

**State:** VermontGMCB **Filing Company:** Cigna Health and Life Insurance Company  
**TOI/Sub-TOI:** H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO  
**Product Name:** Medical  
**Project Name/Number:** CHLIC Rate Filing/

## Filing at a Glance

Company: Cigna Health and Life Insurance Company  
Product Name: Medical  
State: VermontGMCB  
TOI: H16G Group Health - Major Medical  
Sub-TOI: H16G.002A Large Group Only - PPO  
Filing Type: GMCB Rate  
Date Submitted: 12/31/2015  
SERFF Tr Num: CCGP-130243269  
SERFF Status: Closed-Approved  
State Tr Num:  
State Status:  
Co Tr Num: 67369  
Implementation: 05/16/2016  
Date Requested:  
Author(s): Maria Mahmood, Jennifer Linstone  
Reviewer(s): Thomas Crompton (primary), David Dillon, Judith Henkin, Jacqueline Lee, Marisa Melamed  
Disposition Date: 03/29/2016  
Disposition Status: Approved  
Implementation Date: 03/29/2016

State Filing Description:

State: VermontGMCB Filing Company: Cigna Health and Life Insurance Company  
 TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO  
 Product Name: Medical  
 Project Name/Number: CHLIC Rate Filing/

**General Information**

Project Name: CHLIC Rate Filing Status of Filing in Domicile:  
 Project Number: Date Approved in Domicile:  
 Requested Filing Mode: Review & Approval Domicile Status Comments:  
 Explanation for Combination/Other: Market Type: Group  
 Submission Type: New Submission Group Market Size: Large  
 Group Market Type: Employer Overall Rate Impact:  
 Filing Status Changed: 03/30/2016  
 State Status Changed: Deemer Date:  
 Created By: Maria Mahmood Submitted By: Maria Mahmood  
 Corresponding Filing Tracking Number:  
 PPACA: Not PPACA-Related  
 PPACA Notes: null  
 Include Exchange Intentions: No

Filing Description:  
 CIGNA Health and Life Insurance Company  
 GROUP HEALTH RATING MANUAL  
 NAIC# 67369

Enclosed is a rate filing for Cigna Health and Life Insurance Company (CHLIC) medical benefits for large employer groups. Claim costs and factors are being filed for Open Access Plus, PPO, Network, Indemnity, and retiree medical insurance products as well as the pharmacy, mental health/substance abuse and other riders. These rates will be applied to new quotes upon the next pricing model implementation date following the filing approval date.

The previous filing was approved on 9/2/2015 under Serff Tracking number CCGP-129725944.

The attached Vermont Filing Summary shows historical earned premium, incurred losses, and loss ratios, Vermont and countrywide. Please note that the values in the exhibit have been developed in such a way as to be consistent with the company's Supplemental Health Care Exhibits.

Please contact Matthew Danziger at (860) 226-1672 or at matthew.danziger@cigna.com or Dreanna Belting at (770) 261-7908 or at dreanna.belting@cigna.com with any questions or concerns regarding this filing.

**Company and Contact**

**Filing Contact Information**

Maria Mahmood, Compliance Specialist maria.mahmood@cigna.com  
 900 Cottage Grove Road 860-226-5080 [Phone]  
 C5PRC 860-226-3183 [FAX]  
 Hartford, CT 06152-1233

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**State:** VermontGMCB **Filing Company:** Cigna Health and Life Insurance Company  
**TOI/Sub-TOI:** H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO  
**Product Name:** Medical  
**Project Name/Number:** CHLIC Rate Filing/

**Filing Company Information**

Cigna Health and Life Insurance Company  
900 Cottage Grove Road  
Bloomfield, CT 06002  
(860) 226-3000 ext. [Phone]

CoCode: 67369  
Group Code: 901  
Group Name:  
FEIN Number: 59-1031071

State of Domicile: Connecticut  
Company Type: LAH  
State ID Number:

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**Filing Fees**

Fee Required? Yes  
Fee Amount: \$150.00  
Retaliatory? No  
Fee Explanation: Since EFT is not accepted, check was sent via mail.

State: VermontGMCB

Filing Company:

Cigna Health and Life Insurance Company

TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO

Product Name: Medical

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Thomas Crompton	03/30/2016	03/30/2016

### Objection Letters and Response Letters

#### Objection Letters

Status	Created By	Created On	Date Submitted
Pending Response	Thomas Crompton	03/30/2016	03/30/2016
Pending Response	Thomas Crompton	03/29/2016	03/29/2016
Pending Response	Jacqueline Lee	02/15/2016	02/15/2016
Pending Response	Jacqueline Lee	01/27/2016	01/27/2016
Pending Response	Jacqueline Lee	01/14/2016	01/14/2016

#### Response Letters

Responded By	Created On	Date Submitted
Maria Mahmood	03/30/2016	03/30/2016
Maria Mahmood	03/29/2016	03/29/2016
Maria Mahmood	02/22/2016	02/22/2016
Maria Mahmood	02/03/2016	02/03/2016
Maria Mahmood	01/21/2016	01/21/2016

### Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Extension	Note To Reviewer	Maria Mahmood	02/19/2016	02/19/2016
Original RRS tab and RRD submitted on 12/31/15	Reviewer Note	Thomas Crompton	03/30/2016	

State: VermontGMCB

Filing Company:

Cigna Health and Life Insurance Company

TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO

Product Name: Medical

Project Name/Number: CHLIC Rate Filing/

## Disposition

Disposition Date: 03/29/2016

Implementation Date: 03/29/2016

Status: Approved

HHS Status: Not Reported

State Review: Reviewed by Actuary

Comment: This filing has been approved per GMCB Order and Decision regarding docket number GMCB-001-16rr.

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Cigna Health and Life Insurance Company	Decrease	-3.900%	-3.900%	\$-753,718	15	\$18,348,769	-1.900%	-6.700%

### Percent Change Approved:

Minimum: -6.700%

Maximum: -1.900%

Weighted Average: -3.900%

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document (revised)	Actuarial Memorandum		No
Supporting Document	Actuarial Memorandum		No
Supporting Document	Actuarial Memorandum		No
Supporting Document	Actuarial Memorandum and Certifications		No
Supporting Document	Civil Union Rating Requirements		No
Supporting Document	Consumer Disclosure Form		No
Supporting Document	Filing Compliance Certification		No
Supporting Document	Third Party Filing Authorization		No
Supporting Document	Unified Rate Review Template		No
Supporting Document	Response to Objection Letter - Dated 1/14/16		No
Supporting Document	Response to Objection Letter on 1/27/16		No

SERFF Tracking #:

CCGP-130243269

State Tracking #:

Company Tracking #:

67369

State:

VermontGMCB

Filing Company:

Cigna Health and Life Insurance Company

TOI/Sub-TOI:

H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO

Product Name:

Medical

Project Name/Number:

CHLIC Rate Filing/

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Response to Objection Letter on 2/5/16		No
Supporting Document	Response to Objection Letter Dated 3/30/16		No
Rate (revised)	Rate manual		No
Rate	Rate manual		No
Rate	Rate manual		No

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**TOI/Sub-TOI:** H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO  
**Product Name:** Medical  
**Project Name/Number:** CHLIC Rate Filing/

## Objection Letter

Objection Letter Status	Pending Response
Objection Letter Date	03/30/2016
Submitted Date	03/30/2016
Respond By Date	04/01/2016

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Dear Maria Mahmood,

**Introduction:**

Update the filing per GMCB Order and Decision dated 03/29/2016, docket number GMCB-001-16rr (attached.) Note that a new post submission update must be submitted to reflect the modified approved rates. This includes the rate rule schedule tab and the rate review detail tab, and all other changes required to show the modified approved rate. Also, provide an effective date for this filing and rate change.

**Conclusion:**

Sincerely,  
Thomas Crompton

STATE OF VERMONT  
GREEN MOUNTAIN CARE BOARD

In re: Cigna Health and Life Insurance ) GMCB-001-16rr  
Company 2016 Large Group PPO Manual )  
Rate Filing )  
 ) SERFF No.: CCGP-130243269

**DECISION & ORDER**

Introduction

Vermont law requires that health insurers submit major medical rate filings to the Green Mountain Care Board which shall approve, modify, or disapprove the filing within 90 calendar days of its receipt. 8 V.S.A. § 4062(a)(2)(A). On review, the Board must determine whether the proposed rate is affordable, promotes quality care, promotes access to health care, protects insurer solvency, and is not unjust, unfair, inequitable, misleading or contrary to Vermont law. 8 V.S.A. § 4062(a)(3).

Procedural History

On December 31, 2015, CIGNA Health and Life Insurance Company (CHLIC) submitted its 2016 Large Group Manual Rate Filing to the Board via the System for Electronic Rate and Form Filing (SERFF). The Office of the Health Care Advocate (HCA), representing the interests of Vermont consumers of health insurance, entered an appearance as a party to this rate filing. On February 29, 2016, the Board posted to the web an analysis provided by its contract actuaries, Lewis & Ellis (L&E), and the analysis and opinion of the Department of Financial Regulation (Department) regarding the impact of the proposed filing on the insurer's solvency.

The Board received no public comments. The parties have waived a hearing pursuant to GMCB Rule 2.000 and have filed memoranda in lieu of hearing.

Findings of Fact

1. CHLIC is an operating subsidiary of Cigna Corporation, an international, for-profit health services corporation headquartered in Bloomfield, Connecticut.
2. This filing updates the methodology for the CHLIC large group manual rating<sup>1</sup> and covers the Open Access Plus (OAP), Preferred Provider Organization (PPO), Network (NWK),

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<sup>1</sup> Partially and fully credible large groups utilize their own experience, in addition to the manual rate, to determine the final rate change that will impact their members.



Indemnity, and retiree medical insurance large group products. The filing impacts 15 policyholders and 2,586 covered lives.

3. CHLIC requests that the Board approve its filing, which would produce an average annual rate change of -1.1% and range from -3.9% to 1.1%.

4. To determine its manual rate, CHLIC updated its base claim assumptions and claim probability distribution (CPD) tables using 2014 data. The combined base claim assumption changes and updated CPD tables result in an average 0.0% impact.

5. CHLIC utilized a paid medical trend of 9.7% for 2015 and 8.0% for 2016 and 2017, which is lower than the medical trend used in its previous filing. The medical trend impacts the rate by approximately -1.5%.

6. To determine its pharmacy trend, CHLIC updated its prescription drug base claim assumptions and area factors to reflect costs of specialty drugs, planned revisions to the drug lists, and market-specific experience. Taking into account unit cost and utilization, CHLIC calculated its 2015 total pharmacy trend at 12.0% and the 2016 trend at 12.9%.

7. The filing includes retention expenses of 17.5% which includes 3.5% in profit. The retention expenses impact the rate by 1.1%.

8. L&E reviewed the filing and recommends no modifications with the exception of the requested profit. According to CHLIC's Supplemental Health Care Exhibits, the carrier earned a 3.7% profit in 2013 and 13.5% in 2014; for 2015, CHLIC projects its profit will be "in the low single digits." Given this volatility, L&E recommends reducing the profit to 2.0% "to be more in line with all other Vermont market participants." L&E Memo at 6-7.

9. On review of the carrier's solvency, the Department advises the Board that in 2014, CIGNA Holding Company's operations in Vermont accounted for less than one percent of its total premiums earned, and that "CHLIC's Vermont operations pose little risk to its solvency, or to the solvency of CIGNA Holding Company." See Solvency Analysis at 2.

10. The HCA requests that the Board reduce CHLIC's profit to 1.0%, consistent with the Board's prior CHLIC rate decisions. CHLIC advocates for no reduction to its rate request, arguing that the Board has authority to modify a *rate*, but cannot modify a *component* of the

rate. In addition, CHLIC contends that the medical loss ratio (MLR)<sup>2</sup> provisions in the Affordable Care Act (ACA) are the appropriate mechanism to control an insurer's profitability; CHLIC met these requirements in 2013 and 2014, and anticipates it will continue to do so in 2015 and 2016. Finally, CHLIC contends that its small Vermont membership makes it "vulnerable to a high level of claim volatility" and that reducing its profit could lead to rates that are inadequate. *See* CHLIC Memorandum (March 23, 2016) at 1-2.

#### Standard of Review

1. The Board reviews rate filings to ensure that rates are not "excessive, inadequate or unfairly discriminatory," that they promote quality care and access to health care, protect insurer solvency, and are not unjust, unfair, inequitable, misleading or contrary to Vermont law. 8 V.S.A. § 4062. In addition, the Board considers changes in health care delivery, changes in payment methods and amounts, and other issues at its discretion. 18 V.S.A. § 9375(b)(6).

2. On review of a company's solvency, the Board will consider the Department's analysis and opinion of the impact of the proposed rate on the insurer's solvency and reserves. 8 V.S.A. § 4062(a).

3. The insurer proposing a rate change has the burden to justify the requested rate. GMCB Rule 2.000: Rate Review, § 2.104(c).

#### Conclusions of Law

4. The sole contested issue in this filing is CHLIC's requested profit margin. As noted by our actuaries and by the HCA, we have reduced CHLIC's proposed profit in each of the past two filings. *See* GMCB Docket nos. 006-15rr (reduced from 3.5% to 1.0%); 007-14rr (reduced from 3.0% to 1.0%).

5. We remain unpersuaded by CHLIC's argument that we cannot assess the reasonableness of an underlying rate component. To the contrary, review of each rate component allows us to trim costs where appropriate to ensure that the rate is adequate for insurers, and fair and affordable for consumers. This view is consistent with federal requirements for designation as an "effective rate review program." *See, e.g.,* Center for Consumer Information and Insurance Oversight (CCIIO), *State Effective Rate Review Programs*

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<sup>2</sup> The federal medical loss ratio requirements limit the portion of premium dollars insurers can spend on administration, marketing, and profits. Insurers that fail to meet these requirements must pay rebates to consumers.

*Fact Sheet* (lists series of factors to consider when reviewing rate change, including “reserve needs”), available at [https://www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/rate\\_review\\_fact\\_sheet.html](https://www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/rate_review_fact_sheet.html).

6. And while we agree that a small membership can result in increased plan volatility, we do not agree that reducing CHLIC’s profit request in this filing threatens the carrier’s solvency or will likely lead to rates that are inadequate. CHLIC achieved profits in excess of its current request in both 2013 (3.7%) and 2014 (13.5%), and anticipates earning a profit in 2015, notwithstanding the reductions we ordered in each of the last two filings.

7. Accordingly, we again reduce CHLIC’s profit to 1.0%. With only a small fraction of its membership in Vermont, this reduction will have no material impact on CHLIC’s or its parent corporation’s financial stability, and makes coverage more affordable for Vermonters.

Order

For the reasons discussed above, the Board modifies CHLIC’s 2016 Large Group Manual Rate Filing by reducing the profit margin from 3.5% to 1.0%. We thereafter approve the filing as modified, resulting in an approximate -3.5% average annual rate decrease.

**So ordered.**

Dated: March 29, 2016 at Montpelier, Vermont.

s/ <u>Alfred Gobeille</u>	)	
	)	
s/ <u>Cornelius Hogan</u>	)	GREEN MOUNTAIN
	)	CARE BOARD
s/ <u>Betty Rambur</u>	)	OF VERMONT
	)	
s/ <u>Allan Ramsay</u>	)	

*\*Board Member Jessica Holmes did not participate in this decision.*

Filed: March 29, 2016

Attest: s/ Janet Richard  
Green Mountain Care Board, Administrative Services Coordinator

*NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Board (by e-mail, telephone, or in writing) of any apparent errors, so that any necessary corrections may be made. (E-mail address: [Janet.Richard@vermont.gov](mailto:Janet.Richard@vermont.gov)). Appeal of this decision to the Supreme Court of Vermont must be filed with the Board within thirty days. Appeal will not stay the effect of this Order, absent further Order by this Board or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Board within ten days of the date of this decision and order.*

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**State:** VermontGMCB **Filing Company:** Cigna Health and Life Insurance Company  
**TOI/Sub-TOI:** H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO  
**Product Name:** Medical  
**Project Name/Number:** CHLIC Rate Filing/

## Objection Letter

Objection Letter Status	Pending Response
Objection Letter Date	03/29/2016
Submitted Date	03/29/2016
Respond By Date	03/30/2016

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Dear Maria Mahmood,

**Introduction:**

Please provide an effective date for this filing.

**Conclusion:**

Sincerely,  
Thomas Crompton

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**State:** VermontGMCB **Filing Company:** Cigna Health and Life Insurance Company  
**TOI/Sub-TOI:** H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO  
**Product Name:** Medical  
**Project Name/Number:** CHLIC Rate Filing/

## Objection Letter

Objection Letter Status	Pending Response
Objection Letter Date	02/15/2016
Submitted Date	02/15/2016
Respond By Date	02/19/2016

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Dear Maria Mahmood,

**Introduction:**

Please see attached.

**Conclusion:**

Sincerely,  
Jacqueline Lee

**Dallas**

Cabe W. Chadick, F.S.A.  
 S. Scott Gibson, F.S.A.  
 Glenn A. Tobleman, F.S.A., F.C.A.S.  
 Michael A. Mayberry, F.S.A.  
 David M. Dillon, F.S.A.  
 Gregory S. Wilson, F.C.A.S.  
 Steven D. Bryson, F.S.A.  
 Brian D. Rankin, F.S.A.  
 Bonnie S. Albritton, F.S.A.  
 Jacqueline B. Lee, F.S.A.  
 Wesley R. Campbell, F.C.A.S., F.S.A.  
 Xiaoxiao (Lisa) Jiang, F.S.A.  
 Brian C. Stentz, A.S.A.  
 Jennifer M. Allen, A.S.A.  
 Josh A. Hammerquist, A.S.A.  
 Johnathan L. O'Dell, A.S.A.  
 Clint Prater, A.S.A.  
 Larry Choi, A.S.A.

**Kansas City**

Gary L. Rose, F.S.A.  
 Terry M. Long, F.S.A.  
 Leon L. Langlitz, F.S.A.  
 D. Patrick Glenn, A.S.A., A.C.A.S.  
 Christopher H. Davis, F.S.A.  
 Karen E. Elsom, F.S.A.  
 Jill J. Humes, F.S.A.  
 Christopher J. Merkel, F.S.A.  
 Kimberly S. Shores, F.S.A.  
 Michael A. Brown, F.S.A.  
 Naomi J. Kloppersmith, F.S.A.  
 Stephanie T. Crownhart, F.S.A.  
 Mark W. Birdsall, F.S.A.

**London/Kansas City**

Timothy A. DeMars, F.S.A., F.I.A.  
 Scott E. Morrow, F.S.A., F.I.A.

**Denver**

Mark P. Stukowski, F.S.A.  
 William J. Gorski, F.S.A.

**Indianapolis**

Kathryn R. Koch, A.C.A.S.

**Baltimore**

David A. Palmer, C.F.E.

February 15, 2016

Matthew D. Danziger, FSA, MAAA  
 Actuarial Director  
 Cigna Health and Life Insurance Company  
 900 Cottage Grove Road  
 Bloomfield, CT 06002

Re: Cigna Health and Life Insurance Company  
 Company NAIC # 67369; FEIN # 59-1031071  
 VT - Cigna LG Major Medical Filing 2016  
 SERFF Tracking # CCGP-130243269

Matt:

Upon review of the responses submitted on February 3, 2016, the following additional information is needed:

1. What is the overall rate impact on a PMPM basis?
2. Page 8 of the "Objection Letter 1 Responses" uploaded on January 21, 2016 states that, "... due to a decrease in administrative fees for GC (0.4%)..." What does GC stand for?
3. Please update the Actuarial Certification page with appropriate reference. Currently it was referenced to "Commissioner of Insurance", which should be "Green Mountain Care Board" in Vermont. Also please include all relevant ASOPs that were observed in the Actuarial Certification.
4. What is the realized profit for the block of Large Group for 2014? Please make sure that the figure can be backed up by the 2014 financial statement.
5. To the extent that the 2015 data is available, what is the realized profit for the block of Large Group for 2015? Please make sure that the figure can be backed up by the 2015 annual or quarterly financial statement.

Please respond no later than February 19, 2016.

Our review of filing will be placed in suspense pending your response. Contact me if you have any questions.

Sincerely,



Xiaoxiao Lisa Jiang, FSA, MAAA  
Consulting Actuary  
Lewis & Ellis, Inc.  
[ljiang@lewisellis.com](mailto:ljiang@lewisellis.com)  
(972)850-0850



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## Objection Letter

Objection Letter Status	Pending Response
Objection Letter Date	01/27/2016
Submitted Date	01/27/2016
Respond By Date	02/03/2016

---

Dear Maria Mahmood,

**Introduction:**

Please see the attached objection letter.

**Conclusion:**

Sincerely,  
Jacqueline Lee

**Dallas**

Cabe W. Chadick, F.S.A.  
 S. Scott Gibson, F.S.A.  
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Kathryn R. Koch, A.C.A.S.

**Baltimore**

David A. Palmer, C.F.E.

January 27, 2016

Matthew D. Danziger, FSA, MAAA  
 Actuarial Director  
 Cigna Health and Life Insurance Company  
 900 Cottage Grove Road  
 Bloomfield, CT 06002

Re: Cigna Health and Life Insurance Company  
 Company NAIC # 67369; FEIN # 59-1031071  
 VT - Cigna LG Major Medical Filing 2016  
 SERFF Tracking # CCGP-130243269

Matt:

Upon review of the responses submitted on January 21, 2016, the following additional information is needed:

1. Please explain in more details the “representative sample of VT sitused business” referenced in response #1. What are the criteria of selecting the sample? How representative was the sample of the total insured lives in the state of VT?
2. As stated in response #2, “minor changes were made to the shaping of our CPD based on book of business claims experience”. Please provide a comparison of the shaping of the CPD before and after the changes and explain in more details why these changes are necessary.
3. Response # 2 indicates that “the combination of all pricing methodology changes (including area factors and base rates, and retention) result in an overall rate change of -1.10%”. Please provide a breakdown of the -1.10% that corresponds to the effects of the above referenced factors respectively.

4. We noted that the number of covered lives and member months decreased significantly from the last filing. Please explain how this decrease was being considered in the 2014/2015 trend normalization factor.
5. Provide the definition of “lock-in decrement”. Under what circumstances would the 0.99 factor be applied?
6. Provide the definition of “criteria-based network adjustment”. Under what circumstances would this factor be applied? Also, why would the adjustment vary from 0.8505 to 0.9999?
7. Provide an example based on a real live case from previous year to illustrate how the demographic aging adjustment is applied.
8. Why is there a variation in the pharmacy area factor between proclaim platform and facets platform? We did not note any variation in the pharmacy area factors in the last filing.
9. In response #13, premium tax is stated as 1.8% in the calculation but 2.1% in the assumption write-up. Which one is correct? Would this inconsistency affect any other calculation?

Please respond no later than February 3, 2016.

Our review of filing will be placed in suspense pending your response. Contact me if you have any questions.

Sincerely,



Xiaoxiao Lisa Jiang, FSA, MAAA  
Consulting Actuary  
Lewis & Ellis, Inc.  
[ljiang@lewisellis.com](mailto:ljiang@lewisellis.com)  
(972)850-0850

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**State:** VermontGMCB **Filing Company:** Cigna Health and Life Insurance Company  
**TOI/Sub-TOI:** H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO  
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## Objection Letter

Objection Letter Status	Pending Response
Objection Letter Date	01/14/2016
Submitted Date	01/14/2016
Respond By Date	01/21/2016

---

Dear Maria Mahmood,

**Introduction:**

Please see the attached objection letter.

**Conclusion:**

Sincerely,  
Jacqueline Lee

**Dallas**

Cabe W. Chadick, F.S.A.  
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 Brian C. Stentz, A.S.A.  
 Jennifer M. Allen, A.S.A.  
 Josh A. Hammerquist, A.S.A.  
 Johnathan L. O'Dell, A.S.A.  
 Clint Prater, A.S.A.  
 Larry Choi, A.S.A.

**Kansas City**

Gary L. Rose, F.S.A.  
 Terry M. Long, F.S.A.  
 Leon L. Langlitz, F.S.A.  
 D. Patrick Glenn, A.S.A., A.C.A.S.  
 Christopher H. Davis, F.S.A.  
 Karen E. Elsom, F.S.A.  
 Jill J. Humes, F.S.A.  
 Christopher J. Merkel, F.S.A.  
 Kimberly S. Shores, F.S.A.  
 Michael A. Brown, F.S.A.  
 Naomi J. Kloppersmith, F.S.A.  
 Stephanie T. Crownhart, F.S.A.  
 Mark W. Birdsall, F.S.A.

**London/Kansas City**

Timothy A. DeMars, F.S.A., F.I.A.  
 Scott E. Morrow, F.S.A., F.I.A.

**Denver**

Mark P. Stukowski, F.S.A.  
 William J. Gorski, F.S.A.

**Indianapolis**

Kathryn R. Koch, A.C.A.S.

**Baltimore**

David A. Palmer, C.F.E.

January 14, 2016

Matthew D. Danziger, FSA, MAAA  
 Actuarial Director  
 Cigna Health and Life Insurance Company  
 900 Cottage Grove Road  
 Bloomfield, CT 06002

Re: Cigna Health and Life Insurance Company  
 Company NAIC # 67369; FEIN # 59-1031071  
 VT - Cigna LG Major Medical Filing 2016  
 SERFF Tracking # CCGP-130243269

Dear Mr. Danziger:

Lewis & Ellis, Inc (L&E) have been retained by the Green Mountain Care Board ("GMCB") to review the above referenced Large Group product filing submitted on 12/31/2015. Upon review of the actuarial memorandum and related information submitted, the following additional information is needed:

1. Please list and quantify the reasons for the overall rate impact of -1.10%, and explain why policyholders could receive a rate increase/decrease that ranges from -3.90% to 1.10%.
2. The actuarial memorandum indicates that one of the changes to methodology includes "updates to the based medical claim assumptions and the claims probability distribution".
  - a. Please explain in more detail about the updates, including but not limited to experience period and data sources;
  - b. Quantify the impact of updating base medical claim assumptions and the CPD table respectively and their combined effect.
3. Regarding the medical trend assumptions,

- a. Table 29 of the filing shows a minimum and maximum of medical trend for Vermont while Table 28 shows that only the maximum trend is used in all three areas. Please clarify what trend assumptions are being used in the pricing model.
  - b. If the trend assumptions used in the model are different from those shown in the confidential Supplemental Exhibits, please provide support for the trend assumptions in a similar format as the confidential Supplemental Exhibits.
  - c. Explain the change in the professional unit trend from 2015 to 2016 that is shown in the confidential Supplemental Exhibits.
4. We have observed a significant change in the normalization factor from the 14/13 trend period to 3Q YTD 15/14 trend period, as shown in the confidential Supplemental Exhibits. What are the driving factors for such change, and what indicated the need for a new normalization factor?
  5. Regarding the driving factors of pharmacy trends indicated in the confidential Supplemental Exhibits, please provide more detail about the impacts to total pharmacy trends from 2014 to 2015 and 2015 to 2016. Additionally, provide quantitative support for the pharmacy trends, such as historical experience or any other details outlining how the trends were developed.
  6. What is the basis for the updates to your medical area factors? Provide in more detail about the process of updating the medical area factors and the experience that supports the updates.
  7. The-actuarial memorandum has listed the addition of a few community rate loads. Please explain the reason of adding each of these factors and their pricing impact.
  8. Regarding the 0.0075 demographic aging factor,
    - a. Explain why it is necessary to make demographic aging adjustment;
    - b. Provide more detailed quantitative and qualitative support for its derivation;
    - c. Provide an example based on a real live case from previous year to illustrate the demographic aging adjustment;
    - d. What is the impact of implementing the demographic aging factor on the manual rates?
  9. How was the cap on utilization dampening determined for PCP, SCP and others, respectively, and explain the reasons for adding the cap.
  10. We have observed a 9.5% increase in the minimum and maximum Mental Health/Substance Use Disorders OAP/PPO Rates from last filing. Please provide more detailed support for such increase, including the experience used for the derivation of the new rates.
  11. Please elaborate the pharmacy area factor by base rating area and product type.
  12. We have noticed a few new formulary types listed in your filing (e.g., legacy, DRT). What is the reason for the new formulary types, and how are they mapped to your current formulary types?
  13. Provide the derivation of the projected federal MLR for 2016, starting with your target loss ratio.
  14. Please explain any significant changes in the retention assumptions, and explain how the retention assumptions in this filing compare to experience.

Please respond no later than January 21, 2016.

Our review of filing will be placed in suspense pending your response. Contact me if you have any questions.

Sincerely,

*Xiaoxiao Jiang*

Xiaoxiao Lisa Jiang, FSA, MAAA  
Consulting Actuary  
Lewis & Ellis, Inc.  
[ljiang@lewisellis.com](mailto:ljiang@lewisellis.com)  
(972)850-0850

**State:** VermontGMCB **Filing Company:** Cigna Health and Life Insurance Company  
**TOI/Sub-TOI:** H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO  
**Product Name:** Medical  
**Project Name/Number:** CHLIC Rate Filing/

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	03/30/2016
Submitted Date	03/30/2016

Dear Thomas Crompton,

### Introduction:

### Response 1

#### Comments:

Please see response letter, revised memorandum, and revised rate manual. A new post submission update was submitted to update the rate rule schedule tab and the rate review detail tab.

### Changed Items:

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Actuarial Memorandum
<b>Comments:</b>	
<b>Attachment(s):</b>	CHLIC-VTexh.pdf CHLIC - VTactuarial memo_Revised Per Mandate.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	Actuarial Memorandum
<b>Comments:</b>	
<b>Attachment(s):</b>	CHLIC-VTexh.pdf CHLIC - VTactuarial memo_Resubmission.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	Actuarial Memorandum
<b>Comments:</b>	
<b>Attachment(s):</b>	CHLIC - VTactuarial memo.pdf CHLIC-VTexh.pdf



SERFF Tracking #:

CCGP-130243269

State Tracking #:

Company Tracking #:

67369

State: VermontGMCB

Filing Company:

Cigna Health and Life Insurance Company

TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO

Product Name: Medical

Project Name/Number: CHLIC Rate Filing/

**Supporting Document Schedule Item Changes**

<b>Satisfied - Item:</b>	Actuarial Memorandum
<b>Comments:</b>	
<b>Attachment(s):</b>	CHLIC-VTexh.pdf CHLIC - VTactuarial memo_Revised Per Mandate.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Actuarial Memorandum</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>CHLIC-VTexh.pdf CHLIC - VTactuarial memo_Resubmission.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Actuarial Memorandum</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>CHLIC - VTactuarial memo.pdf CHLIC-VTexh.pdf</i>
<b>Satisfied - Item:</b>	Response to Objection Letter Dated 3/30/16
<b>Comments:</b>	
<b>Attachment(s):</b>	Cigna memorandum in response to final GMCB order.pdf

No Form Schedule items changed.

SERFF Tracking #:

CCGP-130243269

State Tracking #:

Company Tracking #:

67369

State: VermontGMCB

Filing Company:

Cigna Health and Life Insurance Company

TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO

Product Name: Medical

Project Name/Number: CHLIC Rate Filing/

## Rate/Rule Schedule Item Changes

Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	Rate manual	HP-POL et al	Revised	Previous State Filing Number: CCGP-129725944 Percent Rate Change Request:	2016 CHLIC Rate Filing - VT_Revised Per Mandate.pdf,	03/30/2016 By: Maria Mahmood
<i>Previous Version</i>						
1	Rate manual	HP-POL et al	Revised	Previous State Filing Number: CCGP-129725944 Percent Rate Change Request:	2016 CHLIC Rate Filing- VT_Revised Trend.pdf,	01/21/2016 By: Maria Mahmood
<i>Previous Version</i>						
1	Rate manual	HP-POL et al	Revised	Previous State Filing Number: CCGP-129725944 Percent Rate Change Request:	2016 CHLIC Rate Filing- VT.pdf,	12/31/2015 By: Maria Mahmood

**Conclusion:**

Sincerely,  
Maria Mahmood

**State:** VermontGMCB **Filing Company:** Cigna Health and Life Insurance Company  
**TOI/Sub-TOI:** H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO  
**Product Name:** Medical  
**Project Name/Number:** CHLIC Rate Filing/

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	03/29/2016
Submitted Date	03/29/2016

Dear Thomas Crompton,

**Introduction:**

**Response 1**

**Comments:**

Effective dates for newly approved rates are dependent on updates to the IT rating system. If filing approval is received by 4/6/2016, rates will be applied to any new quote issued after the next update to the IT rating system, which is scheduled for 5/16/2016. If approval is received after 4/6/2016, the rating effective date will be deferred to the next available IT rating system update.

**Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Conclusion:**

Sincerely,  
Maria Mahmood

**State:** VermontGMCB **Filing Company:** Cigna Health and Life Insurance Company  
**TOI/Sub-TOI:** H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO  
**Product Name:** Medical  
**Project Name/Number:** CHLIC Rate Filing/

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	02/22/2016
Submitted Date	02/22/2016

Dear Thomas Crompton,

### Introduction:

### Response 1

#### Comments:

Please see revised actuarial memorandum and response letter.

### Changed Items:

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Actuarial Memorandum
<b>Comments:</b>	
<b>Attachment(s):</b>	CHLIC-VTexh.pdf CHLIC - VTactuarial memo_Resubmission.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	Actuarial Memorandum
<b>Comments:</b>	
<b>Attachment(s):</b>	CHLIC - VTactuarial memo.pdf CHLIC-VTexh.pdf

**State:** VermontGMCB **Filing Company:** Cigna Health and Life Insurance Company  
**TOI/Sub-TOI:** H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO  
**Product Name:** Medical  
**Project Name/Number:** CHLIC Rate Filing/

### Supporting Document Schedule Item Changes

<b>Satisfied - Item:</b>	Actuarial Memorandum
<b>Comments:</b>	
<b>Attachment(s):</b>	CHLIC-VTexh.pdf CHLIC - VTactuarial memo_Resubmission.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	Actuarial Memorandum
<b>Comments:</b>	
<b>Attachment(s):</b>	CHLIC - VTactuarial memo.pdf CHLIC-VTexh.pdf
<b>Satisfied - Item:</b>	Response to Objection Letter on 2/5/16
<b>Comments:</b>	
<b>Attachment(s):</b>	Objection Letter 3 Responses_FINAL.pdf

*No Form Schedule items changed.*

*No Rate/Rule Schedule items changed.*

### Response 2

**Comments:**

### Changed Items:

*No Supporting Documents changed.*

*No Form Schedule items changed.*

*No Rate/Rule Schedule items changed.*

### Conclusion:

Sincerely,  
Maria Mahmood

**State:** VermontGMCB **Filing Company:** Cigna Health and Life Insurance Company  
**TOI/Sub-TOI:** H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO  
**Product Name:** Medical  
**Project Name/Number:** CHLIC Rate Filing/

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	02/03/2016
Submitted Date	02/03/2016

Dear Thomas Crompton,

### Introduction:

### Response 1

#### Comments:

Please see attached response letter.

### Changed Items:

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Response to Objection Letter on 1/27/16
<b>Comments:</b>	
<b>Attachment(s):</b>	Objection Letter 2 Responses_FINAL.pdf Objection Letter 2 Exhibits_FINAL.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Conclusion:

Sincerely,

Maria Mahmood

SERFF Tracking #:

CCGP-130243269

State Tracking #:

Company Tracking #:

67369

State:

VermontGMCB

Filing Company:

Cigna Health and Life Insurance Company

TOI/Sub-TOI:

H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO

Product Name:

Medical

Project Name/Number:

CHLIC Rate Filing/

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	01/21/2016
Submitted Date	01/21/2016

*Dear Thomas Crompton,*

### **Introduction:**

### **Response 1**

#### **Comments:**

*Please see attached response letter and revised rate manual.*

### **Changed Items:**

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to Objection Letter - Dated 1/14/16
Comments:	
Attachment(s):	Objection Letter 1 Responses.pdf

*No Form Schedule items changed.*

SERFF Tracking #:

CCGP-130243269

State Tracking #:

Company Tracking #:

67369

State: VermontGMCB

Filing Company:

Cigna Health and Life Insurance Company

TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO

Product Name: Medical

Project Name/Number: CHLIC Rate Filing/

**Rate/Rule Schedule Item Changes**

Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	Rate manual	HP-POL et al	Revised	Previous State Filing Number: CCGP-129725944 Percent Rate Change Request:	2016 CHLIC Rate Filing- VT_Revised Trend.pdf,	01/21/2016 By: Maria Mahmood
<i>Previous Version</i>						
1	<i>Rate manual</i>	<i>HP-POL et al</i>	<i>Revised</i>	<i>Previous State Filing Number: CCGP-129725944 Percent Rate Change Request:</i>	<i>2016 CHLIC Rate Filing- VT.pdf,</i>	<i>12/31/2015 By: Maria Mahmood</i>

**Conclusion:**

Sincerely,  
Maria Mahmood



---

**State:** VermontGMCB **Filing Company:** Cigna Health and Life Insurance Company  
**TOI/Sub-TOI:** H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO  
**Product Name:** Medical  
**Project Name/Number:** CHLIC Rate Filing/

## Note To Reviewer

**Created By:**

Maria Mahmood on 02/19/2016 09:44 AM

**Last Edited By:**

Maria Mahmood

**Submitted On:**

02/19/2016 09:45 AM

**Subject:**

Extension

**Comments:**

Per an email from Jackie Lee to Matt Danziger on 2/19/16, an extension was granted until 2/22/16.

**State:** VermontGMCB **Filing Company:** Cigna Health and Life Insurance Company  
**TOI/Sub-TOI:** H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO  
**Product Name:** Medical  
**Project Name/Number:** CHLIC Rate Filing/

## Reviewer Note

**Created By:**

Thomas Crompton on 03/30/2016 01:23 PM

**Subject:**

Original RRS tab and RRD submitted on 12/31/15

**Comments:**

Original RRS tab and RRD submitted on 12/31/15

Original Rate Rule Schedule Tab submitted 12/31/15

*This Rate filing is not eligible for reporting to HHS.*

[View/Edit Rate Justification](#)

Filing Method:	SERFF
Rate Change Type:	Decrease
Overall Percentage of Last Rate Revision:	-2.000 %
Effective Date of Last Rate Revision:	09/02/2015
Filing Method of Last Filing:	SERFF

**Company Rate Information**

<b>Company Name:</b>	<b>Company Rate Change? *</b>	<b>Overall % Indicated Change:</b>	<b>Overall % Rate Impact:</b>	<b>Written Premium Change for this Program:</b>	<b>Number of Policy Holders Affected for this Program:</b>	<b>Written Premium for this Program:</b>	<b>Maximum % Change (where required):</b>	<b>Minimum % Change (where required):</b>
Cigna Health and Life Insurance Company	Decrease	-1.100 %	-1.100 %	(\$208,011.00)	15	\$18,894,476.00	1.100 %	-3.900 %

**Original Rate Review Detail submitted 12/31/15**

[View Rate Review Detail](#)

---

Company Name: Cigna Health and Life Insurance Company

HHS Issuer ID: ⓘ \* 67369

PRODUCTS: ⓘ \*

<b>Product Name</b> *	<b>HIOS Product ID</b>	<b>HIOS Submission ID</b>	<b>Number of Covered Lives</b> *
PPO, Open Access Plus, Network			2586

Trend Factors: ⓘ 9.5%

FORMS: \* ⓘ

New Policy Forms: n/a

Affected Forms for Closed Blocks: n/a

Other Affected Forms: HP-POL et al

REQUESTED RATE CHANGE INFORMATION: ⓘ

Change Period: \* Annual

Member Months: \* 33266

Benefit Change: \* None

Percent Rate Change Requested: Min: -3.9% Max: 1.1% Weighted Avg.: -1.1%

PRIOR RATE: ⓘ

Total Earned Premium: \* 19102487

Total Incurred Claims: \* 15874167

Annualized PMPM \$: Min: \* \$ 326 Max: \* \$ 852.53 Weighted Avg.: \* \$ 574.23

REQUESTED RATE: ⓘ

Projected Earned Premium: \* 18894476

Projected Incurred Claims: \* 15523058

Annualized PMPM \$: Min: \* \$ 313.17 Max: \* \$ 861.62 Weighted Avg.: \* \$ 567.98

**State:** VermontGMCB **Filing Company:** Cigna Health and Life Insurance Company  
**TOI/Sub-TOI:** H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO  
**Product Name:** Medical  
**Project Name/Number:** CHLIC Rate Filing/

## Post Submission Update Request Processed On 03/30/2016

**Status:** Allowed  
**Created By:** Maria Mahmood  
**Processed By:** Thomas Crompton  
**Comments:** This post submission update is allowed.

### General Information:

Field Name	Requested Change	Prior Value
Implementation Date Requested	05/16/2016	On Approval

### Company Rate Information:

Company Name:Cigna Health and Life Insurance Company

Field Name	Requested Change	Prior Value
Overall % Indicated Change	-3.900%	-1.100%
Overall % Rate Impact	-3.900%	-1.100%
Written Premium Change for this Program	\$-753718	\$-208011
Written Premium for this Program	\$18348769	\$18894476
Maximum %Change (where required)	-1.900%	1.100%
Minimum %Change (where required)	-6.700%	-3.900%
Product:	NEW	
Product Name	PPO, Open Access Plus, Network	
Number of Covered Lives	2586	

### REQUESTED RATE CHANGE INFORMATION:

Min:	-6.700	-3.900
Max:	-1.900	1.1
Weighted Avg.:	-3.900	-1.1

### REQUESTED RATE:

Projected Earned Premium:	18,348,769.000	18,894,476.000
Min:	304.130	313.170
Max:	836.740	861.620
Weighted Avg.:	551.570	567.980

**State:** VermontGMCB **Filing Company:** Cigna Health and Life Insurance Company  
**TOI/Sub-TOI:** H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO  
**Product Name:** Medical  
**Project Name/Number:** CHLIC Rate Filing/

## Post Submission Update Request Processed On 03/30/2016

**Status:** Disallowed  
**Created By:** Maria Mahmood  
**Processed By:** Thomas Crompton  
**Comments:** A new update will be required per GMCB decision.

### General Information:

Field Name	Requested Change	Prior Value
Implementation Date Requested	05/16/2016	On Approval

### Company Rate Information:

Company Name:Cigna Health and Life Insurance Company

Field Name	Requested Change	Prior Value
Product:	NEW	
Product Name	PPO, Open Access Plus, Network	
Number of Covered Lives	2586	

SERFF Tracking #:

CCGP-130243269

State Tracking #:

Company Tracking #:

67369

**State:** VermontGMCB **Filing Company:** Cigna Health and Life Insurance Company  
**TOI/Sub-TOI:** H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO  
**Product Name:** Medical  
**Project Name/Number:** CHLIC Rate Filing/

### Rate Information

Rate data applies to filing.

**Filing Method:** SERFF  
**Rate Change Type:** Decrease  
**Overall Percentage of Last Rate Revision:** -2.000%  
**Effective Date of Last Rate Revision:** 09/02/2015  
**Filing Method of Last Filing:** SERFF

### Company Rate Information

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Cigna Health and Life Insurance Company	Decrease	-3.900%	-3.900%	\$-753,718	15	\$18,348,769	-1.900%	-6.700%

State: VermontGMCB Filing Company: Cigna Health and Life Insurance Company  
 TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO  
 Product Name: Medical  
 Project Name/Number: CHLIC Rate Filing/

**Rate Review Detail**

**COMPANY:**

Company Name: Cigna Health and Life Insurance Company  
 HHS Issuer Id: 67369

**PRODUCTS:**

Product Name	HIOS Product ID	HIOS Submission ID	Number of Covered Lives
PPO, Open Access Plus, Network			2586

Trend Factors: 9.5%

**FORMS:**

New Policy Forms: n/a  
 Affected Forms: n/a  
 Other Affected Forms: HP-POL et al

**REQUESTED RATE CHANGE INFORMATION:**

Change Period: Annual  
 Member Months: 33,266  
 Benefit Change: None  
 Percent Change Requested: Min: -6.7 Max: -1.9 Avg: -3.9

**PRIOR RATE:**

Total Earned Premium: 19,102,487.00  
 Total Incurred Claims: 15,874,167.00  
 Annual \$: Min: 326.00 Max: 852.53 Avg: 574.23

**REQUESTED RATE:**

Projected Earned Premium: 18,348,769.00  
 Projected Incurred Claims: 15,523,058.00  
 Annual \$: Min: 304.13 Max: 836.74 Avg: 551.57



**SERFF Tracking #:**

CCGP-130243269

**State Tracking #:****Company Tracking #:**

67369

**State:**

VermontGMCB

**Filing Company:**

Cigna Health and Life Insurance Company

**TOI/Sub-TOI:**

H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO

**Product Name:**

Medical

**Project Name/Number:**

CHLIC Rate Filing/

## Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Rate manual	HP-POL et al	Revised	Previous State Filing Number: CCGP-129725944 Percent Rate Change Request:	2016 CHLIC Rate Filing - VT_Revised Per Mandate.pdf,

# Cigna Health and Life Insurance Company

## Rate Filing

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# Medical Manual Rating Formulas

## 1 Transform Census

Using experience-based demographic assumptions, transform the employee-level census into a member-level census. Skip to Step 2 if the census is already at the member level.

## 2 Calculate Base Medical Claim Costs

Run the members from the census in Step 1 through the calculations in Step 2 to determine in-network (IN) base medical claim costs. For plans with out-of-network (OON) benefits, calculate the base medical claim costs using the methodology outlined in Step 2 but with OON assumptions and benefits. For indemnity plans, calculate all claim costs using only OON assumptions.

Calculate expected claim costs on a per member per month (PMPM) basis.

### 2.1 National Base Claims

National base claim costs for experience-rated business are established for all major service categories (MSCs). The MSCs may be further subdivided into sub-cost categories (SCCs). These are:

- MSC
  - Inpatient [Hospital] (IP)
  - Outpatient [Hospital] (OP)
  - Emergency Room (ER)
  - Primary Care Physician (PCP)
  - Specialty Care Physician (SCP)
  - Other
  - Preventive Care
  - Pharmacy (if combined with medical)
- SCC
  - Facility
  - Professional
  - Lab
  - Radiology
  - Advanced Radiology (ARI)

See *Table 1 – Medical Base Claims* for the current base claim costs for each MSC (both IN and OON).

See *Table 2 – MSC Weighting by SCC* for the percentage of each MSC composed of each SCC.

Calculate the base claim cost at the SCC level by pulling the base claim costs for each MSC from the applicable pricing table and applying the appropriate weighting for each SCC.

$$\text{Base Claim Cost by MSC and SCC} = [\text{Base Claim Cost by MSC}] \times [\text{SCC \%}]$$

The base claim cost by MSC and SCC will be referred to as *base claims*, with the understanding that they have already been divided into categories. Also, the term *service categories* will be used to refer to MSCs divided fully into SCCs (e.g., “Inpatient Facility” or “PCP ARI”), while any specific reference to MSCs alone will be clearly noted.

Pharmacy base claims are calculated in Step 6.9.2 and are used to develop medical manual rates (during Step 2.5) only if the plan features combined medical and pharmacy claims.

If preventive care coverage is elected for children only, then the preventive care base claim cost will depend on the elected child age. See *Table 3 – Preventive Care Child Age Adjustment* to determine what portion of preventive care base claim costs to use.

## 2.2 National Trend

### 2.2.1 Calculate Trend Factor

To establish expected base claim costs for the policy period, the base claim costs from Step 2.1 must be trended forward from the midpoint of the base claim period (the year of experience from which base claims are determined) to the midpoint of the policy period.

In this step, calculate a trend factor based on national trend (to be applied in Step 2.2.2). A trend factor based on area-specific trend is calculated and applied in Step 2.7.

National trend values may be found in *Table 4 – National Medical Trend*.

- The following dates and values are required:
  - a. The midpoint of the base claim period
  - b. The midpoint of the policy period
  - c. Trend days: days between the midpoint of the base claim period and the midpoint of the policy period. These are the days over which trend must be applied.
- Calculate the actual trend factor to be applied for each year.
  - a. Each one-year period starting from the midpoint of the base claim period has an associated trend value.
  - b. Each of those one-year periods contains some number of trend days. The percentage of trend days that fall into each one-year period is the trend exposure percentage for that one-year period.
  - c. Calculate the actual portion of trend to be applied from each one-year period with:

$$\text{Trend Factor} = [1 + \text{Trend}]^{(\text{Trend Exposure Percentage})}$$

- The total trend factor is the product of all trend factors.

### 2.2.2 Apply Trend Factor (National)

Apply the total trend factor (for national trend) determined in Step 2.2.1 to the base claims from Step 2.1.

$$\text{Trended Base Claims} = [\text{Base Claims}] \times [\text{Total Trend Factor (National)}]$$

## 2.3 Copays – Calculate Effective Copay Percentage

Calculating the cost-share due to copays in Step 2.5 requires the effective copay percentage, which is calculated for each service category as follows:

- Determine:
  - Utilization: See *Table 5 – National Utilization Rates by MSC* for the annual expected utilization rate per member for each MSC.
  - SCC Weighting: See *Table 2 – MSC Weighting by SCC*.
  - Copay: Copay dollar amounts (if any) from the plan design.

- Calculate:

$$\text{Dollar Copay Impact} = \frac{[\text{Utilization}] \times [\text{SCC Weighting}] \times [\text{Copay}]}{12}$$

$$\text{Effective Copay Percentage} = \frac{\text{Dollar Copay Impact}}{\text{Trended Base Claims (from Step 2.2.2)}}$$

The impact of copays for Mental Health/Substance Use Disorders (MH/SUD) is calculated in Step 4.3.

## 2.4 Effective Deductible and Out-of-Pocket Maximum

Throughout Step 2.5, calculations that require the deductible or out-of-pocket (OOP) maximum will use the effective deductible or effective OOP maximum. An adjustment factor is applied to the plan deductible and OOP maximum in order to arrive at the effective values. These adjustment factors depend on two things:

- The plan deductible (or OOP maximum).
- The ratio of the family deductible to the individual deductible (or OOP maximum).

For the deductible adjustment factor, see *Table 7 – Medical Effective Deductible Adjustment*.

For the OOP maximum adjustment factor, see *Table 8 – Medical Effective OOP Maximum Adjustment*.

$$\text{Effective Deductible} = [\text{Individual Deductible}] \times [\text{Deductible Adjustment Factor}]$$

$$\text{Effective OOP Maximum} = [\text{Individual OOP Maximum}] \times [\text{OOP Maximum Adjustment Factor}]$$

## 2.5 Cost-Share

Overview for this step: Calculate the expected offset to claim costs due to member cost-sharing by modifying the claims probability distribution (CPD) to remove member cost-sharing from total claims.

Steps 2.5.2 through 2.5.9 provide detail on this process. The modified CPD at a given step will be referred to as the CPD from the step in which the modification occurred. The claims that fall into either member cost-share or Cigna cost-share will be noted.

See *Table 9 – Medical Claims Probability Distribution* for the full medical CPD (which will also be referred to as the *base CPD*).

The pharmacy column of the medical CPD is used only if the plan features combined medical and pharmacy claims.

The final member cost-sharing for the preventive care MSC is calculated in Step 2.5.9 and does not use the CPD methodology.

### 2.5.1 Benefits Dependent on Number of Visits

Benefits for a particular service category may change depending on the number of visits. For example, copays could be selected such that one copay amount applies to the first PCP visit while another copay amount applies to any subsequent visits. The change in cost-share for each distinct benefit must be accounted for in calculating final cost-share.



For those service categories, multiply the average cost of a visit (found in *Table 10 – Average Visit Cost*) by the number of visits at which benefits change (according to the plan design) to get the claims breakpoint. Between each claims breakpoint on the CPD, apply the appropriate cost-share calculation throughout Step 2.5 for the applicable benefit.

## 2.5.2 Base Claim Costs

Split the columns of the base CPD by the appropriate SCC weighting for the MSC (as listed in *Table 2 – MSC Weighting by SCC*). Scale the claims for each service category by the respective trended base claims from Step 2.2.2.

If pharmacy and medical claims are combined, use the 'Estimated Annual Cost' (converted to monthly) from the pharmacy Step 6.9.2 to scale the pharmacy service category.

## 2.5.3 Copays before the Deductible

If copays apply before the deductible, multiply the service categories with copays in the Step 2.5.2 CPD by  $[1 - \text{Effective Copay Percentage}]$  (calculated in Step 2.3). Otherwise, the service categories are not adjusted.

To find the member cost-sharing from copays (before the deductible), subtract the claims in the Step 2.5.3 CPD from the claims Step 2.5.2 CPD.

## 2.5.4 Deductible

For service categories subject to the deductible, claims below the effective deductible (calculated in Step 2.4) are cost-share for the member. Proportionately remove claims below the effective deductible from the 2.5.3 CPD.

If pharmacy and medical claims are combined and cost share has been waived for certain classes of prescription drugs (e.g., waiving cost share for preventive medications), use the pharmacy CPD (outlined in Table 60, Table 61, and Table 62) to calculate the percentage of pharmacy claims subject to the deductible and only the portion of pharmacy claims that are subject to the deductible are included in the pharmacy service category.

## 2.5.5 Effective Coinsurance

For each service category, calculate the effective coinsurance as a combination of coinsurance and cost-sharing from copays that apply after the deductible (either or both may apply).

$$\text{Effective Coinsurance} = [\text{Plan Coinsurance}] \times [1 - \text{Effective Copay Percentage (from Step 2.3)}]$$

If the service category has no copay after the deductible, the effective copay percentage is zero (leaving only coinsurance). If the service category is subject only to a copay after the deductible, the plan coinsurance is one (i.e., all costs beyond the copay are Cigna cost-share).

Multiply the claims for each service category by the applicable effective coinsurance. For service categories that are not subject to the deductible, use the claims from the Step 2.5.3 CPD, and for service categories subject to the deductible, use the claims from the Step 2.5.4 CPD.

If pharmacy and medical claims are combined, use  $[1 - \text{Regular Member Cost Share}]$  from Step 6.9.10 as the effective coinsurance for the pharmacy service category.

## 2.5.6 Out-of-Pocket Maximum

Add up all the components of member cost-share that apply to the OOP maximum. All claims above the effective OOP maximum (calculated in Step 2.4) become Cigna cost-share.

## 2.5.7 Annual Maximum

Add up the Cigna cost-share (claims in the Step 2.5.5 CPD and claims above the OOP maximum from Step 2.5.6). All claims above the annual maximum (if applicable) become member cost-share.

## 2.5.8 Member Cost-Sharing Percentage

Calculate the member cost-sharing percentage for each MSC.

Determine the Cigna cost-share for each MSC. This comprises claims in the Step 2.5.5 CPD and claims above the OOP maximum and below the annual maximum (if applicable) from Steps 2.5.6 and 2.5.7.

$$\text{Member Cost-Sharing Percentage} = 1 - \frac{[\text{Cigna Cost-Share}]}{[\text{Trended Base Claims (Step 2.2.2)}]}$$

If pharmacy and medical claims are combined, the pharmacy trended base claims are the 'Estimated Annual Cost' (converted to monthly) from Step 6.9.2. The pharmacy member cost-sharing percentage is used as the effective member cost-share for pharmacy benefits in Step 6.9.11.

## 2.5.9 Collective Accumulation Adjustment

If the plan features collective accumulation (in the deductible and/or OOP maximum), add a collective accumulation adjustment to each member cost-sharing percentage from Step 2.5.8.

Definition of terms:

- Accumulator: generic term for the deductible or OOP maximum (both if plural)
- Average family size: the ratio of family members to family subscribers
- Deductible multiplier: the ratio of the family deductible to the individual deductible
- OOP maximum multiplier: the ratio of the family OOP maximum to the individual OOP maximum

To calculate the collective accumulation adjustment: using the deductible and OOP maximum from the plan design as rated, determine the accumulators that a family and an individual within a family would experience under the three following scenarios:

- The deductible and OOP maximum are non-collective and the deductible multiplier and OOP maximum multiplier are equal
- The deductible and OOP maximum are collective and the deductible multiplier and OOP maximum multiplier are equal
- The deductible and OOP maximum follow the plan design as rated

For each scenario, determine the *effective* deductible and OOP maximum that an individual within a family would experience. To do this, multiply the deductible and OOP maximum for an individual within a family by the factors found in *Table 13 – Effective Deductible - Collective Accumulation Adjustment* and *Table 14 – Effective OOP Maximum - Collective Accumulation Adjustment* (the factors depend on the individual deductible or OOP, respective multiplier, and average family size). If necessary, interpolate between the nearest multipliers to calculate the adjustment.

For a plan where the deductible is collective and the OOP maximum is non-collective, if the OOP maximum for an individual is less than the family deductible plus \$550, use *Table 15 – Effective Coinsurance - Collective Accumulation Adjustment* to determine the effective coinsurance used in this calculation. The table is based on the plan coinsurance and the average family size.

For each scenario, apply the plan coinsurance (or effective coinsurance, if applicable), effective individual deductible, and effective individual OOP maximum to the “Total Annual Claims” column of the Step 2.5.2 CPD to calculate member cost-share. Calculate the accumulation adjustment ratio based on the calculated cost-share for the non-collective, collective, and plan scenarios as follows:

$$\text{Accumulation Adjustment Ratio} = \frac{[\text{Plan Cost-Share}] - [\text{Non-Collective Cost-Share}]}{[\text{Collective Cost-Share}] - [\text{Non-Collective Cost-Share}]}$$

From *Table 16 – Collective Deductible Adjustment*, determine the collective deductible adjustment based on the average family size, the deductible multiplier, and the individual deductible. If necessary, linearly interpolate between the appropriate nearest deductibles to find the correct decrement. Calculate:

$$\text{Single to Total Member Ratio} = \frac{[\text{Count of Subscribers Without Dependents}]}{[\text{Total Members}]}$$

Then

$$\text{Collective Deductible Adjustment} = [1 - \text{Single to Total Member Ratio}] \times [\text{Collective Decrement}]$$

And

$$\begin{aligned} \text{Collective Accumulation Adjustment} \\ = [\text{Collective Deductible Adjustment}] \times [\text{Accumulation Adjustment Ratio}] \end{aligned}$$

### 2.5.10 Final Member Cost-Sharing Percentage

If applicable, add the collective accumulation adjustment from Step 2.5.9 to the Step 2.5.8 member cost-sharing percentage to get the final member cost-sharing percentage. If the plan does not have collective accumulation, the final member cost-sharing percentage is equal to the percentage calculated in Step 2.5.8.

If preventive care is covered with cost-sharing, the final member cost-sharing percentage for the preventive care MSC is calculated as a blend of the PCP and SCP final member cost-sharing percentages. See *Table 11 – Preventive Care Cost-Share Weighting* for the appropriate weights.

The total member cost-sharing percentage is a weighted average of the final member cost-sharing percentages across all MSCs.

### 2.5.11 Apply Cost-Sharing Offset

Apply the final member cost-sharing percentage from Step 2.5.9 to the trended base claims from Step 2.2.2.

$$\text{Cost-Sharing Adjusted Claims} = [1 - \text{Final Member Cost-Sharing Percentage}] \times [\text{Trended Base Claims}]$$

## 2.6 Utilization Dampening

### 2.6.1 Calculate Utilization Dampening

Determine the utilization dampening to apply to each MSC. Values for this calculation are found in *Table 12 – Medical Utilization Dampening*. The preventive care MSC is not subject to utilization dampening.

Calculate utilization dampening for each MSC using the applicable final member cost-sharing percentage calculated in Step 2.5.9 and the appropriate values (A, B and C) from the table.

$$\text{Utilization Dampening} = e^{(A \times \text{Cost-Sharing} + B)} + C$$

### 2.6.2 Apply Utilization Dampening Factor

Apply the Utilization Dampening from Step 2.6.1 to the Cost-Sharing Adjusted Claims from Step 2.5.11.

$$\text{Utilization Dampening Adjusted Claims} = [\text{Utilization Dampening}] \times [\text{Cost-Sharing Adjusted Claims}]$$

## 2.7 Area-Specific Trend Relativity

### 2.7.1 Calculate Area-Specific Trend Relativity

Calculate the trend factor based on area-specific trend for the plan rating area using the methodology found in Step 2.2.1.

Area-specific trend is found in *Table 28 – Medical Trend and Capitation* (with additional summary detail provided in *Table 29 – Medical Trend Summary*).

Divide the area-specific trend factor by the trend factor based on national trend from Step 2.2.1 to find the area-specific trend relativity.

$$\text{Area-Specific Trend Relativity} = \frac{[\text{Area-Specific Trend Factor}]}{[\text{National Trend Factor}]}$$

### 2.7.2 Apply Area-Specific Trend Relativity

Apply the area-specific trend relativity from Step 2.7.1 to the utilization dampening adjusted claims from Step 2.6.2.

$$\text{Area Trend Adjusted Claims} = [\text{Area-Specific Trend Relativity}] \times [\text{Utilization Dampening Adjusted Claims}]$$

## 2.8 Base Medical Community Rate

### 2.8.1 Calculate Medical Community Rate Load

Multiply together all applicable community rate loads from *Table 17 – Community Rate Loads* and the area factor for the plan rating area found in *Table 26 – Medical Area Factors* (with additional summary detail in *Table 27 – Medical Area Factor Summary*) to get the medical community rate load.

### 2.8.2 Apply Medical Community Rate Load

Apply the medical community rate load from Step 2.8.1 to the area trend adjusted claims from Step 2.7.2.

$$\text{Base Medical Community Rate} = [\text{Medical Community Rate Load}] \times [\text{Area Trend Adjusted Claims}]$$

## 3 Base Medical Community Rate by Class

### 3.1 Blending Medical Rates

#### 3.1.1 Calculate Blended Community Rate

For products with IN and OON components, this step blends the IN and OON base medical claim costs to create one overall rate.

Use a point-of-service (POS) load methodology to apply a load (which is based on area, product, and the IN and OON cost-share differential) to IN claims to calculate blended expected IN and OON claims. If a product is capitated, the POS load will only apply to the non-capitated portion of base medical claims.

The POS load calculation proceeds as follows:

1. Calculate the difference in cost-sharing percentages between OON and IN components. These cost-sharing percentages are the total member cost-sharing percentages (for IN and OON, respectively) from Step 2.5.8. The differential cannot be less than zero or greater than one.

$$\text{Cost-Share Differential} = [\text{OON Cost-Sharing Percentage}] - [\text{IN Cost-Sharing Percentage}]$$

2. Find the appropriate coefficients (A, B, and C) in *Table 31 – POS Load Coefficients* (with additional summary detail in *Table 32 – POS Load Coefficients Summary*) and calculate the base POS load.

$$\text{Base POS Load} = A \times [\text{CSDiff}]^2 + B \times [\text{CSDiff}] + C$$

If the base POS load is less than zero or the plan is an indemnity plan, the base POS load is set to zero.

3. Determine the applicable OON savings program for the plan and apply the appropriate factor from *Table 18 – Medical OON Program Savings Factors* to the base POS load. If necessary, interpolate between table values to find the OON savings program factor.

$$\text{POS Load} = [\text{Base POS Load}] \times [\text{OON Savings Program Factor}]$$

4. Apply the POS load to the IN base medical community rate from Step 2.8.2.

$$\text{Blended Community Rate} = [1 + \text{POS Load}] \times [\text{IN Base Medical Community Rate}]$$

#### 3.1.2 Calculate IN and OON Utilization

The expected OON utilization is used in the adjustment for Cigna Care Network tiered benefits. This requires the POS load calculated in Step 3.1.1 and the IN and OON base medical community rates calculated in Step 2.8.2. If the product is capitated, only use the non-capitated portion of the IN base medical community rate. If the calculation yields an IN Utilization greater than 100% or less than 0%, the IN Utilization is set to one and no POS load is applied.

$$\text{IN Utilization} = \frac{[\text{POS Load}] \times [\text{IN Rate}] - [\text{OON Rate}]}{[\text{IN Rate}] - [\text{OON Rate}]}$$

$$\text{OON Utilization} = 1 - \text{IN Utilization}$$

### 3.2 Lifetime Maximum Adjustment

If the plan features a lifetime maximum, the appropriate adjustment is found in *Table 19 – Lifetime Maximum Adjustment* and will be applied in Step 3.5.

### 3.3 Industry Load

Calculate the applied industry load.

- Select the appropriate industry load from *Table 20 – Industry Load* based on the Standard Industrial Classification code of the group being priced.
- If applicable, determine the capitation percentage from *Table 28 – Medical Trend and Capitation* (with additional summary detail in *Table 30 – NWK Percent Capitated Summary*).

$$\text{Adjusted Industry Load} = [\text{Industry Load} - 1] \times [1 - \text{Capitation Percentage}]$$

$$\text{Applied Industry Load} = 1 + \text{Adjusted Industry Load}$$

### 3.4 Demographic Factor

Determine the demographic factor from *Table 21 – Medical Demographic Factors* for the member based on sex, age, and status (i.e. employee, spouse, or child).

To calculate the demographic aging adjustment, multiply the demographic aging trend found in *Table 22 – Demographic Aging Trend* by the number of years between the date the census is evaluated and the midpoint of the policy period, then add one. Multiply the demographic factor by the demographic aging adjustment to calculate the applied demographic factor.

### 3.5 Calculate Base Medical Community Rate by Class

Calculate the base medical community rate by class by multiplying together the following:

- Blended community rate from Step 3.1.1
- Lifetime maximum adjustment from Step 3.2
- Applied industry load from Step 3.3
- Applied demographic factor from Step 3.4

## 4 Calculate Claim Costs for Other Benefits

### 4.1 Riders

#### 4.1.1 Medical Riders

Determine the total claim cost for applicable riders (calculated on a PMPM basis).

Determine base rider claim costs.

- See *Table 25 – Medical Riders* for the methodology and values required to calculate base medical rider claim costs.

Multiply the base rider claim costs by the trend factor, rider load, applied industry load, and applied demographic factor to determine total rider claim costs.

- The trend factor is the area-specific trend factor from Step 2.7.
- The rider load is calculated the same way as the community rate load from Step 2.8.1 using only applicable loads.
- The applied industry load is calculated in Step 3.3.
- The applied demographic factor is calculated in Step 3.4. The infertility riders have their own demographic factors to use in the calculation. These factors may be found in *Table 23 – Infertility Rider Demographic Factors*.

#### 4.1.2 Vision Rider

Determine the vision rider claim cost PMPM, if applicable. See *Appendix F: Vision Riders* for all values required for this calculation.

1. For each applicable category of coverage found in *Table 38 – Vision: Average Costs*, calculate the coverage allowance. If a category is not covered, the coverage allowance is \$0.

$$\text{Coverage Allowance} = \min([\text{Average Cost}], [\text{Allowance Per Plan Design}])$$

2. Multiply the coverage allowance by the frequency factor found in *Table 39 – Vision: Frequency Factors* and the utilization percentage found in *Table 40 – Vision: Service Utilization* to calculate the preliminary claims cost. Sum the preliminary claims costs across all categories of coverage to determine the overall preliminary claims cost.

$$\text{Preliminary Claims Cost} = [\text{Coverage Allowance}] \times [\text{Frequency Factor}] \times [\text{Utilization}]$$

3. Multiply the overall preliminary claims cost by the industry factor, case size adjustment, and trend factor to calculate the vision rider claim cost per employee per year (PEPY). The industry factor, case size adjustment, and annual trend used for the trend factor are found in *Table 41 – Vision: Trend and Adjustments*.

$$\begin{aligned} \text{Vision Rider Claim Cost PEPY} \\ = [\text{Preliminary Claims Cost}] \times [\text{Industry Factor}] \times [\text{Case Size Adj.}] \times [\text{Trend Factor}] \end{aligned}$$

4. Divide the vision rider claim cost PEPY by 12 and by the ratio of members to employees to calculate the vision rider claim cost PMPM.

## 4.2 Health Management Program Savings

Using the values in *Table 24 – Health Management Program Savings*, calculate the expected claim cost savings for applicable health management programs.

- To calculate expected savings for Your Health First, multiply the decrement in the table by the sum of the blended medical community rate from Step 3.1.1 and the rider claim cost (before demographic and industry factors are applied). Then multiply by the applied industry load from Step 3.3 and the applied demographic factor from Step 3.4.
- To calculate expected savings for Healthy Pregnancies, Healthy Babies and Comprehensive Oncology, trend the PMPM dollar amounts in the table using the area-specific trend factor from Step 2.7, and then multiply by the applied industry load from Step 3.3 and the applied demographic factor from Step 3.4.
- To calculate expected savings for Health Advisor and Personal Health Team, use the PEPM dollar amounts in the table.

### 4.3 Mental Health/Substance Use Disorders

Determine the MH/SUD claim cost. See *Appendix E: Mental Health/Substance Use Disorders* for rates, trend, and adjustments. Note that the MH/SUD cost calculation uses an MH/SUD-specific trend and that the base claim cost varies within the given range based on plan deductible, copays, and coinsurance.

MH/SUD is ordinarily a capitated product but can be covered as fee-for-service (FFS). If it's covered as FFS, apply the FFS adjustment, otherwise apply only trend to the MH/SUD base claim cost.

$$\text{MH/SUD Claim Cost} = [\text{MH/SUD Base Claim Cost}] \times [1 + \text{Trend}] \times [1 + \text{FFS Adjustment}]$$

### 4.4 Medicare Coordination of Benefits

Rates for post-65 Medicare-eligible retirees are adjusted to reflect the coordination of benefits (COB) with Medicare.

The Medicare COB adjustment is based on the percentage of Medicare-eligible members in the population being rated, the age, sex, and geographic location of the membership, the coordination of benefits method being applied, the underlying medical product type, and the plan deductible, coinsurance, copay, OOP maximum, and other cost-sharing.

## 5 Aggregate Medical Claim Costs

Sum the following to calculate the total medical claim cost for the individual:

- The base medical community rate by class from Step 3.5.
- The total rider claim cost from Step 4.1.
- The claim cost savings from health management programs from Step 4.2.
- The MH/SUD claim cost from Step 4.3.

Combine the individual claim costs for the entire census to determine the aggregate medical claim cost (on a PMPM basis):

$$\text{Aggregate Medical Claim Cost} = \frac{\text{Sum of Individual Claim Costs}}{\text{Total Members}}$$



# Pharmacy Manual Rating Formulas

Use this section to calculate expected pharmacy claim costs.

The following formulas detail the pharmacy claim cost calculation process. The specific steps are applied to each pharmacy cost category, except as specifically noted. There are no separate provisions made for OON pharmacy benefits. All benefits are assumed to be IN. Claim costs for each individual life are calculated separately and the results are aggregated. Where noted, a separate set of assumptions or calculations are used for cases run on the FACETS platform.

## 6 Pharmacy Rating Step-by-Step

### 6.1 Extract the Average Wholesale Price (AWP) per Script

Extract the AWP per script by cost category for both retail and mail order based on the formulary type (Standard, Value, Performance, Advantage, or Generics Only). All formularies are open. Separate assumptions exist for the FACETS platform. The AWP per script assumptions are found in the following tables:

- *Table 42 – Retail AWP per Script Assumptions*
- *Table 43 – Mail Order AWP per Script Assumptions*
- *Table 69 – FACETS Retail AWP per Script Assumptions*
- *Table 70 – FACETS Mail Order AWP per Script Assumptions*

### 6.2 Apply the Discount

Discounts are applied to the AWP per script calculated in Step 6.1 based on retail pharmacy network, funding type/product (HMO, non-HMO, or experience rated) and employer size. Please note that separate assumptions exist for the FACETS platform, which vary only by pricing package. The discount assumptions are found in the following tables:

- *Table 46 – Retail Discounts and Dispensing Fees (National Network)*
- *Table 47 – Retail Discounts and Dispensing Fees (National Network without CVS)*
- *Table 48 – Retail Discounts and Dispensing Fees (National Network without Walgreens)*
- *Table 49 – Retail Discounts and Dispensing Fees (National Network without CVS & Walgreens)*
- *Table 73 – FACETS Retail Discounts and Dispensing Fees*
- *Table 74 – FACETS Mail Order Discounts and Dispensing Fees*

The discount assumptions vary by drug source (retail or mail order) and drug type (generic, brand, or specialty). Discounts also vary by calendar year, so discount assumptions are averaged for policy years that cross multiple calendar years:

Average Discount

$$\begin{aligned} &= (\text{2014 Calendar Year Discount} \times \% \text{ of Policy Year in 2014}) \\ &+ (\text{2015 Calendar Year Discount} \times \% \text{ of Policy Year in 2015}) \\ &+ (\text{2016 Calendar Year Discount} \times \% \text{ of Policy Year in 2016}) \\ &+ (\text{2017 Calendar Year Discount} \times \% \text{ of Policy Year in 2017}) \end{aligned}$$

In addition, separate discounts may apply for 90-day retail scripts. If the 90-day retail option is selected, retail discounts are further adjusted:

Adjusted Retail Average Discount

$$\begin{aligned} &= \text{30-Day Retail Average Discount} \times (1 - \% \text{ of Retail from 90-Day}) \\ &+ \text{90-Day Retail Average Discount} \times \% \text{ of Retail from 90-Day} \end{aligned}$$

where

$$\begin{aligned} \text{\% of Retail from 90-Day} &= [(\text{Retail Script Count} \times \text{30-Day Retail Shift to 90-Day Retail}) \\ &+ (\text{Mail Order Script Count} \times \text{Mail Order Shift to 90-Day Retail} \times \text{Mail Order Multiplier})] \\ &\div \text{Retail Script Count} \end{aligned}$$

The 90-day retail shift assumptions and mail order multiplier are found in the following tables:

- *Table 54 – Shift Assumptions for Plans with 90-Day Retail*
- *Table 55 – Mail Order Multiplier Assumption*

If a product is selected where multiple drug types are included in a particular tier, a blended discount must be calculated. The following example describes how a blended discount would be calculated if non-preventive generics and preferred brand drugs were in the same tier:

$$\begin{aligned} \text{Blended Discount for Tier with Non-Preventive Generics and Preferred Brands} &= [(\text{Non-Preventive Generic Script Count} \times \text{Non-Preventive Generic AWP per Script} \\ &\times \text{Generic Discount}) \\ &+ (\text{Preferred Brand Script Count} \times \text{Preferred Brand AWP per Script} \times \text{Brand Discount})] \\ &\div [(\text{Non-Preventive Generic Script Count} \times \text{Non-Preventive Generic AWP per Script}) \\ &+ (\text{Preferred Brand Script Count} \times \text{Preferred Brand AWP per Script})] \end{aligned}$$

Once the discounts are determined, apply them to AWP per script calculated in Step 6.1:

$$\text{Step 6.2 Discounted AWP per Script} = \text{Step 6.1 AWP per Script} \times (1 - \text{Discount})$$

### 6.3 Calculate Gross Cost per Script

Dispensing fees are added to the discounted AWP per script calculated in Step 6.2 based on retail pharmacy network, funding type/product (HMO, non-HMO, or experience rated) and employer size. Separate assumptions exist for the FACETS platform, which vary only by pricing package. The dispensing fee assumptions are found in the following tables:

- *Table 46 – Retail Discounts and Dispensing Fees (National Network)*
- *Table 47 – Retail Discounts and Dispensing Fees (National Network without CVS)*
- *Table 48 – Retail Discounts and Dispensing Fees (National Network without Walgreens)*
- *Table 49 – Retail Discounts and Dispensing Fees (National Network without CVS & Walgreens)*
- *Table 73 – FACETS Retail Discounts and Dispensing Fees*
- *Table 74 – FACETS Mail Order Discounts and Dispensing Fees*

The dispensing fee assumptions vary by drug source (retail or mail order) and drug type (generic, brand, or specialty). Dispensing fees also vary by calendar year, so dispensing fee assumptions are averaged for policy years that cross multiple calendar years:

$$\begin{aligned} \text{Average Dispensing Fee} &= (\text{2014 Calendar Year Dispensing Fee} \times \text{\% of Policy Year in 2014}) \\ &+ (\text{2015 Calendar Year Dispensing Fee} \times \text{\% of Policy Year in 2015}) \\ &+ (\text{2016 Calendar Year Dispensing Fee} \times \text{\% of Policy Year in 2016}) \\ &+ (\text{2017 Calendar Year Dispensing Fee} \times \text{\% of Policy Year in 2017}) \end{aligned}$$

In addition, separate dispensing fees apply for 90-day retail scripts. If the 90-day retail option is selected, retail dispensing fees are further adjusted:

$$\begin{aligned} \text{Adjusted Retail Average Dispensing Fee} &= 30\text{-Day Retail Average Dispensing Fee} \times (1 - \% \text{ of Retail from 90-Day}) \\ &+ 90\text{-Day Retail Average Dispensing Fee} \times \% \text{ of Retail from 90-Day} \end{aligned}$$

where

$$\begin{aligned} \% \text{ of Retail from 90-Day} &= \frac{[(\text{Retail Script Count} \times 30\text{-Day Retail Shift to 90-Day Retail}) \\ &+ (\text{Mail Order Script Count} \times \text{Mail Order Shift to 90-Day Retail} \times \text{Mail Order Multiplier})]}{\text{Retail Script Count}} \end{aligned}$$

The 90-day retail shift assumptions and mail order multiplier are found in the following tables:

- *Table 54 – Shift Assumptions for Plans with 90-Day Retail*
- *Table 55 – Mail Order Multiplier Assumption*

Sales tax is not included in the gross cost per script calculation because of insignificance, so once the dispensing fees are determined, add them to the discounted AWP per script calculated in Step 6.2:

$$\text{Step 6.3 Gross Cost per Script} = \text{Step 6.2 Discounted AWP per Script} + \text{Dispensing Fee per Script}$$

## 6.4 Calculate and Apply the Cost Trend Factor

The gross cost per script calculated in Step 6.3 was developed using assumptions from the base claim period. To establish expected costs for the policy period, the gross cost per script must be trended forward from the midpoint of the base claim period to the midpoint of the policy period. Area-specific trends should be used, if applicable, to determine the unit cost trend factor. Otherwise, the national trend should be used. Unit cost trend assumptions are found in the following table:

- *Table 57 – Pharmacy: Cost Trend*

Determine the number of days from the midpoint of the base claim period to the midpoint of the policy period (“trend days”). The base claim period midpoint is estimated as 182.5 days after the base claim effective date. The policy period midpoint is the average of the policy effective date and the policy end date.

Each year following the base claim period midpoint is a trend year and has an associated unit cost trend factor. Determine the number of trend days that fall into each trend year and divide by the total days in the trend year to arrive at the portion of each trend year applicable to the case being rated (“exposure percentage”). Now the adjusted unit cost trend factor can be calculated for each trend year:

$$\text{Adjusted Unit Cost Trend Factor} = (1 + \text{Trend Year Unit Cost Trend Factor})^{\text{Exposure Percentage}}$$

The final unit cost trend factor is the product of the adjusted unit cost trend factors for each trend year. The following example outlines the unit cost trend factor calculation using national trend values:

- a = Base claim effective date = 1/1/2014
- b = Policy effective date = 4/1/2016
- c = Policy end date = 3/31/2017
- d = Annual cost trend factor for 2015/2014 = 10.34%
- e = Annual cost trend factor for 2016/2015 = 12.34%
- f = Annual cost trend factor for 2017/2016 = 12.34%
- g = Base claim period midpoint = a + 182.5 days = 7/2/2014
- h = Policy period midpoint = (b + c) ÷ 2 = 9/30/2016
- i = Total trend days = g – f = 820

j = Trend days from 2014 to 2015 = 363.5  
 k = Trend days from 2015 to 2016 = 366  
 l = Trend days from 2016 to 2017 = 91.5

$$\text{Final Unit Cost Trend Factor} = (1 + d)^{\frac{j}{365}} \times (1 + e)^{\frac{k}{366}} \times (1 + f)^{\frac{l}{365}}$$

$$= 1.1034^{0.996} \times 1.234^1 \times 1.234^{0.25} = 1.276$$

Once the final unit cost trend factor is determined, apply it to the gross cost per script calculated in Step 6.3:

$$\text{Step 6.4 Trended Gross Cost per Script} = \text{Step 6.3 Gross Cost per Script} \times \text{Final Unit Cost Trend Factor}$$

## 6.5 Extract the Annual Script Counts Per Member

Extract the annual script counts per member (script count per member per year [PMPY]) by cost category for both retail and mail order based on the formulary type (Standard, Value, Performance, Advantage, or Generics Only). Pull in script counts for optional cost categories, such as lifestyle drugs, as needed. If an optional cost category has not been selected, set the script count to zero. Please note that separate assumptions exist for the FACETS platform. The script count assumptions are found in the following tables:

- *Table 44 – Retail Script Count PMPY Assumptions*
- *Table 45 – Mail Order Script Count PMPY Assumptions*
- *Table 71 – FACETS Retail Script Count PMPY Assumptions*
- *Table 72 – FACETS Mail Order Script Count PMPY Assumptions*

Script counts are adjusted when the mandatory generic program is selected:

$$\begin{aligned} \text{Adjusted Generic Script Count} \\ &= \text{Generic Script Count} \\ &+ (\text{Non-Preferred Brand Multi-Source Script Count} \times \text{Mandatory Generic Shift Factor}) \end{aligned}$$

$$\begin{aligned} \text{Adjusted Non-Preferred Brand Multi-Source Script Count} \\ &= \text{Non-Preferred Brand Multi-Source Script Count} \times (1 - \text{Mandatory Generic Shift Factor}) \end{aligned}$$

Scripts that are shifted from the non-preferred brand multi-source category to the generic category are assumed to be proportionately distributed between the preventative generic and non-preventative generic buckets. If specialty drugs are rated on a 4<sup>th</sup> tier, no specialty drug utilization is expected to shift to the generic category. The mandatory generic shift factor is found in the following table:

- *Table 56 – Mandatory Generic Shift Factor*

Script counts are also adjusted if the 90-day retail option is selected:

$$\begin{aligned} \text{Adjusted Retail Script Count} \\ &= \text{Retail Script Count} + (\text{Mail Order Script Count} \times \text{Mail Order Shift to 90-Day Retail} \\ &\times \text{Mail Order Multiplier}) \end{aligned}$$

$$\text{Adjusted Mail Order Script Count} = \text{Mail Order Script Count} \times (1 - \text{Mail Order Shift to 90-Day Retail})$$

If both the mandatory generic program and 90-day retail option are selected, script counts are first adjusted for the mandatory generic program and then the 90-day retail option.

