides responses to written inquiries received by the deadline stated in the Request for Proposals.

THIS ADDENDUM IS HEREBY OFFICIALLY MADE A PART OF THE REFERENCED REQUEST FOR PROPOSALS.

INQUIRIES AND RESPONSES

No	Inquiry	Response
1	Why is the OGB putting this work out to bid via an RFP process?	The current actuarial services contract terminates on December 31, 2017. There are no remaining renewals for this contract. OGB is using the Request for Proposal process to identify a responsible Contractor whose proposal is the most responsive and advantageous to the State with consideration to cost as well as other evaluation criteria.
2	Has the OGB had any performance issues with the current carriers/vendors?	An evaluation of the incumbent Contractor's performance will be prepared after completion of performance under the current contract.
3	Can the OGB provide a copy of the deliverables produced in the last fiscal year for actuarial services?	A copy of all of the deliverables produced within the last fiscal year for actuarial services cannot be provided at this time. However, please see the four (4) representative examples of deliverables attached to this Addendum.
4	What were the fees paid for the “in scope” and “out of scope” items for 2014, 2015 and 2016?	The actuarial services Contractors in 2014 were paid the total amount of \$754,428 for calendar year 2014. The incumbent Contractor was paid \$900,000.00 for calendar year 2015 and \$900,000.00 for calendar year 2016. The 2014 actuarial services Contractors and the incumbent Contractor were not paid for any services that were not within the contract’s scope of services.
5	Does the OGB’s current service provider collect commissions or any other contingent	The incumbent Contractor does not collect commissions or any other contingent payments.

No	Inquiry	Response
	payments from any carriers/vendors on any of their clients?	
6	If commissions or other contingent payments are currently being paid, how much was paid to the current provider of these services during the most recent annual reporting period available?	The incumbent Contractor does not collect commissions or any other contingent payments.
7	Traditionally, approximately how many meetings per year has the attendance of the consultant been requested?	Approximately 15 on-site meetings were attended by the incumbent Contractor in calendar year 2016.
8	Has the attendance of the consultant been requested during the open enrollment period?	The incumbent Contractor has not been requested to attend open enrollment meetings.
9	1.8 Qualification of Proposer, 1.1.1 Mandatory Qualification – It states 7 continuous years of experience providing actuarial services to at least two (2) clients over 50,000 employees. Are you requiring that the two clients each have 7 years of continuous experience for each one or in total?	OGB will not rephrase the requirement for RFP Section 1.8.1. Mandatory Qualification. As indicated, Proposer must provide 7 continuous years of services to each other public self-funded health and welfare plans (not including the State of Louisiana, Office of Group Benefits), and the two (2) other public self-funded health and welfare plans (not including the State of Louisiana, Office of Group Benefits) must each have over 50,000 employees.
10	Please provide the number of hours the consultant has billed to the account in 2015, 2016 and 2017 ytd?	A flat monthly/annual fee is paid to the incumbent Contractor.
11	What were the total fees billed for 2015, 2016 and 2017 ytd by the current consultant?	The incumbent Contractor billed the following amounts each calendar year of the current contract: 2015: \$900,000 2016: \$900,000 2017: \$420,000 (January 1, 2017-July 31, 2017)
12	1.9 Proposed Response Format – H. Cost Proposal – could you please explain the maximum monthly fee? Is that the same as a	The proposer shall provide the maximum monthly fee (inclusive of travel and all contract-related expenses) to be charged, regardless of which services or number

No	Inquiry	Response
	monthly fixed fee or are you looking at billing the best value hourly rate and putting a cap on that for only that month? If the hours exceed the monthly amount can it carry over to the following month?	<p>or services listed in this RFP are provided in any billable month. For the maximum monthly fee the Proposer must agree to provide all services required under the resulting contract at the Proposer's risk, despite reaching the maximum monthly fee.</p> <p>Each cost component (Maximum Monthly Fee and Best Value per 100 Hours) will be scored separately.</p> <p>The cost approach (maximum monthly fee or Best Value per 100 hours) determined to be most cost effective to the State will be included in the resulting contract.</p>
13	2.2 Tasks and Services – Task (1) Implementation – Please describe the claims data that will be made available upon contract execution? What products are included? How many months would we have be able to upload?	The incumbent Contractor has live access to the online claims and data reporting systems of OGB's Third-Party Administrator of medical claims and Pharmacy Benefits Manager. The information on the amount of months the Contractor would be able to upload is not yet available.
14	2.2 Tasks and Services – Task (2) Projections – When does OGB need the IBNR report to be complete? How often are the projection updated and presented? Monthly? Quarterly?	OGB has traditionally updated the IBNR projection once per year in July or August. This projection is reported in OGB's annual financial report, and is reflected on the last monthly accrual financial report (June) and every month's report thereafter, through the May report.
15	2.2 Tasks and Services – Task (3) Premium Rate Setting – Please describe the timing needed by OGB to get benefits, premiums and contribution approved and in place for open enrollment? What timeframe would best meet your needs?	<p>Changes to premium rates and/or benefit changes by OGB are subject to oversight by the Group Benefits Estimating Conference, the Group Benefits Policy and Planning Board, the Commissioner of Administration, the House Appropriations Committee and the Senate Finance Committee. Additionally, the implementation of any changes/additions/deletions to benefits offered must be promulgated through the Louisiana Administrative Procedure Act.</p> <p>Accordingly, OGB's discussions with its contracted actuary team on premium rate changes and/or benefit changes must begin approximately 15 months prior to their anticipated implementation. At approximately 12 months prior to their anticipated implementation, OGB must have presented the proposed changes to the</p>

No	Inquiry	Response
		Group Benefits Estimating Conference and Policy and Planning Board and received their recommendations, so that any changes that would require additional appropriations to state agency budget for the upcoming fiscal year can be provided in the Governor's Executive Budget for the upcoming fiscal year.
16	2.2 Tasks and Services – Task (4) Risk Adjustments – Does OGB current do risk adjustment? Is so, please describe its' primary use. Would OGB be looking to expand this function? Is there a preference as to which risk modeling system we utilize?	OGB's current Third-Party Administrator for medical claims has developed risk scores on OGB's plan participant population as part of its data analytics program, in order to illustrate the current health status of OGB's plan participants, as compared to the benchmark (similar) groups, and to gauge the effectiveness of healthcare programs and initiatives offered through OGB. OGB does not have a preference for any particular risk modeling system, as long as its use is consistent and is accurate.
17	2.2 Tasks and Services – Task (6) Audits – Do you have an expectation of what audits will be done in 2018? What would be a normal auditing year?	OGB anticipates that the Contractor will perform a pharmacy rebate audit in 2018. At this time, no decision has been made to perform other audits in 2018.
18	2.2 Tasks and Services – Task (7) Reporting - Please provide details on the timing of the quarterly reports. Are they due 15 calendar days after the close of the quarter (three weeks)?	The Contractor will provide quarterly reports listed in the RFP within thirty (30) calendar days after the close of each quarter.
19	2.2 Tasks and Services – Task (7) Reporting - What is the timing on the OPEB report? When was the last report produced? Does OGB want to do a report annually or biennial?	The OPEB report is prepared on a fiscal-year basis. The State of Louisiana's fiscal year begins on July 1st and ends on June 30th. Information has historically been provided to the actuary performing the OPEB valuation in March or April each year, with a requested deadline of July 31st. However, as the State is planning to begin using the GASB 74 and 75 statements for reporting OPEB liabilities beginning with the fiscal year 2018 OPEB report, the requested

No	Inquiry	Response
		<p>deadline for submission of the valuation report will be April 30th.</p> <p>The last report was provided by the current actuary vendor to the State's Office of Statewide Reporting and Accounting Policy (OSRAP) on July 21, 2017, for use in the production of the fiscal year 2017 State of Louisiana Comprehensive Annual Financial Report (CAFR). The fiscal year 2017 CAFR has not yet been published by OSRAP.</p> <p>OGB will require the GASB report and the actuarial valuation to be produced on an annual basis.</p>
20	<p>2.2 Tasks and Services – Task (7) Reporting</p> <p>- Does OGB have a preferred format for the various reports, data sets, analysis and documents relevant to the rate setting process?</p>	<p>OGB does not have a preferred format for the reports, data sets, analysis and documents relevant to the rate setting process. However, reports, data sets, analysis and documents relevant to the rate setting process are expected to provide the information needed by OGB and such information is to be reflected in an accurate and consistent manner.</p>
21	<p>2.2 Tasks and Services – Task (7) Reporting</p> <p>- Can you provide a copy of a recent fiscal impact statement that was completed? Are all expected to be completed in 48 hours since some I would think would require a more substantial amount of time to quantify and get the appropriate data?</p>	<p>Please see "<i>Actuarial Review of Senate Bill 253 of the 2017 Regular Legislative Session</i>" document, attached.</p> <p>While OGB understands that determining the fiscal impact of some proposed legislation can be complex, the requested 48-hour completion time is a result of Joint Rule No. 4 of the Joint Rules of the Louisiana Senate and House of Representatives (Revised December, 1998). This rule requires that agencies prepare and provide fiscal notes to the Legislative Fiscal Officer within 48 hours after such a request is made.</p>
22	<p>2.2 Tasks and Services – Task (9) Procurement – Can you please provide a schedule of when contracts will expire and need to be procured?</p>	<p>Third-Party Administrator of medical claims Contract term: January 1, 2016 – December 31, 2018 with an option to extend for up to twenty-four (24) months. The contract, with extensions, cannot exceed five (5) years. OGB cannot provide when this will be procured until OGB determines whether the option periods will be exercised.</p> <p>Pharmacy Benefit Manager Contract term: January 1, 2017 – December 31, 2019 with an option to extend</p>

No	Inquiry	Response
		<p>for up to twenty-four (24) months. The contract, with extensions, cannot exceed five (5) years. OGB cannot provide when this will be procured until OGB determines whether the option periods will be exercised.</p> <p>Fully Insured HMO Contract term: January 1, 2016 – December 31, 2017 with an option to extend one (1) additional successive one-year term. Next RFP Issuance Planned: Spring 2018</p> <p>Fully-Insured Medicare Advantage Contracts term: January 1, 2016 – December 31, 2017 with an option to extend one (1) additional successive one-year term. Next RFP Issuance Planned: Spring 2018</p> <p>Actuarial Services Contract term: January 1, 2015 – December 31, 2017. RFP Issued: August 1, 2017</p> <p>FSA and COBRA Contract term: January 1, 2015 – December 31, 2017. RFP Issued: June 16, 2017</p> <p>Individual Medicare Market Health Reimbursement Arrangement Exchange Contract term: January 1, 2015 – December 31, 2017 (Emergency contract in place for January 1, 2018 – December 31, 2018) Next RFP Issuance planned: January 2018</p> <p>Life Insurance Contract term: January 1, 2013 – December 31, 2017. ITB Issued: August 16, 2017</p>
23	<p>Section 1.8.1 of the RFP lists three mandatory qualifications for proposers. One of the qualifications requires that the proposer have “Seven (7) continuous years of experience providing actuarial services to at least two (2) other public self-funded health and welfare plans (not including the State of Louisiana, Office of Group Benefits) having at least 50,000 employees/retirees in the United States.” Would you consider moving the above cited qualification from a mandatory qualification to a desired qualification? Alternatively, would you consider restructuring the qualification to</p>	<p>OGB will not rephrase this requirement.</p>

No	Inquiry	Response
	allow the proposer to provide work experience and references for similar types of projects that would provide the equivalent experience we believe you are seeking?	
24	Our corporate policy requires us to have limits of liability (LOL) for all engagements. We currently have mutually agreed upon LOL in contracts with other State Divisions. Would OGB be willing to negotiate a LOL that is reasonably comparable to level of fees contracted? If not please suggest an alternative approach.	OGB will not rephrase Actuarial Services RFP Section 1.34, Indemnification and Limitation of Liability. Pursuant to Section 1.30, Contract Award and Execution, the selected Proposer shall be expected to enter into a contract this is substantially the same as Attachment I, Sample Contract. A Proposer shall not submit its own standard contract terms and conditions as a response to this RFP. The Proposer should submit with its Proposal any exceptions or exact contract deviations that it wishes to negotiate.
25	Please describe the State of Louisiana's position as it pertains to using commission and/or supplemental compensation derived from their insured programs (e.g., life insurance) to offset permissible consulting fees?	The contract with the current provider does not include provisions for collection of commissions or any other contingent payments. OGB does not intend to include commissions or supplemental compensation derived from OGB's vendors to offset permissible consulting fees.
26	Please describe the State of Louisiana's position as it pertains to offering voluntary benefits? If available today which voluntary benefits are offered?	<p>OGB offers two fully-insured life insurance plans for employees and retirees. The employer pays half of the life insurance premium for covered employees and retirees. Employees and retirees may also enroll their qualified dependents in life insurance coverage; however, they are responsible for 100% of the dependent life insurance premiums.</p> <p>OGB also offers Flexible Spending Arrangement (FSA) accounts (general purpose/limited purpose/dependent care) to those eligible employees who are actively employed with an employer that has opted to participate in OGB's flexible benefits plans. FSA accounts are funded 100% by the participating employee.</p> <p>Each employer group/payroll system handles any other voluntary benefits it chooses to offer to its employees/retirees.</p>

No	Inquiry	Response																		
27	Is the intent to audit both the Self-Funded and the fully insured plans?	<p>As stated in RFP Section 2.2 Task and Services, Task (6) Audits, the selected proposer shall perform annual performance audits of selected Contractor(s) deliverables as defined by OGB, such as the health plan Third-Party Administrator and pharmacy benefit manager, to include, but not limited to: 1) Rebates – review and compare estimated and gross rebates received to the actual amounts paid to OGB; 2) Network – review actual reimbursements against contractual discounts; and 3) Claims – review actual claims paid and compare to the benefit plan to ensure benefits are paid according to the plan design.</p> <p>OGB does not expect the Contractor to perform annual performance audits of fully-insured Contractor deliverables.</p>																		
28	What are the total participant counts for each Medical Plan?	<p>Enrollment as of August 6, 2017:</p> <table> <tbody> <tr> <td>BCBS –Magnolia Local Plus:</td> <td>163,170</td> </tr> <tr> <td>BCBS – Magnolia Open Access:</td> <td>38,908</td> </tr> <tr> <td>BCBS – Pelican HRA:</td> <td>6,452</td> </tr> <tr> <td>BCBS – Pelican HSA:</td> <td>6,107</td> </tr> <tr> <td>BCBS – Magnolia Local:</td> <td>886</td> </tr> <tr> <td>Peoples Health MAPD:</td> <td>2,180</td> </tr> <tr> <td>Vantage Health Plan MAPD:</td> <td>1,753</td> </tr> <tr> <td>Vantage Health Plan MHHP:</td> <td>7,387</td> </tr> <tr> <td>One Exchange:</td> <td>684</td> </tr> </tbody> </table>	BCBS –Magnolia Local Plus:	163,170	BCBS – Magnolia Open Access:	38,908	BCBS – Pelican HRA:	6,452	BCBS – Pelican HSA:	6,107	BCBS – Magnolia Local:	886	Peoples Health MAPD:	2,180	Vantage Health Plan MAPD:	1,753	Vantage Health Plan MHHP:	7,387	One Exchange:	684
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29	How many Administrator locations are there?	The Office of Group Benefits (OGB) has one location (Baton Rouge, Louisiana). OGB's Third-Party Administrator of medical claims has one location (Baton Rouge, Louisiana), and OGB's Pharmacy Benefit Manager has one location (San Diego, California).																		
30	<p>What are the audit period(s) for the Medical Audit? Example: Incurred Claims: January 1, 2017 – December 31, 2017 Paid Claims: January 1, 2017 – January 31, 2018</p>	The auditing period of the medical claims is to be determined.																		

No	Inquiry	Response
31	Is the first year of Medical Claims a multi-year audit that includes more than one year worth of claims?	The time frame of claims included in the first year of medical claims audit is to be determined.
32	Is the intent of the Life Insurance benefits audit to validate the premium calculation and/or the Death Claim payment?	If OGB requests a life insurance audit be performed, the Contractor will be requested to validate death claim payments.
33	Is the intent of the Life insurance benefit audit to validate the benefit amount and/or the imputed income calculation?	If OGB requests a life insurance audit be performed, the Contractor will be requested to validate benefit amount.
34	What is the reason for the procurement?	See Response to Inquiry 1.
35	What were the total fees paid to the incumbent during each of the last 3 years?	The 2014 actuarial services Contractors were paid the total amount of \$754,428 for calendar year 2014. The incumbent Contractor was paid \$900,000.00 for calendar year 2015 and \$900,000.00 for calendar year 2016.
36	What were the total hours (by level) paid to the incumbent during each of the last 3 years?	The actuarial services Contractor utilized over the last three years was paid a flat monthly fee.
37	Page 4 references the website. On that site is a listing of programs that includes the Towers Watson OneExchange. Please describe what services (if any) are anticipated related to the offered exchange.	The actuary will be expected to assist in the procurement of the Individual Medicare Market Health Reimbursement Arrangement Exchange Contract in 2018.
38	Please provide copies of existing reports provided by the incumbent related to the Scope of Services provided.	See Response to Inquiry 3.
39	What data will be made available to the actuary? What would be the timing for receiving the information and what are the data sources?	Examples of the data to be provided/made available to the successful bidder include: <ul style="list-style-type: none">• Live access to the on-line claims/data reporting systems of OGB's Third-Party Administrator of medical claims and Pharmacy Benefit Manager.

