

Quakertown
Self-Funded Budget Projection - Effective July 1, 2019
Medical

Experience Details	Current	Prior
Paid Claims (1)	\$6,925,911	\$6,810,351
Large Claims Over \$100,000	\$822,275	\$1,288,337
Net Paid Claims	\$6,103,636	\$5,522,014
Lives (Setback one month)	498	515
Net Paid Claims PEPM	\$1,021.36	\$893.53

Experience Adjustments	Current	Prior
Plan Changes	0.999	0.999
Contractual Changes	1.000	1.000
Adjusted Paid Claims PEPM	\$1,020.34	\$892.64

Projection Period	Current	Prior
Trend (2)	8.00%	8.00%
Trend Factor	1.1442	1.2357
Projected Paid Claims PEPM	\$1,167.47	\$1,103.04

Blending	Current	Prior	Total
Experience Blending	70%	30%	
Blended Projected Claims PEPM			\$1,148.14

Common Pool Allocation	Total
Common Pool Charges PEPM	\$176.00

Fixed Costs	Total
Stop Loss Premium (> \$1million)	\$10.29
Aetna Administrative Fee	\$38.27
AMCA Fee	\$1.50
Lockton Fee	\$3.50
Operating Account	\$1.00
Wellness Contribution	\$3.50
Healthcare Bluebook	\$1.75
TeleDoc	\$0.93

Budgeted Annual Cost	
Projected Claims PEPM	\$1,148.14
Common Pool Allocation PEPM	\$176.00
Fixed Costs PEPM	\$60.74
Budgeted Annual Cost PEPM	\$1,384.88
Current Enrollment (3)	470
2019-2020 Budgeted Annual Cost	\$7,810,723
2018-2019 Current Annual Cost	\$7,423,903
2019-2020 Budget Change - \$	\$386,820
2019-2020 Budget Change - %	5.21%

Notes:

PEPM = Per Employee Per Month

PCORI has been excluded from the budget calculations

(1) Current Period: Claims Paid October 2017 through September 2018

Prior Period: Claims Paid October 2016 through September 2017

(2) Medical trend is 8% per year. Trends are based on independent internal and external sources of data.

(3) Current enrollment represents subscriber counts as reported by AMCA in October 2018.

Quakertown
Self-Funded Budget Projection - Effective July 1, 2019
Pharmacy

Experience Details	Current	Prior
Paid Claims (1)	\$2,543,338	\$2,431,167
Large Claims Over \$100,000	\$319,773	\$363,377
Net Paid Claims	\$2,223,565	\$2,067,790
Lives (Setback one month)	493	507
Net Paid Claims PEPM	\$375.86	\$339.87

Experience Adjustments	Current	Prior
Plan Changes	1.00	1.00
Contractual Changes	1.00	1.00
Adjusted Paid Claims PEPM	\$375.86	\$339.87

Projection Period	Current	Prior
Trend (2)	12.00%	12.00%
Trend Factor	1.2194	1.3657
Projected Paid Claims PEPM	\$458.32	\$464.16

Blending	Current	Prior	Total
Experience Blending	70%	30%	
Blended Projected Claims PEPM			\$460.07

Common Pool Allocation	Total
Common Pool Charges PEPM	\$44.00

Projection Adjustments	Total
Pharmacy Rebate Estimate PEPM	(\$29.90)

Budgeted Annual Cost	
Blended Projected Claims PEPM	\$460.07
Common Pool Allocation PEPM	\$44.00
Pharmacy Rebate Estimate PEPM	(\$29.90)
Budgeted Annual Cost PEPM	\$474.17
Current Enrollment (3)	464
2019-2020 Budgeted Annual Cost	\$2,640,179
2018-2019 Current Annual Cost	\$2,079,209
2019-2020 Budget Change - \$	\$560,969
2019-2020 Budget Change - %	26.98%

Notes:

PEPM = Per Employee Per Month

(1) Current Period: Claims Paid October 2017 through September 2018

Prior Period: Claims Paid October 2016 through September 2017

(2) Pharmacy trend is 12% per year. Trends are based on independent internal and external sources of data.

(3) Current enrollment represents subscriber counts as reported by AMCA in October 2018.

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Stand Alone With Common Pooling Costs	
Medical	
2019-2020 Annual Budget	\$7,810,723
2018-2019 Annual Budget	\$7,423,903
2019-2020 Annual Budget Change - %	5.21%

Pharmacy	
2019-2020 Annual Budget	\$2,640,179
2018-2019 Annual Budget	\$2,079,209
2019-2020 Annual Budget Change - %	26.98%

Combined Totals	
2019-2020 Annual Budget	\$10,450,902
2018-2019 Annual Budget	\$9,503,113
2019-2020 Budget Change - \$	\$947,789
2019-2020 Budget Change - %	9.97%

Blended Renewal Based on 33% Stand-Alone and 67% Consortium Aggregate	
Medical	
2019-2020 Annual Budget	\$7,772,400
2018-2019 Annual Budget	\$7,423,903
2019-2020 Annual Budget Change - %	4.69%