## 6.6 Calculate and Apply Utilization Trend Factor

The script counts calculated in Step 6.5 were developed using assumptions from the base claim period. To establish expected costs for the policy period, the script counts must be trended forward from the midpoint of the base claim period to the midpoint of the policy period. Area-specific trends should be used, if applicable, to determine the unit cost trend factor. Otherwise, the national trend should be used. Utilization trend assumptions are found in the following table:

- *Table 58 – Pharmacy: Utilization Trend*

Calculate the utilization trend factor by re-running Step 6.4 with the utilization trend factors. Once the final utilization trend factor is determined, apply it to the script counts calculated in Step 6.5:

Step 6.6 Trended Script Count PMPY = Step 6.5 Script Count PMPY × Final Utilization Trend Factor

## 6.7 Calculate Gross Trended PMPM

Calculate the gross trended cost PMPM by multiplying the trended script count by gross trended cost per script and dividing by 12 (since script counts are PMPY):

Step 6.7 Gross Trended PMPM  
= 
$$\frac{\text{Step 6.4 Trended Gross Cost per Script} \times \text{Step 6.6 Trended Script Count PMPY}}{12}$$

## 6.8 Calculate Gross Area-Adjusted PMPM

The gross trended PMPM is adjusted for cost differences by area. The area factors are found in the following table:

- *Table 59 – Pharmacy: Area Factors*

Extract the area factor based on the site and funding type/product (HMO, non-HMO, experience rated NWK, experience rated non-NWK) being rated and apply it to the gross trended cost PMPM calculated in Step 6.7:

Step 6.8 Gross Area-Adjusted PMPM = Step 6.7 Gross Trended PMPM × Pharmacy Area Factor

## 6.9 Calculate Regular Member Cost Share Using Pharmacy CPD

The pharmacy CPD is composed of the following tables:

- *Table 60 – Pharmacy: CPD (% Preventive)*
- *Table 61 – Pharmacy: CPD (Cost per Script)*
- *Table 62 – Pharmacy: CPD (Scripts PMPY)*

Unless otherwise specified, weighted averages mentioned in Step 6.9 are calculated using the probabilities in the pharmacy CPD.

Begin the member cost share calculation by extracting the copays, coinsurance, deductible, applicable deductible waivers, OOP maximum, and plan maximum for the plan design being rated.

### 6.9.1 Adjust CPD to Appropriate Rate Level

Scale the cost per script and script counts PMPY for each row and tier of the pharmacy CPD to reflect the expected cost and utilization derived in Steps 6.1 through 6.6:

Step 6.9.1 Scaled Cost per Script = Original CPD Cost per Script  $\times$  Cost per Script Scalar

Step 6.9.1 Scaled Script Count PMPY = Original CPD Script Count PMPY  $\times$  Script Count PMPY Scalar

where

Cost per Script Scalar = Step 6.4  $\div$  Original CPD Weighted Average Cost per Script

Script Count PMPY Scalar = Step 6.6  $\div$  Original CPD Weighted Average Script Count PMPY

### 6.9.2 Calculate Annual Cost

Determine the annual cost for each row and tier using the scaled pharmacy CPD from Step 6.9.1. In addition, the tiers should be further split into preventive and non-preventive using *Table 60 – Pharmacy: CPD (% Preventive)*:

Step 6.9.2 Preventive Gross Trended PMPY  
= Step 6.9.1 Scaled Cost per Script  $\times$  Step 6.9.1 Scaled Script Count PMPY  $\times$  % Preventive

Step 6.9.2 Non-Preventive Gross Trended PMPY  
= Step 6.9.1 Scaled Cost per Script  $\times$  Step 6.9.1 Scaled Script Count PMPY  $\times$  (1 – % Preventive)

If specialty drugs are rated on a 4<sup>th</sup> tier, all specialty utilization is assumed to be non-preventative.

In addition, calculate the total annual cost for each row as the sum of the preventive and non-preventive gross trended PMPY values:

Step 6.9.2 Total Annual Cost  
= Sum(Step 6.9.2 Preventive Gross Trended PMPY, Step 6.9.2 Non-Preventive Gross Trended PMPY)

Finally, calculate the estimated annual cost across all rows and tiers as the weighted average of the Step 6.9.2 Total Annual Cost:

Step 6.9.2 Estimated Annual Cost = Sum(Step 6.9.2 Total Annual Cost  $\times$  Probability)

### 6.9.3 Calculate Deductible and Deductible Waiver Impacts

Compare the applicable annual cost for each row to the deductible to see how much of the deductible applies for each row. If the deductible is waived for preventive drugs or certain tiers, do not include those costs in the applicable annual cost for each row:

Step 6.9.3 Deductible Applied = Min[Applicable Annual Cost, Deductible]

where

Applicable Annual Cost = Step 6.9.2 Total Annual Cost – Sum(Waived Step 6.9.2 Gross Trended PMPY)

For plans with a combined deductible, no deductible is assumed. Instead the impact of the combined deductible is calculated using the combined medical and pharmacy CPD.

#### 6.9.4 Calculate Percentage of Cost Remaining after Applying Deductible

Calculate the percentage of total annual cost remaining after applying the deductible for each cell of the CPD:

$$\text{Step 6.9.4 Percentage of Cost Remaining} = 1 - \frac{\text{Step 6.9.3 Deductible Applied}}{\text{Step 6.9.2 Total Annual Cost}}$$

#### 6.9.5 Calculate the effective value of copays and coinsurance

Define the effective copay as the member cost per script after copays, coinsurance, maximum copays, minimum copays and the cost per script are considered.

For tiers with copays:

$$\begin{aligned} \text{Step 6.9.5 effective copay} \\ &= \text{Min}[\text{Copay, step 6.9.1 Scaled Cost per Script}] \end{aligned}$$

For tiers with coinsurance:

$$\begin{aligned} \text{Step 6.9.5 effective copay} \\ &= \text{Min}\{ \text{Max}[\text{Member Coinsurance} \times \text{step 6.9.1 Scaled Cost per Script, minimum copay}] , \text{maximum copay} \} \end{aligned}$$

#### 6.9.6 Adjust Copays for Costs Covered by the Deductible

For each cell of the CPD, multiply the effective value of copays by the portion of costs remaining after the deductible has been applied

$$\text{Step 6.9.6 Member Copay Value} = \text{Step 6.9.4 Percentage of Cost Remaining} \times \text{Step 6.9.5 Effective Copay}$$

#### 6.9.7 Calculate Annual Member Cost Share

Determine the annual member cost share *for each row* due to copays, coinsurance, and deductible:

$$\begin{aligned} \text{Step 6.9.7 Annual Member Cost Share} \\ &= \text{Sum}(\text{Step 6.9.6 Member Copay Value} \times \text{Step 6.9.1 Scaled Script Count PMPY}) \\ &+ \text{Step 6.9.3 Deductible Applied} \end{aligned}$$

#### 6.9.8 Adjust for Out-of-Pocket (OOP) Maximum

Adjust the annual member cost share calculated in Step 6.9.7 for each row to reflect the impact of an OOP maximum, if applicable:

$$\text{Step 6.9.8 Member Cost Share after OOP Max} = \text{Min}[\text{OOP Max, Step 6.9.7 Annual Member Cost Share}]$$

For plans with a combined OOP maximum, no OOP maximum is assumed. Instead the impact of the combined OOP maximum is calculated using the combined medical and pharmacy CPD.

#### 6.9.9 Adjust for Plan Maximum

Adjust the member cost share after OOP max calculated in Step 6.9.8 for each row to reflect the impact of a plan maximum, if applicable:

Step 6.9.9 Member Cost Share after OOP Max & Plan Max  
= Max[Step 6.9.8 Member Cost Share after OOP Max, Step 6.9.2 Total Annual Cost – Plan Max]

### 6.9.10 Calculate Regular Member Cost Share

Determine the regular member cost share as the ratio of the estimated annual member cost to the estimated total cost:

Step 6.9.10 Regular Member Cost Share  
=  $\frac{\text{Weighted Average(Step 6.9.9 Member Cost Share after OOP Max \& Plan Max)}}{\text{Step 6.9.2 Estimated Annual Cost}}$

### 6.9.11 Calculate Effective Member Cost Share

For plans with a combined deductible and/or combined OOP maximum, the regular member cost share calculated in Step 6.9.10 is used in Step 2.5 to determine the effective member cost share for the pharmacy benefit.

For all other plans, the effective member cost share is set equal to the regular member cost share calculated in Step 6.9.10.

## 6.10 Calculate Adjusted Cost Share

Optional cost categories, such as lifestyle drugs, may be moved to the fourth tier. For optional cost categories moved to the fourth tier, increase the effective member cost share calculated in Step 6.9.11 by 5% to estimate the increased cost sharing in the fourth tier. Otherwise, use the effective member cost share.

Moving an optional cost category to the fourth tier should always increase the cost share for that class, but it will have minimal impact to overall rates because of low utilization levels.

Step 6.10 Adjusted Member Cost Share = Step 6.9.11 Effective Member Cost Share × 1.05

Please note that this step does not apply to the FACETS platform.

## 6.11 Calculate Net Pharmacy PMPM

Now that member cost share has been calculated, determine the remaining pharmacy plan cost (or net pharmacy PMPM).

For all standard cost categories and any optional cost categories that have not been moved to the fourth tier, apply the effective member cost share from Step 6.9.11:

Step 6.11 Net Pharmacy PMPM  
= Step 6.8 Gross Area-Adjusted PMPM × (1 – Step 6.9.11 Effective Member Cost Share)

For optional cost categories that have been moved to the fourth tier, apply the adjusted member cost share from Step 6.10:

Step 6.11 Net Pharmacy PMPM  
= Step 6.8 Gross Area-Adjusted PMPM × (1 – Step 6.10 Adjusted Member Cost Share)



## 6.12 Calculate Aggregate Metrics

Many of the following summary metrics are used for analysis purposes and visibility, but do not impact the final rate. Metrics that do impact the final rate will be referenced in later steps.

### 6.12.1 Average AWP per Script

Calculate the average AWP per script across all cost categories as a weighted average using the trended script counts from Step 6.6 as the weights:

$$\text{Step 6.12.1 Average AWP per Script} = \frac{\text{Sum}(\text{Step 6.1 AWP per Script} \times \text{Step 6.6 Trended Script Count PMPY})}{\text{Sum}(\text{Step 6.6 Trended Script Count PMPY})}$$

### 6.12.2 Average Discounted AWP per Script

Calculate the average discounted AWP per script using the method for calculating the average AWP per script in Step 6.12.1.

### 6.12.3 Average Dispensing Fee per Script

Calculate the average dispensing fee per script using the method for calculating the average AWP per script in Step 6.12.1.

### 6.12.4 Average Discount

Derive the average discount using the average AWP per script from Step 6.12.1 and the average discounted AWP per script from Step 6.12.2:

$$\text{Step 6.12.4 Average Discount} = 1 - \frac{\text{Step 6.12.2 Average Discounted AWP per Script}}{\text{Step 6.12.1 Average AWP per Script}}$$

### 6.12.5 Average Cost Trend Factor, Utilization Trend Factor, and Area Factor

The trend factors and area factor are the same for all cost categories, so their average is the same as the individual factors.

### 6.12.6 Average Gross Cost per Script and Trended Gross Cost per Script

The average gross cost per script and trended gross cost per script are calculated using the method for calculating the individual cost categories:

$$\begin{aligned} \text{Step 6.12.6 Average Gross Cost per Script} \\ &= \text{Step 6.12.2 Average Discounted AWP per Script} + \text{Step 6.12.3 Average Dispensing Fee per Script} \end{aligned}$$

$$\begin{aligned} \text{Step 6.12.6 Average Trended Gross Cost per Script} \\ &= \text{Step 6.12.6 Average Gross Cost per Script} \times \text{Step 6.12.5 Average Cost Trend Factor} \end{aligned}$$

### 6.12.7 Total Script Counts, Trended Script Counts, Gross Trended PMPM, Gross Area-Adjusted PMPM, and Net Pharmacy PMPM

Calculate the total for each metric as the sum across all cost categories for the respective metric.

### 6.12.8 Average Adjusted Cost Share

Derive the average adjusted member cost share using the total net pharmacy rate and total gross area-adjusted PMPM from Step 6.12.7:

$$\text{Step 6.12.8 Average Adjusted Member Cost Share} = 1 - \frac{\text{Step 6.12.7 Total Net Pharmacy PMPM}}{\text{Step 6.12.7 Total Gross Area-Adjusted PMPM}}$$

**All calculations going forward are done on an aggregate basis only, so calculations are no longer split into cost categories.**

### 6.13 Apply the Clinical Program Factor

Calculate the clinical program factor as the sum of the individual clinical programs selected. The applicable factors for various clinical programs are found in the following tables:

- *Table 64 – Pharmacy: Clinical Management Programs*
- *Table 63 – Global Step Therapy Program*

The global step therapy program varies by formulary type and the level of intervention. If no intervention is desired for a particular drug therapy category, do not include a factor for that category when calculating the clinical program factor.

Apply the clinical program factor to the net pharmacy rate from Step 6.12.7:

$$\begin{aligned} \text{Step 6.13 Clinical-Adjusted Net Pharmacy PMPM} \\ = \text{Step 6.12.7 Net Pharmacy PMPM} \times (1 - \text{Clinical Program Factor}) \end{aligned}$$

### 6.14 Apply the Pharmacy Demographic Factor

Extract the pharmacy demographic factor from *Table 65 – Pharmacy: Demographic Factors* based on the age, gender, and status (employee, spouse, or child) of the individual being rated. Unisex factors exist if gender is not a permitted rating variable. Multiply the pharmacy demographic factor by the demographic aging adjustment calculated in Step 3.4 to calculate the adjusted pharmacy demographic factor.

Apply the adjusted pharmacy demographic factor to the clinical-adjusted net pharmacy Step 6.13:

$$\begin{aligned} \text{Step 6.14 Clinical/Demo-Adjusted Net Pharmacy PMPM} \\ = \text{Step 6.13 Clinical-Adjusted PMPM} \times \text{Adjusted Pharmacy Demographic Factor} \end{aligned}$$

### 6.15 Apply the Industry Factor

Extract the industry factor from *Table 20 – Industry Load* and apply it to the clinical- and demographic-adjusted net pharmacy PMPM calculated in Step 6.14:

$$\begin{aligned} \text{Step 6.15 Clinical/Demo/Industry-Adjusted Net Pharmacy PMPM} \\ = \text{Step 6.14 Clinical/Demo-Adjusted PMPM} \times \text{Industry Factor} \end{aligned}$$

### 6.16 Apply the Pharmacy Mandates Adjustment

Extract the mandate factor from *Table 66 – Pharmacy: Mandate Factors*, if applicable, based on the state being rated. Apply it to the clinical-, demographic-, and industry-adjusted net pharmacy PMPM calculated in Step 6.15:

Step 6.16 Clinical/Demo/Industry/Mandate-Adjusted Net Pharmacy PMPM  
= Step 6.15 Clinical/Demo/Industry-Adjusted Net Pharmacy PMPM × (1 + Mandate Adjustment)

## 6.17 Apply Utilization Dampening Factor

Extract the utilization dampening factor from *Table 67 – Pharmacy: Utilization Dampening Factors* based on the average adjusted member cost share calculated in Step 6.12.8. Apply it to the clinical-, demographic-, industry-, and mandate-adjusted net pharmacy PMPM calculated in Step 6.16 to determine the total benefit pharmacy community rate by class (CRC):

Step 6.17 Total Benefit Pharmacy CRC  
= Step 6.16 Clinical/Demo/Industry/Mandate-Adjusted Net Pharmacy PMPM  
× Utilization Dampening Factor

## 6.18 Apply Miscellaneous Pharmacy Adjustments

The following multiplicative adjustments are applied to the total benefit pharmacy CRC calculated in Step 6.17 to arrive at the adjusted total benefit pharmacy CRC:

Step 6.18 Adjusted Total Benefit Pharmacy CRC  
= Step 6.17 Total Benefit Pharmacy CRC × (1 + Step 6.18.1 Generic Requirement Adjustment)  
× (1 + Step 6.18.2 Mail Order Deductible Waiver Adjustment)  
× (1 + Step 6.18.3 Women's Preventive Health Adjustment)  
× (1 + Step 6.18.34 Mail Order Specialty Drug 30 Day Limit)  
× (1 + Step 6.18.35 Mandatory Mail Load)

### 6.18.1 Generic Requirement Adjustment

Plan designs that do not encourage generic use through a mandatory generic or dispense-as-written program receive a 1% load. All other plan designs do not receive a load.

### 6.18.2 Mail Order Deductible Waiver Adjustment

Plan designs with a deductible that waive that deductible for mail order prescriptions receive a 5% load to estimate the increased cost due to the decreased member cost sharing. All other plan designs do not receive a load.

### 6.18.3 Women's Preventive Health Adjustment

Providing coverage of certain drugs and devices without cost sharing to address the Patient Protection and Affordable Care Act Women's Preventive Health Services requirement is reflected as a load. Combined deductible/OOP plans receive a 2.8% load, while all other plans receive a 1% load.

### 6.18.4 Mail Order Specialty Drug 30 Day Limit

Limiting specialty drug fills to 30 day supplies reduces waste. Plans that elect this feature receive a 0.4% reduction while plans that choose not to elect this feature receive no adjustment.

### 6.18.5 Mandatory Mail for Maintenance Drugs Load

When clients require customers to obtain their maintenance medications via Cigna's mail order pharmacy costs increase do to overhead expense costs associated with filling a script at mail. Plans that have mandatory mail receive a 1% load. Plans that incentivize mail order utilization receive a 0.5% load.

## 6.19 Determine Final Pharmacy CRC and Pharmacy CR

Similar to medical, pharmacy rates receive community rate adjustments, but not all of the community rate adjustments from Step 2.8.1 apply to pharmacy. Only the following factors apply:

- Multiple Offering Load

The multiple offering load applied to the pharmacy rate is the sum of the medical factor from Step 2.8.1 and the additional pharmacy load from *Table 68 – Pharmacy: Multiple Offering Load*, if applicable, based on the site being rated and whether there is more than one product offering being considered.

- Deductible Accumulation Adjustment
- Open Access Load
- Consumerism Adjustment

The product of these adjustments becomes the pharmacy community rate load, which is applied to the adjusted total benefit pharmacy CRC calculated in Step 6.18:

$$\begin{aligned} \text{Step 6.19 Final Pharmacy CRC} \\ &= \text{Step 6.18 Adjusted Total Benefit Pharmacy CRC} \times \text{Pharmacy Community Rate Load} \end{aligned}$$

The demographic and industry factors are removed to determine the pharmacy community rate (CR):

$$\text{Step 6.19 Final Pharmacy CR} = \frac{\text{Step 6.19 Final Pharmacy CRC}}{\text{6.14 Demographic Factor} \times \text{Step 6.15 Industry Factor}}$$

## 6.20 Aggregate Individual Claim Costs

Combine the individual PMPM pharmacy claim costs for the entire census to determine the aggregate pharmacy claim cost PMPM:

$$\text{Step 6.20 Aggregate Pharmacy CRC} = \frac{\text{Sum of Step 6.19 Final Pharmacy CRC for all individuals}}{\text{Sum of the number of individuals}}$$

$$\text{Step 6.20 Aggregate Pharmacy CR} = \frac{\text{Sum of Step 6.19 Final Pharmacy CR for all individuals}}{\text{Sum of the number of individuals}}$$

# Final Rate

## 7 Calculate Final Rate

Use the following to combine medical and pharmacy rates and calculate the final PMPM rate. If the pharmacy benefit is carved out, it will not be included in the calculation.

$$\text{Final PMPM Rate} = \frac{[\text{Step 5 Aggregate Medical Claim Cost}] + [\text{Step 6.20 Aggregate Pharmacy CRC}]}{[\text{Applied Loss Ratio}]}$$

Using the demographic assumptions from Step 1, determine the number of members per subscriber and calculate the per employee per month (PEPM) rate:

$$\text{Final PEPM Rate} = [\text{Final PMPM Rate}] \times [\text{Number of Members per Subscriber}]$$

## **Appendix A: Experience Rating Formula for Medical Products**

Blended claims are a weighted average of the group's official experience and the manually rated claims.

The group's official experience is calculated as fee-for-service paid claims, adjusted for large claims and capitation, then multiplied by a trend factor. The claims are then adjusted for any changes in liability. This experience could include Cigna experience on the particular group or a portion of the group or prior carrier experience.

The manually rated claims are calculated according to the formulas and tables filed and approved with the state.

The weights used to blend the claims are based on the credibility of the group. The blended claims may be adjusted for underwriting discretion. A retention charge is then added for administrative expenses (inclusive of network access fees), taxes, commissions, and profit. The premium is then adjusted for the pooling charge where applicable.

## Appendix B: Cigna Care Network (CCN) Tiered Benefits

A manual rate will be developed for the underlying plan, consistent with this filing's base methodology and reflecting the tier 1 level of cost-sharing for SCP/PCP office visits.

The rate adjustment will equal  $[1 - \text{Savings \%}]$ , according to the following formula (and the formula components are defined below):

$$\begin{aligned} \text{Savings \%} &= [1 - \text{OON Percent}] \\ &\times [\text{Benefit Save} \times \text{Percent Non-CCN Dollars} + \text{Benefit Save} \times \text{Percent Non-Tiered Dollars}] \end{aligned}$$

### Notes:

- If a client decides to administer the tier 1 benefit to non-tiered physicians, raw benefit save is not multiplied by the percentage of members in the non-tiered group.
- PCP and SCP savings are calculated separately and then combined for a total impact to the manual rate.

### Definitions:

- **Benefit Save** - Benefit savings ran through the regular methodology as if the whole group was making the copay or coinsurance change from tier 1 to tier 2 benefits.
- **Percent Non-CCN Dollars** - Percentage of total physician dollars at a market level that represent categories of doctors where we do define CCN vs. non CCN but the doctors did not earn the designation.
- **Percent Non-Tiered Dollars** - Percentage of total physician dollars at a market level that represent categories of doctors where we do not designate CCN vs. non CCN.
- **OON Percent** - Developed for the underlying plan, consistent with this filing's base methodology and reflecting the Tier 1 benefit level. Calculated as OON Utilization in Step 3.1.2.

## Appendix C: General Medical Tables

**Table 1 – Medical Base Claims**

Network	Major Service Categories (dollars PMPM)						
	Inpatient (IP)	Outpatient (OP)	Primary Care Physician (PCP)	Emergency Room (ER)	Specialty Care Physician (SCP)	Other	Preventive Care
Experience-Rated In-Network	109.76	113.30	21.24	31.87	46.03	14.16	16.28
Experience-Rated Out-of-Network	159.15	164.28	30.80	46.21	66.74	20.53	23.60

**Table 2 – MSC Weighting by SCC**

Sub-Cost Categories	Major Service Categories					
	Inpatient (Hospital)	Outpatient (Hospital)	ER	PCP	SCP	Other
Facility	83.5%	55.0%	100.0%	0.0%	0.0%	100.0%
Professional	16.5%	17.0%	0.0%	90.0%	81.0%	0.0%
Lab	0.0%	6.8%	0.0%	8.0%	3.6%	0.0%
Radiology	0.0%	10.2%	0.0%	2.0%	5.4%	0.0%
Advanced Radiology (ARI)	0.0%	11.0%	0.0%	0.0%	10.0%	0.0%

**Table 3 – Preventive Care Child Age Adjustment**

Elected Child Age	Portion of Preventive Care Base Claim Cost
≤ 2	0.16
3 to 64	Linearly interpolate between 0.16 at 2 and 1.0 at 65
≥ 65	1.0

**Table 4 – National Medical Trend**

	2015/2014	2016+/2015
IN Trend	8.5%	8.5%
OON Trend	8.5%	8.5%

**Table 5 – National Utilization Rates by MSC**

	Major Service Categories						
	IP Per Day	IP Per Admit	OP	ER	PCP	SCP	Other
National Utilization	See Note	0.09	0.12	0.40	1.90	2.10	0.00

Note: To determine utilization for IP Per Day, consult *Table 6* and find the 'Average Days' which correspond to the 'Max Days' per the plan design. Multiply by 0.09 to yield the IP Per Day utilization.



**Table 6 – Number of Copays Per Admit Adjustment**

Max Days	0	1	2	3	4	5	6	7	8	9
Average Days	0.00	1.00	1.80	2.34	2.71	2.96	3.15	3.29	3.42	3.52
Max Days	10	11	12	13	14	15	16	17	18	19
Average Days	3.61	3.68	3.75	3.81	3.85	3.90	3.93	3.96	3.99	4.02

**Table 7 – Medical Effective Deductible Adjustment**

		Plan Deductible																	
		0	50	100	150	200	300	400	500	750	1000	1500	2000	2500	3000	3500	4000	4500	5000
Ratio of Family to Individual Deductible	1.00	1.00	0.67	0.67	0.67	0.68	0.68	0.69	0.70	0.72	0.73	0.77	0.80	0.84	0.88	0.91	0.95	0.99	1.00
	2.00	1.00	0.80	0.80	0.80	0.81	0.81	0.82	0.83	0.84	0.85	0.87	0.89	0.91	0.93	0.96	0.98	1.00	1.00
	2.25	1.00	0.83	0.83	0.84	0.84	0.85	0.86	0.86	0.88	0.89	0.91	0.93	0.95	0.97	0.99	1.00	1.00	1.00
	2.50	1.00	0.87	0.87	0.87	0.88	0.88	0.89	0.90	0.92	0.93	0.95	0.96	0.98	0.99	1.00	1.00	1.00	1.00
	2.75	1.00	0.90	0.90	0.90	0.91	0.91	0.92	0.92	0.94	0.95	0.96	0.97	0.98	0.99	1.00	1.00	1.00	1.00
	3.00	1.00	0.93	0.94	0.93	0.94	0.94	0.95	0.95	0.96	0.97	0.97	0.98	0.98	0.99	1.00	1.00	1.00	1.00
	3.25	1.00	0.94	0.94	0.94	0.95	0.95	0.96	0.96	0.97	0.98	0.98	0.98	0.99	1.00	1.00	1.00	1.00	1.00
	3.50	1.00	0.94	0.95	0.95	0.96	0.96	0.97	0.97	0.98	0.98	0.98	0.99	1.00	1.00	1.00	1.00	1.00	1.00
	3.75	1.00	0.95	0.96	0.96	0.97	0.97	0.98	0.98	0.98	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	4.00	1.00	0.96	0.97	0.97	0.98	0.98	0.98	0.98	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

**Table 8 – Medical Effective OOP Maximum Adjustment**

		Plan OOP Max																	
		0	500	1000	1500	2000	3000	4000	5000	7500	10000	15000	20000	25000	30000	35000	40000	45000	50000
Ratio of Family to Individual OOP Max	1.00	1.00	0.92	0.92	0.92	0.92	0.92	0.92	0.93	0.93	0.94	0.95	0.95	0.96	0.97	0.97	0.98	0.99	0.99
	2.00	1.00	0.95	0.95	0.95	0.95	0.95	0.95	0.96	0.96	0.96	0.97	0.97	0.98	0.98	0.99	0.99	1.00	1.00
	2.25	1.00	0.96	0.96	0.96	0.96	0.96	0.96	0.97	0.97	0.97	0.98	0.98	0.99	0.99	1.00	1.00	1.00	1.00
	2.50	1.00	0.97	0.97	0.97	0.97	0.97	0.97	0.97	0.98	0.98	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00
	2.75	1.00	0.97	0.98	0.98	0.98	0.98	0.98	0.98	0.98	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00
	3.00	1.00	0.98	0.98	0.98	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00
	3.25	1.00	0.98	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	3.50	1.00	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	3.75	1.00	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	4.00	1.00	0.99	0.99	0.99	0.99	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Table 9 – Medical Claims Probability Distribution

Annual Frequency	Total Annual Claims	Inpatient Facility	Inpatient Professional	Outpatient Surgery Facility and Professional	ER Facility and Professional	PCP	SCP	Other	Pharmacy
0.185008531	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
0.029830560	\$7.57	\$0.01	\$0.01	\$2.58	\$0.10	\$3.44	\$1.41	\$0.01	\$25.08
0.035720253	\$58.27	\$0.04	\$0.04	\$4.73	\$1.80	\$39.54	\$12.09	\$0.04	\$27.82
0.038443267	\$96.90	\$0.07	\$0.07	\$7.82	\$10.98	\$57.29	\$20.58	\$0.08	\$36.97
0.033240278	\$132.92	\$0.14	\$0.14	\$12.89	\$16.72	\$71.98	\$30.84	\$0.21	\$51.18
0.028888112	\$166.91	\$0.25	\$0.25	\$19.04	\$18.29	\$86.89	\$41.82	\$0.36	\$67.66
0.025661300	\$201.08	\$0.28	\$0.28	\$25.61	\$21.91	\$99.82	\$52.70	\$0.49	\$83.65
0.022711152	\$235.96	\$0.37	\$0.37	\$33.28	\$25.83	\$110.56	\$64.83	\$0.72	\$98.81
0.020650973	\$269.38	\$0.56	\$0.56	\$40.16	\$29.10	\$121.91	\$76.24	\$0.84	\$114.65
0.018830319	\$302.13	\$0.57	\$0.57	\$46.74	\$33.55	\$130.82	\$88.74	\$1.14	\$131.69
0.017145331	\$335.61	\$0.73	\$0.73	\$55.24	\$36.83	\$140.03	\$100.85	\$1.21	\$147.40
0.015886476	\$367.72	\$0.89	\$0.89	\$62.15	\$43.18	\$146.58	\$112.31	\$1.72	\$164.89
0.014643964	\$399.86	\$1.00	\$1.00	\$68.36	\$48.98	\$153.73	\$125.10	\$1.68	\$180.94
0.013820432	\$432.95	\$1.05	\$1.05	\$76.69	\$54.34	\$160.65	\$137.12	\$2.06	\$197.80
0.012849784	\$462.32	\$1.22	\$1.22	\$82.26	\$62.53	\$165.48	\$147.21	\$2.40	\$216.94
0.012090651	\$497.45	\$1.46	\$1.46	\$90.26	\$70.62	\$170.97	\$159.93	\$2.76	\$230.62
0.011376781	\$528.64	\$1.73	\$1.73	\$99.40	\$77.50	\$175.06	\$170.29	\$2.93	\$247.87
0.010764825	\$559.62	\$1.68	\$1.68	\$106.41	\$87.05	\$179.05	\$180.37	\$3.37	\$265.21
0.010134519	\$591.89	\$2.30	\$2.30	\$113.54	\$93.30	\$184.50	\$192.63	\$3.32	\$282.53
0.009713844	\$623.35	\$2.20	\$2.20	\$123.73	\$103.33	\$187.78	\$200.55	\$3.56	\$300.00
0.009450166	\$655.67	\$2.69	\$2.69	\$129.43	\$115.94	\$190.28	\$210.35	\$4.29	\$315.11
0.017269172	\$702.04	\$3.17	\$3.17	\$141.49	\$128.77	\$196.38	\$224.60	\$4.46	\$342.31
0.015935912	\$758.58	\$3.72	\$3.72	\$154.53	\$148.60	\$201.76	\$240.56	\$5.70	\$380.86
0.014699359	\$827.92	\$4.87	\$4.87	\$168.91	\$173.90	\$207.81	\$260.80	\$6.76	\$408.59
0.013431533	\$896.86	\$7.16	\$5.96	\$188.15	\$196.85	\$212.98	\$279.10	\$6.68	\$438.28
0.012583283	\$960.04	\$9.88	\$7.30	\$202.83	\$215.28	\$222.65	\$294.35	\$7.74	\$472.02
0.011606205	\$1,027.36	\$13.11	\$8.87	\$218.13	\$241.54	\$227.40	\$309.25	\$9.06	\$502.60
0.010922417	\$1,093.05	\$16.87	\$10.62	\$237.41	\$261.36	\$232.35	\$325.10	\$9.34	\$534.02
0.010191765	\$1,162.75	\$20.66	\$12.24	\$258.24	\$280.80	\$237.29	\$342.45	\$11.07	\$562.95
0.009534044	\$1,226.96	\$26.12	\$14.66	\$275.35	\$298.74	\$238.22	\$360.93	\$12.94	\$594.97
0.009020771	\$1,294.47	\$31.44	\$16.83	\$298.11	\$318.18	\$243.92	\$372.33	\$13.65	\$628.19
0.038438875	\$1,482.36	\$41.19	\$21.11	\$365.24	\$368.22	\$257.03	\$411.79	\$17.78	\$721.94
0.029536110	\$1,831.67	\$59.21	\$29.14	\$493.13	\$458.91	\$280.28	\$485.04	\$25.96	\$867.82
0.023444438	\$2,175.86	\$62.10	\$29.45	\$643.52	\$553.48	\$302.22	\$550.78	\$34.31	\$1,017.22
0.019101526	\$2,536.27	\$70.15	\$32.13	\$814.11	\$641.53	\$320.12	\$613.82	\$44.42	\$1,154.53
0.016096170	\$2,893.06	\$86.35	\$38.27	\$985.71	\$726.47	\$331.19	\$670.13	\$54.93	\$1,297.07
0.013544928	\$3,288.29	\$95.08	\$40.85	\$1,179.19	\$826.89	\$353.45	\$728.36	\$64.48	\$1,404.91
0.011613702	\$3,634.29	\$109.26	\$45.58	\$1,360.99	\$899.61	\$368.61	\$772.33	\$77.90	\$1,558.96
0.010143929	\$4,017.76	\$126.27	\$51.22	\$1,567.20	\$972.55	\$377.42	\$831.29	\$91.82	\$1,674.70
0.008845927	\$4,423.52	\$160.61	\$63.41	\$1,799.29	\$1,040.81	\$386.76	\$869.24	\$103.38	\$1,782.22
0.007713139	\$4,829.33	\$192.60	\$74.10	\$2,026.89	\$1,101.59	\$394.89	\$916.70	\$122.56	\$1,869.96
0.006958491	\$5,280.51	\$255.99	\$96.05	\$2,218.75	\$1,200.19	\$406.38	\$955.87	\$147.28	\$1,929.60
0.006251459	\$5,647.69	\$327.86	\$120.09	\$2,446.24	\$1,235.24	\$404.33	\$959.59	\$154.35	\$2,061.11
0.005676863	\$6,066.62	\$418.24	\$149.66	\$2,656.94	\$1,248.84	\$409.49	\$1,013.35	\$170.11	\$2,156.35
0.005190127	\$6,537.83	\$540.43	\$189.05	\$2,861.64	\$1,321.11	\$420.27	\$1,006.21	\$199.12	\$2,188.86
0.004710701	\$7,052.96	\$653.11	\$223.50	\$3,080.67	\$1,404.44	\$419.28	\$1,049.57	\$222.40	\$2,188.94
0.004436483	\$7,412.10	\$808.97	\$270.97	\$3,189.02	\$1,418.81	\$413.26	\$1,068.75	\$242.32	\$2,325.18
0.004127698	\$7,863.57	\$939.63	\$308.24	\$3,395.39	\$1,427.15	\$431.10	\$1,093.00	\$269.04	\$2,372.08
0.003749589	\$8,336.69	\$1,095.03	\$351.98	\$3,583.27	\$1,485.38	\$419.42	\$1,125.76	\$275.85	\$2,407.70
0.003506112	\$8,752.07	\$1,207.34	\$380.44	\$3,696.41	\$1,568.24	\$439.17	\$1,153.57	\$306.90	\$2,483.53
0.003235094	\$9,255.71	\$1,355.07	\$418.76	\$3,885.40	\$1,638.66	\$450.30	\$1,179.87	\$327.66	\$2,482.72
0.002993592	\$9,687.94	\$1,504.87	\$456.28	\$4,080.35	\$1,641.20	\$439.07	\$1,216.84	\$349.32	\$2,560.30
0.002891051	\$10,178.12	\$1,689.73	\$502.86	\$4,243.01	\$1,707.90	\$432.88	\$1,217.36	\$384.38	\$2,564.61
0.002706326	\$10,674.65	\$1,963.68	\$573.78	\$4,367.13	\$1,687.33	\$443.63	\$1,236.41	\$402.69	\$2,558.43
0.002512190	\$11,102.33	\$2,153.74	\$618.10	\$4,447.52	\$1,748.32	\$454.39	\$1,267.99	\$412.27	\$2,640.29
0.002394215	\$11,485.61	\$2,132.51	\$601.28	\$4,764.23	\$1,783.81	\$450.01	\$1,300.91	\$452.86	\$2,730.72
0.002211215	\$11,794.25	\$2,331.67	\$646.11	\$4,851.48	\$1,801.56	\$445.24	\$1,261.99	\$456.20	\$2,916.31
0.002078686	\$12,369.21	\$2,519.41	\$686.29	\$4,962.53	\$1,926.43	\$453.21	\$1,329.75	\$491.58	\$2,887.25
0.001991703	\$12,791.28	\$2,558.61	\$685.33	\$5,225.61	\$1,955.32	\$469.19	\$1,386.09	\$511.13	\$2,933.43
0.001879123	\$13,293.49	\$2,780.95	\$732.62	\$5,289.42	\$2,066.05	\$468.41	\$1,428.59	\$527.45	\$2,923.43
0.001711368	\$13,756.33	\$2,896.73	\$750.72	\$5,487.50	\$2,133.45	\$489.77	\$1,437.25	\$560.91	\$2,989.64
0.001636211	\$14,033.13	\$2,950.33	\$752.36	\$5,713.21	\$2,087.08	\$488.61	\$1,413.72	\$627.82	\$3,189.01

Annual Frequency	Total Annual Claims	Inpatient Facility	Inpatient Professional	Outpatient Surgery Facility and Professional	ER Facility and Professional	PCP	SCP	Other	Pharmacy
0.001578745	\$14,618.78	\$3,185.19	\$799.40	\$5,784.83	\$2,144.27	\$508.71	\$1,571.61	\$624.77	\$3,111.10
0.001446310	\$15,096.34	\$3,252.52	\$803.54	\$6,159.78	\$2,171.66	\$500.89	\$1,523.08	\$684.88	\$3,126.27
0.001390569	\$15,436.63	\$3,492.47	\$849.49	\$6,045.56	\$2,260.55	\$493.45	\$1,611.81	\$683.30	\$3,215.23
0.001315161	\$15,925.45	\$3,795.54	\$909.10	\$6,148.20	\$2,259.76	\$489.42	\$1,602.61	\$720.82	\$3,282.76
0.001281691	\$16,313.55	\$3,895.34	\$918.90	\$6,382.98	\$2,389.39	\$495.57	\$1,534.84	\$696.53	\$3,410.64
0.002269183	\$16,831.41	\$4,015.41	\$933.06	\$6,538.52	\$2,454.93	\$513.77	\$1,625.40	\$750.31	\$3,632.58
0.002090010	\$17,697.24	\$4,363.21	\$998.87	\$6,838.93	\$2,495.19	\$531.69	\$1,688.66	\$780.69	\$3,755.11
0.001903057	\$18,315.06	\$4,540.93	\$1,024.31	\$7,107.71	\$2,470.72	\$529.12	\$1,771.68	\$870.58	\$4,118.69
0.001757479	\$18,803.94	\$4,645.09	\$1,032.58	\$7,377.44	\$2,506.32	\$572.44	\$1,775.97	\$894.09	\$4,694.21
0.001614755	\$19,411.85	\$4,861.00	\$1,065.02	\$7,457.45	\$2,674.29	\$555.59	\$1,892.16	\$906.35	\$4,984.92
0.001506787	\$20,485.42	\$5,416.48	\$1,169.77	\$7,748.88	\$2,657.20	\$558.50	\$1,927.57	\$1,007.01	\$4,960.30
0.001290129	\$21,424.56	\$5,371.81	\$1,143.69	\$8,461.77	\$2,813.42	\$585.75	\$1,995.17	\$1,052.96	\$4,985.06
0.001210329	\$21,915.08	\$5,830.49	\$1,223.90	\$8,313.37	\$2,815.50	\$634.01	\$2,052.30	\$1,045.51	\$5,525.86
0.001164124	\$22,687.52	\$6,064.39	\$1,255.24	\$8,762.19	\$2,800.10	\$616.67	\$2,122.87	\$1,066.05	\$5,768.62
0.001117198	\$22,293.77	\$6,190.93	\$1,263.69	\$8,211.77	\$2,841.93	\$604.82	\$2,113.93	\$1,066.71	\$7,112.71
0.007685159	\$26,652.43	\$8,351.72	\$1,681.30	\$9,291.01	\$3,001.25	\$653.85	\$2,373.02	\$1,300.29	\$7,663.47
0.004276099	\$36,206.43	\$13,174.48	\$2,615.95	\$11,590.42	\$3,244.57	\$734.99	\$3,083.99	\$1,762.03	\$8,062.08
0.002726777	\$43,259.68	\$16,936.77	\$3,317.35	\$13,164.04	\$3,416.28	\$854.47	\$3,568.92	\$2,001.86	\$11,022.89
0.001931696	\$50,716.08	\$20,342.68	\$3,930.69	\$15,634.05	\$3,584.04	\$936.20	\$4,028.30	\$2,260.12	\$13,494.78
0.001332664	\$60,450.75	\$25,503.59	\$4,861.80	\$17,985.49	\$3,915.22	\$1,057.18	\$4,491.38	\$2,636.08	\$13,335.13
0.000901826	\$69,737.33	\$29,660.48	\$5,578.82	\$20,652.41	\$3,775.44	\$1,191.36	\$5,837.57	\$3,041.24	\$14,023.18
0.000081839	\$77,036.70	\$32,936.76	\$6,112.87	\$24,483.01	\$3,385.04	\$1,290.99	\$5,280.37	\$3,547.67	\$12,751.73
0.000083188	\$80,303.92	\$34,149.63	\$6,254.31	\$23,868.03	\$4,496.62	\$1,185.87	\$6,771.52	\$3,577.94	\$10,288.09
0.000078482	\$75,101.16	\$34,480.02	\$6,231.88	\$19,936.81	\$3,796.55	\$1,374.59	\$6,634.41	\$2,646.90	\$16,359.52
0.000081086	\$81,128.00	\$37,874.08	\$6,755.83	\$21,899.33	\$3,770.69	\$1,792.18	\$5,730.87	\$3,305.02	\$11,693.02
0.000071864	\$79,416.20	\$33,775.29	\$5,946.29	\$25,228.39	\$4,585.61	\$1,272.57	\$4,990.75	\$3,617.30	\$13,529.67
0.000085383	\$81,189.61	\$37,601.23	\$6,534.07	\$22,342.98	\$3,910.91	\$1,278.38	\$7,005.86	\$2,516.18	\$13,634.98
0.000069919	\$82,207.23	\$38,815.01	\$6,657.93	\$21,189.88	\$5,694.38	\$1,605.67	\$5,549.64	\$2,694.72	\$12,731.27
0.000074216	\$79,475.96	\$34,484.00	\$5,838.97	\$24,641.06	\$3,600.30	\$1,156.60	\$6,018.48	\$3,736.55	\$15,934.13
0.000071017	\$85,117.60	\$37,843.87	\$6,325.78	\$25,535.19	\$3,649.75	\$1,424.24	\$6,715.09	\$3,623.68	\$11,485.69
0.000060728	\$85,936.04	\$38,376.63	\$6,332.93	\$23,508.84	\$4,936.85	\$1,321.09	\$6,195.06	\$5,264.64	\$13,206.59
0.001959896	\$106,253.01	\$48,063.92	\$7,830.59	\$32,005.98	\$4,931.53	\$1,692.13	\$8,125.22	\$3,603.63	\$12,925.79
0.000849379	\$155,656.62	\$71,265.82	\$11,463.33	\$49,992.53	\$5,835.05	\$2,425.04	\$11,008.00	\$3,666.85	\$12,856.96
0.000438303	\$206,510.06	\$93,313.00	\$14,819.81	\$73,526.72	\$5,929.56	\$2,218.92	\$12,162.80	\$4,539.26	\$12,694.37
0.000269858	\$254,518.13	\$113,012.18	\$17,721.95	\$95,993.16	\$7,908.24	\$2,509.67	\$12,973.50	\$4,399.43	\$11,952.46
0.000160980	\$301,647.54	\$148,227.51	\$22,951.70	\$106,298.77	\$6,327.76	\$2,671.38	\$10,574.06	\$4,596.38	\$13,606.96
0.000102008	\$341,266.03	\$166,256.64	\$25,420.14	\$119,076.11	\$9,668.31	\$2,441.74	\$13,662.81	\$4,740.29	\$15,605.89
0.000074185	\$396,420.41	\$206,622.12	\$31,196.14	\$133,721.81	\$7,728.01	\$1,631.05	\$9,437.45	\$6,083.84	\$15,669.71
0.000048087	\$438,150.17	\$229,372.66	\$34,198.09	\$139,166.81	\$9,048.62	\$2,416.98	\$18,994.97	\$4,952.03	\$16,053.55
0.000037359	\$488,996.20	\$277,535.13	\$40,862.48	\$143,736.68	\$7,308.02	\$1,583.89	\$11,701.43	\$6,268.57	\$14,338.69
0.000025878	\$549,204.51	\$325,082.96	\$47,266.87	\$151,114.20	\$5,891.79	\$7,189.46	\$9,247.27	\$3,411.97	\$16,348.85
0.000016437	\$593,844.78	\$387,992.53	\$55,712.21	\$131,713.04	\$7,259.97	\$1,145.05	\$5,925.18	\$4,096.81	\$13,604.87
0.000014147	\$640,417.64	\$373,699.11	\$52,993.32	\$187,381.57	\$16,402.44	\$2,140.22	\$4,557.50	\$3,243.48	\$29,162.35
0.000012359	\$703,777.71	\$434,207.25	\$60,810.00	\$167,601.93	\$25,782.58	\$1,272.10	\$4,518.77	\$9,585.07	\$11,688.68
0.000008344	\$758,851.65	\$444,189.34	\$61,437.13	\$209,813.75	\$30,760.83	\$2,094.58	\$7,380.85	\$3,175.18	\$8,219.06
0.000005897	\$782,953.23	\$512,327.68	\$69,984.31	\$159,029.90	\$30,145.09	\$1,206.08	\$5,268.92	\$4,991.25	\$6,401.10
0.000006870	\$770,486.83	\$505,613.76	\$68,212.84	\$140,659.06	\$16,118.59	\$931.41	\$36,466.15	\$2,485.02	\$10,079.97
0.000005521	\$908,357.74	\$673,603.02	\$89,753.07	\$120,130.33	\$15,184.00	\$2,216.40	\$3,253.77	\$4,217.16	\$7,702.68
0.000004925	\$943,635.19	\$649,930.58	\$85,528.94	\$188,969.89	\$4,636.36	\$2,547.49	\$5,071.15	\$6,950.79	\$14,797.76
0.000005395	\$1,045,398.39	\$768,765.20	\$99,917.76	\$153,143.79	\$8,663.93	\$1,578.21	\$5,592.47	\$7,737.04	\$4,676.80
0.000004705	\$1,136,309.17	\$911,308.71	\$116,981.90	\$89,059.92	\$9,004.40	\$2,460.55	\$3,758.43	\$3,735.25	\$3,954.84
0.000002478	\$1,217,221.75	\$819,290.52	\$103,871.35	\$280,187.77	\$4,786.83	\$626.17	\$4,494.65	\$3,964.44	\$4,612.13
0.000003419	\$1,310,658.50	\$921,860.84	\$115,432.41	\$238,996.44	\$7,010.00	\$1,001.73	\$4,597.39	\$21,759.71	\$30,327.37
0.000002290	\$1,254,346.89	\$818,375.02	\$101,208.82	\$313,899.69	\$4,590.68	\$1,759.33	\$6,945.76	\$7,567.61	\$13,159.97
0.000008218	\$1,566,126.48	\$1,198,880.94	\$146,434.69	\$192,458.73	\$10,311.53	\$927.48	\$6,631.26	\$10,481.85	\$36,074.01
0.000001506	\$2,170,414.30	\$1,868,513.51	\$225,405.09	\$54,754.80	\$8,555.78	\$8,003.86	\$1,850.72	\$3,330.54	\$12,764.39
0.000001067	\$2,839,497.32	\$1,648,717.54	\$196,431.08	\$990,514.17	\$902.73	\$604.15	\$652.39	\$1,675.26	\$191.31

**Table 10 – Average Visit Cost**

	<b>PCP Office Visit</b>	<b>SCP Office Visit</b>	<b>OON Office Visit</b>
Average Cost	110	190	190
Note: Trend applies to these values If PCP and SCP have a combined limit, weight these values 45% PCP and 55% SCP			

**Table 11 – Preventive Care Cost-Share Weighting**

<b>Major Service Category</b>	<b>Weighting</b>
PCP	75%
SCP	25%

**Table 12 – Medical Utilization Dampening**

	IP	OP	PCP Copay	PCP Ded/Coins	ER	SCP Copay	SCP Ded/Coins	Other
A	-2.17	-1.34	-0.68	-0.83	0.00	-0.71	-2.06	-1.78
B	0.12	0.21	0.11	0.37	0.00	0.15	0.57	0.30
Applicable MSC	IP	OP	PCP	PCP	ER	SCP	SCP	Other
C	This factor is equal to $[(\text{Total Cost-Share}) \times (-0.16) + (0.011)]$ and is the same for all MSCs							
	Indemnity (NY metro)		Indemnity (NJ)			Indemnity (all other areas)		
A	-0.10		-0.10			-0.32		
B	0.27		0.36			0.22		
Applicable MSC	These indemnity UD factors apply to the aggregate cost-share							
Note: Utilization dampening has a floor of 0.20. There is a cap of 1.12 on PCP, 1.17 on SCP, and 1.25 on Other.								

Table 13 – Effective Deductible - Collective Accumulation Adjustment

Deductible Multiplier	Deductible	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4	Deductible Multiplier	Deductible	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4
1	0	1.000	1.000	1.000	2	5000	1.000	0.977	0.898
1	50	0.635	0.441	0.352	2	5500	1.000	0.983	0.906
1	100	0.630	0.437	0.335	2	6000	1.000	0.990	0.918
1	150	0.633	0.437	0.334	2	6500	1.000	0.990	0.925
1	200	0.633	0.439	0.335	2	6850	1.000	1.000	0.933
1	300	0.635	0.441	0.338	2	7000	1.000	1.000	0.933
1	400	0.639	0.444	0.339	2	7500	1.000	1.000	0.943
1	500	0.644	0.447	0.342	2	8000	1.000	1.000	0.949
1	750	0.657	0.459	0.349	2	8500	1.000	1.000	0.954
1	1000	0.663	0.470	0.358	2	9000	1.000	1.000	0.963
1	1500	0.688	0.489	0.369	2	9500	1.000	1.000	0.968
1	2000	0.708	0.508	0.389	2	10000	1.000	1.000	0.972
1	2250	0.714	0.518	0.396	2	10500	1.000	1.000	0.979
1	2500	0.719	0.528	0.404	2	11000	1.000	1.000	0.983
1	3000	0.731	0.540	0.421	2	11500	1.000	1.000	0.990
1	3500	0.744	0.552	0.431	2	12000	1.000	1.000	0.990
1	4000	0.754	0.565	0.441	2	12500	1.000	1.000	1.000
1	4500	0.762	0.577	0.452	2.25	0	1.000	1.000	1.000
1	5000	0.772	0.588	0.463	2.25	50	1.000	0.890	0.706
1	5500	0.780	0.597	0.474	2.25	100	1.000	0.890	0.719
1	6000	0.787	0.608	0.484	2.25	150	1.000	0.890	0.716
1	6500	0.795	0.616	0.492	2.25	200	1.000	0.890	0.726
1	6850	0.800	0.625	0.502	2.25	300	1.000	0.890	0.730
1	7000	0.807	0.632	0.511	2.25	400	1.000	0.894	0.741
1	7500	0.807	0.632	0.511	2.25	500	1.000	0.904	0.755
1	8000	0.813	0.641	0.519	2.25	750	1.000	0.919	0.781
1	8500	0.818	0.648	0.527	2.25	1000	1.000	0.933	0.803
1	9000	0.824	0.656	0.535	2.25	1500	1.000	0.952	0.838
1	9500	0.828	0.660	0.545	2.25	2000	1.000	0.967	0.866
1	10000	0.829	0.666	0.549	2.25	2250	1.000	0.972	0.878
1	10500	0.833	0.674	0.559	2.25	2500	1.000	0.977	0.890
1	11000	0.838	0.681	0.566	2.25	3000	1.000	0.990	0.905
1	11500	0.843	0.690	0.572	2.25	3500	1.000	0.990	0.917
1	12000	0.846	0.690	0.579	2.25	4000	1.000	1.000	0.936
1	12500	0.851	0.700	0.584	2.25	4500	1.000	1.000	0.946
1	13000	0.854	0.706	0.590	2.25	5000	1.000	1.000	0.953
1	13500	0.857	0.712	0.596	2.25	5500	1.000	1.000	0.963
1	14000	0.861	0.718	0.602	2.25	6000	1.000	1.000	0.971
1	14500	0.864	0.723	0.607	2.25	6500	1.000	1.000	0.977
1	15000	0.867	0.727	0.613	2.25	6850	1.000	1.000	0.983
1	17000	0.879	0.744	0.634	2.25	7000	1.000	1.000	0.983
1	20000	0.896	0.767	0.661	2.25	7500	1.000	1.000	0.990
1.25	0	1.000	1.000	1.000	2.25	8000	1.000	1.000	0.990
1.25	50	0.718	0.515	0.393	2.25	8500	1.000	1.000	1.000
1.25	100	0.729	0.529	0.407	2.25	9000	1.000	1.000	1.000
1.25	150	0.725	0.530	0.408	2.5	0	1.000	1.000	1.000
1.25	200	0.733	0.529	0.403	2.5	50	1.000	0.990	0.784
1.25	300	0.733	0.532	0.401	2.5	100	1.000	0.990	0.784
1.25	400	0.741	0.537	0.403	2.5	150	1.000	0.922	0.782
1.25	500	0.752	0.545	0.427	2.5	200	1.000	0.923	0.792
1.25	750	0.769	0.563	0.442	2.5	300	1.000	0.935	0.800
1.25	1000	0.782	0.579	0.455	2.5	400	1.000	0.944	0.812
1.25	1500	0.805	0.607	0.479	2.5	500	1.000	0.951	0.825
1.25	2000	0.823	0.630	0.501	2.5	750	1.000	0.962	0.850
1.25	2250	0.830	0.641	0.510	2.5	1000	1.000	0.972	0.869
1.25	2500	0.838	0.651	0.520	2.5	1500	1.000	0.986	0.897
1.25	3000	0.851	0.671	0.537	2.5	2000	1.000	1.000	0.922
1.25	3500	0.863	0.690	0.554	2.5	2250	1.000	1.000	0.931
1.25	4000	0.875	0.706	0.570	2.5	2500	1.000	1.000	0.939
1.25	4500	0.881	0.719	0.584	2.5	3000	1.000	1.000	0.955
1.25	5000	0.890	0.732	0.599	2.5	3500	1.000	1.000	0.965
1.25	5500	0.895	0.737	0.604	2.5	4000	1.000	1.000	0.977
1.25	6000	0.900	0.742	0.609	2.5	4500	1.000	1.000	0.990

Deductible Multiplier	Deductible	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4
1.25	6500	0.907	0.762	0.635
1.25	6850	0.913	0.772	0.647
1.25	7000	0.913	0.772	0.647
1.25	7500	0.921	0.781	0.654
1.25	8000	0.924	0.789	0.664
1.25	8500	0.927	0.798	0.676
1.25	9000	0.935	0.805	0.690
1.25	9500	0.938	0.811	0.697
1.25	10000	0.940	0.819	0.706
1.25	10500	0.946	0.825	0.715
1.25	11000	0.949	0.831	0.723
1.25	11500	0.951	0.833	0.731
1.25	12000	0.955	0.839	0.738
1.25	12500	0.957	0.845	0.745
1.25	13000	0.960	0.851	0.752
1.25	13500	0.963	0.856	0.758
1.25	14000	0.965	0.861	0.765
1.25	14500	0.967	0.866	0.771
1.25	15000	0.970	0.871	0.777
1.25	17000	0.978	0.890	0.799
1.25	20000	0.990	0.904	0.828
1.5	0	1.000	1.000	1.000
1.5	50	0.834	0.629	0.489
1.5	100	0.834	0.629	0.489
1.5	150	0.834	0.629	0.489
1.5	200	0.834	0.629	0.489
1.5	300	0.839	0.636	0.491
1.5	400	0.848	0.645	0.496
1.5	500	0.856	0.654	0.503
1.5	750	0.870	0.674	0.521
1.5	1000	0.890	0.690	0.549
1.5	1500	0.896	0.721	0.578
1.5	2000	0.911	0.745	0.603
1.5	2250	0.916	0.755	0.615
1.5	2500	0.921	0.765	0.626
1.5	3000	0.933	0.783	0.643
1.5	3500	0.939	0.800	0.664
1.5	4000	0.950	0.810	0.684
1.5	4500	0.955	0.826	0.701
1.5	5000	0.959	0.834	0.717
1.5	5500	0.965	0.844	0.731
1.5	6000	0.970	0.853	0.744
1.5	6500	0.974	0.863	0.755
1.5	6850	0.977	0.871	0.767
1.5	7000	0.977	0.871	0.767
1.5	7500	0.982	0.880	0.777
1.5	8000	0.990	0.890	0.786
1.5	8500	0.990	0.890	0.797
1.5	9000	0.990	0.897	0.805
1.5	9500	0.990	0.901	0.813
1.5	10000	1.000	0.911	0.822
1.5	10500	1.000	0.914	0.830
1.5	11000	1.000	0.918	0.833
1.5	11500	1.000	0.923	0.842
1.5	12000	1.000	0.929	0.849
1.5	12500	1.000	0.932	0.856
1.5	13000	1.000	0.936	0.863
1.5	13500	1.000	0.941	0.869
1.5	14000	1.000	0.944	0.875
1.5	14500	1.000	0.947	0.881
1.5	15000	1.000	0.951	0.890
1.5	17000	1.000	0.962	0.905
1.5	20000	1.000	0.978	0.927
1.75	0	1.000	1.000	1.000
1.75	50	0.927	0.721	0.570

Deductible Multiplier	Deductible	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4
2.5	5000	1.000	1.000	0.990
2.5	5500	1.000	1.000	1.000
2.75	0	1.000	1.000	1.000
2.75	50	1.000	1.000	0.890
2.75	100	1.000	1.000	0.890
2.75	150	1.000	1.000	0.890
2.75	200	1.000	1.000	0.890
2.75	300	1.000	1.000	0.890
2.75	400	1.000	1.000	0.890
2.75	500	1.000	1.000	0.890
2.75	750	1.000	1.000	0.906
2.75	1000	1.000	1.000	0.923
2.75	1500	1.000	1.000	0.947
2.75	2000	1.000	1.000	0.966
2.75	2250	1.000	1.000	0.972
2.75	2500	1.000	1.000	0.979
2.75	3000	1.000	1.000	0.990
2.75	3500	1.000	1.000	1.000
2.75	4000	1.000	1.000	1.000
2.75	4500	1.000	1.000	1.000
2.75	5000	1.000	1.000	1.000
2.75	5500	1.000	1.000	1.000
3	0	1.000	1.000	1.000
3	50	1.000	1.000	0.910
3	100	1.000	1.000	0.910
3	150	1.000	1.000	0.911
3	200	1.000	1.000	0.912
3	300	1.000	1.000	0.924
3	400	1.000	1.000	0.934
3	500	1.000	1.000	0.942
3	750	1.000	1.000	0.957
3	1000	1.000	1.000	0.969
3	1500	1.000	1.000	0.990
3	2000	1.000	1.000	1.000
3	2250	1.000	1.000	1.000
3	2500	1.000	1.000	1.000
3	3000	1.000	1.000	1.000
3	3500	1.000	1.000	1.000
3	4000	1.000	1.000	1.000
3	4500	1.000	1.000	1.000
3	5000	1.000	1.000	1.000
3	5500	1.000	1.000	1.000
3.25	0	1.000	1.000	1.000
3.25	50	1.000	1.000	0.945
3.25	100	1.000	1.000	0.945
3.25	150	1.000	1.000	0.945
3.25	200	1.000	1.000	0.945
3.25	300	1.000	1.000	0.956
3.25	400	1.000	1.000	0.965
3.25	500	1.000	1.000	0.990
3.25	750	1.000	1.000	1.000
3.25	1000	1.000	1.000	1.000
3.25	1500	1.000	1.000	1.000
3.25	2000	1.000	1.000	1.000
3.25	2250	1.000	1.000	1.000
3.25	2500	1.000	1.000	1.000
3.25	3000	1.000	1.000	1.000
3.25	3500	1.000	1.000	1.000
3.25	4000	1.000	1.000	1.000
3.25	4500	1.000	1.000	1.000
3.25	5000	1.000	1.000	1.000
3.25	5500	1.000	1.000	1.000
3.5	0	1.000	1.000	1.000
3.5	50	1.000	1.000	1.000
3.5	100	1.000	1.000	1.000

Deductible Multiplier	Deductible	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4	Deductible Multiplier	Deductible	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4
1.75	100	0.927	0.721	0.570	3.5	150	1.000	1.000	1.000
1.75	150	0.927	0.718	0.572	3.5	200	1.000	1.000	1.000
1.75	200	0.926	0.727	0.573	3.5	300	1.000	1.000	1.000
1.75	300	0.934	0.729	0.579	3.5	400	1.000	1.000	1.000
1.75	400	0.940	0.738	0.587	3.5	500	1.000	1.000	1.000
1.75	500	0.945	0.749	0.596	3.5	750	1.000	1.000	1.000
1.75	750	0.953	0.769	0.618	3.5	1000	1.000	1.000	1.000
1.75	1000	0.960	0.786	0.639	3.5	1500	1.000	1.000	1.000
1.75	1500	0.969	0.814	0.673	3.5	2000	1.000	1.000	1.000
1.75	2000	0.978	0.837	0.702	3.5	2250	1.000	1.000	1.000
1.75	2250	0.984	0.847	0.714	3.5	2500	1.000	1.000	1.000
1.75	2500	0.990	0.857	0.727	3.5	3000	1.000	1.000	1.000
1.75	3000	0.990	0.873	0.748	3.5	3500	1.000	1.000	1.000
1.75	3500	1.000	0.890	0.769	3.5	4000	1.000	1.000	1.000
1.75	4000	1.000	0.899	0.786	3.5	4500	1.000	1.000	1.000
1.75	4500	1.000	0.907	0.802	3.5	5000	1.000	1.000	1.000
1.75	5000	1.000	0.912	0.811	3.5	5500	1.000	1.000	1.000
1.75	5500	1.000	0.923	0.824	3.75	0	1.000	1.000	1.000
1.75	6000	1.000	0.931	0.836	3.75	50	1.000	1.000	1.000
1.75	6500	1.000	0.936	0.849	3.75	100	1.000	1.000	1.000
1.75	6850	1.000	0.942	0.858	3.75	150	1.000	1.000	1.000
1.75	7000	1.000	0.942	0.858	3.75	200	1.000	1.000	1.000
1.75	7500	1.000	0.950	0.869	3.75	300	1.000	1.000	1.000
1.75	8000	1.000	0.953	0.878	3.75	400	1.000	1.000	1.000
1.75	8500	1.000	0.958	0.890	3.75	500	1.000	1.000	1.000
1.75	9000	1.000	0.964	0.892	3.75	750	1.000	1.000	1.000
1.75	9500	1.000	0.968	0.898	3.75	1000	1.000	1.000	1.000
1.75	10000	1.000	0.971	0.909	3.75	1500	1.000	1.000	1.000
1.75	10500	1.000	0.976	0.914	3.75	2000	1.000	1.000	1.000
1.75	11000	1.000	0.979	0.919	3.75	2250	1.000	1.000	1.000
1.75	11500	1.000	0.981	0.925	3.75	2500	1.000	1.000	1.000
1.75	12000	1.000	0.984	0.932	3.75	3000	1.000	1.000	1.000
1.75	12500	1.000	0.990	0.936	3.75	3500	1.000	1.000	1.000
1.75	13000	1.000	0.990	0.941	3.75	4000	1.000	1.000	1.000
1.75	13500	1.000	0.990	0.947	3.75	4500	1.000	1.000	1.000
1.75	14000	1.000	0.990	0.951	3.75	5000	1.000	1.000	1.000
1.75	14500	1.000	1.000	0.955	3.75	5500	1.000	1.000	1.000
1.75	15000	1.000	1.000	0.960	4	0	1.000	1.000	1.000
1.75	17000	1.000	1.000	0.975	4	50	1.000	1.000	1.000
1.75	20000	1.000	1.000	1.000	4	100	1.000	1.000	1.000
2	0	1.000	1.000	1.000	4	150	1.000	1.000	1.000
2	50	1.000	0.816	0.690	4	200	1.000	1.000	1.000
2	100	1.000	0.816	0.690	4	300	1.000	1.000	1.000
2	150	1.000	0.815	0.690	4	400	1.000	1.000	1.000
2	200	1.000	0.822	0.690	4	500	1.000	1.000	1.000
2	300	1.000	0.827	0.690	4	750	1.000	1.000	1.000
2	400	1.000	0.836	0.690	4	1000	1.000	1.000	1.000
2	500	1.000	0.846	0.690	4	1500	1.000	1.000	1.000
2	750	1.000	0.865	0.701	4	2000	1.000	1.000	1.000
2	1000	1.000	0.890	0.722	4	2250	1.000	1.000	1.000
2	1500	1.000	0.901	0.758	4	2500	1.000	1.000	1.000
2	2000	1.000	0.921	0.788	4	3000	1.000	1.000	1.000
2	2250	1.000	0.928	0.801	4	3500	1.000	1.000	1.000
2	2500	1.000	0.934	0.813	4	4000	1.000	1.000	1.000
2	3000	1.000	0.947	0.836	4	4500	1.000	1.000	1.000
2	3500	1.000	0.955	0.855	4	5000	1.000	1.000	1.000
2	4000	1.000	0.966	0.873	4	5500	1.000	1.000	1.000
2	4500	1.000	0.972	0.884					

Table 14 – Effective OOP Maximum - Collective Accumulation Adjustment

OOP Multiplier	OOP Max.	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4	OOP Multiplier	OOP Max.	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4
1	500	0.675	0.498	0.382	2	5500	1.000	0.897	0.780
1	1000	0.675	0.498	0.382	2	6000	1.000	0.899	0.792
1	1500	0.675	0.498	0.382	2	6500	1.000	0.904	0.800
1	2000	0.700	0.520	0.404	2	7000	1.000	0.909	0.802
1	2500	0.725	0.542	0.424	2	8000	1.000	0.914	0.808
1	3000	0.767	0.588	0.444	2	9000	1.000	0.919	0.813
1	4000	0.778	0.609	0.464	2	10000	1.000	0.924	0.818
1	5000	0.784	0.612	0.484	2	11000	1.000	0.929	0.823
1	5500	0.790	0.615	0.504	2	12000	1.000	0.934	0.828
1	6000	0.801	0.623	0.524	2	13000	1.000	0.939	0.833
1	7000	0.811	0.632	0.524	2	14000	1.000	0.944	0.838
1	8000	0.818	0.632	0.524	2	15000	1.000	0.949	0.843
1	9000	0.824	0.632	0.524	2.25	500	1.000	0.880	0.801
1	10000	0.828	0.637	0.527	2.25	1000	1.000	0.880	0.806
1	11000	0.836	0.644	0.537	2.25	1500	1.000	0.880	0.812
1	12000	0.836	0.647	0.541	2.25	2000	1.000	0.888	0.828
1	13000	0.852	0.657	0.553	2.25	2500	1.000	0.892	0.845
1	14000	0.868	0.662	0.564	2.25	3000	1.000	0.895	0.862
1	15000	0.890	0.672	0.572	2.25	4000	1.000	0.898	0.875
1	16000	0.893	0.690	0.581	2.25	5000	1.000	0.903	0.883
1	17000	0.914	0.700	0.595	2.25	5500	1.000	0.908	0.887
1	18000	0.928	0.711	0.601	2.25	6000	1.000	0.913	0.894
1	19000	0.931	0.716	0.608	2.25	6500	1.000	0.918	0.899
1	20000	0.950	0.726	0.616	2.25	7000	1.000	0.923	0.904
1	25000	1.000	0.785	0.649	2.25	8000	1.000	0.928	0.909
1	30000	1.000	0.819	0.690	2.25	9000	1.000	0.933	0.914
1	35000	1.000	0.945	0.875	2.25	10000	1.000	0.938	0.919
1	40000	1.000	0.973	0.905	2.25	11000	1.000	0.943	0.924
1	45000	1.000	1.000	0.931	2.25	12000	1.000	0.948	0.929
1	50000	1.000	1.000	0.962	2.25	13000	1.000	0.953	0.934
1.25	500	0.738	0.565	0.406	2.25	14000	1.000	0.958	0.939
1.25	1000	0.738	0.565	0.406	2.25	15000	1.000	0.963	0.944
1.25	1500	0.738	0.565	0.406	2.5	500	1.000	0.896	0.845
1.25	2000	0.755	0.591	0.427	2.5	1000	1.000	0.896	0.853
1.25	2500	0.772	0.617	0.447	2.5	1500	1.000	0.896	0.861
1.25	3000	0.803	0.660	0.492	2.5	2000	1.000	0.897	0.865
1.25	4000	0.820	0.683	0.523	2.5	2500	1.000	0.897	0.870
1.25	5000	0.833	0.699	0.542	2.5	3000	1.000	1.000	0.878
1.25	5500	0.838	0.702	0.560	2.5	4000	1.000	1.000	0.885
1.25	6000	0.843	0.721	0.561	2.5	5000	1.000	1.000	0.891
1.25	7000	0.851	0.728	0.579	2.5	5500	1.000	1.000	0.893
1.25	8000	0.874	0.740	0.615	2.5	6000	1.000	1.000	0.899
1.25	9000	0.879	0.743	0.628	2.5	6500	1.000	1.000	0.919
1.25	10000	0.899	0.772	0.642	2.5	7000	1.000	1.000	0.939
1.25	11000	0.919	0.790	0.658	2.5	8000	1.000	1.000	0.959
1.25	12000	0.939	0.808	0.674	2.5	9000	1.000	1.000	0.979
1.25	13000	0.959	0.826	0.690	2.5	10000	1.000	1.000	0.999
1.25	14000	0.979	0.844	0.706	2.5	11000	1.000	1.000	1.000
1.25	15000	0.999	0.862	0.723	2.5	12000	1.000	1.000	1.000
1.25	16000	1.000	0.880	0.739	2.5	13000	1.000	1.000	1.000
1.25	17000	1.000	0.900	0.755	2.5	14000	1.000	1.000	1.000
1.25	18000	1.000	0.920	0.771	2.5	15000	1.000	1.000	1.000
1.25	19000	1.000	0.940	0.787	2.75	500	1.000	1.000	0.980
1.25	20000	1.000	0.960	0.804	2.75	1000	1.000	1.000	0.980
1.25	25000	1.000	1.000	0.834	2.75	1500	1.000	1.000	0.980
1.5	500	0.829	0.678	0.500	2.75	2000	1.000	1.000	0.983
1.5	1000	0.839	0.678	0.500	2.75	2500	1.000	1.000	0.986
1.5	1500	0.833	0.678	0.500	2.75	3000	1.000	1.000	0.987
1.5	2000	0.856	0.724	0.500	2.75	4000	1.000	1.000	0.991
1.5	2500	0.855	0.727	0.547	2.75	5000	1.000	1.000	0.994
1.5	3000	0.870	0.758	0.596	2.75	5500	1.000	1.000	0.995
1.5	4000	0.879	0.785	0.624	2.75	6000	1.000	1.000	0.998
1.5	5000	0.887	0.800	0.637	2.75	6500	1.000	1.000	1.000



OOP Multiplier	OOP Max.	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4	OOP Multiplier	OOP Max.	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4
1.5	5500	0.890	0.803	0.650	3	500	1.000	1.000	0.991
1.5	6000	0.896	0.822	0.680	3	1000	1.000	1.000	0.991
1.5	6500	0.906	0.828	0.691	3	1500	1.000	1.000	0.991
1.5	7000	0.916	0.834	0.692	3	2000	1.000	1.000	0.991
1.5	8000	0.926	0.844	0.696	3	2500	1.000	1.000	0.991
1.5	9000	0.936	0.856	0.711	3	3000	1.000	1.000	0.992
1.5	10000	0.946	0.869	0.718	3	4000	1.000	1.000	0.993
1.5	11000	0.956	0.878	0.725	3	5000	1.000	1.000	0.995
1.5	12000	0.966	0.884	0.727	3	5500	1.000	1.000	0.997
1.5	13000	0.976	0.891	0.747	3	6000	1.000	1.000	1.000
1.5	14000	0.986	0.901	0.761	3.5	500	1.000	1.000	0.992
1.5	15000	0.996	0.911	0.770	3.5	1000	1.000	1.000	0.992
1.75	500	1.000	0.772	0.576	3.5	1500	1.000	1.000	0.992
1.75	1000	1.000	0.772	0.581	3.5	2000	1.000	1.000	0.992
1.75	1500	1.000	0.772	0.586	3.5	2500	1.000	1.000	0.992
1.75	2000	1.000	0.791	0.617	3.5	3000	1.000	1.000	0.993
1.75	2500	1.000	0.811	0.648	3.5	4000	1.000	1.000	0.995
1.75	3000	1.000	0.832	0.684	3.5	5000	1.000	1.000	0.997
1.75	4000	1.000	0.851	0.709	3.5	5500	1.000	1.000	0.998
1.75	5000	1.000	0.865	0.730	3.5	6000	1.000	1.000	1.000
1.75	5500	1.000	0.870	0.732	3.75	500	1.000	1.000	0.997
1.75	6000	1.000	0.881	0.750	3.75	1000	1.000	1.000	0.997
1.75	6500	1.000	0.885	0.761	3.75	1500	1.000	1.000	0.997
1.75	7000	1.000	0.892	0.764	3.75	2000	1.000	1.000	0.997
1.75	8000	1.000	0.898	0.777	3.75	2500	1.000	1.000	0.997
1.75	9000	1.000	0.900	0.790	3.75	3000	1.000	1.000	0.997
1.75	10000	1.000	0.905	0.806	3.75	4000	1.000	1.000	0.997
1.75	11000	1.000	0.910	0.811	3.75	5000	1.000	1.000	0.997
1.75	12000	1.000	0.915	0.816	3.75	5500	1.000	1.000	0.997
1.75	13000	1.000	0.920	0.821	3.75	6000	1.000	1.000	1.000
1.75	14000	1.000	0.925	0.826	4	500	1.000	1.000	1.000
1.75	15000	1.000	0.930	0.831	4	1000	1.000	1.000	1.000
2	500	1.000	0.841	0.659	4	1500	1.000	1.000	1.000
2	1000	1.000	0.842	0.664	4	2000	1.000	1.000	1.000
2	1500	1.000	0.844	0.669	4	2500	1.000	1.000	1.000
2	2000	1.000	0.863	0.691	4	3000	1.000	1.000	1.000
2	2500	1.000	0.869	0.713	4	4000	1.000	1.000	1.000
2	3000	1.000	0.880	0.743	4	5000	1.000	1.000	1.000
2	4000	1.000	0.889	0.762	4	5500	1.000	1.000	1.000
2	5000	1.000	0.895	0.775	4	6000	1.000	1.000	1.000

Table 15 – Effective Coinsurance - Collective Accumulation Adjustment

Plan Coinsurance	Average Family Size		
	2	3	4
0%	1.00	1.00	1.00
10%	0.95	0.96	0.97
20%	0.89	0.91	0.92
30%	0.85	0.88	0.90
40%	0.75	0.80	0.80

Table 16 – Collective Deductible Adjustment

Average Family Size	Deductible Multiplier	Individual Medical Deductible	Collective Adjustment	Average Family Size	Deductible Multiplier	Individual Medical Deductible	Collective Adjustment
0	1	500	0.00%	3	2	2500	2.95%
0	1	1000	0.00%	3	2	3000	3.72%
0	1	1500	0.00%	3	2	4000	5.28%
0	1	2000	0.00%	3	2.5	500	0.92%
0	1	2500	0.00%	3	2.5	1000	2.08%
0	1	3000	0.00%	3	2.5	1500	3.36%
0	1	4000	0.00%	3	2.5	2000	4.69%
0	1.5	500	0.00%	3	2.5	2500	6.05%
0	1.5	1000	0.00%	3	2.5	3000	7.39%
0	1.5	1500	0.00%	3	2.5	4000	9.97%
0	1.5	2000	0.00%	3	3	500	1.61%
0	1.5	2500	0.00%	3	3	1000	3.55%
0	1.5	3000	0.00%	3	3	1500	5.56%
0	1.5	4000	0.00%	3	3	2000	7.61%
0	2	500	0.00%	3	3	2500	9.59%
0	2	1000	0.00%	3	3	3000	11.45%
0	2	1500	0.00%	3	3	4000	14.90%
0	2	2000	0.00%	3.5	1	500	0.00%
0	2	2500	0.00%	3.5	1	1000	0.00%
0	2	3000	0.00%	3.5	1	1500	0.00%
0	2	4000	0.00%	3.5	1	2000	0.00%
0	2.5	500	0.00%	3.5	1	2500	0.00%
0	2.5	1000	0.00%	3.5	1	3000	0.00%
0	2.5	1500	0.00%	3.5	1	4000	0.00%
0	2.5	2000	0.00%	3.5	1.5	500	0.07%
0	2.5	2500	0.00%	3.5	1.5	1000	0.18%
0	2.5	3000	0.00%	3.5	1.5	1500	0.32%
0	2.5	4000	0.00%	3.5	1.5	2000	0.48%
0	3	500	0.00%	3.5	1.5	2500	0.66%
0	3	1000	0.00%	3.5	1.5	3000	0.86%
0	3	1500	0.00%	3.5	1.5	4000	1.32%
0	3	2000	0.00%	3.5	2	500	0.22%
0	3	2500	0.00%	3.5	2	1000	0.62%
0	3	3000	0.00%	3.5	2	1500	1.12%
0	3	4000	0.00%	3.5	2	2000	1.70%
2	1	500	0.00%	3.5	2	2500	2.34%
2	1	1000	0.00%	3.5	2	3000	3.01%
2	1	1500	0.00%	3.5	2	4000	4.42%
2	1	2000	0.00%	3.5	2.5	500	0.63%
2	1	2500	0.00%	3.5	2.5	1000	1.55%
2	1	3000	0.00%	3.5	2.5	1500	2.64%
2	1	4000	0.00%	3.5	2.5	2000	3.82%
2	1.5	500	0.18%	3.5	2.5	2500	5.07%
2	1.5	1000	0.41%	3.5	2.5	3000	6.32%
2	1.5	1500	0.66%	3.5	2.5	4000	8.80%
2	1.5	2000	0.95%	3.5	3	500	1.17%
2	1.5	2500	1.25%	3.5	3	1000	2.79%
2	1.5	3000	1.56%	3.5	3	1500	4.60%
2	1.5	4000	2.24%	3.5	3	2000	6.53%
2	2	500	0.49%	3.5	3	2500	8.43%
2	2	1000	1.20%	3.5	3	3000	10.24%
2	2	1500	1.99%	3.5	3	4000	13.62%
2	2	2000	2.84%	4	1	500	0.00%
2	2	2500	3.71%	4	1	1000	0.00%
2	2	3000	4.58%	4	1	1500	0.00%
2	2	4000	6.31%	4	1	2000	0.00%

Average Family Size	Deductible Multiplier	Individual Medical Deductible	Collective Adjustment	Average Family Size	Deductible Multiplier	Individual Medical Deductible	Collective Adjustment
2	2.5	500	1.30%	4	1	2500	0.00%
2	2.5	1000	2.75%	4	1	3000	0.00%
2	2.5	1500	4.24%	4	1	4000	0.00%
2	2.5	2000	5.74%	4	1.5	500	0.04%
2	2.5	2500	7.22%	4	1.5	1000	0.11%
2	2.5	3000	8.64%	4	1.5	1500	0.19%
2	2.5	4000	11.34%	4	1.5	2000	0.30%
2	3	500	2.18%	4	1.5	2500	0.43%
2	3	1000	4.46%	4	1.5	3000	0.56%
2	3	1500	6.68%	4	1.5	4000	0.91%
2	3	2000	8.86%	4	2	500	0.13%
2	3	2500	10.92%	4	2	1000	0.39%
2	3	3000	12.82%	4	2	1500	0.74%
2	3	4000	16.34%	4	2	2000	1.18%
3	1	500	0.00%	4	2	2500	1.70%
3	1	1000	0.00%	4	2	3000	2.25%
3	1	1500	0.00%	4	2	4000	3.48%
3	1	2000	0.00%	4	2.5	500	0.38%
3	1	2500	0.00%	4	2.5	1000	1.03%
3	1	3000	0.00%	4	2.5	1500	1.88%
3	1	4000	0.00%	4	2.5	2000	2.87%
3	1.5	500	0.12%	4	2.5	2500	3.97%
3	1.5	1000	0.28%	4	2.5	3000	5.09%
3	1.5	1500	0.46%	4	2.5	4000	7.41%
3	1.5	2000	0.68%	4	3	500	0.74%
3	1.5	2500	0.92%	4	3	1000	1.99%
3	1.5	3000	1.16%	4	3	1500	3.52%
3	1.5	4000	1.73%	4	3	2000	5.26%
3	2	500	0.33%	4	3	2500	7.03%
3	2	1000	0.87%	4	3	3000	8.76%
3	2	1500	1.50%	4	3	4000	12.03%
3	2	2000	2.21%				

Table 17 – Community Rate Loads

Category	Load	Detail
<b>Modular Medical Management</b>	1.023	Basic Medical Management
	0.993	Buy-up Medical Management
<b>Multiple Offering Load</b>		<b>Offerings</b>
	1.000	1
	1.020	2
	1.025	3
	1.030	4+
	1.025	2 (CA)
	1.050	3 (CA)
	1.055	4+ (CA)
Does not apply to LocalPlus products in TN or FL		
<b>Deductible Accumulation Adjustment</b>		<b>Accumulation Type (IN and OON)</b>
	0.995	No Cross-Accumulation
	1.000	One-Way Accumulation (out-of-network to in-network)
	1.005	Cross-Accumulation
<b>Gatekeeper Credit</b>	0.99	
<b>CarryOver Deductible Adjustment</b>		<b>Deductible</b>
	1	0
	1.013	250
	1.019	500
	1.023	750
	1.030	1000
<b>Office Surgery</b>	The load is one plus the sum of the following applicable adjustments	
	0.0005	Waive deductible on PCP office surgery
	0.0005	Waive deductible on SCP office surgery
	0.0005	Waive coinsurance on PCP office surgery
	0.0005	Waive coinsurance on SCP office surgery
<b>Consumerism Adjustment</b>	0.985	
<b>Breast Pump Supplies</b>	1.0005	Covered at 100%
	1.0000	Covered at Deductible/Coinsurance
	0.9998	Not Covered
<b>Lock-In Decrement</b>	0.890	NY/NJ
	0.990	Elsewhere
<b>Case-Size Adjustment</b>	.95	Fewer than 200 subscribers (NY/NJ)
	.95 to 1	Interpolate between .95 and 1 for 200 to 300 subscribers (NY/NJ)
	1	Greater than 300 subscribers (NY/NJ)
	.97	Fewer than 200 subscribers (FL)
	.97 to 1	Interpolate between .97 and 1 for 200 to 300 subscribers (FL)
	1	Greater than 300 subscribers (FL)
<b>Criteria Based Network Adjustment</b>		
	0.8505	Minimum
	0.9999	Maximum

**Table 17 – Community Rate Loads (Continued)**

**ER/UC Steerage Adjustment**

Using the applicable copay and/or coinsurance per the plan design and the average steerable visit cost below, calculate the average actual visit cost to a member for an ER visit and Urgent Care facility visit. Look up the load on the table based on visit cost differential and the Effective ER deductible from Step 2.4. No load is applied if Urgent Care is subject to the deductible or if the calculated Urgent Care facility visit cost is \$0.