No	Inquiry	Response
		<ul style="list-style-type: none"> • Monthly accrual and cash-basis financial reports from OGB • Annual OPEB data files from the state retirement systems • Historical OGB financial data • Historical OGB premium rate tables • Weekly membership reports by plan, member type (primary enrollee and dependent), and enrollment status (active, retired, retired with Medicare, COBRA) • Monthly participant reports by plan, member type (primary enrollee and dependent) coverage level (employee only, employee + children, employee + spouse, and family), and premium rate type (active, retired 1 Medicare, retired 2 Medicare, and Retired without Medicare)
40	Does this scope of work include supporting any collective bargaining efforts?	No. The scope of services does not support collective bargaining efforts.
41	Task 1: Does State of Louisiana OGB currently have a data warehouse? a. If yes, what data warehouse is used? b. Does OGB contract directly with the vendor or is the service provided through the incumbent consultant?	Yes, the OGB data warehouse is an in-house custom-built system and is not accessed outside of OGB or the Office of Technology Services. Contracted actuaries can be provided a tool to run and access reports. Direct access to the data warehouse is not provided.
42	Task 1: Implementation/Transition of Services, the RFP states that the consultant must be able to accept electronic claims from medical/PBM/other vendor. What is the expected consultant's use of claim level data? Is the consultant expected to receive regular claims extracts? Is the consultant expected to maintain a claims and enrollment data warehouse?	OGB expects the successful bidder to analyze OGB participant claims data and to offer suggestions on plan of benefits redesign and/or implementation of new programs and healthcare initiatives in order to mitigate health risk factors that may be present in OGB's participant population.
43	Task 2: Please outline the frequency and number of separate IBNR's anticipated to be completed annually.	OGB has traditionally updated the IBNR projection once per year in July or August. This projection is reported in OGB's annual financial report and is reflected on the last monthly accrual financial report (June) and every month's report thereafter, through the May report.

No	Inquiry	Response
		The incumbent actuary currently provides OGB with the IBNR liability amount for its self-funded health plans, consisting of medical claims, pharmacy claims, claims settlement expenses, and a claims contingency factor.
44	Task 4: What is the current risk adjustment methodology? When was the last time the methodology was updated?	This information is not currently available. OGB expects Contractor will utilize recognized risk adjustment methodologies.
45	Task 4: What risk adjustment software is currently being used?	This information is not currently available.
46	Task 6: When was the last time claims reviews were done? There are 3 examples provided, does the OGB audit each of these areas annually (or, are the audit types rotated)?	An audit of the performance of OGB's Third-Party Administrator of medical claims was last performed for the 2014 plan year by the incumbent actuary in 2015.
47	Task 7: Is it expected that the chosen vendor will replicate existing report formats? If yes, please provide a sampling of the existing reports.	The chosen vendor will not be required to replicate existing report formats. However, reports are expected to provide the information needed by OGB and such information is to be reflected in an accurate and consistent manner.
48	Task 9: When was the last time each of the plans were procured? When is the next expected procurement date(s)?	See response to Inquiry 22.
49	Task 9: Does OGB allow for electronic procurement, or is it required to be done via paper?	The Proposal must be received in hard copy (printed) version by the OGB RFP Coordinator/Blackout Period Contact on or before 4:00 pm Central Standard Time ("CST") on the date specified in the RFP Section 1.6 Schedule of Events. The Proposal package must be delivered at the Proposer's expense to the address specified in the RFP Section 1.7 Proposal Submittal.
50	Task 10: Has the OGB reviewed compliance with the Patient Protection and Affordable Care Act in the past? If yes, when was last time compliance was reviewed?	Yes. In 2017, the incumbent Contractor provided OGB with a memo documenting that the plans offered by OGB to employees in 2017 meet the minimum essential coverage requirements and have actuarial

No	Inquiry	Response
		<p>values above the minimum value standards, as required by the Patient Protection and Affordable Care Act (see attached deliverable sample).</p> <p>The incumbent Contractor also provided in 2017 an analysis of OGB's premium rate tiers and the recommended adjustments to avoid incurring federal excise tax penalties (i.e., the Cadillac Tax), as well as what those penalties would be under the existing law if changes to the premium rate tiers are not implemented.</p>
51	Task 10: Does OGB provide a wellness benefit? If yes, please describe what is offered and what services related to this would be included in this scope.	<p>Yes, OGB's Third-Party Administrator of medical claims provides Live Better Louisiana and a disease management program that give Plan Participants resources to help them better monitor their health, understand their risk factors, and make educated choices as to their health. OGB expects that the actuarial Contractor will assess the viability of the wellness programs.</p>
52	Could you elaborate on the satisfaction survey deliverable, specifically, is the target respondent employees or internal stakeholders to the benefits program? Any additional feedback you can share on OGB's goals from implementing a satisfaction survey? Have you previously conducted a satisfaction survey, if so, can you share the recent results?	<p>Satisfaction surveys were not conducted for the previous actuarial services contracts.</p> <p>Details of the satisfaction survey are not yet available but will be discussed with the Contractor. The satisfaction survey does not involve OGB plan participants.</p>

SB 253 Fiscal Notes:

Senate Bill 252 proposes to incentivize spouses with other coverage to drop OGB coverage for tax credits.

As far as impact to OGB, although revenue to OGB would decline if employees moved from employee plus spouse to single coverage or to employee plus children rather than family, given that claims and admin expenses should substantially offset any loss in premium revenue, SB 252 should not create any material impact to OGB net cash flows and should not create any decline in fund balance or sustainability. There is a small chance that working spouses who drop may be healthier than non-working spouses, but there is no real data to substantiate this possibility.

The number of spouses on the plan based on recent census data is as follows:

Spouses	
Active	19,169
Non-Medicare	4,750
<u>Medicare</u>	<u>11,260</u>
All Spouses	35,179

One would expect that working spouses with other coverage would fall primarily within the Active class rather than Non-Medicare Retirees or Medicare Retirees.

The total premium for a spouse varies by plan and tier, but on average could be estimated at \$8,457 per year. Of this amount, half is contributed by members and half is contributed by the state agency. It is difficult to predict how many members would enter into this program and how much the tax credit would cost the state. If 10% of the Active spouses enrolled in the program then OGB annual revenue would decline by \$16M (1,617 times \$8457) and see a reduction in claims and admin by \$16M (premium = claims and admin at 100% expected loss ratio). State agencies would see a reduction by \$8M and the state would also see a reduction by that amount less any loss in tax revenue due to awards of tax credits.



Arthur J. Gallagher & Co.
BUSINESS WITHOUT BARRIERS™

March 24, 2017

Tommy Teague
Chief Executive Officer
Office of Group Benefits
1201 N. 3rd Street
Claiborne Bldg., Suite G-159
Baton Rouge, LA 70802

Re: ACA Subsidy Notice; Affordability and Minimum Essential Coverage for 2017 Plan Year

This memo serves as documentation that all plans offered by OGB to employees for plan years 2016 and 2017 meet the minimum essential coverage requirements and have actuarial values above the minimum value standards per the CMS actuarial value calculator (all plans metrics in excess of 75%) and as promulgated by the Affordable Care Act.

In addition, the Pelican HSA 775 has an employee only monthly contributions of \$59.24 for the 2016 plan year which passes the Federal Poverty Line (FPL) safe harbor affordability for active employees under the 75% cost share contribution schedules. The 2017 employee contribution is \$61.00 and also passes the FPL safe harbor affordability test for active employees.

Based on these actuarial findings of meeting minimum essential coverage, minimum actuarial values and affordability safe harbor testing, any notice of employer responsibility surcharge with respect to active employees should be appealed via the employer Marketplace appeals process.

Rehired retirees are offered the Pelican HRA 1000 plan with 2016 and 2017 contributions of \$102.46 and \$105.52 respectively. These contribution levels would likely pass either of the other two safe harbor testing methods available to employers (the rate of pay or W-2 methods; see sample calculations attached). In order for a state agency to be assessed a penalty, the employee would have to fail the affordability test, decline employer coverage, sign up for coverage on the public exchange and receive a subsidy.

I am a member of the American Academy of Actuaries (AAA) and meet the qualification standards for actuaries issuing statements of actuarial opinion in the United States by the AAA. I possess the education and experience necessary to perform testing and have complied with generally accepted actuarial principles and practice in performing this analysis. The above should not be considered legal advice and you may wish to discuss with your legal counsel.

Please let us know if you have any questions.

Scott R. Hildebrandt FCA, ASA, MAAA
Arthur J. Gallagher & Co.
1900 West Loop South, Suite 1600 | Houston, TX 77027
P: 713.358.5218 | F: 713.358.7839 | M: 281.235.9733
www.ajg.com
Gallagher Benefit Services, Inc.

CC: Monique Fisher

Sample Calculations:

Active Employees		Pelican HSA 775	
Federal Poverty Line Safe Harbor Testing	Pelican HSA 775		
	2016	2017	
Employee's <i>monthly</i> premium contribution for employee-only health insurance coverage	\$59.24	\$61.00	
Employee's <i>annual</i> premium contribution for employee-only health insurance coverage	\$710.88	\$732.00	
Federal poverty guidelines for a single individual as of the first day of the plan year	\$11,880	\$12,060	
Affordability Threshold	9.66%	9.69%	
To be considered affordable, calculated percentage must not exceed Threshold	5.98%	6.07%	
Result of Test	Pass	Pass	

Rehired Retirees		Pelican HRA 1000	
Rate of Pay Safe Harbor Testing	Pelican HRA 1000		
	2016	2017	
Employee's <i>monthly</i> premium contribution for employee-only health insurance coverage	\$102.46	\$105.52	
Employee's hourly rate of pay	\$8.16	\$8.38	
Hourly rate of pay times 130	\$1,061	\$1,089	
Affordability Threshold Percentage	9.66%	9.69%	
Calculated percentage based on hourly rate of pay	9.66%	9.69%	
Result of Test (Given employee's hourly rate of pay is in excess of hourly rate of pay shown above)	Pass	Pass	

Rehired Retirees		
W-2 Wages Safe Harbor Testing	Pelican HRA 1000	
	2016	2017
Employee's <i>monthly</i> premium contribution for employee-only health insurance coverage	\$102.46	\$105.52
Employee's <i>annual</i> premium contribution for employee-only health insurance coverage	\$1,229.52	\$1,266.24
Employee's current W-2 wages (box 1)	\$12,728	\$13,067
Affordability Threshold Percentage	9.66%	9.69%
Calculated percentage based on W-2 amount above	9.66%	9.69%
Result of Test (Given employee's W-2 wages is in excess of amount shown above)	Pass	Pass

Additional reference information:

<https://www.irs.gov/affordable-care-act/employers/questions-and-answers-on-employer-shared-responsibility-provisions-under-the-affordable-care-act>

The three affordability safe harbors are (1) the Form W-2 wages safe harbor, (2) the rate of pay safe harbor, and (3) the federal poverty line safe harbor. An ALE may use one or more of the safe harbors at its option but only if the ALE offers 95% of its full-time employees and their dependents the opportunity to enroll in coverage that provides minimum value for the self-only coverage offered to the employee. An ALE may choose to use one safe harbor for all of its employees or to use different safe harbors for employees in different categories, provided that the categories used are reasonable and the employer uses one safe harbor on a uniform and consistent basis for all employees in a particular category. If an ALE offers multiple health care coverage options, the affordability test for a particular employee applies to the lowest-cost self-only coverage option that provides minimum value and that is available to that employee.
The Form W-2 wages safe harbor generally is based on the amount of wages paid to the employee that the employer reports in Box 1 of that employee's Form W-2. The rate of pay safe harbor generally is based on the employee's rate of pay at the beginning of the coverage period, with adjustments permitted, for an hourly employee, if the rate of pay is decreased (but not if the rate of pay is increased). The federal poverty line safe harbor generally treats coverage as affordable for a month if the employee required contribution for the month does not exceed 9.5%, adjusted annually, of the federal poverty line for a single individual for the applicable calendar year, divided by 12. The final regulations provide additional information on these affordability safe harbors.

The regulations under section 36B and 5000A generally contain the rules for determining the amount of the employee required contribution. For more information about affordability, including information on certain HRA contributions, wellness program incentives, flex credits, and opt-out payments, see [Notice 2015-87](#) (questions 7-12) and the [proposed regulation](#) on the premium tax credit.

39. How has the 9.5% affordability threshold amount been adjusted over time?

The 9.5% affordability threshold, which applies for purposes of both the premium tax credit provisions and the employer shared responsibility affordability safe harbors, is adjusted in accordance with the threshold that applies with respect to the premium tax credit. The IRS releases the adjusted percentage each year in a revenue procedure.

For plan years beginning in 2015, the threshold is 9.56%. See [Rev. Proc. 2014-37](#). For plan years beginning in 2016, the threshold is 9.66%. See [Rev. Proc. 2014-62](#). For plan years beginning in 2017, the threshold is 9.69%. See [Rev. Proc. 2016-24](#).

For more information, including on other purposes for which the 9.5% threshold, as adjusted, applies, see [Notice 2015-87](#) (question 12).

Although the state does not currently impose tobacco surcharges, should they do so in the future this would not impact affordability testing per IRS guidance:

See: https://www.irs.gov/irb/2016-02_IRB/ar06.html :

Thus, the affordability and minimum value of a plan that charges a higher initial premium or higher cost-sharing for tobacco users are determined based on the premium or cost-sharing that is charged to non-tobacco users or to tobacco users who complete the related wellness program, such as attending smoking cessation classes.

With No Rate of Plan Changes January 2018.

	Actual FYE 2016	Projected FYE 2017	Projected FYE 2018	Projected FYE 2019	Projected FYE 2020	Projected FYE 2021
Revenue	\$1,577.2	\$1,415.0	\$1,466.6	\$1,502.4	\$1,577.9	\$1,654.8
Expenses	\$1,372.7	\$1,375.0	\$1,437.3	\$1,495.1	\$1,584.6	\$1,683.0
Surplus/Deficit	\$24.5	\$38.3	\$29.4	-6.3	-86.7	-77.0
Fund balance / Net Position	\$245.8	\$185.1	\$215.5	\$209.2	\$202.5	\$195.6
Estimated Assets / Cash	\$231.0	\$277.3	\$306.7	\$300.3	\$293.7	\$286.7
Projected Rate Action January	0.0%	7.0%	0.0%	5.0%	5.0%	5.0%
Target Range End of year						
Min	\$124	\$157	\$123	\$129	\$135	\$142
Max	\$223	\$229	\$249	\$252	\$264	\$277
Midpoint	\$176	\$183	\$181	\$180	\$180	\$191

*projections with actuals through April 2017 assumes 5% rate action Jan 2019, 2020, 2021

Health Board Annualed Changes January 2018 (Tobacco and Nicotine Enforcement Scheme and Dian Chanon)

	Actual	Projected FYE 2016	Projected FYE 2017	Projected FYE 2018	Projected FYE 2019	Projected FYE 2020	Projected FYE 2021
Revenue	\$1,397.2	\$1,415.0	\$1,475.5	\$1,515.5	\$1,551.6	\$1,570.5	\$1,570.5
Expenses	\$1,372.7	\$1,373.7	\$1,451.90	\$1,497.41	\$1,573.07	\$1,652.26	
Surplus/(Deficit)	\$24.5	\$33.3	\$42.0	\$51.9	\$78.5	\$121.2	
Fund balance / Net Position	\$146.8	\$186.1	\$228.1	\$247.0	\$265.5	\$281.2	
Estimated Assets / Cash	\$230.0	\$277.3	\$319.3	\$358.1	\$394.7	\$434.9	
Projected Rate Action January	0.0%	7.0%	0.0%	5.0%	5.0%	5.0%	5.0%
Target Range End of Year	Min	\$124	\$137	\$123	\$129	\$135	\$142
	Max	\$229	\$229	\$240	\$252	\$264	\$277
	Middlepoint	\$175	\$182	\$181	\$190	\$190	\$200

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	145234411 FY 2016	Projected FY 2017	Projected FY 2018	Projected FY 2019	Projected FY 2020	Projected FY 2021
Revenue	\$1,357.2	\$1,415.9	\$1,466.6	\$1,494.3	\$1,494.5	\$1,495.5
Expenses	\$1,372.7	\$1,375.7	\$1,437.3	\$1,509.1	\$1,534.6	\$1,563.0
Surplus/Deficit	\$24.5	\$39.3	\$29.4	\$-42.5	\$-117.9	\$-157.1
Fund balance / Net Position	\$16.4	\$186.1	\$215.5	\$173.0	\$95.1	\$-142.0
Estimated Assets / Cash	\$228.0	\$277.3	\$306.7	\$264.2	\$146.3	\$-50.8
Projected Rate Action January	Midpoint	7.0%	0.0%	0.0%	0.0%	0.0%
Target Range End of Year	Min	\$124	\$117	\$123	\$129	\$135
	Max	\$229	\$229	\$249	\$252	\$254

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With No Rate or Plan Changes January 2018.