Pharmacy	
2019-2020 Annual Budget	\$2,539,182
2018-2019 Annual Budget	\$2,079,209
2019-2020 Annual Budget Change - %	22.12%

Combined Totals	
2019-2020 Annual Budget	\$10,311,582
2018-2019 Annual Budget	\$9,503,113
2019-2020 Budget Change - \$	\$808,469
2019-2020 Budget Change - %	8.51%

Illustrative With Consortium Aggregate Increases and Common Pooling Costs	
Medical	
2019-2020 Annual Budget	\$7,753,525
2018-2019 Annual Budget	\$7,423,903
2019-2020 Annual Budget Change - %	4.44%

Pharmacy	
2019-2020 Annual Budget	\$2,489,437
2018-2019 Annual Budget	\$2,079,209
2019-2020 Annual Budget Change - %	19.73%

Combined Totals	
2019-2020 Annual Budget	\$10,242,962
2018-2019 Annual Budget	\$9,503,113
2019-2020 Budget Change - \$	\$739,849
2019-2020 Budget Change - %	7.79%

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2018 - 2019 RATES					
MEDICAL	Individual	P/Ch	P/Chn	Member/ Spouse	Family
Open Choice 1	\$599.55	\$1,127.40	\$1,288.64	\$1,452.11	\$1,613.26
Open Choice 2	\$570.94	\$1,073.62	\$1,227.17	\$1,382.85	\$1,536.29
POS	\$576.76	\$1,084.56	\$1,239.67	\$1,396.93	\$1,551.95
Open Choice 3	\$508.13	\$955.50	\$1,092.15	\$1,230.70	\$1,367.27

Rx	Individual	P/Ch	P/Chn	Member/ Spouse	Family
CVS 5/20/40	\$196.90	\$430.25	\$430.25	\$430.25	\$430.25

	Individual	P/Ch	P/Chn	Member/ Spouse	Family
COBRA QUAKERTOWN OC 1	0	0	0	1	0
QUAKERTOWN BMCS POS	1	0	0	0	4
QUAKERTOWN OPEN CHOICE 1	103	11	18	64	246
QUAKERTOWN OPEN CHOICE 2	7	1	2	3	6
QUAKERTOWN OPEN CHOICE 3	2	0	0	0	1

	Individual	P/Ch	P/Chn	Member/ Spouse	Family
COBRA QUAKERTOWN RX OC 1	0	0	0	1	0
QUAKERTOWN RX OC1	98	10	17	62	242
QUAKERTOWN RX OC2	8	1	2	2	6
QUAKERTOWN RX OC3	2	0	0	0	0
QUAKERTOWN RX ONLY	4	0	0	0	4
QUAKERTOWN RX POS	1	0	0	0	4

Medical Premiums	\$7,423,903
Open Choice 1	\$7,063,196
Open Choice 2	\$250,690
Open Choice 3	\$28,602
POS	\$81,415

Pharmacy Premiums	\$2,079,209
Rx 5/20/40	\$2,079,209

2019 - 2020 RATES					
MEDICAL	Individual	P/Ch	P/Chn	Member/ Spouse	Family
Open Choice 1	\$627.69	\$1,180.32	\$1,349.13	\$1,520.28	\$1,688.99
Open Choice 2	\$597.74	\$1,124.02	\$1,284.78	\$1,447.76	\$1,608.41
POS	\$603.83	\$1,135.47	\$1,297.86	\$1,462.51	\$1,624.80
Open Choice 3	\$531.97	\$1,000.35	\$1,143.41	\$1,288.47	\$1,431.45

Rx	Individual	P/Ch	P/Chn	Member/ Spouse	Family
CVS 5/20/40	\$240.46	\$525.43	\$525.43	\$525.43	\$525.43

	Individual	P/Ch	P/Chn	Member/ Spouse	Family
1 COBRA QUAKERTOWN OC 1	0	0	0	1	0
5 QUAKERTOWN BMCS POS	1	0	0	0	4
## QUAKERTOWN OPEN CHOICE 1	103	11	18	64	246
19 QUAKERTOWN OPEN CHOICE 2	7	1	2	3	6
3 ## QUAKERTOWN OPEN CHOICE 3	2	0	0	0	1

	Individual	P/Ch	P/Chn	Member/ Spouse	Family
1 COBRA QUAKERTOWN RX OC 1	0	0	0	1	0
## QUAKERTOWN RX OC1	98	10	17	62	242
19 QUAKERTOWN RX OC2	8	1	2	2	6
2 QUAKERTOWN RX OC3	2	0	0	0	0
8 QUAKERTOWN RX ONLY	4	0	0	0	4
5 ## QUAKERTOWN RX POS	1	0	0	0	4

Medical Premiums	\$7,772,395
Open Choice 1	\$7,394,756
Open Choice 2	\$262,458
Open Choice 3	\$29,945
POS	\$85,236

Pharmacy Premiums	\$2,539,175
Rx 5/20/40	\$2,539,175