Average Steerable visit cost					
ER	1000				
Urgent Care	160				
		Effective ER Deductible			
Visit Cost Difference	0	500	1000	3000	6000
0	1.0000	0.9995	0.9990	0.9975	0.9970
100	0.9995	0.9989	0.9984	0.9974	0.9970
200	0.9990	0.9984	0.9979	0.9973	0.9970
300	0.9985	0.9980	0.9975	0.9972	0.9970
400	0.9980	0.9976	0.9972	0.9971	0.9970
500	0.9975	0.9973	0.9970	0.9970	0.9970

**Medical Specialty Drugs Steerage Adjustment**

The following adjustments apply for plan designs where the deductible applies to medical specialty drugs administered in outpatient facilities, the deductible does not apply to medical specialty drugs administered in either (or both of) the home or at a physician's office, and the member coinsurance for those services is greater than 0%.

Deductible	Deductible Waiver by Place of Administration		
	Physician's office	Home	Both Home and Physician's Office
0	1.0000	1.0000	1.0000
1000	0.9997	0.9999	0.9996
2000	0.9994	0.9998	0.9992
3000	0.9991	0.9997	0.9988
4000	0.9988	0.9996	0.9984
5000	0.9985	0.9995	0.9980

**Independent Lab Steerage Adjustment**

The following adjustments apply for plan designs where the deductible does not apply to independent lab facility services, the deductible does apply to either (or both of) physician's office lab services or outpatient facility lab services, and the member coinsurance for those services is greater than 0%.

Deductible	Deductible by Place of Service		
	Outpatient Facility	Physician's Office	Both OP Facility and Physician's Office
0	1.0000	1.0000	1.0000
1000	0.9998	0.9998	0.9996
2000	0.9996	0.9996	0.9992
3000	0.9994	0.9994	0.9988
4000	0.9992	0.9992	0.9984
5000	0.9990	0.9990	0.9980

**Enhanced Non-Par Claims Adjustment**

See Table 33 - Enhanced Non-Par. Claims Adjustment and Table 34 - Enhanced Non-Par. Claims Adjustment Summary for appropriate loads.

**Table 18 – Medical OON Program Savings Factors**

	Percent	Factor	
		All Other Products	LocalPlus Product
<b>Medicare Stacked</b>	100	0.450	0.355
	110	0.500	0.400
	150	0.590	0.490
	200	0.690	0.600
	250	0.775	0.708
	300	0.860	0.815
<b>Medicare Only</b>	100	0.100	0.077
	110	0.110	0.086
<b>Average Contracted Rate</b>	100	0.600	0.600
<b>Usual &amp; Customary (Percentile)</b>	80 <sup>th</sup>	1.000	1.000
	90 <sup>th</sup>	1.100	1.100

**Table 19 – Lifetime Maximum Adjustment**

Lifetime Max (in dollars)	Factor
≤ 50000	-2.00%
100000	-1.50%
150000	-1.25%
200000	-1.00%
300000	-0.83%
400000	-0.67%
500000	-0.50%
750000	-0.40%
1000000	-0.25%
2000000	-0.10%
3000000	-0.05%
4000000	-0.02%
5000000	-0.01%
> 5000000	0.00%

**Table 20 – Industry Load**

Industry	Minimum	Maximum	Median
Agriculture	0.950	1.100	1.025
Mining	1.000	1.150	1.100
Construction	0.950	1.150	1.050
Manufacturing	0.900	1.100	1.000
Transportation, Communication, & Utilities	0.900	1.100	1.000
Wholesale Trade	0.900	1.000	0.950
Retail Trade	0.950	1.150	1.050
Finance, Insurance and Real Estate	0.900	1.100	1.000
Services	0.900	1.100	1.050
Public Administration	1.000	1.100	1.000

**Table 21 – Medical Demographic Factors**

Age Band	Male			Female			MT and MN Unisex
	Employee	Spouse	Child	Employee	Spouse	Child	All
00 - 19	0.483	0.483	0.483	0.462	0.462	0.462	0.472
20 - 24	0.385	0.387	0.583	0.833	1.336	0.680	0.640
25 - 29	0.461	0.656	0.721	0.975	1.426	1.569	0.807
30 - 34	0.535	0.651	0.716	1.179	1.401	1.541	0.916
35 - 39	0.632	0.871	0.959	1.165	1.261	1.387	0.943
40 - 44	0.803	0.975	1.072	1.212	1.302	1.432	1.045
45 - 49	0.993	1.298	1.427	1.388	1.496	1.646	1.244
50 - 54	1.340	1.737	1.911	1.574	1.807	1.988	1.548
55 - 59	1.700	2.198	2.418	1.742	2.057	2.263	1.837
60 - 64	2.211	2.963	3.260	2.136	2.543	2.797	2.330
65 - 69	3.658	3.658	4.024	2.926	2.926	3.219	3.292
70+	4.243	4.243	4.668	3.414	3.414	3.756	3.829

**Table 22 – Demographic Aging Trend**

<b>Trend</b>
0.0075

**Table 23 – Infertility Rider Demographic Factors**

Age Band	Male	Female	Unisex
00 - 19	0.000	0.000	0.000
20 - 24	0.000	0.600	0.297
25 - 29	0.072	3.432	1.789
30 - 34	0.234	8.046	4.294
35 - 39	0.518	7.278	4.010
40 - 44	0.170	2.635	1.434
45 - 49	0.095	0.530	0.319
50 - 54	0.037	0.043	0.040
55 - 59	0.026	0.018	0.022
60 - 64	0.000	0.009	0.005
65 - 69	0.000	0.000	0.000
70+	0.000	0.000	0.000

**Table 24 – Health Management Program Savings**

Health Management Program	Savings
Your Health First	-1.64%
Healthy Pregnancies, Healthy Babies	-\$0.36
Comprehensive Oncology	-\$0.20
Personal Health Team – Non-CCF	-\$5.04
Personal Health Team – CCF	-\$2.19
Health-Advisor – CCF	-\$3.94

Table 25 – Medical Riders

Rider	Methodology
Bariatric Surgery	0.7187 for a maximum from \$1 to \$8000 2.2774 for a maximum greater than \$8000 2.6114 for unlimited coverage
Durable Medical Equipment (DME)	1.47144 base PMPM
Durable Medical Equipment OON Buy Up	IN PMPM multiplied by the POS Load
External Prosthetic Appliances (EPA)	0.2953 base PMPM
External Prosthetic Appliances OON Buy Up	IN PMPM multiplied by the POS Load
DME and EPA Combined	1.7665 Base PMPM
DME and EPA Combined OON Buy Up	IN PMPM multiplied by the POS Load
Routine Foot Disorders Buy Up	1.0189 for a maximum less than \$1000 1.1987 for a maximum \$1000 or greater
Routine Foot Disorders OON Buy Up	IN PMPM multiplied by the POS Load
Organ Transplants OON	0.2397 base PMPM
Home Health Care	-1.2467 when annual maximum days are set to zero. Slope of 0.0189 per day. 1.3545 cap on coverage.
Infertility Treatment – Buy Up #1	1.2814 base PMPM
Infertility Treatment – Buy Up #1 OON	IN PMPM multiplied by the POS Load
Infertility Treatment – Buy Up #2	Base Cost PMPM = $5.2897 \times \left[ \frac{\text{Max}}{18844.37} \right]^{0.6}$ 10.5794 cap on coverage
Infertility Treatment – Buy Up #2 OON	IN PMPM multiplied by the POS Load
Infertility Only	Difference between the cost of Infertility Treatment Buy Up #2 and Buy Up #1
Infertility Only OON	IN PMPM multiplied by the POS Load
Complex Psych Program Savings	-0.1798 base PMPM
TMJ	0.3716 base PMPM



Rider	Methodology			
Narcotics Therapy Program Savings	-0.1798 base PMPM			
Alternative Care (Acupuncture, Naturopathy, Massage)	Naturopathy and Acupuncture are available with or without massage at \$300 or \$600 limits. 1.5643 – Without massage, \$300 limit. 2.2835 – Without massage, \$600 limit 1.8041 – With massage, \$300 limit 3.3624 – With massage, \$600 limit			
Acupuncture	This doesn't apply if an Alternative Care election is made. 0 – Less than 10 visits 0.4695 – 10 to 11 visits 0.5634 – 12 to 14 visits 0.6690 – 15 to 19 visits 0.8451 – For 20 or more visits.			
Preventive Care OON Exclusion	If OON preventive care is not covered: -0.7500 base PMPM			
Family Planning Preventive Care Exemption	Apply a factor of 0.96 to the preventive care base rate in Step 2.1.			
<p>The following therapies riders use curves based on the number of visits. One slope (PMPM per visit) applies up to some number of visits ("Breakpoint") while another slope applies past that number of visits.</p> <p>For example, if Speech Therapy is offered with a 30 day limit (with a limit past the breakpoint), then the final cost would be:</p> $ST \text{ PMPM} = [1st \text{ Slope}] \times 20 + [2nd \text{ Slope}] \times 10 = 0.00545 \times 20 + 0.00136 \times 10 = 0.123$ <p>If Cardiac and Pulmonary Rehab is included with these benefits, it does not have a pricing impact.</p>				
Therapy	1 <sup>st</sup> slope	Breakpoint	2 <sup>nd</sup> slope	Cap
Speech Therapy (ST)	0.00545	20 days	0.00136	0.20432
Outpatient Speech, Hearing, and Occupational Therapy (OSHOT)	0.01090	20 days	0.00272	0.40865
Chiropractic Therapy (Chiro)	0.05449	60 days	0.01453	3.70508
Physical Therapy (PT)	0.10150	20 days	0.02383	3.45963
PT and Occupational Therapy (OT)	0.10695	20 days	0.02519	3.63262
PT and OSHOT	0.11240	20 days	0.02655	3.86828
PT, OT, ST, and Chiro	0.13827	30 days	0.05709	7.57336
<p>The following riders are not standardly offered but are frequently requested. If elected, they are multiplicative adjustments applied to total expected medical and pharmacy claims as calculated in Step 5 and Step 6.20. If the coverage is mandated, then the adjustment is already embedded in the rating area factor and does not apply separately.</p>				
Short Term Rehab Coverage for Autism			1.001	
Short Term Rehab Coverage for Developmental Delays			1.001	
Applied Behavioral Analysis Therapy for Autism			1.004	
Hearing Aids			1.001	
Gender Reassignment			1.0005	
Artificial Insemination			1.000	
Skilled Nursing			1.000	

## Appendix D: Medical Tables by Rating Area

The following tables include the rating area product: Open Access Plus (OAP), Network (NWK), LocalPlus (LCP) and Preferred Provider Organization (PPO)/Indemnity.

**Table 26 – Medical Area Factors**

<b>Area Description</b>	<b>Rating Area</b>	<b>Product</b>	<b>Area Factor</b>
VT, VERMONT	VTNWK1	NWK	0.84
VT, VERMONT	VTOAP1	OAP	0.85
VT, VERMONT	VTPPOA	PPO	0.88

Table 27 – Medical Area Factor Summary

State	Minimum Area Factor	Maximum Area Factor	State	Minimum Area Factor	Maximum Area Factor
AK	1.43	1.44	NC	0.69	1.04
AL	0.61	0.92	ND	0.94	0.95
AR	0.67	0.84	NE	1.01	1.23
AZ	0.65	1.14	NH	0.93	1.10
CA*	0.00	1.29	NJ	0.90	1.13
CO	0.71	1.16	NM	0.76	1.05
CT	0.84	1.24	NV	0.86	0.94
DC	0.69	0.77	NY	0.65	1.25
DE	0.90	0.91	OH	0.82	1.21
FL	0.81	1.30	OK	0.90	1.07
GA	0.68	1.13	OR	0.84	0.96
HI	0.83	0.83	PA	0.80	1.04
IA	1.01	1.02	PR	0.30	0.31
ID	0.95	0.95	RI	0.74	0.82
IL	0.68	1.28	SC	0.79	1.19
IN	0.77	1.22	SD	1.17	1.17
KS	0.71	1.29	TN	0.66	0.96
KY	0.78	1.45	TU	0.83	1.06
LA	0.85	1.16	TX	0.76	1.42
MA	0.70	1.06	VA	0.70	1.07
MD	0.67	0.69	VI	0.35	0.40
ME	0.82	0.96	VT	0.84	0.88
MI	0.82	1.15	WA	0.82	0.97
MN	0.81	1.00	WI	0.98	1.51
MO	0.75	1.26	WV	0.86	1.14
MS	0.71	0.88	WY	1.23	1.24
MT	0.84	0.90			

\*The low area factor for certain CA NWK rating areas applies to the FFS portion of the rate, while the capitated portion is calculated separately and added to the total medical rate.

**Table 28 – Medical Trend and Capitation**

Area Description	Rating Area	Product	% Capitated	In-Network Cost Trend	
				2015/2014	2016+/2015
VT, VERMONT	VTNWK1	NWK	3.82%	9.7%	8.9%
VT, VERMONT	VTOAP1	OAP	-	9.7%	8.9%
VT, VERMONT	VTPPOA	PPO	-	9.7%	8.9%

**Table 29 – Medical Trend Summary**

State	2015/2014		2016+/2015		State	2015/2014		2016+/2015	
	Minimum	Maximum	Minimum	Maximum		Minimum	Maximum	Minimum	Maximum
AK	9.61%	9.63%	8.88%	8.91%	NC	5.63%	9.28%	7.70%	9.18%
AL	7.59%	9.87%	7.99%	9.58%	ND	9.41%	9.41%	9.11%	9.11%
AR	7.01%	13.47%	7.70%	8.78%	NE	10.34%	10.44%	10.04%	10.14%
AZ	8.14%	8.75%	7.96%	8.40%	NH	8.68%	8.68%	8.94%	8.94%
CA	7.23%	8.92%	7.01%	8.49%	NJ	8.61%	9.00%	7.94%	8.37%
CO	8.66%	8.79%	8.57%	8.66%	NM	8.68%	8.74%	8.55%	8.63%
CT	7.79%	7.79%	9.17%	9.17%	NV	7.23%	8.92%	7.01%	8.49%
DC	8.96%	8.96%	8.28%	8.28%	NY	9.00%	9.84%	8.62%	9.68%
DE	8.00%	8.00%	7.82%	7.82%	OH	7.28%	10.41%	8.90%	10.12%
FL	6.62%	9.98%	6.51%	9.74%	OK	6.62%	8.44%	7.58%	9.04%
GA	7.46%	9.87%	7.96%	9.58%	OR	8.08%	10.04%	7.73%	9.72%
HI	10.33%	10.34%	10.00%	10.04%	PA	6.37%	10.83%	5.32%	10.55%
IA	10.34%	10.34%	10.04%	10.04%	PR	8.50%	8.50%	8.50%	8.50%
ID	10.01%	10.04%	9.71%	9.72%	RI	3.51%	3.51%	8.57%	8.57%
IL	6.63%	10.37%	7.43%	10.38%	SC	8.36%	9.87%	8.32%	9.58%
IN	6.63%	10.37%	7.43%	10.52%	SD	10.34%	10.34%	10.04%	10.04%
KS	8.85%	8.85%	8.48%	8.68%	TN	4.47%	13.47%	5.96%	10.28%
KY	8.27%	10.59%	8.95%	10.38%	TU	8.52%	9.02%	8.22%	8.74%
LA	7.45%	8.98%	7.78%	9.16%	TX	5.44%	10.75%	5.84%	9.29%
MA	7.93%	8.52%	8.12%	9.09%	VA	8.12%	9.32%	8.32%	9.32%
MD	7.72%	7.72%	7.49%	7.49%	VI	9.22%	9.32%	9.03%	9.10%
ME	8.55%	8.55%	8.31%	8.31%	VT	9.7%	9.7%	8.9%	8.9%
MI	8.82%	10.41%	8.90%	10.12%	WA	6.07%	8.13%	7.55%	7.93%
MN	9.41%	9.41%	9.11%	9.11%	WI	8.94%	10.34%	8.50%	10.04%
MO	8.63%	8.85%	8.48%	8.68%	WV	9.16%	9.16%	9.30%	9.30%
MS	7.69%	13.47%	7.70%	9.08%	WY	9.29%	9.30%	9.15%	9.25%
MT	10.21%	10.21%	9.89%	9.92%					
Out-of-Network and Indemnity trend is 8.50% for all rating areas.									

**Table 30 – NWK Percent Capitated Summary**

<b>State</b>	<b>Minimum</b>	<b>Maximum</b>
AL	5.27%	5.27%
AR	4.27%	4.27%
AZ	7.45%	7.45%
CA	0.90%	30.00%
CO	4.70%	4.70%
CT	18.84%	18.84%
DC	8.72%	8.72%
DE	6.18%	6.18%
FL	5.97%	5.97%
GA	10.31%	10.31%
IL	5.80%	5.80%
IN	4.65%	5.80%
KS	6.69%	6.69%
KY	4.21%	4.65%
LA	5.19%	5.19%
MA	4.42%	4.42%
MD	8.72%	8.72%
ME	5.58%	5.58%
MI	5.02%	5.02%
MO	6.69%	6.69%
MS	5.25%	5.25%
NC	1.96%	1.96%
NH	1.96%	1.96%
NJ	15.08%	15.08%
NM	4.25%	4.25%
NV	0.90%	0.90%
NY	14.03%	14.03%
OH	5.02%	5.03%
OK	7.04%	7.04%
OR	2.43%	2.43%
PA	6.18%	6.68%
RI	4.39%	4.39%
SC	5.91%	5.91%
TN	5.25%	5.25%
TX	6.69%	6.69%
UT	8.15%	11.98%
VA	8.72%	8.72%
VT	3.82%	3.82%
WA	4.12%	4.12%
WI	2.40%	2.40%
WV	2.90%	2.90%

Table 31 – POS Load Coefficients

Base Area Description	Rating Area	Product	Equation Coefficients		
			A	B	C
VT, VERMONT	VTNWK1	NWK	0.550	-0.430	0.080
VT, VERMONT	VTOAP1	OAP	0.250	-0.240	0.053
VT, VERMONT	VTPPOA	PPO	0.550	-0.430	0.076

**Table 32 – POS Load Coefficients Summary**

<b>Area</b>	<b>Product</b>	<b>A</b>	<b>B</b>	<b>C</b>
Northeast	OAP	0.250	-0.240	0.053
Southeast	OAP	0.550	-0.430	0.082
West	OAP	0.450	-0.400	0.085
Florida	OAP	0.550	-0.430	0.092
Houston	OAP/PPO/NWK	0.850	-0.670	0.126
Maryland	OAP	0.250	-0.240	0.083
New York/New Jersey	OAP/PPO/NWK	1.200	-1.010	0.210
Southern California	OAP/PPO/NWK	0.780	-0.700	0.154
US Virgin Islands	OAP/PPO	0.550	-0.430	0.076
All other	PPO/Indemnity	0.550	-0.430	0.076
All other	NWK	0.550	-0.430	0.080
CT/MA/RI/KS	LocalPlus	1.158	-0.762	0.126
GA/SC	LocalPlus	1.889	-1.190	0.187
TX (All other)/TN	LocalPlus	2.021	-1.268	0.195
CA (Northern)/CO	LocalPlus	2.047	-1.317	0.210
AZ/NV	LocalPlus	2.113	-1.322	0.210
FL	LocalPlus	2.254	-1.413	0.227
TX (Houston)	LocalPlus	3.124	-1.964	0.301
CA (Southern)	LocalPlus	3.703	-2.384	0.385
IL	LocalPlus	3.703	-2.376	0.385



**Table 33 - Enhanced Non-Par. Claims Adjustment**

<b>Base Area Description</b>	<b>Rating Area</b>	<b>Product</b>	<b>Adjustment</b>
VT, VERMONT	VTNWK1	NWK	0
VT, VERMONT	VTOAP1	OAP	0
VT, VERMONT	VTPPOA	PPO	0

**Table 34 - Enhanced Non-Par. Claims Adjustment Summary**

<b>State</b>	<b>Minimum</b>	<b>Maximum</b>	<b>State</b>	<b>Minimum</b>	<b>Maximum</b>
AK	0.996	0.996	NC	0.997	0.997
AL	0.964	0.984	ND	1.000	1.000
AR	0.964	0.994	NE	1.000	1.000
AZ	0.970	0.995	NH	0.998	0.998
CA	0.993	0.996	NJ	0.987	1.000
CO	0.970	0.999	NM	0.996	0.996
CT	0.997	1.000	NV	0.956	0.995
DC	0.990	0.990	NY	0.996	1.000
DE	1.000	1.000	OH	0.993	0.998
FL	0.982	0.983	OK	0.993	0.993
GA	0.964	0.989	OR	1.000	1.000
HI	1.000	1.000	PA	0.993	0.993
IA	1.000	1.000	PR	1.000	1.000
ID	1.000	1.000	RI	0.991	0.997
IL	0.966	0.996	SC	0.964	0.992
IN	0.966	0.993	SD	1.000	1.000
KS	0.969	0.995	TN	0.964	0.989
KY	0.993	0.997	UT	0.994	0.994
LA	0.991	0.991	TX	0.959	0.984
MA	0.993	0.999	VA	0.990	0.990
MD	0.990	0.990	VI	1.000	1.000
ME	1.000	1.000	VT	1.000	1.000
MI	0.998	0.998	WA	0.997	0.997
MN	1.000	1.000	WI	0.999	1.000
MO	0.995	0.995	WV	0.995	0.995
MS	0.964	0.985	WY	0.995	0.995
MT	1.000	1.000			

# Appendix E: Mental Health/Substance Use Disorders

Table 35 – MH/SUD: Trend and Adjustments

MH/SUD Trend	6.0%
FFS Adjustment (if applicable)	1%
Residential Buy-up (if applicable)	\$0.12

Table 36 – MH/SUD: OAP/PPO Rates

State	Proclaim Cap. Rate		Facets Rate		State	Proclaim Cap. Rate		Facets Rate	
	Minimum	Maximum	Minimum	Maximum		Minimum	Maximum	Minimum	Maximum
AK	\$10.35	\$18.41	\$2.11	\$3.46	MT	\$9.99	\$17.77	\$2.11	\$3.46
AL	\$9.49	\$16.87	\$1.98	\$3.23	NC	\$0.00	\$0.00	\$2.05	\$3.35
AR	\$8.82	\$15.69	\$1.92	\$3.14	ND	\$9.95	\$17.69	\$2.02	\$3.30
AZ	\$9.77	\$17.37	\$2.09	\$3.42	NE	\$9.94	\$17.67	\$2.02	\$3.30
CA	\$0.00	\$0.00	\$2.09	\$3.42	NH	\$11.60	\$20.63	\$2.43	\$3.98
CO	\$9.86	\$17.54	\$2.02	\$3.30	NJ	\$10.59	\$18.84	\$2.39	\$3.91
CT	\$11.78	\$20.95	\$2.39	\$3.91	NM	\$9.14	\$16.26	\$1.98	\$3.23
DC	\$10.18	\$18.11	\$2.37	\$3.87	NV	\$9.51	\$16.91	\$2.04	\$3.33
DE	\$10.54	\$18.74	\$2.39	\$3.91	NY	\$10.98	\$19.52	\$2.39	\$3.91
FL	\$9.27	\$16.48	\$1.95	\$3.19	OH	\$9.71	\$17.27	\$1.98	\$3.23
GA	\$9.13	\$16.24	\$2.05	\$3.35	OK	\$9.47	\$16.84	\$2.02	\$3.30
GU	\$0.00	\$0.00	\$2.11	\$3.46	OR	\$9.90	\$17.60	\$2.09	\$3.42
HI	\$9.45	\$16.82	\$2.11	\$3.46	PA	\$10.38	\$18.45	\$2.39	\$3.91
IA	\$9.84	\$17.51	\$2.02	\$3.30	PR	\$9.96	\$17.72	\$2.05	\$3.35
ID	\$9.84	\$17.50	\$2.11	\$3.46	RI	\$10.67	\$18.98	\$2.43	\$3.98
IL	\$9.93	\$17.66	\$2.02	\$3.30	SC	\$9.05	\$16.09	\$2.05	\$3.35
IN	\$9.39	\$16.69	\$1.98	\$3.23	SD	\$9.86	\$17.53	\$2.02	\$3.30
KS	\$9.68	\$17.22	\$1.98	\$3.23	TN	\$9.46	\$16.83	\$2.09	\$3.41
KY	\$9.24	\$16.43	\$1.98	\$3.23	TX	\$8.76	\$15.59	\$1.96	\$3.21
LA	\$9.55	\$16.98	\$1.98	\$3.23	UT	\$9.45	\$16.80	\$2.04	\$3.33
MA	\$11.26	\$20.02	\$2.43	\$3.98	VA	\$9.42	\$16.75	\$2.09	\$3.41
MD	\$10.46	\$18.60	\$2.37	\$3.87	VI	\$9.64	\$17.14	\$2.05	\$3.35
ME	\$11.38	\$20.25	\$2.43	\$3.98	VT	\$11.35	\$20.19	\$2.43	\$3.98
MI	\$10.31	\$18.33	\$2.39	\$3.91	WA	\$9.47	\$16.84	\$2.15	\$3.52
MN	\$9.94	\$17.67	\$2.02	\$3.30	WI	\$9.94	\$17.67	\$2.02	\$3.30
MO	\$9.34	\$16.61	\$1.98	\$3.23	WV	\$9.32	\$16.57	\$2.05	\$3.35
MS	\$9.37	\$16.67	\$2.05	\$3.35	WY	\$10.31	\$18.33	\$2.11	\$3.46

Note: The rates are identical across all rating areas within the state and range from minimum to maximum depending on deductible, coinsurance, and copays.

Table 37 – MH/SUD: NWK Rates

Rider	Outpatient Copay										
<b>Mental Health</b>	<b>0</b>	<b>5</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>25</b>	<b>30</b>	<b>35</b>	<b>40</b>	<b>45</b>	<b>50</b>
	\$20.38	\$19.45	\$18.55	\$17.70	\$16.80	\$15.91	\$15.02	\$14.09	\$13.24	\$12.34	\$11.45
<b>Substance Use Disorder</b>	<b>0</b>	<b>5</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>25</b>	<b>30</b>	<b>35</b>	<b>40</b>	<b>45</b>	<b>50</b>
	\$3.86	\$3.79	\$3.73	\$3.67	\$3.60	\$3.53	\$3.47	\$3.40	\$3.33	\$3.26	\$3.20
<b>Mental Health and Substance Use Disorder</b>	<b>0</b>	<b>5</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>25</b>	<b>30</b>	<b>35</b>	<b>40</b>	<b>45</b>	<b>50</b>
	\$22.97	\$21.95	\$20.98	\$20.05	\$19.07	\$18.10	\$17.13	\$16.12	\$15.18	\$14.21	\$13.24
<b>Non-Standard</b>	<b>Base Cost</b>										
	\$20.05										

# Appendix F: Vision Riders

Table 38 – Vision: Average Costs

State	Exam	Lenses					Frames	Contact Lenses		Materials
		Single Vision	Bifocal	Trifocal	Lenticular	Progressive		Elective	Therapeutic	
National	\$138.98	\$87.58	\$126.83	\$151.71	\$191.35	\$289.55	\$177.33	\$176.36	\$586.62	\$150.00
AK	\$206.23	\$95.86	\$149.92	\$180.06	\$191.35	\$239.52	\$170.76	\$184.65	\$586.62	\$150.00
AL	\$126.05	\$91.56	\$115.97	\$158.61	\$191.35	\$310.26	\$176.57	\$148.72	\$586.62	\$150.00
AR	\$141.11	\$85.84	\$115.14	\$136.25	\$191.35	\$256.35	\$156.91	\$154.85	\$586.62	\$150.00
AZ	\$158.54	\$76.38	\$127.62	\$149.84	\$191.35	\$277.95	\$172.93	\$191.14	\$586.62	\$150.00
CA	\$141.06	\$95.24	\$128.77	\$162.53	\$191.35	\$300.51	\$178.50	\$193.58	\$586.62	\$150.00
CO	\$140.41	\$91.18	\$143.67	\$163.06	\$191.35	\$313.45	\$180.75	\$189.23	\$586.62	\$150.00
CT	\$175.94	\$100.67	\$142.56	\$187.97	\$191.35	\$310.62	\$192.51	\$199.34	\$586.62	\$150.00
DC	\$159.50	\$105.22	\$153.36	\$173.80	\$191.35	\$330.09	\$248.74	\$245.91	\$586.62	\$150.00
DE	\$144.72	\$101.52	\$123.44	\$168.90	\$191.35	\$349.23	\$166.71	\$191.23	\$586.62	\$150.00
FL	\$129.36	\$76.49	\$115.08	\$136.07	\$191.35	\$296.19	\$176.45	\$161.24	\$586.62	\$150.00
GA	\$136.86	\$84.17	\$126.47	\$156.49	\$191.35	\$302.54	\$179.08	\$167.98	\$586.62	\$150.00
HI	\$148.28	\$119.41	\$128.91	\$210.21	\$191.35	\$245.65	\$142.94	\$175.55	\$586.62	\$150.00
IA	\$140.52	\$77.92	\$139.45	\$142.47	\$191.35	\$251.77	\$164.26	\$169.81	\$586.62	\$150.00
ID	\$147.92	\$87.19	\$133.06	\$139.17	\$191.35	\$265.33	\$170.16	\$171.74	\$586.62	\$150.00
IL	\$116.15	\$89.36	\$128.84	\$148.38	\$191.35	\$282.23	\$183.50	\$192.08	\$586.62	\$150.00
IN	\$109.69	\$81.23	\$125.52	\$150.20	\$191.35	\$266.94	\$164.78	\$170.99	\$586.62	\$150.00
KS	\$136.29	\$88.24	\$119.30	\$148.40	\$191.35	\$257.70	\$167.44	\$191.94	\$586.62	\$150.00
KY	\$106.18	\$88.96	\$127.03	\$152.20	\$191.35	\$255.97	\$148.75	\$172.82	\$586.62	\$150.00
LA	\$132.92	\$75.98	\$102.29	\$128.04	\$191.35	\$253.07	\$167.01	\$156.55	\$586.62	\$150.00
MA	\$168.95	\$113.21	\$155.88	\$161.55	\$191.35	\$326.57	\$201.52	\$180.96	\$586.62	\$150.00
MD	\$134.33	\$96.58	\$146.30	\$162.70	\$191.35	\$317.48	\$199.93	\$198.71	\$586.62	\$150.00
ME	\$156.53	\$82.06	\$116.32	\$135.70	\$191.35	\$269.54	\$165.78	\$166.36	\$586.62	\$150.00
MI	\$95.46	\$93.94	\$147.10	\$154.52	\$191.35	\$276.47	\$180.57	\$197.04	\$586.62	\$150.00
MN	\$202.33	\$96.50	\$173.20	\$151.79	\$191.35	\$305.31	\$194.81	\$186.59	\$586.62	\$150.00
MO	\$137.42	\$85.46	\$112.01	\$147.81	\$191.35	\$276.51	\$174.43	\$187.59	\$586.62	\$150.00
MS	\$130.37	\$72.87	\$112.02	\$130.62	\$191.35	\$215.85	\$142.00	\$146.91	\$586.62	\$150.00
MT	\$117.27	\$75.26	\$122.52	\$144.91	\$191.35	\$270.03	\$168.57	\$160.90	\$586.62	\$150.00
NC	\$154.47	\$89.03	\$124.57	\$149.90	\$191.35	\$288.95	\$170.00	\$164.56	\$586.62	\$150.00
ND	\$133.99	\$82.01	\$154.26	\$164.94	\$191.35	\$249.13	\$173.82	\$155.11	\$586.62	\$150.00
NE	\$142.49	\$81.87	\$132.63	\$157.79	\$191.35	\$327.89	\$176.28	\$193.35	\$586.62	\$150.00
NH	\$149.34	\$99.15	\$133.48	\$148.33	\$191.35	\$275.86	\$179.21	\$190.60	\$586.62	\$150.00
NJ	\$158.14	\$93.03	\$136.03	\$208.40	\$191.35	\$300.96	\$193.66	\$191.55	\$586.62	\$150.00

NM	\$156.63	\$76.53	\$117.31	\$135.62	\$191.35	\$262.09	\$171.89	\$156.62	\$586.62	\$150.00
NV	\$145.28	\$83.69	\$135.61	\$163.14	\$191.35	\$298.58	\$183.45	\$174.26	\$586.62	\$150.00
NY	\$140.48	\$91.19	\$141.00	\$168.91	\$191.35	\$315.50	\$208.58	\$192.65	\$586.62	\$150.00
OH	\$115.57	\$91.59	\$134.66	\$164.83	\$191.35	\$263.42	\$168.95	\$177.13	\$586.62	\$150.00
OK	\$122.39	\$79.54	\$111.84	\$148.01	\$191.35	\$245.07	\$163.78	\$166.57	\$586.62	\$150.00
OR	\$169.87	\$100.20	\$148.70	\$153.55	\$191.35	\$285.91	\$174.90	\$174.20	\$586.62	\$150.00
PA	\$108.88	\$85.20	\$120.69	\$131.64	\$191.35	\$268.86	\$176.47	\$179.78	\$586.62	\$150.00
PR	\$80.02	\$80.00	\$83.75	\$143.80	\$191.35	\$189.00	\$136.94	\$176.36	\$586.62	\$150.00
RI	\$143.81	\$110.93	\$125.00	\$153.17	\$191.35	\$275.62	\$158.80	\$177.93	\$586.62	\$150.00
SC	\$137.48	\$97.08	\$119.81	\$165.78	\$191.35	\$290.41	\$165.61	\$159.00	\$586.62	\$150.00
SD	\$127.80	\$87.15	\$152.60	\$112.38	\$191.35	\$287.95	\$169.59	\$185.30	\$586.62	\$150.00
TN	\$126.70	\$83.15	\$114.93	\$150.38	\$191.35	\$280.10	\$164.38	\$156.38	\$586.62	\$150.00
TX	\$137.92	\$84.52	\$123.95	\$145.22	\$191.35	\$305.94	\$178.40	\$172.35	\$586.62	\$150.00
UT	\$148.48	\$82.64	\$119.71	\$121.07	\$191.35	\$261.81	\$155.76	\$182.86	\$586.62	\$150.00
VA	\$164.71	\$87.66	\$135.66	\$168.46	\$191.35	\$290.40	\$179.74	\$164.80	\$586.62	\$150.00
VT	\$132.18	\$81.12	\$135.90	\$130.02	\$191.35	\$289.41	\$162.00	\$193.75	\$586.62	\$150.00
WA	\$199.86	\$96.58	\$137.90	\$170.22	\$191.35	\$283.54	\$187.19	\$177.39	\$586.62	\$150.00
WI	\$121.24	\$77.56	\$136.12	\$146.66	\$191.35	\$259.12	\$168.92	\$178.86	\$586.62	\$150.00
WV	\$112.61	\$74.32	\$116.90	\$140.18	\$191.35	\$225.37	\$147.48	\$144.71	\$586.62	\$150.00
WY	\$129.45	\$92.68	\$105.38	\$148.04	\$191.35	\$252.69	\$160.12	\$194.61	\$586.62	\$150.00

Table 39 – Vision: Frequency Factors

Service	Frequency Factor	
	12 month	24 month
Exam (Exam Only Plans)	1.00	0.70
Exam (Comprehensive Plans)	1.00	0.65
Lenses: Single Vision	1.00	0.70
Lenses: Bifocal	1.00	0.70
Lenses: Trifocal	1.00	0.70
Lenses: Lenticular	1.00	0.70
Lenses: Progressive	1.00	0.70
Frames	1.00	0.65
Contact Lenses: Elective	1.00	0.70
Contact Lenses: Therapeutic	1.00	0.70
Materials	1.00	0.65

**Table 40 – Vision: Service Utilization**

<b>Service</b>	<b>Utilization</b>
Exam (Exam Only Plans)	30.10%
Exam (Comprehensive Plans)	51.17%
Lenses: Single Vision	15.14%
Lenses: Bifocal	8.30%
Lenses: Trifocal	0.24%
Lenses: Lenticular	0.02%
Lenses: Progressive	8.19%
Frames	32.68%
Contact Lenses: Elective	13.60%
Contact Lenses: Therapeutic	0.20%
Materials	45.10%

**Table 41 – Vision: Trend and Adjustments**

<b>Industry Factor</b>		<b>Case Size Adjustment</b>		<b>Vision Trend</b>
<b>SIC Code</b>	<b>Factor</b>	<b>Number of Employees</b>	<b>Factor</b>	<b>Annual</b>
0	0.95	Less than 50	1.10	3.00%
1000	1.05	Greater than or equal to 50	1.00	
1500	0.98			
2000	1.05			
4000	1.01			
5000	1.01			
5200	0.93			
6000	1.04			
7000	0.95			
7200	0.95			
7300	1.02			
7500	1.05			
7600	1.00			
7800	1.05			
7900	0.95			
8000	1.03			
8100	1.00			
8200	0.98			
8300	1.00			
8400	1.05			
8600	1.02			
8900	1.00			
9100	0.92			
9999	0.95			

## Appendix G: General Pharmacy Tables

Table 42 – Retail AWP per Script Assumptions

Cost Categories								
Formulary	Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)	Standard Injectables	Optional Injectables	Oral Contraceptives	Anti-histamines
Legacy	\$101.16	\$311.75	\$568.97	\$141.99	\$2,812.09	\$2,889.30	\$118.10	\$96.43
Standard	\$101.29	\$307.15	\$581.20	\$149.65	\$2,812.09	\$2,889.30	\$118.10	\$96.43
Value	\$101.29	\$318.09	\$459.30	\$163.75	\$2,812.09	\$2,889.30	\$118.10	\$96.43
Value DRT	\$102.37	\$308.83	\$568.72	\$153.06	\$2,812.09	\$2,889.30	\$118.10	\$94.21
Cost Categories, continued								
Formulary	Cold & Cough	Lifestyle	Oral Fertility	Diet Drugs	Smoking Cessation	Vitamins	PPIs	
Legacy	\$39.17	\$246.82	\$347.01	\$89.72	\$266.37	\$16.33	\$200.88	
Standard	\$39.17	\$246.82	\$347.01	\$89.72	\$266.37	\$16.33	\$200.88	
Value	\$39.17	\$246.82	\$347.01	\$89.72	\$266.37	\$16.33	\$200.88	
Value DRT	\$39.17	\$246.82	\$347.01	\$89.72	\$266.37	\$16.33	\$200.88	

Table 43 – Mail Order AWP per Script Assumptions

Cost Categories								
Formulary	Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)	Standard Injectables	Optional Injectables	Oral Contraceptives	Anti-histamines
Legacy	\$312.42	\$1,148.30	\$2,550.19	\$212.64	\$8,860.50	\$3,743.03	\$316.45	\$330.98
Standard	\$312.51	\$1,139.62	\$2,659.47	\$174.31	\$8,860.50	\$3,743.03	\$316.45	\$330.98
Value	\$312.63	\$1,171.34	\$1,960.63	\$312.67	\$8,860.50	\$3,743.03	\$316.45	\$330.98
Value DRT	\$315.19	\$1,140.01	\$2,828.42	\$179.97	\$8,860.50	\$3,743.03	\$316.45	\$322.08
Cost Categories, continued								
Formulary	Cold & Cough	Lifestyle	Oral Fertility	Diet Drugs	Smoking Cessation	Vitamins	PPIs	
Legacy	\$182.13	\$678.76	\$1,815.10	\$306.80	\$605.37	\$61.40	\$574.73	
Standard	\$182.13	\$678.76	\$1,815.10	\$306.80	\$605.37	\$61.40	\$574.73	
Value	\$182.13	\$678.76	\$1,815.10	\$306.80	\$605.37	\$61.40	\$574.73	
Value DRT	\$182.13	\$678.76	\$1,815.10	\$306.80	\$605.37	\$61.40	\$574.73	



**Table 44 – Retail Script Count PMPY Assumptions**

Cost Categories								
Formulary	Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)	Standard Injectables	Optional Injectables	Oral Contraceptives	Anti-histamines
Legacy	\$6.39	\$1.01	\$0.22	\$0.09	\$0.01	\$0.00	\$0.10	\$0.24
Standard	\$6.40	\$1.04	\$0.20	\$0.08	\$0.01	\$0.00	\$0.10	\$0.24
Value	\$6.40	\$0.84	\$0.36	\$0.12	\$0.01	\$0.00	\$0.10	\$0.24
Value DRT	\$6.45	\$0.98	\$0.21	\$0.08	\$0.01	\$0.00	\$0.10	\$0.24
Cost Categories, continued								
Formulary	Cold & Cough	Lifestyle	Oral Fertility	Diet Drugs	Smoking Cessation	Vitamins	PPIs	
Legacy	\$0.08	\$0.04	\$0.01	\$0.03	\$0.01	\$0.32	\$0.27	
Standard	\$0.08	\$0.04	\$0.01	\$0.03	\$0.01	\$0.32	\$0.27	
Value	\$0.08	\$0.04	\$0.01	\$0.03	\$0.01	\$0.32	\$0.27	
Value DRT	\$0.08	\$0.04	\$0.01	\$0.03	\$0.01	\$0.32	\$0.27	

**Table 45 – Mail Order Script Count PMPY Assumptions**

Cost Categories								
Formulary	Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)	Standard Injectables	Optional Injectables	Oral Contraceptives	Anti-histamines
Legacy	\$0.61	\$0.15	\$0.02	\$0.01	\$0.01	\$0.00	\$0.01	\$0.02
Standard	\$0.61	\$0.15	\$0.02	\$0.01	\$0.01	\$0.00	\$0.01	\$0.02
Value	\$0.61	\$0.13	\$0.04	\$0.02	\$0.01	\$0.00	\$0.01	\$0.02
Value DRT	\$0.62	\$0.15	\$0.02	\$0.01	\$0.01	\$0.00	\$0.01	\$0.02
Cost Categories, continued								
Formulary	Cold & Cough	Lifestyle	Oral Fertility	Diet Drugs	Smoking Cessation	Vitamins	PPIs	
Legacy	\$0.00	\$0.01	\$0.00	\$0.00	\$0.00	\$0.03	\$0.04	
Standard	\$0.00	\$0.01	\$0.00	\$0.00	\$0.00	\$0.03	\$0.04	
Value	\$0.00	\$0.01	\$0.00	\$0.00	\$0.00	\$0.03	\$0.04	
Value DRT	\$0.00	\$0.01	\$0.00	\$0.00	\$0.00	\$0.03	\$0.04	

**Table 46 – Retail Discounts and Dispensing Fees (National Network)**

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount (30 Day)	Brand Discount (90 Day)	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National	Non-Experience Rated	All	2014	65.00%	14.97%	14.97%	15.60%	\$1.39	\$1.34	\$1.34
			2015	65.00%	15.50%	15.50%	15.00%	\$1.39	\$1.34	\$1.34
			2016	65.00%	16.15%	16.15%	13.50%	\$1.40	\$1.40	\$1.40
			2017	65.00%	16.15%	16.15%	13.50%	\$1.40	\$1.40	\$1.40
	Experience Rated	0 - 1,500 employees	2014	65.98%	16.14%	16.14%	11.00%	\$1.31	\$1.23	\$1.23
			2015	66.53%	16.34%	16.34%	11.20%	\$1.31	\$1.23	\$1.23
			2016	66.78%	16.44%	16.44%	11.40%	\$1.31	\$1.23	\$1.23
			2017	66.78%	16.44%	16.44%	11.40%	\$1.31	\$1.23	\$1.23
		1,501+ employees	2014	66.00%	15.12%	15.12%	11.10%	\$1.65	\$1.49	\$1.49
			2015	66.80%	15.32%	15.32%	11.30%	\$1.65	\$1.49	\$1.49
			2016	67.30%	15.42%	15.42%	11.50%	\$1.65	\$1.49	\$1.49
			2017	67.30%	15.42%	15.42%	11.50%	\$1.65	\$1.49	\$1.49

**Table 47 – Retail Discounts and Dispensing Fees (National Network without CVS)**

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount (30 Day)	Brand Discount (90 Day)	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National without CVS	Non-Experience Rated	All	2014	66.25%	16.15%	16.15%	16.91%	\$1.34	\$1.27	\$1.27
			2015	66.25%	16.15%	16.15%	16.91%	\$1.34	\$1.27	\$1.27
			2016	66.25%	16.15%	16.15%	13.50%	\$1.40	\$1.40	\$1.40
			2017	66.25%	16.15%	16.15%	13.50%	\$1.40	\$1.40	\$1.40
	Experience Rated	0 - 1,500 employees	2014	67.23%	16.14%	16.14%	11.00%	\$1.31	\$1.23	\$1.23
			2015	67.78%	16.34%	16.34%	11.20%	\$1.31	\$1.23	\$1.23
			2016	68.03%	16.44%	16.44%	11.40%	\$1.31	\$1.23	\$1.23
			2017	68.03%	16.44%	16.44%	11.40%	\$1.31	\$1.23	\$1.23
		1,501+ employees	2014	67.25%	15.12%	15.12%	11.10%	\$1.65	\$1.49	\$1.49
			2015	68.05%	15.32%	15.32%	11.30%	\$1.65	\$1.49	\$1.49
			2016	68.55%	15.42%	15.42%	11.50%	\$1.65	\$1.49	\$1.49
			2017	68.55%	15.42%	15.42%	11.50%	\$1.65	\$1.49	\$1.49

**Table 48 – Retail Discounts and Dispensing Fees (National Network without Walgreens)**

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount (30 Day)	Brand Discount (90 Day)	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National without WAG	Non-Experience Rated	All	2014	66.25%	16.15%	16.15%	16.91%	\$1.34	\$1.27	\$1.27
			2015	66.25%	16.15%	16.15%	16.91%	\$1.34	\$1.27	\$1.27
			2016	66.25%	16.15%	16.15%	13.50%	\$1.40	\$1.40	\$1.40
			2017	66.25%	16.15%	16.15%	13.50%	\$1.40	\$1.40	\$1.40
	Experience Rated	0 - 1,500 employees	2014	67.23%	16.14%	16.14%	11.00%	\$1.31	\$1.23	\$1.23
			2015	67.78%	16.34%	16.34%	11.20%	\$1.31	\$1.23	\$1.23
			2016	68.03%	16.44%	16.44%	11.40%	\$1.31	\$1.23	\$1.23
			2017	68.03%	16.44%	16.44%	11.40%	\$1.31	\$1.23	\$1.23
		1,501+ employees	2014	67.25%	15.12%	15.12%	11.10%	\$1.65	\$1.49	\$1.49
			2015	68.05%	15.32%	15.32%	11.30%	\$1.65	\$1.49	\$1.49
			2016	68.55%	15.42%	15.42%	11.50%	\$1.65	\$1.49	\$1.49
			2017	68.55%	15.42%	15.42%	11.50%	\$1.65	\$1.49	\$1.49

**Table 49 – Retail Discounts and Dispensing Fees (National Network without CVS & Walgreens)**

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount (30 Day)	Brand Discount (90 Day)	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National without CVS and WAG	Non-Experience Rated	All	2014	66.65%	17.65%	17.65%	16.91%	\$1.34	\$1.27	\$1.27
			2015	66.65%	17.65%	17.65%	16.91%	\$1.34	\$1.27	\$1.27
			2016	66.65%	17.65%	17.65%	13.50%	\$1.40	\$1.40	\$1.40
			2017	66.65%	17.65%	17.65%	13.50%	\$1.40	\$1.40	\$1.40
	Experience Rated	0 - 1,500 employees	2014	67.63%	17.64%	17.64%	11.00%	\$1.31	\$1.23	\$1.23
			2015	68.18%	17.84%	17.84%	11.20%	\$1.31	\$1.23	\$1.23
			2016	68.43%	17.94%	17.94%	11.40%	\$1.31	\$1.23	\$1.23
			2017	68.43%	17.94%	17.94%	11.40%	\$1.31	\$1.23	\$1.23
		1,501+ employees	2014	67.65%	16.62%	16.62%	11.10%	\$1.65	\$1.49	\$1.49
			2015	68.45%	16.82%	16.82%	11.30%	\$1.65	\$1.49	\$1.49
			2016	68.95%	16.92%	16.92%	11.50%	\$1.65	\$1.49	\$1.49
			2017	68.95%	16.92%	16.92%	11.50%	\$1.65	\$1.49	\$1.49

Table 50 – Mail Order Discounts and Dispensing Fees (National Network)

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National	Non-Experience Rated	All	2014	67.50%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2015	67.50%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2016	67.50%	16.00%	11.98%	\$1.50	\$1.50	\$1.50
			2017	67.50%	16.00%	11.98%	\$1.50	\$1.50	\$1.50
	Experience Rated	0 - 1,500 employees	2014	69.58%	17.99%	12.00%	\$0.47	\$0.50	\$0.50
			2015	69.83%	18.29%	12.40%	\$0.47	\$0.50	\$0.50
			2016	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
			2017	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
		1,501+ employees	2014	70.96%	18.49%	12.13%	\$0.17	\$0.21	\$0.21
			2015	71.46%	18.79%	12.53%	\$0.17	\$0.21	\$0.21
			2016	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21
			2017	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21

Table 51 – Mail Order Discounts and Dispensing Fees (National Network Excluding CVS)

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National without CVS	Non-Experience Rated	All	2014	69.56%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2015	70.06%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2016	70.56%	16.00%	11.98%	\$1.50	\$1.50	\$1.50
			2017	70.56%	16.00%	11.98%	\$1.50	\$1.50	\$1.50
	Experience Rated	0 - 1,500 employees	2014	69.58%	17.99%	12.00%	\$0.47	\$0.50	\$0.50
			2015	69.83%	18.29%	12.40%	\$0.47	\$0.50	\$0.50
			2016	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
			2017	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
		1,501+ employees	2014	70.96%	18.49%	12.13%	\$0.17	\$0.21	\$0.21
			2015	71.46%	18.79%	12.53%	\$0.17	\$0.21	\$0.21
			2016	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21
			2017	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21

**Table 52 – Mail Order Discounts and Dispensing Fees (National Network Excluding WAG)**

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National without WAG	Non-Experience Rated	All	2014	69.56%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2015	70.06%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2016	70.56%	16.00%	11.98%	\$1.50	\$1.50	\$1.50
			2017	70.56%	16.00%	11.98%	\$1.50	\$1.50	\$1.50
	Experience Rated	0 - 1,500 employees	2014	69.58%	17.99%	12.00%	\$0.47	\$0.50	\$0.50
			2015	69.83%	18.29%	12.40%	\$0.47	\$0.50	\$0.50
			2016	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
			2017	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
		1,501+ employees	2014	70.96%	18.49%	12.13%	\$0.17	\$0.21	\$0.21
			2015	71.46%	18.79%	12.53%	\$0.17	\$0.21	\$0.21
			2016	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21
			2017	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21

**Table 53 – Mail Order Discounts and Dispensing Fees (National Network Excluding both CVS & WAG)**

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National without CVS and WAG	Non-Experience Rated	All	2014	69.56%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2015	70.06%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2016	70.56%	18.00%	11.98%	\$1.50	\$1.50	\$1.50
			2017	70.56%	18.00%	11.98%	\$1.50	\$1.50	\$1.50
	Experience Rated	0 - 1,500 employees	2014	69.58%	17.99%	12.00%	\$0.47	\$0.50	\$0.50
			2015	69.83%	18.29%	12.40%	\$0.47	\$0.50	\$0.50
			2016	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
			2017	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
		1,501+ employees	2014	70.96%	18.49%	12.13%	\$0.17	\$0.21	\$0.21
			2015	71.46%	18.79%	12.53%	\$0.17	\$0.21	\$0.21
			2016	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21
			2017	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21

**Table 54 – Shift Assumptions for Plans with 90-Day Retail**

<b>Copay Multiplier</b>	<b>30-Day Retail Shift to 90-Day Retail</b>	<b>Mail Order Shift to 90-Day Retail</b>
-1	0%	0%
2	20%	0%
2.5	20%	0%
3	10%	0%

**Table 55 – Mail Order Multiplier Assumption**

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**Table 56 – Mandatory Generic Shift Factor**

50%
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**Table 57 – Pharmacy: Cost Trend**

	<b>2015/2014</b>	<b>2016/2015</b>
<b>National</b>	10.34%	12.34%
<b>CO</b>	13.10%	13.10%

**Table 58 – Pharmacy: Utilization Trend**

	<b>2015/2014</b>	<b>2016/2015</b>
<b>National</b>	1.50%	0.50%
<b>CO</b>	1.00%	1.00%

Table 59 – Pharmacy: Area Factors

State	Minimum Area Factor	Maximum Area Factor	State	Minimum Area Factor	Maximum Area Factor
AK	0.78	0.83	MT	0.82	0.84
AL	1.01	1.03	NC	0.94	0.98
AR	0.82	0.85	NE	0.77	0.82
AZ	0.88	0.91	NH	0.91	0.97
CA	0.64	0.92	NJ	1.03	1.07
CO	0.88	0.96	NM	0.69	0.73
CT	1.03	1.07	NV	0.73	0.82
DC	1.00	1.04	NY	1.07	1.13
DE	1.01	1.07	OH	0.90	1.00
FL	0.89	1.06	OK	0.98	1.00
GA	1.04	1.08	OR	0.70	0.81
HI	0.69	0.73	PA	0.97	0.99
ID	0.82	0.84	PR	0.91	0.93
IL	0.90	0.99	RI	0.82	0.87
IN	0.95	1.07	SC	1.00	1.03
KS	0.93	1.02	TN	0.99	1.03
KY	0.98	1.10	TX	0.89	1.09
LA	1.14	1.19	UT	0.91	0.93
MA	0.84	0.88	VA	0.96	1.04
MD	1.00	1.04	VI	0.86	0.88
ME	0.81	0.88	VT	0.79	0.84
MI	0.84	0.93	WA	0.74	0.85
MN	0.81	0.83	WI	0.89	0.95
MO	0.93	1.02	WV	0.96	1.02
MS	0.85	0.89	WY	0.84	0.89

Table 60 – Pharmacy: CPD (% Preventive)

Probability	Retail			Mail Order		
	Generic	Preferred Brand	Non-Preferred Brand	Generic	Preferred Brand	Non-Preferred Brand
23.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
18.3%	7.5%	75.6%	23.3%	55.6%	27.0%	36.9%
8.3%	11.7%	49.3%	21.3%	47.8%	14.6%	31.9%
5.4%	16.1%	21.4%	19.0%	47.6%	36.6%	39.7%
4.1%	17.3%	27.0%	21.6%	45.0%	20.1%	26.0%
3.3%	18.4%	24.4%	15.9%	41.9%	12.4%	34.6%
2.6%	19.9%	27.1%	15.8%	39.8%	20.6%	42.4%
2.2%	19.7%	28.7%	19.7%	38.9%	26.4%	49.7%
1.9%	20.7%	29.1%	18.5%	40.6%	28.3%	54.1%
1.6%	22.1%	27.2%	18.5%	42.8%	31.6%	62.8%
1.5%	23.8%	27.6%	20.2%	44.8%	34.4%	61.9%
1.3%	24.7%	29.3%	17.6%	44.4%	36.5%	45.1%
1.2%	25.1%	30.0%	18.3%	45.8%	36.7%	42.1%
1.1%	24.5%	29.2%	19.4%	46.4%	36.0%	44.5%
1.0%	25.0%	29.0%	20.8%	45.1%	35.9%	47.8%
0.9%	25.4%	30.3%	20.3%	44.4%	37.7%	45.4%
0.8%	25.3%	30.6%	21.6%	46.2%	37.6%	48.1%
0.8%	25.4%	29.5%	21.7%	47.8%	37.1%	57.2%
0.7%	25.9%	28.5%	23.3%	48.3%	38.5%	54.3%
0.7%	26.3%	29.7%	25.3%	49.4%	37.2%	54.5%
0.7%	27.0%	29.0%	24.5%	50.8%	39.2%	55.5%
1.2%	28.2%	29.1%	25.9%	50.6%	39.3%	50.0%
1.1%	28.4%	31.8%	27.1%	50.8%	44.4%	53.6%
1.0%	28.5%	33.6%	28.7%	53.7%	49.9%	60.0%
0.9%	29.7%	36.5%	30.8%	53.5%	52.4%	64.0%
0.8%	29.9%	37.7%	32.2%	54.6%	54.2%	62.6%
0.7%	29.5%	40.1%	33.1%	53.8%	54.5%	58.6%
0.6%	29.6%	38.5%	34.1%	54.4%	55.5%	59.5%
0.6%	29.6%	39.8%	34.0%	55.2%	56.7%	63.3%
0.6%	28.8%	40.3%	34.7%	54.0%	57.2%	59.8%
0.5%	29.2%	40.0%	33.6%	54.6%	55.9%	60.8%
2.1%	29.6%	40.4%	30.8%	54.1%	55.7%	53.2%
1.5%	30.4%	42.1%	28.4%	54.6%	57.5%	49.8%
1.1%	30.4%	44.6%	27.7%	56.0%	58.7%	49.3%
0.8%	30.3%	45.4%	27.0%	54.2%	58.5%	47.2%
0.7%	30.1%	43.9%	25.6%	53.4%	57.8%	44.9%
0.5%	30.3%	44.1%	24.1%	54.8%	56.8%	42.7%
0.4%	29.9%	43.9%	24.0%	53.9%	57.3%	40.6%
0.4%	29.0%	44.5%	21.1%	53.4%	56.3%	38.1%
0.3%	29.8%	44.5%	20.9%	52.5%	54.4%	37.7%
0.2%	28.3%	44.2%	20.0%	51.3%	51.4%	32.7%
0.2%	27.2%	43.9%	19.2%	51.3%	53.7%	31.6%
0.2%	27.2%	42.9%	18.5%	49.3%	53.3%	31.0%
0.1%	26.6%	40.8%	17.3%	48.8%	52.8%	31.3%
0.1%	25.2%	39.9%	18.0%	45.4%	50.6%	29.7%
0.1%	24.9%	38.6%	15.3%	46.8%	49.5%	27.4%
0.1%	23.8%	39.2%	15.5%	47.4%	47.9%	27.7%
0.1%	24.0%	36.4%	15.5%	42.1%	48.9%	25.0%
0.1%	21.9%	34.7%	14.1%	44.0%	47.4%	21.6%
0.1%	22.1%	34.4%	13.9%	41.4%	44.0%	18.8%
0.1%	21.6%	34.7%	14.0%	42.3%	45.5%	18.1%
0.1%	22.2%	35.2%	13.9%	40.0%	37.6%	19.7%
0.0%	21.2%	31.6%	13.4%	37.2%	29.0%	17.2%
0.0%	19.5%	30.9%	11.0%	37.1%	27.2%	15.3%



Probability	Retail			Mail Order		
	Generic	Preferred Brand	Non-Preferred Brand	Generic	Preferred Brand	Non-Preferred Brand
0.0%	20.5%	32.6%	13.0%	33.6%	31.5%	12.9%
0.0%	17.4%	29.3%	13.9%	37.0%	35.3%	15.0%
0.0%	16.5%	28.2%	8.2%	30.1%	32.0%	15.3%
0.0%	17.2%	27.7%	9.5%	33.9%	32.2%	14.8%
0.0%	16.5%	26.8%	8.7%	30.0%	34.2%	13.1%
0.0%	15.0%	21.7%	7.5%	30.0%	34.5%	6.6%
0.0%	15.1%	22.5%	7.1%	28.1%	28.7%	10.8%
0.0%	14.8%	23.0%	7.4%	30.5%	26.6%	12.0%
0.0%	15.3%	19.4%	5.9%	23.6%	26.9%	12.6%
0.0%	16.3%	21.8%	7.0%	26.2%	30.1%	7.6%
0.0%	15.7%	19.7%	6.1%	22.2%	16.0%	9.6%
0.0%	10.9%	16.9%	6.2%	19.3%	10.9%	7.9%
0.0%	13.4%	18.1%	6.2%	22.2%	12.1%	6.5%
0.0%	12.3%	16.3%	4.7%	20.5%	17.4%	6.3%
0.0%	11.9%	12.0%	3.5%	21.4%	14.5%	3.6%
0.0%	13.7%	10.8%	2.9%	18.1%	12.0%	2.5%
0.0%	12.2%	9.0%	2.8%	25.8%	13.3%	3.3%
0.0%	10.8%	8.8%	3.0%	21.3%	9.3%	2.6%
0.0%	13.4%	7.2%	2.9%	20.2%	2.3%	2.8%
0.0%	12.2%	7.0%	3.1%	23.0%	5.5%	2.5%
0.0%	12.4%	6.8%	3.4%	19.9%	6.9%	2.2%
0.0%	13.4%	6.5%	5.3%	21.7%	9.5%	1.7%
0.0%	12.6%	6.8%	5.3%	21.9%	6.8%	2.4%
0.1%	10.9%	6.3%	3.3%	15.9%	6.1%	2.1%
0.0%	9.9%	4.8%	2.9%	12.3%	6.6%	1.1%
0.0%	9.2%	4.1%	2.1%	11.9%	3.9%	0.6%
0.0%	8.1%	4.1%	1.4%	12.3%	3.0%	0.6%
0.0%	7.0%	2.4%	1.3%	11.5%	3.2%	0.6%
0.0%	8.1%	1.9%	1.0%	16.5%	1.7%	0.5%
0.0%	4.0%	3.2%	0.9%	2.9%	2.6%	0.0%
0.0%	9.5%	2.2%	1.2%	9.7%	1.7%	0.2%
0.0%	8.1%	1.6%	2.0%	4.4%	0.2%	1.7%
0.0%	3.1%	0.4%	0.2%	3.7%	0.4%	0.4%
0.0%	1.6%	1.4%	0.1%	14.9%	0.5%	0.0%
0.0%	6.7%	0.9%	0.3%	21.0%	0.7%	0.0%
0.0%	1.8%	2.4%	0.4%	13.7%	0.0%	0.2%
0.0%	4.2%	2.1%	0.4%	24.1%	16.1%	0.3%
0.0%	12.9%	2.3%	0.0%	29.3%	11.7%	0.1%
0.0%	6.1%	2.0%	5.3%	31.2%	0.6%	0.9%
0.0%	8.5%	1.7%	0.3%	9.3%	1.6%	0.3%

Table 61 – Pharmacy: CPD (Cost per Script)

Probability	Retail				Mail Order			
	Generic	Preferred Brand	Non-Preferred Brand	Injectable	Generic	Preferred Brand	Non-Preferred Brand	Injectable
23.7%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
18.3%	\$11.51	\$29.12	\$22.56	\$26.55	\$16.90	\$22.88	\$21.89	\$0.00
8.3%	\$15.90	\$47.97	\$48.70	\$0.00	\$25.67	\$41.33	\$33.48	\$0.00
5.4%	\$17.15	\$74.84	\$66.52	\$112.45	\$29.83	\$60.30	\$43.37	\$112.00
4.1%	\$18.35	\$87.22	\$85.56	\$106.84	\$34.29	\$70.46	\$68.30	\$0.00
3.3%	\$19.23	\$97.31	\$100.43	\$82.84	\$37.73	\$92.32	\$81.77	\$112.00
2.6%	\$19.87	\$96.43	\$112.72	\$79.01	\$41.34	\$97.41	\$114.96	\$112.00
2.2%	\$21.13	\$101.14	\$117.49	\$141.16	\$44.65	\$120.85	\$141.93	\$0.00
1.9%	\$21.75	\$103.77	\$117.84	\$161.53	\$47.36	\$144.27	\$178.80	\$112.00
1.6%	\$22.59	\$109.23	\$126.91	\$220.02	\$49.12	\$169.72	\$211.24	\$112.00
1.5%	\$23.50	\$114.94	\$137.78	\$199.84	\$51.29	\$197.60	\$223.71	\$112.00
1.3%	\$24.01	\$115.22	\$142.12	\$97.64	\$54.04	\$199.90	\$236.20	\$112.00
1.2%	\$24.63	\$115.65	\$149.94	\$519.46	\$55.37	\$207.46	\$243.78	\$0.00
1.1%	\$26.05	\$117.47	\$151.70	\$123.22	\$59.53	\$215.31	\$235.63	\$0.00
1.0%	\$26.49	\$121.20	\$151.40	\$238.75	\$63.33	\$226.04	\$252.70	\$161.81
0.9%	\$26.67	\$120.20	\$150.38	\$236.32	\$65.22	\$236.65	\$260.63	\$471.55
0.8%	\$27.71	\$120.17	\$155.69	\$114.10	\$65.83	\$247.83	\$266.86	\$616.86
0.8%	\$28.63	\$123.69	\$159.00	\$306.30	\$68.25	\$245.14	\$274.28	\$747.53
0.7%	\$28.91	\$122.15	\$153.48	\$453.75	\$70.86	\$252.86	\$285.10	\$675.52
0.7%	\$29.24	\$122.69	\$154.22	\$551.67	\$71.82	\$262.26	\$276.87	\$507.17
0.7%	\$29.40	\$124.91	\$155.46	\$418.05	\$75.21	\$268.16	\$282.98	\$570.29
1.2%	\$29.82	\$123.25	\$156.37	\$345.04	\$76.96	\$275.16	\$305.35	\$543.76
1.1%	\$30.76	\$130.35	\$161.95	\$309.99	\$78.90	\$292.14	\$314.22	\$255.01
1.0%	\$31.20	\$133.88	\$162.96	\$423.95	\$80.43	\$303.88	\$323.29	\$414.75
0.9%	\$31.81	\$139.36	\$165.85	\$684.99	\$84.11	\$314.20	\$333.41	\$358.58
0.8%	\$31.82	\$144.25	\$165.17	\$438.72	\$83.69	\$332.34	\$336.28	\$662.99
0.7%	\$32.41	\$147.33	\$168.52	\$606.47	\$86.59	\$340.74	\$349.56	\$743.07
0.6%	\$32.18	\$152.16	\$169.49	\$475.16	\$83.57	\$346.62	\$356.95	\$709.20
0.6%	\$32.51	\$154.42	\$173.67	\$674.04	\$84.02	\$356.81	\$362.19	\$734.95
0.6%	\$32.96	\$157.17	\$175.84	\$649.31	\$84.91	\$362.44	\$366.83	\$809.27
0.5%	\$33.23	\$160.34	\$178.83	\$1,048.42	\$87.62	\$376.63	\$369.54	\$962.35
2.1%	\$33.76	\$166.91	\$181.64	\$1,582.17	\$87.37	\$388.89	\$382.96	\$1,545.05
1.5%	\$34.39	\$176.41	\$190.23	\$1,452.66	\$90.67	\$415.80	\$393.92	\$1,548.97
1.1%	\$35.71	\$186.42	\$196.42	\$1,248.11	\$92.34	\$441.53	\$402.87	\$1,546.29
0.8%	\$36.97	\$194.44	\$203.45	\$1,308.02	\$96.89	\$463.93	\$410.07	\$1,686.82
0.7%	\$37.23	\$203.03	\$209.22	\$1,987.69	\$98.70	\$488.68	\$415.70	\$1,982.85
0.5%	\$37.77	\$210.96	\$216.10	\$1,803.63	\$98.78	\$509.50	\$432.53	\$2,090.58
0.4%	\$37.67	\$219.91	\$218.86	\$1,617.86	\$101.79	\$520.32	\$454.55	\$2,040.45
0.4%	\$38.38	\$225.04	\$231.33	\$1,692.74	\$103.08	\$546.95	\$446.99	\$2,918.84
0.3%	\$38.68	\$230.88	\$235.21	\$2,094.67	\$104.67	\$556.24	\$450.90	\$4,207.20
0.2%	\$39.42	\$236.41	\$238.52	\$2,190.40	\$108.46	\$574.32	\$470.75	\$4,101.93
0.2%	\$39.93	\$241.29	\$248.40	\$2,342.59	\$106.24	\$588.74	\$485.52	\$3,616.91
0.2%	\$41.02	\$249.87	\$259.35	\$2,350.93	\$109.02	\$596.52	\$482.79	\$3,173.76
0.1%	\$41.89	\$256.25	\$264.16	\$2,032.44	\$112.68	\$627.48	\$491.15	\$3,308.54
0.1%	\$42.31	\$262.77	\$274.10	\$2,178.90	\$115.90	\$625.00	\$494.17	\$3,215.35
0.1%	\$43.74	\$268.93	\$283.23	\$2,355.32	\$118.18	\$647.93	\$554.32	\$3,023.86
0.1%	\$43.60	\$274.52	\$277.68	\$2,085.06	\$118.02	\$699.57	\$536.91	\$3,269.77
0.1%	\$44.95	\$285.70	\$285.64	\$2,253.23	\$128.17	\$664.49	\$576.16	\$3,671.18
0.1%	\$46.61	\$291.29	\$304.13	\$2,164.81	\$121.85	\$698.77	\$644.37	\$3,380.81

Probability	Retail				Mail Order			
	Generic	Preferred Brand	Non-Preferred Brand	Injectable	Generic	Preferred Brand	Non-Preferred Brand	Injectable
0.1%	\$44.78	\$296.23	\$319.27	\$2,299.14	\$127.78	\$729.32	\$630.36	\$3,655.65
0.1%	\$45.90	\$297.44	\$307.65	\$2,546.88	\$129.33	\$744.16	\$636.88	\$3,781.52
0.1%	\$48.13	\$302.27	\$317.58	\$2,281.59	\$132.60	\$751.10	\$623.79	\$4,630.12
0.0%	\$49.60	\$317.32	\$320.46	\$2,528.31	\$137.99	\$759.32	\$718.41	\$5,666.41
0.0%	\$47.63	\$320.36	\$360.10	\$2,468.50	\$131.17	\$752.39	\$640.48	\$5,730.62
0.0%	\$47.19	\$311.68	\$315.29	\$2,503.34	\$147.05	\$782.15	\$705.81	\$5,235.75
0.0%	\$53.85	\$333.87	\$351.79	\$2,409.10	\$139.97	\$820.69	\$818.22	\$4,639.69
0.0%	\$53.89	\$342.47	\$369.53	\$2,241.97	\$150.32	\$864.54	\$748.61	\$4,333.33
0.0%	\$52.96	\$346.59	\$387.41	\$2,488.88	\$152.32	\$885.72	\$753.91	\$4,325.98
0.0%	\$55.71	\$366.77	\$385.46	\$2,543.20	\$150.52	\$886.18	\$869.38	\$4,019.87
0.0%	\$52.26	\$370.73	\$440.95	\$2,585.42	\$162.84	\$891.35	\$1,366.05	\$4,506.23
0.0%	\$52.25	\$379.13	\$481.31	\$2,756.69	\$165.12	\$982.67	\$1,050.57	\$4,127.73
0.0%	\$53.93	\$366.97	\$438.53	\$2,432.01	\$151.34	\$951.37	\$1,002.94	\$3,606.93
0.0%	\$54.89	\$393.26	\$495.37	\$2,578.72	\$208.83	\$1,042.76	\$996.97	\$4,121.92
0.0%	\$54.62	\$395.63	\$476.81	\$2,501.65	\$167.66	\$1,136.83	\$1,209.72	\$4,524.78
0.0%	\$59.77	\$420.73	\$570.79	\$2,659.64	\$180.87	\$1,101.09	\$1,153.22	\$4,934.02
0.0%	\$65.25	\$400.12	\$468.04	\$2,554.74	\$171.16	\$1,108.43	\$1,122.97	\$5,277.23
0.0%	\$57.99	\$433.15	\$551.78	\$2,684.52	\$168.60	\$1,036.89	\$1,045.34	\$5,286.69
0.0%	\$59.64	\$447.28	\$671.87	\$2,416.42	\$185.26	\$1,073.62	\$1,283.16	\$4,944.57
0.0%	\$57.65	\$496.29	\$738.09	\$2,462.95	\$185.92	\$1,280.09	\$2,499.33	\$4,690.05
0.0%	\$52.26	\$505.29	\$900.42	\$2,375.19	\$172.66	\$1,279.17	\$2,201.17	\$5,125.75
0.0%	\$57.83	\$581.02	\$829.06	\$2,436.67	\$178.78	\$1,243.64	\$2,198.74	\$4,696.93
0.0%	\$62.17	\$530.66	\$865.83	\$2,599.81	\$178.10	\$1,401.81	\$1,809.69	\$4,858.00
0.0%	\$50.25	\$525.86	\$699.31	\$2,599.86	\$152.95	\$1,555.78	\$2,195.38	\$5,830.16
0.0%	\$50.34	\$526.08	\$647.07	\$2,437.33	\$141.53	\$1,396.69	\$2,334.63	\$6,041.54
0.0%	\$49.57	\$561.58	\$605.82	\$2,484.40	\$172.77	\$1,521.04	\$3,025.35	\$5,256.17
0.0%	\$52.61	\$591.06	\$523.18	\$2,380.29	\$152.72	\$1,384.87	\$2,429.30	\$5,423.21
0.0%	\$56.79	\$578.37	\$617.50	\$2,605.47	\$181.74	\$1,612.85	\$2,409.02	\$5,176.16
0.1%	\$60.51	\$619.85	\$692.33	\$2,967.09	\$196.62	\$1,746.30	\$2,087.98	\$6,553.05
0.0%	\$62.13	\$739.05	\$968.12	\$3,729.86	\$240.79	\$2,105.82	\$2,751.10	\$8,108.96
0.0%	\$62.68	\$757.19	\$1,131.14	\$4,415.39	\$217.62	\$2,860.92	\$5,172.33	\$9,683.96
0.0%	\$73.46	\$1,139.30	\$1,786.56	\$4,345.44	\$191.01	\$4,301.20	\$5,828.04	\$9,590.85
0.0%	\$82.58	\$2,040.92	\$1,890.14	\$3,476.92	\$245.98	\$6,853.54	\$5,571.79	\$7,328.26
0.0%	\$76.40	\$2,407.19	\$2,259.97	\$3,723.13	\$179.43	\$6,858.20	\$5,314.92	\$7,548.41
0.0%	\$185.18	\$1,587.97	\$2,250.72	\$2,738.13	\$305.44	\$5,810.63	\$7,621.96	\$11,200.50
0.0%	\$71.44	\$1,682.48	\$3,309.61	\$2,662.70	\$241.57	\$4,111.79	\$4,654.31	\$15,901.18
0.0%	\$67.85	\$1,916.38	\$1,811.69	\$3,074.63	\$877.79	\$9,601.43	\$4,665.42	\$11,873.16
0.0%	\$110.22	\$2,037.27	\$2,974.43	\$2,666.69	\$306.77	\$10,114.10	\$7,104.64	\$5,928.91
0.0%	\$253.96	\$1,990.40	\$2,739.15	\$4,315.35	\$102.61	\$8,934.48	\$8,897.89	\$11,255.88
0.0%	\$77.19	\$1,734.56	\$3,154.81	\$4,258.68	\$103.81	\$6,306.94	\$7,691.20	\$4,723.48
0.0%	\$159.74	\$2,395.83	\$3,449.83	\$3,279.39	\$348.67	\$12,279.73	\$11,330.04	\$11,550.94
0.0%	\$92.66	\$3,343.61	\$2,699.53	\$2,757.34	\$117.94	\$1,800.89	\$7,483.50	\$10,003.56
0.0%	\$69.21	\$2,517.04	\$5,815.75	\$5,470.36	\$109.68	\$5,827.34	\$5,747.11	\$5,945.97
0.0%	\$115.37	\$2,432.74	\$306.77	\$2,685.49	\$44.02	\$7,969.20	\$5,746.35	\$0.00
0.0%	\$82.89	\$2,648.22	\$4,825.41	\$6,783.32	\$349.34	\$8,062.75	\$10,190.73	\$15,677.60

Table 62 – Pharmacy: CPD (Scripts PMPY)

Probability	Retail				Mail Order			
	Generic	Preferred Brand	Non-Preferred Brand	Injectable	Generic	Preferred Brand	Non-Preferred Brand	Injectable
23.7%	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
18.3%	1.8937	0.0222	0.0064	0.0000	0.0130	0.0002	0.0001	0.0000
8.3%	3.7465	0.1598	0.0606	0.0000	0.0863	0.0016	0.0003	0.0000
5.4%	4.9648	0.3404	0.1018	0.0000	0.1988	0.0050	0.0008	0.0000
4.1%	5.8828	0.4961	0.1398	0.0000	0.2774	0.0117	0.0019	0.0000
3.3%	6.5416	0.6576	0.1804	0.0000	0.3616	0.0267	0.0030	0.0000
2.6%	7.6163	0.7682	0.2280	0.0000	0.4713	0.0312	0.0039	0.0000
2.2%	8.2221	0.9020	0.2560	0.0000	0.5413	0.0350	0.0060	0.0000
1.9%	9.0384	1.0125	0.3010	0.0001	0.6091	0.0462	0.0094	0.0000
1.6%	9.3777	1.1344	0.3407	0.0001	0.6663	0.0576	0.0143	0.0000
1.5%	9.4466	1.2803	0.3887	0.0001	0.7033	0.0642	0.0145	0.0000
1.3%	10.0045	1.3991	0.4309	0.0002	0.7595	0.0801	0.0201	0.0000
1.2%	10.3648	1.5329	0.4768	0.0000	0.8299	0.0902	0.0238	0.0000
1.1%	10.3933	1.6688	0.5165	0.0001	0.8460	0.1090	0.0241	0.0000
1.0%	10.7113	1.8116	0.5255	0.0001	0.8902	0.1226	0.0300	0.0001
0.9%	11.0919	1.9742	0.5779	0.0002	0.9486	0.1424	0.0346	0.0001
0.8%	11.1194	2.0739	0.6528	0.0004	1.0005	0.1590	0.0389	0.0001
0.8%	11.2460	2.2178	0.6344	0.0003	1.0043	0.1847	0.0491	0.0002
0.7%	11.3861	2.4463	0.6822	0.0001	1.0210	0.2171	0.0517	0.0001
0.7%	11.6885	2.5703	0.7331	0.0001	1.0833	0.2346	0.0544	0.0002
0.7%	11.5745	2.7741	0.7808	0.0002	1.1051	0.2450	0.0623	0.0001
1.2%	11.9867	3.0751	0.8141	0.0008	1.1580	0.2718	0.0673	0.0001
1.1%	12.3997	3.1320	0.8801	0.0003	1.2576	0.3167	0.0799	0.0002
1.0%	12.7780	3.3311	0.9880	0.0003	1.3241	0.3479	0.0968	0.0002
0.9%	13.2365	3.3764	1.0778	0.0002	1.4418	0.3778	0.1153	0.0001
0.8%	13.8192	3.5614	1.1304	0.0002	1.5587	0.4087	0.1265	0.0002
0.7%	14.0631	3.6456	1.2513	0.0004	1.6101	0.4646	0.1360	0.0006
0.6%	14.3522	3.9102	1.3321	0.0011	1.6824	0.4885	0.1569	0.0002
0.6%	14.7261	4.1298	1.3711	0.0004	1.7516	0.5209	0.1695	0.0002
0.6%	15.0458	4.2115	1.4982	0.0009	1.8268	0.5642	0.1848	0.0003
0.5%	15.3774	4.4837	1.4720	0.0012	1.8754	0.5855	0.1878	0.0004
2.1%	16.4575	4.9302	1.6646	0.0086	2.1234	0.7057	0.2293	0.0042
1.5%	18.0275	5.7329	1.9875	0.0020	2.4862	0.9096	0.2962	0.0043
1.1%	19.3260	6.3866	2.2639	0.0023	2.8347	1.1238	0.3646	0.0045
0.8%	20.4489	7.0580	2.5680	0.0029	3.0820	1.3119	0.4207	0.0046
0.7%	21.4842	7.8016	2.7794	0.0067	3.2642	1.4813	0.4757	0.0085
0.5%	22.1456	8.3731	2.9757	0.0096	3.5623	1.7000	0.5506	0.0082
0.4%	23.0920	9.0964	3.2751	0.0096	3.7350	1.8631	0.5946	0.0017
0.4%	23.7480	9.6433	3.4037	0.0091	3.9415	2.0629	0.6494	0.0024
0.3%	24.6093	9.9734	3.5818	0.0141	4.1430	2.2179	0.7226	0.0076
0.2%	25.2817	10.3033	3.8097	0.0239	4.2068	2.3794	0.7454	0.0116
0.2%	26.4571	11.0049	4.1777	0.0211	4.4861	2.4576	0.8094	0.0102
0.2%	26.8357	11.4224	4.2611	0.0203	4.6534	2.6938	0.8238	0.0120
0.1%	27.7028	11.7508	4.4288	0.0400	4.6470	2.7372	0.8793	0.0136
0.1%	28.0555	11.8987	4.4247	0.0644	4.7571	2.8823	0.9409	0.0253
0.1%	27.7379	12.3443	4.8077	0.0501	4.8846	2.9690	0.9604	0.0212
0.1%	29.4579	12.7700	4.8842	0.0581	5.0354	3.0402	1.0124	0.0224
0.1%	29.9601	13.2004	4.9294	0.0688	5.0529	3.0319	1.0519	0.0292
0.1%	29.5437	12.8892	4.8533	0.0895	5.2844	3.1708	1.1649	0.0380