	Actual FY 2016	Projected FY 2017	Projected FY 2018	Projected FY 2019	Projected FY 2020	Projected FY 2021
Revenue	\$1,377.2	\$1,418.0	\$1,446.6	\$1,483.6	\$1,513.9	\$1,550.9
Expenses	\$1,372.1	\$1,375.7	\$1,417.3	\$1,455.1	\$1,484.4	\$1,513.8
Surplus/Deficit	\$94.5	\$98.3	\$94.4	\$-93.3	\$-67.7	\$-7.0
Fund balance / Net Position	\$146.9	\$166.1	\$215.3	\$269.2	\$322.5	\$393.5
Estimated Assets / Cash	\$238.0	\$277.3	\$306.7	\$300.3	\$293.7	\$286.7
projected Rate Action January	0.0%	7.0%	0.0%	3.0%	5.0%	5.0%
Target Change End of Year						
Min	\$224	\$137	\$123	\$123	\$135	\$142
Max	\$329	\$329	\$340	\$352	\$364	\$377
Midpoint	\$276	\$183	\$161	\$170	\$200	\$210

*Projections with actual's through April 2017 (assumes 3% rate action lag). 2018, and 5% 2019-2021

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	Actual ¹ FY 2016	Projected FY 2017	Projected FY 2018	Projected FY 2019	Projected FY 2020	Projected FY 2021
Revenue	\$1,897.2	\$1,915.0	\$1,973.5	\$1,930.5	\$1,954.8	\$1,944.5
Expenses	\$1,872.7	\$1,875.7	\$1,881.50	\$1,875.6	\$1,873.1	\$1,859.3
Surplus/Deficit	\$24.5	\$39.3	\$142.6	\$124.9	\$72.5	\$7.3
Fund balance / Net Position	\$1,868.0	\$1,906.1	\$228.1	\$224.0	\$211.8	\$200.9
Estimated Assets / Cash	\$238.0	\$277.3	\$319.3	\$325.1	\$337.7	\$309.3
Projected Rate Action January	0.0%	7.0%	0.0%	3.0%	5.0%	5.0%
Target Range End of Year						
Min		\$124	\$137	\$123	\$129	\$135
Midpoint		\$125	\$129	\$140	\$152	\$164
Max		\$176	\$183	\$181	\$190	\$200

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	FY 2016	Projected FYE 2017	Projected FYE 2018	Projected FYE 2019	Projected FYE 2020	Projected FYE 2021
Revenue	\$1,387.2	\$1,410.0	\$1,448.6	\$1,484.8	\$1,521.6	\$1,558.6
Expenses	\$1,372.7	\$1,371.7	\$1,417.3	\$1,450.1	\$1,484.6	\$1,513.4
Surplus / Deficit	\$24.5	\$39.3	\$62.4	\$82.5	\$117.9	\$157.1
Fund balance / Net Position	\$146.0	\$166.3	\$215.5	\$173.0	\$53.1	\$142.0
Estimated Assets / Cash	\$283.0	\$277.3	\$306.7	\$264.2	\$146.3	\$90.8
Projected Rate Action January	0.0%	7.0%	0.0%	0.0%	0.0%	0.0%
Target Range End of Year	Min	\$124	\$137	\$123	\$129	\$135
	Max	\$229	\$229	\$240	\$232	\$264

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Actuarial Projections of OGS Fund Performance: FYE 2015 to FYE 2016
Summary Exhibit: Plan changes 3/1/15; 10.80% premium increases 7/1/15
With 7% rate action at 01/2017; 5% at 01/2018 and 01/2019

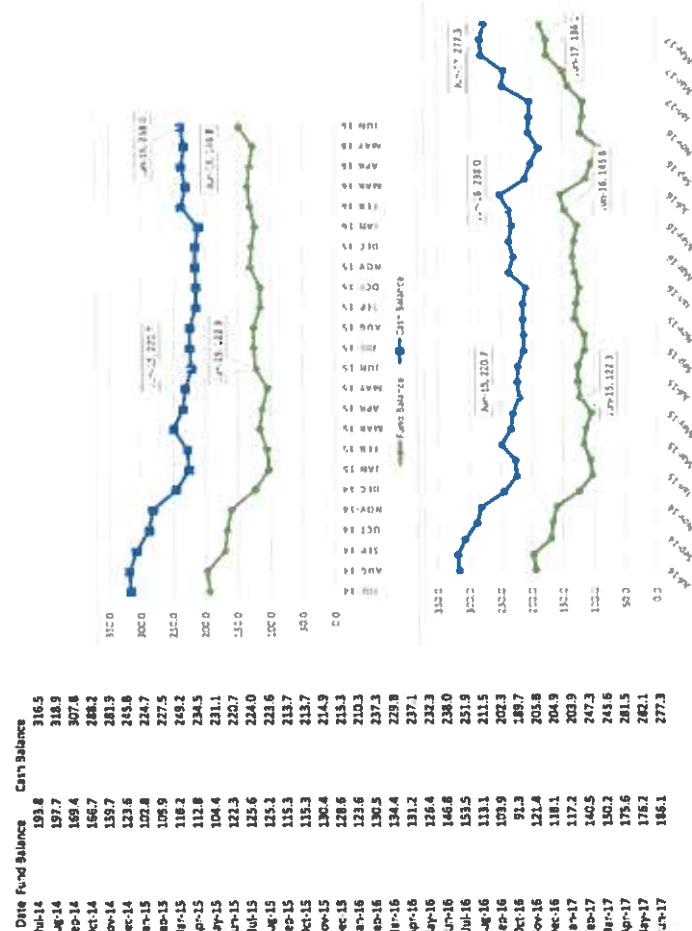
												Target Range End of Year		
												Min Max		
												Trend	Total	FYE 2015
	Actual	Actual	Actual											
2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014
JULY	August	September	October	November	December	January	February	March	April	May	June	July	August	September
Revenue	104.0	107.3	108.3	107.6	106.9	106.5	107.0	105.9	106.3	106.4	106.4	107.0	107.1	107.1
Expenses	119.7	123.3	124.4	123.3	124.3	124.3	123.9	124.3	124.3	124.3	124.3	124.3	124.3	124.3
Surplus/Deficit	-13.7	4.0	-20.3	-4.7	-7.0	-46.1	-30.4	1.0	10.4	-4.4	10.0	-48.4	115.69	115.69
Fund Balance / Net Position	285.8	287.7	288.4	288.7	288.2	288.3	288.2	288.3	288.2	288.3	288.3	288.3	288.3	288.3
Estimated Assets / Cash	\$11.3	\$11.3	\$10.7	\$10.7	\$10.7	\$10.7	\$10.7	\$10.7	\$10.7	\$10.7	\$10.7	\$10.7	\$10.7	\$10.7
	Actual	Actual	Actual											
2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015
JULY	August	September	October	November	December	January	February	March	April	May	June	July	August	September
Revenue	119.4	124.8	128.3	122.3	122.3	122.7	122.7	122.7	122.7	122.7	122.7	122.7	122.7	122.7
Expenses	120.3	123.1	123.1	120.9	120.9	120.2	120.2	120.2	120.2	120.2	120.2	120.2	120.2	120.2
Surplus/Deficit	1.2	-4.9	-16.9	-16.9	-16.9	-16.9	-16.9	-16.9	-16.9	-16.9	-16.9	-16.9	-16.9	-16.9
Fund Balance / Net Position	285.6	285.2	285.3	285.3	285.3	285.3	285.3	285.3	285.3	285.3	285.3	285.3	285.3	285.3
Estimated Assets / Cash	\$20.9	\$21.4	\$21.7	\$21.7	\$21.7	\$21.9	\$21.9	\$21.9	\$21.9	\$21.9	\$21.9	\$21.9	\$21.9	\$21.9
	Actual	Actual	Actual											
2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016
JULY	August	September	October	November	December	January	February	March	April	May	June	July	August	September
Revenue	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3
Expenses	104.6	104.6	104.6	104.6	104.6	104.6	104.6	104.6	104.6	104.6	104.6	104.6	104.6	104.6
Surplus/Deficit	1.7	-40.4	-40.4	-40.4	-40.4	-40.4	-40.4	-40.4	-40.4	-40.4	-40.4	-40.4	-40.4	-40.4
Fund Balance / Net Position	282.5	282.5	282.5	282.5	282.5	282.5	282.5	282.5	282.5	282.5	282.5	282.5	282.5	282.5
Estimated Assets / Cash	\$21.9	\$21.9	\$21.9	\$21.9	\$21.9	\$21.9	\$21.9	\$21.9	\$21.9	\$21.9	\$21.9	\$21.9	\$21.9	\$21.9
	Actual	Actual	Actual											
2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017
JULY	August	September	October	November	December	January	February	March	April	May	June	July	August	September
Revenue	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3
Expenses	118.8	118.8	118.8	118.8	118.8	118.8	118.8	118.8	118.8	118.8	118.8	118.8	118.8	118.8
Surplus/Deficit	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Fund Balance / Net Position	282.5	282.5	282.5	282.5	282.5	282.5	282.5	282.5	282.5	282.5	282.5	282.5	282.5	282.5
Estimated Assets / Cash	\$20.7	\$20.7	\$20.3	\$20.3	\$20.3	\$20.3	\$20.3	\$20.3	\$20.3	\$20.3	\$20.3	\$20.3	\$20.3	\$20.3
	Projected	Projected	Projected											
2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016
JULY	August	September	October	November	December	January	February	March	April	May	June	July	August	September
Revenue	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3	119.3
Expenses	120.2	120.2	120.2	120.2	120.2	120.2	120.2	120.2	120.2	120.2	120.2	120.2	120.2	120.2
Surplus/Deficit	-4.7	-4.4	-4.3	-4.3	-4.3	-4.3	-4.3	-4.3	-4.3	-4.3	-4.3	-4.3	-4.3	-4.3
Fund Balance / Net Position	282.8	282.4	282.4	282.4	282.4	282.4	282.4	282.4	282.4	282.4	282.4	282.4	282.4	282.4
Estimated Assets / Cash	\$20.2	\$20.2	\$20.3	\$20.3	\$20.3	\$20.3	\$20.3	\$20.3	\$20.3	\$20.3	\$20.3	\$20.3	\$20.3	\$20.3
	Projected	Projected	Projected											
2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017
JULY	August	September	October	November	December	January	February	March	April	May	June	July	August	September
Revenue	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4
Expenses	118.4	118.4	118.4	118.4	118.4	118.4	118.4	118.4	118.4	118.4	118.4	118.4	118.4	118.4
Surplus/Deficit	-4.0	-4.4	-4.4	-4.4	-4.4	-4.4	-4.4	-4.4	-4.4	-4.4	-4.4	-4.4	-4.4	-4.4
Fund Balance / Net Position	282.4	282.0	282.0	282.0	282.0	282.0	282.0	282.0	282.0	282.0	282.0	282.0	282.0	282.0
Estimated Assets / Cash	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6
	Projected	Projected	Projected											
2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018
JULY	August	September	October	November	December	January	February	March	April	May	June	July	August	September
Revenue	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4
Expenses	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4
Surplus/Deficit	-4.0	-4.0	-4.0	-4.0	-4.0	-4.0	-4.0	-4.0	-4.0	-4.0	-4.0	-4.0	-4.0	-4.0
Fund Balance / Net Position	282.4	282.0	282.0	282.0	282.0	282.0	282.0	282.0	282.0	282.0	282.0	282.0	282.0	282.0
Estimated Assets / Cash	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6
	Projected	Projected	Projected											
2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019
JULY	August	September	October	November	December	January	February	March	April	May	June	July	August	September
Revenue	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4
Expenses	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4	120.4
Surplus/Deficit	-4.0	-4.0	-4.0	-4.0	-4.0	-4.0	-4.0	-4.0	-4.0	-4.0	-4.0	-4.0	-4.0	-4.0
Fund Balance / Net Position	282.4	282.0	282.0	282.0	282.0	282.0	282.0	282.0	282.0	282.0	282.0	282.0	282.0	282.0
Estimated Assets / Cash	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6	\$20.6

Actuarial Projections of OGJ Fund Performance: FYE 2015 to FYE 2016
Summary Exhibit: Plan changes 3/1/15; 10.60% premium increases 7/1/15
With 7% rate action at 01/2017; 5% at 01/2018 and 01/2019