Probability	Retail				Mail Order			
	Generic	Preferred Brand	Non-Preferred Brand	Injectable	Generic	Preferred Brand	Non-Preferred Brand	Injectable
0.1%	30.0033	12.7513	4.9341	0.1179	5.0863	3.2379	1.1684	0.0594
0.1%	30.7376	13.5976	5.4290	0.1184	5.2613	3.1320	1.1490	0.0623
0.1%	30.8447	13.1850	5.0406	0.1182	5.1853	3.3517	1.0972	0.1010
0.0%	27.2866	12.2186	4.5083	0.1572	4.7725	2.9857	1.0688	0.1855
0.0%	27.9485	11.6550	4.7482	0.1981	4.7368	3.0354	1.0354	0.2316
0.0%	31.4437	13.8111	4.9663	0.1603	5.2283	3.3503	1.1546	0.1652
0.0%	31.5121	13.7996	5.3190	0.2060	4.8862	3.0654	1.0611	0.1519
0.0%	30.8982	13.0000	4.9090	0.2930	5.0325	3.4220	1.1878	0.1912
0.0%	29.4877	12.9979	5.0881	0.2864	5.5032	3.3643	1.1339	0.2180
0.0%	30.4166	13.3857	5.2513	0.2995	5.0408	3.3034	1.1034	0.2105
0.0%	29.8181	12.2749	4.9195	0.2740	5.3688	3.3613	1.3772	0.1598
0.0%	28.9556	12.7206	5.3612	0.3378	5.0531	3.1123	1.1810	0.2501
0.0%	30.5388	12.8352	5.3608	0.5144	5.0237	3.0871	1.2481	0.3947
0.0%	29.2944	12.4284	5.2228	0.4773	4.6532	3.0433	1.0524	0.3316
0.0%	31.0953	13.8430	5.3363	0.4315	4.8049	2.8049	1.0919	0.2798
0.0%	26.5716	10.6269	4.7234	0.5123	3.9718	2.3731	0.9067	0.6068
0.0%	26.0895	10.2586	4.1868	0.6475	3.3353	2.1750	0.7040	1.0034
0.0%	26.7503	11.2561	4.3543	0.4572	4.1633	2.0971	0.8986	0.8903
0.0%	26.8190	11.0759	4.9909	1.1366	4.0358	2.4903	0.8809	1.4100
0.0%	23.7488	9.0876	3.9094	0.7491	3.8665	2.3318	1.1641	1.5917
0.0%	22.9350	9.1407	5.0177	0.7312	3.6044	1.9760	0.9344	1.7646
0.0%	22.9488	8.6699	4.1070	0.8517	3.8124	2.1605	0.9405	1.7809
0.0%	25.6226	10.0682	4.6916	0.9887	3.2208	1.8726	0.7062	1.5605
0.0%	18.6100	6.3807	2.4494	1.2005	2.7194	1.3609	0.5052	4.2935
0.0%	23.2168	8.1577	3.0473	0.9057	3.2940	1.4816	0.6046	1.8013
0.0%	22.1949	8.2949	2.7915	0.9819	3.5441	2.0085	0.9085	1.4047
0.0%	24.6868	10.3819	3.2289	1.3627	3.9209	2.0666	0.8470	1.1028
0.0%	23.6779	10.4117	3.4247	0.9823	3.6130	2.3143	0.7377	1.1952
0.1%	24.4306	10.0208	3.3332	6.8636	4.1590	2.5590	0.8327	9.1932
0.0%	22.0375	8.0270	2.9815	0.5149	3.8396	2.4119	0.8988	4.1257
0.0%	19.8664	5.7637	2.5426	0.7519	3.3286	1.9058	1.0076	4.5900
0.0%	25.0644	8.0961	3.6370	0.3657	4.1299	2.4294	1.4294	2.0932
0.0%	23.1787	8.3026	3.4553	0.8916	3.6888	3.3372	1.4380	1.2664
0.0%	26.1745	8.6947	4.2336	0.7939	4.6231	3.1059	1.9564	0.7234
0.0%	29.0938	11.5313	3.4688	0.1402	3.0313	3.9375	1.6250	0.0104
0.0%	23.9259	8.8519	5.2222	0.6563	6.6296	6.6296	2.4444	0.0100
0.0%	31.5313	8.5000	5.1563	2.3704	1.7500	3.5625	0.5938	0.0257
0.0%	21.3333	7.4583	4.3750	0.9063	5.0417	3.6250	2.0833	0.0276
0.0%	25.2000	9.7000	4.4500	2.1250	5.4500	3.3000	0.5500	0.0274
0.0%	27.6667	8.5238	3.7143	3.1000	4.5238	3.5714	2.5238	0.1651
0.0%	27.2593	5.4074	3.6296	1.4286	2.1111	1.7407	2.2222	1.1563
0.0%	25.1111	7.1111	4.0000	1.0370	4.5000	2.7222	2.5000	2.1481
0.0%	23.4500	8.3000	3.8500	1.4444	6.4500	4.3500	2.9000	0.4063
0.0%	30.0000	8.0000	8.4545	0.9000	7.2727	5.8182	4.0000	0.0000
0.0%	24.5033	8.8366	4.8214	39.6364	3.7473	4.0109	2.4031	21.2083

Table 63 – Global Step Therapy Program

Formulary Type	Drug Therapy Category	Generic 1 <sup>st</sup> / 2-Step	Stacked	Generic or Preferred Brand 1 <sup>st</sup>	Non-Preferred Brand Lockout
Legacy	Allergy	0.03%	0.03%	0.03%	0.03%
	Antidepressants	0.06%	0.06%	0.06%	0.06%
	Asthma	0.00%	0.00%	0.00%	0.00%
	Bone Loss	0.03%	0.03%	0.03%	0.03%
	High Blood Pressure	0.35%	0.35%	0.35%	0.35%
	High Cholesterol	0.24%	0.24%	0.24%	0.24%
	Hyperactivity Disorder	0.06%	0.06%	0.06%	0.06%
	Mental Health	0.08%	0.08%	0.08%	0.08%
	Narcotic Pain Relievers	0.00%	0.00%	0.00%	0.00%
	Non-Narcotic Pain Relievers	0.08%	0.08%	0.08%	0.08%
	Overactive Bladder	0.03%	0.03%	0.03%	0.03%
	Skin Treatments	0.17%	0.17%	0.17%	0.17%
	Sleep Disorders	0.05%	0.05%	0.05%	0.05%
Stomach Acid	0.14%	0.14%	0.14%	0.14%	
Standard or Performance	Allergy	0.03%	0.03%	0.03%	0.03%
	Antidepressants	0.06%	0.06%	0.06%	0.06%
	Asthma	0.00%	0.00%	0.00%	0.00%
	Bone Loss	0.03%	0.03%	0.03%	0.03%
	High Blood Pressure	0.35%	0.35%	0.35%	0.35%
	High Cholesterol	0.24%	0.24%	0.24%	0.24%
	Hyperactivity Disorder	0.06%	0.06%	0.06%	0.06%
	Mental Health	0.08%	0.08%	0.08%	0.08%
	Narcotic Pain Relievers	0.00%	0.00%	0.00%	0.00%
	Non-Narcotic Pain Relievers	0.08%	0.08%	0.08%	0.08%
	Overactive Bladder	0.03%	0.03%	0.03%	0.03%
	Skin Treatments	0.17%	0.17%	0.17%	0.17%
	Sleep Disorders	0.05%	0.05%	0.05%	0.05%
Stomach Acid	0.14%	0.14%	0.14%	0.14%	
Value or Advantage	Allergy	0.03%	0.00%	0.00%	0.00%
	Antidepressants	0.06%	0.00%	0.00%	0.00%
	Asthma	0.00%	0.00%	0.00%	0.00%
	Bone Loss	0.03%	0.00%	0.00%	0.00%
	High Blood Pressure	0.35%	0.35%	0.00%	0.00%
	High Cholesterol	0.24%	0.00%	0.00%	0.00%
	Hyperactivity Disorder	0.06%	0.00%	0.00%	0.00%
	Mental Health	0.08%	0.00%	0.00%	0.00%
	Narcotic Pain Relievers	0.00%	0.00%	0.00%	0.00%
	Non-Narcotic Pain Relievers	0.08%	0.00%	0.00%	0.00%
	Overactive Bladder	0.03%	0.03%	0.00%	0.00%
	Skin Treatments	0.17%	0.00%	0.00%	0.00%
	Sleep Disorders	0.05%	0.00%	0.00%	0.00%
Stomach Acid	0.14%	0.14%	0.00%	0.00%	
Value or Advantage with DRT	Allergy	0.03%	0.00%	0.00%	0.00%
	Antidepressants	0.06%	0.00%	0.00%	0.00%
	Asthma	0.00%	0.00%	0.00%	0.00%
	Bone Loss	0.03%	0.00%	0.00%	0.00%
	High Blood Pressure	0.00%	0.00%	0.00%	0.00%
	High Cholesterol	0.24%	0.00%	0.00%	0.00%
	Hyperactivity Disorder	0.06%	0.00%	0.00%	0.00%
	Mental Health	0.08%	0.00%	0.00%	0.00%
	Narcotic Pain Relievers	0.00%	0.00%	0.00%	0.00%
	Non-Narcotic Pain Relievers	0.08%	0.00%	0.00%	0.00%
	Overactive Bladder	0.00%	0.00%	0.00%	0.00%
	Skin Treatments	0.17%	0.00%	0.00%	0.00%
	Sleep Disorders	0.05%	0.00%	0.00%	0.00%
Stomach Acid	0.14%	0.14%	0.00%	0.00%	

**Table 64 – Pharmacy: Clinical Management Programs**

Clinical Module A	0.0%
Clinical Module B	0.5%
Clinical Module C	1.5%

**Table 65 – Pharmacy: Demographic Factors**

	Employee		Spouse		Child		Unisex
	Male	Female	Male	Female	Male	Female	
< 20	0.2084	0.3751	0.3297	0.2634	0.3942	0.3230	0.3589
20-24	0.2440	0.5903	0.2446	0.4839	0.4476	0.7799	0.4881
25-29	0.3795	0.8006	0.4117	0.6721	0.4529	0.8807	0.5823
30-34	0.5260	0.9246	0.5830	0.8380	0.6413	1.0170	0.7161
35-39	0.7388	1.0664	0.7979	1.0479	0.8777	1.1730	0.9070
40-44	1.0068	1.2234	1.0790	1.2657	1.1869	1.3923	1.1347
45-49	1.2890	1.4629	1.4365	1.6509	1.5801	1.8160	1.4360
50-54	1.6628	1.8403	1.8757	2.1538	2.0633	2.3692	1.8439
55-59	2.0812	2.2293	2.3249	2.6425	2.5574	2.9068	2.2691
60-64	2.5926	2.6871	2.8450	3.1016	3.1295	3.4117	2.7501
65-69	2.9262	2.8160	3.4921	3.4396	3.8413	3.7836	3.0846
70+	3.4832	3.1700	3.7438	3.8747	4.1182	4.2621	3.5014

**Table 66 – Pharmacy: Mandate Factors**

State	Adjustment
CO	0.001
CT	0.001
DC	0.001
DE	0.001
HI	0.001
IA	0.001
IL	0.001
IN	0.001
KS	0.001
LA	0.001
MA	0.001
MD	0.001
MN	0.001
NE	0.001
NJ	0.001
NM	0.001
NY	0.001
OR	0.001
TX	0.001
VA	0.001
VT	0.001
WA	0.001

**Table 67 – Pharmacy: Utilization Dampening Factors**

<b>Cost Share</b>	0.0%	0.5%	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%	4.0%	4.5%	5.0%	5.5%	6.0%	6.5%	7.0%	7.5%	8.0%	8.5%
<b>Factor</b>	1.150	1.150	1.150	1.150	1.150	1.134	1.125	1.121	1.116	1.112	1.108	1.103	1.099	1.094	1.090	1.086	1.081	1.077
<b>Cost Share</b>	9.0%	9.5%	10.0%	10.5%	11.0%	11.5%	12.0%	12.5%	13.0%	13.5%	14.0%	14.5%	15.0%	15.5%	16.0%	16.5%	17.0%	17.5%
<b>Factor</b>	1.073	1.068	1.064	1.059	1.055	1.051	1.046	1.042	1.038	1.033	1.029	1.024	1.020	1.016	1.011	1.007	1.003	0.998
<b>Cost Share</b>	18.0%	18.5%	19.0%	19.5%	20.0%	20.5%	21.0%	21.5%	22.0%	22.5%	23.0%	23.5%	24.0%	24.5%	25.0%	25.5%	26.0%	26.5%
<b>Factor</b>	0.994	0.989	0.985	0.981	0.977	0.973	0.969	0.966	0.962	0.958	0.954	0.951	0.947	0.943	0.939	0.936	0.932	0.928
<b>Cost Share</b>	27.0%	27.5%	28.0%	28.5%	29.0%	29.5%	30.0%	30.5%	31.0%	31.5%	32.0%	32.5%	33.0%	33.5%	34.0%	34.5%	35.0%	35.5%
<b>Factor</b>	0.924	0.921	0.917	0.913	0.909	0.906	0.902	0.898	0.894	0.891	0.887	0.883	0.879	0.876	0.872	0.868	0.864	0.861
<b>Cost Share</b>	36.0%	36.5%	37.0%	37.5%	38.0%	38.5%	39.0%	39.5%	40.0%	40.5%	41.0%	41.5%	42.0%	42.5%	43.0%	43.5%	44.0%	44.5%
<b>Factor</b>	0.857	0.853	0.849	0.846	0.842	0.838	0.834	0.831	0.827	0.823	0.819	0.816	0.812	0.808	0.804	0.801	0.800	0.800
<b>Cost Share</b>	45.0%	45.5%	46.0%	46.5%	47.0%	47.5%	48.0%	48.5%	49.0%	49.5%	50.0%	50.5%	51.0%	51.5%	52.0%	52.5%	53.0%	53.5%
<b>Factor</b>	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800
<b>Cost Share</b>	54.0%	54.5%	55.0%	55.5%	56.0%	56.5%	57.0%	57.5%	58.0%	58.5%	59.0%	59.5%	60.0%	60.5%	61.0%	61.5%	62.0%	62.5%
<b>Factor</b>	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800
<b>Cost Share</b>	63.0%	63.5%	64.0%	64.5%	65.0%	65.5%	66.0%	66.5%	67.0%	67.5%	68.0%	68.5%	69.0%	69.5%	70.0%	70.5%	71.0%	71.5%
<b>Factor</b>	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800
<b>Cost Share</b>	72.0%	72.5%	73.0%	73.5%	74.0%	74.5%	75.0%	75.5%	76.0%	76.5%	77.0%	77.5%	78.0%	78.5%	79.0%	79.5%	80.0%	80.5%
<b>Factor</b>	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800
<b>Cost Share</b>	81.0%	81.5%	82.0%	82.5%	83.0%	83.5%	84.0%	84.5%	85.0%	85.5%	86.0%	86.5%	87.0%	87.5%	88.0%	88.5%	89.0%	89.5%
<b>Factor</b>	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800
<b>Cost Share</b>	90.0%	90.5%	91.0%	91.5%	92.0%	92.5%	93.0%	93.5%	94.0%	94.5%	95.0%							
<b>Factor</b>	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800							



Table 68 – Pharmacy: Multiple Offering Load

State	Load	
	Minimum	Maximum
California	0.00%	2.00%
Texas	0.00%	5.00%

# Appendix H: FACETS Pharmacy Tables

Table 69 – FACETS Retail AWP per Script Assumptions

Formulary Type	Cost Category	Preventative Generic	Non-Preventative Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)
Legacy	All else	\$106.57	\$104.91	\$307.75	\$422.88	\$136.01
	Antihistamines	\$0.00	\$80.58	\$204.21	\$189.55	\$244.13
	Contraceptives	\$0.00	\$0.00	\$127.50	\$131.46	\$80.21
	Fertility	\$0.00	\$84.66	\$0.00	\$1,520.28	\$129.80
	Lifestyle, drugs w/OTC options	\$41.84	\$0.00	\$284.88	\$252.72	\$284.60
	PPIs	\$0.00	\$202.99	\$288.29	\$314.97	\$403.19
	Smoking Cessation	\$0.00	\$0.00	\$271.52	\$270.41	\$61.12
Performance	Specialty	\$0.00	\$343.15	\$2,773.12	\$3,597.50	\$3,977.69
	All else	\$106.50	\$105.00	\$303.93	\$419.31	\$137.24
	Antihistamines	\$0.00	\$80.58	\$204.21	\$189.55	\$244.13
	Contraceptives	\$0.00	\$0.00	\$127.50	\$131.46	\$80.21
	Fertility	\$0.00	\$84.66	\$0.00	\$1,520.28	\$129.80
	Lifestyle, drugs w/OTC options	\$41.84	\$0.00	\$284.88	\$252.72	\$284.60
	PPIs	\$0.00	\$202.99	\$288.29	\$314.97	\$403.19
Advantage	Smoking Cessation	\$0.00	\$0.00	\$271.52	\$270.41	\$61.12
	Specialty	\$0.00	\$343.15	\$2,779.56	\$3,597.50	\$3,244.51
	All else	\$106.57	\$105.08	\$304.32	\$386.43	\$164.97
	Antihistamines	\$0.00	\$80.58	\$204.21	\$189.55	\$244.13
	Contraceptives	\$0.00	\$0.00	\$127.50	\$131.46	\$80.21
	Fertility	\$0.00	\$84.66	\$0.00	\$1,520.28	\$129.80
	Lifestyle, drugs w/OTC options	\$41.84	\$0.00	\$284.88	\$252.72	\$284.60
Advantage, DRT	PPIs	\$0.00	\$202.99	\$288.29	\$314.97	\$403.19
	Smoking Cessation	\$0.00	\$0.00	\$271.52	\$270.41	\$61.12
	Specialty	\$0.00	\$343.15	\$2,780.56	\$3,597.50	\$3,064.81
	All else	\$106.53	\$106.60	\$305.09	\$414.13	\$140.58
	Antihistamines	\$0.00	\$94.67	\$182.57	\$207.89	\$244.25
	Contraceptives	\$0.00	\$0.00	\$127.50	\$131.46	\$80.21
	Fertility	\$0.00	\$84.66	\$0.00	\$1,520.28	\$129.80
Generics Only	Lifestyle, drugs w/OTC options	\$41.84	\$0.00	\$284.88	\$252.72	\$284.60
	PPIs	\$0.00	\$202.99	\$288.29	\$314.97	\$403.19
	Smoking Cessation	\$0.00	\$0.00	\$271.52	\$270.41	\$61.12
	Specialty	\$0.00	\$343.15	\$2,758.09	\$3,531.97	\$1,166.80
	All else	\$106.50	\$105.00			
	Antihistamines	\$0.00	\$80.58			
	Contraceptives	\$0.00	\$0.00			

Table 70 – FACETS Mail Order AWP per Script Assumptions

Formulary Type	Cost Category	Preventative Generic	Non-Preventative Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)
Legacy	All else	\$331.21	\$326.05	\$956.42	\$1,314.25	\$422.71
	Antihistamines	\$0.00	\$281.69	\$713.90	\$662.64	\$853.46
	Contraceptives	\$0.00	\$0.00	\$297.99	\$307.25	\$187.47
	Fertility	\$0.00	\$449.07	\$0.00	\$8,064.62	\$688.56
	Lifestyle, drugs w/OTC options	\$148.94	\$0.00	\$1,014.16	\$899.67	\$1,013.14
	PPIs	\$0.00	\$528.36	\$750.38	\$819.83	\$1,049.44
	Smoking Cessation	\$0.00	\$0.00	\$684.03	\$681.25	\$153.97
	Specialty	\$0.00	\$756.60	\$6,114.29	\$7,931.91	\$8,770.18
Performance	All else	\$332.76	\$328.06	\$949.63	\$1,310.13	\$428.81
	Antihistamines	\$0.00	\$281.69	\$713.90	\$662.64	\$853.46
	Contraceptives	\$0.00	\$0.00	\$297.99	\$307.25	\$187.47
	Fertility	\$0.00	\$449.07	\$0.00	\$8,064.62	\$688.56
	Lifestyle, drugs w/OTC options	\$148.94	\$0.00	\$1,014.16	\$899.67	\$1,013.14
	PPIs	\$0.00	\$528.36	\$750.38	\$819.83	\$1,049.44
	Smoking Cessation	\$0.00	\$0.00	\$684.03	\$681.25	\$153.97
	Specialty	\$0.00	\$756.60	\$6,128.49	\$7,931.91	\$7,153.62
Advantage	All else	\$331.46	\$326.83	\$946.51	\$1,201.90	\$513.10
	Antihistamines	\$0.00	\$281.69	\$713.90	\$662.64	\$853.46
	Contraceptives	\$0.00	\$0.00	\$297.99	\$307.25	\$187.47
	Fertility	\$0.00	\$449.07	\$0.00	\$8,064.62	\$688.56
	Lifestyle, drugs w/OTC options	\$148.94	\$0.00	\$1,014.16	\$899.67	\$1,013.14
	PPIs	\$0.00	\$528.36	\$750.38	\$819.83	\$1,049.44
	Smoking Cessation	\$0.00	\$0.00	\$684.03	\$681.25	\$153.97
	Specialty	\$0.00	\$756.60	\$6,130.69	\$7,931.91	\$6,757.42
Advantage, DRT	All else	\$332.94	\$333.16	\$953.54	\$1,294.35	\$439.36
	Antihistamines	\$0.00	\$329.12	\$634.71	\$722.73	\$849.17
	Contraceptives	\$0.00	\$0.00	\$297.99	\$307.25	\$187.47
	Fertility	\$0.00	\$449.07	\$0.00	\$8,064.62	\$688.56
	Lifestyle, drugs w/OTC options	\$148.94	\$0.00	\$1,014.16	\$899.67	\$1,013.14
	PPIs	\$0.00	\$528.36	\$750.38	\$819.83	\$1,049.44
	Smoking Cessation	\$0.00	\$0.00	\$684.03	\$681.25	\$153.97
	Specialty	\$0.00	\$756.60	\$6,081.16	\$7,787.42	\$2,572.62
Generics Only	All else	\$332.76	\$328.06			
	Antihistamines	\$0.00	\$281.69			
	Contraceptives	\$0.00	\$0.00			
	Fertility	\$0.00	\$449.07			
	Lifestyle, drugs w/OTC options	\$148.94	\$0.00			
	PPIs	\$0.00	\$528.36			
	Smoking Cessation	\$0.00	\$0.00			
	Specialty	\$0.00	\$756.60			

Table 71 – FACETS Retail Script Count PMPY Assumptions

Formulary Type	Cost Category	Preventative Generic	Non-Preventative Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)
Legacy	All else	2.2334	4.6756	1.0915	0.2295	0.1068
	Antihistamines	0.0000	0.1970	0.0402	0.0060	0.0022
	Contraceptives	0.0000	0.0000	0.0957	0.0080	0.0000
	Fertility	0.0000	0.0054	0.0000	0.0014	0.0003
	Lifestyle, drugs w/OTC options	0.0074	0.0000	0.0486	0.0071	0.0002
	PPIs	0.0000	0.2455	0.0236	0.0032	0.0225
	Smoking Cessation	0.0000	0.0000	0.0083	0.0001	0.0000
	Specialty	0.0000	0.0102	0.0114	0.0045	0.0001
Performance	All else	2.2334	4.6868	1.1236	0.2048	0.0882
	Antihistamines	0.0000	0.1970	0.0402	0.0060	0.0022
	Contraceptives	0.0000	0.0000	0.0957	0.0080	0.0000
	Fertility	0.0000	0.0054	0.0000	0.0014	0.0003
	Lifestyle, drugs w/OTC options	0.0074	0.0000	0.0486	0.0071	0.0002
	PPIs	0.0000	0.2455	0.0236	0.0032	0.0225
	Smoking Cessation	0.0000	0.0000	0.0083	0.0001	0.0000
	Specialty	0.0000	0.0102	0.0115	0.0045	0.0001
Advantage	All else	2.2338	4.6817	0.9122	0.3766	0.1325
	Antihistamines	0.0000	0.1970	0.0402	0.0060	0.0022
	Contraceptives	0.0000	0.0000	0.0957	0.0080	0.0000
	Fertility	0.0000	0.0054	0.0000	0.0014	0.0003
	Lifestyle, drugs w/OTC options	0.0074	0.0000	0.0486	0.0071	0.0002
	PPIs	0.0000	0.2455	0.0236	0.0032	0.0225
	Smoking Cessation	0.0000	0.0000	0.0083	0.0001	0.0000
	Specialty	0.0000	0.0102	0.0115	0.0045	0.0001
Advantage, DRT	All else	2.2363	4.7358	1.0610	0.2138	0.0899
	Antihistamines	0.0000	0.2262	0.0134	0.0037	0.0022
	Contraceptives	0.0000	0.0000	0.0957	0.0080	0.0000
	Fertility	0.0000	0.0054	0.0000	0.0014	0.0003
	Lifestyle, drugs w/OTC options	0.0074	0.0000	0.0486	0.0071	0.0002
	PPIs	0.0000	0.2455	0.0236	0.0032	0.0225
	Smoking Cessation	0.0000	0.0000	0.0083	0.0001	0.0000
	Specialty	0.0000	0.0102	0.0107	0.0053	0.0000
Generics Only	All else	2.2334	4.6868			
	Antihistamines	0.0000	0.1970			
	Contraceptives	0.0000	0.0000			
	Fertility	0.0000	0.0054			
	Lifestyle, drugs w/OTC options	0.0074	0.0000			
	PPIs	0.0000	0.2455			
	Smoking Cessation	0.0000	0.0000			
	Specialty	0.0000	0.0102			

Table 72 – FACETS Mail Order Script Count PMPY Assumptions

Formulary Type	Cost Category	Preventative Generic	Non-Preventative Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)
Legacy	All else	0.1011	0.2116	0.0494	0.0104	0.0048
	Antihistamines	0.0000	0.0058	0.0012	0.0002	0.0001
	Contraceptives	0.0000	0.0000	0.0035	0.0003	0.0000
	Fertility	0.0000	0.0008	0.0000	0.0002	0.0000
	Lifestyle, drugs w/OTC options	0.0003	0.0000	0.0017	0.0002	0.0000
	PPIs	0.0000	0.0190	0.0018	0.0002	0.0017
	Smoking Cessation	0.0000	0.0000	0.0001	0.0000	0.0000
	Specialty	0.0000	0.0286	0.0321	0.0127	0.0002
Performance	All else	0.1011	0.2121	0.0509	0.0093	0.0040
	Antihistamines	0.0000	0.0058	0.0012	0.0002	0.0001
	Contraceptives	0.0000	0.0000	0.0035	0.0003	0.0000
	Fertility	0.0000	0.0008	0.0000	0.0002	0.0000
	Lifestyle, drugs w/OTC options	0.0003	0.0000	0.0017	0.0002	0.0000
	PPIs	0.0000	0.0190	0.0018	0.0002	0.0017
	Smoking Cessation	0.0000	0.0000	0.0001	0.0000	0.0000
	Specialty	0.0000	0.0286	0.0322	0.0127	0.0002
Advantage	All else	0.1011	0.2119	0.0413	0.0170	0.0060
	Antihistamines	0.0000	0.0058	0.0012	0.0002	0.0001
	Contraceptives	0.0000	0.0000	0.0035	0.0003	0.0000
	Fertility	0.0000	0.0008	0.0000	0.0002	0.0000
	Lifestyle, drugs w/OTC options	0.0003	0.0000	0.0017	0.0002	0.0000
	PPIs	0.0000	0.0190	0.0018	0.0002	0.0017
	Smoking Cessation	0.0000	0.0000	0.0001	0.0000	0.0000
	Specialty	0.0000	0.0286	0.0322	0.0127	0.0002
Advantage, DRT	All else	0.1012	0.2144	0.0480	0.0097	0.0041
	Antihistamines	0.0000	0.0067	0.0004	0.0001	0.0001
	Contraceptives	0.0000	0.0000	0.0035	0.0003	0.0000
	Fertility	0.0000	0.0008	0.0000	0.0002	0.0000
	Lifestyle, drugs w/OTC options	0.0003	0.0000	0.0017	0.0002	0.0000
	PPIs	0.0000	0.0190	0.0018	0.0002	0.0017
	Smoking Cessation	0.0000	0.0000	0.0001	0.0000	0.0000
	Specialty	0.0000	0.0286	0.0300	0.0150	0.0001
Generics Only	All else	0.1011	0.2121			
	Antihistamines	0.0000	0.0058			
	Contraceptives	0.0000	0.0000			
	Fertility	0.0000	0.0008			
	Lifestyle, drugs w/OTC options	0.0003	0.0000			
	PPIs	0.0000	0.0190			
	Smoking Cessation	0.0000	0.0000			
	Specialty	0.0000	0.0286			

Table 73 – FACETS Retail Discounts and Dispensing Fees

Network	Pricing Package	Year	Generic Discount	Brand Discount (30 Day)	Brand Discount (90 Day)	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National	1	2014	62.80%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2015	65.50%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2016	65.50%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2017	65.50%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
	10	2014	70.50%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
		2015	72.00%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
		2016	72.00%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
		2017	72.00%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
National excluding CVS	12	2014	64.05%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2015	66.75%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2016	66.75%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2017	66.75%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
	15	2014	71.75%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
		2015	73.25%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
		2016	73.25%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
		2017	73.25%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
National excluding WAG	12	2014	64.05%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2015	66.75%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2016	66.75%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2017	66.75%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
	15	2014	71.75%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
		2015	73.25%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
		2016	73.25%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
		2017	73.25%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
National excluding CVS & WAG	16	2014	64.45%	12.50%	15.50%	12.50%	\$1.50	\$1.50	\$1.50
		2015	67.15%	12.50%	15.50%	12.50%	\$1.50	\$1.50	\$1.50
		2016	67.15%	12.50%	15.50%	12.50%	\$1.50	\$1.50	\$1.50
		2017	67.15%	12.50%	15.50%	12.50%	\$1.50	\$1.50	\$1.50
	19	2014	72.15%	15.50%	18.50%	15.50%	\$1.30	\$1.30	\$1.30
		2015	73.65%	15.50%	18.50%	15.50%	\$1.30	\$1.30	\$1.30
		2016	73.65%	15.50%	18.50%	15.50%	\$1.30	\$1.30	\$1.30
		2017	73.65%	15.50%	18.50%	15.50%	\$1.30	\$1.30	\$1.30

Table 74 – FACETS Mail Order Discounts and Dispensing Fees

Network	Pricing Package	Year	Generic Discount	Brand Discount	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National	1	2014	62.80%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2017	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
	10	2014	73.00%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2017	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
National excluding CVS	12	2014	62.80%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2017	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
	15	2014	73.00%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2017	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
National excluding WAG	12	2014	62.80%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2017	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
	15	2014	73.00%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2017	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
National excluding CVS & WAG	16	2014	62.80%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2017	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
	19	2014	73.00%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2017	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00

**State:** VermontGMCB **Filing Company:** Cigna Health and Life Insurance Company  
**TOI/Sub-TOI:** H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO  
**Product Name:** Medical  
**Project Name/Number:** CHLIC Rate Filing/

## Supporting Document Schedules

<b>Satisfied - Item:</b>	Actuarial Memorandum
<b>Comments:</b>	
<b>Attachment(s):</b>	CHLIC-VTexh.pdf CHLIC - VTactuarial memo_Revised Per Mandate.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Actuarial Memorandum and Certifications
<b>Bypass Reason:</b>	n/a
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Civil Union Rating Requirements
<b>Bypass Reason:</b>	In compliance
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Consumer Disclosure Form
<b>Bypass Reason:</b>	n/a
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Filing Compliance Certification
<b>Bypass Reason:</b>	Included in memorandum
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Third Party Filing Authorization
<b>Bypass Reason:</b>	n/a
<b>Attachment(s):</b>	
<b>Item Status:</b>	



**State:** VermontGMCB **Filing Company:** Cigna Health and Life Insurance Company  
**TOI/Sub-TOI:** H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO  
**Product Name:** Medical  
**Project Name/Number:** CHLIC Rate Filing/

<b>Status Date:</b>	
<b>Bypassed - Item:</b>	Unified Rate Review Template
<b>Bypass Reason:</b>	n/a
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	
<b>Satisfied - Item:</b>	Response to Objection Letter - Dated 1/14/16
<b>Comments:</b>	
<b>Attachment(s):</b>	Objection Letter 1 Responses.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	
<b>Satisfied - Item:</b>	Response to Objection Letter on 1/27/16
<b>Comments:</b>	
<b>Attachment(s):</b>	Objection Letter 2 Responses_FINAL.pdf Objection Letter 2 Exhibits_FINAL.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	
<b>Satisfied - Item:</b>	Response to Objection Letter on 2/5/16
<b>Comments:</b>	
<b>Attachment(s):</b>	Objection Letter 3 Responses_FINAL.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	
<b>Satisfied - Item:</b>	Response to Objection Letter Dated 3/30/16
<b>Comments:</b>	
<b>Attachment(s):</b>	Cigna memorandum in response to final GMCB order.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

**VERMONT FILING SUMMARY**  
**CGLIC/CHLIC Combined**

Vermont (only)  
(000's)

	<b>Earned Premium</b>	<b>Incurred Losses</b>	<b>Loss Ratio</b>
5th prior year 2011	\$24,019	\$15,044	62.6%
4th prior year 2012	\$27,767	\$20,704	74.6%
3rd prior year 2013	\$27,866	\$22,860	82.0%
2nd prior year 2014	\$15,241	\$10,215	67.0%
1st prior year 2015	\$14,936	\$12,412	83.1%

Countrywide  
(000's)

	<b>Earned Premium</b>	<b>Incurred Losses</b>	<b>Loss Ratio</b>
5th prior year 2011	\$5,026,963	\$4,092,065	81.4%
4th prior year 2012	\$5,165,250	\$4,284,681	83.0%
3rd prior year 2013	\$5,572,915	\$4,658,535	83.6%
2nd prior year 2014	\$5,401,277	\$4,451,450	82.4%
1st prior year 2015	\$5,430,702	\$4,422,169	81.4%

## **EXHIBIT I**

### ACTUARIAL MEMORANDUM AND CERTIFICATION

#### Scope and Purpose

The purpose of this filing is to submit CIGNA Health and Life Insurance Company's group manual rating methodology. Our pricing model was developed to provide a consistent rating methodology across products. This filing includes Open Access Plus, PPO, Network, Indemnity, and retiree medical insurance product, and is applicable for groups of 100 or more lives. Methodology is also included for Pharmacy products.

#### Benefit Description

The benefits covered in this memorandum include group health insurance coverage as described in CIGNA Health and Life Insurance Company forms HP-POL et al, and HC-TOC et al.

#### Census

Member level census will be used when available. If only subscriber level data is available, penetration and translation assumptions will be used to create a member level census for manual rate development. The penetration and translation assumptions used are developed from studies of our book of business, which includes experience from similar CIGNA Health and Life Insurance Company ("CHLIC") policies. Penetration estimates the number of subscribers that will select the CIGNA Health and Life Insurance Company plan; the translation process develops projected subscribers and members within rating tiers.

#### Adjustments to Base Claims

The base claim rates by area are adjusted for certain group and member characteristics. These include industry loads and discounts, age and sex demographic adjustments, and trends.

Adjustments for industry (SIC) are developed from a study of our book of business combined with results from an outside consultant's national industry factor assessment study.

Age and sex demographic adjustments are developed from a study of our book of business. The resulting age/sex slopes are normalized to represent the national census.

Trends reflect historical experience from CHLIC's group medical experience and projections for future levels. Medical trend rates are applied on a daily basis.

#### Benefit Plan Adjustments

Base claims are reduced for specific cost sharing features of the product and benefit plan selected. Copay and other cost sharing benefit design related adjustments are made using assumptions regarding utilization levels by base claim component. Claim distributions are used to determine the impact of deductibles, coinsurance and out of pocket maximums. In addition, a utilization dampening factor is applied to reflect lower utilization levels as cost sharing rises.

#### Renewability Clause

The benefit plans covered under this memorandum are guaranteed renewable.

#### Applicability

CHLIC, Inc. anticipates both renewals and new issues from the forms currently filed.

#### Marketing Method

These products are sold to employer-employee groups, labor union groups and association groups through CIGNA Health and Life Insurance Company group sales offices.

### Premium Classes

Premium rates may vary by product, plan design, geographic area, group demographics, industry, effective date, experience, and underwriting discretion.

### Issue Age Range

There are no issue age restrictions in our policy forms; however, eligibility requirements must be fulfilled.

### Premium Modalization Rules

The CIGNA Health and Life Insurance Company Health Manual produces monthly premiums. Modalization factors are expressed as a function of these monthly rates as follows:

Annual	11.8227
Semi-Annual	5.9557
Quarterly	2.9852

### Distribution of Business

Rates vary by geographic location and group specific characteristics, including demographics. Target distribution is to groups with both single employees and employees with dependents, assuming a 40/60 distribution

### Rating

The group rates filed represent the rate level we expect to be necessary to achieve a desired average loss ratio for all group contracts. Accordingly, actual rates for groups will vary as a result of a variety of factors. These include variation in benefit plan, age, gender, family composition, size, industry, area, healthplan claim experience, and underwriting discretion.

Depending upon group size, case specific claim experience may be used to adjust the rate. Credibility is based on group size, pooling level and months of experience. Rates for partially credible groups are based on a blend of experience and manual rating.

For Minimum Premium plans, the premium paid by the policyholder is reduced for the portion of the total claim amount that is expected to be self-insured.

### Anticipated Loss Ratio

The methodology and supporting factors apply to groups of 51 or more employees.

The anticipated large group loss ratio for this policy is 84.6%.

The components of Cigna's retention for our Large Group pricing are as follows:

Administrative Expenses	6.0%
Optional Buy-ups	0.6%
PPACA Fees	3.5%
Risk Charge	0.4%
Premium and Income Taxes	2.0%
Profit	1.0%
State Assessments	1.5%
Commissions	0.4%
Total	15.4%

### Comparison to Status Quo

This filing includes a number of changes to our medical and pharmacy rating methodologies. It is difficult to quantify each change independent of the others. The average expected decrease in manual rates in Vermont is -3.9%. This figure was calculated by comparing the current filed and approved manuals using an illustrative effective date of 1/1/2016 to the proposed 1/1/2016 manuals for a representative sample of Vermont situated business (1.1% decrease) coupled with a 2.5% reduction to our originally proposed profit

assumptions (3.5% to 1.0%). Note: The number of fully insured accounts situated in Vermont in 2014 was 15 consistent with the company's Supplemental Health Care Exhibits.

## Changes to Methodology for the 2016 Cigna Rate Filing

- Updates to the base medical claim assumptions and the claims probability distribution
- Updates to our medical area factors and trend
- Separation of “Lab” and “Radiology” into distinct sub-cost categories. Updates to major service category weightings by sub-cost category
- For plans with combined medical and pharmacy claims: update to pharmacy deductible applicability methodology
- Updates to the collective deductible and collective out-of-pocket maximum methodologies
- Addition of the demographic aging adjustment to the demographic factor
- Addition of a cap on utilization dampening for some major service categories
- Community rate loads – addition of the following:
  - More multiple offering load values
  - More office surgery adjustment options
  - Lock-in decrement
  - Case-size adjustment
  - Criteria-Based Network Adjustment
  - ER/UC steerage adjustment
  - Medical specialty drugs steerage adjustment
  - Independent lab steerage adjustment
  - Enhanced non-par claims adjustment
- Riders
  - Updates to base rates for all riders
  - Updates to and simplification of the Vision rider methodology, including removal of the platform dependency
  - Addition of “Health Advisor” and “Personal Health Team” health management programs
  - Updates to the out-of-network preventive care rider methodology
  - Addition of standardized pricing for the following benefits not standardly offered:
    - Short term rehab coverage for autism and developmental delays
    - Applied Behavioral Analysis therapy for autism
    - Hearing aids
    - Gender reassignment
    - Artificial insemination
    - Skilled nursing
- Updates to rates for Mental Health/Substance Use Disorder products (referred to in prior filings as “Mental Health/Substance Abuse”)
- Updates to the pharmacy area factors, pharmacy trend and base claim assumptions. The updates reflect the growing cost of specialty drugs, planned revisions to our drug lists, and market-specific experience. The impact of these changes will vary based on plan characteristics.

### **Credibility Formula Revision**

Cigna Health and Life Insurance Company uses experience rating on large employer commercial customers to set future rates based on the past experience of the customer, where a customer is defined as the aggregation of all Cigna Health and Life Insurance Company accounts associated with a given employer, nationwide.

For prospectively rated accounts, the number of member months at which the experience is considered fully credible depends on the pooling point, shown in the chart below. Partial credibility (blending experience with manual) would be reflected using the following formula:

$$Credibility = \sqrt{\frac{Member\ Months}{Upper\ Bound}}$$

Where the upper bound varies based on pooling point as follows:

<b>Pooling Point Range</b>	<b>Upper Bound</b>
\$0-\$29,999	5552
\$30,000 -\$59,999	7000
\$60,000 - \$89,999	9000
\$90,000 - \$139,999	11000
\$140,000 +	12000

There is a minimum of 5 months of experience for paid claims and 4 months for incurred claims as well as a minimum overall of 100 member months to have any credibility. If member months are greater than or equal to the upper bound, credibility is 100%.

## ACTUARIAL CERTIFICATION

### Opinion

In my opinion, the rates were developed using reasonable actuarial assumptions, and the rate levels are reasonable in relationship to the benefits provided. The actuarial data and experience will be maintained by the company and available for review by the Green Mountain Care Board upon request.

I certify that to the best of my knowledge and judgment, this rate filing is in compliance with the applicable laws and regulations of the State. In summary, I believe that the rating assumptions proposed will produce rates which are not excessive, inadequate, or unfairly discriminatory



Matthew D. Danziger, FSA, MAAA  
Actuarial Director

Date: 3/30/2016



# Responses to Objections

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## **Objection 1**

**Comment:**

Please list and quantify the reasons for the overall rate impact of -1.10%, and explain why policyholders could receive a rate increase/decrease that ranges from -3.90% to 1.10%.

**Response:**

The overall rate impact of -1.10% represents the weighted average of our latest and greatest actuarial pricing methodology for our customers and clients in the State of VT. This impact is calculated by comparing the filed and approved manual rates for an illustrative effective date of 1/1/2016 to the proposed manual rates for an illustrative effective date of 1/1/2016 for a representative sample of VT sitused business.

By design of the rate review process, methodology changes are neutralized out at the rating area level, such that the average impact of methodology changes are 0% (i.e. the average manual is aligned to the average experience). That said, the impact of methodology changes (e.g. a change in the CPD) can cause volatility from average at the case level, thus displaying a rate impact range of -3.90% to 1.10%. Additionally, given that this analysis represents the impact to a representative sample of accounts, cases that are VT sitused but have membership inside and outside of VT, geographic mix can drive variance to the average.

## **Objection 2**

**Comment:**

The actuarial memorandum indicates that one of the changes to methodology includes “updates to the based medical claim assumptions and the claims probability distribution”.

- a. Please explain in more detail about the updates, including but not limited to experience period and data source.
- b. Quantify the impact of updating base medical claim assumptions and the CPD table respectively and their combined effects.

**Response:**

The updates to base medical claim assumptions, in this year’s filing are a mechanical result of rolling forward the base year from 2013 to 2014. The current filed an approved “manual base rates” are based in 2013. The proposed “manual base rates” are based in 2014. Each year, we roll-forward the national base medical claims by national trend, and consequently roll off that year of trend from the calculation, i.e. 2014/2013 trend is no longer used in rate calculations. As such, there is no financial impact of this change. As for the CPD, minor changes were made to the shaping of our CPD based on book of business claims experience. The average impact of these changes is 0% as noted in our response to objection #1. Our rate review process is further used to calibrate the combination of our base rate, methodology, and area factors to our claims experience at the rating area level. The combination of all pricing methodology changes (including area factors and base rates, and retention) result in an overall rate change of -1.10%, as stated in the SERFF.

## **Objection 3**

**Comments:**

Regarding the medical trend assumptions,

- a. Table 29 of the filing shows a minimum and maximum of medical trend for Vermont while Table 28 shows that only the maximum trend is used in all three areas. Please clarify what trend assumptions are being used in the pricing model.
- b. If the trend assumptions used in the model are different from those shown in the confidential Supplemental Exhibits, please provide support for the trend assumptions in a similar format as the confidential Supplemental Exhibits.
- c. Explain the change in the professional unit trend from 2015 to 2016 that is shown in the confidential Supplemental Exhibits.

**Response:**

Please see response in "Objection Letter 1 Confidential Responses".

## **Objection 4**

**Comments:**

We have observed a significant change in the normalization factor from the 14/13 trend period to 3Q YTD 15/14 trend period, as shown in the confidential Supplemental Exhibits. What are the driving factors for such change, and what indicated the need for new normalization factors?

**Response:**

As noted in the prior year's objection #4, question #1 follow-up response, the 2014/2013 observed trend normalization factor was -16.7%. Of this factor, -14.4% was related to the State of VT account (which we lost on 1/1/2014) and -2.3% of this factor is related to all other accounts within the book of business.

The largest driver of the normalization factor was demographics, which accounted for -12.1% of the total, indicating that the average age of the VT population in 2014 was younger than in 2013. When we re-calculated the demographic factor excluding the State of VT account, the change in demographic factors was -0.4%. It can be assumed that -11.7% of the aggregate demographic factor change was driven by State of VT. This account represented approximately 33% of Cigna's 2013 book of business.

The 2014/2015 observed trend normalization factor of -0.6% represents the changes in benefits, demographics and geographies, but unlike prior year, there were no large accounts lost or sold that could have caused a significant normalization factor.

## **Objection 5**

**Comments:**

Regarding the driving factors of pharmacy trends indicated in the confidential Supplemental Exhibits, please provide more detail about the impacts to total pharmacy trends from 2014 to 2015 and 2015 to 2016. Additionally, provide quantitative support for the pharmacy trends, such as historical experience or any other details outlining how the trends were developed.

**Response:**

Please see response in "Objection Letter 1 Confidential Responses".

## **Objection 6**

**Comments:**

What is the basis for the updates to your medical area factors? Provide in more detail about the process of updating the medical area factors and the experience that supports the updates.

**Response:**

As noted in prior year's objection letter #4, response #8, our area factors are developed using the claims experience within a specific rating area. For VT300A, medical area factors are developed based on the claims experience of the residents who live in the state of VT for our OAP product. For the most recent rate review, we used the FY2014 claims experience. Using that book of business, we can calculate the manual rates by running the benefits that these members have through our proposed pricing methodology and pricing factors. We then compare the actual claims experience to the manual rates to see whether they are in-line with each other. We review many cuts of data, including various funding arrangements, member account levels, exclusion of outliers, etc. to ensure we are using a credible book of business when analyzing these cuts of data and then determine an action (moving the manual rates closer to the experience either up or down). Note: Given the late timing of last year's filing process, we previously provided the results of the rate review which helped set the current filed and approved area factor.

To calculate the proposed area factor, as outlined in Objection 1, we simply took the filed and approved area factor (based in 2013) and trended it forward one year. Because the base medical manual claims were also trended forward, we normalized the impact of that change. Mechanically, the impact to the VT area factor becomes the difference between 2014 VT filed and approved trend and 2014 filed and approved national trend applied to the filed and approved area factor. Note there were no changes to these assumptions since last filing. 2014 National trend = 8.5%. The 2014 filed and approved trend for VT is 10.1%.

Proposed Area Factor = Filed and approved area factor x (1 + VT specific trend) / (1+ national trend)

$$0.83 \times (1.101)/(1.085) = 0.85$$

## **Objection 7**

**Comments:**

The actuarial memorandum has listed the addition of a few community rate loads. Please explain the reason for adding each of these factors and their pricing impact.

**Response:**

The actuarial memorandum lists the addition of the following community rate loads:

- 1) More multiple offering load
- 2) More office surgery adjustment options
- 3) Lock-in decrement
- 4) Case-size adjustment
- 5) Criteria-Based Network Adjustment
- 6) ER/UC steerage adjustment
- 7) Medical specialty drugs steerage adjustment
- 8) Independent lab steerage adjustment
- 9) Enhanced Non-Par Claims Adjustment

Numbers 2, 6, 7, 8, 9 pertain to new product features or existing features that we have never sold before. These additions provide additional benefit flexibility, allowing clients to elect

richer/leaner benefit options. The pricing relativity has been highlighted in Table 17 within the rate manual.

Numbers 1, 3, 4 and 5 are enhancements to our methodology. As previously explained, by design of the rate review process, methodology changes are neutralized out at the rating area level, such that the average impact of methodology changes are 0% (i.e. the average manual is aligned to the average experience). These adjustments are mostly applicable to non-VT resident states and there are no significant impacts to VT rating.

## **Objection 8**

### **Comments:**

Regarding the 0.0075 demographic aging factor,

- a. Explain why it is necessary to make demographic aging adjustments
- b. Provide more detailed quantitative and qualitative support for its derivation
- c. Provide an example based on a real live case from previous year to illustrate the demographic aging adjustment
- d. What is the impact of implementing the demographic aging factor on the manual rates?

### **Response:**

Our methodology includes a demo factor that takes into account the effect of the case population as of a point in time. Neither this factor, nor our trend, takes into account the effect of aging within the census over the case period. The demographic aging factor reflects the aging of the census from the time the census is evaluated to the policy effective period.

Our study found that on average, claim costs should be increasing by a trend of 1% annually due to demographic aging. However, the data used in the study likely overstates the effect due to the economic recession, and we have estimated that the long-term trend for demographic aging is closer to 0.75% annually, based on 1999-2009 insured lives data from the US Census Bureau.

The adjustment impact is approximately 0.75%. The formula below illustrates the effect of aging within a census:

$0.75\% \times \# \text{ of years between the census evaluation and the midpoint of the case effective period}$

## **Objection 9**

### **Comments:**

How was the cap on utilization dampening determined for PCP, SCP and others, respectively, and explain the reasons for adding the cap.

### **Response:**

We added a cap on utilization dampening because there was already a floor in place and we decided there should be a correlating ceiling to account for rich plan designs. There is a limit to reasonable utilization based on lower cost share and that limit was set per our actuarial judgment.

## **Objection 10**

### **Comments:**

We have observed a 9.5% increase in the minimum and maximum Mental Health/Substance Use Disorders OAP/PPO Rates from last filing. Please provide more detailed support for such increase, including the experience used for the derivation of the new rates.

**Response:**

Below is a summary of 2014 and 2015 claims experience for Cigna's OAP/PPO MHSA product to support the change in base rates of 9.5% shown below. One of the indicators of the overall rate increase, in addition to regional influences, is the year over year change in PMPMs related to benefit neutral renewals, which is an 8.8% change.

Proclaim Cap. Rate			
Filing	State	Minimum	Maximum
2015	VT	\$10.37	\$18.44
2016	VT	\$11.35	\$20.19
YoY Change	VT	9.5%	9.5%

	2014			2015			PMPM
	Claims	MMOS	PMPM	Claims	MMOS	PMPM	% Change
Benefit Neutral	\$ 589,861	40,216	\$ 14.67	\$ 624,662	39,148	\$ 15.96	8.8%

**Objection 11**

**Comments:**

Please elaborate the pharmacy area factor by base rating area and product type.

**Response:**

The table below outlines pharmacy area factors by base rating area and product type.

Area Description	Rating Area	Product	Proclaim Area Factor	Facets Area Factor
VT, VERMONT	VTNWK1	NWK	0.84	0.79
VT, VERMONT	VTOAP1	OAP	0.84	0.79
VT, VERMONT	VTPPOA	PPO	0.84	0.79

The area factor variation between our Proclaim platform and Facets platform reflects differences in observed claim experience. The Facets platform is typically used for cases with less than 250 eligible employees. The Proclaim platform is typically used for the cases with greater than 250 eligible employees. Some of this variation is the result of subtle product differences that occur between the two different claims platforms that the products are adjudicated on.

**Objection 12**

**Comments:**

We have noticed a few new formulary types listed in your filing (e.g. legacy, DRT). What is the reason for the new formulary types, and how are they mapped to your current formulary types?

**Response:**

We do not have any new formularies this year. We have updated the names of the formularies in the rate filing to match the names we use to market the formularies to our customers. We apologize for any confusion caused by this update. A mapping from the 'old' naming convention to the 'new' naming convention is listed below.

<b>Proclaim Formularies</b>		<b>Facets Formularies</b>	
Old Formulary Name	New Formulary Name	Old Formulary Name	New Formulary Name
Standard Open	Legacy	Performance Open	Legacy
Standard Closed	Standard	Performance Closed	Performance
Value Open	Value	Advantage Open	Advantage
Value Closed	Value DRT	Advantage Closed	Advantage DRT
		Generics Only Open	Generics Only

## **Objection 13**

### **Comments:**

Provide the derivation of the projected federal MLR for 2016, starting with your target loss ratio.

### **Response:**

<b>Projected MLR</b>	<b>82.2%</b>
+ Risk Charges	0.4%
- TPV Admin	-1.6%
+ QI Expenses	0.1%
+ PPACA Fees	2.0%
+ Premium Tax	1.8%
+ Fed Income Tax	1.5%
<b>Federal MLR</b>	<b>86.4%</b>

The following assumptions apply to the projected federal MLR for 2016:

- Risk charges are a component of policy holder product design within the shared returns product. If a clients' claims experience runs at or better than set expectations inclusive of the risk charge, the client shares in the favorable experience up to 100%.
- Third Party Vendor administrative expenses are a deduction from the claims in the federal MLR. Assumption of 1.6% of premium based on final 2014 results.
- QI expenses assumed to be 0.14% of premium, based on final 2014 results.
- PPACA fee assumptions:
  - o Reinsurance PMPM of \$2.25 or 0.50% of premium, based on a \$454 PMPM premium (grounded in VT historical results)
  - o HII Fee set to 1.9% of premium (3% pricing assumption \* 0.65 tax adjustment). Note that this fee is not required for cases with a 1/1/17 effective date
- Premium tax of 2.1% based on VT historical results

- Federal income tax is based on a 35% tax rate adjusted for non-tax deductibility of HII fee.

## **Objection 14**

### **Comments:**

Please explain any significant changes in the retention assumptions, and explain how the retention assumptions in this filing compare to experience.

### **Response:**

<b>Retention Assumptions</b>	<b>Prior</b>	<b>Proposed</b>	<b>Change</b>	
Administrative Expenses	7.0%	6.0%	-1.0%	A
Optional Buy-ups	0.0%	0.6%	0.6%	B
PPACA Fees	3.8%	3.5%	-0.3%	C
Risk Charge	1.0%	0.4%	-0.6%	D
Premium and Income Taxes	2.0%	2.0%	0.0%	
State Assessments	0.9%	1.5%	0.6%	E
Commissions	1.2%	0.4%	-0.8%	F
Profit	1.0%	3.5%	2.5%	G
<b>Total Retention</b>	<b>16.9%</b>	<b>17.8%</b>	<b>1.0%</b>	
MLR	83.1%	82.2%		

A – Administrative expenses decreased by 1.0% due to a decrease in administrative fees for GC (0.4%) and state assessments (0.6%). See below for more detail on state assessments.

B – This is the first year that optional buy-ups are included in our filing. This line item is intended to represent the average expense attributed to additional programs electively purchased by certain clients in the VT book of business. An example of these programs includes our Healthy Pregnancy program.

C – PPACA fees decreased by 0.3% due to a decrease in the reinsurance fee from \$44 PMPY to \$27 PMPY.

D – Risk charges decreased by 0.6% due to a shift in membership towards our guaranteed cost product.

E – In the State of VT, VT HC Claims Tax makes up 0.9% and VT Immunization Vaccine Purchasing Program makes up 0.6%. In the prior year, we bucketed the 0.6% related to the vaccine purchasing program in administrative expenses. Effectively, there is no change here.

F – The decrease of -0.8% is due to a shift in membership between fully insured products.

G – Per the requirement of the GMCB, the profit assumption in our filed and approved rating methodology is 1.0%. In this proposed filing, we are submitting assumptions for retention which includes a profit assumption of 3.5%. Please see reference to Cigna's position regarding this assumption in the below link:



[http://ratereview.vermont.gov/sites/dfr/files/GMCB\\_006\\_15rr\\_Cigna\\_SupplementalMemo.pdf](http://ratereview.vermont.gov/sites/dfr/files/GMCB_006_15rr_Cigna_SupplementalMemo.pdf).

CHLIC did not pay a rebate in 2013 or 2014 and does not anticipate paying a rebate in 2015 or 2016.

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## **Objection 1**

**Comment:**

Please explain in more details the “representative sample of VT sitused business” referenced in response #1. What are the criteria of selecting the sample? How representative was the sample of the total insured lives in the state of VT?

**Response:**

The representative sample of VT sitused business includes insured cases plus self-insured cases within our book of business. Our representative sample includes 15 fully insured cases (this agrees to cases represented in the SERFF) and 66 self-insured cases. We include self-insured cases in our analysis because it provides more credibility (the member months for fully insured cases are 33,266 and the member months for self-insured cases are 432,706).

## **Objection 2**

**Comment:**

As stated in response #2, “minor changes were made to the shaping of our CPD based on book of business claims experience”. Please provide a comparison of the shaping of the CPD before and after the changes and explain in more details why these changes are necessary.

**Response:**

The changes to the CPD table included in our current submission include updated claims experience and breaking out inpatient facility and professional, both of which allow for more benefit flexibility and overall more accurate pricing.

See excel document for the current and prior CPD charts.

## **Objection 3**

**Comments:**

Response # 2 indicates that “the combination of all pricing methodology changes (including area factors and base rates, and retention) result in an overall rate change of -1.10%”. Please provide a breakdown of the -1.10% that corresponds to the effects of the above referenced factors respectively.

**Response:**

Our overall rate impact of -1.1% is comprised of a -2.2% change in manual rates and a +1.1% change in retention. The biggest driver of the -2.2% change is changes in our prospective trend assumptions. As highlighted in our filing exhibits, we are decreasing our 2015/2014 medical trend assumption from 10.0% to 9.7% and our 2016/2015 medical trend assumption from 10.0% to 8.9%. These changes result in approximately -1.5% of impact for VT residents.

The underlying detail of the change in retention is documented in Objection Letter 1, Response #14.

## **Objection 4**

**Comments:**

We noted that the number of covered lives and member months decreased significantly from the last filing. Please explain how this decrease was being considered in the 2014/2015 trend normalization factor.

**Response:**

Our prior filing displayed the 2013 Supplemental Healthcare Exhibit (SHCE) data and our current filing displays the 2014 SHCE data. The largest driver of the change in covered lives and member months between the two years is the State of VT account. This account was included in our counts in 2013, but we lost this case on 1/1/2014, so it was not included in our counts in 2014.

We do not anticipate as significant a change in covered lives or member months from the 2014 SHCE to the 2015 SHCE.

## **Objection 5**

**Comments:**

Provide the definition of “lock-in decrement”. Under what circumstances would the 0.99 factor be applied?

**Response:**

The lock-in decrement represents a pricing adjustment applied to plans without out-of-network benefits.

## **Objection 6**

**Comments:**

Provide the definition of “criteria-based network adjustment”. Under what circumstances would this factor be applied? Also, why would the adjustment vary from 0.8505 to 0.9999?

**Response:**

Criteria-based network adjustments reflect improved provider reimbursement rates when certain criteria are met (e.g. census location). Currently there are no criteria-based network adjustments in VT and therefore, this adjustment is not applicable to VT residents.

## **Objection 7**

**Comments:**

Provide an example based on a real live case from previous year to illustrate how the demographic aging adjustment is applied.

**Response:**

Below is an example to illustrate the demographic aging adjustment:

$$= 1 + (((\text{Midpoint of Projection Period} - \text{Census Date}) / 30) / 12) \times \text{DemographicAgingFactor}$$

If the census represents ages as of 7/1/2015 and the effective date is 1/1/2016, then the midpoint date is 7/1/2016.

$$= 1 + (((7/1/2016 - 7/1/2015) / 30) / 12) \times 0.75\%$$

= 1.0076

We calculate an aggregate demo factor using the census and a table of demo factors by age group and gender. The demographic aging adjustment then gets applied to the aggregate demo factor.

Aggregate demo factor x demographic aging adjustment = Applied demo factor

See excel document for more detail.

## **Objection 8**

### **Comments:**

Why is there a variation in the pharmacy area factor between proclaim platform and facets platform? We did not note any variation in the pharmacy area factors in the last filing.

### **Response:**

The area factor variation between our Proclaim platform and Facets platform reflects differences in observed claim experience. The Facets platform is typically used for cases with less than 250 eligible employees. The Proclaim platform is typically used for the cases with greater than 250 eligible employees. Some of this variation is the result of subtle product differences that occur between the two different claims platforms that the products are adjudicated on. This variation is a refinement in our current filed methodology.

## **Objection 9**

### **Comments:**

In response #13, premium tax is stated as 1.8% in the calculation but 2.1% in the assumption write-up. Which one is correct? Would this inconsistency affect any other calculation?

### **Response:**

The premium tax of 2.1% in the assumptions write-up represents a percentage of premium, whereas the 1.8% in the calculation represents the impact of the premium tax on the MLR calculation. In calculating the impact we are removing the 2.1% from premium (the denominator), which lessens the impact to the MLR.

	<b>Calculation</b>		
	<b>Claim</b>	<b>Prem</b>	<b>MLR</b>
	82.20	100	82.2%
Premium Tax Adj	82.20	97.9	84.0%
Change	-	-2.1	1.8%

Current and prior CPD charts.

2015 CPD (Current Submission)											
Annual Frequency	Total Annual Claim	Inpatient Facility	Inpatient Professional	Outpatient		ER		PCP	SCP	PCP & SCP	Other
				Surgery	Facility and Prof	Facility & Professional	PCP				
0.185008531	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0	\$0.00	\$0.00
0.02983056	\$7.57	\$0.01	\$0.01	\$2.58	\$0.10	\$3.44	1.414437965	4.857643427			\$0.01
0.035720253	\$58.27	\$0.04	\$0.04	\$4.73	\$1.80	\$39.54	12.08806354	51.63113325			\$0.04
0.038443267	\$96.90	\$0.07	\$0.07	\$7.82	\$10.98	\$57.29	20.58108451	77.87386315			\$0.08
0.033240278	\$132.92	\$0.14	\$0.14	\$12.89	\$16.72	\$71.98	30.83549937	102.8156234			\$0.21
0.028888112	\$166.91	\$0.25	\$0.25	\$19.04	\$18.29	\$86.89	41.81763418	128.7120561			\$0.36
0.0256613	\$201.08	\$0.28	\$0.28	\$25.61	\$21.91	\$99.82	52.70335793	152.5251001			\$0.49
0.022711152	\$235.96	\$0.37	\$0.37	\$33.28	\$25.83	\$110.56	64.82886237	175.3867322			\$0.72
0.020650973	\$269.38	\$0.56	\$0.56	\$40.16	\$29.10	\$121.91	76.23572709	198.1505228			\$0.84
0.018830319	\$302.13	\$0.57	\$0.57	\$46.74	\$33.55	\$130.82	88.73647675	219.5596908			\$1.14
0.017145331	\$335.61	\$0.73	\$0.73	\$55.24	\$36.83	\$140.03	100.8510472	240.8808937			\$1.21
0.015886476	\$367.72	\$0.89	\$0.89	\$62.15	\$43.18	\$146.58	112.310705	258.8908429			\$1.72
0.014643964	\$399.86	\$1.00	\$1.00	\$68.36	\$48.98	\$153.73	125.1039241	278.8353939			\$1.68
0.013820432	\$432.95	\$1.05	\$1.05	\$76.69	\$54.34	\$160.65	137.120265	297.7673938			\$2.06
0.012849784	\$462.32	\$1.22	\$1.22	\$82.26	\$62.53	\$165.48	147.2064857	312.6861284			\$2.40
0.012090651	\$497.45	\$1.46	\$1.46	\$90.26	\$70.62	\$170.97	159.9328837	330.897947			\$2.76
0.011376781	\$528.64	\$1.73	\$1.73	\$99.40	\$77.50	\$175.06	170.2911777	345.3488757			\$2.93
0.010764825	\$559.62	\$1.68	\$1.68	\$106.41	\$87.05	\$179.05	180.3703437	359.4172668			\$3.37
0.010134519	\$591.89	\$2.30	\$2.30	\$113.54	\$93.30	\$184.50	192.628041	377.1316248			\$3.32
0.009713844	\$623.35	\$2.20	\$2.20	\$123.73	\$103.33	\$187.78	200.5519668	388.3324917			\$3.56
0.009450166	\$655.67	\$2.69	\$2.69	\$129.43	\$115.94	\$190.28	210.3534406	400.635293			\$4.29
0.017269172	\$702.04	\$3.17	\$3.17	\$141.49	\$128.77	\$196.38	224.6022568	420.9867144			\$4.46
0.015935912	\$758.58	\$3.72	\$3.72	\$154.53	\$148.60	\$201.76	240.5568151	442.3185291			\$5.70
0.014699359	\$827.92	\$4.87	\$4.87	\$168.91	\$173.90	\$207.81	260.8010826	468.612174			\$6.76
0.013431533	\$896.86	\$7.16	\$5.96	\$188.15	\$196.85	\$212.98	279.0963133	492.0725266			\$6.68
0.012583283	\$960.04	\$9.88	\$7.30	\$202.83	\$215.28	\$222.65	294.3542731	517.0092189			\$7.74
0.011606205	\$1,027.36	\$13.11	\$8.87	\$218.13	\$241.54	\$227.40	309.2549733	536.6550885			\$9.06
0.010922417	\$1,093.05	\$16.87	\$10.62	\$237.41	\$261.36	\$232.35	325.1011925	557.4550168			\$9.34
0.010191765	\$1,162.75	\$20.66	\$12.24	\$258.24	\$280.80	\$237.29	342.4545486	579.7414919			\$11.07
0.009534044	\$1,226.96	\$26.12	\$14.66	\$275.35	\$298.74	\$238.22	360.9326444	599.1508706			\$12.94
0.009020771	\$1,294.47	\$31.44	\$16.83	\$298.11	\$318.18	\$243.92	372.3313954	616.2559207			\$13.65
0.038438875	\$1,482.36	\$41.19	\$21.11	\$365.24	\$368.22	\$257.03	411.7867579	668.8156532			\$17.78
0.02953611	\$1,831.67	\$59.21	\$29.14	\$493.13	\$458.91	\$280.28	485.0425089	765.3210727			\$25.96
0.023444438	\$2,175.86	\$62.10	\$29.45	\$643.52	\$553.48	\$302.22	550.7799587	852.9989869			\$34.31
0.019101526	\$2,536.27	\$70.15	\$32.13	\$814.11	\$641.53	\$320.12	613.8187857	933.934798			\$44.42
0.01609617	\$2,893.06	\$86.35	\$38.27	\$985.71	\$726.47	\$331.19	670.1303431	1001.32256			\$54.93
0.013544928	\$3,288.29	\$95.08	\$40.85	\$1,179.19	\$826.89	\$353.45	728.3603653	1081.807744			\$64.48
0.011613702	\$3,634.29	\$109.26	\$45.58	\$1,360.99	\$899.61	\$368.61	772.3267764	1140.940022			\$77.90
0.010143929	\$4,017.76	\$126.27	\$51.22	\$1,567.20	\$972.55	\$377.42	831.2866823	1208.707691			\$91.82
0.008845927	\$4,423.52	\$160.61	\$63.41	\$1,799.29	\$1,040.81	\$386.76	869.2437445	1256.007945			\$103.38
0.007713139	\$4,829.33	\$192.60	\$74.10	\$2,026.89	\$1,101.59	\$394.89	916.7013781	1311.586866			\$122.56
0.006958491	\$5,280.51	\$255.99	\$96.05	\$2,218.75	\$1,200.19	\$406.38	955.8713906	1362.254065			\$147.28
0.006251459	\$5,647.69	\$327.86	\$120.09	\$2,446.24	\$1,235.24	\$404.33	959.5856361	1363.914498			\$154.35
0.005676863	\$6,066.62	\$418.24	\$149.66	\$2,656.94	\$1,248.84	\$409.49	1013.346675	1422.835			\$170.11
0.005190127	\$6,537.83	\$540.43	\$189.05	\$2,861.64	\$1,321.11	\$420.27	1006.2113	1426.484754			\$199.12
0.004710701	\$7,052.96	\$653.11	\$223.50	\$3,080.67	\$1,404.44	\$419.28	1049.570203	1468.849091			\$222.40
0.004436483	\$7,412.10	\$808.97	\$270.97	\$3,189.02	\$1,418.81	\$413.26	1068.751251	1482.011277			\$242.32
0.004127698	\$7,863.57	\$939.63	\$308.24	\$3,395.39	\$1,427.15	\$431.10	1093.00409	1524.108557			\$269.04
0.003749589	\$8,336.69	\$1,095.03	\$351.98	\$3,583.27	\$1,485.38	\$419.42	1125.764563	1545.183615			\$275.85
0.003506112	\$8,752.07	\$1,207.34	\$380.44	\$3,696.41	\$1,568.24	\$439.17	1153.571583	1592.739183			\$306.90
0.003235094	\$9,255.71	\$1,355.07	\$418.76	\$3,885.40	\$1,638.66	\$450.30	1179.867741	1630.164096			\$327.66
0.002993592	\$9,687.94	\$1,504.87	\$456.28	\$4,080.35	\$1,641.20	\$439.07	1216.836948	1655.911367			\$349.32
0.002891051	\$10,178.12	\$1,689.73	\$502.86	\$4,243.01	\$1,707.90	\$432.88	1217.362296	1650.247093			\$384.38
0.002706326	\$10,674.65	\$1,963.68	\$573.78	\$4,367.13	\$1,687.33	\$443.63	1236.408553	1680.035643			\$402.69
0.00251219	\$11,102.33	\$2,153.74	\$618.10	\$4,447.52	\$1,748.32	\$454.39	1267.987038	1722.380318			\$412.27
0.002394215	\$11,485.61	\$2,132.51	\$601.28	\$4,764.23	\$1,783.81	\$450.01	1300.913382	1750.920051			\$452.86
0.002211215	\$11,794.25	\$2,331.67	\$646.11	\$4,851.48	\$1,801.56	\$445.24	1261.991725	1707.230815			\$456.20
0.002078686	\$12,369.21	\$2,519.41	\$686.29	\$4,962.53	\$1,926.43	\$453.21	1329.749003	1782.962657			\$491.58
0.001991703	\$12,791.28	\$2,558.61	\$685.33	\$5,225.61	\$1,955.32	\$469.19	1386.092495	1855.282211			\$511.13
0.001879123	\$13,293.49	\$2,780.95	\$732.62	\$5,289.42	\$2,066.05	\$468.41	1428.587333	1897.001168			\$527.45
0.001711368	\$13,756.33	\$2,896.73	\$750.72	\$5,487.50	\$2,133.45	\$489.77	1437.246542	1927.013318			\$560.91
0.001636211	\$14,033.13	\$2,950.33	\$752.36	\$5,713.21	\$2,087.08	\$488.61	1413.721496	1902.333007			\$627.82
0.001578745	\$14,618.78	\$3,185.19	\$799.40	\$5,784.83	\$2,144.27	\$508.71	1571.613326	2080.32175			\$624.77
0.00144631	\$15,096.34	\$3,252.52	\$803.54	\$6,159.78	\$2,171.66	\$500.89	1523.077629	2023.972595			\$684.88
0.001390569	\$15,436.63	\$3,492.47	\$849.49	\$6,045.56	\$2,260.55	\$493.45	1611.809835	2105.264409			\$683.30
0.001315161	\$15,925.45	\$3,795.54	\$909.10	\$6,148.20	\$2,259.76	\$489.42	1602.611695	2092.027357			\$720.82
0.001281691	\$16,313.55	\$3,895.34	\$918.90	\$6,382.98	\$2,389.39	\$495.57	1534.835929	2030.410228			\$696.53

0.002269183	\$16,831.41	\$4,015.41	\$933.06	\$6,538.52	\$2,454.93	\$513.77	1625.397175	2139.171614	\$750.31
0.00209001	\$17,697.24	\$4,363.21	\$998.87	\$6,838.93	\$2,495.19	\$531.69	1688.658753	2220.34507	\$780.69
0.001903057	\$18,315.06	\$4,540.93	\$1,024.31	\$7,107.71	\$2,470.72	\$529.12	1771.679579	2300.80194	\$870.58
0.001757479	\$18,803.94	\$4,645.09	\$1,032.58	\$7,377.44	\$2,506.32	\$572.44	1775.968845	2348.412326	\$894.09
0.001614755	\$19,411.85	\$4,861.00	\$1,065.02	\$7,457.45	\$2,674.29	\$555.59	1892.157855	2447.744365	\$906.35
0.001506787	\$20,485.42	\$5,416.48	\$1,169.77	\$7,748.88	\$2,657.20	\$558.50	1927.569483	2486.07197	\$1,007.01
0.001290129	\$21,424.56	\$5,371.81	\$1,143.69	\$8,461.77	\$2,813.42	\$585.75	1995.166344	2580.916514	\$1,052.96
0.001210329	\$21,915.08	\$5,830.49	\$1,223.90	\$8,313.37	\$2,815.50	\$634.01	2052.300288	2686.310556	\$1,045.51
0.001164124	\$22,687.52	\$6,064.39	\$1,255.24	\$8,762.19	\$2,800.10	\$616.67	2122.873366	2739.541567	\$1,066.05
0.001117198	\$22,293.77	\$6,190.93	\$1,263.69	\$8,211.77	\$2,841.93	\$604.82	2113.932832	2718.749817	\$1,066.71
0.007685159	\$26,652.43	\$8,351.72	\$1,681.30	\$9,291.01	\$3,001.25	\$653.85	2373.022103	3026.872193	\$1,300.29
0.004276099	\$36,206.43	\$13,174.48	\$2,615.95	\$11,590.42	\$3,244.57	\$734.99	3083.987842	3818.982066	\$1,762.03
0.002726777	\$43,259.68	\$16,936.77	\$3,317.35	\$13,164.04	\$3,416.28	\$854.47	3568.920381	4423.388871	\$2,001.86
0.001931696	\$50,716.08	\$20,342.68	\$3,930.69	\$15,634.05	\$3,584.04	\$936.20	4028.299838	4964.496073	\$2,260.12
0.001332664	\$60,450.75	\$25,503.59	\$4,861.80	\$17,985.49	\$3,915.22	\$1,057.18	4491.381932	5548.561337	\$2,636.08
0.000901826	\$69,737.33	\$29,660.48	\$5,578.82	\$20,652.41	\$3,775.44	\$1,191.36	5837.570046	7028.931528	\$3,041.24
8.18388E-05	\$77,036.70	\$32,936.76	\$6,112.87	\$24,483.01	\$3,385.04	\$1,290.99	5280.374184	6571.360377	\$3,547.67
8.31876E-05	\$80,303.92	\$34,149.63	\$6,254.31	\$23,868.03	\$4,496.62	\$1,185.87	6771.522278	7957.394599	\$3,577.94
7.84824E-05	\$82,207.16	\$34,480.02	\$6,231.88	\$19,986.81	\$3,796.55	\$1,374.59	6634.41413	8009.002913	\$2,664.90
8.10859E-05	\$81,128.00	\$37,874.08	\$6,755.83	\$21,899.33	\$3,770.69	\$1,792.18	5730.870298	7523.048213	\$3,305.02
7.18638E-05	\$79,416.20	\$33,775.29	\$5,946.29	\$25,228.39	\$4,585.61	\$1,272.57	4990.745631	6263.31335	\$3,617.30
8.53833E-05	\$81,189.61	\$37,601.23	\$6,534.07	\$22,342.98	\$3,910.91	\$1,278.38	7005.858185	8284.235726	\$2,516.18
6.9919E-05	\$82,207.23	\$38,815.01	\$6,657.93	\$21,189.88	\$5,694.38	\$1,605.67	5549.64155	7155.31375	\$2,694.72
7.42164E-05	\$79,475.96	\$34,484.00	\$5,838.97	\$24,641.06	\$3,600.30	\$1,156.60	6018.479909	7175.076438	\$3,736.55
7.10169E-05	\$85,117.60	\$37,843.87	\$6,325.78	\$25,535.19	\$3,649.75	\$1,424.24	6715.089122	8139.329707	\$3,623.68
6.07282E-05	\$85,936.04	\$38,376.63	\$6,332.93	\$23,508.84	\$4,936.85	\$1,321.09	6195.06233	7516.153125	\$5,264.64
0.001959896	\$106,253.01	\$48,063.92	\$7,830.59	\$32,005.98	\$4,931.53	\$1,692.13	8125.220579	9817.354465	\$3,603.63
0.000849379	\$155,656.62	\$71,265.82	\$11,463.33	\$49,992.53	\$5,835.05	\$2,425.04	11007.99732	13433.03312	\$3,666.85
0.000438303	\$206,510.06	\$93,313.00	\$14,819.81	\$73,526.72	\$5,929.56	\$2,218.92	12162.79974	14381.71871	\$4,539.26
0.000269858	\$254,518.13	\$113,012.18	\$17,721.95	\$95,993.16	\$7,908.24	\$2,509.67	12973.49519	15483.16844	\$4,399.43
0.00016098	\$301,647.54	\$148,227.51	\$22,951.70	\$106,298.77	\$6,327.76	\$2,671.38	10574.05559	13245.43542	\$4,596.38
0.000102008	\$341,266.03	\$166,256.64	\$25,420.14	\$119,076.11	\$9,668.31	\$2,441.74	13662.8089	16104.54635	\$4,740.29
7.4185E-05	\$396,420.41	\$206,622.12	\$31,196.14	\$133,721.81	\$7,728.01	\$1,631.05	9437.445023	11068.49362	\$6,083.84
4.80869E-05	\$438,150.17	\$229,372.66	\$34,198.09	\$139,166.81	\$9,048.62	\$2,416.98	18994.97479	21411.956	\$4,952.03
3.73591E-05	\$488,996.20	\$277,535.13	\$40,862.48	\$143,736.68	\$7,308.02	\$1,583.89	11701.43277	13285.32143	\$6,268.57
2.58785E-05	\$549,204.51	\$325,082.96	\$47,266.87	\$151,114.20	\$5,891.79	\$7,189.46	9247.270617	16436.73519	\$3,411.97
1.64368E-05	\$593,844.78	\$387,992.53	\$55,712.21	\$131,713.04	\$7,259.97	\$1,145.05	5925.179434	7070.229623	\$4,096.81
1.41469E-05	\$640,417.64	\$373,699.11	\$52,993.32	\$187,381.57	\$16,402.44	\$2,140.22	4557.499512	6697.720976	\$3,243.48
1.23589E-05	\$703,777.71	\$434,207.25	\$60,810.00	\$167,601.93	\$25,782.58	\$1,272.10	4518.771351	5790.872703	\$9,585.07
8.34385E-06	\$758,851.65	\$444,189.34	\$61,437.13	\$209,813.75	\$30,760.83	\$2,094.58	7380.848214	9475.431071	\$3,175.18
5.89716E-06	\$782,953.23	\$512,327.68	\$69,984.31	\$159,029.90	\$30,145.09	\$1,206.08	5268.9245	6474.9995	\$4,991.25
6.86956E-06	\$770,486.83	\$505,613.76	\$68,212.84	\$140,659.06	\$16,118.59	\$931.41	36466.15348	37397.56261	\$2,485.02
5.52074E-06	\$908,357.74	\$673,603.02	\$89,753.07	\$120,130.33	\$15,184.00	\$2,216.40	3253.771875	5470.17	\$4,217.16
4.92476E-06	\$943,635.19	\$649,930.58	\$85,528.94	\$188,969.89	\$4,636.36	\$2,547.49	5071.152667	7618.646667	\$6,950.79
5.39527E-06	\$1,045,398.39	\$768,765.20	\$99,917.76	\$153,143.79	\$8,663.93	\$1,578.21	5592.469474	7170.675789	\$7,737.04
4.70518E-06	\$1,136,309.17	\$911,308.71	\$116,981.90	\$89,059.92	\$9,004.40	\$2,460.55	3758.433125	6218.98125	\$3,735.25
2.47806E-06	\$1,217,221.75	\$819,290.52	\$103,871.35	\$280,187.77	\$4,786.83	\$626.17	4494.653333	5120.827778	\$3,964.44
3.4191E-06	\$1,310,658.50	\$921,860.84	\$115,432.41	\$238,996.44	\$7,010.00	\$1,001.73	4597.393	5599.118	\$21,759.71
2.28985E-06	\$1,254,346.89	\$818,375.02	\$101,208.82	\$313,899.69	\$4,590.68	\$1,759.33	6945.755714	8705.087143	\$7,567.61
8.21838E-06	\$1,566,126.48	\$1,198,880.94	\$146,434.69	\$192,458.73	\$10,311.53	\$927.48	6631.255833	7558.736667	\$10,481.85
1.50566E-06	\$2,170,414.30	\$1,868,513.51	\$225,405.09	\$54,754.80	\$8,555.78	\$8,003.86	1850.722	9854.582	\$3,330.54
1.06651E-06	\$2,839,497.32	\$1,648,717.54	\$196,431.08	\$990,514.17	\$902.73	\$604.15	652.3933333	1256.54	\$1,675.26
0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0	0	\$0.00
0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0	0	\$0.00

2014 CPD (Prior Submission)										
Annual Frequency	Total Annual Claim	Inpatient Facility & Professional	Outpatient		ER		PCP	SCP	PCP & SCP	121 Other
			Surgey Facility and Prof	Professional	Facility & Professional	Professional				
0.213176498	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0	\$0.00	\$0.00
0.035420628	\$8.26	\$0.01	\$0.01	\$2.55	\$0.09	\$4.03	1.554514069	5.584156121	5.584156121	\$0.01
0.038151048	\$58.69	\$0.03	\$0.03	\$5.06	\$1.71	\$39.95	11.87116196	51.8197092	51.8197092	\$0.04
0.039686379	\$97.14	\$0.06	\$0.06	\$8.09	\$10.25	\$58.47	20.11039258	78.57563263	78.57563263	\$0.10
0.033359864	\$132.81	\$0.14	\$0.14	\$13.71	\$14.89	\$74.19	29.51507302	103.7065997	103.7065997	\$0.22
0.028588317	\$166.69	\$0.18	\$0.18	\$20.10	\$15.98	\$89.12	40.68962851	129.806017	129.806017	\$0.45
0.024970554	\$203.79	\$0.27	\$0.27	\$27.23	\$20.48	\$103.36	51.63258443	154.9941265	154.9941265	\$0.54
0.022075599	\$235.95	\$0.32	\$0.32	\$34.86	\$23.52	\$114.05	62.16005889	176.210828	176.210828	\$0.71
0.019781235	\$272.30	\$0.45	\$0.45	\$43.03	\$28.08	\$125.30	74.16062469	199.4654802	199.4654802	\$0.82
0.017994698	\$304.71	\$0.55	\$0.55	\$49.96	\$31.96	\$134.93	85.73563516	220.6668351	220.6668351	\$1.01
0.016393687	\$336.99	\$0.67	\$0.67	\$58.47	\$36.87	\$141.85	97.05742127	238.9043523	238.9043523	\$1.40
0.015217897	\$368.71	\$0.76	\$0.76	\$64.98	\$43.75	\$149.06	107.9269321	256.9853366	256.9853366	\$1.48
0.013960516	\$404.01	\$0.97	\$0.97	\$74.12	\$49.34	\$156.87	120.0198479	276.8848567	276.8848567	\$1.73
0.012965851	\$435.46	\$0.97	\$0.97	\$81.82	\$56.96	\$161.89	130.8799107	292.7720991	292.7720991	\$1.96
0.012197339	\$466.86	\$1.02	\$1.02	\$89.52	\$65.49	\$165.48	142.0035447	307.483973	307.483973	\$2.32
0.011387523	\$498.56	\$1.09	\$1.09	\$98.80	\$71.76	\$170.01	153.0067817	323.0128797	323.0128797	\$2.80
0.010624767	\$529.52	\$1.36	\$1.36	\$105.37	\$81.29	\$174.70	162.1325969	336.8332412	336.8332412	\$3.30
0.010042119	\$562.79	\$1.49	\$1.49	\$114.23	\$89.55	\$176.54	176.3956335	352.9400182	352.9400182	\$3.09
0.009716771	\$588.93	\$1.88	\$1.88	\$121.20	\$87.52	\$181.31	179.5986656	360.9116425	360.9116425	\$3.47
0.009251601	\$618.65	\$2.20	\$2.20	\$129.12	\$108.37	\$183.60	189.8011977	373.4038742	373.4038742	\$3.36
0.008848048	\$648.99	\$2.51	\$2.51	\$138.56	\$119.55	\$183.86	197.8850622	381.7425682	381.7425682	\$4.12
0.016497284	\$694.86	\$3.27	\$3.27	\$149.14	\$130.44	\$188.45	215.5770215	404.0310552	404.0310552	\$4.71
0.015120394	\$758.18	\$4.11	\$4.11	\$165.30	\$155.65	\$195.89	227.9036552	423.794944	423.794944	\$5.23
0.013981506	\$822.66	\$5.03	\$5.03	\$183.30	\$180.84	\$200.13	242.0073284	442.1355293	442.1355293	\$6.31
0.012971268	\$885.29	\$7.05	\$7.05	\$194.75	\$202.09	\$207.72	259.3316166	467.0560171	467.0560171	\$7.29
0.011990145	\$945.33	\$8.62	\$8.62	\$214.87	\$213.04	\$211.52	279.9511667	491.4750669	491.4750669	\$8.69
0.011152569	\$1,014.83	\$11.73	\$11.73	\$234.30	\$237.50	\$214.14	296.7468017	510.889534	510.889534	\$8.69
0.010412156	\$1,068.99	\$12.82	\$12.82	\$257.29	\$251.61	\$217.57	306.2482387	523.8138052	523.8138052	\$10.63
0.009807164	\$1,135.04	\$16.68	\$16.68	\$272.83	\$272.09	\$224.36	321.0537572	545.414912	545.414912	\$11.35
0.009116519	\$1,205.78	\$20.37	\$20.37	\$291.83	\$291.96	\$227.49	341.2074643	568.6998741	568.6998741	\$12.57
0.008570774	\$1,266.63	\$23.68	\$23.68	\$319.06	\$311.34	\$232.07	342.1213486	574.1891468	574.1891468	\$14.68
0.036424096	\$1,450.44	\$30.46	\$30.46	\$383.18	\$351.60	\$243.91	392.407908	636.3156226	636.3156226	\$18.43
0.028144138	\$1,786.72	\$41.24	\$41.24	\$518.97	\$435.90	\$261.80	460.8538378	722.6575185	722.6575185	\$26.70
0.022241151	\$2,127.67	\$43.45	\$43.45	\$676.56	\$516.86	\$280.59	532.3575745	812.9507623	812.9507623	\$34.39
0.018108451	\$2,474.46	\$48.24	\$48.24	\$843.18	\$607.82	\$293.36	589.1474733	882.5043879	882.5043879	\$44.47
0.015115316	\$2,810.13	\$54.92	\$54.92	\$994.38	\$691.46	\$305.76	653.8622723	959.6257625	959.6257625	\$54.82
0.012637118	\$3,175.32	\$60.75	\$60.75	\$1,191.79	\$762.28	\$318.12	712.429899	1030.551575	1030.551575	\$69.20
0.010966704	\$3,544.15	\$68.46	\$68.46	\$1,393.87	\$833.73	\$329.81	771.1144105	1100.925452	1100.925452	\$78.71
0.009446945	\$3,931.04	\$86.45	\$86.45	\$1,593.42	\$910.39	\$340.25	820.0675394	1160.321813	1160.321813	\$94.01
0.008231884	\$4,281.39	\$109.38	\$109.38	\$1,782.13	\$970.00	\$341.66	858.5474275	1200.209618	1200.209618	\$110.28
0.007353681	\$4,678.85	\$135.31	\$135.31	\$1,994.14	\$1,044.22	\$352.06	891.9912071	1244.053601	1244.053601	\$125.81
0.006554022	\$5,087.02	\$195.81	\$195.81	\$2,159.25	\$1,106.42	\$362.25	917.8729965	1280.124968	1280.124968	\$149.61
0.00585322	\$5,482.04	\$240.94	\$240.94	\$2,383.92	\$1,117.81	\$368.02	966.4764075	1334.49269	1334.49269	\$163.92
0.005330157	\$5,933.17	\$303.87	\$303.87	\$2,562.48	\$1,209.64	\$368.26	998.4633765	1366.719726	1366.719726	\$186.59
0.00484332	\$6,401.30	\$393.36	\$393.36	\$2,757.79	\$1,262.81	\$368.62	1020.608473	1389.226797	1389.226797	\$204.75
0.004461434	\$6,831.68	\$491.18	\$491.18	\$2,926.63	\$1,296.44	\$376.25	1020.292915	1396.544493	1396.544493	\$229.71
0.004098168	\$7,243.61	\$568.41	\$568.41	\$3,043.73	\$1,327.98	\$378.70	1100.84431	1479.543866	1479.543866	\$255.54
0.003766049	\$7,682.50	\$646.62	\$646.62	\$3,272.41	\$1,372.81	\$374.64	1097.48715	1472.127619	1472.127619	\$271.92
0.003490468	\$8,095.75	\$761.37	\$761.37	\$3,354.65	\$1,427.43	\$375.37	1120.451791	1495.824373	1495.824373	\$295.10
0.003214887	\$8,571.97	\$825.10	\$825.10	\$3,562.11	\$1,500.30	\$378.31	1149.653387	1527.958575	1527.958575	\$331.42
0.003018865	\$8,985.87	\$913.56	\$913.56	\$3,787.07	\$1,432.99	\$383.21	1202.196403	1585.407513	1585.407513	\$353.27
0.002809302	\$9,436.85	\$1,033.93	\$1,033.93	\$3,830.64	\$1,590.50	\$379.71	1199.188836	1578.900313	1578.900313	\$368.95
0.002657292	\$9,863.03	\$1,141.12	\$1,141.12	\$3,996.20	\$1,574.42	\$391.84	1236.679016	1628.51794	1628.51794	\$381.66
0.002478537	\$10,133.08	\$1,225.50	\$1,225.50	\$4,080.37	\$1,568.31	\$368.57	1232.249596	1600.819773	1600.819773	\$432.59
0.002364783	\$10,756.02	\$1,309.92	\$1,309.92	\$4,376.64	\$1,672.62	\$374.22	1262.176594	1636.400482	1636.400482	\$450.52
0.002150142	\$11,116.85	\$1,410.15	\$1,410.15	\$4,449.79	\$1,693.27	\$394.31	1278.062237	1672.376624	1672.376624	\$481.11
0.002019799	\$11,718.35	\$1,520.95	\$1,520.95	\$4,638.26	\$1,814.48	\$397.87	1350.458765	1748.333441	1748.333441	\$475.37
0.001886748	\$12,007.85	\$1,608.85	\$1,608.85	\$4,742.64	\$1,797.47	\$400.23	1354.533657	1754.762675	1754.762675	\$495.27
0.001795678	\$12,385.28	\$1,637.60	\$1,637.60	\$4,862.65	\$1,899.65	\$411.91	1383.893737	1795.803414	1795.803414	\$551.97
0.001679555	\$12,819.45	\$1,714.29	\$1,714.29	\$5,081.88	\$1,906.87	\$397.15	1424.256956	1821.403479	1821.403479	\$580.73
0.001538379	\$13,363.41	\$1,802.01	\$1,802.01	\$5,262.00	\$2,008.58	\$410.20	1483.829476	1894.030431	1894.030431	\$594.78
0.001454756	\$13,714.03	\$1,816.37	\$1,816.37	\$5,471.63	\$2,019.65	\$416.37	1523.692278	1940.061105	1940.061105	\$649.95
0.00139314	\$14,108.03	\$1,970.87	\$1,970.87	\$5,640.38	\$1,932.26	\$427.37	1520.085069	1947.450569	1947.450569	\$646.21
0.001317982	\$14,595.05	\$1,965.06	\$1,965.06	\$5,781.25	\$2,112.76	\$415.72	1611.912163	2027.627686	2027.627686	\$743.28
0.001226234	\$15,038.88	\$2,210.86	\$2,210.86	\$5,780.00	\$2,119.06	\$416.97	1585.96455	2002.936618	2002.936618	\$715.16
0.001165633	\$15,197.22	\$2,234.97	\$2,234.97	\$5,931.00	\$2,031.41	\$426.35	1604.074978	2030.429628	2030.429628	\$734.43
0.001111465	\$15,639.37	\$2,233.20	\$2,233.20	\$6,096.96	\$2,186.87	\$473.07	1644.263067	2117.333405	2117.333405	\$771.80
0.002036388	\$16,316.24	\$2,362.33	\$2,362.33	\$6,361.58	\$2,352.75	\$433.71	1652.597259	2086.311328	2086.311328	\$790.94
0.001861018	\$17,000.56	\$2,569.45	\$2,569.45	\$6,356.56	\$2,424.17	\$462.58	1764.454461	2227.033005	2227.033005	\$853.90





**Application of demographic aging adjustment.**

**1) A case has the following dates:**

Census Date 7/1/2015  
 Effective Date 1/1/2016  
 Midpoint Projection Date 7/1/2016

**2) As previously noted in Objection Letter 1, Reponse #8, the demographic aging adjustment is 0.75%.**

**3) The below formula calculates the percentage that will be applied to the demos.**

$$1 + ((\text{Midpoint Projection Date} - \text{Census Date}) / 30) / 12 * \text{Demographic Aging Factor}$$

$$1 + (((7/1/2016 - 7/1/2015) / 30) / 12) * 0.75\%$$

1.0076

**4) The below table represents an example census by gender and age group.**

	Employee		Spouse		Child		Not Used		Aggregate	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
< 20	0	0	0	0	31	31	0	0	31	31
20-24	1	1	0	1	6	6	0	0	7	8
25-29	10	2	0	1	1	1	0	0	11	4
30-34	6	0	0	3	0	0	0	0	6	3
35-39	4	0	0	3	0	0	0	0	4	3
40-44	19	1	1	13	0	0	0	0	20	14
45-49	14	3	1	8	0	0	0	0	15	11
50-54	13	2	1	9	0	0	0	0	14	11
55-59	12	4	1	7	0	0	0	0	13	11
60-64	7	1	2	4	0	0	0	0	9	5
65-69	4	0	0	2	0	0	0	0	4	2
70 +	3	0	0	0	0	0	0	0	3	0

**5) For purposes of this example, we will focus on the application to our medical demo factor.**

The below table represents the medical demo factors by gender and age group (Table 21 in the filing).