Q3 2023 Performance Summary										YTD Budget vs Actual			Target Budget End of Year				
Revenue			Expenses			Net Income			Actual YTD			Budget YTD			Difference		
Category	Period	Actual	Projected	Category	Period	Actual	Projected	Net Income	Actual	Projected	Net Income	Budget	Actual	Target	Delta		
Revenue	July	125.7	122.7	Expenses	August	104.9	106.5	Net Income	20.8	21.2	19.5	250.0	250.7	250.0	0.7		
Revenue	August	126.7	123.7	Expenses	September	105.6	103.6	Net Income	21.1	20.9	21.3	250.0	250.7	250.0	-0.7		
Revenue	September	127.7	124.7	Expenses	October	106.5	104.7	Net Income	21.3	21.0	21.6	250.0	250.7	250.0	-0.7		
Revenue	October	128.7	125.7	Expenses	November	107.4	105.7	Net Income	21.5	21.7	21.3	250.0	250.7	250.0	-0.7		
Revenue	November	129.7	126.7	Expenses	December	108.3	106.7	Net Income	21.7	21.9	21.5	250.0	250.7	250.0	-0.7		
Revenue	December	130.7	127.7	Expenses	January	109.2	108.7	Net Income	21.9	22.1	21.9	250.0	250.7	250.0	-0.7		
Revenue	January	131.7	128.7	Expenses	February	110.1	109.3	Net Income	22.1	22.3	22.1	250.0	250.7	250.0	-0.7		
Revenue	February	132.7	129.7	Expenses	March	111.0	110.3	Net Income	22.3	22.5	22.3	250.0	250.7	250.0	-0.7		
Revenue	March	133.7	130.7	Expenses	April	111.9	111.3	Net Income	22.5	22.7	22.5	250.0	250.7	250.0	-0.7		
Revenue	April	134.7	131.7	Expenses	May	112.8	112.3	Net Income	22.7	22.9	22.7	250.0	250.7	250.0	-0.7		
Revenue	May	135.7	132.7	Expenses	June	113.7	113.3	Net Income	22.9	23.1	22.9	250.0	250.7	250.0	-0.7		
Revenue	June	136.7	133.7	Expenses	July	114.6	114.3	Net Income	23.1	23.3	23.1	250.0	250.7	250.0	-0.7		
Revenue	July	137.7	134.7	Expenses	August	115.5	115.3	Net Income	23.3	23.5	23.3	250.0	250.7	250.0	-0.7		
Revenue	August	138.7	135.7	Expenses	September	116.4	116.3	Net Income	23.5	23.7	23.5	250.0	250.7	250.0	-0.7		
Revenue	September	139.7	136.7	Expenses	October	117.3	117.3	Net Income	23.7	23.9	23.7	250.0	250.7	250.0	-0.7		
Revenue	October	140.7	137.7	Expenses	November	118.2	118.3	Net Income	23.9	24.1	23.9	250.0	250.7	250.0	-0.7		
Revenue	November	141.7	138.7	Expenses	December	119.1	119.3	Net Income	24.1	24.3	24.1	250.0	250.7	250.0	-0.7		
Revenue	December	142.7	139.7	Expenses	January	120.0	120.3	Net Income	24.3	24.5	24.3	250.0	250.7	250.0	-0.7		
Revenue	January	143.7	140.7	Expenses	February	120.9	121.3	Net Income	24.5	24.7	24.5	250.0	250.7	250.0	-0.7		
Revenue	February	144.7	141.7	Expenses	March	121.8	122.3	Net Income	24.7	24.9	24.7	250.0	250.7	250.0	-0.7		
Revenue	March	145.7	142.7	Expenses	April	122.7	123.3	Net Income	24.9	25.1	24.9	250.0	250.7	250.0	-0.7		
Revenue	April	146.7	143.7	Expenses	May	123.6	124.3	Net Income	25.1	25.3	25.1	250.0	250.7	250.0	-0.7		
Revenue	May	147.7	144.7	Expenses	June	124.5	125.3	Net Income	25.3	25.5	25.3	250.0	250.7	250.0	-0.7		
Revenue	June	148.7	145.7	Expenses	July	125.4	126.3	Net Income	25.5	25.7	25.5	250.0	250.7	250.0	-0.7		
Revenue	July	149.7	146.7	Expenses	August	126.3	127.3	Net Income	25.7	25.9	25.7	250.0	250.7	250.0	-0.7		
Revenue	August	150.7	147.7	Expenses	September	127.2	128.3	Net Income	25.9	26.1	25.9	250.0	250.7	250.0	-0.7		
Revenue	September	151.7	148.7	Expenses	October	128.1	129.3	Net Income	26.1	26.3	26.1	250.0	250.7	250.0	-0.7		
Revenue	October	152.7	149.7	Expenses	November	129.0	130.3	Net Income	26.3	26.5	26.3	250.0	250.7	250.0	-0.7		
Revenue	November	153.7	150.7	Expenses	December	130.0	131.3	Net Income	26.5	26.7	26.5	250.0	250.7	250.0	-0.7		
Revenue	December	154.7	151.7	Expenses	January	130.9	132.3	Net Income	26.7	26.9	26.7	250.0	250.7	250.0	-0.7		
Revenue	January	155.7	152.7	Expenses	February	131.8	133.3	Net Income	26.9	27.1	26.9	250.0	250.7	250.0	-0.7		
Revenue	February	156.7	153.7	Expenses	March	132.7	134.3	Net Income	27.1	27.3	27.1	250.0	250.7	250.0	-0.7		
Revenue	March	157.7	154.7	Expenses	April	133.6	135.3	Net Income	27.3	27.5	27.3	250.0	250.7	250.0	-0.7		
Revenue	April	158.7	155.7	Expenses	May	134.5	136.3	Net Income	27.5	27.7	27.5	250.0	250.7	250.0	-0.7		
Revenue	May	159.7	156.7	Expenses	June	135.4	137.3	Net Income	27.7	27.9	27.7	250.0	250.7	250.0	-0.7		
Revenue	June	160.7	157.7	Expenses	July	136.3	138.3	Net Income	27.9	28.1	27.9	250.0	250.7	250.0	-0.7		
Revenue	July	161.7	158.7	Expenses	August	137.2	139.3	Net Income	28.1	28.3	28.1	250.0	250.7	250.0	-0.7		
Revenue	August	162.7	159.7	Expenses	September	138.1	140.3	Net Income	28.3	28.5	28.3	250.0	250.7	250.0	-0.7		
Revenue	September	163.7	160.7	Expenses	October	139.0	141.3	Net Income	28.5	28.7	28.5	250.0	250.7	250.0	-0.7		
Revenue	October	164.7	161.7	Expenses	November	140.0	142.3	Net Income	28.7	28.9	28.7	250.0	250.7	250.0	-0.7		
Revenue	November	165.7	162.7	Expenses	December	140.9	143.3	Net Income	28.9	29.1	28.9	250.0	250.7	250.0	-0.7		
Revenue	December	166.7	163.7	Expenses	January	141.8	144.3	Net Income	29.1	29.3	29.1	250.0	250.7	250.0	-0.7		
Revenue	January	167.7	164.7	Expenses	February	142.7	145.3	Net Income	29.3	29.5	29.3	250.0	250.7	250.0	-0.7		
Revenue	February	168.7	165.7	Expenses	March	143.6	146.3	Net Income	29.5	29.7	29.5	250.0	250.7	250.0	-0.7		
Revenue	March	169.7	166.7	Expenses	April	144.5	147.3	Net Income	29.7	29.9	29.7	250.0	250.7	250.0	-0.7		
Revenue	April	170.7	167.7	Expenses	May	145.4	148.3	Net Income	29.9	30.1	29.9	250.0	250.7	250.0	-0.7		
Revenue	May	171.7	168.7	Expenses	June	146.3	149.3	Net Income	30.1	30.3	30.1	250.0	250.7	250.0	-0.7		
Revenue	June	172.7	169.7	Expenses	July	147.2	150.3	Net Income	30.3	30.5	30.3	250.0	250.7	250.0	-0.7		
Revenue	July	173.7	170.7	Expenses	August	148.1	151.3	Net Income	30.5	30.7	30.5	250.0	250.7	250.0	-0.7		
Revenue	August	174.7	171.7	Expenses	September	149.0	152.3	Net Income	30.7	30.9	30.7	250.0	250.7	250.0	-0.7		
Revenue	September	175.7	172.7	Expenses	October	150.0	153.3	Net Income	30.9	31.1	30.9	250.0	250.7	250.0	-0.7		
Revenue	October	176.7	173.7	Expenses	November	150.9	154.3	Net Income	31.1	31.3	31.1	250.0	250.7	250.0	-0.7		
Revenue	November	177.7	174.7	Expenses	December	151.8	155.3	Net Income	31.3	31.5	31.3	250.0	250.7	250.0	-0.7		
Revenue	December	178.7	175.7	Expenses	January	152.7	156.3	Net Income	31.5	31.7	31.5	250.0	250.7	250.0	-0.7		
Revenue	January	179.7	176.7	Expenses	February	153.6	157.3	Net Income	31.7	31.9	31.7	250.0	250.7	250.0	-0.7		
Revenue	February	180.7	177.7	Expenses	March	154.5	158.3	Net Income	31.9	32.1	31.9	250.0	250.7	250.0	-0.7		
Revenue	March	181.7	178.7	Expenses	April	155.4	159.3	Net Income	32.1	32.3	32.1	250.0	250.7	250.0	-0.7		
Revenue	April	182.7	179.7	Expenses	May	156.3	160.3	Net Income	32.3	32.5	32.3	250.0	250.7	250.0	-0.7		
Revenue	May	183.7	180.7	Expenses	June	157.2	161.3	Net Income	32.5	32.7	32.5	250.0	250.7	250.0	-0.7		
Revenue	June	184.7	181.7	Expenses	July	158.1	162.3	Net Income	32.7	32.9	32.7	250.0	250.7	250.0	-0.7		
Revenue	July	185.7	182.7	Expenses	August	159.0	163.3	Net Income	32.9	33.1	32.9	250.0	250.7	250.0	-0.7		
Revenue	August	186.7	183.7	Expenses	September	160.0	164.3	Net Income	33.1	33.3	33.1	250.0	250.7	250.0	-0.7		
Revenue	September	187.7	184.7	Expenses	October	160.9	165.3	Net Income	33.3	33.5	33.3	250.0	250.7	250.0	-0.7		
Revenue	October	188.7	185.7	Expenses	November	161.8	166.3	Net Income	33.5	33.7	33.5	250.0	250.7	250.0	-0.7		
Revenue	November	189.7	186.7	Expenses	December	162.7	167.3	Net Income	33.7	33.9	33.7	250.0	250.7	250.0	-0.7		
Revenue	December	190.7	187.7	Expenses	January	163.6	168.3	Net Income	33.9	34.1	33.9	250.0	250.7	250.0	-0.7		
Revenue	January	191.7	188.7	Expenses	February	164.5	169.3	Net Income	34.1	34.3	34.1	250.0	250.7	250.0	-0.7		
Revenue	February	192.7	189.7	Expenses	March	165.4	170.3	Net Income	34.3	34.5	34.3	250.0	250.7	250.0	-0.7		
Revenue	March	193.7	190.7	Expenses	April	166.3	171.3	Net Income	34.5	34.7	34.5	250.0	250.7	250.0	-0.7		
Revenue	April	194.7	191.7	Expenses	May	167.2	172.3	Net Income	34.7	34.9	34.7	250.0	250.7	250.0	-0.7		
Revenue	May	195.7	192.7	Expenses	June	168.1	173.3	Net Income	34.9	35.1	34.9	250.0	250.7	250.0	-0.7		
Revenue	June	196.7	193.7	Expenses	July	169.0	174.3	Net Income	35.1	35.3	35.1	250.0	250.7	250.0	-0.7		
Revenue	July	197.7	194.7	Expenses	August	170.0	175.3	Net Income	35.3	35.5	35.3	250.0	250.7	250.0	-0.7		
Revenue	August	198.7	195.7	Expenses	September	170.9	176.3	Net Income	35.5	35.7	35.5	250.0	250.7	250.0	-0.7		
Revenue	September	199.7	196.7	Expenses	October	171.8	177.3	Net Income	35.7	35.9	35.7	250.0	250.7	250.0	-0.7		
Revenue	October	200.7	197.7	Expenses	November	172.7	178.3	Net Income	35.9	36.1	35.9	250.0	250.7	250.0	-0.7		
Revenue	November	201.7	198.7	Expenses	December	173.6	179.3	Net Income	36.1	36.3	36.1	250.0	250.7	250.0	-0.7		
Revenue	December	202.7	199.7	Expenses	January	174.5	180.3	Net Income	36.3	36.5	36.3	250.0	250.7	250.0	-0.7		
Revenue	January	203.7	200.7	Expenses	February	175.4	181.3	Net Income	36.5	36.7	36.5	250.0	250.7	250.0	-0.7		
Revenue	February	204.7	201.7	Expenses	March	176.3	182.3	Net Income	36.7	36.9	36.7	250.0	250.7	250.0	-0.7		
Revenue	March	205.7	202.7	Expenses	April	177.2	183.3	Net Income	36.9	37.1	36.9	250.0	250.7	250.0	-0.7		
Revenue	April	206.7	203.7	Expenses</td													

Assumptions: Plan def'n era begins 3/1/15; 10.0% premium increases 7/1/15
Comments: All claim estimates and projections are based upon data as known or available at the time. Future results may differ significantly from current projections due to variability of claim data.

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	Actual 2016 July	Actual 2016 August	Actual 2016 September	Actual 2016 October	Actual 2016 November	Actual 2016 December	Actual 2016 January	Actual 2017 February	Actual 2017 March	Actual 2017 April	Actual 2017 May	Projected 2017 June	Projected Total FYE 2017
Revenues													
Premiums - Blue Cross PPO	-498,521	-3,366,346	-31,342	23,146	64,608	-33,925	2,748	39,378	-59,149	-7,093	0	0	-3,866,496
Premiums - Blue Cross ASO	-552,728	-4,060,782	-314,788	-17,120	-20,621	784	130,926	-6,092	-42,550	-239,647	0	0	-5,122,718
Premiums - Blue Cross CDHP	0	0	0	0	0	0	-4,471	0	0	0	0	0	-4,471
Premiums Magnolia Open Access	22,035,191	18,065,851	22,080,696	22,276,728	22,274,083	22,037,005	23,319,631	23,226,563	22,714,363	22,714,363	0	0	266,390,072
Premiums Magnolia Local Plus	79,261,404	74,249,641	78,398,358	79,471,528	79,182,195	79,154,241	85,664,873	85,560,961	85,235,974	84,759,692	84,759,692	0	980,458,250
Premiums Magnolia Local	411,251	451,087	48,591	470,838	471,177	465,471	460,027	453,391	454,152	444,174	465,471	460,027	5,455,658
Premiums Pelican HSA 775	896,574	929,660	926,080	972,352	979,755	977,701	1,062,586	1,069,508	1,077,107	1,088,421	1,088,421	1,088,421	12,156,585
Premiums Pelican HRA 10000	2,101,531	1,975,506	2,133,829	2,257,189	2,195,813	2,180,650	2,295,590	2,311,830	2,265,073	2,236,322	2,236,322	2,236,322	31,425,979
Premiums - Vantage Medical Home	3,097,930	3,054,351	3,051,533	3,129,011	3,108,943	3,165,314	3,585,468	3,600,455	3,606,792	3,577,871	3,577,871	40,144,401	40,144,401
Vantage- Medicare Advantage	331,338	326,094	323,189	324,036	320,622	321,290	329,501	330,025	327,959	325,857	325,857	325,857	3,911,626
N.O. Reg. Phys Hosp- Medicare Advantage	526,988	517,396	495,946	534,450	512,548	518,848	547,631	546,117	539,710	541,374	541,374	541,374	5,353,996
Vantage HMO	0	0	0	0	0	0	0	0	0	0	0	0	0
Premiums - Life	2,159,229	2,185,067	2,179,448	2,189,668	2,193,843	2,193,712	2,156,008	2,149,704	2,153,263	2,144,720	2,165,208	2,160,435	26,030,247
Employer Group Waiver Plan - Subsidy	1,070,397	1,527,662	1,047,475	1,064,190	28,191,974	1,060,512	810,861	3,382,284	1,914,675	1,908,270	994,088	995,945	43,988,334
Health Equity Health Savings Account	220,964	255,789	289,747	272,242	284,597	296,082	325,525	1,028,174	526,638	332,326	350,860	350,860	4,603,803
Interest	63,306	74,011	68,414	60,860	65,581	65,516	74,076	72,698	82,528	98,831	35,804	35,804	797,428
IAT Revenue	0	0	0	0	0	0	82,141	47,393	0	15,785	15,785	15,785	178,773
Miscellaneous	16,358	19,927	16,572	18,551	16,774	17,875	20,410	18,923	11,170	139,726	139,726	139,726	453,807
Vantage MHP Admin Fees	58,361	0	115,515	58,123	58,344	58,599	64,209	63,580	63,784	63,886	60,440	60,440	725,281
LDH Premiums/Claims Reimbursement - LeCHIP	81,600	93,150	79,155	83,598	89,450	86,600	88,938	87,851	101,240	90,450	5,725	5,725	893,492
LDH Premiums - Family Opportunity Act	4,232	6,076	5,825	4,666	5,605	5,858	7,408	5,993	7,704	7,173	5,958	7,408	73,805
Fee Reinstatement	0	0	0	0	0	0	-122	0	0	0	-122	0	-243
TOTAL Revenues	111,285,407	96,304,140	111,334,244	113,193,935	140,005,293	112,572,010	126,082,731	123,990,225	121,135,048	120,175,778	119,482,743	119,476,056	1,415,037,609

Caveats: All claim estimates and projections are based upon data known and available at a point in time. Future results may differ significantly from current projections due to variability of claim incidence, changes to disease burden of population and demographic make up, legislative forces, changes in market and economic conditions and underlying provider contracts, changes in interest rates and inflation, changing medical protocols and technology, and changes in many other underlying variables that contribute to variance of revenue and expenses.

	Projected		Projected		Projected		Projected		Projected		Projected		Projected		Projected	
	2017 July	2017 August	2017 September	2017 October	2017 November	2017 December	2018 January	2018 February	2018 March	2018 April	2018 May	2018 June	2018 July	2018 August	2018 September	2018 October
Revenues																
Premiums - Blue Cross PPO	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Premiums - Blue Cross ASO	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Premiums - Blue Cross CDHP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Premiums Magnolia Open Access	22,714,363	22,714,363	22,714,363	22,714,363	22,714,363	22,714,363	22,714,363	22,714,363	22,714,363	22,714,363	22,714,363	22,714,363	22,714,363	22,714,363	22,714,363	22,714,363
Premiums Magnolia Local Plus	84,759,692	84,759,692	84,759,692	84,759,692	84,759,692	84,759,692	84,759,692	84,759,692	84,759,692	84,759,692	84,759,692	84,759,692	84,759,692	84,759,692	84,759,692	84,759,692
Premiums Magnolia Local	460,027	460,027	460,027	460,027	460,027	460,027	460,027	460,027	460,027	460,027	460,027	460,027	460,027	460,027	460,027	460,027
Premiums Pelican HSA 775	1,088,421	1,088,421	1,088,421	1,088,421	1,088,421	1,088,421	1,088,421	1,088,421	1,088,421	1,088,421	1,088,421	1,088,421	1,088,421	1,088,421	1,088,421	1,088,421
Premiums Pelican HRA 1000	2,236,322	2,236,322	2,236,322	2,236,322	2,236,322	2,236,322	2,236,322	2,236,322	2,236,322	2,236,322	2,236,322	2,236,322	2,236,322	2,236,322	2,236,322	2,236,322
Premiums - Vantage Medical Home	3,577,871	3,577,871	3,577,871	3,577,871	3,577,871	3,577,871	3,577,871	3,577,871	3,577,871	3,577,871	3,577,871	3,577,871	3,577,871	3,577,871	3,577,871	3,577,871
Vantage - Medicare Advantage	325,857	325,857	325,857	325,857	325,857	325,857	325,857	325,857	325,857	325,857	325,857	325,857	325,857	325,857	325,857	325,857
N.O. Reg HMO - Medicare Advantage	541,374	541,374	541,374	541,374	541,374	541,374	541,374	541,374	541,374	541,374	541,374	541,374	541,374	541,374	541,374	541,374
Vantage HMO	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Premiums - Life	2,160,436	2,160,436	2,160,436	2,160,436	2,160,436	2,160,436	2,160,436	2,160,436	2,160,436	2,160,436	2,160,436	2,160,436	2,160,436	2,160,436	2,160,436	2,160,436
Employer Group Waiver Plan - Subsidy	995,946	995,946	995,946	995,946	995,946	995,946	995,946	995,946	995,946	995,946	995,946	995,946	995,946	995,946	995,946	995,946
Bancorp - Health Savings Account	350,860	350,860	350,860	350,860	350,860	350,860	350,860	350,860	350,860	350,860	350,860	350,860	350,860	350,860	350,860	350,860
Interest	35,804	35,804	35,804	35,804	35,804	35,804	35,804	35,804	35,804	35,804	35,804	35,804	35,804	35,804	35,804	35,804
IAT Revenue	15,785	15,785	15,785	15,785	15,785	15,785	15,785	15,785	15,785	15,785	15,785	15,785	15,785	15,785	15,785	15,785
Miscellaneous	139,726	139,726	139,726	139,726	139,726	139,726	139,726	139,726	139,726	139,726	139,726	139,726	139,726	139,726	139,726	139,726
Vantage MHP Adm Fees	60,440	60,440	60,440	60,440	60,440	60,440	60,440	60,440	60,440	60,440	60,440	60,440	60,440	60,440	60,440	60,440
DHH Premiums /Claims Reimbursement - LeCHIP	5,725	5,725	5,725	5,725	5,725	5,725	5,725	5,725	5,725	5,725	5,725	5,725	5,725	5,725	5,725	5,725
DHH Premiums - Family Opportunity Act	7,408	7,408	7,408	7,408	7,408	7,408	7,408	7,408	7,408	7,408	7,408	7,408	7,408	7,408	7,408	7,408
Flexible Spending Forfeiture	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL Revenues	119,476,056															

Caveats: All claim estimates and projections are based upon data known and available at a point in time. Future results may differ significantly from current projections due to variability of claim incidence, changes to disease burden of population and demographic make up, legislative forces, changes in market and economic conditions and underlying provider contracts, changes in interest rates and inflation, changing medical protocols and technology, and changes in many other underlying variables that contribute to variance of revenue and expenses.

	Actual 2016 July	Actual 2016 August	Actual 2016 September	Actual 2016 October	Actual 2016 November	Actual 2016 December	Actual 2016 January	Actual 2017 February	Actual 2017 March	Actual 2017 April	Actual 2017 May	Projected 2017 June	Projected Total FFE 2017
MEDICAL CLAIMS EXPENDITURES													
Blue Cross - HMO Claims	86,395,638	76,787,847	84,141,505	65,688,444	71,228,095	87,006,791	67,532,924	66,246,950	65,070,451	75,509,730	75,602,308	891,826,177	
Blue Cross - PPO	-99,518	-127,673	-90,126	-250,673	-72,606	-3,676	-638	-17,783	-56,867	-60,669	0	0	-730,959
BLBS- PPO Claims Run out	-93,002	81,933	-1,006	-43,754	-26,338	-27,375	0	16,908	-58,234	0	0	0	-75,604
BLBS- PPO Claims Run out refund	-100	-28,719	0	-11	-15,263	0	-5,525	-60,176	-1,020	-1,334	0	0	-279,853
OGB- PPO Claims Runout	0	-172	0	0	0	0	0	0	0	0	0	0	-83,489
Claims Recoveries of OGB- PPO	-293	-14,458	-3,221	-8,933	-7,097	-656	0	-56	-46,283	-37,139	0	0	0
Blue Cross - CDHP	0	0	-110,821	0	0	-1,348	0	0	0	0	0	0	-112,169
Magnolia Open Access Claims	11,968,253	16,128,847	15,063,585	15,858,625	11,958,784	12,576,313	11,148,951	10,623,192	11,940,929	13,393,325	13,410,776	158,844,915	
Magnolia Local Plus Claims	52,377,485	63,513,690	55,710,684	62,579,061	47,410,043	52,123,539	64,705,040	50,140,727	49,350,734	45,548,418	55,306,394	655,080,644	
Magnolia Local Claims	295,532	211,471	162,222	230,587	152,737	250,560	374,178	123,590	162,473	116,324	215,431	2,555,017	
Pelican HSA 775 Claims	645,998	1,076,848	750,130	855,008	745,729	839,297	985,897	453,566	418,891	641,294	758,974	8,989,719	
Pelican HRA 3000 Claims	1,341,502	1,512,776	1,565,259	1,376,920	1,223,193	1,446,789	1,763,852	1,255,435	1,318,129	1,520,480	1,452,777	1,454,570	17,229,593
United-CDHP Claims Run out	0	-8,223	0	0	0	0	0	0	0	0	0	0	-8,223
United EPO - Refund	0	0	0	0	2,895	0	0	0	0	0	0	0	2,895
Vantage- Medical Home HMO	3,116,774	3,092,443	3,067,490	3,116,019	3,048,546	3,119,822	3,622,028	3,609,826	3,631,624	3,610,249	3,610,249	40,330,119	
Vantage- Medicare Advantage	322,723	655,223	0	323,317	323,189	320,820	329,721	329,213	328,156	325,745	325,745	3,914,156	
N.O. Reg Phys Hosp- Medicare Advantage	517,840	509,410	517,396	0	1,031,404	514,734	544,882	549,500	539,246	539,201	511,790	5,287,232	
PRESCRIPTION DRUG CLAIMS EXPENDITURES													
Catalyst- RX Claims	27,865,002	42,047,525	36,242,889	31,784,707	37,294,953	37,713,290	28,636,901	24,318,183	41,712,296	23,080,919	35,811,545	25,950,246	392,465,456
Catalyst- Rebates	0	0	0	0	0	0	0	0	0	0	0	0	0
Catalyst- EGWP Claims	0	0	0	0	0	0	0	0	0	0	0	0	0
Catalyst- EGWP Rebates	0	0	0	0	0	0	0	0	0	0	0	0	0
MedImpact Rx	22,339,697	28,188,135	24,075,169	22,689,184	27,349,632	24,707,807	26,953,760	16,151,506	28,405,270	20,915,233	23,386,649	23,502,772	288,665,814
MedImpact Rebates	-3,720,508	-1,046,436	-1,773,954	-3,139,397	-1,021,625	-317,449	-3,064,535	-1,056,501	-205,382	-3,169,592	0	0	-18,515,481
MedImpact EGWP Rx	11,983,554	15,466,017	15,941,675	12,973,355	16,531,154	15,247,439	11,169,043	9,930,190	15,495,621	12,417,255	12,448,193	160,081,356	
MedImpact EGWP Rebates	-2,737,541	-560,192	0	-791,239	-5,563,206	-1,927,329	-6,445,709	-767,395	-1,982,978	-7,102,393	-2,919	-10,000,000	-37,850,999
EGWP- IRMAA Reimbursement	0	0	0	22,804	0	2,822	24,341	382	-235	20,416	7,954	9,280	87,765
OTHER	2,351,495	2,615,523	2,463,549	3,013,473	2,465,328	2,534,754	7,399,306	3,104,653	770,949	2,609,052	2,784,839	3,259,379	35,376,298
Contract Performance Penalty Fees	0	0	0	0	0	0	0	0	-2,076,789	0	0	0	-2,076,789
Prudential	2,114,394	2,140,971	2,134,802	2,150,210	2,169,910	2,148,942	2,112,648	2,106,318	2,108,089	2,101,396	2,101,396	2,101,396	25,470,811
Obesity Project	0	216,500	39,000	590,960	-333,460	0	-13,000	0	0	0	0	0	528,000
LHD-LACHIP Claims	0	263	0	62	334,274	84,145	85,158	0	176,337	102,202	102,202	102,202	905,845
LHD-FOA Claims	236,551	255,789	289,747	272,242	284,597	256,082	325,065	1,002,334	550,383	397,746	397,746	397,746	74,229
Health Equity Inc.	0	0	0	0	0	0	0	0	0	0	0	0	5,058,310
Affordable Care Act Fees - PCORI	0	0	0	0	0	0	0	0	0	0	0	0	476,859
Affordable Care Act Fees - Transitional Reinsurance Fee	0	0	0	0	0	0	0	0	0	0	0	0	4,857,993

	Actual 2016 July	Actual 2016 August	Actual 2016 September	Actual 2016 October	Actual 2016 November	Actual 2016 December	Actual 2016 January	Actual 2016 February	Actual 2016 March	Actual 2017 April	Actual 2017 May	Projected 2017 June	Projected 2017 Total FYE 2017
ADMINISTRATIVE EXPENSES													
Blue Cross - Magnolia Open Access Administrative Fees	5,611,998	5,062,137	6,961,664	4,482,712	4,338,849	3,891,151	5,744,687	2,734,454	3,986,168	4,754,445	4,744,381	56,059,583	
Blue Cross - Magnolia Local Plus Administrative Fees	662,330	668,598	665,008	658,252	669,584	664,579	637,928	654,412	650,293	651,410	658,034	7,928,035	
Blue Cross - Magnolia Local Plus Administrative Fees	2,035,452	2,020,381	2,043,641	2,041,259	2,043,352	1,955,083	1,955,211	1,953,060	2,051,144	1,989,685	1,981,089	24,043,092	
Blue Cross - Magnolia Local Administrative Fees	13,136	13,692	13,764	14,129	14,076	14,056	13,067	12,950	12,974	12,648	13,297	13,157	
Blue Cross - Pelican HSA 775 Administrative Fees	62,408	64,665	64,858	68,285	68,355	68,542	72,424	72,398	73,563	74,679	71,660	72,211	
Blue Cross - Pelican HRA 1000 Administrative Fees	86,909	84,958	86,236	87,758	87,282	88,070	86,017	87,677	87,629	88,289	87,494	87,529	
Blue Cross - HMO Administrative Fees	-1,798	-645	-3,969	-550	-261	-596	1,504	0	-620	-125,103	0	0	
Blue Cross - PPO Administrative Fees	-2,335	-2,127	-1,232	479	1,254	-1	0	0	-174	0	0	0	
Blue Cross - CDHP Administrative Fees	0	0	0	0	0	0	-235	0	0	0	0	0	
MedImpact Commercial Administration Fee	319,619	369,407	373,362	354,895	391,186	328,556	345,108	1,776,838	-1,050,436	324,295	324,295	4,201,421	
MedImpact EGWP Administration Fee	289,541	290,232	296,332	297,866	297,770	300,630	0	0	0	0	0	0	
Discovery Benefits - FSA and CDBA Administrative Fees	0	34,133	37,715	33,187	33,950	33,704	33,915	39,101	38,485	38,473	38,473	395,609	
OneExchange Administrative Fees	0	0	0	2,000	2,032	2,013	2,075	2,084	4,279	0	2,267	2,267	
OGB - Salaries	107,502	291,584	190,328	189,060	190,322	198,481	225,129	201,058	259,483	179,530	230,595	2,487,585	
OGB - Other Compensation	3,693	9,729	5,613	3,452	724	1,334	646	558	3,105	3,043	17,442	66,781	
OGB - Related Benefits	49,380	245,387	196,148	205,081	207,757	93,365	95,202	326,044	368,112	208,467	234,912	246,496	
OGB - Travel	0	897	744	3,126	4,974	630	1,081	925	1,592	632	1,150	15,942	
OGB - Operating Services	11,778	24,661	275,646	23,883	1,931	1,712	6,741	6,095	6,361	3,114	40,252	443,426	
OGB - Supplies	0	3,613	-169	646	2,617	35	5,235	1,616	1,440	1,804	2,365	21,568	
OGB - Professional Services	-5,000	150,000	75,000	0	150,000	30,827	179,967	0	60,000	82,763	82,763	881,370	
OGB - Acquisitions	0	0	0	0	0	0	0	0	0	0	0	0	
OGB - Interagency Transfers	214,438	1,307,773	766,604	2,781,424	467,917	350,116	379,397	445,558	350,587	417,326	955,760	9,410,659	
EGWP - IRMAA Reimbursements	0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL EXPENDITURES													
	104,587,528	136,671,684	120,556,422	125,801,350	109,931,436	115,324,985	127,014,148	100,704,445	111,464,649	94,746,590	118,850,560	109,566,314	1,375,730,513

Caveats: All claim estimates and projections are based upon data known and available at a point in time. Future results may differ significantly from current projections due to variability of claim incidence, changes to disease burden of population and demographic make up, legislative forces, changes in market and economic conditions and underlying provider contracts, changes in interest rates and inflation, changing medical protocols and technology, and changes in many other underlying variables that contribute to variance of revenue and expenses.

	Projected 2017 July	Projected 2017 August	Projected 2017 September	Projected 2017 October	Projected 2017 November	Projected 2017 December	Projected 2018 January	Projected 2018 February	Projected 2018 March	Projected 2018 April	Projected 2018 May	Projected 2018 June	Projected Total FYE 2018
MEDICAL CLAIMS EXPENDITURES													
Blue Cross - HMO Claims	77,014,697	75,699,428	77,027,423	77,614,048	77,876,135	78,086,555	78,515,585	78,566,776	78,799,251	78,917,210	79,029,557	79,120,355	936,361,143
Blue Cross - PPO	0	0	0	0	0	0	0	0	0	0	0	0	0
BLBS- PPO Claims Run out	0	0	0	0	0	0	0	0	0	0	0	0	0
BLBS- PPO Claims Run out refund	0	0	0	0	0	0	0	0	0	0	0	0	0
OGB-PPO Claims Runout	0	0	0	0	0	0	0	0	0	0	0	0	0
Claims Recoveries of OGB- PPO	0	0	0	0	0	0	0	0	0	0	0	0	0
Blue Cross - CDHP	13,674,715	13,426,793	13,674,715	13,705,878	13,825,277	13,929,938	13,937,562	13,962,531	13,984,766	14,004,810	14,023,057	166,097,125	
Magnolia Open Access Claims	56,394,886	55,372,449	56,394,886	56,857,432	57,061,175	57,224,737	57,361,430	57,478,875	57,581,850	57,673,547	57,756,206	57,851,458	684,988,930
Magnolia Local Plus Claims	219,957	215,970	221,007	222,164	222,940	223,579	224,113	224,572	225,332	225,655	225,949	2,576,271	
Magnolia Local Claims	773,931	759,880	777,987	781,603	784,404	786,652	788,531	790,146	791,561	792,822	793,958	9,416,348	
Pelican HSA 775 Claims	1,483,299	1,456,407	1,490,919	1,498,042	1,503,410	1,507,719	1,511,321	1,514,415	1,517,128	1,519,544	1,522,722	1,523,705	18,047,632
Pelican HRA 3000 Claims	0	0	0	0	0	0	0	0	0	0	0	0	0
United CDHP Claims Run out	0	0	0	0	0	0	0	0	0	0	0	0	0
United EPO - Refund	0	0	0	0	0	0	0	0	0	0	0	0	0
Vantage- Medical Home HMO	3,610,249	3,610,249	3,610,249	3,610,249	3,610,249	3,610,249	3,610,249	3,610,249	3,610,249	3,610,249	3,610,249	3,610,249	44,938,649
Vantage- Medicare Advantage	325,745	325,745	325,745	325,745	325,745	325,745	325,745	325,745	325,745	325,745	325,745	3,908,936	
N.O. Reg Phys Hosp- Medicare Advantage	922,936	523,936	523,936	523,936	523,936	523,936	523,936	523,936	523,936	523,936	523,936	6,287,232	
PREScription DRUG CLAIMS EXPENDITURES	33,546,274	34,962,536	35,380,300	35,656,926	35,936,467	36,129,335	36,290,894	36,459,971	36,552,115	31,274,562	34,848,923	24,905,465	412,353,781
Catalyst- RX Claims	0	0	0	0	0	0	0	0	0	0	0	0	0
Catalyst- Rebates	0	0	0	0	0	0	0	0	0	0	0	0	0
Catalyst- EGWP Claims	0	0	0	0	0	0	0	0	0	0	0	0	0
Catalyst- EGWP Rebates	0	0	0	0	0	0	0	0	0	0	0	0	0
MedImpact Rx	23,552,319	24,216,250	24,557,543	24,788,293	24,962,981	25,103,716	25,221,655	25,323,223	25,412,452	25,497,046	25,563,905	25,629,416	299,823,780
MedImpact Rebates	-1,056,401	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-12,678,007	
MedImpact EGWP Rx	12,999,643	12,651,993	12,928,444	13,014,331	13,079,174	13,131,307	13,174,925	13,212,435	13,245,350	13,274,681	13,301,137	13,325,236	157,038,657
MedImpact EGWP Rebates	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-13,000,000	
EGWP- IRMAA Reimbursement	7,314	7,314	7,314	7,314	7,314	7,314	7,314	7,314	7,314	7,314	7,314	87,755	
OTHER	2,655,344	2,655,344	2,655,344	2,655,344	2,655,344	2,655,344	2,655,344	2,655,344	2,655,344	2,655,344	2,655,344	3,132,243	
Contract Performance Penalty Fees	2,101,396	2,101,396	2,101,396	2,101,396	2,101,396	2,101,396	2,101,396	2,101,396	2,101,396	2,101,396	2,101,396	0	
Prudential	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	528,000	
Obesity Project	82,237	82,237	82,237	82,237	82,237	82,237	82,237	82,237	82,237	82,237	82,237	986,845	
LDH-LCHIP Claims	6,186	6,186	6,186	6,186	6,186	6,186	6,186	6,186	6,186	6,186	6,186	74,229	
LDH-FCA Claims	421,526	421,526	421,526	421,526	421,526	421,526	421,526	421,526	421,526	421,526	421,526	5,058,310	
Health Equity Inc.	0	0	0	0	0	0	0	0	0	0	0	0	
Affordable Care Act Fees - PCORI	0	0	0	0	0	0	0	0	0	0	0	476,839	
Affordable Care Act Fees - Transitional Reinsurance Fee	0	0	0	0	0	0	0	0	0	0	0	0	

	Projected 2017 July	Projected 2017 August	Projected 2017 September	Projected 2017 October	Projected 2017 November	Projected 2017 December	Projected 2018 January	Projected 2018 February	Projected 2018 March	Projected 2018 April	Projected 2018 May	Projected 2018 June	Projected Total FYE 2018
ADMINISTRATIVE EXPENSES													
Blue Cross - Magnolia Open Access Administrative Fees	4,682,924	4,682,924	4,682,924	4,682,924	4,682,924	4,682,924	4,682,924	4,682,924	4,682,924	4,682,924	4,682,924	4,682,924	56,195,093
Blue Cross - Magnolia Local Plus Administrative Fees	650,670	650,670	650,670	650,670	650,670	650,670	650,670	650,670	650,670	650,670	650,670	650,670	7,928,035
Blue Cross - Magnolia Local Adminstrative Fees	2,003,591	2,003,591	2,003,591	2,003,591	2,003,591	2,003,591	2,003,591	2,003,591	2,003,591	2,003,591	2,003,591	2,003,591	24,043,092
Blue Cross - Magnolia Local Adminstrative Fees	13,414	13,414	13,414	13,414	13,414	13,414	13,414	13,414	13,414	13,414	13,414	13,414	160,966
Blue Cross - Pelican HSA 775 Administrative Fees	69,505	69,505	69,505	69,505	69,505	69,505	69,505	69,505	69,505	69,505	69,505	69,505	834,056
Blue Cross - Pelican HSA 1000 Administrative Fees	87,159	87,159	87,159	87,159	87,159	87,159	87,159	87,159	87,159	87,159	87,159	87,159	1,045,908
Blue Cross - HMO Administrative Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Blue Cross - PPO Administrative Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Blue Cross - CDHP Administrative Fees	-20	-20	-20	-20	-20	-20	-20	-20	-20	-20	-20	-20	-235
MedImpact Commercial Administration Fee	350,118	350,118	350,118	350,118	350,118	350,118	350,118	350,118	350,118	350,118	350,118	350,118	4,201,421
MedImpact EGWP Administration Fee	147,718	147,718	147,718	147,718	147,718	147,718	147,718	147,718	147,718	147,718	147,718	147,718	1,772,611
Discovery Benefits - FSA and COBRA Administrative Fees	32,967	32,967	32,967	32,967	32,967	32,967	32,967	32,967	32,967	32,967	32,967	32,967	395,609
OneExchange Administrative Fees	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	20,403
OGB - Salaries	207,297	207,297	207,297	207,297	207,297	207,297	207,297	207,297	207,297	207,297	207,297	207,297	2,487,565
OGB - Other Compensation	5,565	5,565	5,565	5,565	5,565	5,565	5,565	5,565	5,565	5,565	5,565	5,565	66,781
OGB - Related Benefits	205,414	205,414	205,414	205,414	205,414	205,414	205,414	205,414	205,414	205,414	205,414	205,414	2,464,966
OGB - Travel	1,412	1,412	1,412	1,412	1,412	1,412	1,412	1,412	1,412	1,412	1,412	1,412	16,942
OGB - Operating Services	36,952	36,952	36,952	36,952	36,952	36,952	36,952	36,952	36,952	36,952	36,952	36,952	443,426
OGB - Supplies	1,797	1,797	1,797	1,797	1,797	1,797	1,797	1,797	1,797	1,797	1,797	1,797	21,568
OGB - Professional Services	73,443	73,443	73,443	73,443	73,443	73,443	73,443	73,443	73,443	73,443	73,443	73,443	881,320
OGB - Acquisitions	0	0	0	0	0	0	0	0	0	0	0	0	0
OGB - Interagency Transfers	784,222	784,222	784,222	784,222	784,222	784,222	784,222	784,222	784,222	784,222	784,222	784,222	9,410,659
EGWP - INMAA Reimbursements	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL EXPENDITURES													
	118,299,241	118,000,233	119,745,992	120,649,253	121,150,871	121,54,159	122,144,847	122,435,016	122,659,635	122,530,051	121,210,749	111,841,001	1,437,251,048

Caveat: All claim estimates and projections are based upon data known and available at a point in time. Future results may differ significantly from current projections due to variability of claim incidence, changes to disease burden of population and demographic make up, legislative forces, changes in market and economic conditions and underlying provider contracts, changes in interest rates and inflation, changing medical protocols and technology, and changes in many other underlying variables that contribute to variance of revenue and expenses.