Medical	Age Band	Male			Female		
		Employee Factor	Spouse Factor	Child Factor	Employee Factor	Spouse Factor	Child Factor
	00 - 19	0.483	0.483	0.483	0.462	0.462	0.462
	20 - 24	0.385	0.387	0.583	0.833	1.336	0.680
	25 - 29	0.461	0.656	0.721	0.975	1.426	1.569
	30 - 34	0.535	0.651	0.716	1.179	1.401	1.541
	35 - 39	0.632	0.871	0.959	1.165	1.261	1.387
	40 - 44	0.803	0.975	1.072	1.212	1.302	1.432
	45 - 49	0.993	1.298	1.427	1.388	1.496	1.646
	50 - 54	1.340	1.737	1.911	1.574	1.807	1.988
	55 - 59	1.700	2.198	2.418	1.742	2.057	2.263
	60 - 64	2.211	2.963	3.260	2.136	2.543	2.797
	65 - 69	3.658	3.658	4.024	2.926	2.926	3.219
	70 +	4.243	4.243	4.668	3.414	3.414	3.756

**6) Below is the calculation of the demo factor and applied demo factor based on the above detail.**

The applied demo factor reflects the aged census and is what would get applied within the quote.

	Numerator	Demo Factor	Applied Demo Factor
Employee	141.0	1.32	1.33
Spouse	98.5	1.73	1.74
Child	37.9	0.51	0.51
Not Used	0.0	0.00	0.00
Aggregate	277.4	1.16	1.17

# Responses to Objections

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## **Objection 1**

**Comment:**

What is the overall rate impact on a PMPM basis?

**Response:**

The overall rate impact on a PMPM basis is -\$6.25. This can be calculated using the following information from the SERFF:

Requested Rate Annual \$-W.A. = \$567.98

Prior Rate Annual \$-W.A. = \$574.23

Change Requested W.A. = -\$6.25

## **Objection 2**

**Comment:**

Page 8 of the “Objection Letter 1 Responses” uploaded on January 21, 2016 states that, “...due to a decrease in administrative fees for GC (0.4%)...” What does GC stand for?

**Response:**

GC stands for guaranteed cost. This is a fully insured, non-participating funding arrangement where Cigna funds all of the claims and bears all of the claims risk.

## **Objection 3**

**Comments:**

Please update the Actuarial Certification page with appropriate reference. Currently it was referenced to “Commissioner of Insurance”, which should be “Green Mountain Care Board” in Vermont. Also please include all relevant ASOPs that were observed in the Actuarial Certification.

**Response:**

We have updated the Actuarial Certification to include reference to the Green Mountain Care Board.

The most relevant Actuarial Standards of Practice that were considered in the creation of the VT - Cigna LG Major Medical Filing 2016 include:

- ASOP 8: Regulatory Filings for Health Benefits, Accident and Health Insurance, and Entities Providing Health Benefits
- ASOP 23: Data Quality
- ASOP 25: Credibility Procedures
- ASOP 41: Actuarial Communications

## **Objection 4**

**Comments:**

What is the realized profit for the block of Large Group for 2014? Please make sure that the figure can be backed up by the 2014 financial statement.

**Response:**

Cigna's Large Group fully insured book of business in VT only contains 2586 customers, 15 accounts. Given the low credibility of the VT book and the fact that healthcare costs are inherently volatile, the actual historical retention can differ significantly from the expected/projected retention. As such, realized profit should not be used to evaluate the appropriateness of any other pricing assumption. Cigna does not set proposed pricing factors based on historical profit levels.

Per the Supplemental Healthcare Exhibit (SHCE), the realized profit (UW Gain/Loss) for Large group as a % of premium in VT in 2013 and 2014 is 3.7% and 14.5% respectively. The 2015 SHCE is not completed yet, but based on the full year Loss Ratio, we estimate the realized profit in the low single digits.

## **Objection 5**

**Comments:**

To the extent that the 2015 data is available, what is the realized profit for the block of Large Group for 2015? Please make sure that the figure can be backed up by the 2015 annual or quarterly financial statement.

**Response:**

Cigna does not prepare quarterly financial statements for VT and the 2015 annual financial statements (the Supplemental Healthcare Exhibit) for VT will not be available until April 1, 2016.

Matthew Danziger, FSA, MAAA  
Actuarial Director



March 30, 2016

The Green Mountain Care Board  
89 Main Street  
Montpelier, VT 05620  
Attn: Judith Henkin  
Health Policy Director  
[judy.henkin@state.vt.us](mailto:judy.henkin@state.vt.us)

Routing C5PRC  
900 Cottage Grove Road  
Bloomfield, CT 06002  
Telephone (860) 226-1672  
[Matthew.Danziger@cigna.com](mailto:Matthew.Danziger@cigna.com)

RE: GMCB-001-16rr

Dear Ms. Henkin,

Cigna Health and Life Insurance Company (**CHLIC**) has reviewed the decision and order from the Green Mountain Care Board (the "**Board**"). While CHLIC will comply with the Board's order dated March 29, 2016, it does so without prejudice with respect to the points made in its memorandum.

Per the Board's order, in the following submission we have reduced our profit assumption from 3.5% to 1.0%, which results in an overall illustrative average manual rate decrease of -3.9%. If filing approval is received by 4/6/2016, rates will be applied to any new quote issued after the next update to the IT rating system, which is scheduled for 5/16/2016.

Thank you,

A handwritten signature in blue ink that reads "Matthew Danziger".

Matthew Danziger

Cc: Kaili Kuiper (via email [KKuiper@vtlegalaid.org](mailto:KKuiper@vtlegalaid.org) )  
Kelly MacNee (via email [Kelly.Macnee@state.vt.us](mailto:Kelly.Macnee@state.vt.us) )  
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**State:** VermontGMCB **Filing Company:** Cigna Health and Life Insurance Company  
**TOI/Sub-TOI:** H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO  
**Product Name:** Medical  
**Project Name/Number:** CHLIC Rate Filing/

## Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
02/22/2016		Supporting Document	Actuarial Memorandum	03/30/2016	CHLIC-VTexh.pdf CHLIC - VTactuarial memo_Resubmission.pdf (Superseded)
01/21/2016		Rate	Rate manual	03/30/2016	2016 CHLIC Rate Filing-VT_Revised Trend.pdf (Superseded)
09/14/2015		Rate	Rate manual	01/21/2016	2016 CHLIC Rate Filing- VT.pdf (Superseded)
09/14/2015		Supporting Document	Actuarial Memorandum	02/22/2016	CHLIC - VTactuarial memo.pdf (Superseded) CHLIC-VTexh.pdf

## **EXHIBIT I**

### ACTUARIAL MEMORANDUM AND CERTIFICATION

#### Scope and Purpose

The purpose of this filing is to submit CIGNA Health and Life Insurance Company's group manual rating methodology. Our pricing model was developed to provide a consistent rating methodology across products. This filing includes Open Access Plus, PPO, Network, Indemnity, and retiree medical insurance product, and is applicable for groups of 100 or more lives. Methodology is also included for Pharmacy products.

#### Benefit Description

The benefits covered in this memorandum include group health insurance coverage as described in CIGNA Health and Life Insurance Company forms HP-POL et al, and HC-TOC et al.

#### Census

Member level census will be used when available. If only subscriber level data is available, penetration and translation assumptions will be used to create a member level census for manual rate development. The penetration and translation assumptions used are developed from studies of our book of business, which includes experience from similar CIGNA Health and Life Insurance Company ("CHLIC") policies. Penetration estimates the number of subscribers that will select the CIGNA Health and Life Insurance Company plan; the translation process develops projected subscribers and members within rating tiers.

#### Adjustments to Base Claims

The base claim rates by area are adjusted for certain group and member characteristics. These include industry loads and discounts, age and sex demographic adjustments, and trends.

Adjustments for industry (SIC) are developed from a study of our book of business combined with results from an outside consultant's national industry factor assessment study.

Age and sex demographic adjustments are developed from a study of our book of business. The resulting age/sex slopes are normalized to represent the national census.

Trends reflect historical experience from CHLIC's group medical experience and projections for future levels. Medical trend rates are applied on a daily basis.

#### Benefit Plan Adjustments

Base claims are reduced for specific cost sharing features of the product and benefit plan selected. Copay and other cost sharing benefit design related adjustments are made using assumptions regarding utilization levels by base claim component. Claim distributions are used to determine the impact of deductibles, coinsurance and out of pocket maximums. In addition, a utilization dampening factor is applied to reflect lower utilization levels as cost sharing rises.

#### Renewability Clause

The benefit plans covered under this memorandum are guaranteed renewable.

#### Applicability

CHLIC, Inc. anticipates both renewals and new issues from the forms currently filed.

#### Marketing Method

These products are sold to employer-employee groups, labor union groups and association groups through CIGNA Health and Life Insurance Company group sales offices.



### Premium Classes

Premium rates may vary by product, plan design, geographic area, group demographics, industry, effective date, experience, and underwriting discretion.

### Issue Age Range

There are no issue age restrictions in our policy forms; however, eligibility requirements must be fulfilled.

### Premium Modalization Rules

The CIGNA Health and Life Insurance Company Health Manual produces monthly premiums. Modalization factors are expressed as a function of these monthly rates as follows:

Annual	11.8227
Semi-Annual	5.9557
Quarterly	2.9852

### Distribution of Business

Rates vary by geographic location and group specific characteristics, including demographics. Target distribution is to groups with both single employees and employees with dependents, assuming a 40/60 distribution

### Rating

The group rates filed represent the rate level we expect to be necessary to achieve a desired average loss ratio for all group contracts. Accordingly, actual rates for groups will vary as a result of a variety of factors. These include variation in benefit plan, age, gender, family composition, size, industry, area, healthplan claim experience, and underwriting discretion.

Depending upon group size, case specific claim experience may be used to adjust the rate. Credibility is based on group size, pooling level and months of experience. Rates for partially credible groups are based on a blend of experience and manual rating.

For Minimum Premium plans, the premium paid by the policyholder is reduced for the portion of the total claim amount that is expected to be self-insured.

### Anticipated Loss Ratio

The methodology and supporting factors apply to groups of 51 or more employees.

The anticipated large group loss ratio for this policy is 82.2%.

The components of Cigna's retention for our Large Group pricing are as follows:

Administrative Expenses	6.0%
Optional Buy-ups	0.6%
PPACA Fees	3.5%
Risk Charge	0.4%
Premium and Income Taxes	2.0%
Profit	3.5%
State Assessments	1.5%
Commissions	0.4%
Total	17.8%

Per the requirement of the GMCB, the profit assumption in our filed and approved rating methodology is 1.0%. In this proposed filing, we are resubmitting assumptions for retention which includes a profit assumption of 3.5%. Please see reference to Cigna's position regarding this assumption in the attached link. [http://ratereview.vermont.gov/sites/dfr/files/GMCB\\_006\\_15rr\\_Cigna\\_SupplementalMemo.pdf](http://ratereview.vermont.gov/sites/dfr/files/GMCB_006_15rr_Cigna_SupplementalMemo.pdf).

Per the regulations of the Affordable Care Act, Cigna has not paid a rebate in 2013, 2014, and does not anticipate paying a rebate in 2015. The 2016 target loss ratio (traditional basis), 82.2% (above), corresponds to a projected federal MLR of 86.4% after adjusting for federally defined elements such as the removal of PPACA taxes & fees, third party vendor expenses, quality improvement expenses and premium taxes. Cigna does not anticipate paying a rebate in 2016.

#### Comparison to Status Quo

This filing includes a number of changes to our medical and pharmacy rating methodologies. It is difficult to quantify each change independent of the others. The average expected decrease in manual rates in Vermont is -1.1%. This figure was calculated by comparing the current filed and approved manuals using an illustrative effective date of 1/1/2016 to the proposed 1/1/2016 manuals for a representative sample of Vermont situated business. Note: The number of fully insured accounts situated in Vermont in 2014 was 15 consistent with the company's Supplemental Health Care Exhibits.

## Changes to Methodology for the 2016 Cigna Rate Filing

- Updates to the base medical claim assumptions and the claims probability distribution
- Updates to our medical area factors and trend
- Separation of “Lab” and “Radiology” into distinct sub-cost categories. Updates to major service category weightings by sub-cost category
- For plans with combined medical and pharmacy claims: update to pharmacy deductible applicability methodology
- Updates to the collective deductible and collective out-of-pocket maximum methodologies
- Addition of the demographic aging adjustment to the demographic factor
- Addition of a cap on utilization dampening for some major service categories
- Community rate loads – addition of the following:
  - More multiple offering load values
  - More office surgery adjustment options
  - Lock-in decrement
  - Case-size adjustment
  - Criteria-Based Network Adjustment
  - ER/UC steerage adjustment
  - Medical specialty drugs steerage adjustment
  - Independent lab steerage adjustment
  - Enhanced non-par claims adjustment
- Riders
  - Updates to base rates for all riders
  - Updates to and simplification of the Vision rider methodology, including removal of the platform dependency
  - Addition of “Health Advisor” and “Personal Health Team” health management programs
  - Updates to the out-of-network preventive care rider methodology
  - Addition of standardized pricing for the following benefits not standardly offered:
    - Short term rehab coverage for autism and developmental delays
    - Applied Behavioral Analysis therapy for autism
    - Hearing aids
    - Gender reassignment
    - Artificial insemination
    - Skilled nursing
- Updates to rates for Mental Health/Substance Use Disorder products (referred to in prior filings as “Mental Health/Substance Abuse”)
- Updates to the pharmacy area factors, pharmacy trend and base claim assumptions. The updates reflect the growing cost of specialty drugs, planned revisions to our drug lists, and market-specific experience. The impact of these changes will vary based on plan characteristics.

### **Credibility Formula Revision**

Cigna Health and Life Insurance Company uses experience rating on large employer commercial customers to set future rates based on the past experience of the customer, where a customer is defined as the aggregation of all Cigna Health and Life Insurance Company accounts associated with a given employer, nationwide.

For prospectively rated accounts, the number of member months at which the experience is considered fully credible depends on the pooling point, shown in the chart below. Partial credibility (blending experience with manual) would be reflected using the following formula:

$$Credibility = \sqrt{\frac{Member\ Months}{Upper\ Bound}}$$

Where the upper bound varies based on pooling point as follows:

<b>Pooling Point Range</b>	<b>Upper Bound</b>
\$0-\$29,999	5552
\$30,000 -\$59,999	7000
\$60,000 - \$89,999	9000
\$90,000 - \$139,999	11000
\$140,000 +	12000

There is a minimum of 5 months of experience for paid claims and 4 months for incurred claims as well as a minimum overall of 100 member months to have any credibility. If member months are greater than or equal to the upper bound, credibility is 100%.

## ACTUARIAL CERTIFICATION

### Opinion

In my opinion, the rates were developed using reasonable actuarial assumptions, and the rate levels are reasonable in relationship to the benefits provided. The actuarial data and experience will be maintained by the company and available for review by the Green Mountain Care Board upon request.

I certify that to the best of my knowledge and judgment, this rate filing is in compliance with the applicable laws and regulations of the State. In summary, I believe that the rating assumptions proposed will produce rates which are not excessive, inadequate, or unfairly discriminatory

A handwritten signature in blue ink that reads "Matthew Danziger". The signature is written in a cursive style.

Matthew D. Danziger, FSA, MAAA  
Actuarial Director

Date: 12/31/2015

# Cigna Health and Life Insurance Company

## Rate Filing

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# Medical Manual Rating Formulas

## 1 Transform Census

Using experience-based demographic assumptions, transform the employee-level census into a member-level census. Skip to Step 2 if the census is already at the member level.

## 2 Calculate Base Medical Claim Costs

Run the members from the census in Step 1 through the calculations in Step 2 to determine in-network (IN) base medical claim costs. For plans with out-of-network (OON) benefits, calculate the base medical claim costs using the methodology outlined in Step 2 but with OON assumptions and benefits. For indemnity plans, calculate all claim costs using only OON assumptions.

Calculate expected claim costs on a per member per month (PMPM) basis.

### 2.1 National Base Claims

National base claim costs for experience-rated business are established for all major service categories (MSCs). The MSCs may be further subdivided into sub-cost categories (SCCs). These are:

- MSC
  - Inpatient [Hospital] (IP)
  - Outpatient [Hospital] (OP)
  - Emergency Room (ER)
  - Primary Care Physician (PCP)
  - Specialty Care Physician (SCP)
  - Other
  - Preventive Care
  - Pharmacy (if combined with medical)
- SCC
  - Facility
  - Professional
  - Lab
  - Radiology
  - Advanced Radiology (ARI)

See *Table 1 – Medical Base Claims* for the current base claim costs for each MSC (both IN and OON).

See *Table 2 – MSC Weighting by SCC* for the percentage of each MSC composed of each SCC.

Calculate the base claim cost at the SCC level by pulling the base claim costs for each MSC from the applicable pricing table and applying the appropriate weighting for each SCC.

$$\text{Base Claim Cost by MSC and SCC} = [\text{Base Claim Cost by MSC}] \times [\text{SCC \%}]$$

The base claim cost by MSC and SCC will be referred to as *base claims*, with the understanding that they have already been divided into categories. Also, the term *service categories* will be used to refer to MSCs divided fully into SCCs (e.g., “Inpatient Facility” or “PCP ARI”), while any specific reference to MSCs alone will be clearly noted.

Pharmacy base claims are calculated in Step 6.9.2 and are used to develop medical manual rates (during Step 2.5) only if the plan features combined medical and pharmacy claims.

If preventive care coverage is elected for children only, then the preventive care base claim cost will depend on the elected child age. See *Table 3 – Preventive Care Child Age Adjustment* to determine what portion of preventive care base claim costs to use.

## 2.2 National Trend

### 2.2.1 Calculate Trend Factor

To establish expected base claim costs for the policy period, the base claim costs from Step 2.1 must be trended forward from the midpoint of the base claim period (the year of experience from which base claims are determined) to the midpoint of the policy period.

In this step, calculate a trend factor based on national trend (to be applied in Step 2.2.2). A trend factor based on area-specific trend is calculated and applied in Step 2.7.

National trend values may be found in *Table 4 – National Medical Trend*.

- The following dates and values are required:
  - a. The midpoint of the base claim period
  - b. The midpoint of the policy period
  - c. Trend days: days between the midpoint of the base claim period and the midpoint of the policy period. These are the days over which trend must be applied.
- Calculate the actual trend factor to be applied for each year.
  - a. Each one-year period starting from the midpoint of the base claim period has an associated trend value.
  - b. Each of those one-year periods contains some number of trend days. The percentage of trend days that fall into each one-year period is the trend exposure percentage for that one-year period.
  - c. Calculate the actual portion of trend to be applied from each one-year period with:

$$\text{Trend Factor} = [1 + \text{Trend}]^{(\text{Trend Exposure Percentage})}$$

- The total trend factor is the product of all trend factors.

### 2.2.2 Apply Trend Factor (National)

Apply the total trend factor (for national trend) determined in Step 2.2.1 to the base claims from Step 2.1.

$$\text{Trended Base Claims} = [\text{Base Claims}] \times [\text{Total Trend Factor (National)}]$$

## 2.3 Copays – Calculate Effective Copay Percentage

Calculating the cost-share due to copays in Step 2.5 requires the effective copay percentage, which is calculated for each service category as follows:

- Determine:
  - Utilization: See *Table 5 – National Utilization Rates by MSC* for the annual expected utilization rate per member for each MSC.
  - SCC Weighting: See *Table 2 – MSC Weighting by SCC*.
  - Copay: Copay dollar amounts (if any) from the plan design.

- Calculate:

$$\text{Dollar Copay Impact} = \frac{[\text{Utilization}] \times [\text{SCC Weighting}] \times [\text{Copay}]}{12}$$

$$\text{Effective Copay Percentage} = \frac{\text{Dollar Copay Impact}}{\text{Trended Base Claims (from Step 2.2.2)}}$$

The impact of copays for Mental Health/Substance Use Disorders (MH/SUD) is calculated in Step 4.3.

## 2.4 Effective Deductible and Out-of-Pocket Maximum

Throughout Step 2.5, calculations that require the deductible or out-of-pocket (OOP) maximum will use the effective deductible or effective OOP maximum. An adjustment factor is applied to the plan deductible and OOP maximum in order to arrive at the effective values. These adjustment factors depend on two things:

- The plan deductible (or OOP maximum).
- The ratio of the family deductible to the individual deductible (or OOP maximum).

For the deductible adjustment factor, see *Table 7 – Medical Effective Deductible Adjustment*.

For the OOP maximum adjustment factor, see *Table 8 – Medical Effective OOP Maximum Adjustment*.

$$\text{Effective Deductible} = [\text{Individual Deductible}] \times [\text{Deductible Adjustment Factor}]$$

$$\text{Effective OOP Maximum} = [\text{Individual OOP Maximum}] \times [\text{OOP Maximum Adjustment Factor}]$$

## 2.5 Cost-Share

Overview for this step: Calculate the expected offset to claim costs due to member cost-sharing by modifying the claims probability distribution (CPD) to remove member cost-sharing from total claims.

Steps 2.5.2 through 2.5.9 provide detail on this process. The modified CPD at a given step will be referred to as the CPD from the step in which the modification occurred. The claims that fall into either member cost-share or Cigna cost-share will be noted.

See *Table 9 – Medical Claims Probability Distribution* for the full medical CPD (which will also be referred to as the *base CPD*).

The pharmacy column of the medical CPD is used only if the plan features combined medical and pharmacy claims.

The final member cost-sharing for the preventive care MSC is calculated in Step 2.5.9 and does not use the CPD methodology.

### 2.5.1 Benefits Dependent on Number of Visits

Benefits for a particular service category may change depending on the number of visits. For example, copays could be selected such that one copay amount applies to the first PCP visit while another copay amount applies to any subsequent visits. The change in cost-share for each distinct benefit must be accounted for in calculating final cost-share.

For those service categories, multiply the average cost of a visit (found in *Table 10 – Average Visit Cost*) by the number of visits at which benefits change (according to the plan design) to get the claims breakpoint. Between each claims breakpoint on the CPD, apply the appropriate cost-share calculation throughout Step 2.5 for the applicable benefit.

## 2.5.2 Base Claim Costs

Split the columns of the base CPD by the appropriate SCC weighting for the MSC (as listed in *Table 2 – MSC Weighting by SCC*). Scale the claims for each service category by the respective trended base claims from Step 2.2.2.

If pharmacy and medical claims are combined, use the 'Estimated Annual Cost' (converted to monthly) from the pharmacy Step 6.9.2 to scale the pharmacy service category.

## 2.5.3 Copays before the Deductible

If copays apply before the deductible, multiply the service categories with copays in the Step 2.5.2 CPD by  $[1 - \text{Effective Copay Percentage}]$  (calculated in Step 2.3). Otherwise, the service categories are not adjusted.

To find the member cost-sharing from copays (before the deductible), subtract the claims in the Step 2.5.3 CPD from the claims Step 2.5.2 CPD.

## 2.5.4 Deductible

For service categories subject to the deductible, claims below the effective deductible (calculated in Step 2.4) are cost-share for the member. Proportionately remove claims below the effective deductible from the 2.5.3 CPD.

If pharmacy and medical claims are combined and cost share has been waived for certain classes of prescription drugs (e.g., waiving cost share for preventive medications), use the pharmacy CPD (outlined in Table 60, Table 61, and Table 62) to calculate the percentage of pharmacy claims subject to the deductible and only the portion of pharmacy claims that are subject to the deductible are included in the pharmacy service category.

## 2.5.5 Effective Coinsurance

For each service category, calculate the effective coinsurance as a combination of coinsurance and cost-sharing from copays that apply after the deductible (either or both may apply).

$$\text{Effective Coinsurance} = [\text{Plan Coinsurance}] \times [1 - \text{Effective Copay Percentage (from Step 2.3)}]$$

If the service category has no copay after the deductible, the effective copay percentage is zero (leaving only coinsurance). If the service category is subject only to a copay after the deductible, the plan coinsurance is one (i.e., all costs beyond the copay are Cigna cost-share).

Multiply the claims for each service category by the applicable effective coinsurance. For service categories that are not subject to the deductible, use the claims from the Step 2.5.3 CPD, and for service categories subject to the deductible, use the claims from the Step 2.5.4 CPD.

If pharmacy and medical claims are combined, use  $[1 - \text{Regular Member Cost Share}]$  from Step 6.9.10 as the effective coinsurance for the pharmacy service category.

## 2.5.6 Out-of-Pocket Maximum

Add up all the components of member cost-share that apply to the OOP maximum. All claims above the effective OOP maximum (calculated in Step 2.4) become Cigna cost-share.

## 2.5.7 Annual Maximum

Add up the Cigna cost-share (claims in the Step 2.5.5 CPD and claims above the OOP maximum from Step 2.5.6). All claims above the annual maximum (if applicable) become member cost-share.

## 2.5.8 Member Cost-Sharing Percentage

Calculate the member cost-sharing percentage for each MSC.

Determine the Cigna cost-share for each MSC. This comprises claims in the Step 2.5.5 CPD and claims above the OOP maximum and below the annual maximum (if applicable) from Steps 2.5.6 and 2.5.7.

$$\text{Member Cost-Sharing Percentage} = 1 - \frac{[\text{Cigna Cost-Share}]}{[\text{Trended Base Claims (Step 2.2.2)}]}$$

If pharmacy and medical claims are combined, the pharmacy trended base claims are the 'Estimated Annual Cost' (converted to monthly) from Step 6.9.2. The pharmacy member cost-sharing percentage is used as the effective member cost-share for pharmacy benefits in Step 6.9.11.

## 2.5.9 Collective Accumulation Adjustment

If the plan features collective accumulation (in the deductible and/or OOP maximum), add a collective accumulation adjustment to each member cost-sharing percentage from Step 2.5.8.

Definition of terms:

- Accumulator: generic term for the deductible or OOP maximum (both if plural)
- Average family size: the ratio of family members to family subscribers
- Deductible multiplier: the ratio of the family deductible to the individual deductible
- OOP maximum multiplier: the ratio of the family OOP maximum to the individual OOP maximum

To calculate the collective accumulation adjustment: using the deductible and OOP maximum from the plan design as rated, determine the accumulators that a family and an individual within a family would experience under the three following scenarios:

- The deductible and OOP maximum are non-collective and the deductible multiplier and OOP maximum multiplier are equal
- The deductible and OOP maximum are collective and the deductible multiplier and OOP maximum multiplier are equal
- The deductible and OOP maximum follow the plan design as rated

For each scenario, determine the *effective* deductible and OOP maximum that an individual within a family would experience. To do this, multiply the deductible and OOP maximum for an individual within a family by the factors found in *Table 13 – Effective Deductible - Collective Accumulation Adjustment* and *Table 14 – Effective OOP Maximum - Collective Accumulation Adjustment* (the factors depend on the individual deductible or OOP, respective multiplier, and average family size). If necessary, interpolate between the nearest multipliers to calculate the adjustment.

For a plan where the deductible is collective and the OOP maximum is non-collective, if the OOP maximum for an individual is less than the family deductible plus \$550, use *Table 15 – Effective Coinsurance - Collective Accumulation Adjustment* to determine the effective coinsurance used in this calculation. The table is based on the plan coinsurance and the average family size.

For each scenario, apply the plan coinsurance (or effective coinsurance, if applicable), effective individual deductible, and effective individual OOP maximum to the “Total Annual Claims” column of the Step 2.5.2 CPD to calculate member cost-share. Calculate the accumulation adjustment ratio based on the calculated cost-share for the non-collective, collective, and plan scenarios as follows:

$$\text{Accumulation Adjustment Ratio} = \frac{[\text{Plan Cost-Share}] - [\text{Non-Collective Cost-Share}]}{[\text{Collective Cost-Share}] - [\text{Non-Collective Cost-Share}]}$$

From *Table 16 – Collective Deductible Adjustment*, determine the collective deductible adjustment based on the average family size, the deductible multiplier, and the individual deductible. If necessary, linearly interpolate between the appropriate nearest deductibles to find the correct decrement. Calculate:

$$\text{Single to Total Member Ratio} = \frac{[\text{Count of Subscribers Without Dependents}]}{[\text{Total Members}]}$$

Then

$$\text{Collective Deductible Adjustment} = [1 - \text{Single to Total Member Ratio}] \times [\text{Collective Decrement}]$$

And

$$\begin{aligned} \text{Collective Accumulation Adjustment} \\ = [\text{Collective Deductible Adjustment}] \times [\text{Accumulation Adjustment Ratio}] \end{aligned}$$

### 2.5.10 Final Member Cost-Sharing Percentage

If applicable, add the collective accumulation adjustment from Step 2.5.9 to the Step 2.5.8 member cost-sharing percentage to get the final member cost-sharing percentage. If the plan does not have collective accumulation, the final member cost-sharing percentage is equal to the percentage calculated in Step 2.5.8.

If preventive care is covered with cost-sharing, the final member cost-sharing percentage for the preventive care MSC is calculated as a blend of the PCP and SCP final member cost-sharing percentages. See *Table 11 – Preventive Care Cost-Share Weighting* for the appropriate weights.

The total member cost-sharing percentage is a weighted average of the final member cost-sharing percentages across all MSCs.

### 2.5.11 Apply Cost-Sharing Offset

Apply the final member cost-sharing percentage from Step 2.5.9 to the trended base claims from Step 2.2.2.

$$\text{Cost-Sharing Adjusted Claims} = [1 - \text{Final Member Cost-Sharing Percentage}] \times [\text{Trended Base Claims}]$$

## 2.6 Utilization Dampening

### 2.6.1 Calculate Utilization Dampening

Determine the utilization dampening to apply to each MSC. Values for this calculation are found in *Table 12 – Medical Utilization Dampening*. The preventive care MSC is not subject to utilization dampening.

Calculate utilization dampening for each MSC using the applicable final member cost-sharing percentage calculated in Step 2.5.9 and the appropriate values (A, B and C) from the table.

$$\text{Utilization Dampening} = e^{(A \times \text{Cost-Sharing} + B)} + C$$

### 2.6.2 Apply Utilization Dampening Factor

Apply the Utilization Dampening from Step 2.6.1 to the Cost-Sharing Adjusted Claims from Step 2.5.11.

$$\text{Utilization Dampening Adjusted Claims} = [\text{Utilization Dampening}] \times [\text{Cost-Sharing Adjusted Claims}]$$

## 2.7 Area-Specific Trend Relativity

### 2.7.1 Calculate Area-Specific Trend Relativity

Calculate the trend factor based on area-specific trend for the plan rating area using the methodology found in Step 2.2.1.

Area-specific trend is found in *Table 28 – Medical Trend and Capitation* (with additional summary detail provided in *Table 29 – Medical Trend Summary*).

Divide the area-specific trend factor by the trend factor based on national trend from Step 2.2.1 to find the area-specific trend relativity.

$$\text{Area-Specific Trend Relativity} = \frac{[\text{Area-Specific Trend Factor}]}{[\text{National Trend Factor}]}$$

### 2.7.2 Apply Area-Specific Trend Relativity

Apply the area-specific trend relativity from Step 2.7.1 to the utilization dampening adjusted claims from Step 2.6.2.

$$\text{Area Trend Adjusted Claims} = [\text{Area-Specific Trend Relativity}] \times [\text{Utilization Dampening Adjusted Claims}]$$

## 2.8 Base Medical Community Rate

### 2.8.1 Calculate Medical Community Rate Load

Multiply together all applicable community rate loads from *Table 17 – Community Rate Loads* and the area factor for the plan rating area found in *Table 26 – Medical Area Factors* (with additional summary detail in *Table 27 – Medical Area Factor Summary*) to get the medical community rate load.

### 2.8.2 Apply Medical Community Rate Load

Apply the medical community rate load from Step 2.8.1 to the area trend adjusted claims from Step 2.7.2.

$$\text{Base Medical Community Rate} = [\text{Medical Community Rate Load}] \times [\text{Area Trend Adjusted Claims}]$$



## 3 Base Medical Community Rate by Class

### 3.1 Blending Medical Rates

#### 3.1.1 Calculate Blended Community Rate

For products with IN and OON components, this step blends the IN and OON base medical claim costs to create one overall rate.

Use a point-of-service (POS) load methodology to apply a load (which is based on area, product, and the IN and OON cost-share differential) to IN claims to calculate blended expected IN and OON claims. If a product is capitated, the POS load will only apply to the non-capitated portion of base medical claims.

The POS load calculation proceeds as follows:

1. Calculate the difference in cost-sharing percentages between OON and IN components. These cost-sharing percentages are the total member cost-sharing percentages (for IN and OON, respectively) from Step 2.5.8. The differential cannot be less than zero or greater than one.

$$\text{Cost-Share Differential} = [\text{OON Cost-Sharing Percentage}] - [\text{IN Cost-Sharing Percentage}]$$

2. Find the appropriate coefficients (A, B, and C) in *Table 31 – POS Load Coefficients* (with additional summary detail in *Table 32 – POS Load Coefficients Summary*) and calculate the base POS load.

$$\text{Base POS Load} = A \times [\text{CSDiff}]^2 + B \times [\text{CSDiff}] + C$$

If the base POS load is less than zero or the plan is an indemnity plan, the base POS load is set to zero.

3. Determine the applicable OON savings program for the plan and apply the appropriate factor from *Table 18 – Medical OON Program Savings Factors* to the base POS load. If necessary, interpolate between table values to find the OON savings program factor.

$$\text{POS Load} = [\text{Base POS Load}] \times [\text{OON Savings Program Factor}]$$

4. Apply the POS load to the IN base medical community rate from Step 2.8.2.

$$\text{Blended Community Rate} = [1 + \text{POS Load}] \times [\text{IN Base Medical Community Rate}]$$

#### 3.1.2 Calculate IN and OON Utilization

The expected OON utilization is used in the adjustment for Cigna Care Network tiered benefits. This requires the POS load calculated in Step 3.1.1 and the IN and OON base medical community rates calculated in Step 2.8.2. If the product is capitated, only use the non-capitated portion of the IN base medical community rate. If the calculation yields an IN Utilization greater than 100% or less than 0%, the IN Utilization is set to one and no POS load is applied.

$$\text{IN Utilization} = \frac{[\text{POS Load}] \times [\text{IN Rate}] - [\text{OON Rate}]}{[\text{IN Rate}] - [\text{OON Rate}]}$$

$$\text{OON Utilization} = 1 - \text{IN Utilization}$$

## 3.2 Lifetime Maximum Adjustment

If the plan features a lifetime maximum, the appropriate adjustment is found in *Table 19 – Lifetime Maximum Adjustment* and will be applied in Step 3.5.

## 3.3 Industry Load

Calculate the applied industry load.

- Select the appropriate industry load from *Table 20 – Industry Load* based on the Standard Industrial Classification code of the group being priced.
- If applicable, determine the capitation percentage from *Table 28 – Medical Trend and Capitation* (with additional summary detail in *Table 30 – NWK Percent Capitated Summary*).

$$\text{Adjusted Industry Load} = [\text{Industry Load} - 1] \times [1 - \text{Capitation Percentage}]$$

$$\text{Applied Industry Load} = 1 + \text{Adjusted Industry Load}$$

## 3.4 Demographic Factor

Determine the demographic factor from *Table 21 – Medical Demographic Factors* for the member based on sex, age, and status (i.e. employee, spouse, or child).

To calculate the demographic aging adjustment, multiply the demographic aging trend found in *Table 22 – Demographic Aging Trend* by the number of years between the date the census is evaluated and the midpoint of the policy period, then add one. Multiply the demographic factor by the demographic aging adjustment to calculate the applied demographic factor.

## 3.5 Calculate Base Medical Community Rate by Class

Calculate the base medical community rate by class by multiplying together the following:

- Blended community rate from Step 3.1.1
- Lifetime maximum adjustment from Step 3.2
- Applied industry load from Step 3.3
- Applied demographic factor from Step 3.4

# 4 Calculate Claim Costs for Other Benefits

## 4.1 Riders

### 4.1.1 Medical Riders

Determine the total claim cost for applicable riders (calculated on a PMPM basis).

Determine base rider claim costs.

- See *Table 25 – Medical Riders* for the methodology and values required to calculate base medical rider claim costs.

Multiply the base rider claim costs by the trend factor, rider load, applied industry load, and applied demographic factor to determine total rider claim costs.

- The trend factor is the area-specific trend factor from Step 2.7.
- The rider load is calculated the same way as the community rate load from Step 2.8.1 using only applicable loads.
- The applied industry load is calculated in Step 3.3.
- The applied demographic factor is calculated in Step 3.4. The infertility riders have their own demographic factors to use in the calculation. These factors may be found in *Table 23 – Infertility Rider Demographic Factors*.

#### 4.1.2 Vision Rider

Determine the vision rider claim cost PMPM, if applicable. See *Appendix F: Vision Riders* for all values required for this calculation.

1. For each applicable category of coverage found in *Table 38 – Vision: Average Costs*, calculate the coverage allowance. If a category is not covered, the coverage allowance is \$0.

$$\text{Coverage Allowance} = \min([\text{Average Cost}], [\text{Allowance Per Plan Design}])$$

2. Multiply the coverage allowance by the frequency factor found in *Table 39 – Vision: Frequency Factors* and the utilization percentage found in *Table 40 – Vision: Service Utilization* to calculate the preliminary claims cost. Sum the preliminary claims costs across all categories of coverage to determine the overall preliminary claims cost.

$$\text{Preliminary Claims Cost} = [\text{Coverage Allowance}] \times [\text{Frequency Factor}] \times [\text{Utilization}]$$

3. Multiply the overall preliminary claims cost by the industry factor, case size adjustment, and trend factor to calculate the vision rider claim cost per employee per year (PEPY). The industry factor, case size adjustment, and annual trend used for the trend factor are found in *Table 41 – Vision: Trend and Adjustments*.

$$\begin{aligned} \text{Vision Rider Claim Cost PEPY} \\ = [\text{Preliminary Claims Cost}] \times [\text{Industry Factor}] \times [\text{Case Size Adj.}] \times [\text{Trend Factor}] \end{aligned}$$

4. Divide the vision rider claim cost PEPY by 12 and by the ratio of members to employees to calculate the vision rider claim cost PMPM.

#### 4.2 Health Management Program Savings

Using the values in *Table 24 – Health Management Program Savings*, calculate the expected claim cost savings for applicable health management programs.

- To calculate expected savings for Your Health First, multiply the decrement in the table by the sum of the blended medical community rate from Step 3.1.1 and the rider claim cost (before demographic and industry factors are applied). Then multiply by the applied industry load from Step 3.3 and the applied demographic factor from Step 3.4.
- To calculate expected savings for Healthy Pregnancies, Healthy Babies and Comprehensive Oncology, trend the PMPM dollar amounts in the table using the area-specific trend factor from Step 2.7, and then multiply by the applied industry load from Step 3.3 and the applied demographic factor from Step 3.4.
- To calculate expected savings for Health Advisor and Personal Health Team, use the PEPM dollar amounts in the table.

### 4.3 Mental Health/Substance Use Disorders

Determine the MH/SUD claim cost. See *Appendix E: Mental Health/Substance Use Disorders* for rates, trend, and adjustments. Note that the MH/SUD cost calculation uses an MH/SUD-specific trend and that the base claim cost varies within the given range based on plan deductible, copays, and coinsurance.

MH/SUD is ordinarily a capitated product but can be covered as fee-for-service (FFS). If it's covered as FFS, apply the FFS adjustment, otherwise apply only trend to the MH/SUD base claim cost.

$$\text{MH/SUD Claim Cost} = [\text{MH/SUD Base Claim Cost}] \times [1 + \text{Trend}] \times [1 + \text{FFS Adjustment}]$$

### 4.4 Medicare Coordination of Benefits

Rates for post-65 Medicare-eligible retirees are adjusted to reflect the coordination of benefits (COB) with Medicare.

The Medicare COB adjustment is based on the percentage of Medicare-eligible members in the population being rated, the age, sex, and geographic location of the membership, the coordination of benefits method being applied, the underlying medical product type, and the plan deductible, coinsurance, copay, OOP maximum, and other cost-sharing.

## 5 Aggregate Medical Claim Costs

Sum the following to calculate the total medical claim cost for the individual:

- The base medical community rate by class from Step 3.5.
- The total rider claim cost from Step 4.1.
- The claim cost savings from health management programs from Step 4.2.
- The MH/SUD claim cost from Step 4.3.

Combine the individual claim costs for the entire census to determine the aggregate medical claim cost (on a PMPM basis):

$$\text{Aggregate Medical Claim Cost} = \frac{\text{Sum of Individual Claim Costs}}{\text{Total Members}}$$

# Pharmacy Manual Rating Formulas

Use this section to calculate expected pharmacy claim costs.

The following formulas detail the pharmacy claim cost calculation process. The specific steps are applied to each pharmacy cost category, except as specifically noted. There are no separate provisions made for OON pharmacy benefits. All benefits are assumed to be IN. Claim costs for each individual life are calculated separately and the results are aggregated. Where noted, a separate set of assumptions or calculations are used for cases run on the FACETS platform.

## 6 Pharmacy Rating Step-by-Step

### 6.1 Extract the Average Wholesale Price (AWP) per Script

Extract the AWP per script by cost category for both retail and mail order based on the formulary type (Standard, Value, Performance, Advantage, or Generics Only). All formularies are open. Separate assumptions exist for the FACETS platform. The AWP per script assumptions are found in the following tables:

- *Table 42 – Retail AWP per Script Assumptions*
- *Table 43 – Mail Order AWP per Script Assumptions*
- *Table 69 – FACETS Retail AWP per Script Assumptions*
- *Table 70 – FACETS Mail Order AWP per Script Assumptions*

### 6.2 Apply the Discount

Discounts are applied to the AWP per script calculated in Step 6.1 based on retail pharmacy network, funding type/product (HMO, non-HMO, or experience rated) and employer size. Please note that separate assumptions exist for the FACETS platform, which vary only by pricing package. The discount assumptions are found in the following tables:

- *Table 46 – Retail Discounts and Dispensing Fees (National Network)*
- *Table 47 – Retail Discounts and Dispensing Fees (National Network without CVS)*
- *Table 48 – Retail Discounts and Dispensing Fees (National Network without Walgreens)*
- *Table 49 – Retail Discounts and Dispensing Fees (National Network without CVS & Walgreens)*
- *Table 73 – FACETS Retail Discounts and Dispensing Fees*
- *Table 74 – FACETS Mail Order Discounts and Dispensing Fees*

The discount assumptions vary by drug source (retail or mail order) and drug type (generic, brand, or specialty). Discounts also vary by calendar year, so discount assumptions are averaged for policy years that cross multiple calendar years:

Average Discount

$$\begin{aligned} &= (\text{2014 Calendar Year Discount} \times \% \text{ of Policy Year in 2014}) \\ &+ (\text{2015 Calendar Year Discount} \times \% \text{ of Policy Year in 2015}) \\ &+ (\text{2016 Calendar Year Discount} \times \% \text{ of Policy Year in 2016}) \\ &+ (\text{2017 Calendar Year Discount} \times \% \text{ of Policy Year in 2017}) \end{aligned}$$

In addition, separate discounts may apply for 90-day retail scripts. If the 90-day retail option is selected, retail discounts are further adjusted:

Adjusted Retail Average Discount

$$\begin{aligned} &= \text{30-Day Retail Average Discount} \times (1 - \% \text{ of Retail from 90-Day}) \\ &+ \text{90-Day Retail Average Discount} \times \% \text{ of Retail from 90-Day} \end{aligned}$$

where

$$\begin{aligned} \text{\% of Retail from 90-Day} &= [(\text{Retail Script Count} \times \text{30-Day Retail Shift to 90-Day Retail}) \\ &+ (\text{Mail Order Script Count} \times \text{Mail Order Shift to 90-Day Retail} \times \text{Mail Order Multiplier})] \\ &\div \text{Retail Script Count} \end{aligned}$$

The 90-day retail shift assumptions and mail order multiplier are found in the following tables:

- *Table 54 – Shift Assumptions for Plans with 90-Day Retail*
- *Table 55 – Mail Order Multiplier Assumption*

If a product is selected where multiple drug types are included in a particular tier, a blended discount must be calculated. The following example describes how a blended discount would be calculated if non-preventive generics and preferred brand drugs were in the same tier:

$$\begin{aligned} \text{Blended Discount for Tier with Non-Preventive Generics and Preferred Brands} &= [(\text{Non-Preventive Generic Script Count} \times \text{Non-Preventive Generic AWP per Script} \\ &\times \text{Generic Discount}) \\ &+ (\text{Preferred Brand Script Count} \times \text{Preferred Brand AWP per Script} \times \text{Brand Discount})] \\ &\div [(\text{Non-Preventive Generic Script Count} \times \text{Non-Preventive Generic AWP per Script}) \\ &+ (\text{Preferred Brand Script Count} \times \text{Preferred Brand AWP per Script})] \end{aligned}$$

Once the discounts are determined, apply them to AWP per script calculated in Step 6.1:

$$\text{Step 6.2 Discounted AWP per Script} = \text{Step 6.1 AWP per Script} \times (1 - \text{Discount})$$

### 6.3 Calculate Gross Cost per Script

Dispensing fees are added to the discounted AWP per script calculated in Step 6.2 based on retail pharmacy network, funding type/product (HMO, non-HMO, or experience rated) and employer size. Separate assumptions exist for the FACETS platform, which vary only by pricing package. The dispensing fee assumptions are found in the following tables:

- *Table 46 – Retail Discounts and Dispensing Fees (National Network)*
- *Table 47 – Retail Discounts and Dispensing Fees (National Network without CVS)*
- *Table 48 – Retail Discounts and Dispensing Fees (National Network without Walgreens)*
- *Table 49 – Retail Discounts and Dispensing Fees (National Network without CVS & Walgreens)*
- *Table 73 – FACETS Retail Discounts and Dispensing Fees*
- *Table 74 – FACETS Mail Order Discounts and Dispensing Fees*

The dispensing fee assumptions vary by drug source (retail or mail order) and drug type (generic, brand, or specialty). Dispensing fees also vary by calendar year, so dispensing fee assumptions are averaged for policy years that cross multiple calendar years:

$$\begin{aligned} \text{Average Dispensing Fee} &= (\text{2014 Calendar Year Dispensing Fee} \times \text{\% of Policy Year in 2014}) \\ &+ (\text{2015 Calendar Year Dispensing Fee} \times \text{\% of Policy Year in 2015}) \\ &+ (\text{2016 Calendar Year Dispensing Fee} \times \text{\% of Policy Year in 2016}) \\ &+ (\text{2017 Calendar Year Dispensing Fee} \times \text{\% of Policy Year in 2017}) \end{aligned}$$

In addition, separate dispensing fees apply for 90-day retail scripts. If the 90-day retail option is selected, retail dispensing fees are further adjusted:

Adjusted Retail Average Dispensing Fee  
 = 30-Day Retail Average Dispensing Fee × (1 – % of Retail from 90-Day)  
 + 90-Day Retail Average Dispensing Fee × % of Retail from 90-Day

where

% of Retail from 90-Day  
 = [(Retail Script Count × 30-Day Retail Shift to 90-Day Retail)  
 + (Mail Order Script Count × Mail Order Shift to 90-Day Retail × Mail Order Multiplier)]  
 ÷ Retail Script Count

The 90-day retail shift assumptions and mail order multiplier are found in the following tables:

- *Table 54 – Shift Assumptions for Plans with 90-Day Retail*
- *Table 55 – Mail Order Multiplier Assumption*

Sales tax is not included in the gross cost per script calculation because of insignificance, so once the dispensing fees are determined, add them to the discounted AWP per script calculated in Step 6.2:

Step 6.3 Gross Cost per Script = Step 6.2 Discounted AWP per Script + Dispensing Fee per Script

## 6.4 Calculate and Apply the Cost Trend Factor

The gross cost per script calculated in Step 6.3 was developed using assumptions from the base claim period. To establish expected costs for the policy period, the gross cost per script must be trended forward from the midpoint of the base claim period to the midpoint of the policy period. Area-specific trends should be used, if applicable, to determine the unit cost trend factor. Otherwise, the national trend should be used. Unit cost trend assumptions are found in the following table:

- *Table 57 – Pharmacy: Cost Trend*

Determine the number of days from the midpoint of the base claim period to the midpoint of the policy period (“trend days”). The base claim period midpoint is estimated as 182.5 days after the base claim effective date. The policy period midpoint is the average of the policy effective date and the policy end date.

Each year following the base claim period midpoint is a trend year and has an associated unit cost trend factor. Determine the number of trend days that fall into each trend year and divide by the total days in the trend year to arrive at the portion of each trend year applicable to the case being rated (“exposure percentage”). Now the adjusted unit cost trend factor can be calculated for each trend year:

Adjusted Unit Cost Trend Factor = (1 + Trend Year Unit Cost Trend Factor)<sup>Exposure Percentage</sup>

The final unit cost trend factor is the product of the adjusted unit cost trend factors for each trend year. The following example outlines the unit cost trend factor calculation using national trend values:

a = Base claim effective date = 1/1/2014  
 b = Policy effective date = 4/1/2016  
 c = Policy end date = 3/31/2017  
 d = Annual cost trend factor for 2015/2014 = 10.34%  
 e = Annual cost trend factor for 2016/2015 = 12.34%  
 f = Annual cost trend factor for 2017/2016 = 12.34%  
 g = Base claim period midpoint = a + 182.5 days = 7/2/2014  
 h = Policy period midpoint = (b + c) ÷ 2 = 9/30/2016  
 i = Total trend days = g – f = 820

j = Trend days from 2014 to 2015 = 363.5  
k = Trend days from 2015 to 2016 = 366  
l = Trend days from 2016 to 2017 = 91.5

$$\begin{aligned} \text{Final Unit Cost Trend Factor} &= (1 + d)^{\frac{j}{365}} \times (1 + e)^{\frac{k}{366}} \times (1 + f)^{\frac{l}{365}} \\ &= 1.1034^{0.996} \times 1.234^1 \times 1.234^{0.25} = 1.276 \end{aligned}$$

Once the final unit cost trend factor is determined, apply it to the gross cost per script calculated in Step 6.3:

$$\text{Step 6.4 Trended Gross Cost per Script} = \text{Step 6.3 Gross Cost per Script} \times \text{Final Unit Cost Trend Factor}$$

## 6.5 Extract the Annual Script Counts Per Member

Extract the annual script counts per member (script count per member per year [PMPY]) by cost category for both retail and mail order based on the formulary type (Standard, Value, Performance, Advantage, or Generics Only). Pull in script counts for optional cost categories, such as lifestyle drugs, as needed. If an optional cost category has not been selected, set the script count to zero. Please note that separate assumptions exist for the FACETS platform. The script count assumptions are found in the following tables:

- *Table 44 – Retail Script Count PMPY Assumptions*
- *Table 45 – Mail Order Script Count PMPY Assumptions*
- *Table 71 – FACETS Retail Script Count PMPY Assumptions*
- *Table 72 – FACETS Mail Order Script Count PMPY Assumptions*

Script counts are adjusted when the mandatory generic program is selected:

$$\begin{aligned} \text{Adjusted Generic Script Count} \\ &= \text{Generic Script Count} \\ &+ (\text{Non-Preferred Brand Multi-Source Script Count} \times \text{Mandatory Generic Shift Factor}) \end{aligned}$$

$$\begin{aligned} \text{Adjusted Non-Preferred Brand Multi-Source Script Count} \\ &= \text{Non-Preferred Brand Multi-Source Script Count} \times (1 - \text{Mandatory Generic Shift Factor}) \end{aligned}$$

Scripts that are shifted from the non-preferred brand multi-source category to the generic category are assumed to be proportionately distributed between the preventative generic and non-preventative generic buckets. If specialty drugs are rated on a 4<sup>th</sup> tier, no specialty drug utilization is expected to shift to the generic category. The mandatory generic shift factor is found in the following table:

- *Table 56 – Mandatory Generic Shift Factor*

Script counts are also adjusted if the 90-day retail option is selected:

$$\begin{aligned} \text{Adjusted Retail Script Count} \\ &= \text{Retail Script Count} + (\text{Mail Order Script Count} \times \text{Mail Order Shift to 90-Day Retail} \\ &\times \text{Mail Order Multiplier}) \end{aligned}$$

$$\text{Adjusted Mail Order Script Count} = \text{Mail Order Script Count} \times (1 - \text{Mail Order Shift to 90-Day Retail})$$

If both the mandatory generic program and 90-day retail option are selected, script counts are first adjusted for the mandatory generic program and then the 90-day retail option.



## 6.6 Calculate and Apply Utilization Trend Factor

The script counts calculated in Step 6.5 were developed using assumptions from the base claim period. To establish expected costs for the policy period, the script counts must be trended forward from the midpoint of the base claim period to the midpoint of the policy period. Area-specific trends should be used, if applicable, to determine the unit cost trend factor. Otherwise, the national trend should be used. Utilization trend assumptions are found in the following table:

- *Table 58 – Pharmacy: Utilization Trend*

Calculate the utilization trend factor by re-running Step 6.4 with the utilization trend factors. Once the final utilization trend factor is determined, apply it to the script counts calculated in Step 6.5:

Step 6.6 Trended Script Count PMPY = Step 6.5 Script Count PMPY × Final Utilization Trend Factor

## 6.7 Calculate Gross Trended PMPM

Calculate the gross trended cost PMPM by multiplying the trended script count by gross trended cost per script and dividing by 12 (since script counts are PMPY):

$$\text{Step 6.7 Gross Trended PMPM} = \frac{\text{Step 6.4 Trended Gross Cost per Script} \times \text{Step 6.6 Trended Script Count PMPY}}{12}$$

## 6.8 Calculate Gross Area-Adjusted PMPM

The gross trended PMPM is adjusted for cost differences by area. The area factors are found in the following table:

- *Table 59 – Pharmacy: Area Factors*

Extract the area factor based on the site and funding type/product (HMO, non-HMO, experience rated NWK, experience rated non-NWK) being rated and apply it to the gross trended cost PMPM calculated in Step 6.7:

Step 6.8 Gross Area-Adjusted PMPM = Step 6.7 Gross Trended PMPM × Pharmacy Area Factor

## 6.9 Calculate Regular Member Cost Share Using Pharmacy CPD

The pharmacy CPD is composed of the following tables:

- *Table 60 – Pharmacy: CPD (% Preventive)*
- *Table 61 – Pharmacy: CPD (Cost per Script)*
- *Table 62 – Pharmacy: CPD (Scripts PMPY)*

Unless otherwise specified, weighted averages mentioned in Step 6.9 are calculated using the probabilities in the pharmacy CPD.

Begin the member cost share calculation by extracting the copays, coinsurance, deductible, applicable deductible waivers, OOP maximum, and plan maximum for the plan design being rated.

### 6.9.1 Adjust CPD to Appropriate Rate Level

Scale the cost per script and script counts PMPY for each row and tier of the pharmacy CPD to reflect the expected cost and utilization derived in Steps 6.1 through 6.6:

Step 6.9.1 Scaled Cost per Script = Original CPD Cost per Script × Cost per Script Scalar

Step 6.9.1 Scaled Script Count PMPY = Original CPD Script Count PMPY × Script Count PMPY Scalar

where

Cost per Script Scalar = Step 6.4 ÷ Original CPD Weighted Average Cost per Script

Script Count PMPY Scalar = Step 6.6 ÷ Original CPD Weighted Average Script Count PMPY

### 6.9.2 Calculate Annual Cost

Determine the annual cost for each row and tier using the scaled pharmacy CPD from Step 6.9.1. In addition, the tiers should be further split into preventive and non-preventive using *Table 60 – Pharmacy: CPD (% Preventive)*:

Step 6.9.2 Preventive Gross Trended PMPY  
= Step 6.9.1 Scaled Cost per Script × Step 6.9.1 Scaled Script Count PMPY × % Preventive

Step 6.9.2 Non-Preventive Gross Trended PMPY  
= Step 6.9.1 Scaled Cost per Script × Step 6.9.1 Scaled Script Count PMPY × (1 – % Preventive)

If specialty drugs are rated on a 4<sup>th</sup> tier, all specialty utilization is assumed to be non-preventative.

In addition, calculate the total annual cost for each row as the sum of the preventive and non-preventive gross trended PMPY values:

Step 6.9.2 Total Annual Cost  
= Sum(Step 6.9.2 Preventive Gross Trended PMPY, Step 6.9.2 Non-Preventive Gross Trended PMPY)

Finally, calculate the estimated annual cost across all rows and tiers as the weighted average of the Step 6.9.2 Total Annual Cost:

Step 6.9.2 Estimated Annual Cost = Sum(Step 6.9.2 Total Annual Cost × Probability)

### 6.9.3 Calculate Deductible and Deductible Waiver Impacts

Compare the applicable annual cost for each row to the deductible to see how much of the deductible applies for each row. If the deductible is waived for preventive drugs or certain tiers, do not include those costs in the applicable annual cost for each row:

Step 6.9.3 Deductible Applied = Min[Applicable Annual Cost, Deductible]

where

Applicable Annual Cost = Step 6.9.2 Total Annual Cost – Sum(Waived Step 6.9.2 Gross Trended PMPY)

For plans with a combined deductible, no deductible is assumed. Instead the impact of the combined deductible is calculated using the combined medical and pharmacy CPD.

#### 6.9.4 Calculate Percentage of Cost Remaining after Applying Deductible

Calculate the percentage of total annual cost remaining after applying the deductible for each cell of the CPD:

$$\text{Step 6.9.4 Percentage of Cost Remaining} = 1 - \frac{\text{Step 6.9.3 Deductible Applied}}{\text{Step 6.9.2 Total Annual Cost}}$$

#### 6.9.5 Calculate the effective value of copays and coinsurance

Define the effective copay as the member cost per script after copays, coinsurance, maximum copays, minimum copays and the cost per script are considered.

For tiers with copays:

$$\begin{aligned} \text{Step 6.9.5 effective copay} \\ &= \text{Min}[\text{Copay, step 6.9.1 Scaled Cost per Script}] \end{aligned}$$

For tiers with coinsurance:

$$\begin{aligned} \text{Step 6.9.5 effective copay} \\ &= \text{Min}\{ \text{Max}[\text{Member Coinsurance} \times \text{step 6.9.1 Scaled Cost per Script, minimum copay}] , \text{maximum copay} \} \end{aligned}$$

#### 6.9.6 Adjust Copays for Costs Covered by the Deductible

For each cell of the CPD, multiply the effective value of copays by the portion of costs remaining after the deductible has been applied

$$\text{Step 6.9.6 Member Copay Value} = \text{Step 6.9.4 Percentage of Cost Remaining} \times \text{Step 6.9.5 Effective Copay}$$

#### 6.9.7 Calculate Annual Member Cost Share

Determine the annual member cost share *for each row* due to copays, coinsurance, and deductible:

$$\begin{aligned} \text{Step 6.9.7 Annual Member Cost Share} \\ &= \text{Sum}(\text{Step 6.9.6 Member Copay Value} \times \text{Step 6.9.1 Scaled Script Count PMPY}) \\ &+ \text{Step 6.9.3 Deductible Applied} \end{aligned}$$

#### 6.9.8 Adjust for Out-of-Pocket (OOP) Maximum

Adjust the annual member cost share calculated in Step 6.9.7 for each row to reflect the impact of an OOP maximum, if applicable:

$$\text{Step 6.9.8 Member Cost Share after OOP Max} = \text{Min}[\text{OOP Max, Step 6.9.7 Annual Member Cost Share}]$$

For plans with a combined OOP maximum, no OOP maximum is assumed. Instead the impact of the combined OOP maximum is calculated using the combined medical and pharmacy CPD.

#### 6.9.9 Adjust for Plan Maximum

Adjust the member cost share after OOP max calculated in Step 6.9.8 for each row to reflect the impact of a plan maximum, if applicable:

Step 6.9.9 Member Cost Share after OOP Max & Plan Max  
= Max[Step 6.9.8 Member Cost Share after OOP Max, Step 6.9.2 Total Annual Cost – Plan Max]

### 6.9.10 Calculate Regular Member Cost Share

Determine the regular member cost share as the ratio of the estimated annual member cost to the estimated total cost:

Step 6.9.10 Regular Member Cost Share  
= 
$$\frac{\text{Weighted Average(Step 6.9.9 Member Cost Share after OOP Max \& Plan Max)}}{\text{Step 6.9.2 Estimated Annual Cost}}$$

### 6.9.11 Calculate Effective Member Cost Share

For plans with a combined deductible and/or combined OOP maximum, the regular member cost share calculated in Step 6.9.10 is used in Step 2.5 to determine the effective member cost share for the pharmacy benefit.

For all other plans, the effective member cost share is set equal to the regular member cost share calculated in Step 6.9.10.

## 6.10 Calculate Adjusted Cost Share

Optional cost categories, such as lifestyle drugs, may be moved to the fourth tier. For optional cost categories moved to the fourth tier, increase the effective member cost share calculated in Step 6.9.11 by 5% to estimate the increased cost sharing in the fourth tier. Otherwise, use the effective member cost share.

Moving an optional cost category to the fourth tier should always increase the cost share for that class, but it will have minimal impact to overall rates because of low utilization levels.

Step 6.10 Adjusted Member Cost Share = Step 6.9.11 Effective Member Cost Share × 1.05

Please note that this step does not apply to the FACETS platform.

## 6.11 Calculate Net Pharmacy PMPM

Now that member cost share has been calculated, determine the remaining pharmacy plan cost (or net pharmacy PMPM).

For all standard cost categories and any optional cost categories that have not been moved to the fourth tier, apply the effective member cost share from Step 6.9.11:

Step 6.11 Net Pharmacy PMPM  
= Step 6.8 Gross Area-Adjusted PMPM × (1 – Step 6.9.11 Effective Member Cost Share)

For optional cost categories that have been moved to the fourth tier, apply the adjusted member cost share from Step 6.10:

Step 6.11 Net Pharmacy PMPM  
= Step 6.8 Gross Area-Adjusted PMPM × (1 – Step 6.10 Adjusted Member Cost Share)

## 6.12 Calculate Aggregate Metrics

Many of the following summary metrics are used for analysis purposes and visibility, but do not impact the final rate. Metrics that do impact the final rate will be referenced in later steps.

### 6.12.1 Average AWP per Script

Calculate the average AWP per script across all cost categories as a weighted average using the trended script counts from Step 6.6 as the weights:

$$\text{Step 6.12.1 Average AWP per Script} = \frac{\text{Sum}(\text{Step 6.1 AWP per Script} \times \text{Step 6.6 Trended Script Count PMPY})}{\text{Sum}(\text{Step 6.6 Trended Script Count PMPY})}$$

### 6.12.2 Average Discounted AWP per Script

Calculate the average discounted AWP per script using the method for calculating the average AWP per script in Step 6.12.1.

### 6.12.3 Average Dispensing Fee per Script

Calculate the average dispensing fee per script using the method for calculating the average AWP per script in Step 6.12.1.

### 6.12.4 Average Discount

Derive the average discount using the average AWP per script from Step 6.12.1 and the average discounted AWP per script from Step 6.12.2:

$$\text{Step 6.12.4 Average Discount} = 1 - \frac{\text{Step 6.12.2 Average Discounted AWP per Script}}{\text{Step 6.12.1 Average AWP per Script}}$$

### 6.12.5 Average Cost Trend Factor, Utilization Trend Factor, and Area Factor

The trend factors and area factor are the same for all cost categories, so their average is the same as the individual factors.

### 6.12.6 Average Gross Cost per Script and Trended Gross Cost per Script

The average gross cost per script and trended gross cost per script are calculated using the method for calculating the individual cost categories:

$$\begin{aligned} \text{Step 6.12.6 Average Gross Cost per Script} \\ &= \text{Step 6.12.2 Average Discounted AWP per Script} + \text{Step 6.12.3 Average Dispensing Fee per Script} \end{aligned}$$

$$\begin{aligned} \text{Step 6.12.6 Average Trended Gross Cost per Script} \\ &= \text{Step 6.12.6 Average Gross Cost per Script} \times \text{Step 6.12.5 Average Cost Trend Factor} \end{aligned}$$

### 6.12.7 Total Script Counts, Trended Script Counts, Gross Trended PMPM, Gross Area-Adjusted PMPM, and Net Pharmacy PMPM

Calculate the total for each metric as the sum across all cost categories for the respective metric.

### 6.12.8 Average Adjusted Cost Share

Derive the average adjusted member cost share using the total net pharmacy rate and total gross area-adjusted PMPM from Step 6.12.7:

$$\text{Step 6.12.8 Average Adjusted Member Cost Share} = 1 - \frac{\text{Step 6.12.7 Total Net Pharmacy PMPM}}{\text{Step 6.12.7 Total Gross Area-Adjusted PMPM}}$$

**All calculations going forward are done on an aggregate basis only, so calculations are no longer split into cost categories.**

### 6.13 Apply the Clinical Program Factor

Calculate the clinical program factor as the sum of the individual clinical programs selected. The applicable factors for various clinical programs are found in the following tables:

- *Table 64 – Pharmacy: Clinical Management Programs*
- *Table 63 – Global Step Therapy Program*

The global step therapy program varies by formulary type and the level of intervention. If no intervention is desired for a particular drug therapy category, do not include a factor for that category when calculating the clinical program factor.

Apply the clinical program factor to the net pharmacy rate from Step 6.12.7:

$$\begin{aligned} \text{Step 6.13 Clinical-Adjusted Net Pharmacy PMPM} \\ = \text{Step 6.12.7 Net Pharmacy PMPM} \times (1 - \text{Clinical Program Factor}) \end{aligned}$$

### 6.14 Apply the Pharmacy Demographic Factor

Extract the pharmacy demographic factor from *Table 65 – Pharmacy: Demographic Factors* based on the age, gender, and status (employee, spouse, or child) of the individual being rated. Unisex factors exist if gender is not a permitted rating variable. Multiply the pharmacy demographic factor by the demographic aging adjustment calculated in Step 3.4 to calculate the adjusted pharmacy demographic factor.

Apply the adjusted pharmacy demographic factor to the clinical-adjusted net pharmacy Step 6.13:

$$\begin{aligned} \text{Step 6.14 Clinical/Demo-Adjusted Net Pharmacy PMPM} \\ = \text{Step 6.13 Clinical-Adjusted PMPM} \times \text{Adjusted Pharmacy Demographic Factor} \end{aligned}$$

### 6.15 Apply the Industry Factor

Extract the industry factor from *Table 20 – Industry Load* and apply it to the clinical- and demographic-adjusted net pharmacy PMPM calculated in Step 6.14:

$$\begin{aligned} \text{Step 6.15 Clinical/Demo/Industry-Adjusted Net Pharmacy PMPM} \\ = \text{Step 6.14 Clinical/Demo-Adjusted PMPM} \times \text{Industry Factor} \end{aligned}$$

### 6.16 Apply the Pharmacy Mandates Adjustment

Extract the mandate factor from *Table 66 – Pharmacy: Mandate Factors*, if applicable, based on the state being rated. Apply it to the clinical-, demographic-, and industry-adjusted net pharmacy PMPM calculated in Step 6.15:

Step 6.16 Clinical/Demo/Industry/Mandate-Adjusted Net Pharmacy PMPM  
= Step 6.15 Clinical/Demo/Industry-Adjusted Net Pharmacy PMPM × (1 + Mandate Adjustment)

## 6.17 Apply Utilization Dampening Factor

Extract the utilization dampening factor from *Table 67 – Pharmacy: Utilization Dampening Factors* based on the average adjusted member cost share calculated in Step 6.12.8. Apply it to the clinical-, demographic-, industry-, and mandate-adjusted net pharmacy PMPM calculated in Step 6.16 to determine the total benefit pharmacy community rate by class (CRC):

Step 6.17 Total Benefit Pharmacy CRC  
= Step 6.16 Clinical/Demo/Industry/Mandate-Adjusted Net Pharmacy PMPM  
× Utilization Dampening Factor

## 6.18 Apply Miscellaneous Pharmacy Adjustments

The following multiplicative adjustments are applied to the total benefit pharmacy CRC calculated in Step 6.17 to arrive at the adjusted total benefit pharmacy CRC:

Step 6.18 Adjusted Total Benefit Pharmacy CRC  
= Step 6.17 Total Benefit Pharmacy CRC × (1 + Step 6.18.1 Generic Requirement Adjustment)  
× (1 + Step 6.18.2 Mail Order Deductible Waiver Adjustment)  
× (1 + Step 6.18.3 Women's Preventive Health Adjustment)  
× (1 + Step 6.18.34 Mail Order Specialty Drug 30 Day Limit)  
× (1 + Step 6.18.35 Mandatory Mail Load)

### 6.18.1 Generic Requirement Adjustment

Plan designs that do not encourage generic use through a mandatory generic or dispense-as-written program receive a 1% load. All other plan designs do not receive a load.

### 6.18.2 Mail Order Deductible Waiver Adjustment

Plan designs with a deductible that waive that deductible for mail order prescriptions receive a 5% load to estimate the increased cost due to the decreased member cost sharing. All other plan designs do not receive a load.

### 6.18.3 Women's Preventive Health Adjustment

Providing coverage of certain drugs and devices without cost sharing to address the Patient Protection and Affordable Care Act Women's Preventive Health Services requirement is reflected as a load. Combined deductible/OOP plans receive a 2.8% load, while all other plans receive a 1% load.

### 6.18.4 Mail Order Specialty Drug 30 Day Limit

Limiting specialty drug fills to 30 day supplies reduces waste. Plans that elect this feature receive a 0.4% reduction while plans that choose not to elect this feature receive no adjustment.

### 6.18.5 Mandatory Mail for Maintenance Drugs Load

When clients require customers to obtain their maintenance medications via Cigna's mail order pharmacy costs increase do to overhead expense costs associated with filling a script at mail. Plans that have mandatory mail receive a 1% load. Plans that incentivize mail order utilization receive a 0.5% load.

## 6.19 Determine Final Pharmacy CRC and Pharmacy CR

Similar to medical, pharmacy rates receive community rate adjustments, but not all of the community rate adjustments from Step 2.8.1 apply to pharmacy. Only the following factors apply:

- Multiple Offering Load

The multiple offering load applied to the pharmacy rate is the sum of the medical factor from Step 2.8.1 and the additional pharmacy load from *Table 68 – Pharmacy: Multiple Offering Load*, if applicable, based on the site being rated and whether there is more than one product offering being considered.

- Deductible Accumulation Adjustment
- Open Access Load
- Consumerism Adjustment

The product of these adjustments becomes the pharmacy community rate load, which is applied to the adjusted total benefit pharmacy CRC calculated in Step 6.18:

$$\begin{aligned} \text{Step 6.19 Final Pharmacy CRC} \\ &= \text{Step 6.18 Adjusted Total Benefit Pharmacy CRC} \times \text{Pharmacy Community Rate Load} \end{aligned}$$

The demographic and industry factors are removed to determine the pharmacy community rate (CR):

$$\text{Step 6.19 Final Pharmacy CR} = \frac{\text{Step 6.19 Final Pharmacy CRC}}{\text{6.14 Demographic Factor} \times \text{Step 6.15 Industry Factor}}$$

## 6.20 Aggregate Individual Claim Costs

Combine the individual PMPM pharmacy claim costs for the entire census to determine the aggregate pharmacy claim cost PMPM:

$$\text{Step 6.20 Aggregate Pharmacy CRC} = \frac{\text{Sum of Step 6.19 Final Pharmacy CRC for all individuals}}{\text{Sum of the number of individuals}}$$

$$\text{Step 6.20 Aggregate Pharmacy CR} = \frac{\text{Sum of Step 6.19 Final Pharmacy CR for all individuals}}{\text{Sum of the number of individuals}}$$



# Final Rate

## 7 Calculate Final Rate

Use the following to combine medical and pharmacy rates and calculate the final PMPM rate. If the pharmacy benefit is carved out, it will not be included in the calculation.

$$\text{Final PMPM Rate} = \frac{[\text{Step 5 Aggregate Medical Claim Cost}] + [\text{Step 6.20 Aggregate Pharmacy CRC}]}{[\text{Applied Loss Ratio}]}$$

Using the demographic assumptions from Step 1, determine the number of members per subscriber and calculate the per employee per month (PEPM) rate:

$$\text{Final PEPM Rate} = [\text{Final PMPM Rate}] \times [\text{Number of Members per Subscriber}]$$

## **Appendix A: Experience Rating Formula for Medical Products**

Blended claims are a weighted average of the group's official experience and the manually rated claims.

The group's official experience is calculated as fee-for-service paid claims, adjusted for large claims and capitation, then multiplied by a trend factor. The claims are then adjusted for any changes in liability. This experience could include Cigna experience on the particular group or a portion of the group or prior carrier experience.

The manually rated claims are calculated according to the formulas and tables filed and approved with the state.

The weights used to blend the claims are based on the credibility of the group. The blended claims may be adjusted for underwriting discretion. A retention charge is then added for administrative expenses (inclusive of network access fees), taxes, commissions, and profit. The premium is then adjusted for the pooling charge where applicable.

## Appendix B: Cigna Care Network (CCN) Tiered Benefits

A manual rate will be developed for the underlying plan, consistent with this filing's base methodology and reflecting the tier 1 level of cost-sharing for SCP/PCP office visits.

The rate adjustment will equal  $[1 - \text{Savings \%}]$ , according to the following formula (and the formula components are defined below):

$$\begin{aligned} \text{Savings \%} &= [1 - \text{OON Percent}] \\ &\times [\text{Benefit Save} \times \text{Percent Non-CCN Dollars} + \text{Benefit Save} \times \text{Percent Non-Tiered Dollars}] \end{aligned}$$

### Notes:

- If a client decides to administer the tier 1 benefit to non-tiered physicians, raw benefit save is not multiplied by the percentage of members in the non-tiered group.
- PCP and SCP savings are calculated separately and then combined for a total impact to the manual rate.