With No Rate or Plan Changes, January 2018.

	Actual	Projected	Projected	Projected	Projected
	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Revenue	\$1,587.2	\$1,619.0	\$1,646.6	\$1,597.9	\$1,634.6
Expenses	\$1,372.7	\$1,375.7	\$1,437.3	\$1,502.8	\$1,584.6
Surplus/Deficit	\$21.5	\$38.3	\$29.4	\$-6.3	-\$7.0
Fund balance / Net Position	\$146.8	\$186.1	\$215.5	\$209.2	\$195.6
Estimated Assets / Cash	\$238.0	\$277.3	\$306.7	\$300.3	\$286.7
Projected Rate Action January	0.0%	7.0%	0.0%	5.0%	5.0%
Target Range End of Year	M11 Max Midpoint	\$124 \$229 \$176	\$137 \$229 \$183	\$123 \$249 \$181	\$129 \$252 \$190

*Projections with actuals through April 2017 [assumes 5% rate action Jan 2019, 2020, 2021]

With No Rate or Plan Changes January 2018*

*Projections with actuals through April 2017 assumes 3% rate action Jan. 2019, and 5% 2020, 2021

With Board Approved Changes January 2018 (Tobacco and Spousal Surcharge and Plan Change)

		Projected Rate Action January			Target Range End of Year		
	Actual FYE 2016	Projected FYE 2017	Projected FYE 2018	Projected FYE 2019	Projected FYE 2020	Projected FYE 2021	
Revenue	\$1,497.2	\$1,415.0	\$1,473.5	\$1,536.5	\$1,570.5	\$1,632.5	\$1,682.5
Expenses	\$1,372.7	\$1,370.7	\$1,431.0	\$1,457.5	\$1,510.5	\$1,572.5	\$1,622.5
Surplus/Deficit	\$14.4	\$44.3	\$42.5	\$18.5	\$18.5	\$18.5	\$18.5
Fund balance - Net Position	\$16.0	\$106.1	\$226.1	\$247.0	\$265.5	\$281.5	\$297.5
Estimated Assets / Cash	\$23.0	\$77.3	\$119.3	\$138.1	\$155.7	\$174.9	\$193.0
Projected Rate Action January		0.0%	7.0%	0.0%	5.0%	5.0%	5.0%

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With Board Approved Changes January 2018 (Tobacco and Spousal Surcharge and Plan Change) *

	Actual FYE 2016	Projected FYE 2017	Projected FYE 2018	Projected FYE 2019	Projected FYE 2020	Projected FYE 2021
Revenue	\$1,397.2	\$1,418.0	\$1,474.5	\$1,531.50	\$1,587.5	\$1,643.5
Expenses	\$1,372.7	\$1,375.7	\$1,431.50	\$1,497.5	\$1,571.5	\$1,632.5
Surplus/Deficit	\$24.5	\$42.3	\$42.0	\$5.9	-\$7.5	-\$7.5
Fund balance / Net Position	\$145.4	\$185.1	\$228.1	\$234.0	\$284.5	\$211.5
Estimated Assets / Cash	\$231.0	\$277.3	\$319.3	\$325.1	\$317.7	\$309.9
Projected Rate Action January	0.0%	7.0%	0.0%	3.0%	5.0%	5.0%
Target Range End of Year						
Min	\$124	\$137	\$123	\$129	\$135	\$142
Max	\$229	\$229	\$240	\$252	\$264	\$277
Midpoint	\$175	\$183	\$181	\$190	\$200	\$210

* Projections with actuals through April 2017 (assumes 3% rate action Jan. 2019, and 5% 2020-2021).

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	Projected FYE 2016	Projected FYE 2017	Projected FYE 2018	Projected FYE 2019	Projected FYE 2020	Projected FYE 2021
Revenue	\$1,397.2	\$1,419.0	\$1,446.5	\$1,465.6	\$1,484.6	\$1,503.6
Expenses	\$1,372.7	\$1,375.7	\$1,387.3	\$1,399.1	\$1,404.6	\$1,408.8
Surplus/Deficit	\$26.5	\$33.3	\$59.4	\$62.5	\$77.9	\$97.1
Fund balance / Net Position	\$164.8	\$186.1	\$205.5	\$225.1	\$255.1	\$282.0
Estimated Assets / Cash	\$238.0	\$277.3	\$306.7	\$334.2	\$348.3	\$360.8
Projected Rate Action January	Midpoint	7.0%	0.0%	0.0%	0.0%	0.0%
Target Range End of Year						
Min	\$124	\$137	\$123	\$129	\$135	\$142
Max	\$239	\$259	\$240	\$252	\$264	\$277
Midpoint	\$178	\$183	\$181	\$180	\$180	\$180

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With No Roots as Global Citizens | January 2018 and Beyond

		Q1 FYE 2016			Projected FYE 2017			Projected FYE 2018			Projected FYE 2019			Projected FYE 2020			Projected FYE 2021		
		Revenue	Expenses	Surplus/(Deficit)	Fund Balance	Net Position	Estimated Assets / Cash	Revenue	Expenses	Surplus/(Deficit)	Fund Balance	Net Position	Estimated Assets / Cash	Revenue	Expenses	Surplus/(Deficit)	Fund Balance	Net Position	Estimated Assets / Cash
Revenue	\$1,377.2	\$1,418.0	\$-41.8	\$1,458.5	\$1,486.8	\$-28.3	\$1,484.5	\$1,484.5	\$0.0	\$1,484.5	\$1,500.1	\$-15.6	\$1,500.1	\$1,500.1	\$0.0	\$1,500.1	\$1,500.1	\$0.0	
Expenses	\$1,372.7	\$1,375.7	\$-3.0	\$1,473.3	\$1,500.1	\$-26.8	\$1,500.1	\$1,500.1	\$0.0	\$1,500.1	\$1,527.1	\$-22.0	\$1,527.1	\$1,527.1	\$0.0	\$1,527.1	\$1,527.1	\$0.0	
Surplus/(Deficit)	\$4.5	\$-3.0	\$7.5	\$22.0	\$22.5	\$-0.5	\$22.5	\$22.5	\$0.0	\$22.5	\$21.5	\$-1.0	\$21.5	\$21.5	\$0.0	\$21.5	\$21.5	\$0.0	
Fund Balance	\$146.8	\$186.1	\$-39.3	\$215.5	\$173.0	\$42.5	\$173.0	\$173.0	\$0.0	\$173.0	\$55.1	\$117.9	\$55.1	\$55.1	\$0.0	\$55.1	\$55.1	\$0.0	
Net Position	\$238.0	\$277.3	\$-39.3	\$305.7	\$264.2	\$41.5	\$264.2	\$264.2	\$0.0	\$264.2	\$146.3	\$118.0	\$146.3	\$146.3	\$0.0	\$146.3	\$146.3	\$0.0	
Estimated Assets / Cash																			
Projected Rate Action January	0.0%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Target Range End of Year</u>																			
Min		\$124	\$137	\$-13	\$123	\$129	\$6	\$123	\$129	\$6	\$123	\$135	\$12	\$123	\$135	\$12	\$123	\$135	\$12
Max		\$223	\$229	\$-6	\$220	\$232	\$12	\$220	\$232	\$12	\$220	\$234	\$12	\$220	\$234	\$12	\$220	\$234	\$12
Midpoint		\$176	\$183	\$-7	\$175	\$181	\$6	\$175	\$181	\$6	\$175	\$190	\$15	\$175	\$190	\$15	\$175	\$190	\$15

א. דוחות סטטיסטיים על תוצאות הבדיקה בתקופה 2010-2021

Actuarial Projections of OGIS Fund Performance: FYE 2015 to FYE 2016
Summary Exhibit Plan changes 3/1/15; 10.80% premium increases 7/1/15
With 7% rate action at 01/2017; 5% at 01/2018 and 01/2019

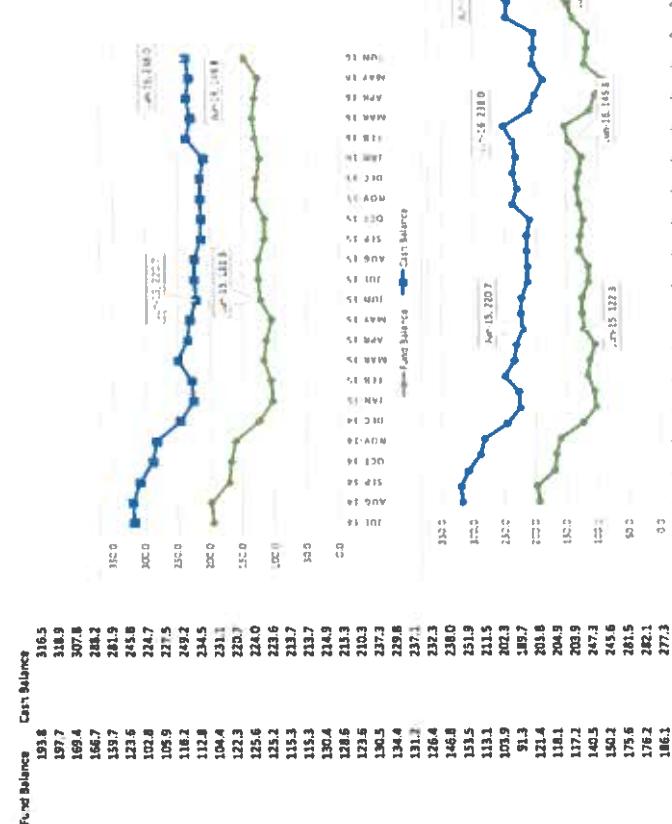
												Target Range End of Year			
												Min			
												Max			
	Actual	Actual	Actual	Total											
	2014	2014	2014	2014	2014	2014	2014	2014	2014	2015	2015	2015	2015	2015	FYE 2015
	July	August	September	October	November	December	January	February	March	April	May	June	June	June	Trend
Revenue	108.0	107.3	106.8	107.6	107.0	106.8	106.5	106.9	106.9	106.4	106.4	106.4	106.0	106.0	143
Expenses	118.7	120.3	124.6	119.8	114.4	112.9	112.3	112.3	112.3	112.3	112.3	112.3	112.4	112.4	231
Surplus/Deficit	-11.7	4.0	-30.3	-27	-46.1	-7.9	-30.4	1.0	10.4	-4.4	-4.4	-4.4	-48.1	-48.1	187
Fund Balance / Net Position	102.6	107.7	102.4	105.2	105.2	105.2	105.4	105.4	105.4	105.2	105.2	105.2	105.4	105.4	125.6
Estimated Assets / Cash	101.3	110.0	107.8	108.2	108.2	108.2	108.3	108.3	108.3	107.5	107.5	107.5	107.7	107.7	124
	Actual	Actual	Actual	Total											
	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	FYE 2016
	July	August	September	October	November	December	January	February	March	April	May	June	June	June	Trend
Revenue	112.8	114.9	118.8	118.8	118.8	118.8	118.8	118.8	118.8	118.8	118.8	118.8	117.7	117.7	126
Expenses	113.3	113.1	112.8	112.8	112.8	112.8	112.8	112.8	112.8	112.8	112.8	112.8	112.7	112.7	229
Surplus/Deficit	1.3	-0.9	-0.9	-0.9	-0.9	-0.9	-0.9	-0.9	-0.9	-0.9	-0.9	-0.9	-0.4	-0.4	176
Fund Balance / Net Position	123.6	123.6	118.8	118.8	118.8	118.8	118.8	118.8	118.8	118.8	118.8	118.8	114.3	114.3	144.36
Estimated Assets / Cash	124.0	221.6	211.7	211.7	211.7	211.7	211.7	211.7	211.7	211.7	211.7	211.7	211.7	211.7	3132
	Actual	Actual	Actual	Total											
	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	FYE 2017
	July	August	September	October	November	December	January	February	March	April	May	June	June	June	Trend
Revenue	111.3	102.3	111.3	111.3	111.3	111.3	111.3	111.3	111.3	111.3	111.3	111.3	108.8	108.8	137
Expenses	104.6	114.6	220.0	220.0	220.0	220.0	220.0	220.0	220.0	220.0	220.0	220.0	217.7	217.7	229
Surplus/Deficit	6.7	-60.6	-61.4	-61.4	-61.4	-61.4	-61.4	-61.4	-61.4	-61.4	-61.4	-61.4	-56.3	-56.3	183
Fund Balance / Net Position	182.3	218.1	208.0	208.0	208.0	208.0	208.0	208.0	208.0	208.0	208.0	208.0	208.1	208.1	210
Estimated Assets / Cash	201.9	221.5	221.5	221.5	221.5	221.5	221.5	221.5	221.5	221.5	221.5	221.5	221.5	221.5	243.56%
	Actual	Actual	Actual	Total											
	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	FYE 2017
	July	August	September	October	November	December	January	February	March	April	May	June	June	June	Trend
Revenue	111.3	102.3	111.3	111.3	111.3	111.3	111.3	111.3	111.3	111.3	111.3	111.3	108.8	108.8	137
Expenses	104.6	114.6	220.0	220.0	220.0	220.0	220.0	220.0	220.0	220.0	220.0	220.0	217.7	217.7	229
Surplus/Deficit	6.7	-60.6	-61.4	-61.4	-61.4	-61.4	-61.4	-61.4	-61.4	-61.4	-61.4	-61.4	-56.3	-56.3	183
Fund Balance / Net Position	182.3	218.1	208.0	208.0	208.0	208.0	208.0	208.0	208.0	208.0	208.0	208.0	208.1	208.1	210
Estimated Assets / Cash	201.9	221.5	221.5	221.5	221.5	221.5	221.5	221.5	221.5	221.5	221.5	221.5	221.5	221.5	243.56%
	Projected	Projected	Projected	Total											
	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	FYE 2018
	July	August	September	October	November	December	January	February	March	April	May	June	June	June	Trend
Revenue	119.3	119.3	118.8	118.8	118.8	118.8	118.8	118.8	118.8	118.8	118.8	118.8	118.8	118.8	123
Expenses	118.3	118.3	118.7	118.6	118.6	118.6	118.6	118.6	118.6	118.6	118.6	118.6	118.6	118.6	124
Surplus/Deficit	1.0	-1.0	-4.3	-4.3	-4.3	-4.3	-4.3	-4.3	-4.3	-4.3	-4.3	-4.3	-4.3	-4.3	191
Fund Balance / Net Position	187.3	186.8	204.8	204.8	204.8	204.8	204.8	204.8	204.8	204.8	204.8	204.8	204.8	204.8	205.0
Estimated Assets / Cash	205.7	207.4	208.9	208.9	208.9	208.9	208.9	208.9	208.9	208.9	208.9	208.9	208.9	208.9	205.9
	Projected	Projected	Projected	Total											
	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	FYE 2019
	July	August	September	October	November	December	January	February	March	April	May	June	June	June	Trend
Revenue	120.8	120.3	122.9	122.9	122.9	122.9	122.9	122.9	122.9	122.9	122.9	122.9	122.9	122.9	125
Expenses	120.2	120.2	121.7	121.7	121.7	121.7	121.7	121.7	121.7	121.7	121.7	121.7	121.7	121.7	126
Surplus/Deficit	-0.7	-0.4	-4.3	-4.3	-4.3	-4.3	-4.3	-4.3	-4.3	-4.3	-4.3	-4.3	-4.3	-4.3	190
Fund Balance / Net Position	210.3	209.4	209.4	209.4	209.4	209.4	209.4	209.4	209.4	209.4	209.4	209.4	209.4	209.4	209.4
Estimated Assets / Cash	209.2	209.2	209.2	209.2	209.2	209.2	209.2	209.2	209.2	209.2	209.2	209.2	209.2	209.2	209.2
	Projected	Projected	Projected	Total											
	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	FYE 2020
	July	August	September	October	November	December	January	February	March	April	May	June	June	June	Trend
Revenue	125.4	125.4	125.4	125.4	125.4	125.4	125.4	125.4	125.4	125.4	125.4	125.4	125.4	125.4	125
Expenses	120.4	120.4	120.0	120.0	120.0	120.0	120.0	120.0	120.0	120.0	120.0	120.0	120.0	120.0	120
Surplus/Deficit	-4.0	-4.4	-4.4	-4.4	-4.4	-4.4	-4.4	-4.4	-4.4	-4.4	-4.4	-4.4	-4.4	-4.4	190
Fund Balance / Net Position	207.2	206.9	206.9	206.9	206.9	206.9	206.9	206.9	206.9	206.9	206.9	206.9	206.9	206.9	206.9
Estimated Assets / Cash	207.0	207.0	207.0	207.0	207.0	207.0	207.0	207.0	207.0	207.0	207.0	207.0	207.0	207.0	207.0

Actuarial Projections of OGB Fund Performance: FYE 2015 to FYE 2016
Summary Exhibit: Plan changes 3/1/15; 10.80% premium increases 7/1/15
With 7% rate action at 01/2017; 5% at 01/2018 and 01/2019