### Definitions:

- **Benefit Save** - Benefit savings ran through the regular methodology as if the whole group was making the copay or coinsurance change from tier 1 to tier 2 benefits.
- **Percent Non-CCN Dollars** - Percentage of total physician dollars at a market level that represent categories of doctors where we do define CCN vs. non CCN but the doctors did not earn the designation.
- **Percent Non-Tiered Dollars** - Percentage of total physician dollars at a market level that represent categories of doctors where we do not designate CCN vs. non CCN.
- **OON Percent** - Developed for the underlying plan, consistent with this filing's base methodology and reflecting the Tier 1 benefit level. Calculated as OON Utilization in Step 3.1.2.

## Appendix C: General Medical Tables

**Table 1 – Medical Base Claims**

Network	Major Service Categories (dollars PMPM)						
	Inpatient (IP)	Outpatient (OP)	Primary Care Physician (PCP)	Emergency Room (ER)	Specialty Care Physician (SCP)	Other	Preventive Care
Experience-Rated In-Network	109.76	113.30	21.24	31.87	46.03	14.16	16.28
Experience-Rated Out-of-Network	159.15	164.28	30.80	46.21	66.74	20.53	23.60

**Table 2 – MSC Weighting by SCC**

Sub-Cost Categories	Major Service Categories					
	Inpatient (Hospital)	Outpatient (Hospital)	ER	PCP	SCP	Other
Facility	83.5%	55.0%	100.0%	0.0%	0.0%	100.0%
Professional	16.5%	17.0%	0.0%	90.0%	81.0%	0.0%
Lab	0.0%	6.8%	0.0%	8.0%	3.6%	0.0%
Radiology	0.0%	10.2%	0.0%	2.0%	5.4%	0.0%
Advanced Radiology (ARI)	0.0%	11.0%	0.0%	0.0%	10.0%	0.0%

**Table 3 – Preventive Care Child Age Adjustment**

Elected Child Age	Portion of Preventive Care Base Claim Cost
≤ 2	0.16
3 to 64	Linearly interpolate between 0.16 at 2 and 1.0 at 65
≥ 65	1.0

**Table 4 – National Medical Trend**

	2015/2014	2016+/2015
IN Trend	8.5%	8.5%
OON Trend	8.5%	8.5%

**Table 5 – National Utilization Rates by MSC**

	Major Service Categories						
	IP Per Day	IP Per Admit	OP	ER	PCP	SCP	Other
National Utilization	See Note	0.09	0.12	0.40	1.90	2.10	0.00

Note: To determine utilization for IP Per Day, consult *Table 6* and find the 'Average Days' which correspond to the 'Max Days' per the plan design. Multiply by 0.09 to yield the IP Per Day utilization.

**Table 6 – Number of Copays Per Admit Adjustment**

Max Days	0	1	2	3	4	5	6	7	8	9
Average Days	0.00	1.00	1.80	2.34	2.71	2.96	3.15	3.29	3.42	3.52
Max Days	10	11	12	13	14	15	16	17	18	19
Average Days	3.61	3.68	3.75	3.81	3.85	3.90	3.93	3.96	3.99	4.02

**Table 7 – Medical Effective Deductible Adjustment**

		Plan Deductible																	
		0	50	100	150	200	300	400	500	750	1000	1500	2000	2500	3000	3500	4000	4500	5000
Ratio of Family to Individual Deductible	1.00	1.00	0.67	0.67	0.67	0.68	0.68	0.69	0.70	0.72	0.73	0.77	0.80	0.84	0.88	0.91	0.95	0.99	1.00
	2.00	1.00	0.80	0.80	0.80	0.81	0.81	0.82	0.83	0.84	0.85	0.87	0.89	0.91	0.93	0.96	0.98	1.00	1.00
	2.25	1.00	0.83	0.83	0.84	0.84	0.85	0.86	0.86	0.88	0.89	0.91	0.93	0.95	0.97	0.99	1.00	1.00	1.00
	2.50	1.00	0.87	0.87	0.87	0.88	0.88	0.89	0.90	0.92	0.93	0.95	0.96	0.98	0.99	1.00	1.00	1.00	1.00
	2.75	1.00	0.90	0.90	0.90	0.91	0.91	0.92	0.92	0.94	0.95	0.96	0.97	0.98	0.99	1.00	1.00	1.00	1.00
	3.00	1.00	0.93	0.94	0.93	0.94	0.94	0.95	0.95	0.96	0.97	0.97	0.98	0.98	0.99	1.00	1.00	1.00	1.00
	3.25	1.00	0.94	0.94	0.94	0.95	0.95	0.96	0.96	0.97	0.98	0.98	0.98	0.99	1.00	1.00	1.00	1.00	1.00
	3.50	1.00	0.94	0.95	0.95	0.96	0.96	0.97	0.97	0.98	0.98	0.98	0.99	1.00	1.00	1.00	1.00	1.00	1.00
	3.75	1.00	0.95	0.96	0.96	0.97	0.97	0.98	0.98	0.98	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	4.00	1.00	0.96	0.97	0.97	0.98	0.98	0.98	0.98	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

**Table 8 – Medical Effective OOP Maximum Adjustment**

		Plan OOP Max																	
		0	500	1000	1500	2000	3000	4000	5000	7500	10000	15000	20000	25000	30000	35000	40000	45000	50000
Ratio of Family to Individual OOP Max	1.00	1.00	0.92	0.92	0.92	0.92	0.92	0.92	0.93	0.93	0.94	0.95	0.95	0.96	0.97	0.97	0.98	0.99	0.99
	2.00	1.00	0.95	0.95	0.95	0.95	0.95	0.95	0.96	0.96	0.96	0.97	0.97	0.98	0.98	0.99	0.99	1.00	1.00
	2.25	1.00	0.96	0.96	0.96	0.96	0.96	0.96	0.97	0.97	0.97	0.98	0.98	0.99	0.99	1.00	1.00	1.00	1.00
	2.50	1.00	0.97	0.97	0.97	0.97	0.97	0.97	0.97	0.98	0.98	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00
	2.75	1.00	0.97	0.98	0.98	0.98	0.98	0.98	0.98	0.98	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00
	3.00	1.00	0.98	0.98	0.98	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00
	3.25	1.00	0.98	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	3.50	1.00	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	3.75	1.00	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	4.00	1.00	0.99	0.99	0.99	0.99	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Table 9 – Medical Claims Probability Distribution

Annual Frequency	Total Annual Claims	Inpatient Facility	Inpatient Professional	Outpatient Surgery Facility and Professional	ER Facility and Professional	PCP	SCP	Other	Pharmacy
0.185008531	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
0.029830560	\$7.57	\$0.01	\$0.01	\$2.58	\$0.10	\$3.44	\$1.41	\$0.01	\$25.08
0.035720253	\$58.27	\$0.04	\$0.04	\$4.73	\$1.80	\$39.54	\$12.09	\$0.04	\$27.82
0.038443267	\$96.90	\$0.07	\$0.07	\$7.82	\$10.98	\$57.29	\$20.58	\$0.08	\$36.97
0.033240278	\$132.92	\$0.14	\$0.14	\$12.89	\$16.72	\$71.98	\$30.84	\$0.21	\$51.18
0.028888112	\$166.91	\$0.25	\$0.25	\$19.04	\$18.29	\$86.89	\$41.82	\$0.36	\$67.66
0.025661300	\$201.08	\$0.28	\$0.28	\$25.61	\$21.91	\$99.82	\$52.70	\$0.49	\$83.65
0.022711152	\$235.96	\$0.37	\$0.37	\$33.28	\$25.83	\$110.56	\$64.83	\$0.72	\$98.81
0.020650973	\$269.38	\$0.56	\$0.56	\$40.16	\$29.10	\$121.91	\$76.24	\$0.84	\$114.65
0.018830319	\$302.13	\$0.57	\$0.57	\$46.74	\$33.55	\$130.82	\$88.74	\$1.14	\$131.69
0.017145331	\$335.61	\$0.73	\$0.73	\$55.24	\$36.83	\$140.03	\$100.85	\$1.21	\$147.40
0.015886476	\$367.72	\$0.89	\$0.89	\$62.15	\$43.18	\$146.58	\$112.31	\$1.72	\$164.89
0.014643964	\$399.86	\$1.00	\$1.00	\$68.36	\$48.98	\$153.73	\$125.10	\$1.68	\$180.94
0.013820432	\$432.95	\$1.05	\$1.05	\$76.69	\$54.34	\$160.65	\$137.12	\$2.06	\$197.80
0.012849784	\$462.32	\$1.22	\$1.22	\$82.26	\$62.53	\$165.48	\$147.21	\$2.40	\$216.94
0.012090651	\$497.45	\$1.46	\$1.46	\$90.26	\$70.62	\$170.97	\$159.93	\$2.76	\$230.62
0.011376781	\$528.64	\$1.73	\$1.73	\$99.40	\$77.50	\$175.06	\$170.29	\$2.93	\$247.87
0.010764825	\$559.62	\$1.68	\$1.68	\$106.41	\$87.05	\$179.05	\$180.37	\$3.37	\$265.21
0.010134519	\$591.89	\$2.30	\$2.30	\$113.54	\$93.30	\$184.50	\$192.63	\$3.32	\$282.53
0.009713844	\$623.35	\$2.20	\$2.20	\$123.73	\$103.33	\$187.78	\$200.55	\$3.56	\$300.00
0.009450166	\$655.67	\$2.69	\$2.69	\$129.43	\$115.94	\$190.28	\$210.35	\$4.29	\$315.11
0.017269172	\$702.04	\$3.17	\$3.17	\$141.49	\$128.77	\$196.38	\$224.60	\$4.46	\$342.31
0.015935912	\$758.58	\$3.72	\$3.72	\$154.53	\$148.60	\$201.76	\$240.56	\$5.70	\$380.86
0.014699359	\$827.92	\$4.87	\$4.87	\$168.91	\$173.90	\$207.81	\$260.80	\$6.76	\$408.59
0.013431533	\$896.86	\$7.16	\$5.96	\$188.15	\$196.85	\$212.98	\$279.10	\$6.68	\$438.28
0.012583283	\$960.04	\$9.88	\$7.30	\$202.83	\$215.28	\$222.65	\$294.35	\$7.74	\$472.02
0.011606205	\$1,027.36	\$13.11	\$8.87	\$218.13	\$241.54	\$227.40	\$309.25	\$9.06	\$502.60
0.010922417	\$1,093.05	\$16.87	\$10.62	\$237.41	\$261.36	\$232.35	\$325.10	\$9.34	\$534.02
0.010191765	\$1,162.75	\$20.66	\$12.24	\$258.24	\$280.80	\$237.29	\$342.45	\$11.07	\$562.95
0.009534044	\$1,226.96	\$26.12	\$14.66	\$275.35	\$298.74	\$238.22	\$360.93	\$12.94	\$594.97
0.009020771	\$1,294.47	\$31.44	\$16.83	\$298.11	\$318.18	\$243.92	\$372.33	\$13.65	\$628.19
0.038438875	\$1,482.36	\$41.19	\$21.11	\$365.24	\$368.22	\$257.03	\$411.79	\$17.78	\$721.94
0.029536110	\$1,831.67	\$59.21	\$29.14	\$493.13	\$458.91	\$280.28	\$485.04	\$25.96	\$867.82
0.023444438	\$2,175.86	\$62.10	\$29.45	\$643.52	\$553.48	\$302.22	\$550.78	\$34.31	\$1,017.22
0.019101526	\$2,536.27	\$70.15	\$32.13	\$814.11	\$641.53	\$320.12	\$613.82	\$44.42	\$1,154.53
0.016096170	\$2,893.06	\$86.35	\$38.27	\$985.71	\$726.47	\$331.19	\$670.13	\$54.93	\$1,297.07
0.013544928	\$3,288.29	\$95.08	\$40.85	\$1,179.19	\$826.89	\$353.45	\$728.36	\$64.48	\$1,404.91
0.011613702	\$3,634.29	\$109.26	\$45.58	\$1,360.99	\$899.61	\$368.61	\$772.33	\$77.90	\$1,558.96
0.010143929	\$4,017.76	\$126.27	\$51.22	\$1,567.20	\$972.55	\$377.42	\$831.29	\$91.82	\$1,674.70
0.008845927	\$4,423.52	\$160.61	\$63.41	\$1,799.29	\$1,040.81	\$386.76	\$869.24	\$103.38	\$1,782.22
0.007713139	\$4,829.33	\$192.60	\$74.10	\$2,026.89	\$1,101.59	\$394.89	\$916.70	\$122.56	\$1,869.96
0.006958491	\$5,280.51	\$255.99	\$96.05	\$2,218.75	\$1,200.19	\$406.38	\$955.87	\$147.28	\$1,929.60
0.006251459	\$5,647.69	\$327.86	\$120.09	\$2,446.24	\$1,235.24	\$404.33	\$959.59	\$154.35	\$2,061.11
0.005676863	\$6,066.62	\$418.24	\$149.66	\$2,656.94	\$1,248.84	\$409.49	\$1,013.35	\$170.11	\$2,156.35
0.005190127	\$6,537.83	\$540.43	\$189.05	\$2,861.64	\$1,321.11	\$420.27	\$1,006.21	\$199.12	\$2,188.86
0.004710701	\$7,052.96	\$653.11	\$223.50	\$3,080.67	\$1,404.44	\$419.28	\$1,049.57	\$222.40	\$2,188.94
0.004436483	\$7,412.10	\$808.97	\$270.97	\$3,189.02	\$1,418.81	\$413.26	\$1,068.75	\$242.32	\$2,325.18
0.004127698	\$7,863.57	\$939.63	\$308.24	\$3,395.39	\$1,427.15	\$431.10	\$1,093.00	\$269.04	\$2,372.08
0.003749589	\$8,336.69	\$1,095.03	\$351.98	\$3,583.27	\$1,485.38	\$419.42	\$1,125.76	\$275.85	\$2,407.70
0.003506112	\$8,752.07	\$1,207.34	\$380.44	\$3,696.41	\$1,568.24	\$439.17	\$1,153.57	\$306.90	\$2,483.53
0.003235094	\$9,255.71	\$1,355.07	\$418.76	\$3,885.40	\$1,638.66	\$450.30	\$1,179.87	\$327.66	\$2,482.72
0.002993592	\$9,687.94	\$1,504.87	\$456.28	\$4,080.35	\$1,641.20	\$439.07	\$1,216.84	\$349.32	\$2,560.30
0.002891051	\$10,178.12	\$1,689.73	\$502.86	\$4,243.01	\$1,707.90	\$432.88	\$1,217.36	\$384.38	\$2,564.61
0.002706326	\$10,674.65	\$1,963.68	\$573.78	\$4,367.13	\$1,687.33	\$443.63	\$1,236.41	\$402.69	\$2,558.43
0.002512190	\$11,102.33	\$2,153.74	\$618.10	\$4,447.52	\$1,748.32	\$454.39	\$1,267.99	\$412.27	\$2,640.29
0.002394215	\$11,485.61	\$2,132.51	\$601.28	\$4,764.23	\$1,783.81	\$450.01	\$1,300.91	\$452.86	\$2,730.72
0.002211215	\$11,794.25	\$2,331.67	\$646.11	\$4,851.48	\$1,801.56	\$445.24	\$1,261.99	\$456.20	\$2,916.31
0.002078686	\$12,369.21	\$2,519.41	\$686.29	\$4,962.53	\$1,926.43	\$453.21	\$1,329.75	\$491.58	\$2,887.25
0.001991703	\$12,791.28	\$2,558.61	\$685.33	\$5,225.61	\$1,955.32	\$469.19	\$1,386.09	\$511.13	\$2,933.43
0.001879123	\$13,293.49	\$2,780.95	\$732.62	\$5,289.42	\$2,066.05	\$468.41	\$1,428.59	\$527.45	\$2,923.43
0.001711368	\$13,756.33	\$2,896.73	\$750.72	\$5,487.50	\$2,133.45	\$489.77	\$1,437.25	\$560.91	\$2,989.64
0.001636211	\$14,033.13	\$2,950.33	\$752.36	\$5,713.21	\$2,087.08	\$488.61	\$1,413.72	\$627.82	\$3,189.01

Annual Frequency	Total Annual Claims	Inpatient Facility	Inpatient Professional	Outpatient Surgery Facility and Professional	ER Facility and Professional	PCP	SCP	Other	Pharmacy
0.001578745	\$14,618.78	\$3,185.19	\$799.40	\$5,784.83	\$2,144.27	\$508.71	\$1,571.61	\$624.77	\$3,111.10
0.001446310	\$15,096.34	\$3,252.52	\$803.54	\$6,159.78	\$2,171.66	\$500.89	\$1,523.08	\$684.88	\$3,126.27
0.001390569	\$15,436.63	\$3,492.47	\$849.49	\$6,045.56	\$2,260.55	\$493.45	\$1,611.81	\$683.30	\$3,215.23
0.001315161	\$15,925.45	\$3,795.54	\$909.10	\$6,148.20	\$2,259.76	\$489.42	\$1,602.61	\$720.82	\$3,282.76
0.001281691	\$16,313.55	\$3,895.34	\$918.90	\$6,382.98	\$2,389.39	\$495.57	\$1,534.84	\$696.53	\$3,410.64
0.002269183	\$16,831.41	\$4,015.41	\$933.06	\$6,538.52	\$2,454.93	\$513.77	\$1,625.40	\$750.31	\$3,632.58
0.002090010	\$17,697.24	\$4,363.21	\$998.87	\$6,838.93	\$2,495.19	\$531.69	\$1,688.66	\$780.69	\$3,755.11
0.001903057	\$18,315.06	\$4,540.93	\$1,024.31	\$7,107.71	\$2,470.72	\$529.12	\$1,771.68	\$870.58	\$4,118.69
0.001757479	\$18,803.94	\$4,645.09	\$1,032.58	\$7,377.44	\$2,506.32	\$572.44	\$1,775.97	\$894.09	\$4,694.21
0.001614755	\$19,411.85	\$4,861.00	\$1,065.02	\$7,457.45	\$2,674.29	\$555.59	\$1,892.16	\$906.35	\$4,984.92
0.001506787	\$20,485.42	\$5,416.48	\$1,169.77	\$7,748.88	\$2,657.20	\$558.50	\$1,927.57	\$1,007.01	\$4,960.30
0.001290129	\$21,424.56	\$5,371.81	\$1,143.69	\$8,461.77	\$2,813.42	\$585.75	\$1,995.17	\$1,052.96	\$4,985.06
0.001210329	\$21,915.08	\$5,830.49	\$1,223.90	\$8,313.37	\$2,815.50	\$634.01	\$2,052.30	\$1,045.51	\$5,525.86
0.001164124	\$22,687.52	\$6,064.39	\$1,255.24	\$8,762.19	\$2,800.10	\$616.67	\$2,122.87	\$1,066.05	\$5,768.62
0.001117198	\$22,293.77	\$6,190.93	\$1,263.69	\$8,211.77	\$2,841.93	\$604.82	\$2,113.93	\$1,066.71	\$7,112.71
0.007685159	\$26,652.43	\$8,351.72	\$1,681.30	\$9,291.01	\$3,001.25	\$653.85	\$2,373.02	\$1,300.29	\$7,663.47
0.004276099	\$36,206.43	\$13,174.48	\$2,615.95	\$11,590.42	\$3,244.57	\$734.99	\$3,083.99	\$1,762.03	\$8,062.08
0.002726777	\$43,259.68	\$16,936.77	\$3,317.35	\$13,164.04	\$3,416.28	\$854.47	\$3,568.92	\$2,001.86	\$11,022.89
0.001931696	\$50,716.08	\$20,342.68	\$3,930.69	\$15,634.05	\$3,584.04	\$936.20	\$4,028.30	\$2,260.12	\$13,494.78
0.001332664	\$60,450.75	\$25,503.59	\$4,861.80	\$17,985.49	\$3,915.22	\$1,057.18	\$4,491.38	\$2,636.08	\$13,335.13
0.000901826	\$69,737.33	\$29,660.48	\$5,578.82	\$20,652.41	\$3,775.44	\$1,191.36	\$5,837.57	\$3,041.24	\$14,023.18
0.000081839	\$77,036.70	\$32,936.76	\$6,112.87	\$24,483.01	\$3,385.04	\$1,290.99	\$5,280.37	\$3,547.67	\$12,751.73
0.000083188	\$80,303.92	\$34,149.63	\$6,254.31	\$23,868.03	\$4,496.62	\$1,185.87	\$6,771.52	\$3,577.94	\$10,288.09
0.000078482	\$75,101.16	\$34,480.02	\$6,231.88	\$19,936.81	\$3,796.55	\$1,374.59	\$6,634.41	\$2,646.90	\$16,359.52
0.000081086	\$81,128.00	\$37,874.08	\$6,755.83	\$21,899.33	\$3,770.69	\$1,792.18	\$5,730.87	\$3,305.02	\$11,693.02
0.000071864	\$79,416.20	\$33,775.29	\$5,946.29	\$25,228.39	\$4,585.61	\$1,272.57	\$4,990.75	\$3,617.30	\$13,529.67
0.000085383	\$81,189.61	\$37,601.23	\$6,534.07	\$22,342.98	\$3,910.91	\$1,278.38	\$7,005.86	\$2,516.18	\$13,634.98
0.000069919	\$82,207.23	\$38,815.01	\$6,657.93	\$21,189.88	\$5,694.38	\$1,605.67	\$5,549.64	\$2,694.72	\$12,731.27
0.000074216	\$79,475.96	\$34,484.00	\$5,838.97	\$24,641.06	\$3,600.30	\$1,156.60	\$6,018.48	\$3,736.55	\$15,934.13
0.000071017	\$85,117.60	\$37,843.87	\$6,325.78	\$25,535.19	\$3,649.75	\$1,424.24	\$6,715.09	\$3,623.68	\$11,485.69
0.000060728	\$85,936.04	\$38,376.63	\$6,332.93	\$23,508.84	\$4,936.85	\$1,321.09	\$6,195.06	\$5,264.64	\$13,206.59
0.001959896	\$106,253.01	\$48,063.92	\$7,830.59	\$32,005.98	\$4,931.53	\$1,692.13	\$8,125.22	\$3,603.63	\$12,925.79
0.000849379	\$155,656.62	\$71,265.82	\$11,463.33	\$49,992.53	\$5,835.05	\$2,425.04	\$11,008.00	\$3,666.85	\$12,856.96
0.000438303	\$206,510.06	\$93,313.00	\$14,819.81	\$73,526.72	\$5,929.56	\$2,218.92	\$12,162.80	\$4,539.26	\$12,694.37
0.000269858	\$254,518.13	\$113,012.18	\$17,721.95	\$95,993.16	\$7,908.24	\$2,509.67	\$12,973.50	\$4,399.43	\$11,952.46
0.000160980	\$301,647.54	\$148,227.51	\$22,951.70	\$106,298.77	\$6,327.76	\$2,671.38	\$10,574.06	\$4,596.38	\$13,606.96
0.000102008	\$341,266.03	\$166,256.64	\$25,420.14	\$119,076.11	\$9,668.31	\$2,441.74	\$13,662.81	\$4,740.29	\$15,605.89
0.000074185	\$396,420.41	\$206,622.12	\$31,196.14	\$133,721.81	\$7,728.01	\$1,631.05	\$9,437.45	\$6,083.84	\$15,669.71
0.000048087	\$438,150.17	\$229,372.66	\$34,198.09	\$139,166.81	\$9,048.62	\$2,416.98	\$18,994.97	\$4,952.03	\$16,053.55
0.000037359	\$488,996.20	\$277,535.13	\$40,862.48	\$143,736.68	\$7,308.02	\$1,583.89	\$11,701.43	\$6,268.57	\$14,338.69
0.000025878	\$549,204.51	\$325,082.96	\$47,266.87	\$151,114.20	\$5,891.79	\$7,189.46	\$9,247.27	\$3,411.97	\$16,348.85
0.000016437	\$593,844.78	\$387,992.53	\$55,712.21	\$131,713.04	\$7,259.97	\$1,145.05	\$5,925.18	\$4,096.81	\$13,604.87
0.000014147	\$640,417.64	\$373,699.11	\$52,993.32	\$187,381.57	\$16,402.44	\$2,140.22	\$4,557.50	\$3,243.48	\$29,162.35
0.000012359	\$703,777.71	\$434,207.25	\$60,810.00	\$167,601.93	\$25,782.58	\$1,272.10	\$4,518.77	\$9,585.07	\$11,688.68
0.000008344	\$758,851.65	\$444,189.34	\$61,437.13	\$209,813.75	\$30,760.83	\$2,094.58	\$7,380.85	\$3,175.18	\$8,219.06
0.000005897	\$782,953.23	\$512,327.68	\$69,984.31	\$159,029.90	\$30,145.09	\$1,206.08	\$5,268.92	\$4,991.25	\$6,401.10
0.000006870	\$770,486.83	\$505,613.76	\$68,212.84	\$140,659.06	\$16,118.59	\$931.41	\$36,466.15	\$2,485.02	\$10,079.97
0.000005521	\$908,357.74	\$673,603.02	\$89,753.07	\$120,130.33	\$15,184.00	\$2,216.40	\$3,253.77	\$4,217.16	\$7,702.68
0.000004925	\$943,635.19	\$649,930.58	\$85,528.94	\$188,969.89	\$4,636.36	\$2,547.49	\$5,071.15	\$6,950.79	\$14,797.76
0.000005395	\$1,045,398.39	\$768,765.20	\$99,917.76	\$153,143.79	\$8,663.93	\$1,578.21	\$5,592.47	\$7,737.04	\$4,676.80
0.000004705	\$1,136,309.17	\$911,308.71	\$116,981.90	\$89,059.92	\$9,004.40	\$2,460.55	\$3,758.43	\$3,735.25	\$3,954.84
0.000002478	\$1,217,221.75	\$819,290.52	\$103,871.35	\$280,187.77	\$4,786.83	\$626.17	\$4,494.65	\$3,964.44	\$4,612.13
0.000003419	\$1,310,658.50	\$921,860.84	\$115,432.41	\$238,996.44	\$7,010.00	\$1,001.73	\$4,597.39	\$21,759.71	\$30,327.37
0.000002290	\$1,254,346.89	\$818,375.02	\$101,208.82	\$313,899.69	\$4,590.68	\$1,759.33	\$6,945.76	\$7,567.61	\$13,159.97
0.000008218	\$1,566,126.48	\$1,198,880.94	\$146,434.69	\$192,458.73	\$10,311.53	\$927.48	\$6,631.26	\$10,481.85	\$36,074.01
0.000001506	\$2,170,414.30	\$1,868,513.51	\$225,405.09	\$54,754.80	\$8,555.78	\$8,003.86	\$1,850.72	\$3,330.54	\$12,764.39
0.000001067	\$2,839,497.32	\$1,648,717.54	\$196,431.08	\$990,514.17	\$902.73	\$604.15	\$652.39	\$1,675.26	\$191.31

**Table 10 – Average Visit Cost**

	<b>PCP Office Visit</b>	<b>SCP Office Visit</b>	<b>OON Office Visit</b>
Average Cost	110	190	190
Note: Trend applies to these values If PCP and SCP have a combined limit, weight these values 45% PCP and 55% SCP			

**Table 11 – Preventive Care Cost-Share Weighting**

<b>Major Service Category</b>	<b>Weighting</b>
PCP	75%
SCP	25%

**Table 12 – Medical Utilization Dampening**

	IP	OP	PCP Copay	PCP Ded/Coins	ER	SCP Copay	SCP Ded/Coins	Other
A	-2.17	-1.34	-0.68	-0.83	0.00	-0.71	-2.06	-1.78
B	0.12	0.21	0.11	0.37	0.00	0.15	0.57	0.30
Applicable MSC	IP	OP	PCP	PCP	ER	SCP	SCP	Other
C	This factor is equal to $[(\text{Total Cost-Share}) \times (-0.16) + (0.011)]$ and is the same for all MSCs							
	Indemnity (NY metro)		Indemnity (NJ)			Indemnity (all other areas)		
A	-0.10		-0.10			-0.32		
B	0.27		0.36			0.22		
Applicable MSC	These indemnity UD factors apply to the aggregate cost-share							
Note: Utilization dampening has a floor of 0.20. There is a cap of 1.12 on PCP, 1.17 on SCP, and 1.25 on Other.								



Table 13 – Effective Deductible - Collective Accumulation Adjustment

Deductible Multiplier	Deductible	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4	Deductible Multiplier	Deductible	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4
1	0	1.000	1.000	1.000	2	5000	1.000	0.977	0.898
1	50	0.635	0.441	0.352	2	5500	1.000	0.983	0.906
1	100	0.630	0.437	0.335	2	6000	1.000	0.990	0.918
1	150	0.633	0.437	0.334	2	6500	1.000	0.990	0.925
1	200	0.633	0.439	0.335	2	6850	1.000	1.000	0.933
1	300	0.635	0.441	0.338	2	7000	1.000	1.000	0.933
1	400	0.639	0.444	0.339	2	7500	1.000	1.000	0.943
1	500	0.644	0.447	0.342	2	8000	1.000	1.000	0.949
1	750	0.657	0.459	0.349	2	8500	1.000	1.000	0.954
1	1000	0.663	0.470	0.358	2	9000	1.000	1.000	0.963
1	1500	0.688	0.489	0.369	2	9500	1.000	1.000	0.968
1	2000	0.708	0.508	0.389	2	10000	1.000	1.000	0.972
1	2250	0.714	0.518	0.396	2	10500	1.000	1.000	0.979
1	2500	0.719	0.528	0.404	2	11000	1.000	1.000	0.983
1	3000	0.731	0.540	0.421	2	11500	1.000	1.000	0.990
1	3500	0.744	0.552	0.431	2	12000	1.000	1.000	0.990
1	4000	0.754	0.565	0.441	2	12500	1.000	1.000	1.000
1	4500	0.762	0.577	0.452	2.25	0	1.000	1.000	1.000
1	5000	0.772	0.588	0.463	2.25	50	1.000	0.890	0.706
1	5500	0.780	0.597	0.474	2.25	100	1.000	0.890	0.719
1	6000	0.787	0.608	0.484	2.25	150	1.000	0.890	0.716
1	6500	0.795	0.616	0.492	2.25	200	1.000	0.890	0.726
1	6850	0.800	0.625	0.502	2.25	300	1.000	0.890	0.730
1	7000	0.807	0.632	0.511	2.25	400	1.000	0.894	0.741
1	7500	0.807	0.632	0.511	2.25	500	1.000	0.904	0.755
1	8000	0.813	0.641	0.519	2.25	750	1.000	0.919	0.781
1	8500	0.818	0.648	0.527	2.25	1000	1.000	0.933	0.803
1	9000	0.824	0.656	0.535	2.25	1500	1.000	0.952	0.838
1	9500	0.828	0.660	0.545	2.25	2000	1.000	0.967	0.866
1	10000	0.829	0.666	0.549	2.25	2250	1.000	0.972	0.878
1	10500	0.833	0.674	0.559	2.25	2500	1.000	0.977	0.890
1	11000	0.838	0.681	0.566	2.25	3000	1.000	0.990	0.905
1	11500	0.843	0.690	0.572	2.25	3500	1.000	0.990	0.917
1	12000	0.846	0.690	0.579	2.25	4000	1.000	1.000	0.936
1	12500	0.851	0.700	0.584	2.25	4500	1.000	1.000	0.946
1	13000	0.854	0.706	0.590	2.25	5000	1.000	1.000	0.953
1	13500	0.857	0.712	0.596	2.25	5500	1.000	1.000	0.963
1	14000	0.861	0.718	0.602	2.25	6000	1.000	1.000	0.971
1	14500	0.864	0.723	0.607	2.25	6500	1.000	1.000	0.977
1	15000	0.867	0.727	0.613	2.25	6850	1.000	1.000	0.983
1	17000	0.879	0.744	0.634	2.25	7000	1.000	1.000	0.983
1	20000	0.896	0.767	0.661	2.25	7500	1.000	1.000	0.990
1.25	0	1.000	1.000	1.000	2.25	8000	1.000	1.000	0.990
1.25	50	0.718	0.515	0.393	2.25	8500	1.000	1.000	1.000
1.25	100	0.729	0.529	0.407	2.25	9000	1.000	1.000	1.000
1.25	150	0.725	0.530	0.408	2.5	0	1.000	1.000	1.000
1.25	200	0.733	0.529	0.403	2.5	50	1.000	0.990	0.784
1.25	300	0.733	0.532	0.401	2.5	100	1.000	0.990	0.784
1.25	400	0.741	0.537	0.403	2.5	150	1.000	0.922	0.782
1.25	500	0.752	0.545	0.427	2.5	200	1.000	0.923	0.792
1.25	750	0.769	0.563	0.442	2.5	300	1.000	0.935	0.800
1.25	1000	0.782	0.579	0.455	2.5	400	1.000	0.944	0.812
1.25	1500	0.805	0.607	0.479	2.5	500	1.000	0.951	0.825
1.25	2000	0.823	0.630	0.501	2.5	750	1.000	0.962	0.850
1.25	2250	0.830	0.641	0.510	2.5	1000	1.000	0.972	0.869
1.25	2500	0.838	0.651	0.520	2.5	1500	1.000	0.986	0.897
1.25	3000	0.851	0.671	0.537	2.5	2000	1.000	1.000	0.922
1.25	3500	0.863	0.690	0.554	2.5	2250	1.000	1.000	0.931
1.25	4000	0.875	0.706	0.570	2.5	2500	1.000	1.000	0.939
1.25	4500	0.881	0.719	0.584	2.5	3000	1.000	1.000	0.955
1.25	5000	0.890	0.732	0.599	2.5	3500	1.000	1.000	0.965
1.25	5500	0.895	0.737	0.604	2.5	4000	1.000	1.000	0.977
1.25	6000	0.900	0.742	0.609	2.5	4500	1.000	1.000	0.990

Deductible Multiplier	Deductible	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4
1.25	6500	0.907	0.762	0.635
1.25	6850	0.913	0.772	0.647
1.25	7000	0.913	0.772	0.647
1.25	7500	0.921	0.781	0.654
1.25	8000	0.924	0.789	0.664
1.25	8500	0.927	0.798	0.676
1.25	9000	0.935	0.805	0.690
1.25	9500	0.938	0.811	0.697
1.25	10000	0.940	0.819	0.706
1.25	10500	0.946	0.825	0.715
1.25	11000	0.949	0.831	0.723
1.25	11500	0.951	0.833	0.731
1.25	12000	0.955	0.839	0.738
1.25	12500	0.957	0.845	0.745
1.25	13000	0.960	0.851	0.752
1.25	13500	0.963	0.856	0.758
1.25	14000	0.965	0.861	0.765
1.25	14500	0.967	0.866	0.771
1.25	15000	0.970	0.871	0.777
1.25	17000	0.978	0.890	0.799
1.25	20000	0.990	0.904	0.828
1.5	0	1.000	1.000	1.000
1.5	50	0.834	0.629	0.489
1.5	100	0.834	0.629	0.489
1.5	150	0.834	0.629	0.489
1.5	200	0.834	0.629	0.489
1.5	300	0.839	0.636	0.491
1.5	400	0.848	0.645	0.496
1.5	500	0.856	0.654	0.503
1.5	750	0.870	0.674	0.521
1.5	1000	0.890	0.690	0.549
1.5	1500	0.896	0.721	0.578
1.5	2000	0.911	0.745	0.603
1.5	2250	0.916	0.755	0.615
1.5	2500	0.921	0.765	0.626
1.5	3000	0.933	0.783	0.643
1.5	3500	0.939	0.800	0.664
1.5	4000	0.950	0.810	0.684
1.5	4500	0.955	0.826	0.701
1.5	5000	0.959	0.834	0.717
1.5	5500	0.965	0.844	0.731
1.5	6000	0.970	0.853	0.744
1.5	6500	0.974	0.863	0.755
1.5	6850	0.977	0.871	0.767
1.5	7000	0.977	0.871	0.767
1.5	7500	0.982	0.880	0.777
1.5	8000	0.990	0.890	0.786
1.5	8500	0.990	0.890	0.797
1.5	9000	0.990	0.897	0.805
1.5	9500	0.990	0.901	0.813
1.5	10000	1.000	0.911	0.822
1.5	10500	1.000	0.914	0.830
1.5	11000	1.000	0.918	0.833
1.5	11500	1.000	0.923	0.842
1.5	12000	1.000	0.929	0.849
1.5	12500	1.000	0.932	0.856
1.5	13000	1.000	0.936	0.863
1.5	13500	1.000	0.941	0.869
1.5	14000	1.000	0.944	0.875
1.5	14500	1.000	0.947	0.881
1.5	15000	1.000	0.951	0.890
1.5	17000	1.000	0.962	0.905
1.5	20000	1.000	0.978	0.927
1.75	0	1.000	1.000	1.000
1.75	50	0.927	0.721	0.570

Deductible Multiplier	Deductible	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4
2.5	5000	1.000	1.000	0.990
2.5	5500	1.000	1.000	1.000
2.75	0	1.000	1.000	1.000
2.75	50	1.000	1.000	0.890
2.75	100	1.000	1.000	0.890
2.75	150	1.000	1.000	0.890
2.75	200	1.000	1.000	0.890
2.75	300	1.000	1.000	0.890
2.75	400	1.000	1.000	0.890
2.75	500	1.000	1.000	0.890
2.75	750	1.000	1.000	0.906
2.75	1000	1.000	1.000	0.923
2.75	1500	1.000	1.000	0.947
2.75	2000	1.000	1.000	0.966
2.75	2250	1.000	1.000	0.972
2.75	2500	1.000	1.000	0.979
2.75	3000	1.000	1.000	0.990
2.75	3500	1.000	1.000	1.000
2.75	4000	1.000	1.000	1.000
2.75	4500	1.000	1.000	1.000
2.75	5000	1.000	1.000	1.000
2.75	5500	1.000	1.000	1.000
3	0	1.000	1.000	1.000
3	50	1.000	1.000	0.910
3	100	1.000	1.000	0.910
3	150	1.000	1.000	0.911
3	200	1.000	1.000	0.912
3	300	1.000	1.000	0.924
3	400	1.000	1.000	0.934
3	500	1.000	1.000	0.942
3	750	1.000	1.000	0.957
3	1000	1.000	1.000	0.969
3	1500	1.000	1.000	0.990
3	2000	1.000	1.000	1.000
3	2250	1.000	1.000	1.000
3	2500	1.000	1.000	1.000
3	3000	1.000	1.000	1.000
3	3500	1.000	1.000	1.000
3	4000	1.000	1.000	1.000
3	4500	1.000	1.000	1.000
3	5000	1.000	1.000	1.000
3	5500	1.000	1.000	1.000
3.25	0	1.000	1.000	1.000
3.25	50	1.000	1.000	0.945
3.25	100	1.000	1.000	0.945
3.25	150	1.000	1.000	0.945
3.25	200	1.000	1.000	0.945
3.25	300	1.000	1.000	0.956
3.25	400	1.000	1.000	0.965
3.25	500	1.000	1.000	0.990
3.25	750	1.000	1.000	1.000
3.25	1000	1.000	1.000	1.000
3.25	1500	1.000	1.000	1.000
3.25	2000	1.000	1.000	1.000
3.25	2250	1.000	1.000	1.000
3.25	2500	1.000	1.000	1.000
3.25	3000	1.000	1.000	1.000
3.25	3500	1.000	1.000	1.000
3.25	4000	1.000	1.000	1.000
3.25	4500	1.000	1.000	1.000
3.25	5000	1.000	1.000	1.000
3.25	5500	1.000	1.000	1.000
3.5	0	1.000	1.000	1.000
3.5	50	1.000	1.000	1.000
3.5	100	1.000	1.000	1.000

Deductible Multiplier	Deductible	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4	Deductible Multiplier	Deductible	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4
1.75	100	0.927	0.721	0.570	3.5	150	1.000	1.000	1.000
1.75	150	0.927	0.718	0.572	3.5	200	1.000	1.000	1.000
1.75	200	0.926	0.727	0.573	3.5	300	1.000	1.000	1.000
1.75	300	0.934	0.729	0.579	3.5	400	1.000	1.000	1.000
1.75	400	0.940	0.738	0.587	3.5	500	1.000	1.000	1.000
1.75	500	0.945	0.749	0.596	3.5	750	1.000	1.000	1.000
1.75	750	0.953	0.769	0.618	3.5	1000	1.000	1.000	1.000
1.75	1000	0.960	0.786	0.639	3.5	1500	1.000	1.000	1.000
1.75	1500	0.969	0.814	0.673	3.5	2000	1.000	1.000	1.000
1.75	2000	0.978	0.837	0.702	3.5	2250	1.000	1.000	1.000
1.75	2250	0.984	0.847	0.714	3.5	2500	1.000	1.000	1.000
1.75	2500	0.990	0.857	0.727	3.5	3000	1.000	1.000	1.000
1.75	3000	0.990	0.873	0.748	3.5	3500	1.000	1.000	1.000
1.75	3500	1.000	0.890	0.769	3.5	4000	1.000	1.000	1.000
1.75	4000	1.000	0.899	0.786	3.5	4500	1.000	1.000	1.000
1.75	4500	1.000	0.907	0.802	3.5	5000	1.000	1.000	1.000
1.75	5000	1.000	0.912	0.811	3.5	5500	1.000	1.000	1.000
1.75	5500	1.000	0.923	0.824	3.75	0	1.000	1.000	1.000
1.75	6000	1.000	0.931	0.836	3.75	50	1.000	1.000	1.000
1.75	6500	1.000	0.936	0.849	3.75	100	1.000	1.000	1.000
1.75	6850	1.000	0.942	0.858	3.75	150	1.000	1.000	1.000
1.75	7000	1.000	0.942	0.858	3.75	200	1.000	1.000	1.000
1.75	7500	1.000	0.950	0.869	3.75	300	1.000	1.000	1.000
1.75	8000	1.000	0.953	0.878	3.75	400	1.000	1.000	1.000
1.75	8500	1.000	0.958	0.890	3.75	500	1.000	1.000	1.000
1.75	9000	1.000	0.964	0.892	3.75	750	1.000	1.000	1.000
1.75	9500	1.000	0.968	0.898	3.75	1000	1.000	1.000	1.000
1.75	10000	1.000	0.971	0.909	3.75	1500	1.000	1.000	1.000
1.75	10500	1.000	0.976	0.914	3.75	2000	1.000	1.000	1.000
1.75	11000	1.000	0.979	0.919	3.75	2250	1.000	1.000	1.000
1.75	11500	1.000	0.981	0.925	3.75	2500	1.000	1.000	1.000
1.75	12000	1.000	0.984	0.932	3.75	3000	1.000	1.000	1.000
1.75	12500	1.000	0.990	0.936	3.75	3500	1.000	1.000	1.000
1.75	13000	1.000	0.990	0.941	3.75	4000	1.000	1.000	1.000
1.75	13500	1.000	0.990	0.947	3.75	4500	1.000	1.000	1.000
1.75	14000	1.000	0.990	0.951	3.75	5000	1.000	1.000	1.000
1.75	14500	1.000	1.000	0.955	3.75	5500	1.000	1.000	1.000
1.75	15000	1.000	1.000	0.960	4	0	1.000	1.000	1.000
1.75	17000	1.000	1.000	0.975	4	50	1.000	1.000	1.000
1.75	20000	1.000	1.000	1.000	4	100	1.000	1.000	1.000
2	0	1.000	1.000	1.000	4	150	1.000	1.000	1.000
2	50	1.000	0.816	0.690	4	200	1.000	1.000	1.000
2	100	1.000	0.816	0.690	4	300	1.000	1.000	1.000
2	150	1.000	0.815	0.690	4	400	1.000	1.000	1.000
2	200	1.000	0.822	0.690	4	500	1.000	1.000	1.000
2	300	1.000	0.827	0.690	4	750	1.000	1.000	1.000
2	400	1.000	0.836	0.690	4	1000	1.000	1.000	1.000
2	500	1.000	0.846	0.690	4	1500	1.000	1.000	1.000
2	750	1.000	0.865	0.701	4	2000	1.000	1.000	1.000
2	1000	1.000	0.890	0.722	4	2250	1.000	1.000	1.000
2	1500	1.000	0.901	0.758	4	2500	1.000	1.000	1.000
2	2000	1.000	0.921	0.788	4	3000	1.000	1.000	1.000
2	2250	1.000	0.928	0.801	4	3500	1.000	1.000	1.000
2	2500	1.000	0.934	0.813	4	4000	1.000	1.000	1.000
2	3000	1.000	0.947	0.836	4	4500	1.000	1.000	1.000
2	3500	1.000	0.955	0.855	4	5000	1.000	1.000	1.000
2	4000	1.000	0.966	0.873	4	5500	1.000	1.000	1.000
2	4500	1.000	0.972	0.884					

Table 14 – Effective OOP Maximum - Collective Accumulation Adjustment

OOP Multiplier	OOP Max.	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4	OOP Multiplier	OOP Max.	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4
1	500	0.675	0.498	0.382	2	5500	1.000	0.897	0.780
1	1000	0.675	0.498	0.382	2	6000	1.000	0.899	0.792
1	1500	0.675	0.498	0.382	2	6500	1.000	0.904	0.800
1	2000	0.700	0.520	0.404	2	7000	1.000	0.909	0.802
1	2500	0.725	0.542	0.424	2	8000	1.000	0.914	0.808
1	3000	0.767	0.588	0.444	2	9000	1.000	0.919	0.813
1	4000	0.778	0.609	0.464	2	10000	1.000	0.924	0.818
1	5000	0.784	0.612	0.484	2	11000	1.000	0.929	0.823
1	5500	0.790	0.615	0.504	2	12000	1.000	0.934	0.828
1	6000	0.801	0.623	0.524	2	13000	1.000	0.939	0.833
1	7000	0.811	0.632	0.524	2	14000	1.000	0.944	0.838
1	8000	0.818	0.632	0.524	2	15000	1.000	0.949	0.843
1	9000	0.824	0.632	0.524	2.25	500	1.000	0.880	0.801
1	10000	0.828	0.637	0.527	2.25	1000	1.000	0.880	0.806
1	11000	0.836	0.644	0.537	2.25	1500	1.000	0.880	0.812
1	12000	0.836	0.647	0.541	2.25	2000	1.000	0.888	0.828
1	13000	0.852	0.657	0.553	2.25	2500	1.000	0.892	0.845
1	14000	0.868	0.662	0.564	2.25	3000	1.000	0.895	0.862
1	15000	0.890	0.672	0.572	2.25	4000	1.000	0.898	0.875
1	16000	0.893	0.690	0.581	2.25	5000	1.000	0.903	0.883
1	17000	0.914	0.700	0.595	2.25	5500	1.000	0.908	0.887
1	18000	0.928	0.711	0.601	2.25	6000	1.000	0.913	0.894
1	19000	0.931	0.716	0.608	2.25	6500	1.000	0.918	0.899
1	20000	0.950	0.726	0.616	2.25	7000	1.000	0.923	0.904
1	25000	1.000	0.785	0.649	2.25	8000	1.000	0.928	0.909
1	30000	1.000	0.819	0.690	2.25	9000	1.000	0.933	0.914
1	35000	1.000	0.945	0.875	2.25	10000	1.000	0.938	0.919
1	40000	1.000	0.973	0.905	2.25	11000	1.000	0.943	0.924
1	45000	1.000	1.000	0.931	2.25	12000	1.000	0.948	0.929
1	50000	1.000	1.000	0.962	2.25	13000	1.000	0.953	0.934
1.25	500	0.738	0.565	0.406	2.25	14000	1.000	0.958	0.939
1.25	1000	0.738	0.565	0.406	2.25	15000	1.000	0.963	0.944
1.25	1500	0.738	0.565	0.406	2.5	500	1.000	0.896	0.845
1.25	2000	0.755	0.591	0.427	2.5	1000	1.000	0.896	0.853
1.25	2500	0.772	0.617	0.447	2.5	1500	1.000	0.896	0.861
1.25	3000	0.803	0.660	0.492	2.5	2000	1.000	0.897	0.865
1.25	4000	0.820	0.683	0.523	2.5	2500	1.000	0.897	0.870
1.25	5000	0.833	0.699	0.542	2.5	3000	1.000	1.000	0.878
1.25	5500	0.838	0.702	0.560	2.5	4000	1.000	1.000	0.885
1.25	6000	0.843	0.721	0.561	2.5	5000	1.000	1.000	0.891
1.25	7000	0.851	0.728	0.579	2.5	5500	1.000	1.000	0.893
1.25	8000	0.874	0.740	0.615	2.5	6000	1.000	1.000	0.899
1.25	9000	0.879	0.743	0.628	2.5	6500	1.000	1.000	0.919
1.25	10000	0.899	0.772	0.642	2.5	7000	1.000	1.000	0.939
1.25	11000	0.919	0.790	0.658	2.5	8000	1.000	1.000	0.959
1.25	12000	0.939	0.808	0.674	2.5	9000	1.000	1.000	0.979
1.25	13000	0.959	0.826	0.690	2.5	10000	1.000	1.000	0.999
1.25	14000	0.979	0.844	0.706	2.5	11000	1.000	1.000	1.000
1.25	15000	0.999	0.862	0.723	2.5	12000	1.000	1.000	1.000
1.25	16000	1.000	0.880	0.739	2.5	13000	1.000	1.000	1.000
1.25	17000	1.000	0.900	0.755	2.5	14000	1.000	1.000	1.000
1.25	18000	1.000	0.920	0.771	2.5	15000	1.000	1.000	1.000
1.25	19000	1.000	0.940	0.787	2.75	500	1.000	1.000	0.980
1.25	20000	1.000	0.960	0.804	2.75	1000	1.000	1.000	0.980
1.25	25000	1.000	1.000	0.834	2.75	1500	1.000	1.000	0.980
1.5	500	0.829	0.678	0.500	2.75	2000	1.000	1.000	0.983
1.5	1000	0.839	0.678	0.500	2.75	2500	1.000	1.000	0.986
1.5	1500	0.833	0.678	0.500	2.75	3000	1.000	1.000	0.987
1.5	2000	0.856	0.724	0.500	2.75	4000	1.000	1.000	0.991
1.5	2500	0.855	0.727	0.547	2.75	5000	1.000	1.000	0.994
1.5	3000	0.870	0.758	0.596	2.75	5500	1.000	1.000	0.995
1.5	4000	0.879	0.785	0.624	2.75	6000	1.000	1.000	0.998
1.5	5000	0.887	0.800	0.637	2.75	6500	1.000	1.000	1.000

OOP Multiplier	OOP Max.	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4	OOP Multiplier	OOP Max.	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4
1.5	5500	0.890	0.803	0.650	3	500	1.000	1.000	0.991
1.5	6000	0.896	0.822	0.680	3	1000	1.000	1.000	0.991
1.5	6500	0.906	0.828	0.691	3	1500	1.000	1.000	0.991
1.5	7000	0.916	0.834	0.692	3	2000	1.000	1.000	0.991
1.5	8000	0.926	0.844	0.696	3	2500	1.000	1.000	0.991
1.5	9000	0.936	0.856	0.711	3	3000	1.000	1.000	0.992
1.5	10000	0.946	0.869	0.718	3	4000	1.000	1.000	0.993
1.5	11000	0.956	0.878	0.725	3	5000	1.000	1.000	0.995
1.5	12000	0.966	0.884	0.727	3	5500	1.000	1.000	0.997
1.5	13000	0.976	0.891	0.747	3	6000	1.000	1.000	1.000
1.5	14000	0.986	0.901	0.761	3.5	500	1.000	1.000	0.992
1.5	15000	0.996	0.911	0.770	3.5	1000	1.000	1.000	0.992
1.75	500	1.000	0.772	0.576	3.5	1500	1.000	1.000	0.992
1.75	1000	1.000	0.772	0.581	3.5	2000	1.000	1.000	0.992
1.75	1500	1.000	0.772	0.586	3.5	2500	1.000	1.000	0.992
1.75	2000	1.000	0.791	0.617	3.5	3000	1.000	1.000	0.993
1.75	2500	1.000	0.811	0.648	3.5	4000	1.000	1.000	0.995
1.75	3000	1.000	0.832	0.684	3.5	5000	1.000	1.000	0.997
1.75	4000	1.000	0.851	0.709	3.5	5500	1.000	1.000	0.998
1.75	5000	1.000	0.865	0.730	3.5	6000	1.000	1.000	1.000
1.75	5500	1.000	0.870	0.732	3.75	500	1.000	1.000	0.997
1.75	6000	1.000	0.881	0.750	3.75	1000	1.000	1.000	0.997
1.75	6500	1.000	0.885	0.761	3.75	1500	1.000	1.000	0.997
1.75	7000	1.000	0.892	0.764	3.75	2000	1.000	1.000	0.997
1.75	8000	1.000	0.898	0.777	3.75	2500	1.000	1.000	0.997
1.75	9000	1.000	0.900	0.790	3.75	3000	1.000	1.000	0.997
1.75	10000	1.000	0.905	0.806	3.75	4000	1.000	1.000	0.997
1.75	11000	1.000	0.910	0.811	3.75	5000	1.000	1.000	0.997
1.75	12000	1.000	0.915	0.816	3.75	5500	1.000	1.000	0.997
1.75	13000	1.000	0.920	0.821	3.75	6000	1.000	1.000	1.000
1.75	14000	1.000	0.925	0.826	4	500	1.000	1.000	1.000
1.75	15000	1.000	0.930	0.831	4	1000	1.000	1.000	1.000
2	500	1.000	0.841	0.659	4	1500	1.000	1.000	1.000
2	1000	1.000	0.842	0.664	4	2000	1.000	1.000	1.000
2	1500	1.000	0.844	0.669	4	2500	1.000	1.000	1.000
2	2000	1.000	0.863	0.691	4	3000	1.000	1.000	1.000
2	2500	1.000	0.869	0.713	4	4000	1.000	1.000	1.000
2	3000	1.000	0.880	0.743	4	5000	1.000	1.000	1.000
2	4000	1.000	0.889	0.762	4	5500	1.000	1.000	1.000
2	5000	1.000	0.895	0.775	4	6000	1.000	1.000	1.000

Table 15 – Effective Coinsurance - Collective Accumulation Adjustment

Plan Coinsurance	Average Family Size		
	2	3	4
0%	1.00	1.00	1.00
10%	0.95	0.96	0.97
20%	0.89	0.91	0.92
30%	0.85	0.88	0.90
40%	0.75	0.80	0.80

Table 16 – Collective Deductible Adjustment

Average Family Size	Deductible Multiplier	Individual Medical Deductible	Collective Adjustment	Average Family Size	Deductible Multiplier	Individual Medical Deductible	Collective Adjustment
0	1	500	0.00%	3	2	2500	2.95%
0	1	1000	0.00%	3	2	3000	3.72%
0	1	1500	0.00%	3	2	4000	5.28%
0	1	2000	0.00%	3	2.5	500	0.92%
0	1	2500	0.00%	3	2.5	1000	2.08%
0	1	3000	0.00%	3	2.5	1500	3.36%
0	1	4000	0.00%	3	2.5	2000	4.69%
0	1.5	500	0.00%	3	2.5	2500	6.05%
0	1.5	1000	0.00%	3	2.5	3000	7.39%
0	1.5	1500	0.00%	3	2.5	4000	9.97%
0	1.5	2000	0.00%	3	3	500	1.61%
0	1.5	2500	0.00%	3	3	1000	3.55%
0	1.5	3000	0.00%	3	3	1500	5.56%
0	1.5	4000	0.00%	3	3	2000	7.61%
0	2	500	0.00%	3	3	2500	9.59%
0	2	1000	0.00%	3	3	3000	11.45%
0	2	1500	0.00%	3	3	4000	14.90%
0	2	2000	0.00%	3.5	1	500	0.00%
0	2	2500	0.00%	3.5	1	1000	0.00%
0	2	3000	0.00%	3.5	1	1500	0.00%
0	2	4000	0.00%	3.5	1	2000	0.00%
0	2.5	500	0.00%	3.5	1	2500	0.00%
0	2.5	1000	0.00%	3.5	1	3000	0.00%
0	2.5	1500	0.00%	3.5	1	4000	0.00%
0	2.5	2000	0.00%	3.5	1.5	500	0.07%
0	2.5	2500	0.00%	3.5	1.5	1000	0.18%
0	2.5	3000	0.00%	3.5	1.5	1500	0.32%
0	2.5	4000	0.00%	3.5	1.5	2000	0.48%
0	3	500	0.00%	3.5	1.5	2500	0.66%
0	3	1000	0.00%	3.5	1.5	3000	0.86%
0	3	1500	0.00%	3.5	1.5	4000	1.32%
0	3	2000	0.00%	3.5	2	500	0.22%
0	3	2500	0.00%	3.5	2	1000	0.62%
0	3	3000	0.00%	3.5	2	1500	1.12%
0	3	4000	0.00%	3.5	2	2000	1.70%
2	1	500	0.00%	3.5	2	2500	2.34%
2	1	1000	0.00%	3.5	2	3000	3.01%
2	1	1500	0.00%	3.5	2	4000	4.42%
2	1	2000	0.00%	3.5	2.5	500	0.63%
2	1	2500	0.00%	3.5	2.5	1000	1.55%
2	1	3000	0.00%	3.5	2.5	1500	2.64%
2	1	4000	0.00%	3.5	2.5	2000	3.82%
2	1.5	500	0.18%	3.5	2.5	2500	5.07%
2	1.5	1000	0.41%	3.5	2.5	3000	6.32%
2	1.5	1500	0.66%	3.5	2.5	4000	8.80%
2	1.5	2000	0.95%	3.5	3	500	1.17%
2	1.5	2500	1.25%	3.5	3	1000	2.79%
2	1.5	3000	1.56%	3.5	3	1500	4.60%
2	1.5	4000	2.24%	3.5	3	2000	6.53%
2	2	500	0.49%	3.5	3	2500	8.43%
2	2	1000	1.20%	3.5	3	3000	10.24%
2	2	1500	1.99%	3.5	3	4000	13.62%
2	2	2000	2.84%	4	1	500	0.00%
2	2	2500	3.71%	4	1	1000	0.00%
2	2	3000	4.58%	4	1	1500	0.00%
2	2	4000	6.31%	4	1	2000	0.00%

Average Family Size	Deductible Multiplier	Individual Medical Deductible	Collective Adjustment	Average Family Size	Deductible Multiplier	Individual Medical Deductible	Collective Adjustment
2	2.5	500	1.30%	4	1	2500	0.00%
2	2.5	1000	2.75%	4	1	3000	0.00%
2	2.5	1500	4.24%	4	1	4000	0.00%
2	2.5	2000	5.74%	4	1.5	500	0.04%
2	2.5	2500	7.22%	4	1.5	1000	0.11%
2	2.5	3000	8.64%	4	1.5	1500	0.19%
2	2.5	4000	11.34%	4	1.5	2000	0.30%
2	3	500	2.18%	4	1.5	2500	0.43%
2	3	1000	4.46%	4	1.5	3000	0.56%
2	3	1500	6.68%	4	1.5	4000	0.91%
2	3	2000	8.86%	4	2	500	0.13%
2	3	2500	10.92%	4	2	1000	0.39%
2	3	3000	12.82%	4	2	1500	0.74%
2	3	4000	16.34%	4	2	2000	1.18%
3	1	500	0.00%	4	2	2500	1.70%
3	1	1000	0.00%	4	2	3000	2.25%
3	1	1500	0.00%	4	2	4000	3.48%
3	1	2000	0.00%	4	2.5	500	0.38%
3	1	2500	0.00%	4	2.5	1000	1.03%
3	1	3000	0.00%	4	2.5	1500	1.88%
3	1	4000	0.00%	4	2.5	2000	2.87%
3	1.5	500	0.12%	4	2.5	2500	3.97%
3	1.5	1000	0.28%	4	2.5	3000	5.09%
3	1.5	1500	0.46%	4	2.5	4000	7.41%
3	1.5	2000	0.68%	4	3	500	0.74%
3	1.5	2500	0.92%	4	3	1000	1.99%
3	1.5	3000	1.16%	4	3	1500	3.52%
3	1.5	4000	1.73%	4	3	2000	5.26%
3	2	500	0.33%	4	3	2500	7.03%
3	2	1000	0.87%	4	3	3000	8.76%
3	2	1500	1.50%	4	3	4000	12.03%
3	2	2000	2.21%				

Table 17 – Community Rate Loads

Category	Load	Detail
<b>Modular Medical Management</b>	1.023	Basic Medical Management
	0.993	Buy-up Medical Management
<b>Multiple Offering Load</b>		<b>Offerings</b>
	1.000	1
	1.020	2
	1.025	3
	1.030	4+
	1.025	2 (CA)
	1.050	3 (CA)
	1.055	4+ (CA)
Does not apply to LocalPlus products in TN or FL		
<b>Deductible Accumulation Adjustment</b>		<b>Accumulation Type (IN and OON)</b>
	0.995	No Cross-Accumulation
	1.000	One-Way Accumulation (out-of-network to in-network)
	1.005	Cross-Accumulation
<b>Gatekeeper Credit</b>	0.99	
<b>CarryOver Deductible Adjustment</b>		<b>Deductible</b>
	1	0
	1.013	250
	1.019	500
	1.023	750
	1.030	1000
<b>Office Surgery</b>	The load is one plus the sum of the following applicable adjustments	
	0.0005	Waive deductible on PCP office surgery
	0.0005	Waive deductible on SCP office surgery
	0.0005	Waive coinsurance on PCP office surgery
	0.0005	Waive coinsurance on SCP office surgery
<b>Consumerism Adjustment</b>	0.985	
<b>Breast Pump Supplies</b>	1.0005	Covered at 100%
	1.0000	Covered at Deductible/Coinsurance
	0.9998	Not Covered
<b>Lock-In Decrement</b>	0.890	NY/NJ
	0.990	Elsewhere
<b>Case-Size Adjustment</b>	.95	Fewer than 200 subscribers (NY/NJ)
	.95 to 1	Interpolate between .95 and 1 for 200 to 300 subscribers (NY/NJ)
	1	Greater than 300 subscribers (NY/NJ)
	.97	Fewer than 200 subscribers (FL)
	.97 to 1	Interpolate between .97 and 1 for 200 to 300 subscribers (FL)
	1	Greater than 300 subscribers (FL)
<b>Criteria Based Network Adjustment</b>		
	0.8505	Minimum
	0.9999	Maximum



**Table 17 – Community Rate Loads (Continued)**

**ER/UC Steerage Adjustment**

Using the applicable copay and/or coinsurance per the plan design and the average steerable visit cost below, calculate the average actual visit cost to a member for an ER visit and Urgent Care facility visit. Look up the load on the table based on visit cost differential and the Effective ER deductible from Step 2.4. No load is applied if Urgent Care is subject to the deductible or if the calculated Urgent Care facility visit cost is \$0.

<b>Average Steerable visit cost</b>					
ER	1000				
Urgent Care	160				
		<b>Effective ER Deductible</b>			
<b>Visit Cost Difference</b>	<b>0</b>	<b>500</b>	<b>1000</b>	<b>3000</b>	<b>6000</b>
0	1.0000	0.9995	0.9990	0.9975	0.9970
100	0.9995	0.9989	0.9984	0.9974	0.9970
200	0.9990	0.9984	0.9979	0.9973	0.9970
300	0.9985	0.9980	0.9975	0.9972	0.9970
400	0.9980	0.9976	0.9972	0.9971	0.9970
500	0.9975	0.9973	0.9970	0.9970	0.9970

**Medical Specialty Drugs Steerage Adjustment**

The following adjustments apply for plan designs where the deductible applies to medical specialty drugs administered in outpatient facilities, the deductible does not apply to medical specialty drugs administered in either (or both of) the home or at a physician's office, and the member coinsurance for those services is greater than 0%.

<b>Deductible</b>	<b>Deductible Waiver by Place of Administration</b>		
	<b>Physician's office</b>	<b>Home</b>	<b>Both Home and Physician's Office</b>
0	1.0000	1.0000	1.0000
1000	0.9997	0.9999	0.9996
2000	0.9994	0.9998	0.9992
3000	0.9991	0.9997	0.9988
4000	0.9988	0.9996	0.9984
5000	0.9985	0.9995	0.9980

**Independent Lab Steerage Adjustment**

The following adjustments apply for plan designs where the deductible does not apply to independent lab facility services, the deductible does apply to either (or both of) physician's office lab services or outpatient facility lab services, and the member coinsurance for those services is greater than 0%.

<b>Deductible</b>	<b>Deductible by Place of Service</b>		
	<b>Outpatient Facility</b>	<b>Physician's Office</b>	<b>Both OP Facility and Physician's Office</b>
0	1.0000	1.0000	1.0000
1000	0.9998	0.9998	0.9996
2000	0.9996	0.9996	0.9992
3000	0.9994	0.9994	0.9988
4000	0.9992	0.9992	0.9984
5000	0.9990	0.9990	0.9980

**Enhanced Non-Par Claims Adjustment**

See Table 33 - Enhanced Non-Par. Claims Adjustment and Table 34 - Enhanced Non-Par. Claims Adjustment Summary for appropriate loads.

**Table 18 – Medical OON Program Savings Factors**

	Percent	Factor	
		All Other Products	LocalPlus Product
<b>Medicare Stacked</b>	100	0.450	0.355
	110	0.500	0.400
	150	0.590	0.490
	200	0.690	0.600
	250	0.775	0.708
	300	0.860	0.815
<b>Medicare Only</b>	100	0.100	0.077
	110	0.110	0.086
<b>Average Contracted Rate</b>	100	0.600	0.600
<b>Usual &amp; Customary (Percentile)</b>	80 <sup>th</sup>	1.000	1.000
	90 <sup>th</sup>	1.100	1.100

**Table 19 – Lifetime Maximum Adjustment**

Lifetime Max (in dollars)	Factor
≤ 50000	-2.00%
100000	-1.50%
150000	-1.25%
200000	-1.00%
300000	-0.83%
400000	-0.67%
500000	-0.50%
750000	-0.40%
1000000	-0.25%
2000000	-0.10%
3000000	-0.05%
4000000	-0.02%
5000000	-0.01%
> 5000000	0.00%

**Table 20 – Industry Load**

Industry	Minimum	Maximum	Median
Agriculture	0.950	1.100	1.025
Mining	1.000	1.150	1.100
Construction	0.950	1.150	1.050
Manufacturing	0.900	1.100	1.000
Transportation, Communication, & Utilities	0.900	1.100	1.000
Wholesale Trade	0.900	1.000	0.950
Retail Trade	0.950	1.150	1.050
Finance, Insurance and Real Estate	0.900	1.100	1.000
Services	0.900	1.100	1.050
Public Administration	1.000	1.100	1.000

**Table 21 – Medical Demographic Factors**

Age Band	Male			Female			MT and MN Unisex
	Employee	Spouse	Child	Employee	Spouse	Child	All
00 - 19	0.483	0.483	0.483	0.462	0.462	0.462	0.472
20 - 24	0.385	0.387	0.583	0.833	1.336	0.680	0.640
25 - 29	0.461	0.656	0.721	0.975	1.426	1.569	0.807
30 - 34	0.535	0.651	0.716	1.179	1.401	1.541	0.916
35 - 39	0.632	0.871	0.959	1.165	1.261	1.387	0.943
40 - 44	0.803	0.975	1.072	1.212	1.302	1.432	1.045
45 - 49	0.993	1.298	1.427	1.388	1.496	1.646	1.244
50 - 54	1.340	1.737	1.911	1.574	1.807	1.988	1.548
55 - 59	1.700	2.198	2.418	1.742	2.057	2.263	1.837
60 - 64	2.211	2.963	3.260	2.136	2.543	2.797	2.330
65 - 69	3.658	3.658	4.024	2.926	2.926	3.219	3.292
70+	4.243	4.243	4.668	3.414	3.414	3.756	3.829

**Table 22 – Demographic Aging Trend**

<b>Trend</b>
0.0075

**Table 23 – Infertility Rider Demographic Factors**

Age Band	Male	Female	Unisex
00 - 19	0.000	0.000	0.000
20 - 24	0.000	0.600	0.297
25 - 29	0.072	3.432	1.789
30 - 34	0.234	8.046	4.294
35 - 39	0.518	7.278	4.010
40 - 44	0.170	2.635	1.434
45 - 49	0.095	0.530	0.319
50 - 54	0.037	0.043	0.040
55 - 59	0.026	0.018	0.022
60 - 64	0.000	0.009	0.005
65 - 69	0.000	0.000	0.000
70+	0.000	0.000	0.000

**Table 24 – Health Management Program Savings**

Health Management Program	Savings
Your Health First	-1.64%
Healthy Pregnancies, Healthy Babies	-\$0.36
Comprehensive Oncology	-\$0.20
Personal Health Team – Non-CCF	-\$5.04
Personal Health Team – CCF	-\$2.19
Health-Advisor – CCF	-\$3.94

Table 25 – Medical Riders

Rider	Methodology
Bariatric Surgery	0.7187 for a maximum from \$1 to \$8000 2.2774 for a maximum greater than \$8000 2.6114 for unlimited coverage
Durable Medical Equipment (DME)	1.47144 base PMPM
Durable Medical Equipment OON Buy Up	IN PMPM multiplied by the POS Load
External Prosthetic Appliances (EPA)	0.2953 base PMPM
External Prosthetic Appliances OON Buy Up	IN PMPM multiplied by the POS Load
DME and EPA Combined	1.7665 Base PMPM
DME and EPA Combined OON Buy Up	IN PMPM multiplied by the POS Load
Routine Foot Disorders Buy Up	1.0189 for a maximum less than \$1000 1.1987 for a maximum \$1000 or greater
Routine Foot Disorders OON Buy Up	IN PMPM multiplied by the POS Load
Organ Transplants OON	0.2397 base PMPM
Home Health Care	-1.2467 when annual maximum days are set to zero. Slope of 0.0189 per day. 1.3545 cap on coverage.
Infertility Treatment – Buy Up #1	1.2814 base PMPM
Infertility Treatment – Buy Up #1 OON	IN PMPM multiplied by the POS Load
Infertility Treatment – Buy Up #2	Base Cost PMPM = $5.2897 \times \left[ \frac{\text{Max}}{18844.37} \right]^{0.6}$ 10.5794 cap on coverage
Infertility Treatment – Buy Up #2 OON	IN PMPM multiplied by the POS Load
Infertility Only	Difference between the cost of Infertility Treatment Buy Up #2 and Buy Up #1
Infertility Only OON	IN PMPM multiplied by the POS Load
Complex Psych Program Savings	-0.1798 base PMPM
TMJ	0.3716 base PMPM

Rider	Methodology			
Narcotics Therapy Program Savings	-0.1798 base PMPM			
Alternative Care (Acupuncture, Naturopathy, Massage)	Naturopathy and Acupuncture are available with or without massage at \$300 or \$600 limits. 1.5643 – Without massage, \$300 limit. 2.2835 – Without massage, \$600 limit 1.8041 – With massage, \$300 limit 3.3624 – With massage, \$600 limit			
Acupuncture	This doesn't apply if an Alternative Care election is made. 0 – Less than 10 visits 0.4695 – 10 to 11 visits 0.5634 – 12 to 14 visits 0.6690 – 15 to 19 visits 0.8451 – For 20 or more visits.			
Preventive Care OON Exclusion	If OON preventive care is not covered: -0.7500 base PMPM			
Family Planning Preventive Care Exemption	Apply a factor of 0.96 to the preventive care base rate in Step 2.1.			
<p>The following therapies riders use curves based on the number of visits. One slope (PMPM per visit) applies up to some number of visits ("Breakpoint") while another slope applies past that number of visits.</p> <p>For example, if Speech Therapy is offered with a 30 day limit (with a limit past the breakpoint), then the final cost would be:</p> $ST \text{ PMPM} = [1st \text{ Slope}] \times 20 + [2nd \text{ Slope}] \times 10 = 0.00545 \times 20 + 0.00136 \times 10 = 0.123$ <p>If Cardiac and Pulmonary Rehab is included with these benefits, it does not have a pricing impact.</p>				
Therapy	1 <sup>st</sup> slope	Breakpoint	2 <sup>nd</sup> slope	Cap
Speech Therapy (ST)	0.00545	20 days	0.00136	0.20432
Outpatient Speech, Hearing, and Occupational Therapy (OSHOT)	0.01090	20 days	0.00272	0.40865
Chiropractic Therapy (Chiro)	0.05449	60 days	0.01453	3.70508
Physical Therapy (PT)	0.10150	20 days	0.02383	3.45963
PT and Occupational Therapy (OT)	0.10695	20 days	0.02519	3.63262
PT and OSHOT	0.11240	20 days	0.02655	3.86828
PT, OT, ST, and Chiro	0.13827	30 days	0.05709	7.57336
<p>The following riders are not standardly offered but are frequently requested. If elected, they are multiplicative adjustments applied to total expected medical and pharmacy claims as calculated in Step 5 and Step 6.20. If the coverage is mandated, then the adjustment is already embedded in the rating area factor and does not apply separately.</p>				
Short Term Rehab Coverage for Autism			1.001	
Short Term Rehab Coverage for Developmental Delays			1.001	
Applied Behavioral Analysis Therapy for Autism			1.004	
Hearing Aids			1.001	
Gender Reassignment			1.0005	
Artificial Insemination			1.000	
Skilled Nursing			1.000	

## Appendix D: Medical Tables by Rating Area

The following tables include the rating area product: Open Access Plus (OAP), Network (NWK), LocalPlus (LCP) and Preferred Provider Organization (PPO)/Indemnity.

**Table 26 – Medical Area Factors**

<b>Area Description</b>	<b>Rating Area</b>	<b>Product</b>	<b>Area Factor</b>
VT, VERMONT	VTNWK1	NWK	0.84
VT, VERMONT	VTOAP1	OAP	0.85
VT, VERMONT	VTPPOA	PPO	0.88

Table 27 – Medical Area Factor Summary

State	Minimum Area Factor	Maximum Area Factor	State	Minimum Area Factor	Maximum Area Factor
AK	1.43	1.44	NC	0.69	1.04
AL	0.61	0.92	ND	0.94	0.95
AR	0.67	0.84	NE	1.01	1.23
AZ	0.65	1.14	NH	0.93	1.10
CA*	0.00	1.29	NJ	0.90	1.13
CO	0.71	1.16	NM	0.76	1.05
CT	0.84	1.24	NV	0.86	0.94
DC	0.69	0.77	NY	0.65	1.25
DE	0.90	0.91	OH	0.82	1.21
FL	0.81	1.30	OK	0.90	1.07
GA	0.68	1.13	OR	0.84	0.96
HI	0.83	0.83	PA	0.80	1.04
IA	1.01	1.02	PR	0.30	0.31
ID	0.95	0.95	RI	0.74	0.82
IL	0.68	1.28	SC	0.79	1.19
IN	0.77	1.22	SD	1.17	1.17
KS	0.71	1.29	TN	0.66	0.96
KY	0.78	1.45	TU	0.83	1.06
LA	0.85	1.16	TX	0.76	1.42
MA	0.70	1.06	VA	0.70	1.07
MD	0.67	0.69	VI	0.35	0.40
ME	0.82	0.96	VT	0.84	0.88
MI	0.82	1.15	WA	0.82	0.97
MN	0.81	1.00	WI	0.98	1.51
MO	0.75	1.26	WV	0.86	1.14
MS	0.71	0.88	WY	1.23	1.24
MT	0.84	0.90			

\*The low area factor for certain CA NWK rating areas applies to the FFS portion of the rate, while the capitated portion is calculated separately and added to the total medical rate.

**Table 28 – Medical Trend and Capitation**

Area Description	Rating Area	Product	% Capitated	In-Network Cost Trend	
				2015/2014	2016+/2015
VT, VERMONT	VTNWK1	NWK	3.82%	9.7%	8.9%
VT, VERMONT	VTOAP1	OAP	-	9.7%	8.9%
VT, VERMONT	VTPPOA	PPO	-	9.7%	8.9%



**Table 29 – Medical Trend Summary**

State	2015/2014		2016+/2015		State	2015/2014		2016+/2015	
	Minimum	Maximum	Minimum	Maximum		Minimum	Maximum	Minimum	Maximum
AK	9.61%	9.63%	8.88%	8.91%	NC	5.63%	9.28%	7.70%	9.18%
AL	7.59%	9.87%	7.99%	9.58%	ND	9.41%	9.41%	9.11%	9.11%
AR	7.01%	13.47%	7.70%	8.78%	NE	10.34%	10.44%	10.04%	10.14%
AZ	8.14%	8.75%	7.96%	8.40%	NH	8.68%	8.68%	8.94%	8.94%
CA	7.23%	8.92%	7.01%	8.49%	NJ	8.61%	9.00%	7.94%	8.37%
CO	8.66%	8.79%	8.57%	8.66%	NM	8.68%	8.74%	8.55%	8.63%
CT	7.79%	7.79%	9.17%	9.17%	NV	7.23%	8.92%	7.01%	8.49%
DC	8.96%	8.96%	8.28%	8.28%	NY	9.00%	9.84%	8.62%	9.68%
DE	8.00%	8.00%	7.82%	7.82%	OH	7.28%	10.41%	8.90%	10.12%
FL	6.62%	9.98%	6.51%	9.74%	OK	6.62%	8.44%	7.58%	9.04%
GA	7.46%	9.87%	7.96%	9.58%	OR	8.08%	10.04%	7.73%	9.72%
HI	10.33%	10.34%	10.00%	10.04%	PA	6.37%	10.83%	5.32%	10.55%
IA	10.34%	10.34%	10.04%	10.04%	PR	8.50%	8.50%	8.50%	8.50%
ID	10.01%	10.04%	9.71%	9.72%	RI	3.51%	3.51%	8.57%	8.57%
IL	6.63%	10.37%	7.43%	10.38%	SC	8.36%	9.87%	8.32%	9.58%
IN	6.63%	10.37%	7.43%	10.52%	SD	10.34%	10.34%	10.04%	10.04%
KS	8.85%	8.85%	8.48%	8.68%	TN	4.47%	13.47%	5.96%	10.28%
KY	8.27%	10.59%	8.95%	10.38%	TU	8.52%	9.02%	8.22%	8.74%
LA	7.45%	8.98%	7.78%	9.16%	TX	5.44%	10.75%	5.84%	9.29%
MA	7.93%	8.52%	8.12%	9.09%	VA	8.12%	9.32%	8.32%	9.32%
MD	7.72%	7.72%	7.49%	7.49%	VI	9.22%	9.32%	9.03%	9.10%
ME	8.55%	8.55%	8.31%	8.31%	VT	9.7%	9.7%	8.9%	8.9%
MI	8.82%	10.41%	8.90%	10.12%	WA	6.07%	8.13%	7.55%	7.93%
MN	9.41%	9.41%	9.11%	9.11%	WI	8.94%	10.34%	8.50%	10.04%
MO	8.63%	8.85%	8.48%	8.68%	WV	9.16%	9.16%	9.30%	9.30%
MS	7.69%	13.47%	7.70%	9.08%	WY	9.29%	9.30%	9.15%	9.25%
MT	10.21%	10.21%	9.89%	9.92%					
Out-of-Network and Indemnity trend is 8.50% for all rating areas.									