	Projected 2020 July	Projected 2020 August	Projected 2020 September	Projected 2020 October	Projected 2020 November	Projected 2020 December	Projected 2021 January	Projected 2021 February	Projected 2021 March	Projected 2021 April	Projected 2021 May	Projected Total FYE 2021	Projected Total FYE 2021	Projected Total FYE 2021
Revenue	281.7	281.7	281.7	281.7	281.7	281.7	281.7	281.7	281.7	281.7	281.7	281.7	281.7	281.7
Expenses	184.9	184.9	184.9	184.9	184.9	184.9	184.9	184.9	184.9	184.9	184.9	184.9	184.9	184.9
Surplus/Deficit	-4.2	-4.2	-4.2	-4.2	-4.2	-4.2	-4.2	-4.2	-4.2	-4.2	-4.2	-4.2	-4.2	-4.2
Fund Balance / Net Position	287.5	287.5	287.5	287.5	287.5	287.5	287.5	287.5	287.5	287.5	287.5	287.5	287.5	287.5
Estimated Assets / Cash	285.7	285.7	285.9	286.0	286.0	286.0	286.0	286.0	286.0	286.0	286.0	286.0	286.0	286.0

As of 06/05/17
Assumptions: Plan design changes 3/1/15; 10.80% premium increases 7/1/15
Caveats: All estimates and projections are based upon data known and available at a point in time. Future results may differ significantly from current projections due to variability of claim

Chart Data



As of 06/05/17

Assumptions: Plan design changes 3/1/15; 10.80% premium increases 7/1/15

10.80% premium increases 7/1/15

10.80% premium increases 7/1/15

10.80% premium increases 7/1/15



	Actual 2016 July	Actual 2016 August	Actual 2016 September	Actual 2016 October	Actual 2016 November	Actual 2016 December	Actual 2016 January	Actual 2017 February	Actual 2017 March	Actual 2017 April	Actual 2017 May	Projected 2017 June	Projected Total FYE 2017
Revenues													
Premiums - Blue Cross PPO	-496,521	-3,366,345	-31,342	23,146	64,608	-33,925	2,748	39,378	-59,149	-7,093	0	0	-3,866,495
Premiums - Blue Cross ASO	-552,728	-4,060,782	-314,788	-17,220	-20,621	784	130,926	-6,092	-42,550	-239,647	0	0	-5,122,718
Premiums - Blue Cross CDHP	0	0	0	0	0	0	-4,471	0	0	0	0	0	-4,471
Premiums Magnolia Open Access	22,035,191	18,065,851	22,090,696	22,276,728	22,274,083	22,037,905	23,379,631	23,226,563	22,861,235	22,714,363	22,714,363	0	266,390,072
Premiums Magnolia Local plus	79,261,404	74,249,641	78,388,358	79,471,528	79,182,195	79,154,241	85,664,873	85,560,961	85,235,974	84,759,692	84,759,692	0	980,458,250
Premiums Magnolia Local	411,251	451,087	448,591	470,838	471,177	465,471	460,027	453,393	454,152	444,174	465,471	460,027	5,455,658
Premiums Pelican HSA 775	896,574	929,660	926,080	972,352	979,755	977,701	1,062,586	1,059,508	1,077,107	1,088,421	1,088,421	0	12,156,585
Premiums Pelican HRA 2000	2,101,531	1,975,506	2,133,829	2,257,189	2,195,813	2,180,050	7,295,590	2,311,830	2,265,073	2,236,322	2,236,322	0	31,425,979
Premiums - Vantage Medical Home	3,097,930	3,054,351	3,081,533	3,129,011	3,108,943	3,165,314	3,585,468	3,600,455	3,606,782	3,577,871	3,577,871	0	40,144,401
Vantage- Medicare Advantage	331,338	326,094	323,189	324,036	320,622	321,290	329,501	330,025	327,959	325,857	325,857	0	3,911,626
N.O. Reg Phys Hosp- Medicare Advantage	526,988	517,396	495,946	534,490	512,548	518,848	547,831	546,117	539,710	541,374	541,374	0	6,363,996
Vantage HMO	0	0	0	0	0	0	0	0	0	0	0	0	0
Premiums - Life	2,159,229	2,185,067	2,179,448	2,189,608	2,193,843	2,193,712	2,156,008	2,149,704	2,153,263	2,144,720	2,165,208	2,160,436	25,030,247
Employer Group Waiver Plan - Subsidy	1,070,397	1,527,662	1,047,475	1,054,190	28,191,974	1,060,512	810,861	3,382,284	1,914,675	1,908,270	994,088	995,946	43,958,334
Health Equity - Health Savings Account	220,964	255,789	289,747	272,242	294,597	296,082	325,525	1,028,174	526,638	392,326	350,860	0	4,503,803
Interest	63,306	74,011	68,414	60,860	65,581	65,516	74,076	72,698	82,578	98,831	35,804	0	797,428
IAT Revenue	0	0	0	0	0	0	0	82,141	47,393	0	15,785	15,785	178,773
Miscellaneous	16,358	19,927	16,572	18,551	16,774	17,875	20,410	17,853	18,973	11,110	139,726	139,726	453,807
Vantage MHIP Admin Fees	58,361	0	115,515	58,123	58,344	58,599	64,209	63,580	63,784	63,886	60,440	60,440	725,281
LDH Premiums/Claims Reimbursement - LaCHIP	81,600	93,150	79,155	83,598	89,450	86,600	88,988	87,851	101,240	90,460	5,725	5,725	893,492
LDH Premiums - Family Opportunity Act	4,232	6,076	5,825	4,666	5,605	5,558	7,408	5,993	7,704	7,173	5,858	7,408	73,806
Fee Reinstatement	0	0	0	0	0	-122	0	0	0	-122	0	0	-243
TOTAL Revenues	111,285,407	96,304,140	111,334,244	113,193,935	140,005,293	112,572,010	126,082,731	123,990,225	121,135,048	120,175,778	119,462,743	119,476,056	1,415,037,609

Caveats: All claim estimates and projections are based upon data known and available at a point in time. Future results may differ significantly from current projections due to variability of claim incidence, changes to disease burden of population and demographic make up, legislative forces, changes in market and economic conditions and underlying provider contracts, changes in interest rates and inflation, changing medical protocols and technology, and changes in many other underlying variables that contribute to variance of revenue and expenses.

	Projected Total FYE 2018											
	Projected 2017 July	Projected 2017 August	Projected 2017 September	Projected 2017 October	Projected 2017 November	Projected 2017 December	Projected 2018 January	Projected 2018 February	Projected 2018 March	Projected 2018 April	Projected 2018 May	Projected 2018 June
Revenues												
Premiums - Blue Cross PPO	0	0	0	0	0	0	0	0	0	0	0	0
Premiums - Blue Cross ASO	0	0	0	0	0	0	0	0	0	0	0	0
Premiums - Blue Cross CDHP	0	0	0	0	0	0	0	0	0	0	0	0
Premiums - Magnolia Open Access	22,714,363	22,714,363	22,714,363	22,714,363	22,714,363	22,714,363	22,714,363	22,714,363	22,714,363	22,714,363	22,714,363	22,714,363
Premiums - Magnolia Local Plus	84,759,692	84,759,692	84,759,692	84,759,692	84,759,692	84,759,692	84,759,692	84,759,692	84,759,692	84,759,692	84,759,692	84,759,692
Premiums - Magnolia Local	460,027	460,027	460,027	460,027	460,027	460,027	460,027	460,027	460,027	460,027	460,027	460,027
Premiums - Pelican HSA 775	1,088,421	1,088,421	1,088,421	1,088,421	1,088,421	1,088,421	1,088,421	1,088,421	1,088,421	1,088,421	1,088,421	1,088,421
Premiums - Pelican HRA 1000	2,236,322	2,236,322	2,236,322	2,236,322	2,236,322	2,236,322	2,236,322	2,236,322	2,236,322	2,236,322	2,236,322	2,236,322
Premiums - Vintage Medical Home	3,577,871	3,577,871	3,577,871	3,577,871	3,577,871	3,577,871	3,577,871	3,577,871	3,577,871	3,577,871	3,577,871	3,577,871
Vantage - Medicare Advantage®	325,857	325,857	325,857	325,857	325,857	325,857	325,857	325,857	325,857	325,857	325,857	325,857
N.O. Reg Phys Hosp - Medicare Advantage	541,374	541,374	541,374	541,374	541,374	541,374	541,374	541,374	541,374	541,374	541,374	541,374
Vantage HMO	0	0	0	0	0	0	0	0	0	0	0	0
Premiums - Life	2,160,436	2,160,436	2,160,436	2,160,436	2,160,436	2,160,436	2,160,436	2,160,436	2,160,436	2,160,436	2,160,436	2,160,436
Employer Group Waiver Plan - Subsidy	995,946	995,946	995,946	995,946	995,946	995,946	995,946	995,946	995,946	995,946	995,946	995,946
Bancorp - Health Savings Account	350,860	350,860	350,860	350,860	350,860	350,860	350,860	350,860	350,860	350,860	350,860	350,860
Interest	35,804	35,804	35,804	35,804	35,804	35,804	35,804	35,804	35,804	35,804	35,804	35,804
IAT Revenue	15,785	15,785	15,785	15,785	15,785	15,785	15,785	15,785	15,785	15,785	15,785	15,785
Miscellaneous	139,726	139,726	139,726	139,726	139,726	139,726	139,726	139,726	139,726	139,726	139,726	139,726
Vantage MHHIP Admin Fees	60,440	60,440	60,440	60,440	60,440	60,440	60,440	60,440	60,440	60,440	60,440	60,440
DHH Premiums/Claims Reimbursement - LCHIP	5,725	5,725	5,725	5,725	5,725	5,725	5,725	5,725	5,725	5,725	5,725	5,725
DHH Premiums - Family Opportunity Act	7,408	7,408	7,408	7,408	7,408	7,408	7,408	7,408	7,408	7,408	7,408	7,408
Flexible Spending Forfeiture	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL Revenues	119,476,056	119,476,056	119,476,056	119,476,056	119,476,056	119,476,056	119,476,056	119,476,056	119,476,056	119,476,056	119,476,056	119,476,056

Caveats: All claim estimates and projections are based upon data known and available at a point in time. Future results may differ significantly from current projections due to variability of claim Incidences, changes to disease burden of population and demographic make up, legislative forces, changes in market and economic conditions and underlying provider contracts, changes in interest rates and inflation, changing medical protocols and technology, and changes in many other underlying variables that contribute to variance of revenue and expenses.

	Actual 2016 July	Actual 2016 August	Actual 2016 September	Actual 2016 October	Actual 2016 November	Actual 2016 December	Actual 2016 January	Actual 2016 February	Actual 2016 March	Actual 2017 April	Actual 2017 May	Projected 2017 June	Projected Total FYE 2017
MEDICAL CLAIMS EXPENDITURES													
Blue Cross - HMO Claims	70,524,494	86,395,638	76,787,847	84,141,505	65,688,444	71,238,095	87,086,791	67,532,974	66,246,950	65,070,451	75,509,730	75,602,308	891,826,177
Blue Cross - PPO	-15,358	-99,518	-127,673	-90,126	-250,673	-36,891	-58,023	-17,783	-36,867	-50,659	0	0	-730,999
BLSB- PPO Claims Run out	-93,002	-152,561	81,933	-1,006	-73,606	-3,676	-658	0	16,938	4,272	0	0	-75,604
BLSB- PPO Claims Run out refund	-100	-28,719	0	-11	-43,754	-26,338	-37,379	0	-58,234	-85,318	0	0	-279,853
OGB-PPO Claims Runout	0	-172	0	0	-15,263	0	-5,525	-60,176	-1,020	-1,334	0	0	-83,489
Claims Recoveries of OGB- PPO	-293	-14,458	-3,221	-8,963	-7,097	-656	0	0	0	0	0	0	0
Blue Cross - CDHP	0	0	0	-110,821	0	0	-1,348	0	0	0	0	0	-112,165
Magnolia Open Access Claims	11,868,253	16,128,847	15,063,585	15,858,625	11,958,784	12,575,313	14,773,325	11,148,961	10,623,192	11,940,929	13,393,325	13,410,776	158,844,915
Magnolia Local Plus Claims	57,377,485	63,213,690	55,710,684	62,579,061	47,410,043	52,123,539	64,795,040	50,140,727	49,350,734	46,548,418	55,306,394	655,080,644	
Magnolia Local Claims	299,632	211,471	162,222	230,587	132,737	250,560	374,178	123,590	162,473	116,324	215,431	215,712	2,555,017
Pelican HSA 775 Claims	685,098	1,076,948	750,130	865,008	746,729	839,297	955,897	453,566	418,091	641,294	757,986	758,974	8,989,719
Pelican HRA 1000 Claims	1,341,602	1,512,776	1,585,289	1,376,920	1,222,193	1,446,789	1,763,452	1,255,455	1,318,129	1,520,400	1,452,777	1,454,970	17,229,943
United- CDHP Claims Run out	0	-8,223	0	0	0	0	0	0	0	0	0	0	-8,223
United EPO - Refund	0	0	0	2,895	0	0	0	0	0	0	0	0	2,895
Vantage- Medical Home HMO	3,116,774	3,092,443	3,067,490	3,116,019	3,048,546	3,119,822	3,632,828	3,609,826	3,631,624	3,618,249	3,618,249	40,330,119	
Vantage- Medicare Advantage	327,323	555,223	0	323,317	323,189	320,820	329,721	328,156	325,745	325,745	325,745	3,914,156	
N.O. Reg Phys Hosp- Medicare Advantage	517,860	509,430	517,396	0	1,031,404	514,734	544,882	549,500	539,201	511,790	511,790	5,287,232	
PRESCRIPTION DRUG CLAIMS EXPENDITURES													
Catalyst- RX Claims	27,965,002	42,047,525	36,242,889	31,784,707	37,294,952	37,713,250	28,636,901	24,318,183	41,712,295	23,080,919	35,811,546	25,960,246	392,468,455
Catalyst- Rebates	0	0	0	0	0	0	0	0	0	0	0	0	0
Catalyst- EGWP Claims	0	0	0	0	0	0	0	0	0	0	0	0	0
Catalyst- EGWP Rebates	0	0	0	0	0	0	0	0	0	0	0	0	0
MedImpact Rx	22,339,697	28,188,335	24,075,169	22,689,184	27,348,632	24,707,807	26,935,760	16,151,506	28,405,270	20,915,233	23,388,649	23,502,772	288,665,814
MedImpact Rebates	-3,720,608	-1,046,436	-1,773,934	-3,139,397	-1,021,628	-317,449	-3,064,535	-1,056,501	-203,362	-3,169,592	0	0	-16,515,481
MedImpact EGWP Rx	11,983,554	15,466,017	13,941,675	12,973,355	16,531,154	15,247,439	11,169,043	9,990,190	15,495,621	12,417,255	12,417,255	12,448,193	160,001,356
MedImpact EGWP Rebates	-2,737,641	-560,392	0	-761,239	-5,563,205	-1,927,329	-6,445,703	-767,395	-1,985,378	-7,102,393	-2,919	-10,000,000	-37,850,999
EGWP- IRMAA Reimbursement	0	0	0	0	22,804	0	2,822	24,341	382	-235	20,016	7,954	9,260
OTHER	2,351,495	2,615,523	2,483,549	3,013,473	2,465,328	2,534,754	7,399,305	3,100,653	770,949	2,609,052	3,259,379	3,256,298	35,376,298
Contract Performance Penalty Fees	0	0	0	0	0	0	0	0	-2,076,799	0	0	0	-2,076,799
Prudential	2,114,934	2,140,971	2,134,802	2,150,210	2,169,910	2,148,942	2,112,448	2,108,318	2,108,089	2,101,396	2,101,396	2,101,396	25,470,811
Obesity Project	0	210,500	39,000	590,960	-333,460	0	13,000	0	0	0	0	0	528,000
LDH-LACHIP Claims	0	263	0	62	334,274	84,145	85,158	0	176,537	102,202	102,202	102,202	986,845
LDH-FOA Claims	0	0	0	0	20,007	5,585	5,642	0	14,228	7,708	12,359	10,000	74,229
Health Equity Inc.	236,551	255,789	289,747	272,242	284,597	266,082	305,065	1,002,334	558,383	397,746	568,882	568,882	5,058,310
Affordable Care Act Fees - PCORI	0	0	0	0	0	0	0	0	0	0	476,899	476,899	4,857,993
Affordable Care Act Fees - Transitional Reinsurance Fee	0	0	0	0	0	0	0	0	0	0	0	0	0