**Table 30 – NWK Percent Capitated Summary**

<b>State</b>	<b>Minimum</b>	<b>Maximum</b>
AL	5.27%	5.27%
AR	4.27%	4.27%
AZ	7.45%	7.45%
CA	0.90%	30.00%
CO	4.70%	4.70%
CT	18.84%	18.84%
DC	8.72%	8.72%
DE	6.18%	6.18%
FL	5.97%	5.97%
GA	10.31%	10.31%
IL	5.80%	5.80%
IN	4.65%	5.80%
KS	6.69%	6.69%
KY	4.21%	4.65%
LA	5.19%	5.19%
MA	4.42%	4.42%
MD	8.72%	8.72%
ME	5.58%	5.58%
MI	5.02%	5.02%
MO	6.69%	6.69%
MS	5.25%	5.25%
NC	1.96%	1.96%
NH	1.96%	1.96%
NJ	15.08%	15.08%
NM	4.25%	4.25%
NV	0.90%	0.90%
NY	14.03%	14.03%
OH	5.02%	5.03%
OK	7.04%	7.04%
OR	2.43%	2.43%
PA	6.18%	6.68%
RI	4.39%	4.39%
SC	5.91%	5.91%
TN	5.25%	5.25%
TX	6.69%	6.69%
UT	8.15%	11.98%
VA	8.72%	8.72%
VT	3.82%	3.82%
WA	4.12%	4.12%
WI	2.40%	2.40%
WV	2.90%	2.90%

Table 31 – POS Load Coefficients

Base Area Description	Rating Area	Product	Equation Coefficients		
			A	B	C
VT, VERMONT	VTNWK1	NWK	0.550	-0.430	0.080
VT, VERMONT	VTOAP1	OAP	0.250	-0.240	0.053
VT, VERMONT	VTPPOA	PPO	0.550	-0.430	0.076

**Table 32 – POS Load Coefficients Summary**

<b>Area</b>	<b>Product</b>	<b>A</b>	<b>B</b>	<b>C</b>
Northeast	OAP	0.250	-0.240	0.053
Southeast	OAP	0.550	-0.430	0.082
West	OAP	0.450	-0.400	0.085
Florida	OAP	0.550	-0.430	0.092
Houston	OAP/PPO/NWK	0.850	-0.670	0.126
Maryland	OAP	0.250	-0.240	0.083
New York/New Jersey	OAP/PPO/NWK	1.200	-1.010	0.210
Southern California	OAP/PPO/NWK	0.780	-0.700	0.154
US Virgin Islands	OAP/PPO	0.550	-0.430	0.076
All other	PPO/Indemnity	0.550	-0.430	0.076
All other	NWK	0.550	-0.430	0.080
CT/MA/RI/KS	LocalPlus	1.158	-0.762	0.126
GA/SC	LocalPlus	1.889	-1.190	0.187
TX (All other)/TN	LocalPlus	2.021	-1.268	0.195
CA (Northern)/CO	LocalPlus	2.047	-1.317	0.210
AZ/NV	LocalPlus	2.113	-1.322	0.210
FL	LocalPlus	2.254	-1.413	0.227
TX (Houston)	LocalPlus	3.124	-1.964	0.301
CA (Southern)	LocalPlus	3.703	-2.384	0.385
IL	LocalPlus	3.703	-2.376	0.385

**Table 33 - Enhanced Non-Par. Claims Adjustment**

<b>Base Area Description</b>	<b>Rating Area</b>	<b>Product</b>	<b>Adjustment</b>
VT, VERMONT	VTNWK1	NWK	0
VT, VERMONT	VTOAP1	OAP	0
VT, VERMONT	VTPPOA	PPO	0

**Table 34 - Enhanced Non-Par. Claims Adjustment Summary**

State	Minimum	Maximum	State	Minimum	Maximum
AK	0.996	0.996	NC	0.997	0.997
AL	0.964	0.984	ND	1.000	1.000
AR	0.964	0.994	NE	1.000	1.000
AZ	0.970	0.995	NH	0.998	0.998
CA	0.993	0.996	NJ	0.987	1.000
CO	0.970	0.999	NM	0.996	0.996
CT	0.997	1.000	NV	0.956	0.995
DC	0.990	0.990	NY	0.996	1.000
DE	1.000	1.000	OH	0.993	0.998
FL	0.982	0.983	OK	0.993	0.993
GA	0.964	0.989	OR	1.000	1.000
HI	1.000	1.000	PA	0.993	0.993
IA	1.000	1.000	PR	1.000	1.000
ID	1.000	1.000	RI	0.991	0.997
IL	0.966	0.996	SC	0.964	0.992
IN	0.966	0.993	SD	1.000	1.000
KS	0.969	0.995	TN	0.964	0.989
KY	0.993	0.997	UT	0.994	0.994
LA	0.991	0.991	TX	0.959	0.984
MA	0.993	0.999	VA	0.990	0.990
MD	0.990	0.990	VI	1.000	1.000
ME	1.000	1.000	VT	1.000	1.000
MI	0.998	0.998	WA	0.997	0.997
MN	1.000	1.000	WI	0.999	1.000
MO	0.995	0.995	WV	0.995	0.995
MS	0.964	0.985	WY	0.995	0.995
MT	1.000	1.000			

## Appendix E: Mental Health/Substance Use Disorders

Table 35 – MH/SUD: Trend and Adjustments

MH/SUD Trend	6.0%
FFS Adjustment (if applicable)	1%
Residential Buy-up (if applicable)	\$0.12

Table 36 – MH/SUD: OAP/PPO Rates

State	Proclaim Cap. Rate		Facets Rate		State	Proclaim Cap. Rate		Facets Rate	
	Minimum	Maximum	Minimum	Maximum		Minimum	Maximum	Minimum	Maximum
AK	\$10.35	\$18.41	\$2.11	\$3.46	MT	\$9.99	\$17.77	\$2.11	\$3.46
AL	\$9.49	\$16.87	\$1.98	\$3.23	NC	\$0.00	\$0.00	\$2.05	\$3.35
AR	\$8.82	\$15.69	\$1.92	\$3.14	ND	\$9.95	\$17.69	\$2.02	\$3.30
AZ	\$9.77	\$17.37	\$2.09	\$3.42	NE	\$9.94	\$17.67	\$2.02	\$3.30
CA	\$0.00	\$0.00	\$2.09	\$3.42	NH	\$11.60	\$20.63	\$2.43	\$3.98
CO	\$9.86	\$17.54	\$2.02	\$3.30	NJ	\$10.59	\$18.84	\$2.39	\$3.91
CT	\$11.78	\$20.95	\$2.39	\$3.91	NM	\$9.14	\$16.26	\$1.98	\$3.23
DC	\$10.18	\$18.11	\$2.37	\$3.87	NV	\$9.51	\$16.91	\$2.04	\$3.33
DE	\$10.54	\$18.74	\$2.39	\$3.91	NY	\$10.98	\$19.52	\$2.39	\$3.91
FL	\$9.27	\$16.48	\$1.95	\$3.19	OH	\$9.71	\$17.27	\$1.98	\$3.23
GA	\$9.13	\$16.24	\$2.05	\$3.35	OK	\$9.47	\$16.84	\$2.02	\$3.30
GU	\$0.00	\$0.00	\$2.11	\$3.46	OR	\$9.90	\$17.60	\$2.09	\$3.42
HI	\$9.45	\$16.82	\$2.11	\$3.46	PA	\$10.38	\$18.45	\$2.39	\$3.91
IA	\$9.84	\$17.51	\$2.02	\$3.30	PR	\$9.96	\$17.72	\$2.05	\$3.35
ID	\$9.84	\$17.50	\$2.11	\$3.46	RI	\$10.67	\$18.98	\$2.43	\$3.98
IL	\$9.93	\$17.66	\$2.02	\$3.30	SC	\$9.05	\$16.09	\$2.05	\$3.35
IN	\$9.39	\$16.69	\$1.98	\$3.23	SD	\$9.86	\$17.53	\$2.02	\$3.30
KS	\$9.68	\$17.22	\$1.98	\$3.23	TN	\$9.46	\$16.83	\$2.09	\$3.41
KY	\$9.24	\$16.43	\$1.98	\$3.23	TX	\$8.76	\$15.59	\$1.96	\$3.21
LA	\$9.55	\$16.98	\$1.98	\$3.23	UT	\$9.45	\$16.80	\$2.04	\$3.33
MA	\$11.26	\$20.02	\$2.43	\$3.98	VA	\$9.42	\$16.75	\$2.09	\$3.41
MD	\$10.46	\$18.60	\$2.37	\$3.87	VI	\$9.64	\$17.14	\$2.05	\$3.35
ME	\$11.38	\$20.25	\$2.43	\$3.98	VT	\$11.35	\$20.19	\$2.43	\$3.98
MI	\$10.31	\$18.33	\$2.39	\$3.91	WA	\$9.47	\$16.84	\$2.15	\$3.52
MN	\$9.94	\$17.67	\$2.02	\$3.30	WI	\$9.94	\$17.67	\$2.02	\$3.30
MO	\$9.34	\$16.61	\$1.98	\$3.23	WV	\$9.32	\$16.57	\$2.05	\$3.35
MS	\$9.37	\$16.67	\$2.05	\$3.35	WY	\$10.31	\$18.33	\$2.11	\$3.46

Note: The rates are identical across all rating areas within the state and range from minimum to maximum depending on deductible, coinsurance, and copays.

Table 37 – MH/SUD: NWK Rates

Rider	Outpatient Copay										
<b>Mental Health</b>	<b>0</b>	<b>5</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>25</b>	<b>30</b>	<b>35</b>	<b>40</b>	<b>45</b>	<b>50</b>
	\$20.38	\$19.45	\$18.55	\$17.70	\$16.80	\$15.91	\$15.02	\$14.09	\$13.24	\$12.34	\$11.45
<b>Substance Use Disorder</b>	<b>0</b>	<b>5</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>25</b>	<b>30</b>	<b>35</b>	<b>40</b>	<b>45</b>	<b>50</b>
	\$3.86	\$3.79	\$3.73	\$3.67	\$3.60	\$3.53	\$3.47	\$3.40	\$3.33	\$3.26	\$3.20
<b>Mental Health and Substance Use Disorder</b>	<b>0</b>	<b>5</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>25</b>	<b>30</b>	<b>35</b>	<b>40</b>	<b>45</b>	<b>50</b>
	\$22.97	\$21.95	\$20.98	\$20.05	\$19.07	\$18.10	\$17.13	\$16.12	\$15.18	\$14.21	\$13.24
<b>Non-Standard</b>	<b>Base Cost</b>										
	\$20.05										



# Appendix F: Vision Riders

Table 38 – Vision: Average Costs

State	Exam	Lenses					Frames	Contact Lenses		Materials
		Single Vision	Bifocal	Trifocal	Lenticular	Progressive		Elective	Therapeutic	
National	\$138.98	\$87.58	\$126.83	\$151.71	\$191.35	\$289.55	\$177.33	\$176.36	\$586.62	\$150.00
AK	\$206.23	\$95.86	\$149.92	\$180.06	\$191.35	\$239.52	\$170.76	\$184.65	\$586.62	\$150.00
AL	\$126.05	\$91.56	\$115.97	\$158.61	\$191.35	\$310.26	\$176.57	\$148.72	\$586.62	\$150.00
AR	\$141.11	\$85.84	\$115.14	\$136.25	\$191.35	\$256.35	\$156.91	\$154.85	\$586.62	\$150.00
AZ	\$158.54	\$76.38	\$127.62	\$149.84	\$191.35	\$277.95	\$172.93	\$191.14	\$586.62	\$150.00
CA	\$141.06	\$95.24	\$128.77	\$162.53	\$191.35	\$300.51	\$178.50	\$193.58	\$586.62	\$150.00
CO	\$140.41	\$91.18	\$143.67	\$163.06	\$191.35	\$313.45	\$180.75	\$189.23	\$586.62	\$150.00
CT	\$175.94	\$100.67	\$142.56	\$187.97	\$191.35	\$310.62	\$192.51	\$199.34	\$586.62	\$150.00
DC	\$159.50	\$105.22	\$153.36	\$173.80	\$191.35	\$330.09	\$248.74	\$245.91	\$586.62	\$150.00
DE	\$144.72	\$101.52	\$123.44	\$168.90	\$191.35	\$349.23	\$166.71	\$191.23	\$586.62	\$150.00
FL	\$129.36	\$76.49	\$115.08	\$136.07	\$191.35	\$296.19	\$176.45	\$161.24	\$586.62	\$150.00
GA	\$136.86	\$84.17	\$126.47	\$156.49	\$191.35	\$302.54	\$179.08	\$167.98	\$586.62	\$150.00
HI	\$148.28	\$119.41	\$128.91	\$210.21	\$191.35	\$245.65	\$142.94	\$175.55	\$586.62	\$150.00
IA	\$140.52	\$77.92	\$139.45	\$142.47	\$191.35	\$251.77	\$164.26	\$169.81	\$586.62	\$150.00
ID	\$147.92	\$87.19	\$133.06	\$139.17	\$191.35	\$265.33	\$170.16	\$171.74	\$586.62	\$150.00
IL	\$116.15	\$89.36	\$128.84	\$148.38	\$191.35	\$282.23	\$183.50	\$192.08	\$586.62	\$150.00
IN	\$109.69	\$81.23	\$125.52	\$150.20	\$191.35	\$266.94	\$164.78	\$170.99	\$586.62	\$150.00
KS	\$136.29	\$88.24	\$119.30	\$148.40	\$191.35	\$257.70	\$167.44	\$191.94	\$586.62	\$150.00
KY	\$106.18	\$88.96	\$127.03	\$152.20	\$191.35	\$255.97	\$148.75	\$172.82	\$586.62	\$150.00
LA	\$132.92	\$75.98	\$102.29	\$128.04	\$191.35	\$253.07	\$167.01	\$156.55	\$586.62	\$150.00
MA	\$168.95	\$113.21	\$155.88	\$161.55	\$191.35	\$326.57	\$201.52	\$180.96	\$586.62	\$150.00
MD	\$134.33	\$96.58	\$146.30	\$162.70	\$191.35	\$317.48	\$199.93	\$198.71	\$586.62	\$150.00
ME	\$156.53	\$82.06	\$116.32	\$135.70	\$191.35	\$269.54	\$165.78	\$166.36	\$586.62	\$150.00
MI	\$95.46	\$93.94	\$147.10	\$154.52	\$191.35	\$276.47	\$180.57	\$197.04	\$586.62	\$150.00
MN	\$202.33	\$96.50	\$173.20	\$151.79	\$191.35	\$305.31	\$194.81	\$186.59	\$586.62	\$150.00
MO	\$137.42	\$85.46	\$112.01	\$147.81	\$191.35	\$276.51	\$174.43	\$187.59	\$586.62	\$150.00
MS	\$130.37	\$72.87	\$112.02	\$130.62	\$191.35	\$215.85	\$142.00	\$146.91	\$586.62	\$150.00
MT	\$117.27	\$75.26	\$122.52	\$144.91	\$191.35	\$270.03	\$168.57	\$160.90	\$586.62	\$150.00
NC	\$154.47	\$89.03	\$124.57	\$149.90	\$191.35	\$288.95	\$170.00	\$164.56	\$586.62	\$150.00
ND	\$133.99	\$82.01	\$154.26	\$164.94	\$191.35	\$249.13	\$173.82	\$155.11	\$586.62	\$150.00
NE	\$142.49	\$81.87	\$132.63	\$157.79	\$191.35	\$327.89	\$176.28	\$193.35	\$586.62	\$150.00
NH	\$149.34	\$99.15	\$133.48	\$148.33	\$191.35	\$275.86	\$179.21	\$190.60	\$586.62	\$150.00
NJ	\$158.14	\$93.03	\$136.03	\$208.40	\$191.35	\$300.96	\$193.66	\$191.55	\$586.62	\$150.00

NM	\$156.63	\$76.53	\$117.31	\$135.62	\$191.35	\$262.09	\$171.89	\$156.62	\$586.62	\$150.00
NV	\$145.28	\$83.69	\$135.61	\$163.14	\$191.35	\$298.58	\$183.45	\$174.26	\$586.62	\$150.00
NY	\$140.48	\$91.19	\$141.00	\$168.91	\$191.35	\$315.50	\$208.58	\$192.65	\$586.62	\$150.00
OH	\$115.57	\$91.59	\$134.66	\$164.83	\$191.35	\$263.42	\$168.95	\$177.13	\$586.62	\$150.00
OK	\$122.39	\$79.54	\$111.84	\$148.01	\$191.35	\$245.07	\$163.78	\$166.57	\$586.62	\$150.00
OR	\$169.87	\$100.20	\$148.70	\$153.55	\$191.35	\$285.91	\$174.90	\$174.20	\$586.62	\$150.00
PA	\$108.88	\$85.20	\$120.69	\$131.64	\$191.35	\$268.86	\$176.47	\$179.78	\$586.62	\$150.00
PR	\$80.02	\$80.00	\$83.75	\$143.80	\$191.35	\$189.00	\$136.94	\$176.36	\$586.62	\$150.00
RI	\$143.81	\$110.93	\$125.00	\$153.17	\$191.35	\$275.62	\$158.80	\$177.93	\$586.62	\$150.00
SC	\$137.48	\$97.08	\$119.81	\$165.78	\$191.35	\$290.41	\$165.61	\$159.00	\$586.62	\$150.00
SD	\$127.80	\$87.15	\$152.60	\$112.38	\$191.35	\$287.95	\$169.59	\$185.30	\$586.62	\$150.00
TN	\$126.70	\$83.15	\$114.93	\$150.38	\$191.35	\$280.10	\$164.38	\$156.38	\$586.62	\$150.00
TX	\$137.92	\$84.52	\$123.95	\$145.22	\$191.35	\$305.94	\$178.40	\$172.35	\$586.62	\$150.00
UT	\$148.48	\$82.64	\$119.71	\$121.07	\$191.35	\$261.81	\$155.76	\$182.86	\$586.62	\$150.00
VA	\$164.71	\$87.66	\$135.66	\$168.46	\$191.35	\$290.40	\$179.74	\$164.80	\$586.62	\$150.00
VT	\$132.18	\$81.12	\$135.90	\$130.02	\$191.35	\$289.41	\$162.00	\$193.75	\$586.62	\$150.00
WA	\$199.86	\$96.58	\$137.90	\$170.22	\$191.35	\$283.54	\$187.19	\$177.39	\$586.62	\$150.00
WI	\$121.24	\$77.56	\$136.12	\$146.66	\$191.35	\$259.12	\$168.92	\$178.86	\$586.62	\$150.00
WV	\$112.61	\$74.32	\$116.90	\$140.18	\$191.35	\$225.37	\$147.48	\$144.71	\$586.62	\$150.00
WY	\$129.45	\$92.68	\$105.38	\$148.04	\$191.35	\$252.69	\$160.12	\$194.61	\$586.62	\$150.00

Table 39 – Vision: Frequency Factors

Service	Frequency Factor	
	12 month	24 month
Exam (Exam Only Plans)	1.00	0.70
Exam (Comprehensive Plans)	1.00	0.65
Lenses: Single Vision	1.00	0.70
Lenses: Bifocal	1.00	0.70
Lenses: Trifocal	1.00	0.70
Lenses: Lenticular	1.00	0.70
Lenses: Progressive	1.00	0.70
Frames	1.00	0.65
Contact Lenses: Elective	1.00	0.70
Contact Lenses: Therapeutic	1.00	0.70
Materials	1.00	0.65

**Table 40 – Vision: Service Utilization**

<b>Service</b>	<b>Utilization</b>
Exam (Exam Only Plans)	30.10%
Exam (Comprehensive Plans)	51.17%
Lenses: Single Vision	15.14%
Lenses: Bifocal	8.30%
Lenses: Trifocal	0.24%
Lenses: Lenticular	0.02%
Lenses: Progressive	8.19%
Frames	32.68%
Contact Lenses: Elective	13.60%
Contact Lenses: Therapeutic	0.20%
Materials	45.10%

**Table 41 – Vision: Trend and Adjustments**

<b>Industry Factor</b>		<b>Case Size Adjustment</b>		<b>Vision Trend</b>
<b>SIC Code</b>	<b>Factor</b>	<b>Number of Employees</b>	<b>Factor</b>	<b>Annual</b>
0	0.95	Less than 50	1.10	3.00%
1000	1.05	Greater than or equal to 50	1.00	
1500	0.98			
2000	1.05			
4000	1.01			
5000	1.01			
5200	0.93			
6000	1.04			
7000	0.95			
7200	0.95			
7300	1.02			
7500	1.05			
7600	1.00			
7800	1.05			
7900	0.95			
8000	1.03			
8100	1.00			
8200	0.98			
8300	1.00			
8400	1.05			
8600	1.02			
8900	1.00			
9100	0.92			
9999	0.95			

## Appendix G: General Pharmacy Tables

Table 42 – Retail AWP per Script Assumptions

Cost Categories								
Formulary	Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)	Standard Injectables	Optional Injectables	Oral Contraceptives	Anti-histamines
Legacy	\$101.16	\$311.75	\$568.97	\$141.99	\$2,812.09	\$2,889.30	\$118.10	\$96.43
Standard	\$101.29	\$307.15	\$581.20	\$149.65	\$2,812.09	\$2,889.30	\$118.10	\$96.43
Value	\$101.29	\$318.09	\$459.30	\$163.75	\$2,812.09	\$2,889.30	\$118.10	\$96.43
Value DRT	\$102.37	\$308.83	\$568.72	\$153.06	\$2,812.09	\$2,889.30	\$118.10	\$94.21
Cost Categories, continued								
Formulary	Cold & Cough	Lifestyle	Oral Fertility	Diet Drugs	Smoking Cessation	Vitamins	PPIs	
Legacy	\$39.17	\$246.82	\$347.01	\$89.72	\$266.37	\$16.33	\$200.88	
Standard	\$39.17	\$246.82	\$347.01	\$89.72	\$266.37	\$16.33	\$200.88	
Value	\$39.17	\$246.82	\$347.01	\$89.72	\$266.37	\$16.33	\$200.88	
Value DRT	\$39.17	\$246.82	\$347.01	\$89.72	\$266.37	\$16.33	\$200.88	

Table 43 – Mail Order AWP per Script Assumptions

Cost Categories								
Formulary	Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)	Standard Injectables	Optional Injectables	Oral Contraceptives	Anti-histamines
Legacy	\$312.42	\$1,148.30	\$2,550.19	\$212.64	\$8,860.50	\$3,743.03	\$316.45	\$330.98
Standard	\$312.51	\$1,139.62	\$2,659.47	\$174.31	\$8,860.50	\$3,743.03	\$316.45	\$330.98
Value	\$312.63	\$1,171.34	\$1,960.63	\$312.67	\$8,860.50	\$3,743.03	\$316.45	\$330.98
Value DRT	\$315.19	\$1,140.01	\$2,828.42	\$179.97	\$8,860.50	\$3,743.03	\$316.45	\$322.08
Cost Categories, continued								
Formulary	Cold & Cough	Lifestyle	Oral Fertility	Diet Drugs	Smoking Cessation	Vitamins	PPIs	
Legacy	\$182.13	\$678.76	\$1,815.10	\$306.80	\$605.37	\$61.40	\$574.73	
Standard	\$182.13	\$678.76	\$1,815.10	\$306.80	\$605.37	\$61.40	\$574.73	
Value	\$182.13	\$678.76	\$1,815.10	\$306.80	\$605.37	\$61.40	\$574.73	
Value DRT	\$182.13	\$678.76	\$1,815.10	\$306.80	\$605.37	\$61.40	\$574.73	

**Table 44 – Retail Script Count PMPY Assumptions**

Cost Categories								
Formulary	Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)	Standard Injectables	Optional Injectables	Oral Contraceptives	Anti-histamines
Legacy	\$6.39	\$1.01	\$0.22	\$0.09	\$0.01	\$0.00	\$0.10	\$0.24
Standard	\$6.40	\$1.04	\$0.20	\$0.08	\$0.01	\$0.00	\$0.10	\$0.24
Value	\$6.40	\$0.84	\$0.36	\$0.12	\$0.01	\$0.00	\$0.10	\$0.24
Value DRT	\$6.45	\$0.98	\$0.21	\$0.08	\$0.01	\$0.00	\$0.10	\$0.24
Cost Categories, continued								
Formulary	Cold & Cough	Lifestyle	Oral Fertility	Diet Drugs	Smoking Cessation	Vitamins	PPIs	
Legacy	\$0.08	\$0.04	\$0.01	\$0.03	\$0.01	\$0.32	\$0.27	
Standard	\$0.08	\$0.04	\$0.01	\$0.03	\$0.01	\$0.32	\$0.27	
Value	\$0.08	\$0.04	\$0.01	\$0.03	\$0.01	\$0.32	\$0.27	
Value DRT	\$0.08	\$0.04	\$0.01	\$0.03	\$0.01	\$0.32	\$0.27	

**Table 45 – Mail Order Script Count PMPY Assumptions**

Cost Categories								
Formulary	Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)	Standard Injectables	Optional Injectables	Oral Contraceptives	Anti-histamines
Legacy	\$0.61	\$0.15	\$0.02	\$0.01	\$0.01	\$0.00	\$0.01	\$0.02
Standard	\$0.61	\$0.15	\$0.02	\$0.01	\$0.01	\$0.00	\$0.01	\$0.02
Value	\$0.61	\$0.13	\$0.04	\$0.02	\$0.01	\$0.00	\$0.01	\$0.02
Value DRT	\$0.62	\$0.15	\$0.02	\$0.01	\$0.01	\$0.00	\$0.01	\$0.02
Cost Categories, continued								
Formulary	Cold & Cough	Lifestyle	Oral Fertility	Diet Drugs	Smoking Cessation	Vitamins	PPIs	
Legacy	\$0.00	\$0.01	\$0.00	\$0.00	\$0.00	\$0.03	\$0.04	
Standard	\$0.00	\$0.01	\$0.00	\$0.00	\$0.00	\$0.03	\$0.04	
Value	\$0.00	\$0.01	\$0.00	\$0.00	\$0.00	\$0.03	\$0.04	
Value DRT	\$0.00	\$0.01	\$0.00	\$0.00	\$0.00	\$0.03	\$0.04	

**Table 46 – Retail Discounts and Dispensing Fees (National Network)**

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount (30 Day)	Brand Discount (90 Day)	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National	Non-Experience Rated	All	2014	65.00%	14.97%	14.97%	15.60%	\$1.39	\$1.34	\$1.34
			2015	65.00%	15.50%	15.50%	15.00%	\$1.39	\$1.34	\$1.34
			2016	65.00%	16.15%	16.15%	13.50%	\$1.40	\$1.40	\$1.40
			2017	65.00%	16.15%	16.15%	13.50%	\$1.40	\$1.40	\$1.40
	Experience Rated	0 - 1,500 employees	2014	65.98%	16.14%	16.14%	11.00%	\$1.31	\$1.23	\$1.23
			2015	66.53%	16.34%	16.34%	11.20%	\$1.31	\$1.23	\$1.23
			2016	66.78%	16.44%	16.44%	11.40%	\$1.31	\$1.23	\$1.23
			2017	66.78%	16.44%	16.44%	11.40%	\$1.31	\$1.23	\$1.23
		1,501+ employees	2014	66.00%	15.12%	15.12%	11.10%	\$1.65	\$1.49	\$1.49
			2015	66.80%	15.32%	15.32%	11.30%	\$1.65	\$1.49	\$1.49
			2016	67.30%	15.42%	15.42%	11.50%	\$1.65	\$1.49	\$1.49
			2017	67.30%	15.42%	15.42%	11.50%	\$1.65	\$1.49	\$1.49

**Table 47 – Retail Discounts and Dispensing Fees (National Network without CVS)**

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount (30 Day)	Brand Discount (90 Day)	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National without CVS	Non-Experience Rated	All	2014	66.25%	16.15%	16.15%	16.91%	\$1.34	\$1.27	\$1.27
			2015	66.25%	16.15%	16.15%	16.91%	\$1.34	\$1.27	\$1.27
			2016	66.25%	16.15%	16.15%	13.50%	\$1.40	\$1.40	\$1.40
			2017	66.25%	16.15%	16.15%	13.50%	\$1.40	\$1.40	\$1.40
	Experience Rated	0 - 1,500 employees	2014	67.23%	16.14%	16.14%	11.00%	\$1.31	\$1.23	\$1.23
			2015	67.78%	16.34%	16.34%	11.20%	\$1.31	\$1.23	\$1.23
			2016	68.03%	16.44%	16.44%	11.40%	\$1.31	\$1.23	\$1.23
			2017	68.03%	16.44%	16.44%	11.40%	\$1.31	\$1.23	\$1.23
		1,501+ employees	2014	67.25%	15.12%	15.12%	11.10%	\$1.65	\$1.49	\$1.49
			2015	68.05%	15.32%	15.32%	11.30%	\$1.65	\$1.49	\$1.49
			2016	68.55%	15.42%	15.42%	11.50%	\$1.65	\$1.49	\$1.49
			2017	68.55%	15.42%	15.42%	11.50%	\$1.65	\$1.49	\$1.49

**Table 48 – Retail Discounts and Dispensing Fees (National Network without Walgreens)**

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount (30 Day)	Brand Discount (90 Day)	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National without WAG	Non-Experience Rated	All	2014	66.25%	16.15%	16.15%	16.91%	\$1.34	\$1.27	\$1.27
			2015	66.25%	16.15%	16.15%	16.91%	\$1.34	\$1.27	\$1.27
			2016	66.25%	16.15%	16.15%	13.50%	\$1.40	\$1.40	\$1.40
			2017	66.25%	16.15%	16.15%	13.50%	\$1.40	\$1.40	\$1.40
	Experience Rated	0 - 1,500 employees	2014	67.23%	16.14%	16.14%	11.00%	\$1.31	\$1.23	\$1.23
			2015	67.78%	16.34%	16.34%	11.20%	\$1.31	\$1.23	\$1.23
			2016	68.03%	16.44%	16.44%	11.40%	\$1.31	\$1.23	\$1.23
			2017	68.03%	16.44%	16.44%	11.40%	\$1.31	\$1.23	\$1.23
		1,501+ employees	2014	67.25%	15.12%	15.12%	11.10%	\$1.65	\$1.49	\$1.49
			2015	68.05%	15.32%	15.32%	11.30%	\$1.65	\$1.49	\$1.49
			2016	68.55%	15.42%	15.42%	11.50%	\$1.65	\$1.49	\$1.49
			2017	68.55%	15.42%	15.42%	11.50%	\$1.65	\$1.49	\$1.49

**Table 49 – Retail Discounts and Dispensing Fees (National Network without CVS & Walgreens)**

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount (30 Day)	Brand Discount (90 Day)	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National without CVS and WAG	Non-Experience Rated	All	2014	66.65%	17.65%	17.65%	16.91%	\$1.34	\$1.27	\$1.27
			2015	66.65%	17.65%	17.65%	16.91%	\$1.34	\$1.27	\$1.27
			2016	66.65%	17.65%	17.65%	13.50%	\$1.40	\$1.40	\$1.40
			2017	66.65%	17.65%	17.65%	13.50%	\$1.40	\$1.40	\$1.40
	Experience Rated	0 - 1,500 employees	2014	67.63%	17.64%	17.64%	11.00%	\$1.31	\$1.23	\$1.23
			2015	68.18%	17.84%	17.84%	11.20%	\$1.31	\$1.23	\$1.23
			2016	68.43%	17.94%	17.94%	11.40%	\$1.31	\$1.23	\$1.23
			2017	68.43%	17.94%	17.94%	11.40%	\$1.31	\$1.23	\$1.23
		1,501+ employees	2014	67.65%	16.62%	16.62%	11.10%	\$1.65	\$1.49	\$1.49
			2015	68.45%	16.82%	16.82%	11.30%	\$1.65	\$1.49	\$1.49
			2016	68.95%	16.92%	16.92%	11.50%	\$1.65	\$1.49	\$1.49
			2017	68.95%	16.92%	16.92%	11.50%	\$1.65	\$1.49	\$1.49

Table 50 – Mail Order Discounts and Dispensing Fees (National Network)

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National	Non-Experience Rated	All	2014	67.50%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2015	67.50%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2016	67.50%	16.00%	11.98%	\$1.50	\$1.50	\$1.50
			2017	67.50%	16.00%	11.98%	\$1.50	\$1.50	\$1.50
	Experience Rated	0 - 1,500 employees	2014	69.58%	17.99%	12.00%	\$0.47	\$0.50	\$0.50
			2015	69.83%	18.29%	12.40%	\$0.47	\$0.50	\$0.50
			2016	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
			2017	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
		1,501+ employees	2014	70.96%	18.49%	12.13%	\$0.17	\$0.21	\$0.21
			2015	71.46%	18.79%	12.53%	\$0.17	\$0.21	\$0.21
			2016	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21
			2017	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21

Table 51 – Mail Order Discounts and Dispensing Fees (National Network Excluding CVS)

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National without CVS	Non-Experience Rated	All	2014	69.56%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2015	70.06%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2016	70.56%	16.00%	11.98%	\$1.50	\$1.50	\$1.50
			2017	70.56%	16.00%	11.98%	\$1.50	\$1.50	\$1.50
	Experience Rated	0 - 1,500 employees	2014	69.58%	17.99%	12.00%	\$0.47	\$0.50	\$0.50
			2015	69.83%	18.29%	12.40%	\$0.47	\$0.50	\$0.50
			2016	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
			2017	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
		1,501+ employees	2014	70.96%	18.49%	12.13%	\$0.17	\$0.21	\$0.21
			2015	71.46%	18.79%	12.53%	\$0.17	\$0.21	\$0.21
			2016	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21
			2017	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21



Table 52 – Mail Order Discounts and Dispensing Fees (National Network Excluding WAG)

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National without WAG	Non-Experience Rated	All	2014	69.56%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2015	70.06%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2016	70.56%	16.00%	11.98%	\$1.50	\$1.50	\$1.50
			2017	70.56%	16.00%	11.98%	\$1.50	\$1.50	\$1.50
	Experience Rated	0 - 1,500 employees	2014	69.58%	17.99%	12.00%	\$0.47	\$0.50	\$0.50
			2015	69.83%	18.29%	12.40%	\$0.47	\$0.50	\$0.50
			2016	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
			2017	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
		1,501+ employees	2014	70.96%	18.49%	12.13%	\$0.17	\$0.21	\$0.21
			2015	71.46%	18.79%	12.53%	\$0.17	\$0.21	\$0.21
			2016	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21
			2017	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21

Table 53 – Mail Order Discounts and Dispensing Fees (National Network Excluding both CVS & WAG)

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National without CVS and WAG	Non-Experience Rated	All	2014	69.56%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2015	70.06%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2016	70.56%	18.00%	11.98%	\$1.50	\$1.50	\$1.50
			2017	70.56%	18.00%	11.98%	\$1.50	\$1.50	\$1.50
	Experience Rated	0 - 1,500 employees	2014	69.58%	17.99%	12.00%	\$0.47	\$0.50	\$0.50
			2015	69.83%	18.29%	12.40%	\$0.47	\$0.50	\$0.50
			2016	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
			2017	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
		1,501+ employees	2014	70.96%	18.49%	12.13%	\$0.17	\$0.21	\$0.21
			2015	71.46%	18.79%	12.53%	\$0.17	\$0.21	\$0.21
			2016	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21
			2017	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21

**Table 54 – Shift Assumptions for Plans with 90-Day Retail**

<b>Copay Multiplier</b>	<b>30-Day Retail Shift to 90-Day Retail</b>	<b>Mail Order Shift to 90-Day Retail</b>
-1	0%	0%
2	20%	0%
2.5	20%	0%
3	10%	0%

**Table 55 – Mail Order Multiplier Assumption**

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**Table 56 – Mandatory Generic Shift Factor**

50%
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**Table 57 – Pharmacy: Cost Trend**

	<b>2015/2014</b>	<b>2016/2015</b>
<b>National</b>	10.34%	12.34%
<b>CO</b>	13.10%	13.10%

**Table 58 – Pharmacy: Utilization Trend**

	<b>2015/2014</b>	<b>2016/2015</b>
<b>National</b>	1.50%	0.50%
<b>CO</b>	1.00%	1.00%

Table 59 – Pharmacy: Area Factors

State	Minimum Area Factor	Maximum Area Factor	State	Minimum Area Factor	Maximum Area Factor
AK	0.78	0.83	MT	0.82	0.84
AL	1.01	1.03	NC	0.94	0.98
AR	0.82	0.85	NE	0.77	0.82
AZ	0.88	0.91	NH	0.91	0.97
CA	0.64	0.92	NJ	1.03	1.07
CO	0.88	0.96	NM	0.69	0.73
CT	1.03	1.07	NV	0.73	0.82
DC	1.00	1.04	NY	1.07	1.13
DE	1.01	1.07	OH	0.90	1.00
FL	0.89	1.06	OK	0.98	1.00
GA	1.04	1.08	OR	0.70	0.81
HI	0.69	0.73	PA	0.97	0.99
ID	0.82	0.84	PR	0.91	0.93
IL	0.90	0.99	RI	0.82	0.87
IN	0.95	1.07	SC	1.00	1.03
KS	0.93	1.02	TN	0.99	1.03
KY	0.98	1.10	TX	0.89	1.09
LA	1.14	1.19	UT	0.91	0.93
MA	0.84	0.88	VA	0.96	1.04
MD	1.00	1.04	VI	0.86	0.88
ME	0.81	0.88	VT	0.79	0.84
MI	0.84	0.93	WA	0.74	0.85
MN	0.81	0.83	WI	0.89	0.95
MO	0.93	1.02	WV	0.96	1.02
MS	0.85	0.89	WY	0.84	0.89

Table 60 – Pharmacy: CPD (% Preventive)

Probability	Retail			Mail Order		
	Generic	Preferred Brand	Non-Preferred Brand	Generic	Preferred Brand	Non-Preferred Brand
23.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
18.3%	7.5%	75.6%	23.3%	55.6%	27.0%	36.9%
8.3%	11.7%	49.3%	21.3%	47.8%	14.6%	31.9%
5.4%	16.1%	21.4%	19.0%	47.6%	36.6%	39.7%
4.1%	17.3%	27.0%	21.6%	45.0%	20.1%	26.0%
3.3%	18.4%	24.4%	15.9%	41.9%	12.4%	34.6%
2.6%	19.9%	27.1%	15.8%	39.8%	20.6%	42.4%
2.2%	19.7%	28.7%	19.7%	38.9%	26.4%	49.7%
1.9%	20.7%	29.1%	18.5%	40.6%	28.3%	54.1%
1.6%	22.1%	27.2%	18.5%	42.8%	31.6%	62.8%
1.5%	23.8%	27.6%	20.2%	44.8%	34.4%	61.9%
1.3%	24.7%	29.3%	17.6%	44.4%	36.5%	45.1%
1.2%	25.1%	30.0%	18.3%	45.8%	36.7%	42.1%
1.1%	24.5%	29.2%	19.4%	46.4%	36.0%	44.5%
1.0%	25.0%	29.0%	20.8%	45.1%	35.9%	47.8%
0.9%	25.4%	30.3%	20.3%	44.4%	37.7%	45.4%
0.8%	25.3%	30.6%	21.6%	46.2%	37.6%	48.1%
0.8%	25.4%	29.5%	21.7%	47.8%	37.1%	57.2%
0.7%	25.9%	28.5%	23.3%	48.3%	38.5%	54.3%
0.7%	26.3%	29.7%	25.3%	49.4%	37.2%	54.5%
0.7%	27.0%	29.0%	24.5%	50.8%	39.2%	55.5%
1.2%	28.2%	29.1%	25.9%	50.6%	39.3%	50.0%
1.1%	28.4%	31.8%	27.1%	50.8%	44.4%	53.6%
1.0%	28.5%	33.6%	28.7%	53.7%	49.9%	60.0%
0.9%	29.7%	36.5%	30.8%	53.5%	52.4%	64.0%
0.8%	29.9%	37.7%	32.2%	54.6%	54.2%	62.6%
0.7%	29.5%	40.1%	33.1%	53.8%	54.5%	58.6%
0.6%	29.6%	38.5%	34.1%	54.4%	55.5%	59.5%
0.6%	29.6%	39.8%	34.0%	55.2%	56.7%	63.3%
0.6%	28.8%	40.3%	34.7%	54.0%	57.2%	59.8%
0.5%	29.2%	40.0%	33.6%	54.6%	55.9%	60.8%
2.1%	29.6%	40.4%	30.8%	54.1%	55.7%	53.2%
1.5%	30.4%	42.1%	28.4%	54.6%	57.5%	49.8%
1.1%	30.4%	44.6%	27.7%	56.0%	58.7%	49.3%
0.8%	30.3%	45.4%	27.0%	54.2%	58.5%	47.2%
0.7%	30.1%	43.9%	25.6%	53.4%	57.8%	44.9%
0.5%	30.3%	44.1%	24.1%	54.8%	56.8%	42.7%
0.4%	29.9%	43.9%	24.0%	53.9%	57.3%	40.6%
0.4%	29.0%	44.5%	21.1%	53.4%	56.3%	38.1%
0.3%	29.8%	44.5%	20.9%	52.5%	54.4%	37.7%
0.2%	28.3%	44.2%	20.0%	51.3%	51.4%	32.7%
0.2%	27.2%	43.9%	19.2%	51.3%	53.7%	31.6%
0.2%	27.2%	42.9%	18.5%	49.3%	53.3%	31.0%
0.1%	26.6%	40.8%	17.3%	48.8%	52.8%	31.3%
0.1%	25.2%	39.9%	18.0%	45.4%	50.6%	29.7%
0.1%	24.9%	38.6%	15.3%	46.8%	49.5%	27.4%
0.1%	23.8%	39.2%	15.5%	47.4%	47.9%	27.7%
0.1%	24.0%	36.4%	15.5%	42.1%	48.9%	25.0%
0.1%	21.9%	34.7%	14.1%	44.0%	47.4%	21.6%
0.1%	22.1%	34.4%	13.9%	41.4%	44.0%	18.8%
0.1%	21.6%	34.7%	14.0%	42.3%	45.5%	18.1%
0.1%	22.2%	35.2%	13.9%	40.0%	37.6%	19.7%
0.0%	21.2%	31.6%	13.4%	37.2%	29.0%	17.2%
0.0%	19.5%	30.9%	11.0%	37.1%	27.2%	15.3%

Probability	Retail			Mail Order		
	Generic	Preferred Brand	Non-Preferred Brand	Generic	Preferred Brand	Non-Preferred Brand
0.0%	20.5%	32.6%	13.0%	33.6%	31.5%	12.9%
0.0%	17.4%	29.3%	13.9%	37.0%	35.3%	15.0%
0.0%	16.5%	28.2%	8.2%	30.1%	32.0%	15.3%
0.0%	17.2%	27.7%	9.5%	33.9%	32.2%	14.8%
0.0%	16.5%	26.8%	8.7%	30.0%	34.2%	13.1%
0.0%	15.0%	21.7%	7.5%	30.0%	34.5%	6.6%
0.0%	15.1%	22.5%	7.1%	28.1%	28.7%	10.8%
0.0%	14.8%	23.0%	7.4%	30.5%	26.6%	12.0%
0.0%	15.3%	19.4%	5.9%	23.6%	26.9%	12.6%
0.0%	16.3%	21.8%	7.0%	26.2%	30.1%	7.6%
0.0%	15.7%	19.7%	6.1%	22.2%	16.0%	9.6%
0.0%	10.9%	16.9%	6.2%	19.3%	10.9%	7.9%
0.0%	13.4%	18.1%	6.2%	22.2%	12.1%	6.5%
0.0%	12.3%	16.3%	4.7%	20.5%	17.4%	6.3%
0.0%	11.9%	12.0%	3.5%	21.4%	14.5%	3.6%
0.0%	13.7%	10.8%	2.9%	18.1%	12.0%	2.5%
0.0%	12.2%	9.0%	2.8%	25.8%	13.3%	3.3%
0.0%	10.8%	8.8%	3.0%	21.3%	9.3%	2.6%
0.0%	13.4%	7.2%	2.9%	20.2%	2.3%	2.8%
0.0%	12.2%	7.0%	3.1%	23.0%	5.5%	2.5%
0.0%	12.4%	6.8%	3.4%	19.9%	6.9%	2.2%
0.0%	13.4%	6.5%	5.3%	21.7%	9.5%	1.7%
0.0%	12.6%	6.8%	5.3%	21.9%	6.8%	2.4%
0.1%	10.9%	6.3%	3.3%	15.9%	6.1%	2.1%
0.0%	9.9%	4.8%	2.9%	12.3%	6.6%	1.1%
0.0%	9.2%	4.1%	2.1%	11.9%	3.9%	0.6%
0.0%	8.1%	4.1%	1.4%	12.3%	3.0%	0.6%
0.0%	7.0%	2.4%	1.3%	11.5%	3.2%	0.6%
0.0%	8.1%	1.9%	1.0%	16.5%	1.7%	0.5%
0.0%	4.0%	3.2%	0.9%	2.9%	2.6%	0.0%
0.0%	9.5%	2.2%	1.2%	9.7%	1.7%	0.2%
0.0%	8.1%	1.6%	2.0%	4.4%	0.2%	1.7%
0.0%	3.1%	0.4%	0.2%	3.7%	0.4%	0.4%
0.0%	1.6%	1.4%	0.1%	14.9%	0.5%	0.0%
0.0%	6.7%	0.9%	0.3%	21.0%	0.7%	0.0%
0.0%	1.8%	2.4%	0.4%	13.7%	0.0%	0.2%
0.0%	4.2%	2.1%	0.4%	24.1%	16.1%	0.3%
0.0%	12.9%	2.3%	0.0%	29.3%	11.7%	0.1%
0.0%	6.1%	2.0%	5.3%	31.2%	0.6%	0.9%
0.0%	8.5%	1.7%	0.3%	9.3%	1.6%	0.3%

Table 61 – Pharmacy: CPD (Cost per Script)

Probability	Retail				Mail Order			
	Generic	Preferred Brand	Non-Preferred Brand	Injectable	Generic	Preferred Brand	Non-Preferred Brand	Injectable
23.7%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
18.3%	\$11.51	\$29.12	\$22.56	\$26.55	\$16.90	\$22.88	\$21.89	\$0.00
8.3%	\$15.90	\$47.97	\$48.70	\$0.00	\$25.67	\$41.33	\$33.48	\$0.00
5.4%	\$17.15	\$74.84	\$66.52	\$112.45	\$29.83	\$60.30	\$43.37	\$112.00
4.1%	\$18.35	\$87.22	\$85.56	\$106.84	\$34.29	\$70.46	\$68.30	\$0.00
3.3%	\$19.23	\$97.31	\$100.43	\$82.84	\$37.73	\$92.32	\$81.77	\$112.00
2.6%	\$19.87	\$96.43	\$112.72	\$79.01	\$41.34	\$97.41	\$114.96	\$112.00
2.2%	\$21.13	\$101.14	\$117.49	\$141.16	\$44.65	\$120.85	\$141.93	\$0.00
1.9%	\$21.75	\$103.77	\$117.84	\$161.53	\$47.36	\$144.27	\$178.80	\$112.00
1.6%	\$22.59	\$109.23	\$126.91	\$220.02	\$49.12	\$169.72	\$211.24	\$112.00
1.5%	\$23.50	\$114.94	\$137.78	\$199.84	\$51.29	\$197.60	\$223.71	\$112.00
1.3%	\$24.01	\$115.22	\$142.12	\$97.64	\$54.04	\$199.90	\$236.20	\$112.00
1.2%	\$24.63	\$115.65	\$149.94	\$519.46	\$55.37	\$207.46	\$243.78	\$0.00
1.1%	\$26.05	\$117.47	\$151.70	\$123.22	\$59.53	\$215.31	\$235.63	\$0.00
1.0%	\$26.49	\$121.20	\$151.40	\$238.75	\$63.33	\$226.04	\$252.70	\$161.81
0.9%	\$26.67	\$120.20	\$150.38	\$236.32	\$65.22	\$236.65	\$260.63	\$471.55
0.8%	\$27.71	\$120.17	\$155.69	\$114.10	\$65.83	\$247.83	\$266.86	\$616.86
0.8%	\$28.63	\$123.69	\$159.00	\$306.30	\$68.25	\$245.14	\$274.28	\$747.53
0.7%	\$28.91	\$122.15	\$153.48	\$453.75	\$70.86	\$252.86	\$285.10	\$675.52
0.7%	\$29.24	\$122.69	\$154.22	\$551.67	\$71.82	\$262.26	\$276.87	\$507.17
0.7%	\$29.40	\$124.91	\$155.46	\$418.05	\$75.21	\$268.16	\$282.98	\$570.29
1.2%	\$29.82	\$123.25	\$156.37	\$345.04	\$76.96	\$275.16	\$305.35	\$543.76
1.1%	\$30.76	\$130.35	\$161.95	\$309.99	\$78.90	\$292.14	\$314.22	\$255.01
1.0%	\$31.20	\$133.88	\$162.96	\$423.95	\$80.43	\$303.88	\$323.29	\$414.75
0.9%	\$31.81	\$139.36	\$165.85	\$684.99	\$84.11	\$314.20	\$333.41	\$358.58
0.8%	\$31.82	\$144.25	\$165.17	\$438.72	\$83.69	\$332.34	\$336.28	\$662.99
0.7%	\$32.41	\$147.33	\$168.52	\$606.47	\$86.59	\$340.74	\$349.56	\$743.07
0.6%	\$32.18	\$152.16	\$169.49	\$475.16	\$83.57	\$346.62	\$356.95	\$709.20
0.6%	\$32.51	\$154.42	\$173.67	\$674.04	\$84.02	\$356.81	\$362.19	\$734.95
0.6%	\$32.96	\$157.17	\$175.84	\$649.31	\$84.91	\$362.44	\$366.83	\$809.27
0.5%	\$33.23	\$160.34	\$178.83	\$1,048.42	\$87.62	\$376.63	\$369.54	\$962.35
2.1%	\$33.76	\$166.91	\$181.64	\$1,582.17	\$87.37	\$388.89	\$382.96	\$1,545.05
1.5%	\$34.39	\$176.41	\$190.23	\$1,452.66	\$90.67	\$415.80	\$393.92	\$1,548.97
1.1%	\$35.71	\$186.42	\$196.42	\$1,248.11	\$92.34	\$441.53	\$402.87	\$1,546.29
0.8%	\$36.97	\$194.44	\$203.45	\$1,308.02	\$96.89	\$463.93	\$410.07	\$1,686.82
0.7%	\$37.23	\$203.03	\$209.22	\$1,987.69	\$98.70	\$488.68	\$415.70	\$1,982.85
0.5%	\$37.77	\$210.96	\$216.10	\$1,803.63	\$98.78	\$509.50	\$432.53	\$2,090.58
0.4%	\$37.67	\$219.91	\$218.86	\$1,617.86	\$101.79	\$520.32	\$454.55	\$2,040.45
0.4%	\$38.38	\$225.04	\$231.33	\$1,692.74	\$103.08	\$546.95	\$446.99	\$2,918.84
0.3%	\$38.68	\$230.88	\$235.21	\$2,094.67	\$104.67	\$556.24	\$450.90	\$4,207.20
0.2%	\$39.42	\$236.41	\$238.52	\$2,190.40	\$108.46	\$574.32	\$470.75	\$4,101.93
0.2%	\$39.93	\$241.29	\$248.40	\$2,342.59	\$106.24	\$588.74	\$485.52	\$3,616.91
0.2%	\$41.02	\$249.87	\$259.35	\$2,350.93	\$109.02	\$596.52	\$482.79	\$3,173.76
0.1%	\$41.89	\$256.25	\$264.16	\$2,032.44	\$112.68	\$627.48	\$491.15	\$3,308.54
0.1%	\$42.31	\$262.77	\$274.10	\$2,178.90	\$115.90	\$625.00	\$494.17	\$3,215.35
0.1%	\$43.74	\$268.93	\$283.23	\$2,355.32	\$118.18	\$647.93	\$554.32	\$3,023.86
0.1%	\$43.60	\$274.52	\$277.68	\$2,085.06	\$118.02	\$699.57	\$536.91	\$3,269.77
0.1%	\$44.95	\$285.70	\$285.64	\$2,253.23	\$128.17	\$664.49	\$576.16	\$3,671.18
0.1%	\$46.61	\$291.29	\$304.13	\$2,164.81	\$121.85	\$698.77	\$644.37	\$3,380.81

Probability	Retail				Mail Order			
	Generic	Preferred Brand	Non-Preferred Brand	Injectable	Generic	Preferred Brand	Non-Preferred Brand	Injectable
0.1%	\$44.78	\$296.23	\$319.27	\$2,299.14	\$127.78	\$729.32	\$630.36	\$3,655.65
0.1%	\$45.90	\$297.44	\$307.65	\$2,546.88	\$129.33	\$744.16	\$636.88	\$3,781.52
0.1%	\$48.13	\$302.27	\$317.58	\$2,281.59	\$132.60	\$751.10	\$623.79	\$4,630.12
0.0%	\$49.60	\$317.32	\$320.46	\$2,528.31	\$137.99	\$759.32	\$718.41	\$5,666.41
0.0%	\$47.63	\$320.36	\$360.10	\$2,468.50	\$131.17	\$752.39	\$640.48	\$5,730.62
0.0%	\$47.19	\$311.68	\$315.29	\$2,503.34	\$147.05	\$782.15	\$705.81	\$5,235.75
0.0%	\$53.85	\$333.87	\$351.79	\$2,409.10	\$139.97	\$820.69	\$818.22	\$4,639.69
0.0%	\$53.89	\$342.47	\$369.53	\$2,241.97	\$150.32	\$864.54	\$748.61	\$4,333.33
0.0%	\$52.96	\$346.59	\$387.41	\$2,488.88	\$152.32	\$885.72	\$753.91	\$4,325.98
0.0%	\$55.71	\$366.77	\$385.46	\$2,543.20	\$150.52	\$886.18	\$869.38	\$4,019.87
0.0%	\$52.26	\$370.73	\$440.95	\$2,585.42	\$162.84	\$891.35	\$1,366.05	\$4,506.23
0.0%	\$52.25	\$379.13	\$481.31	\$2,756.69	\$165.12	\$982.67	\$1,050.57	\$4,127.73
0.0%	\$53.93	\$366.97	\$438.53	\$2,432.01	\$151.34	\$951.37	\$1,002.94	\$3,606.93
0.0%	\$54.89	\$393.26	\$495.37	\$2,578.72	\$208.83	\$1,042.76	\$996.97	\$4,121.92
0.0%	\$54.62	\$395.63	\$476.81	\$2,501.65	\$167.66	\$1,136.83	\$1,209.72	\$4,524.78
0.0%	\$59.77	\$420.73	\$570.79	\$2,659.64	\$180.87	\$1,101.09	\$1,153.22	\$4,934.02
0.0%	\$65.25	\$400.12	\$468.04	\$2,554.74	\$171.16	\$1,108.43	\$1,122.97	\$5,277.23
0.0%	\$57.99	\$433.15	\$551.78	\$2,684.52	\$168.60	\$1,036.89	\$1,045.34	\$5,286.69
0.0%	\$59.64	\$447.28	\$671.87	\$2,416.42	\$185.26	\$1,073.62	\$1,283.16	\$4,944.57
0.0%	\$57.65	\$496.29	\$738.09	\$2,462.95	\$185.92	\$1,280.09	\$2,499.33	\$4,690.05
0.0%	\$52.26	\$505.29	\$900.42	\$2,375.19	\$172.66	\$1,279.17	\$2,201.17	\$5,125.75
0.0%	\$57.83	\$581.02	\$829.06	\$2,436.67	\$178.78	\$1,243.64	\$2,198.74	\$4,696.93
0.0%	\$62.17	\$530.66	\$865.83	\$2,599.81	\$178.10	\$1,401.81	\$1,809.69	\$4,858.00
0.0%	\$50.25	\$525.86	\$699.31	\$2,599.86	\$152.95	\$1,555.78	\$2,195.38	\$5,830.16
0.0%	\$50.34	\$526.08	\$647.07	\$2,437.33	\$141.53	\$1,396.69	\$2,334.63	\$6,041.54
0.0%	\$49.57	\$561.58	\$605.82	\$2,484.40	\$172.77	\$1,521.04	\$3,025.35	\$5,256.17
0.0%	\$52.61	\$591.06	\$523.18	\$2,380.29	\$152.72	\$1,384.87	\$2,429.30	\$5,423.21
0.0%	\$56.79	\$578.37	\$617.50	\$2,605.47	\$181.74	\$1,612.85	\$2,409.02	\$5,176.16
0.1%	\$60.51	\$619.85	\$692.33	\$2,967.09	\$196.62	\$1,746.30	\$2,087.98	\$6,553.05
0.0%	\$62.13	\$739.05	\$968.12	\$3,729.86	\$240.79	\$2,105.82	\$2,751.10	\$8,108.96
0.0%	\$62.68	\$757.19	\$1,131.14	\$4,415.39	\$217.62	\$2,860.92	\$5,172.33	\$9,683.96
0.0%	\$73.46	\$1,139.30	\$1,786.56	\$4,345.44	\$191.01	\$4,301.20	\$5,828.04	\$9,590.85
0.0%	\$82.58	\$2,040.92	\$1,890.14	\$3,476.92	\$245.98	\$6,853.54	\$5,571.79	\$7,328.26
0.0%	\$76.40	\$2,407.19	\$2,259.97	\$3,723.13	\$179.43	\$6,858.20	\$5,314.92	\$7,548.41
0.0%	\$185.18	\$1,587.97	\$2,250.72	\$2,738.13	\$305.44	\$5,810.63	\$7,621.96	\$11,200.50
0.0%	\$71.44	\$1,682.48	\$3,309.61	\$2,662.70	\$241.57	\$4,111.79	\$4,654.31	\$15,901.18
0.0%	\$67.85	\$1,916.38	\$1,811.69	\$3,074.63	\$877.79	\$9,601.43	\$4,665.42	\$11,873.16
0.0%	\$110.22	\$2,037.27	\$2,974.43	\$2,666.69	\$306.77	\$10,114.10	\$7,104.64	\$5,928.91
0.0%	\$253.96	\$1,990.40	\$2,739.15	\$4,315.35	\$102.61	\$8,934.48	\$8,897.89	\$11,255.88
0.0%	\$77.19	\$1,734.56	\$3,154.81	\$4,258.68	\$103.81	\$6,306.94	\$7,691.20	\$4,723.48
0.0%	\$159.74	\$2,395.83	\$3,449.83	\$3,279.39	\$348.67	\$12,279.73	\$11,330.04	\$11,550.94
0.0%	\$92.66	\$3,343.61	\$2,699.53	\$2,757.34	\$117.94	\$1,800.89	\$7,483.50	\$10,003.56
0.0%	\$69.21	\$2,517.04	\$5,815.75	\$5,470.36	\$109.68	\$5,827.34	\$5,747.11	\$5,945.97
0.0%	\$115.37	\$2,432.74	\$306.77	\$2,685.49	\$44.02	\$7,969.20	\$5,746.35	\$0.00
0.0%	\$82.89	\$2,648.22	\$4,825.41	\$6,783.32	\$349.34	\$8,062.75	\$10,190.73	\$15,677.60

Table 62 – Pharmacy: CPD (Scripts PMPY)

Probability	Retail				Mail Order			
	Generic	Preferred Brand	Non-Preferred Brand	Injectable	Generic	Preferred Brand	Non-Preferred Brand	Injectable
23.7%	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
18.3%	1.8937	0.0222	0.0064	0.0000	0.0130	0.0002	0.0001	0.0000
8.3%	3.7465	0.1598	0.0606	0.0000	0.0863	0.0016	0.0003	0.0000
5.4%	4.9648	0.3404	0.1018	0.0000	0.1988	0.0050	0.0008	0.0000
4.1%	5.8828	0.4961	0.1398	0.0000	0.2774	0.0117	0.0019	0.0000
3.3%	6.5416	0.6576	0.1804	0.0000	0.3616	0.0267	0.0030	0.0000
2.6%	7.6163	0.7682	0.2280	0.0000	0.4713	0.0312	0.0039	0.0000
2.2%	8.2221	0.9020	0.2560	0.0000	0.5413	0.0350	0.0060	0.0000
1.9%	9.0384	1.0125	0.3010	0.0001	0.6091	0.0462	0.0094	0.0000
1.6%	9.3777	1.1344	0.3407	0.0001	0.6663	0.0576	0.0143	0.0000
1.5%	9.4466	1.2803	0.3887	0.0001	0.7033	0.0642	0.0145	0.0000
1.3%	10.0045	1.3991	0.4309	0.0002	0.7595	0.0801	0.0201	0.0000
1.2%	10.3648	1.5329	0.4768	0.0000	0.8299	0.0902	0.0238	0.0000
1.1%	10.3933	1.6688	0.5165	0.0001	0.8460	0.1090	0.0241	0.0000
1.0%	10.7113	1.8116	0.5255	0.0001	0.8902	0.1226	0.0300	0.0001
0.9%	11.0919	1.9742	0.5779	0.0002	0.9486	0.1424	0.0346	0.0001
0.8%	11.1194	2.0739	0.6528	0.0004	1.0005	0.1590	0.0389	0.0001
0.8%	11.2460	2.2178	0.6344	0.0003	1.0043	0.1847	0.0491	0.0002
0.7%	11.3861	2.4463	0.6822	0.0001	1.0210	0.2171	0.0517	0.0001
0.7%	11.6885	2.5703	0.7331	0.0001	1.0833	0.2346	0.0544	0.0002
0.7%	11.5745	2.7741	0.7808	0.0002	1.1051	0.2450	0.0623	0.0001
1.2%	11.9867	3.0751	0.8141	0.0008	1.1580	0.2718	0.0673	0.0001
1.1%	12.3997	3.1320	0.8801	0.0003	1.2576	0.3167	0.0799	0.0002
1.0%	12.7780	3.3311	0.9880	0.0003	1.3241	0.3479	0.0968	0.0002
0.9%	13.2365	3.3764	1.0778	0.0002	1.4418	0.3778	0.1153	0.0001
0.8%	13.8192	3.5614	1.1304	0.0002	1.5587	0.4087	0.1265	0.0002
0.7%	14.0631	3.6456	1.2513	0.0004	1.6101	0.4646	0.1360	0.0006
0.6%	14.3522	3.9102	1.3321	0.0011	1.6824	0.4885	0.1569	0.0002
0.6%	14.7261	4.1298	1.3711	0.0004	1.7516	0.5209	0.1695	0.0002
0.6%	15.0458	4.2115	1.4982	0.0009	1.8268	0.5642	0.1848	0.0003
0.5%	15.3774	4.4837	1.4720	0.0012	1.8754	0.5855	0.1878	0.0004
2.1%	16.4575	4.9302	1.6646	0.0086	2.1234	0.7057	0.2293	0.0042
1.5%	18.0275	5.7329	1.9875	0.0020	2.4862	0.9096	0.2962	0.0043
1.1%	19.3260	6.3866	2.2639	0.0023	2.8347	1.1238	0.3646	0.0045
0.8%	20.4489	7.0580	2.5680	0.0029	3.0820	1.3119	0.4207	0.0046
0.7%	21.4842	7.8016	2.7794	0.0067	3.2642	1.4813	0.4757	0.0085
0.5%	22.1456	8.3731	2.9757	0.0096	3.5623	1.7000	0.5506	0.0082
0.4%	23.0920	9.0964	3.2751	0.0096	3.7350	1.8631	0.5946	0.0017
0.4%	23.7480	9.6433	3.4037	0.0091	3.9415	2.0629	0.6494	0.0024
0.3%	24.6093	9.9734	3.5818	0.0141	4.1430	2.2179	0.7226	0.0076
0.2%	25.2817	10.3033	3.8097	0.0239	4.2068	2.3794	0.7454	0.0116
0.2%	26.4571	11.0049	4.1777	0.0211	4.4861	2.4576	0.8094	0.0102
0.2%	26.8357	11.4224	4.2611	0.0203	4.6534	2.6938	0.8238	0.0120
0.1%	27.7028	11.7508	4.4288	0.0400	4.6470	2.7372	0.8793	0.0136
0.1%	28.0555	11.8987	4.4247	0.0644	4.7571	2.8823	0.9409	0.0253
0.1%	27.7379	12.3443	4.8077	0.0501	4.8846	2.9690	0.9604	0.0212
0.1%	29.4579	12.7700	4.8842	0.0581	5.0354	3.0402	1.0124	0.0224
0.1%	29.9601	13.2004	4.9294	0.0688	5.0529	3.0319	1.0519	0.0292
0.1%	29.5437	12.8892	4.8533	0.0895	5.2844	3.1708	1.1649	0.0380



Probability	Retail				Mail Order			
	Generic	Preferred Brand	Non-Preferred Brand	Injectable	Generic	Preferred Brand	Non-Preferred Brand	Injectable
0.1%	30.0033	12.7513	4.9341	0.1179	5.0863	3.2379	1.1684	0.0594
0.1%	30.7376	13.5976	5.4290	0.1184	5.2613	3.1320	1.1490	0.0623
0.1%	30.8447	13.1850	5.0406	0.1182	5.1853	3.3517	1.0972	0.1010
0.0%	27.2866	12.2186	4.5083	0.1572	4.7725	2.9857	1.0688	0.1855
0.0%	27.9485	11.6550	4.7482	0.1981	4.7368	3.0354	1.0354	0.2316
0.0%	31.4437	13.8111	4.9663	0.1603	5.2283	3.3503	1.1546	0.1652
0.0%	31.5121	13.7996	5.3190	0.2060	4.8862	3.0654	1.0611	0.1519
0.0%	30.8982	13.0000	4.9090	0.2930	5.0325	3.4220	1.1878	0.1912
0.0%	29.4877	12.9979	5.0881	0.2864	5.5032	3.3643	1.1339	0.2180
0.0%	30.4166	13.3857	5.2513	0.2995	5.0408	3.3034	1.1034	0.2105
0.0%	29.8181	12.2749	4.9195	0.2740	5.3688	3.3613	1.3772	0.1598
0.0%	28.9556	12.7206	5.3612	0.3378	5.0531	3.1123	1.1810	0.2501
0.0%	30.5388	12.8352	5.3608	0.5144	5.0237	3.0871	1.2481	0.3947
0.0%	29.2944	12.4284	5.2228	0.4773	4.6532	3.0433	1.0524	0.3316
0.0%	31.0953	13.8430	5.3363	0.4315	4.8049	2.8049	1.0919	0.2798
0.0%	26.5716	10.6269	4.7234	0.5123	3.9718	2.3731	0.9067	0.6068
0.0%	26.0895	10.2586	4.1868	0.6475	3.3353	2.1750	0.7040	1.0034
0.0%	26.7503	11.2561	4.3543	0.4572	4.1633	2.0971	0.8986	0.8903
0.0%	26.8190	11.0759	4.9909	1.1366	4.0358	2.4903	0.8809	1.4100
0.0%	23.7488	9.0876	3.9094	0.7491	3.8665	2.3318	1.1641	1.5917
0.0%	22.9350	9.1407	5.0177	0.7312	3.6044	1.9760	0.9344	1.7646
0.0%	22.9488	8.6699	4.1070	0.8517	3.8124	2.1605	0.9405	1.7809
0.0%	25.6226	10.0682	4.6916	0.9887	3.2208	1.8726	0.7062	1.5605
0.0%	18.6100	6.3807	2.4494	1.2005	2.7194	1.3609	0.5052	4.2935
0.0%	23.2168	8.1577	3.0473	0.9057	3.2940	1.4816	0.6046	1.8013
0.0%	22.1949	8.2949	2.7915	0.9819	3.5441	2.0085	0.9085	1.4047
0.0%	24.6868	10.3819	3.2289	1.3627	3.9209	2.0666	0.8470	1.1028
0.0%	23.6779	10.4117	3.4247	0.9823	3.6130	2.3143	0.7377	1.1952
0.1%	24.4306	10.0208	3.3332	6.8636	4.1590	2.5590	0.8327	9.1932
0.0%	22.0375	8.0270	2.9815	0.5149	3.8396	2.4119	0.8988	4.1257
0.0%	19.8664	5.7637	2.5426	0.7519	3.3286	1.9058	1.0076	4.5900
0.0%	25.0644	8.0961	3.6370	0.3657	4.1299	2.4294	1.4294	2.0932
0.0%	23.1787	8.3026	3.4553	0.8916	3.6888	3.3372	1.4380	1.2664
0.0%	26.1745	8.6947	4.2336	0.7939	4.6231	3.1059	1.9564	0.7234
0.0%	29.0938	11.5313	3.4688	0.1402	3.0313	3.9375	1.6250	0.0104
0.0%	23.9259	8.8519	5.2222	0.6563	6.6296	6.6296	2.4444	0.0100
0.0%	31.5313	8.5000	5.1563	2.3704	1.7500	3.5625	0.5938	0.0257
0.0%	21.3333	7.4583	4.3750	0.9063	5.0417	3.6250	2.0833	0.0276
0.0%	25.2000	9.7000	4.4500	2.1250	5.4500	3.3000	0.5500	0.0274
0.0%	27.6667	8.5238	3.7143	3.1000	4.5238	3.5714	2.5238	0.1651
0.0%	27.2593	5.4074	3.6296	1.4286	2.1111	1.7407	2.2222	1.1563
0.0%	25.1111	7.1111	4.0000	1.0370	4.5000	2.7222	2.5000	2.1481
0.0%	23.4500	8.3000	3.8500	1.4444	6.4500	4.3500	2.9000	0.4063
0.0%	30.0000	8.0000	8.4545	0.9000	7.2727	5.8182	4.0000	0.0000
0.0%	24.5033	8.8366	4.8214	39.6364	3.7473	4.0109	2.4031	21.2083

Table 63 – Global Step Therapy Program

Formulary Type	Drug Therapy Category	Generic 1 <sup>st</sup> / 2-Step	Stacked	Generic or Preferred Brand 1 <sup>st</sup>	Non-Preferred Brand Lockout
Legacy	Allergy	0.03%	0.03%	0.03%	0.03%
	Antidepressants	0.06%	0.06%	0.06%	0.06%
	Asthma	0.00%	0.00%	0.00%	0.00%
	Bone Loss	0.03%	0.03%	0.03%	0.03%
	High Blood Pressure	0.35%	0.35%	0.35%	0.35%
	High Cholesterol	0.24%	0.24%	0.24%	0.24%
	Hyperactivity Disorder	0.06%	0.06%	0.06%	0.06%
	Mental Health	0.08%	0.08%	0.08%	0.08%
	Narcotic Pain Relievers	0.00%	0.00%	0.00%	0.00%
	Non-Narcotic Pain Relievers	0.08%	0.08%	0.08%	0.08%
	Overactive Bladder	0.03%	0.03%	0.03%	0.03%
	Skin Treatments	0.17%	0.17%	0.17%	0.17%
	Sleep Disorders	0.05%	0.05%	0.05%	0.05%
Stomach Acid	0.14%	0.14%	0.14%	0.14%	
Standard or Performance	Allergy	0.03%	0.03%	0.03%	0.03%
	Antidepressants	0.06%	0.06%	0.06%	0.06%
	Asthma	0.00%	0.00%	0.00%	0.00%
	Bone Loss	0.03%	0.03%	0.03%	0.03%
	High Blood Pressure	0.35%	0.35%	0.35%	0.35%
	High Cholesterol	0.24%	0.24%	0.24%	0.24%
	Hyperactivity Disorder	0.06%	0.06%	0.06%	0.06%
	Mental Health	0.08%	0.08%	0.08%	0.08%
	Narcotic Pain Relievers	0.00%	0.00%	0.00%	0.00%
	Non-Narcotic Pain Relievers	0.08%	0.08%	0.08%	0.08%
	Overactive Bladder	0.03%	0.03%	0.03%	0.03%
	Skin Treatments	0.17%	0.17%	0.17%	0.17%
	Sleep Disorders	0.05%	0.05%	0.05%	0.05%
Stomach Acid	0.14%	0.14%	0.14%	0.14%	
Value or Advantage	Allergy	0.03%	0.00%	0.00%	0.00%
	Antidepressants	0.06%	0.00%	0.00%	0.00%
	Asthma	0.00%	0.00%	0.00%	0.00%
	Bone Loss	0.03%	0.00%	0.00%	0.00%
	High Blood Pressure	0.35%	0.35%	0.00%	0.00%
	High Cholesterol	0.24%	0.00%	0.00%	0.00%
	Hyperactivity Disorder	0.06%	0.00%	0.00%	0.00%
	Mental Health	0.08%	0.00%	0.00%	0.00%
	Narcotic Pain Relievers	0.00%	0.00%	0.00%	0.00%
	Non-Narcotic Pain Relievers	0.08%	0.00%	0.00%	0.00%
	Overactive Bladder	0.03%	0.03%	0.00%	0.00%
	Skin Treatments	0.17%	0.00%	0.00%	0.00%
	Sleep Disorders	0.05%	0.00%	0.00%	0.00%
Stomach Acid	0.14%	0.14%	0.00%	0.00%	
Value or Advantage with DRT	Allergy	0.03%	0.00%	0.00%	0.00%
	Antidepressants	0.06%	0.00%	0.00%	0.00%
	Asthma	0.00%	0.00%	0.00%	0.00%
	Bone Loss	0.03%	0.00%	0.00%	0.00%
	High Blood Pressure	0.00%	0.00%	0.00%	0.00%
	High Cholesterol	0.24%	0.00%	0.00%	0.00%
	Hyperactivity Disorder	0.06%	0.00%	0.00%	0.00%
	Mental Health	0.08%	0.00%	0.00%	0.00%
	Narcotic Pain Relievers	0.00%	0.00%	0.00%	0.00%
	Non-Narcotic Pain Relievers	0.08%	0.00%	0.00%	0.00%
	Overactive Bladder	0.00%	0.00%	0.00%	0.00%
	Skin Treatments	0.17%	0.00%	0.00%	0.00%
	Sleep Disorders	0.05%	0.00%	0.00%	0.00%
Stomach Acid	0.14%	0.14%	0.00%	0.00%	

**Table 64 – Pharmacy: Clinical Management Programs**

Clinical Module A	0.0%
Clinical Module B	0.5%
Clinical Module C	1.5%

**Table 65 – Pharmacy: Demographic Factors**

	Employee		Spouse		Child		Unisex
	Male	Female	Male	Female	Male	Female	
< 20	0.2084	0.3751	0.3297	0.2634	0.3942	0.3230	0.3589
20-24	0.2440	0.5903	0.2446	0.4839	0.4476	0.7799	0.4881
25-29	0.3795	0.8006	0.4117	0.6721	0.4529	0.8807	0.5823
30-34	0.5260	0.9246	0.5830	0.8380	0.6413	1.0170	0.7161
35-39	0.7388	1.0664	0.7979	1.0479	0.8777	1.1730	0.9070
40-44	1.0068	1.2234	1.0790	1.2657	1.1869	1.3923	1.1347
45-49	1.2890	1.4629	1.4365	1.6509	1.5801	1.8160	1.4360
50-54	1.6628	1.8403	1.8757	2.1538	2.0633	2.3692	1.8439
55-59	2.0812	2.2293	2.3249	2.6425	2.5574	2.9068	2.2691
60-64	2.5926	2.6871	2.8450	3.1016	3.1295	3.4117	2.7501
65-69	2.9262	2.8160	3.4921	3.4396	3.8413	3.7836	3.0846
70+	3.4832	3.1700	3.7438	3.8747	4.1182	4.2621	3.5014

**Table 66 – Pharmacy: Mandate Factors**

State	Adjustment
CO	0.001
CT	0.001
DC	0.001
DE	0.001
HI	0.001
IA	0.001
IL	0.001
IN	0.001
KS	0.001
LA	0.001
MA	0.001
MD	0.001
MN	0.001
NE	0.001
NJ	0.001
NM	0.001
NY	0.001
OR	0.001
TX	0.001
VA	0.001
VT	0.001
WA	0.001

**Table 67 – Pharmacy: Utilization Dampening Factors**

<b>Cost Share</b>	0.0%	0.5%	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%	4.0%	4.5%	5.0%	5.5%	6.0%	6.5%	7.0%	7.5%	8.0%	8.5%
<b>Factor</b>	1.150	1.150	1.150	1.150	1.150	1.134	1.125	1.121	1.116	1.112	1.108	1.103	1.099	1.094	1.090	1.086	1.081	1.077
<b>Cost Share</b>	9.0%	9.5%	10.0%	10.5%	11.0%	11.5%	12.0%	12.5%	13.0%	13.5%	14.0%	14.5%	15.0%	15.5%	16.0%	16.5%	17.0%	17.5%
<b>Factor</b>	1.073	1.068	1.064	1.059	1.055	1.051	1.046	1.042	1.038	1.033	1.029	1.024	1.020	1.016	1.011	1.007	1.003	0.998
<b>Cost Share</b>	18.0%	18.5%	19.0%	19.5%	20.0%	20.5%	21.0%	21.5%	22.0%	22.5%	23.0%	23.5%	24.0%	24.5%	25.0%	25.5%	26.0%	26.5%
<b>Factor</b>	0.994	0.989	0.985	0.981	0.977	0.973	0.969	0.966	0.962	0.958	0.954	0.951	0.947	0.943	0.939	0.936	0.932	0.928
<b>Cost Share</b>	27.0%	27.5%	28.0%	28.5%	29.0%	29.5%	30.0%	30.5%	31.0%	31.5%	32.0%	32.5%	33.0%	33.5%	34.0%	34.5%	35.0%	35.5%
<b>Factor</b>	0.924	0.921	0.917	0.913	0.909	0.906	0.902	0.898	0.894	0.891	0.887	0.883	0.879	0.876	0.872	0.868	0.864	0.861
<b>Cost Share</b>	36.0%	36.5%	37.0%	37.5%	38.0%	38.5%	39.0%	39.5%	40.0%	40.5%	41.0%	41.5%	42.0%	42.5%	43.0%	43.5%	44.0%	44.5%
<b>Factor</b>	0.857	0.853	0.849	0.846	0.842	0.838	0.834	0.831	0.827	0.823	0.819	0.816	0.812	0.808	0.804	0.801	0.800	0.800
<b>Cost Share</b>	45.0%	45.5%	46.0%	46.5%	47.0%	47.5%	48.0%	48.5%	49.0%	49.5%	50.0%	50.5%	51.0%	51.5%	52.0%	52.5%	53.0%	53.5%
<b>Factor</b>	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800
<b>Cost Share</b>	54.0%	54.5%	55.0%	55.5%	56.0%	56.5%	57.0%	57.5%	58.0%	58.5%	59.0%	59.5%	60.0%	60.5%	61.0%	61.5%	62.0%	62.5%
<b>Factor</b>	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800
<b>Cost Share</b>	63.0%	63.5%	64.0%	64.5%	65.0%	65.5%	66.0%	66.5%	67.0%	67.5%	68.0%	68.5%	69.0%	69.5%	70.0%	70.5%	71.0%	71.5%
<b>Factor</b>	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800
<b>Cost Share</b>	72.0%	72.5%	73.0%	73.5%	74.0%	74.5%	75.0%	75.5%	76.0%	76.5%	77.0%	77.5%	78.0%	78.5%	79.0%	79.5%	80.0%	80.5%
<b>Factor</b>	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800
<b>Cost Share</b>	81.0%	81.5%	82.0%	82.5%	83.0%	83.5%	84.0%	84.5%	85.0%	85.5%	86.0%	86.5%	87.0%	87.5%	88.0%	88.5%	89.0%	89.5%
<b>Factor</b>	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800
<b>Cost Share</b>	90.0%	90.5%	91.0%	91.5%	92.0%	92.5%	93.0%	93.5%	94.0%	94.5%	95.0%							
<b>Factor</b>	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800							

**Table 68 – Pharmacy: Multiple Offering Load**

<b>State</b>	<b>Load</b>	
	<b>Minimum</b>	<b>Maximum</b>
California	0.00%	2.00%
Texas	0.00%	5.00%

# Appendix H: FACETS Pharmacy Tables

Table 69 – FACETS Retail AWP per Script Assumptions

Formulary Type	Cost Category	Preventative Generic	Non-Preventative Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)
Legacy	All else	\$106.57	\$104.91	\$307.75	\$422.88	\$136.01
	Antihistamines	\$0.00	\$80.58	\$204.21	\$189.55	\$244.13
	Contraceptives	\$0.00	\$0.00	\$127.50	\$131.46	\$80.21
	Fertility	\$0.00	\$84.66	\$0.00	\$1,520.28	\$129.80
	Lifestyle, drugs w/OTC options	\$41.84	\$0.00	\$284.88	\$252.72	\$284.60
	PPIs	\$0.00	\$202.99	\$288.29	\$314.97	\$403.19
	Smoking Cessation	\$0.00	\$0.00	\$271.52	\$270.41	\$61.12
	Specialty	\$0.00	\$343.15	\$2,773.12	\$3,597.50	\$3,977.69
Performance	All else	\$106.50	\$105.00	\$303.93	\$419.31	\$137.24
	Antihistamines	\$0.00	\$80.58	\$204.21	\$189.55	\$244.13
	Contraceptives	\$0.00	\$0.00	\$127.50	\$131.46	\$80.21
	Fertility	\$0.00	\$84.66	\$0.00	\$1,520.28	\$129.80
	Lifestyle, drugs w/OTC options	\$41.84	\$0.00	\$284.88	\$252.72	\$284.60
	PPIs	\$0.00	\$202.99	\$288.29	\$314.97	\$403.19
	Smoking Cessation	\$0.00	\$0.00	\$271.52	\$270.41	\$61.12
	Specialty	\$0.00	\$343.15	\$2,779.56	\$3,597.50	\$3,244.51
Advantage	All else	\$106.57	\$105.08	\$304.32	\$386.43	\$164.97
	Antihistamines	\$0.00	\$80.58	\$204.21	\$189.55	\$244.13
	Contraceptives	\$0.00	\$0.00	\$127.50	\$131.46	\$80.21
	Fertility	\$0.00	\$84.66	\$0.00	\$1,520.28	\$129.80
	Lifestyle, drugs w/OTC options	\$41.84	\$0.00	\$284.88	\$252.72	\$284.60
	PPIs	\$0.00	\$202.99	\$288.29	\$314.97	\$403.19
	Smoking Cessation	\$0.00	\$0.00	\$271.52	\$270.41	\$61.12
	Specialty	\$0.00	\$343.15	\$2,780.56	\$3,597.50	\$3,064.81
Advantage, DRT	All else	\$106.53	\$106.60	\$305.09	\$414.13	\$140.58
	Antihistamines	\$0.00	\$94.67	\$182.57	\$207.89	\$244.25
	Contraceptives	\$0.00	\$0.00	\$127.50	\$131.46	\$80.21
	Fertility	\$0.00	\$84.66	\$0.00	\$1,520.28	\$129.80
	Lifestyle, drugs w/OTC options	\$41.84	\$0.00	\$284.88	\$252.72	\$284.60
	PPIs	\$0.00	\$202.99	\$288.29	\$314.97	\$403.19
	Smoking Cessation	\$0.00	\$0.00	\$271.52	\$270.41	\$61.12
	Specialty	\$0.00	\$343.15	\$2,758.09	\$3,531.97	\$1,166.80
Generics Only	All else	\$106.50	\$105.00			
	Antihistamines	\$0.00	\$80.58			
	Contraceptives	\$0.00	\$0.00			
	Fertility	\$0.00	\$84.66			
	Lifestyle, drugs w/OTC options	\$41.84	\$0.00			
	PPIs	\$0.00	\$202.99			
	Smoking Cessation	\$0.00	\$0.00			
	Specialty	\$0.00	\$343.15			

Table 70 – FACETS Mail Order AWP per Script Assumptions

Formulary Type	Cost Category	Preventative Generic	Non-Preventative Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)
Legacy	All else	\$331.21	\$326.05	\$956.42	\$1,314.25	\$422.71
	Antihistamines	\$0.00	\$281.69	\$713.90	\$662.64	\$853.46
	Contraceptives	\$0.00	\$0.00	\$297.99	\$307.25	\$187.47
	Fertility	\$0.00	\$449.07	\$0.00	\$8,064.62	\$688.56
	Lifestyle, drugs w/OTC options	\$148.94	\$0.00	\$1,014.16	\$899.67	\$1,013.14
	PPIs	\$0.00	\$528.36	\$750.38	\$819.83	\$1,049.44
	Smoking Cessation	\$0.00	\$0.00	\$684.03	\$681.25	\$153.97
	Specialty	\$0.00	\$756.60	\$6,114.29	\$7,931.91	\$8,770.18
Performance	All else	\$332.76	\$328.06	\$949.63	\$1,310.13	\$428.81
	Antihistamines	\$0.00	\$281.69	\$713.90	\$662.64	\$853.46
	Contraceptives	\$0.00	\$0.00	\$297.99	\$307.25	\$187.47
	Fertility	\$0.00	\$449.07	\$0.00	\$8,064.62	\$688.56
	Lifestyle, drugs w/OTC options	\$148.94	\$0.00	\$1,014.16	\$899.67	\$1,013.14
	PPIs	\$0.00	\$528.36	\$750.38	\$819.83	\$1,049.44
	Smoking Cessation	\$0.00	\$0.00	\$684.03	\$681.25	\$153.97
	Specialty	\$0.00	\$756.60	\$6,128.49	\$7,931.91	\$7,153.62
Advantage	All else	\$331.46	\$326.83	\$946.51	\$1,201.90	\$513.10
	Antihistamines	\$0.00	\$281.69	\$713.90	\$662.64	\$853.46
	Contraceptives	\$0.00	\$0.00	\$297.99	\$307.25	\$187.47
	Fertility	\$0.00	\$449.07	\$0.00	\$8,064.62	\$688.56
	Lifestyle, drugs w/OTC options	\$148.94	\$0.00	\$1,014.16	\$899.67	\$1,013.14
	PPIs	\$0.00	\$528.36	\$750.38	\$819.83	\$1,049.44
	Smoking Cessation	\$0.00	\$0.00	\$684.03	\$681.25	\$153.97
	Specialty	\$0.00	\$756.60	\$6,130.69	\$7,931.91	\$6,757.42
Advantage, DRT	All else	\$332.94	\$333.16	\$953.54	\$1,294.35	\$439.36
	Antihistamines	\$0.00	\$329.12	\$634.71	\$722.73	\$849.17
	Contraceptives	\$0.00	\$0.00	\$297.99	\$307.25	\$187.47
	Fertility	\$0.00	\$449.07	\$0.00	\$8,064.62	\$688.56
	Lifestyle, drugs w/OTC options	\$148.94	\$0.00	\$1,014.16	\$899.67	\$1,013.14
	PPIs	\$0.00	\$528.36	\$750.38	\$819.83	\$1,049.44
	Smoking Cessation	\$0.00	\$0.00	\$684.03	\$681.25	\$153.97
	Specialty	\$0.00	\$756.60	\$6,081.16	\$7,787.42	\$2,572.62
Generics Only	All else	\$332.76	\$328.06			
	Antihistamines	\$0.00	\$281.69			
	Contraceptives	\$0.00	\$0.00			
	Fertility	\$0.00	\$449.07			
	Lifestyle, drugs w/OTC options	\$148.94	\$0.00			
	PPIs	\$0.00	\$528.36			
	Smoking Cessation	\$0.00	\$0.00			
	Specialty	\$0.00	\$756.60			

Table 71 – FACETS Retail Script Count PMPY Assumptions

Formulary Type	Cost Category	Preventative Generic	Non-Preventative Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)
Legacy	All else	2.2334	4.6756	1.0915	0.2295	0.1068
	Antihistamines	0.0000	0.1970	0.0402	0.0060	0.0022
	Contraceptives	0.0000	0.0000	0.0957	0.0080	0.0000
	Fertility	0.0000	0.0054	0.0000	0.0014	0.0003
	Lifestyle, drugs w/OTC options	0.0074	0.0000	0.0486	0.0071	0.0002
	PPIs	0.0000	0.2455	0.0236	0.0032	0.0225
	Smoking Cessation	0.0000	0.0000	0.0083	0.0001	0.0000
	Specialty	0.0000	0.0102	0.0114	0.0045	0.0001
Performance	All else	2.2334	4.6868	1.1236	0.2048	0.0882
	Antihistamines	0.0000	0.1970	0.0402	0.0060	0.0022
	Contraceptives	0.0000	0.0000	0.0957	0.0080	0.0000
	Fertility	0.0000	0.0054	0.0000	0.0014	0.0003
	Lifestyle, drugs w/OTC options	0.0074	0.0000	0.0486	0.0071	0.0002
	PPIs	0.0000	0.2455	0.0236	0.0032	0.0225
	Smoking Cessation	0.0000	0.0000	0.0083	0.0001	0.0000
	Specialty	0.0000	0.0102	0.0115	0.0045	0.0001
Advantage	All else	2.2338	4.6817	0.9122	0.3766	0.1325
	Antihistamines	0.0000	0.1970	0.0402	0.0060	0.0022
	Contraceptives	0.0000	0.0000	0.0957	0.0080	0.0000
	Fertility	0.0000	0.0054	0.0000	0.0014	0.0003
	Lifestyle, drugs w/OTC options	0.0074	0.0000	0.0486	0.0071	0.0002
	PPIs	0.0000	0.2455	0.0236	0.0032	0.0225
	Smoking Cessation	0.0000	0.0000	0.0083	0.0001	0.0000
	Specialty	0.0000	0.0102	0.0115	0.0045	0.0001
Advantage, DRT	All else	2.2363	4.7358	1.0610	0.2138	0.0899
	Antihistamines	0.0000	0.2262	0.0134	0.0037	0.0022
	Contraceptives	0.0000	0.0000	0.0957	0.0080	0.0000
	Fertility	0.0000	0.0054	0.0000	0.0014	0.0003
	Lifestyle, drugs w/OTC options	0.0074	0.0000	0.0486	0.0071	0.0002
	PPIs	0.0000	0.2455	0.0236	0.0032	0.0225
	Smoking Cessation	0.0000	0.0000	0.0083	0.0001	0.0000
	Specialty	0.0000	0.0102	0.0107	0.0053	0.0000
Generics Only	All else	2.2334	4.6868			
	Antihistamines	0.0000	0.1970			
	Contraceptives	0.0000	0.0000			
	Fertility	0.0000	0.0054			
	Lifestyle, drugs w/OTC options	0.0074	0.0000			
	PPIs	0.0000	0.2455			
	Smoking Cessation	0.0000	0.0000			
	Specialty	0.0000	0.0102			



Table 72 – FACETS Mail Order Script Count PMPY Assumptions

Formulary Type	Cost Category	Preventative Generic	Non-Preventative Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)
Legacy	All else	0.1011	0.2116	0.0494	0.0104	0.0048
	Antihistamines	0.0000	0.0058	0.0012	0.0002	0.0001
	Contraceptives	0.0000	0.0000	0.0035	0.0003	0.0000
	Fertility	0.0000	0.0008	0.0000	0.0002	0.0000
	Lifestyle, drugs w/OTC options	0.0003	0.0000	0.0017	0.0002	0.0000
	PPIs	0.0000	0.0190	0.0018	0.0002	0.0017
	Smoking Cessation	0.0000	0.0000	0.0001	0.0000	0.0000
	Specialty	0.0000	0.0286	0.0321	0.0127	0.0002
Performance	All else	0.1011	0.2121	0.0509	0.0093	0.0040
	Antihistamines	0.0000	0.0058	0.0012	0.0002	0.0001
	Contraceptives	0.0000	0.0000	0.0035	0.0003	0.0000
	Fertility	0.0000	0.0008	0.0000	0.0002	0.0000
	Lifestyle, drugs w/OTC options	0.0003	0.0000	0.0017	0.0002	0.0000
	PPIs	0.0000	0.0190	0.0018	0.0002	0.0017
	Smoking Cessation	0.0000	0.0000	0.0001	0.0000	0.0000
	Specialty	0.0000	0.0286	0.0322	0.0127	0.0002
Advantage	All else	0.1011	0.2119	0.0413	0.0170	0.0060
	Antihistamines	0.0000	0.0058	0.0012	0.0002	0.0001
	Contraceptives	0.0000	0.0000	0.0035	0.0003	0.0000
	Fertility	0.0000	0.0008	0.0000	0.0002	0.0000
	Lifestyle, drugs w/OTC options	0.0003	0.0000	0.0017	0.0002	0.0000
	PPIs	0.0000	0.0190	0.0018	0.0002	0.0017
	Smoking Cessation	0.0000	0.0000	0.0001	0.0000	0.0000
	Specialty	0.0000	0.0286	0.0322	0.0127	0.0002
Advantage, DRT	All else	0.1012	0.2144	0.0480	0.0097	0.0041
	Antihistamines	0.0000	0.0067	0.0004	0.0001	0.0001
	Contraceptives	0.0000	0.0000	0.0035	0.0003	0.0000
	Fertility	0.0000	0.0008	0.0000	0.0002	0.0000
	Lifestyle, drugs w/OTC options	0.0003	0.0000	0.0017	0.0002	0.0000
	PPIs	0.0000	0.0190	0.0018	0.0002	0.0017
	Smoking Cessation	0.0000	0.0000	0.0001	0.0000	0.0000
	Specialty	0.0000	0.0286	0.0300	0.0150	0.0001
Generics Only	All else	0.1011	0.2121			
	Antihistamines	0.0000	0.0058			
	Contraceptives	0.0000	0.0000			
	Fertility	0.0000	0.0008			
	Lifestyle, drugs w/OTC options	0.0003	0.0000			
	PPIs	0.0000	0.0190			
	Smoking Cessation	0.0000	0.0000			
	Specialty	0.0000	0.0286			

Table 73 – FACETS Retail Discounts and Dispensing Fees

Network	Pricing Package	Year	Generic Discount	Brand Discount (30 Day)	Brand Discount (90 Day)	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National	1	2014	62.80%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2015	65.50%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2016	65.50%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2017	65.50%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
	10	2014	70.50%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
		2015	72.00%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
		2016	72.00%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
National excluding CVS	12	2014	64.05%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2015	66.75%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2016	66.75%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2017	66.75%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
	15	2014	71.75%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
		2015	73.25%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
		2016	73.25%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
National excluding WAG	12	2014	64.05%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2015	66.75%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2016	66.75%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2017	66.75%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
	15	2014	71.75%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
		2015	73.25%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
		2016	73.25%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
National excluding CVS & WAG	16	2014	64.45%	12.50%	15.50%	12.50%	\$1.50	\$1.50	\$1.50
		2015	67.15%	12.50%	15.50%	12.50%	\$1.50	\$1.50	\$1.50
		2016	67.15%	12.50%	15.50%	12.50%	\$1.50	\$1.50	\$1.50
		2017	67.15%	12.50%	15.50%	12.50%	\$1.50	\$1.50	\$1.50
	19	2014	72.15%	15.50%	18.50%	15.50%	\$1.30	\$1.30	\$1.30
		2015	73.65%	15.50%	18.50%	15.50%	\$1.30	\$1.30	\$1.30
		2016	73.65%	15.50%	18.50%	15.50%	\$1.30	\$1.30	\$1.30
		2017	73.65%	15.50%	18.50%	15.50%	\$1.30	\$1.30	\$1.30

Table 74 – FACETS Mail Order Discounts and Dispensing Fees

Network	Pricing Package	Year	Generic Discount	Brand Discount	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National	1	2014	62.80%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2017	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
	10	2014	73.00%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
2017		74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00	
National excluding CVS	12	2014	62.80%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2017	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
	15	2014	73.00%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
2017		74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00	
National excluding WAG	12	2014	62.80%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2017	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
	15	2014	73.00%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
2017		74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00	
National excluding CVS & WAG	16	2014	62.80%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2017	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
	19	2014	73.00%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
2017		74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00	

# Cigna Health and Life Insurance Company

## Rate Filing

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# Medical Manual Rating Formulas

## 1 Transform Census

Using experience-based demographic assumptions, transform the employee-level census into a member-level census. Skip to Step 2 if the census is already at the member level.