	Actual 2016 July	Actual 2016 August	Actual 2016 September	Actual 2016 October	Actual 2016 November	Actual 2016 December	Actual 2016 January	Actual 2016 February	Actual 2016 March	Actual 2017 April	Actual 2017 May	Projected 2017 June	Projected Total FTE 2017
ADMINISTRATIVE EXPENSES													
Blue Cross - Magnolia Open Access Administrative Fees	5,611,998	5,062,137	5,851,664	4,482,712	4,338,849	3,891,151	5,744,687	2,734,454	3,986,168	4,754,445	4,744,381	56,059,583	
Blue Cross - Magnolia Local Plus Administrative Fees	662,830	668,598	666,008	668,252	669,584	664,579	637,928	654,412	650,293	651,410	658,034	7,928,035	
Blue Cross - Magnolia Local Plus Administrative Fees	2,035,452	2,020,041	2,043,641	2,041,259	2,043,392	1,935,083	1,935,211	1,932,050	1,931,144	1,931,144	1,931,049	24,043,092	
Blue Cross - Magnolia Local Administrative Fees	13,136	13,692	13,764	14,129	14,076	13,067	12,950	12,974	12,648	13,297	13,167	160,966	
Blue Cross - Pelican HSA 775 Administrative Fees	62,408	64,665	64,368	66,285	68,355	69,542	72,424	72,398	73,563	74,679	71,660	834,056	
Blue Cross - Pelican HRA 1000 Administrative Fees	86,909	84,958	86,296	87,758	87,282	88,070	85,017	87,677	87,629	88,289	87,494	1,045,908	
Blue Cross - HMO Administrative Fees	-1,798	-645	-3,969	-550	-261	-596	1,504	0	-620	-125,103	0	0	
Blue Cross - PPO Administrative Fees	-2,535	-2,127	-4,252	479	1,234	-1	0	0	-174	0	0	-4,355	
Blue Cross - CDHP Administrative Fees	0	0	0	0	0	0	-235	0	0	0	0	-235	
MedImpact Commercial Administration Fee	319,619	389,407	373,362	354,895	391,186	328,555	345,108	1,776,838	-1,050,486	324,295	324,295	4,201,421	
MedImpact EGWP Administration Fee	289,541	290,232	296,352	297,770	300,830	0	0	0	0	0	0	1,772,611	
Discovery Benefits - FSA and COBRA Administrative Fees	0	34,133	33,715	33,187	33,950	33,704	33,915	39,101	38,485	38,473	38,473	395,609	
OneExchange Administrative Fees	0	0	2,000	2,032	2,015	2,075	2,084	4,279	0	2,267	2,267	21,286	
OGB - Salaries	107,302	291,584	190,328	189,060	190,312	198,481	225,129	201,058	259,483	173,630	250,595	2,487,565	
OGB - Other Compensation	3,693	9,729	5,613	3,452	724	1,334	646	558	3,105	3,043	17,442	66,781	
OGB - Related Benefits	49,580	245,387	196,148	205,001	207,757	93,365	95,202	326,044	368,112	208,467	234,912	2,464,966	
OGB - Travel	0	887	744	3,126	4,974	630	1,081	925	1,592	632	1,150	16,942	
OGB - Operating Services	11,778	24,661	276,846	23,883	1,931	1,712	6,741	6,095	6,361	3,116	40,252	443,426	
OGB - Supplies	0	3,613	-169	646	2,617	35	5,235	1,616	1,440	1,804	2,365	21,568	
OGB - Professional Services	-5,000	150,000	75,000	0	150,000	30,827	179,967	0	60,000	82,763	82,763	881,320	
OGB - Acquisitions	0	0	0	0	0	0	0	0	0	0	0	0	
OGB - Interagency Transfers	214,438	1,307,773	766,604	2,791,424	467,917	350,116	379,397	445,558	350,587	417,326	959,760	9,410,559	
EGWP - IRMAA Reimbursements	0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL EXPENDITURES	104,587,928	136,671,684	120,555,422	125,801,350	109,931,436	115,824,988	127,014,148	100,704,445	111,464,649	94,746,590	118,860,560	109,566,314	
												1,375,730,513	

Caveats: All claim estimates and projections are based upon data known and available at a point in time. Future results may differ significantly from current projections due to variability of claim incidence, changes to disease burden of population and demographic make up, legislative forces, changes in market and economic conditions and underlying provider contracts, changes in interest rates and inflation, changing medical protocols and technology, and changes in many other underlying variables that contribute to variance of revenue and expenses.

	Projected 2017 July	Projected 2017 August	Projected 2017 September	Projected 2017 October	Projected 2017 November	Projected 2017 December	Projected 2017 January	Projected 2018 February	Projected 2018 March	Projected 2018 April	Projected 2018 May	Projected 2018 June	Projected Total FYE 2018
MEDICAL CLAIMS EXPENDITURES													
Blue Cross - HMO Claims	77,014,697	75,699,428	77,027,423	77,614,048	77,876,135	78,046,555	78,515,685	78,666,776	78,789,251	78,917,218	79,023,557	79,120,368	936,361,143
Blue Cross - PRO	0	0	0	0	0	0	0	0	0	0	0	0	0
BLBS- PPO Claims Run out	0	0	0	0	0	0	0	0	0	0	0	0	0
BLBS- PPO Claims Run out refund	0	0	0	0	0	0	0	0	0	0	0	0	0
OGB-PRO Claims Runout	0	0	0	0	0	0	0	0	0	0	0	0	0
Claims Recoveries of OGB- PPO	0	0	0	0	0	0	0	0	0	0	0	0	0
Blue Cross - CDHP	13,574,715	13,426,793	13,674,715	13,786,878	13,835,277	13,875,938	13,909,084	13,937,582	13,962,531	13,984,766	14,004,810	14,023,057	166,097,125
Magnolia Open Access Claims	56,394,886	55,372,449	56,394,846	56,457,452	57,061,175	57,224,737	57,361,430	57,478,875	57,581,850	57,673,547	57,756,205	57,831,458	684,988,950
Magnolia Local Plus Claims	219,957	215,970	221,087	222,144	222,940	223,579	224,113	224,572	224,974	225,332	225,635	225,949	2,576,271
Magnolia Local Claims	773,911	759,880	777,947	781,803	784,404	788,531	790,146	791,561	792,822	793,958	794,993	9,416,348	9,416,348
Pelican HSA 775 Claims	1,483,259	1,456,407	1,490,919	1,498,042	1,503,410	1,507,719	1,511,321	1,514,415	1,517,128	1,519,544	1,521,722	1,523,705	18,047,832
Pelican HRA 1000 Claims	0	0	0	0	0	0	0	0	0	0	0	0	0
United CDHP Claims Run out	0	0	0	0	0	0	0	0	0	0	0	0	0
United EPO - Refund	0	0	0	0	0	0	0	0	0	0	0	0	0
Vantage- Medical Home HMO	3,618,249	3,618,249	3,618,249	3,618,249	3,618,249	3,618,249	3,618,249	3,618,249	3,618,249	3,618,249	3,618,249	3,618,249	44,938,649
Vantage- Medicare Advantage	325,745	325,745	325,745	325,745	325,745	325,745	325,745	325,745	325,745	325,745	325,745	325,745	3,908,936
N.O. Rx- Phys Hosp- Medicare Advantage	523,936	523,936	523,936	523,936	523,936	523,936	523,936	523,936	523,936	523,936	523,936	523,936	6,287,232
PRESCRIPTION DRUG CLAIMS EXPENDITURES													
Catalyst- RX Claims	33,946,274	34,952,535	35,380,300	35,696,936	35,935,467	36,129,336	36,230,894	36,429,971	36,552,115	31,274,564	34,348,923	24,905,465	412,553,781
Catalyst- Rebates	0	0	0	0	0	0	0	0	0	0	0	0	0
Catalyst- EGWP Claims	0	0	0	0	0	0	0	0	0	0	0	0	0
Catalyst- EGWP Rebates	0	0	0	0	0	0	0	0	0	0	0	0	0
MedImpact Rx	23,552,319	24,216,230	24,557,543	24,788,293	24,982,981	25,103,716	25,221,656	25,323,223	25,412,452	25,492,046	25,563,805	25,629,416	299,823,740
MedImpact Rebates	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-12,678,007
MedImpact EGWP Rx	12,499,643	12,451,993	12,425,444	13,014,331	13,079,174	13,131,307	13,174,925	13,212,435	13,245,350	13,274,681	13,301,137	13,375,236	157,038,657
MedImpact EGWP Rebates	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-1,056,501	-31,918,414
EGWP- IRMAA Reimbursement	7,314	7,314	7,314	7,314	7,314	7,314	7,314	7,314	7,314	7,314	7,314	7,314	87,765
OTHER Contract Performance Penalty Fees	2,655,344	2,655,344	2,655,344	2,655,344	2,655,344	2,655,344	2,655,344	2,655,344	2,655,344	2,655,344	2,655,344	2,655,344	32,341,032
Prudential	2,101,396	2,101,396	2,101,396	2,101,396	2,101,396	2,101,396	2,101,396	2,101,396	2,101,396	2,101,396	2,101,396	2,101,396	25,216,750
Obesity Project	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	528,000
LDH-LACHIP Claims	82,237	82,237	82,237	82,237	82,237	82,237	82,237	82,237	82,237	82,237	82,237	82,237	986,845
LDH-FOA Claims	6,186	6,186	6,186	6,186	6,186	6,186	6,186	6,186	6,186	6,186	6,186	6,186	74,229
Health Equity Inc.	421,526	421,526	421,526	421,526	421,526	421,526	421,526	421,526	421,526	421,526	421,526	421,526	5,058,310
Affordable Care Act Fees - PCORI	0	0	0	0	0	0	0	0	0	0	0	0	476,899
Affordable Care Act Fees - Transitional Reinsurance Fee	0	0	0	0	0	0	0	0	0	0	0	0	0

	Projected 2017 July	Projected 2017 August	Projected 2017 September	Projected 2017 October	Projected 2017 November	Projected 2017 December	Projected 2017 January	Projected 2018 February	Projected 2018 March	Projected 2018 April	Projected 2018 May	Projected 2018 June	Projected Total FYE 2018
ADMINISTRATIVE EXPENSES													
Blue Cross - Magnolia Open Access Administrative Fees	4,682,924	4,682,924	4,682,924	4,682,924	4,682,924	4,682,924	4,682,924	4,682,924	4,682,924	4,682,924	4,682,924	4,682,924	56,195,093
Blue Cross - Magnolia Local Plus Administrative Fees	650,670	650,670	650,670	650,670	650,670	650,670	650,670	650,670	650,670	650,670	650,670	650,670	7,926,035
Blue Cross - Magnolia Local Administrative Fees	2,003,591	2,003,591	2,003,591	2,003,591	2,003,591	2,003,591	2,003,591	2,003,591	2,003,591	2,003,591	2,003,591	2,003,591	24,043,092
Blue Cross - Magnolia Local Administrative Fees	13,414	13,414	13,414	13,414	13,414	13,414	13,414	13,414	13,414	13,414	13,414	13,414	160,966
Blue Cross - Pelican HSA 773 Administrative Fees	69,505	69,505	69,505	69,505	69,505	69,505	69,505	69,505	69,505	69,505	69,505	69,505	834,056
Blue Cross - Pelican HSA 1000 Administrative Fees	87,159	87,159	87,159	87,159	87,159	87,159	87,159	87,159	87,159	87,159	87,159	87,159	1,045,908
Blue Cross - HMO Administrative Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Blue Cross - PPO Administrative Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Blue Cross - CDHP Administrative Fees	-20	-20	-20	-20	-20	-20	-20	-20	-20	-20	-20	-20	-235
MedImpact Commercial Administration Fee	350,118	350,118	350,118	350,118	350,118	350,118	350,118	350,118	350,118	350,118	350,118	350,118	4,201,421
MedImpact EGWP Administration Fee	147,718	147,718	147,718	147,718	147,718	147,718	147,718	147,718	147,718	147,718	147,718	147,718	1,772,631
Discovery Benefits - FSA and COBRA Administrative Fees	32,967	32,967	32,967	32,967	32,967	32,967	32,967	32,967	32,967	32,967	32,967	32,967	395,609
OneExchange Administrative Fees	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	20,403
OGB - Salaries	207,297	207,297	207,297	207,297	207,297	207,297	207,297	207,297	207,297	207,297	207,297	207,297	2,467,565
OGB - Other Compensation	5,565	5,565	5,565	5,565	5,565	5,565	5,565	5,565	5,565	5,565	5,565	5,565	66,781
OGB - Related Benefits	203,414	203,414	203,414	203,414	203,414	203,414	203,414	203,414	203,414	203,414	203,414	203,414	2,464,966
OGB - Travel	1,412	1,412	1,412	1,412	1,412	1,412	1,412	1,412	1,412	1,412	1,412	1,412	16,942
OGB - Operating Services	36,952	36,952	36,952	36,952	36,952	36,952	36,952	36,952	36,952	36,952	36,952	36,952	443,426
OGB - Supplies	1,797	1,797	1,797	1,797	1,797	1,797	1,797	1,797	1,797	1,797	1,797	1,797	21,568
OGB - Professional Services	73,443	73,443	73,443	73,443	73,443	73,443	73,443	73,443	73,443	73,443	73,443	73,443	881,320
OGB - Acquisitions	0	0	0	0	0	0	0	0	0	0	0	0	0
OGB - Interagency Transfers	784,222	784,222	784,222	784,222	784,222	784,222	784,222	784,222	784,222	784,222	784,222	784,222	9,410,659
EGWP - IRMMA Reimbursements	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL EXPENDITURES	118,299,241	118,000,233	119,745,592	120,649,253	121,150,871	121,554,159	122,144,847	122,435,016	122,689,635	123,530,061	121,210,749	111,841,001	1,437,251,048
0	0	0	0	0	0	0	0	0	0	0	0	0	0

Caveats: All claim estimates and projections are based upon data known and available at a point in time. Future results may differ significantly from current projections due to variability of claim incidence, changes to disease burden of population and demographic make up, legislative forces, changes in market and economic conditions and underlying provider contracts, changes in interest rates and inflation, changing medical protocols and technology, and changes in many other underlying variables that contribute to variance of revenue and expenses.



April 10, 2017

Bill Guerra
Office of Group Benefits
1201 N. 3rd Street
Claiborne Bldg., Suite G-159
Baton Rouge, LA 70802

Re: Assumptions Used in Planning Board's 2018 Recommended Plan Changes

This memo serves as documentation of assumptions used in estimating the fiscal impact of changes recommend by the Planning Board of the Office of Group Benefits for the plan year beginning January 1, 2018. In order to keep the OGB fund balance within recommended levels the board considered a number of possible plan changes as well as possible rate increases. Ultimately, the Board recommended three plan changes:

1. Surcharges for working spouses with available coverage from another employer.
2. Surcharges for employees or spouses who use tobacco products.
3. Plan changes to the deductible and out of pockets.

Presented to the board were ranges of estimated fiscal impact to the OGB cash flow and fund balance. The numbers shown were based on calendar year changes being implemented for January 1, 2018. As such the impact to the state on its fiscal year would be half the amount shown for Fiscal Year ending in 2018. And then the full amount for fiscal years ending in 2019 and beyond.

The table below shows the midpoints of the ranges selected by the board. Both the Estimating conference and the Planning Board agreed that the midpoint of the ranges presented should be used to arrive at the needed plan changes.

Initiative	Midpoint
Tobacco Surcharge	\$7,500,000
Spousal Surcharge	\$6,240,000
Plan Changes 1%	\$11,500,000

Tobacco Surcharge Assumptions

"About 24 percent of the state's adults smoke in Louisiana, according to Kaiser. But 8 percent of the enrollees in Affordable Care Act policies admitted to smoking, suggesting that almost two of 10 people were lying." – Per the Morning Advocate on Feb 17, 2017.

It is not known if OGB members use tobacco products more or less than the average population in the state. It is also not known how accurate self-reported data will reflect the actual number of smokers or perhaps cause members to quit use of tobacco. In any event the Estimating Conference requested that the smoking surcharge revenue estimate fall on the conservative side of assumptions with respect to assumed payments. Thus, the assumed percentage of adults who would pay the surcharge was about 8% of adults or 12,500 adults times \$50 per month producing annual surcharge revenue of \$7,500,000. It has also been suggested that surcharges could be collected on any member (for example dependent

"children" who can be on the plan up to age 26). Numerous scientific studies have shown that the use of tobacco products increase the cost of medical care for all members.

Spousal Surcharge Assumptions

There are a number of factors considered that influence the cost savings achieved when a plan implements a working spousal surcharge. One source of revenue to the plan sponsor is the revenue derived from members who choose to pay the surcharge. Another source of savings or cost avoidance for the plan sponsor is achieved when spouses drop the employer plan. The midpoint savings estimate for OGB was estimated as \$6,240,000. The derivation of this estimate is plausible under a number of possible assumptions. Two such scenarios are described below.

Method 1: Assume 49% of the 24,852 Active and Non-Medicare Spouses have other eligible coverage available. Assume 53% of these spouses elect to pay the \$50 per month surcharge. That gives 6,454 spousal surcharges at \$50 per month for an annual increase in revenue of about \$3,872,400.

Assume 572 Spouses elect to drop OGB coverage and enroll on their employer's health plan instead of paying the surcharge. Assume the annual cost of a spouse in 2018 is \$8,273. The total cost of the 572 spouses times \$8,273 is \$4,732,179. Of the total cost for the spouse the plan sponsor pays half as illustrated in the rate contribution data below. Thus the plan sponsor saves \$2,365,970 which when combined with the surcharge revenue of \$3,872,400 produces a total savings to the plan sponsor of about \$6,240,000.

Rate Examples showing members pay 50% of cost of Spouse:

Magnolia Local Plus Rates			
	State	EE	Total
SINGLE	506.78	168.88	675.66
+1 (SPOUSE)	886.48	548.54	1435.02
Spouse Add on	379.70	379.66	759.36
	50%	50%	
	State	EE	Total
WITH CHILDREN	580.94	243.06	824.00
FAMILY	925.68	587.74	1513.42
Spouse Add on	344.74	344.68	689.42
	50%	50%	

Method 2: Assume 49% of the 24,852 Active and Non-Medicare Spouses have other eligible coverage available. Assume 85.4% of these spouses elect to pay the \$50 per month surcharge. That gives 10,400 spousal surcharges at \$50 per month for an annual increase in revenue of about \$6,240,000. Assume no plan savings from members dropping coverage.

Plan Change Assumptions

The midpoint estimate of \$11,500,000 in plan savings was derived using proprietary actuarial models of plan costs due to deductible and ER copay plan design changes. The proprietary models are based on member utilization assumptions and possible member behavior changes that can result from increased cost share.

Disclaimers

Estimating future member behavior with regard to surcharges is a complex process and sometimes inexact science. Actuarial judgement was employed along with internal proprietary data sources to arrive at estimates. However it is entirely possible that future results may significantly differ from projected outcomes as member behavior could deviate from projections due to both unknown and unforeseeable forces or results that are otherwise different from historical data or best guess projections.