## 2 Calculate Base Medical Claim Costs

Run the members from the census in Step 1 through the calculations in Step 2 to determine in-network (IN) base medical claim costs. For plans with out-of-network (OON) benefits, calculate the base medical claim costs using the methodology outlined in Step 2 but with OON assumptions and benefits. For indemnity plans, calculate all claim costs using only OON assumptions.

Calculate expected claim costs on a per member per month (PMPM) basis.

### 2.1 National Base Claims

National base claim costs for experience-rated business are established for all major service categories (MSCs). The MSCs may be further subdivided into sub-cost categories (SCCs). These are:

- MSC
  - Inpatient [Hospital] (IP)
  - Outpatient [Hospital] (OP)
  - Emergency Room (ER)
  - Primary Care Physician (PCP)
  - Specialty Care Physician (SCP)
  - Other
  - Preventive Care
  - Pharmacy (if combined with medical)
- SCC
  - Facility
  - Professional
  - Lab
  - Radiology
  - Advanced Radiology (ARI)

See *Table 1 – Medical Base Claims* for the current base claim costs for each MSC (both IN and OON).

See *Table 2 – MSC Weighting by SCC* for the percentage of each MSC composed of each SCC.

Calculate the base claim cost at the SCC level by pulling the base claim costs for each MSC from the applicable pricing table and applying the appropriate weighting for each SCC.

$$\text{Base Claim Cost by MSC and SCC} = [\text{Base Claim Cost by MSC}] \times [\text{SCC \%}]$$

The base claim cost by MSC and SCC will be referred to as *base claims*, with the understanding that they have already been divided into categories. Also, the term *service categories* will be used to refer to MSCs divided fully into SCCs (e.g., “Inpatient Facility” or “PCP ARI”), while any specific reference to MSCs alone will be clearly noted.

Pharmacy base claims are calculated in Step 6.9.2 and are used to develop medical manual rates (during Step 2.5) only if the plan features combined medical and pharmacy claims.



If preventive care coverage is elected for children only, then the preventive care base claim cost will depend on the elected child age. See *Table 3 – Preventive Care Child Age Adjustment* to determine what portion of preventive care base claim costs to use.

## 2.2 National Trend

### 2.2.1 Calculate Trend Factor

To establish expected base claim costs for the policy period, the base claim costs from Step 2.1 must be trended forward from the midpoint of the base claim period (the year of experience from which base claims are determined) to the midpoint of the policy period.

In this step, calculate a trend factor based on national trend (to be applied in Step 2.2.2). A trend factor based on area-specific trend is calculated and applied in Step 2.7.

National trend values may be found in *Table 4 – National Medical Trend*.

- The following dates and values are required:
  - a. The midpoint of the base claim period
  - b. The midpoint of the policy period
  - c. Trend days: days between the midpoint of the base claim period and the midpoint of the policy period. These are the days over which trend must be applied.
- Calculate the actual trend factor to be applied for each year.
  - a. Each one-year period starting from the midpoint of the base claim period has an associated trend value.
  - b. Each of those one-year periods contains some number of trend days. The percentage of trend days that fall into each one-year period is the trend exposure percentage for that one-year period.
  - c. Calculate the actual portion of trend to be applied from each one-year period with:

$$\text{Trend Factor} = [1 + \text{Trend}]^{(\text{Trend Exposure Percentage})}$$

- The total trend factor is the product of all trend factors.

### 2.2.2 Apply Trend Factor (National)

Apply the total trend factor (for national trend) determined in Step 2.2.1 to the base claims from Step 2.1.

$$\text{Trended Base Claims} = [\text{Base Claims}] \times [\text{Total Trend Factor (National)}]$$

## 2.3 Copays – Calculate Effective Copay Percentage

Calculating the cost-share due to copays in Step 2.5 requires the effective copay percentage, which is calculated for each service category as follows:

- Determine:
  - Utilization: See *Table 5 – National Utilization Rates by MSC* for the annual expected utilization rate per member for each MSC.
  - SCC Weighting: See *Table 2 – MSC Weighting by SCC*.
  - Copay: Copay dollar amounts (if any) from the plan design.

- Calculate:

$$\text{Dollar Copay Impact} = \frac{[\text{Utilization}] \times [\text{SCC Weighting}] \times [\text{Copay}]}{12}$$

$$\text{Effective Copay Percentage} = \frac{\text{Dollar Copay Impact}}{\text{Trended Base Claims (from Step 2.2.2)}}$$

The impact of copays for Mental Health/Substance Use Disorders (MH/SUD) is calculated in Step 4.3.

## 2.4 Effective Deductible and Out-of-Pocket Maximum

Throughout Step 2.5, calculations that require the deductible or out-of-pocket (OOP) maximum will use the effective deductible or effective OOP maximum. An adjustment factor is applied to the plan deductible and OOP maximum in order to arrive at the effective values. These adjustment factors depend on two things:

- The plan deductible (or OOP maximum).
- The ratio of the family deductible to the individual deductible (or OOP maximum).

For the deductible adjustment factor, see *Table 7 – Medical Effective Deductible Adjustment*.

For the OOP maximum adjustment factor, see *Table 8 – Medical Effective OOP Maximum Adjustment*.

$$\text{Effective Deductible} = [\text{Individual Deductible}] \times [\text{Deductible Adjustment Factor}]$$

$$\text{Effective OOP Maximum} = [\text{Individual OOP Maximum}] \times [\text{OOP Maximum Adjustment Factor}]$$

## 2.5 Cost-Share

Overview for this step: Calculate the expected offset to claim costs due to member cost-sharing by modifying the claims probability distribution (CPD) to remove member cost-sharing from total claims.

Steps 2.5.2 through 2.5.9 provide detail on this process. The modified CPD at a given step will be referred to as the CPD from the step in which the modification occurred. The claims that fall into either member cost-share or Cigna cost-share will be noted.

See *Table 9 – Medical Claims Probability Distribution* for the full medical CPD (which will also be referred to as the *base CPD*).

The pharmacy column of the medical CPD is used only if the plan features combined medical and pharmacy claims.

The final member cost-sharing for the preventive care MSC is calculated in Step 2.5.9 and does not use the CPD methodology.

### 2.5.1 Benefits Dependent on Number of Visits

Benefits for a particular service category may change depending on the number of visits. For example, copays could be selected such that one copay amount applies to the first PCP visit while another copay amount applies to any subsequent visits. The change in cost-share for each distinct benefit must be accounted for in calculating final cost-share.

For those service categories, multiply the average cost of a visit (found in *Table 10 – Average Visit Cost*) by the number of visits at which benefits change (according to the plan design) to get the claims breakpoint. Between each claims breakpoint on the CPD, apply the appropriate cost-share calculation throughout Step 2.5 for the applicable benefit.

## 2.5.2 Base Claim Costs

Split the columns of the base CPD by the appropriate SCC weighting for the MSC (as listed in *Table 2 – MSC Weighting by SCC*). Scale the claims for each service category by the respective trended base claims from Step 2.2.2.

If pharmacy and medical claims are combined, use the 'Estimated Annual Cost' (converted to monthly) from the pharmacy Step 6.9.2 to scale the pharmacy service category.

## 2.5.3 Copays before the Deductible

If copays apply before the deductible, multiply the service categories with copays in the Step 2.5.2 CPD by  $[1 - \text{Effective Copay Percentage}]$  (calculated in Step 2.3). Otherwise, the service categories are not adjusted.

To find the member cost-sharing from copays (before the deductible), subtract the claims in the Step 2.5.3 CPD from the claims Step 2.5.2 CPD.

## 2.5.4 Deductible

For service categories subject to the deductible, claims below the effective deductible (calculated in Step 2.4) are cost-share for the member. Proportionately remove claims below the effective deductible from the 2.5.3 CPD.

If pharmacy and medical claims are combined and cost share has been waived for certain classes of prescription drugs (e.g., waiving cost share for preventive medications), use the pharmacy CPD (outlined in Table 60, Table 61, and Table 62) to calculate the percentage of pharmacy claims subject to the deductible and only the portion of pharmacy claims that are subject to the deductible are included in the pharmacy service category.

## 2.5.5 Effective Coinsurance

For each service category, calculate the effective coinsurance as a combination of coinsurance and cost-sharing from copays that apply after the deductible (either or both may apply).

$$\text{Effective Coinsurance} = [\text{Plan Coinsurance}] \times [1 - \text{Effective Copay Percentage (from Step 2.3)}]$$

If the service category has no copay after the deductible, the effective copay percentage is zero (leaving only coinsurance). If the service category is subject only to a copay after the deductible, the plan coinsurance is one (i.e., all costs beyond the copay are Cigna cost-share).

Multiply the claims for each service category by the applicable effective coinsurance. For service categories that are not subject to the deductible, use the claims from the Step 2.5.3 CPD, and for service categories subject to the deductible, use the claims from the Step 2.5.4 CPD.

If pharmacy and medical claims are combined, use  $[1 - \text{Regular Member Cost Share}]$  from Step 6.9.10 as the effective coinsurance for the pharmacy service category.

## 2.5.6 Out-of-Pocket Maximum

Add up all the components of member cost-share that apply to the OOP maximum. All claims above the effective OOP maximum (calculated in Step 2.4) become Cigna cost-share.

## 2.5.7 Annual Maximum

Add up the Cigna cost-share (claims in the Step 2.5.5 CPD and claims above the OOP maximum from Step 2.5.6). All claims above the annual maximum (if applicable) become member cost-share.

## 2.5.8 Member Cost-Sharing Percentage

Calculate the member cost-sharing percentage for each MSC.

Determine the Cigna cost-share for each MSC. This comprises claims in the Step 2.5.5 CPD and claims above the OOP maximum and below the annual maximum (if applicable) from Steps 2.5.6 and 2.5.7.

$$\text{Member Cost-Sharing Percentage} = 1 - \frac{[\text{Cigna Cost-Share}]}{[\text{Trended Base Claims (Step 2.2.2)}]}$$

If pharmacy and medical claims are combined, the pharmacy trended base claims are the 'Estimated Annual Cost' (converted to monthly) from Step 6.9.2. The pharmacy member cost-sharing percentage is used as the effective member cost-share for pharmacy benefits in Step 6.9.11.

## 2.5.9 Collective Accumulation Adjustment

If the plan features collective accumulation (in the deductible and/or OOP maximum), add a collective accumulation adjustment to each member cost-sharing percentage from Step 2.5.8.

Definition of terms:

- Accumulator: generic term for the deductible or OOP maximum (both if plural)
- Average family size: the ratio of family members to family subscribers
- Deductible multiplier: the ratio of the family deductible to the individual deductible
- OOP maximum multiplier: the ratio of the family OOP maximum to the individual OOP maximum

To calculate the collective accumulation adjustment: using the deductible and OOP maximum from the plan design as rated, determine the accumulators that a family and an individual within a family would experience under the three following scenarios:

- The deductible and OOP maximum are non-collective and the deductible multiplier and OOP maximum multiplier are equal
- The deductible and OOP maximum are collective and the deductible multiplier and OOP maximum multiplier are equal
- The deductible and OOP maximum follow the plan design as rated

For each scenario, determine the *effective* deductible and OOP maximum that an individual within a family would experience. To do this, multiply the deductible and OOP maximum for an individual within a family by the factors found in *Table 13 – Effective Deductible - Collective Accumulation Adjustment* and *Table 14 – Effective OOP Maximum - Collective Accumulation Adjustment* (the factors depend on the individual deductible or OOP, respective multiplier, and average family size). If necessary, interpolate between the nearest multipliers to calculate the adjustment.

For a plan where the deductible is collective and the OOP maximum is non-collective, if the OOP maximum for an individual is less than the family deductible plus \$550, use *Table 15 – Effective Coinsurance - Collective Accumulation Adjustment* to determine the effective coinsurance used in this calculation. The table is based on the plan coinsurance and the average family size.

For each scenario, apply the plan coinsurance (or effective coinsurance, if applicable), effective individual deductible, and effective individual OOP maximum to the “Total Annual Claims” column of the Step 2.5.2 CPD to calculate member cost-share. Calculate the accumulation adjustment ratio based on the calculated cost-share for the non-collective, collective, and plan scenarios as follows:

$$\text{Accumulation Adjustment Ratio} = \frac{[\text{Plan Cost-Share}] - [\text{Non-Collective Cost-Share}]}{[\text{Collective Cost-Share}] - [\text{Non-Collective Cost-Share}]}$$

From *Table 16 – Collective Deductible Adjustment*, determine the collective deductible adjustment based on the average family size, the deductible multiplier, and the individual deductible. If necessary, linearly interpolate between the appropriate nearest deductibles to find the correct decrement. Calculate:

$$\text{Single to Total Member Ratio} = \frac{[\text{Count of Subscribers Without Dependents}]}{[\text{Total Members}]}$$

Then

$$\text{Collective Deductible Adjustment} = [1 - \text{Single to Total Member Ratio}] \times [\text{Collective Decrement}]$$

And

$$\begin{aligned} \text{Collective Accumulation Adjustment} \\ = [\text{Collective Deductible Adjustment}] \times [\text{Accumulation Adjustment Ratio}] \end{aligned}$$

### 2.5.10 Final Member Cost-Sharing Percentage

If applicable, add the collective accumulation adjustment from Step 2.5.9 to the Step 2.5.8 member cost-sharing percentage to get the final member cost-sharing percentage. If the plan does not have collective accumulation, the final member cost-sharing percentage is equal to the percentage calculated in Step 2.5.8.

If preventive care is covered with cost-sharing, the final member cost-sharing percentage for the preventive care MSC is calculated as a blend of the PCP and SCP final member cost-sharing percentages. See *Table 11 – Preventive Care Cost-Share Weighting* for the appropriate weights.

The total member cost-sharing percentage is a weighted average of the final member cost-sharing percentages across all MSCs.

### 2.5.11 Apply Cost-Sharing Offset

Apply the final member cost-sharing percentage from Step 2.5.9 to the trended base claims from Step 2.2.2.

$$\text{Cost-Sharing Adjusted Claims} = [1 - \text{Final Member Cost-Sharing Percentage}] \times [\text{Trended Base Claims}]$$

## 2.6 Utilization Dampening

### 2.6.1 Calculate Utilization Dampening

Determine the utilization dampening to apply to each MSC. Values for this calculation are found in *Table 12 – Medical Utilization Dampening*. The preventive care MSC is not subject to utilization dampening.

Calculate utilization dampening for each MSC using the applicable final member cost-sharing percentage calculated in Step 2.5.9 and the appropriate values (A, B and C) from the table.

$$\text{Utilization Dampening} = e^{(A \times \text{Cost-Sharing} + B)} + C$$

### 2.6.2 Apply Utilization Dampening Factor

Apply the Utilization Dampening from Step 2.6.1 to the Cost-Sharing Adjusted Claims from Step 2.5.11.

$$\text{Utilization Dampening Adjusted Claims} = [\text{Utilization Dampening}] \times [\text{Cost-Sharing Adjusted Claims}]$$

## 2.7 Area-Specific Trend Relativity

### 2.7.1 Calculate Area-Specific Trend Relativity

Calculate the trend factor based on area-specific trend for the plan rating area using the methodology found in Step 2.2.1.

Area-specific trend is found in *Table 28 – Medical Trend and Capitation* (with additional summary detail provided in *Table 29 – Medical Trend Summary*).

Divide the area-specific trend factor by the trend factor based on national trend from Step 2.2.1 to find the area-specific trend relativity.

$$\text{Area-Specific Trend Relativity} = \frac{[\text{Area-Specific Trend Factor}]}{[\text{National Trend Factor}]}$$

### 2.7.2 Apply Area-Specific Trend Relativity

Apply the area-specific trend relativity from Step 2.7.1 to the utilization dampening adjusted claims from Step 2.6.2.

$$\text{Area Trend Adjusted Claims} = [\text{Area-Specific Trend Relativity}] \times [\text{Utilization Dampening Adjusted Claims}]$$

## 2.8 Base Medical Community Rate

### 2.8.1 Calculate Medical Community Rate Load

Multiply together all applicable community rate loads from *Table 17 – Community Rate Loads* and the area factor for the plan rating area found in *Table 26 – Medical Area Factors* (with additional summary detail in *Table 27 – Medical Area Factor Summary*) to get the medical community rate load.

### 2.8.2 Apply Medical Community Rate Load

Apply the medical community rate load from Step 2.8.1 to the area trend adjusted claims from Step 2.7.2.

$$\text{Base Medical Community Rate} = [\text{Medical Community Rate Load}] \times [\text{Area Trend Adjusted Claims}]$$

## 3 Base Medical Community Rate by Class

### 3.1 Blending Medical Rates

#### 3.1.1 Calculate Blended Community Rate

For products with IN and OON components, this step blends the IN and OON base medical claim costs to create one overall rate.

Use a point-of-service (POS) load methodology to apply a load (which is based on area, product, and the IN and OON cost-share differential) to IN claims to calculate blended expected IN and OON claims. If a product is capitated, the POS load will only apply to the non-capitated portion of base medical claims.

The POS load calculation proceeds as follows:

1. Calculate the difference in cost-sharing percentages between OON and IN components. These cost-sharing percentages are the total member cost-sharing percentages (for IN and OON, respectively) from Step 2.5.8. The differential cannot be less than zero or greater than one.

$$\text{Cost-Share Differential} = [\text{OON Cost-Sharing Percentage}] - [\text{IN Cost-Sharing Percentage}]$$

2. Find the appropriate coefficients (A, B, and C) in *Table 31 – POS Load Coefficients* (with additional summary detail in *Table 32 – POS Load Coefficients Summary*) and calculate the base POS load.

$$\text{Base POS Load} = A \times [\text{CSDiff}]^2 + B \times [\text{CSDiff}] + C$$

If the base POS load is less than zero or the plan is an indemnity plan, the base POS load is set to zero.

3. Determine the applicable OON savings program for the plan and apply the appropriate factor from *Table 18 – Medical OON Program Savings Factors* to the base POS load. If necessary, interpolate between table values to find the OON savings program factor.

$$\text{POS Load} = [\text{Base POS Load}] \times [\text{OON Savings Program Factor}]$$

4. Apply the POS load to the IN base medical community rate from Step 2.8.2.

$$\text{Blended Community Rate} = [1 + \text{POS Load}] \times [\text{IN Base Medical Community Rate}]$$

#### 3.1.2 Calculate IN and OON Utilization

The expected OON utilization is used in the adjustment for Cigna Care Network tiered benefits. This requires the POS load calculated in Step 3.1.1 and the IN and OON base medical community rates calculated in Step 2.8.2. If the product is capitated, only use the non-capitated portion of the IN base medical community rate. If the calculation yields an IN Utilization greater than 100% or less than 0%, the IN Utilization is set to one and no POS load is applied.

$$\text{IN Utilization} = \frac{[\text{POS Load}] \times [\text{IN Rate}] - [\text{OON Rate}]}{[\text{IN Rate}] - [\text{OON Rate}]}$$

$$\text{OON Utilization} = 1 - \text{IN Utilization}$$

## 3.2 Lifetime Maximum Adjustment

If the plan features a lifetime maximum, the appropriate adjustment is found in *Table 19 – Lifetime Maximum Adjustment* and will be applied in Step 3.5.

## 3.3 Industry Load

Calculate the applied industry load.

- Select the appropriate industry load from *Table 20 – Industry Load* based on the Standard Industrial Classification code of the group being priced.
- If applicable, determine the capitation percentage from *Table 28 – Medical Trend and Capitation* (with additional summary detail in *Table 30 – NWK Percent Capitated Summary*).

$$\text{Adjusted Industry Load} = [\text{Industry Load} - 1] \times [1 - \text{Capitation Percentage}]$$

$$\text{Applied Industry Load} = 1 + \text{Adjusted Industry Load}$$

## 3.4 Demographic Factor

Determine the demographic factor from *Table 21 – Medical Demographic Factors* for the member based on sex, age, and status (i.e. employee, spouse, or child).

To calculate the demographic aging adjustment, multiply the demographic aging trend found in *Table 22 – Demographic Aging Trend* by the number of years between the date the census is evaluated and the midpoint of the policy period, then add one. Multiply the demographic factor by the demographic aging adjustment to calculate the applied demographic factor.

## 3.5 Calculate Base Medical Community Rate by Class

Calculate the base medical community rate by class by multiplying together the following:

- Blended community rate from Step 3.1.1
- Lifetime maximum adjustment from Step 3.2
- Applied industry load from Step 3.3
- Applied demographic factor from Step 3.4

# 4 Calculate Claim Costs for Other Benefits

## 4.1 Riders

### 4.1.1 Medical Riders

Determine the total claim cost for applicable riders (calculated on a PMPM basis).

Determine base rider claim costs.

- See *Table 25 – Medical Riders* for the methodology and values required to calculate base medical rider claim costs.

Multiply the base rider claim costs by the trend factor, rider load, applied industry load, and applied demographic factor to determine total rider claim costs.



- The trend factor is the area-specific trend factor from Step 2.7.
- The rider load is calculated the same way as the community rate load from Step 2.8.1 using only applicable loads.
- The applied industry load is calculated in Step 3.3.
- The applied demographic factor is calculated in Step 3.4. The infertility riders have their own demographic factors to use in the calculation. These factors may be found in *Table 23 – Infertility Rider Demographic Factors*.

#### 4.1.2 Vision Rider

Determine the vision rider claim cost PMPM, if applicable. See *Appendix F: Vision Riders* for all values required for this calculation.

1. For each applicable category of coverage found in *Table 38 – Vision: Average Costs*, calculate the coverage allowance. If a category is not covered, the coverage allowance is \$0.

$$\text{Coverage Allowance} = \min([\text{Average Cost}], [\text{Allowance Per Plan Design}])$$

2. Multiply the coverage allowance by the frequency factor found in *Table 39 – Vision: Frequency Factors* and the utilization percentage found in *Table 40 – Vision: Service Utilization* to calculate the preliminary claims cost. Sum the preliminary claims costs across all categories of coverage to determine the overall preliminary claims cost.

$$\text{Preliminary Claims Cost} = [\text{Coverage Allowance}] \times [\text{Frequency Factor}] \times [\text{Utilization}]$$

3. Multiply the overall preliminary claims cost by the industry factor, case size adjustment, and trend factor to calculate the vision rider claim cost per employee per year (PEPY). The industry factor, case size adjustment, and annual trend used for the trend factor are found in *Table 41 – Vision: Trend and Adjustments*.

$$\begin{aligned} \text{Vision Rider Claim Cost PEPY} \\ = [\text{Preliminary Claims Cost}] \times [\text{Industry Factor}] \times [\text{Case Size Adj.}] \times [\text{Trend Factor}] \end{aligned}$$

4. Divide the vision rider claim cost PEPY by 12 and by the ratio of members to employees to calculate the vision rider claim cost PMPM.

## 4.2 Health Management Program Savings

Using the values in *Table 24 – Health Management Program Savings*, calculate the expected claim cost savings for applicable health management programs.

- To calculate expected savings for Your Health First, multiply the decrement in the table by the sum of the blended medical community rate from Step 3.1.1 and the rider claim cost (before demographic and industry factors are applied). Then multiply by the applied industry load from Step 3.3 and the applied demographic factor from Step 3.4.
- To calculate expected savings for Healthy Pregnancies, Healthy Babies and Comprehensive Oncology, trend the PMPM dollar amounts in the table using the area-specific trend factor from Step 2.7, and then multiply by the applied industry load from Step 3.3 and the applied demographic factor from Step 3.4.
- To calculate expected savings for Health Advisor and Personal Health Team, use the PEPM dollar amounts in the table.

### 4.3 Mental Health/Substance Use Disorders

Determine the MH/SUD claim cost. See *Appendix E: Mental Health/Substance Use Disorders* for rates, trend, and adjustments. Note that the MH/SUD cost calculation uses an MH/SUD-specific trend and that the base claim cost varies within the given range based on plan deductible, copays, and coinsurance.

MH/SUD is ordinarily a capitated product but can be covered as fee-for-service (FFS). If it's covered as FFS, apply the FFS adjustment, otherwise apply only trend to the MH/SUD base claim cost.

$$\text{MH/SUD Claim Cost} = [\text{MH/SUD Base Claim Cost}] \times [1 + \text{Trend}] \times [1 + \text{FFS Adjustment}]$$

### 4.4 Medicare Coordination of Benefits

Rates for post-65 Medicare-eligible retirees are adjusted to reflect the coordination of benefits (COB) with Medicare.

The Medicare COB adjustment is based on the percentage of Medicare-eligible members in the population being rated, the age, sex, and geographic location of the membership, the coordination of benefits method being applied, the underlying medical product type, and the plan deductible, coinsurance, copay, OOP maximum, and other cost-sharing.

## 5 Aggregate Medical Claim Costs

Sum the following to calculate the total medical claim cost for the individual:

- The base medical community rate by class from Step 3.5.
- The total rider claim cost from Step 4.1.
- The claim cost savings from health management programs from Step 4.2.
- The MH/SUD claim cost from Step 4.3.

Combine the individual claim costs for the entire census to determine the aggregate medical claim cost (on a PMPM basis):

$$\text{Aggregate Medical Claim Cost} = \frac{\text{Sum of Individual Claim Costs}}{\text{Total Members}}$$

# Pharmacy Manual Rating Formulas

Use this section to calculate expected pharmacy claim costs.

The following formulas detail the pharmacy claim cost calculation process. The specific steps are applied to each pharmacy cost category, except as specifically noted. There are no separate provisions made for OON pharmacy benefits. All benefits are assumed to be IN. Claim costs for each individual life are calculated separately and the results are aggregated. Where noted, a separate set of assumptions or calculations are used for cases run on the FACETS platform.

## 6 Pharmacy Rating Step-by-Step

### 6.1 Extract the Average Wholesale Price (AWP) per Script

Extract the AWP per script by cost category for both retail and mail order based on the formulary type (Standard, Value, Performance, Advantage, or Generics Only). All formularies are open. Separate assumptions exist for the FACETS platform. The AWP per script assumptions are found in the following tables:

- *Table 42 – Retail AWP per Script Assumptions*
- *Table 43 – Mail Order AWP per Script Assumptions*
- *Table 69 – FACETS Retail AWP per Script Assumptions*
- *Table 70 – FACETS Mail Order AWP per Script Assumptions*

### 6.2 Apply the Discount

Discounts are applied to the AWP per script calculated in Step 6.1 based on retail pharmacy network, funding type/product (HMO, non-HMO, or experience rated) and employer size. Please note that separate assumptions exist for the FACETS platform, which vary only by pricing package. The discount assumptions are found in the following tables:

- *Table 46 – Retail Discounts and Dispensing Fees (National Network)*
- *Table 47 – Retail Discounts and Dispensing Fees (National Network without CVS)*
- *Table 48 – Retail Discounts and Dispensing Fees (National Network without Walgreens)*
- *Table 49 – Retail Discounts and Dispensing Fees (National Network without CVS & Walgreens)*
- *Table 73 – FACETS Retail Discounts and Dispensing Fees*
- *Table 74 – FACETS Mail Order Discounts and Dispensing Fees*

The discount assumptions vary by drug source (retail or mail order) and drug type (generic, brand, or specialty). Discounts also vary by calendar year, so discount assumptions are averaged for policy years that cross multiple calendar years:

Average Discount

$$\begin{aligned} &= (\text{2014 Calendar Year Discount} \times \% \text{ of Policy Year in 2014}) \\ &+ (\text{2015 Calendar Year Discount} \times \% \text{ of Policy Year in 2015}) \\ &+ (\text{2016 Calendar Year Discount} \times \% \text{ of Policy Year in 2016}) \\ &+ (\text{2017 Calendar Year Discount} \times \% \text{ of Policy Year in 2017}) \end{aligned}$$

In addition, separate discounts may apply for 90-day retail scripts. If the 90-day retail option is selected, retail discounts are further adjusted:

Adjusted Retail Average Discount

$$\begin{aligned} &= \text{30-Day Retail Average Discount} \times (1 - \% \text{ of Retail from 90-Day}) \\ &+ \text{90-Day Retail Average Discount} \times \% \text{ of Retail from 90-Day} \end{aligned}$$

where

$$\begin{aligned} \text{\% of Retail from 90-Day} &= [(\text{Retail Script Count} \times \text{30-Day Retail Shift to 90-Day Retail}) \\ &+ (\text{Mail Order Script Count} \times \text{Mail Order Shift to 90-Day Retail} \times \text{Mail Order Multiplier})] \\ &\div \text{Retail Script Count} \end{aligned}$$

The 90-day retail shift assumptions and mail order multiplier are found in the following tables:

- *Table 54 – Shift Assumptions for Plans with 90-Day Retail*
- *Table 55 – Mail Order Multiplier Assumption*

If a product is selected where multiple drug types are included in a particular tier, a blended discount must be calculated. The following example describes how a blended discount would be calculated if non-preventive generics and preferred brand drugs were in the same tier:

$$\begin{aligned} \text{Blended Discount for Tier with Non-Preventive Generics and Preferred Brands} &= [(\text{Non-Preventive Generic Script Count} \times \text{Non-Preventive Generic AWP per Script} \\ &\times \text{Generic Discount}) \\ &+ (\text{Preferred Brand Script Count} \times \text{Preferred Brand AWP per Script} \times \text{Brand Discount})] \\ &\div [(\text{Non-Preventive Generic Script Count} \times \text{Non-Preventive Generic AWP per Script}) \\ &+ (\text{Preferred Brand Script Count} \times \text{Preferred Brand AWP per Script})] \end{aligned}$$

Once the discounts are determined, apply them to AWP per script calculated in Step 6.1:

$$\text{Step 6.2 Discounted AWP per Script} = \text{Step 6.1 AWP per Script} \times (1 - \text{Discount})$$

### 6.3 Calculate Gross Cost per Script

Dispensing fees are added to the discounted AWP per script calculated in Step 6.2 based on retail pharmacy network, funding type/product (HMO, non-HMO, or experience rated) and employer size. Separate assumptions exist for the FACETS platform, which vary only by pricing package. The dispensing fee assumptions are found in the following tables:

- *Table 46 – Retail Discounts and Dispensing Fees (National Network)*
- *Table 47 – Retail Discounts and Dispensing Fees (National Network without CVS)*
- *Table 48 – Retail Discounts and Dispensing Fees (National Network without Walgreens)*
- *Table 49 – Retail Discounts and Dispensing Fees (National Network without CVS & Walgreens)*
- *Table 73 – FACETS Retail Discounts and Dispensing Fees*
- *Table 74 – FACETS Mail Order Discounts and Dispensing Fees*

The dispensing fee assumptions vary by drug source (retail or mail order) and drug type (generic, brand, or specialty). Dispensing fees also vary by calendar year, so dispensing fee assumptions are averaged for policy years that cross multiple calendar years:

$$\begin{aligned} \text{Average Dispensing Fee} &= (\text{2014 Calendar Year Dispensing Fee} \times \text{\% of Policy Year in 2014}) \\ &+ (\text{2015 Calendar Year Dispensing Fee} \times \text{\% of Policy Year in 2015}) \\ &+ (\text{2016 Calendar Year Dispensing Fee} \times \text{\% of Policy Year in 2016}) \\ &+ (\text{2017 Calendar Year Dispensing Fee} \times \text{\% of Policy Year in 2017}) \end{aligned}$$

In addition, separate dispensing fees apply for 90-day retail scripts. If the 90-day retail option is selected, retail dispensing fees are further adjusted:

Adjusted Retail Average Dispensing Fee  
 = 30-Day Retail Average Dispensing Fee × (1 – % of Retail from 90-Day)  
 + 90-Day Retail Average Dispensing Fee × % of Retail from 90-Day

where

% of Retail from 90-Day  
 = [(Retail Script Count × 30-Day Retail Shift to 90-Day Retail)  
 + (Mail Order Script Count × Mail Order Shift to 90-Day Retail × Mail Order Multiplier)]  
 ÷ Retail Script Count

The 90-day retail shift assumptions and mail order multiplier are found in the following tables:

- *Table 54 – Shift Assumptions for Plans with 90-Day Retail*
- *Table 55 – Mail Order Multiplier Assumption*

Sales tax is not included in the gross cost per script calculation because of insignificance, so once the dispensing fees are determined, add them to the discounted AWP per script calculated in Step 6.2:

Step 6.3 Gross Cost per Script = Step 6.2 Discounted AWP per Script + Dispensing Fee per Script

## 6.4 Calculate and Apply the Cost Trend Factor

The gross cost per script calculated in Step 6.3 was developed using assumptions from the base claim period. To establish expected costs for the policy period, the gross cost per script must be trended forward from the midpoint of the base claim period to the midpoint of the policy period. Area-specific trends should be used, if applicable, to determine the unit cost trend factor. Otherwise, the national trend should be used. Unit cost trend assumptions are found in the following table:

- *Table 57 – Pharmacy: Cost Trend*

Determine the number of days from the midpoint of the base claim period to the midpoint of the policy period (“trend days”). The base claim period midpoint is estimated as 182.5 days after the base claim effective date. The policy period midpoint is the average of the policy effective date and the policy end date.

Each year following the base claim period midpoint is a trend year and has an associated unit cost trend factor. Determine the number of trend days that fall into each trend year and divide by the total days in the trend year to arrive at the portion of each trend year applicable to the case being rated (“exposure percentage”). Now the adjusted unit cost trend factor can be calculated for each trend year:

Adjusted Unit Cost Trend Factor = (1 + Trend Year Unit Cost Trend Factor)<sup>Exposure Percentage</sup>

The final unit cost trend factor is the product of the adjusted unit cost trend factors for each trend year. The following example outlines the unit cost trend factor calculation using national trend values:

a = Base claim effective date = 1/1/2014  
 b = Policy effective date = 4/1/2016  
 c = Policy end date = 3/31/2017  
 d = Annual cost trend factor for 2015/2014 = 10.34%  
 e = Annual cost trend factor for 2016/2015 = 12.34%  
 f = Annual cost trend factor for 2017/2016 = 12.34%  
 g = Base claim period midpoint = a + 182.5 days = 7/2/2014  
 h = Policy period midpoint = (b + c) ÷ 2 = 9/30/2016  
 i = Total trend days = g – f = 820

j = Trend days from 2014 to 2015 = 363.5  
k = Trend days from 2015 to 2016 = 366  
l = Trend days from 2016 to 2017 = 91.5

$$\begin{aligned} \text{Final Unit Cost Trend Factor} &= (1 + d)^{\frac{j}{365}} \times (1 + e)^{\frac{k}{366}} \times (1 + f)^{\frac{l}{365}} \\ &= 1.1034^{0.996} \times 1.234^1 \times 1.234^{0.25} = 1.276 \end{aligned}$$

Once the final unit cost trend factor is determined, apply it to the gross cost per script calculated in Step 6.3:

$$\text{Step 6.4 Trended Gross Cost per Script} = \text{Step 6.3 Gross Cost per Script} \times \text{Final Unit Cost Trend Factor}$$

## 6.5 Extract the Annual Script Counts Per Member

Extract the annual script counts per member (script count per member per year [PMPY]) by cost category for both retail and mail order based on the formulary type (Standard, Value, Performance, Advantage, or Generics Only). Pull in script counts for optional cost categories, such as lifestyle drugs, as needed. If an optional cost category has not been selected, set the script count to zero. Please note that separate assumptions exist for the FACETS platform. The script count assumptions are found in the following tables:

- *Table 44 – Retail Script Count PMPY Assumptions*
- *Table 45 – Mail Order Script Count PMPY Assumptions*
- *Table 71 – FACETS Retail Script Count PMPY Assumptions*
- *Table 72 – FACETS Mail Order Script Count PMPY Assumptions*

Script counts are adjusted when the mandatory generic program is selected:

$$\begin{aligned} \text{Adjusted Generic Script Count} \\ &= \text{Generic Script Count} \\ &+ (\text{Non-Preferred Brand Multi-Source Script Count} \times \text{Mandatory Generic Shift Factor}) \end{aligned}$$

$$\begin{aligned} \text{Adjusted Non-Preferred Brand Multi-Source Script Count} \\ &= \text{Non-Preferred Brand Multi-Source Script Count} \times (1 - \text{Mandatory Generic Shift Factor}) \end{aligned}$$

Scripts that are shifted from the non-preferred brand multi-source category to the generic category are assumed to be proportionately distributed between the preventative generic and non-preventative generic buckets. If specialty drugs are rated on a 4<sup>th</sup> tier, no specialty drug utilization is expected to shift to the generic category. The mandatory generic shift factor is found in the following table:

- *Table 56 – Mandatory Generic Shift Factor*

Script counts are also adjusted if the 90-day retail option is selected:

$$\begin{aligned} \text{Adjusted Retail Script Count} \\ &= \text{Retail Script Count} + (\text{Mail Order Script Count} \times \text{Mail Order Shift to 90-Day Retail} \\ &\times \text{Mail Order Multiplier}) \end{aligned}$$

$$\text{Adjusted Mail Order Script Count} = \text{Mail Order Script Count} \times (1 - \text{Mail Order Shift to 90-Day Retail})$$

If both the mandatory generic program and 90-day retail option are selected, script counts are first adjusted for the mandatory generic program and then the 90-day retail option.

## 6.6 Calculate and Apply Utilization Trend Factor

The script counts calculated in Step 6.5 were developed using assumptions from the base claim period. To establish expected costs for the policy period, the script counts must be trended forward from the midpoint of the base claim period to the midpoint of the policy period. Area-specific trends should be used, if applicable, to determine the unit cost trend factor. Otherwise, the national trend should be used. Utilization trend assumptions are found in the following table:

- *Table 58 – Pharmacy: Utilization Trend*

Calculate the utilization trend factor by re-running Step 6.4 with the utilization trend factors. Once the final utilization trend factor is determined, apply it to the script counts calculated in Step 6.5:

Step 6.6 Trended Script Count PMPY = Step 6.5 Script Count PMPY × Final Utilization Trend Factor

## 6.7 Calculate Gross Trended PMPM

Calculate the gross trended cost PMPM by multiplying the trended script count by gross trended cost per script and dividing by 12 (since script counts are PMPY):

Step 6.7 Gross Trended PMPM  
= 
$$\frac{\text{Step 6.4 Trended Gross Cost per Script} \times \text{Step 6.6 Trended Script Count PMPY}}{12}$$

## 6.8 Calculate Gross Area-Adjusted PMPM

The gross trended PMPM is adjusted for cost differences by area. The area factors are found in the following table:

- *Table 59 – Pharmacy: Area Factors*

Extract the area factor based on the site and funding type/product (HMO, non-HMO, experience rated NWK, experience rated non-NWK) being rated and apply it to the gross trended cost PMPM calculated in Step 6.7:

Step 6.8 Gross Area-Adjusted PMPM = Step 6.7 Gross Trended PMPM × Pharmacy Area Factor

## 6.9 Calculate Regular Member Cost Share Using Pharmacy CPD

The pharmacy CPD is composed of the following tables:

- *Table 60 – Pharmacy: CPD (% Preventive)*
- *Table 61 – Pharmacy: CPD (Cost per Script)*
- *Table 62 – Pharmacy: CPD (Scripts PMPY)*

Unless otherwise specified, weighted averages mentioned in Step 6.9 are calculated using the probabilities in the pharmacy CPD.

Begin the member cost share calculation by extracting the copays, coinsurance, deductible, applicable deductible waivers, OOP maximum, and plan maximum for the plan design being rated.

### 6.9.1 Adjust CPD to Appropriate Rate Level

Scale the cost per script and script counts PMPY for each row and tier of the pharmacy CPD to reflect the expected cost and utilization derived in Steps 6.1 through 6.6:

Step 6.9.1 Scaled Cost per Script = Original CPD Cost per Script × Cost per Script Scalar

Step 6.9.1 Scaled Script Count PMPY = Original CPD Script Count PMPY × Script Count PMPY Scalar

where

Cost per Script Scalar = Step 6.4 ÷ Original CPD Weighted Average Cost per Script

Script Count PMPY Scalar = Step 6.6 ÷ Original CPD Weighted Average Script Count PMPY

### 6.9.2 Calculate Annual Cost

Determine the annual cost for each row and tier using the scaled pharmacy CPD from Step 6.9.1. In addition, the tiers should be further split into preventive and non-preventive using *Table 60 – Pharmacy: CPD (% Preventive)*:

Step 6.9.2 Preventive Gross Trended PMPY  
= Step 6.9.1 Scaled Cost per Script × Step 6.9.1 Scaled Script Count PMPY × % Preventive

Step 6.9.2 Non-Preventive Gross Trended PMPY  
= Step 6.9.1 Scaled Cost per Script × Step 6.9.1 Scaled Script Count PMPY × (1 – % Preventive)

If specialty drugs are rated on a 4<sup>th</sup> tier, all specialty utilization is assumed to be non-preventative.

In addition, calculate the total annual cost for each row as the sum of the preventive and non-preventive gross trended PMPY values:

Step 6.9.2 Total Annual Cost  
= Sum(Step 6.9.2 Preventive Gross Trended PMPY, Step 6.9.2 Non-Preventive Gross Trended PMPY)

Finally, calculate the estimated annual cost across all rows and tiers as the weighted average of the Step 6.9.2 Total Annual Cost:

Step 6.9.2 Estimated Annual Cost = Sum(Step 6.9.2 Total Annual Cost × Probability)

### 6.9.3 Calculate Deductible and Deductible Waiver Impacts

Compare the applicable annual cost for each row to the deductible to see how much of the deductible applies for each row. If the deductible is waived for preventive drugs or certain tiers, do not include those costs in the applicable annual cost for each row:

Step 6.9.3 Deductible Applied = Min[Applicable Annual Cost, Deductible]

where

Applicable Annual Cost = Step 6.9.2 Total Annual Cost – Sum(Waived Step 6.9.2 Gross Trended PMPY)

For plans with a combined deductible, no deductible is assumed. Instead the impact of the combined deductible is calculated using the combined medical and pharmacy CPD.



#### 6.9.4 Calculate Percentage of Cost Remaining after Applying Deductible

Calculate the percentage of total annual cost remaining after applying the deductible for each cell of the CPD:

$$\text{Step 6.9.4 Percentage of Cost Remaining} = 1 - \frac{\text{Step 6.9.3 Deductible Applied}}{\text{Step 6.9.2 Total Annual Cost}}$$

#### 6.9.5 Calculate the effective value of copays and coinsurance

Define the effective copay as the member cost per script after copays, coinsurance, maximum copays, minimum copays and the cost per script are considered.

For tiers with copays:

$$\begin{aligned} \text{Step 6.9.5 effective copay} \\ &= \text{Min}[\text{Copay, step 6.9.1 Scaled Cost per Script}] \end{aligned}$$

For tiers with coinsurance:

$$\begin{aligned} \text{Step 6.9.5 effective copay} \\ &= \text{Min}\{ \text{Max}[\text{Member Coinsurance} \times \text{step 6.9.1 Scaled Cost per Script, minimum copay}] , \text{maximum copay} \} \end{aligned}$$

#### 6.9.6 Adjust Copays for Costs Covered by the Deductible

For each cell of the CPD, multiply the effective value of copays by the portion of costs remaining after the deductible has been applied

$$\text{Step 6.9.6 Member Copay Value} = \text{Step 6.9.4 Percentage of Cost Remaining} \times \text{Step 6.9.5 Effective Copay}$$

#### 6.9.7 Calculate Annual Member Cost Share

Determine the annual member cost share *for each row* due to copays, coinsurance, and deductible:

$$\begin{aligned} \text{Step 6.9.7 Annual Member Cost Share} \\ &= \text{Sum}(\text{Step 6.9.6 Member Copay Value} \times \text{Step 6.9.1 Scaled Script Count PMPY}) \\ &+ \text{Step 6.9.3 Deductible Applied} \end{aligned}$$

#### 6.9.8 Adjust for Out-of-Pocket (OOP) Maximum

Adjust the annual member cost share calculated in Step 6.9.7 for each row to reflect the impact of an OOP maximum, if applicable:

$$\text{Step 6.9.8 Member Cost Share after OOP Max} = \text{Min}[\text{OOP Max, Step 6.9.7 Annual Member Cost Share}]$$

For plans with a combined OOP maximum, no OOP maximum is assumed. Instead the impact of the combined OOP maximum is calculated using the combined medical and pharmacy CPD.

#### 6.9.9 Adjust for Plan Maximum

Adjust the member cost share after OOP max calculated in Step 6.9.8 for each row to reflect the impact of a plan maximum, if applicable:

Step 6.9.9 Member Cost Share after OOP Max & Plan Max  
= Max[Step 6.9.8 Member Cost Share after OOP Max, Step 6.9.2 Total Annual Cost – Plan Max]

### 6.9.10 Calculate Regular Member Cost Share

Determine the regular member cost share as the ratio of the estimated annual member cost to the estimated total cost:

Step 6.9.10 Regular Member Cost Share  
= 
$$\frac{\text{Weighted Average(Step 6.9.9 Member Cost Share after OOP Max \& Plan Max)}}{\text{Step 6.9.2 Estimated Annual Cost}}$$

### 6.9.11 Calculate Effective Member Cost Share

For plans with a combined deductible and/or combined OOP maximum, the regular member cost share calculated in Step 6.9.10 is used in Step 2.5 to determine the effective member cost share for the pharmacy benefit.

For all other plans, the effective member cost share is set equal to the regular member cost share calculated in Step 6.9.10.

## 6.10 Calculate Adjusted Cost Share

Optional cost categories, such as lifestyle drugs, may be moved to the fourth tier. For optional cost categories moved to the fourth tier, increase the effective member cost share calculated in Step 6.9.11 by 5% to estimate the increased cost sharing in the fourth tier. Otherwise, use the effective member cost share.

Moving an optional cost category to the fourth tier should always increase the cost share for that class, but it will have minimal impact to overall rates because of low utilization levels.

Step 6.10 Adjusted Member Cost Share = Step 6.9.11 Effective Member Cost Share × 1.05

Please note that this step does not apply to the FACETS platform.

## 6.11 Calculate Net Pharmacy PMPM

Now that member cost share has been calculated, determine the remaining pharmacy plan cost (or net pharmacy PMPM).

For all standard cost categories and any optional cost categories that have not been moved to the fourth tier, apply the effective member cost share from Step 6.9.11:

Step 6.11 Net Pharmacy PMPM  
= Step 6.8 Gross Area-Adjusted PMPM × (1 – Step 6.9.11 Effective Member Cost Share)

For optional cost categories that have been moved to the fourth tier, apply the adjusted member cost share from Step 6.10:

Step 6.11 Net Pharmacy PMPM  
= Step 6.8 Gross Area-Adjusted PMPM × (1 – Step 6.10 Adjusted Member Cost Share)

## 6.12 Calculate Aggregate Metrics

Many of the following summary metrics are used for analysis purposes and visibility, but do not impact the final rate. Metrics that do impact the final rate will be referenced in later steps.

### 6.12.1 Average AWP per Script

Calculate the average AWP per script across all cost categories as a weighted average using the trended script counts from Step 6.6 as the weights:

$$\text{Step 6.12.1 Average AWP per Script} = \frac{\text{Sum}(\text{Step 6.1 AWP per Script} \times \text{Step 6.6 Trended Script Count PMPY})}{\text{Sum}(\text{Step 6.6 Trended Script Count PMPY})}$$

### 6.12.2 Average Discounted AWP per Script

Calculate the average discounted AWP per script using the method for calculating the average AWP per script in Step 6.12.1.

### 6.12.3 Average Dispensing Fee per Script

Calculate the average dispensing fee per script using the method for calculating the average AWP per script in Step 6.12.1.

### 6.12.4 Average Discount

Derive the average discount using the average AWP per script from Step 6.12.1 and the average discounted AWP per script from Step 6.12.2:

$$\text{Step 6.12.4 Average Discount} = 1 - \frac{\text{Step 6.12.2 Average Discounted AWP per Script}}{\text{Step 6.12.1 Average AWP per Script}}$$

### 6.12.5 Average Cost Trend Factor, Utilization Trend Factor, and Area Factor

The trend factors and area factor are the same for all cost categories, so their average is the same as the individual factors.

### 6.12.6 Average Gross Cost per Script and Trended Gross Cost per Script

The average gross cost per script and trended gross cost per script are calculated using the method for calculating the individual cost categories:

$$\begin{aligned} \text{Step 6.12.6 Average Gross Cost per Script} \\ &= \text{Step 6.12.2 Average Discounted AWP per Script} + \text{Step 6.12.3 Average Dispensing Fee per Script} \end{aligned}$$

$$\begin{aligned} \text{Step 6.12.6 Average Trended Gross Cost per Script} \\ &= \text{Step 6.12.6 Average Gross Cost per Script} \times \text{Step 6.12.5 Average Cost Trend Factor} \end{aligned}$$

### 6.12.7 Total Script Counts, Trended Script Counts, Gross Trended PMPM, Gross Area-Adjusted PMPM, and Net Pharmacy PMPM

Calculate the total for each metric as the sum across all cost categories for the respective metric.

### 6.12.8 Average Adjusted Cost Share

Derive the average adjusted member cost share using the total net pharmacy rate and total gross area-adjusted PMPM from Step 6.12.7:

$$\text{Step 6.12.8 Average Adjusted Member Cost Share} = 1 - \frac{\text{Step 6.12.7 Total Net Pharmacy PMPM}}{\text{Step 6.12.7 Total Gross Area-Adjusted PMPM}}$$

**All calculations going forward are done on an aggregate basis only, so calculations are no longer split into cost categories.**

### 6.13 Apply the Clinical Program Factor

Calculate the clinical program factor as the sum of the individual clinical programs selected. The applicable factors for various clinical programs are found in the following tables:

- *Table 64 – Pharmacy: Clinical Management Programs*
- *Table 63 – Global Step Therapy Program*

The global step therapy program varies by formulary type and the level of intervention. If no intervention is desired for a particular drug therapy category, do not include a factor for that category when calculating the clinical program factor.

Apply the clinical program factor to the net pharmacy rate from Step 6.12.7:

$$\begin{aligned} \text{Step 6.13 Clinical-Adjusted Net Pharmacy PMPM} \\ = \text{Step 6.12.7 Net Pharmacy PMPM} \times (1 - \text{Clinical Program Factor}) \end{aligned}$$

### 6.14 Apply the Pharmacy Demographic Factor

Extract the pharmacy demographic factor from *Table 65 – Pharmacy: Demographic Factors* based on the age, gender, and status (employee, spouse, or child) of the individual being rated. Unisex factors exist if gender is not a permitted rating variable. Multiply the pharmacy demographic factor by the demographic aging adjustment calculated in Step 3.4 to calculate the adjusted pharmacy demographic factor.

Apply the adjusted pharmacy demographic factor to the clinical-adjusted net pharmacy Step 6.13:

$$\begin{aligned} \text{Step 6.14 Clinical/Demo-Adjusted Net Pharmacy PMPM} \\ = \text{Step 6.13 Clinical-Adjusted PMPM} \times \text{Adjusted Pharmacy Demographic Factor} \end{aligned}$$

### 6.15 Apply the Industry Factor

Extract the industry factor from *Table 20 – Industry Load* and apply it to the clinical- and demographic-adjusted net pharmacy PMPM calculated in Step 6.14:

$$\begin{aligned} \text{Step 6.15 Clinical/Demo/Industry-Adjusted Net Pharmacy PMPM} \\ = \text{Step 6.14 Clinical/Demo-Adjusted PMPM} \times \text{Industry Factor} \end{aligned}$$

### 6.16 Apply the Pharmacy Mandates Adjustment

Extract the mandate factor from *Table 66 – Pharmacy: Mandate Factors*, if applicable, based on the state being rated. Apply it to the clinical-, demographic-, and industry-adjusted net pharmacy PMPM calculated in Step 6.15:

Step 6.16 Clinical/Demo/Industry/Mandate-Adjusted Net Pharmacy PMPM  
= Step 6.15 Clinical/Demo/Industry-Adjusted Net Pharmacy PMPM × (1 + Mandate Adjustment)

## 6.17 Apply Utilization Dampening Factor

Extract the utilization dampening factor from *Table 67 – Pharmacy: Utilization Dampening Factors* based on the average adjusted member cost share calculated in Step 6.12.8. Apply it to the clinical-, demographic-, industry-, and mandate-adjusted net pharmacy PMPM calculated in Step 6.16 to determine the total benefit pharmacy community rate by class (CRC):

Step 6.17 Total Benefit Pharmacy CRC  
= Step 6.16 Clinical/Demo/Industry/Mandate-Adjusted Net Pharmacy PMPM  
× Utilization Dampening Factor

## 6.18 Apply Miscellaneous Pharmacy Adjustments

The following multiplicative adjustments are applied to the total benefit pharmacy CRC calculated in Step 6.17 to arrive at the adjusted total benefit pharmacy CRC:

Step 6.18 Adjusted Total Benefit Pharmacy CRC  
= Step 6.17 Total Benefit Pharmacy CRC × (1 + Step 6.18.1 Generic Requirement Adjustment)  
× (1 + Step 6.18.2 Mail Order Deductible Waiver Adjustment)  
× (1 + Step 6.18.3 Women's Preventive Health Adjustment)  
× (1 + Step 6.18.34 Mail Order Specialty Drug 30 Day Limit)  
× (1 + Step 6.18.35 Mandatory Mail Load)

### 6.18.1 Generic Requirement Adjustment

Plan designs that do not encourage generic use through a mandatory generic or dispense-as-written program receive a 1% load. All other plan designs do not receive a load.

### 6.18.2 Mail Order Deductible Waiver Adjustment

Plan designs with a deductible that waive that deductible for mail order prescriptions receive a 5% load to estimate the increased cost due to the decreased member cost sharing. All other plan designs do not receive a load.

### 6.18.3 Women's Preventive Health Adjustment

Providing coverage of certain drugs and devices without cost sharing to address the Patient Protection and Affordable Care Act Women's Preventive Health Services requirement is reflected as a load. Combined deductible/OOP plans receive a 2.8% load, while all other plans receive a 1% load.

### 6.18.4 Mail Order Specialty Drug 30 Day Limit

Limiting specialty drug fills to 30 day supplies reduces waste. Plans that elect this feature receive a 0.4% reduction while plans that choose not to elect this feature receive no adjustment.

### 6.18.5 Mandatory Mail for Maintenance Drugs Load

When clients require customers to obtain their maintenance medications via Cigna's mail order pharmacy costs increase do to overhead expense costs associated with filling a script at mail. Plans that have mandatory mail receive a 1% load. Plans that incentivize mail order utilization receive a 0.5% load.

## 6.19 Determine Final Pharmacy CRC and Pharmacy CR

Similar to medical, pharmacy rates receive community rate adjustments, but not all of the community rate adjustments from Step 2.8.1 apply to pharmacy. Only the following factors apply:

- Multiple Offering Load

The multiple offering load applied to the pharmacy rate is the sum of the medical factor from Step 2.8.1 and the additional pharmacy load from *Table 68 – Pharmacy: Multiple Offering Load*, if applicable, based on the site being rated and whether there is more than one product offering being considered.

- Deductible Accumulation Adjustment
- Open Access Load
- Consumerism Adjustment

The product of these adjustments becomes the pharmacy community rate load, which is applied to the adjusted total benefit pharmacy CRC calculated in Step 6.18:

$$\begin{aligned} \text{Step 6.19 Final Pharmacy CRC} \\ &= \text{Step 6.18 Adjusted Total Benefit Pharmacy CRC} \times \text{Pharmacy Community Rate Load} \end{aligned}$$

The demographic and industry factors are removed to determine the pharmacy community rate (CR):

$$\text{Step 6.19 Final Pharmacy CR} = \frac{\text{Step 6.19 Final Pharmacy CRC}}{\text{6.14 Demographic Factor} \times \text{Step 6.15 Industry Factor}}$$

## 6.20 Aggregate Individual Claim Costs

Combine the individual PMPM pharmacy claim costs for the entire census to determine the aggregate pharmacy claim cost PMPM:

$$\text{Step 6.20 Aggregate Pharmacy CRC} = \frac{\text{Sum of Step 6.19 Final Pharmacy CRC for all individuals}}{\text{Sum of the number of individuals}}$$

$$\text{Step 6.20 Aggregate Pharmacy CR} = \frac{\text{Sum of Step 6.19 Final Pharmacy CR for all individuals}}{\text{Sum of the number of individuals}}$$

# Final Rate

## 7 Calculate Final Rate

Use the following to combine medical and pharmacy rates and calculate the final PMPM rate. If the pharmacy benefit is carved out, it will not be included in the calculation.

$$\text{Final PMPM Rate} = \frac{[\text{Step 5 Aggregate Medical Claim Cost}] + [\text{Step 6.20 Aggregate Pharmacy CRC}]}{[\text{Applied Loss Ratio}]}$$

Using the demographic assumptions from Step 1, determine the number of members per subscriber and calculate the per employee per month (PEPM) rate:

$$\text{Final PEPM Rate} = [\text{Final PMPM Rate}] \times [\text{Number of Members per Subscriber}]$$

## **Appendix A: Experience Rating Formula for Medical Products**

Blended claims are a weighted average of the group's official experience and the manually rated claims.

The group's official experience is calculated as fee-for-service paid claims, adjusted for large claims and capitation, then multiplied by a trend factor. The claims are then adjusted for any changes in liability. This experience could include Cigna experience on the particular group or a portion of the group or prior carrier experience.

The manually rated claims are calculated according to the formulas and tables filed and approved with the state.

The weights used to blend the claims are based on the credibility of the group. The blended claims may be adjusted for underwriting discretion. A retention charge is then added for administrative expenses (inclusive of network access fees), taxes, commissions, and profit. The premium is then adjusted for the pooling charge where applicable.



## Appendix B: Cigna Care Network (CCN) Tiered Benefits

A manual rate will be developed for the underlying plan, consistent with this filing's base methodology and reflecting the tier 1 level of cost-sharing for SCP/PCP office visits.

The rate adjustment will equal  $[1 - \text{Savings \%}]$ , according to the following formula (and the formula components are defined below):

$$\begin{aligned} \text{Savings \%} &= [1 - \text{OON Percent}] \\ &\times [\text{Benefit Save} \times \text{Percent Non-CCN Dollars} + \text{Benefit Save} \times \text{Percent Non-Tiered Dollars}] \end{aligned}$$

### Notes:

- If a client decides to administer the tier 1 benefit to non-tiered physicians, raw benefit save is not multiplied by the percentage of members in the non-tiered group.
- PCP and SCP savings are calculated separately and then combined for a total impact to the manual rate.

### Definitions:

- **Benefit Save** - Benefit savings ran through the regular methodology as if the whole group was making the copay or coinsurance change from tier 1 to tier 2 benefits.
- **Percent Non-CCN Dollars** - Percentage of total physician dollars at a market level that represent categories of doctors where we do define CCN vs. non CCN but the doctors did not earn the designation.
- **Percent Non-Tiered Dollars** - Percentage of total physician dollars at a market level that represent categories of doctors where we do not designate CCN vs. non CCN.
- **OON Percent** - Developed for the underlying plan, consistent with this filing's base methodology and reflecting the Tier 1 benefit level. Calculated as OON Utilization in Step 3.1.2.

## Appendix C: General Medical Tables

**Table 1 – Medical Base Claims**

Network	Major Service Categories (dollars PMPM)						
	Inpatient (IP)	Outpatient (OP)	Primary Care Physician (PCP)	Emergency Room (ER)	Specialty Care Physician (SCP)	Other	Preventive Care
Experience-Rated In-Network	109.76	113.30	21.24	31.87	46.03	14.16	16.28
Experience-Rated Out-of-Network	159.15	164.28	30.80	46.21	66.74	20.53	23.60

**Table 2 – MSC Weighting by SCC**

Sub-Cost Categories	Major Service Categories					
	Inpatient (Hospital)	Outpatient (Hospital)	ER	PCP	SCP	Other
Facility	83.5%	55.0%	100.0%	0.0%	0.0%	100.0%
Professional	16.5%	17.0%	0.0%	90.0%	81.0%	0.0%
Lab	0.0%	6.8%	0.0%	8.0%	3.6%	0.0%
Radiology	0.0%	10.2%	0.0%	2.0%	5.4%	0.0%
Advanced Radiology (ARI)	0.0%	11.0%	0.0%	0.0%	10.0%	0.0%

**Table 3 – Preventive Care Child Age Adjustment**

Elected Child Age	Portion of Preventive Care Base Claim Cost
≤ 2	0.16
3 to 64	Linearly interpolate between 0.16 at 2 and 1.0 at 65
≥ 65	1.0

**Table 4 – National Medical Trend**

	2015/2014	2016+/2015
IN Trend	8.5%	8.5%
OON Trend	8.5%	8.5%

**Table 5 – National Utilization Rates by MSC**

	Major Service Categories						
	IP Per Day	IP Per Admit	OP	ER	PCP	SCP	Other
National Utilization	See Note	0.09	0.12	0.40	1.90	2.10	0.00

Note: To determine utilization for IP Per Day, consult *Table 6* and find the 'Average Days' which correspond to the 'Max Days' per the plan design. Multiply by 0.09 to yield the IP Per Day utilization.

**Table 6 – Number of Copays Per Admit Adjustment**

Max Days	0	1	2	3	4	5	6	7	8	9
Average Days	0.00	1.00	1.80	2.34	2.71	2.96	3.15	3.29	3.42	3.52
Max Days	10	11	12	13	14	15	16	17	18	19
Average Days	3.61	3.68	3.75	3.81	3.85	3.90	3.93	3.96	3.99	4.02

**Table 7 – Medical Effective Deductible Adjustment**

		Plan Deductible																	
		0	50	100	150	200	300	400	500	750	1000	1500	2000	2500	3000	3500	4000	4500	5000
Ratio of Family to Individual Deductible	1.00	1.00	0.67	0.67	0.67	0.68	0.68	0.69	0.70	0.72	0.73	0.77	0.80	0.84	0.88	0.91	0.95	0.99	1.00
	2.00	1.00	0.80	0.80	0.80	0.81	0.81	0.82	0.83	0.84	0.85	0.87	0.89	0.91	0.93	0.96	0.98	1.00	1.00
	2.25	1.00	0.83	0.83	0.84	0.84	0.85	0.86	0.86	0.88	0.89	0.91	0.93	0.95	0.97	0.99	1.00	1.00	1.00
	2.50	1.00	0.87	0.87	0.87	0.88	0.88	0.89	0.90	0.92	0.93	0.95	0.96	0.98	0.99	1.00	1.00	1.00	1.00
	2.75	1.00	0.90	0.90	0.90	0.91	0.91	0.92	0.92	0.94	0.95	0.96	0.97	0.98	0.99	1.00	1.00	1.00	1.00
	3.00	1.00	0.93	0.94	0.93	0.94	0.94	0.95	0.95	0.96	0.97	0.97	0.98	0.98	0.99	1.00	1.00	1.00	1.00
	3.25	1.00	0.94	0.94	0.94	0.95	0.95	0.96	0.96	0.97	0.98	0.98	0.98	0.99	1.00	1.00	1.00	1.00	1.00
	3.50	1.00	0.94	0.95	0.95	0.96	0.96	0.97	0.97	0.98	0.98	0.98	0.99	1.00	1.00	1.00	1.00	1.00	1.00
	3.75	1.00	0.95	0.96	0.96	0.97	0.97	0.98	0.98	0.98	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	4.00	1.00	0.96	0.97	0.97	0.98	0.98	0.98	0.98	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

**Table 8 – Medical Effective OOP Maximum Adjustment**

		Plan OOP Max																	
		0	500	1000	1500	2000	3000	4000	5000	7500	10000	15000	20000	25000	30000	35000	40000	45000	50000
Ratio of Family to Individual OOP Max	1.00	1.00	0.92	0.92	0.92	0.92	0.92	0.92	0.93	0.93	0.94	0.95	0.95	0.96	0.97	0.97	0.98	0.99	0.99
	2.00	1.00	0.95	0.95	0.95	0.95	0.95	0.95	0.96	0.96	0.96	0.97	0.97	0.98	0.98	0.99	0.99	1.00	1.00
	2.25	1.00	0.96	0.96	0.96	0.96	0.96	0.96	0.97	0.97	0.97	0.98	0.98	0.99	0.99	1.00	1.00	1.00	1.00
	2.50	1.00	0.97	0.97	0.97	0.97	0.97	0.97	0.97	0.98	0.98	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00
	2.75	1.00	0.97	0.98	0.98	0.98	0.98	0.98	0.98	0.98	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00
	3.00	1.00	0.98	0.98	0.98	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00
	3.25	1.00	0.98	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	3.50	1.00	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	3.75	1.00	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	4.00	1.00	0.99	0.99	0.99	0.99	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Table 9 – Medical Claims Probability Distribution

Annual Frequency	Total Annual Claims	Inpatient Facility	Inpatient Professional	Outpatient Surgery Facility and Professional	ER Facility and Professional	PCP	SCP	Other	Pharmacy
0.185008531	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
0.029830560	\$7.57	\$0.01	\$0.01	\$2.58	\$0.10	\$3.44	\$1.41	\$0.01	\$25.08
0.035720253	\$58.27	\$0.04	\$0.04	\$4.73	\$1.80	\$39.54	\$12.09	\$0.04	\$27.82
0.038443267	\$96.90	\$0.07	\$0.07	\$7.82	\$10.98	\$57.29	\$20.58	\$0.08	\$36.97
0.033240278	\$132.92	\$0.14	\$0.14	\$12.89	\$16.72	\$71.98	\$30.84	\$0.21	\$51.18
0.028888112	\$166.91	\$0.25	\$0.25	\$19.04	\$18.29	\$86.89	\$41.82	\$0.36	\$67.66
0.025661300	\$201.08	\$0.28	\$0.28	\$25.61	\$21.91	\$99.82	\$52.70	\$0.49	\$83.65
0.022711152	\$235.96	\$0.37	\$0.37	\$33.28	\$25.83	\$110.56	\$64.83	\$0.72	\$98.81
0.020650973	\$269.38	\$0.56	\$0.56	\$40.16	\$29.10	\$121.91	\$76.24	\$0.84	\$114.65
0.018830319	\$302.13	\$0.57	\$0.57	\$46.74	\$33.55	\$130.82	\$88.74	\$1.14	\$131.69
0.017145331	\$335.61	\$0.73	\$0.73	\$55.24	\$36.83	\$140.03	\$100.85	\$1.21	\$147.40
0.015886476	\$367.72	\$0.89	\$0.89	\$62.15	\$43.18	\$146.58	\$112.31	\$1.72	\$164.89
0.014643964	\$399.86	\$1.00	\$1.00	\$68.36	\$48.98	\$153.73	\$125.10	\$1.68	\$180.94
0.013820432	\$432.95	\$1.05	\$1.05	\$76.69	\$54.34	\$160.65	\$137.12	\$2.06	\$197.80
0.012849784	\$462.32	\$1.22	\$1.22	\$82.26	\$62.53	\$165.48	\$147.21	\$2.40	\$216.94
0.012090651	\$497.45	\$1.46	\$1.46	\$90.26	\$70.62	\$170.97	\$159.93	\$2.76	\$230.62
0.011376781	\$528.64	\$1.73	\$1.73	\$99.40	\$77.50	\$175.06	\$170.29	\$2.93	\$247.87
0.010764825	\$559.62	\$1.68	\$1.68	\$106.41	\$87.05	\$179.05	\$180.37	\$3.37	\$265.21
0.010134519	\$591.89	\$2.30	\$2.30	\$113.54	\$93.30	\$184.50	\$192.63	\$3.32	\$282.53
0.009713844	\$623.35	\$2.20	\$2.20	\$123.73	\$103.33	\$187.78	\$200.55	\$3.56	\$300.00
0.009450166	\$655.67	\$2.69	\$2.69	\$129.43	\$115.94	\$190.28	\$210.35	\$4.29	\$315.11
0.017269172	\$702.04	\$3.17	\$3.17	\$141.49	\$128.77	\$196.38	\$224.60	\$4.46	\$342.31
0.015935912	\$758.58	\$3.72	\$3.72	\$154.53	\$148.60	\$201.76	\$240.56	\$5.70	\$380.86
0.014699359	\$827.92	\$4.87	\$4.87	\$168.91	\$173.90	\$207.81	\$260.80	\$6.76	\$408.59
0.013431533	\$896.86	\$7.16	\$5.96	\$188.15	\$196.85	\$212.98	\$279.10	\$6.68	\$438.28
0.012583283	\$960.04	\$9.88	\$7.30	\$202.83	\$215.28	\$222.65	\$294.35	\$7.74	\$472.02
0.011606205	\$1,027.36	\$13.11	\$8.87	\$218.13	\$241.54	\$227.40	\$309.25	\$9.06	\$502.60
0.010922417	\$1,093.05	\$16.87	\$10.62	\$237.41	\$261.36	\$232.35	\$325.10	\$9.34	\$534.02
0.010191765	\$1,162.75	\$20.66	\$12.24	\$258.24	\$280.80	\$237.29	\$342.45	\$11.07	\$562.95
0.009534044	\$1,226.96	\$26.12	\$14.66	\$275.35	\$298.74	\$238.22	\$360.93	\$12.94	\$594.97
0.009020771	\$1,294.47	\$31.44	\$16.83	\$298.11	\$318.18	\$243.92	\$372.33	\$13.65	\$628.19
0.038438875	\$1,482.36	\$41.19	\$21.11	\$365.24	\$368.22	\$257.03	\$411.79	\$17.78	\$721.94
0.029536110	\$1,831.67	\$59.21	\$29.14	\$493.13	\$458.91	\$280.28	\$485.04	\$25.96	\$867.82
0.023444438	\$2,175.86	\$62.10	\$29.45	\$643.52	\$553.48	\$302.22	\$550.78	\$34.31	\$1,017.22
0.019101526	\$2,536.27	\$70.15	\$32.13	\$814.11	\$641.53	\$320.12	\$613.82	\$44.42	\$1,154.53
0.016096170	\$2,893.06	\$86.35	\$38.27	\$985.71	\$726.47	\$331.19	\$670.13	\$54.93	\$1,297.07
0.013544928	\$3,288.29	\$95.08	\$40.85	\$1,179.19	\$826.89	\$353.45	\$728.36	\$64.48	\$1,404.91
0.011613702	\$3,634.29	\$109.26	\$45.58	\$1,360.99	\$899.61	\$368.61	\$772.33	\$77.90	\$1,558.96
0.010143929	\$4,017.76	\$126.27	\$51.22	\$1,567.20	\$972.55	\$377.42	\$831.29	\$91.82	\$1,674.70
0.008845927	\$4,423.52	\$160.61	\$63.41	\$1,799.29	\$1,040.81	\$386.76	\$869.24	\$103.38	\$1,782.22
0.007713139	\$4,829.33	\$192.60	\$74.10	\$2,026.89	\$1,101.59	\$394.89	\$916.70	\$122.56	\$1,869.96
0.006958491	\$5,280.51	\$255.99	\$96.05	\$2,218.75	\$1,200.19	\$406.38	\$955.87	\$147.28	\$1,929.60
0.006251459	\$5,647.69	\$327.86	\$120.09	\$2,446.24	\$1,235.24	\$404.33	\$959.59	\$154.35	\$2,061.11
0.005676863	\$6,066.62	\$418.24	\$149.66	\$2,656.94	\$1,248.84	\$409.49	\$1,013.35	\$170.11	\$2,156.35
0.005190127	\$6,537.83	\$540.43	\$189.05	\$2,861.64	\$1,321.11	\$420.27	\$1,006.21	\$199.12	\$2,188.86
0.004710701	\$7,052.96	\$653.11	\$223.50	\$3,080.67	\$1,404.44	\$419.28	\$1,049.57	\$222.40	\$2,188.94
0.004436483	\$7,412.10	\$808.97	\$270.97	\$3,189.02	\$1,418.81	\$413.26	\$1,068.75	\$242.32	\$2,325.18
0.004127698	\$7,863.57	\$939.63	\$308.24	\$3,395.39	\$1,427.15	\$431.10	\$1,093.00	\$269.04	\$2,372.08
0.003749589	\$8,336.69	\$1,095.03	\$351.98	\$3,583.27	\$1,485.38	\$419.42	\$1,125.76	\$275.85	\$2,407.70
0.003506112	\$8,752.07	\$1,207.34	\$380.44	\$3,696.41	\$1,568.24	\$439.17	\$1,153.57	\$306.90	\$2,483.53
0.003235094	\$9,255.71	\$1,355.07	\$418.76	\$3,885.40	\$1,638.66	\$450.30	\$1,179.87	\$327.66	\$2,482.72
0.002993592	\$9,687.94	\$1,504.87	\$456.28	\$4,080.35	\$1,641.20	\$439.07	\$1,216.84	\$349.32	\$2,560.30
0.002891051	\$10,178.12	\$1,689.73	\$502.86	\$4,243.01	\$1,707.90	\$432.88	\$1,217.36	\$384.38	\$2,564.61
0.002706326	\$10,674.65	\$1,963.68	\$573.78	\$4,367.13	\$1,687.33	\$443.63	\$1,236.41	\$402.69	\$2,558.43
0.002512190	\$11,102.33	\$2,153.74	\$618.10	\$4,447.52	\$1,748.32	\$454.39	\$1,267.99	\$412.27	\$2,640.29
0.002394215	\$11,485.61	\$2,132.51	\$601.28	\$4,764.23	\$1,783.81	\$450.01	\$1,300.91	\$452.86	\$2,730.72
0.002211215	\$11,794.25	\$2,331.67	\$646.11	\$4,851.48	\$1,801.56	\$445.24	\$1,261.99	\$456.20	\$2,916.31
0.002078686	\$12,369.21	\$2,519.41	\$686.29	\$4,962.53	\$1,926.43	\$453.21	\$1,329.75	\$491.58	\$2,887.25
0.001991703	\$12,791.28	\$2,558.61	\$685.33	\$5,225.61	\$1,955.32	\$469.19	\$1,386.09	\$511.13	\$2,933.43
0.001879123	\$13,293.49	\$2,780.95	\$732.62	\$5,289.42	\$2,066.05	\$468.41	\$1,428.59	\$527.45	\$2,923.43
0.001711368	\$13,756.33	\$2,896.73	\$750.72	\$5,487.50	\$2,133.45	\$489.77	\$1,437.25	\$560.91	\$2,989.64
0.001636211	\$14,033.13	\$2,950.33	\$752.36	\$5,713.21	\$2,087.08	\$488.61	\$1,413.72	\$627.82	\$3,189.01

Annual Frequency	Total Annual Claims	Inpatient Facility	Inpatient Professional	Outpatient Surgery Facility and Professional	ER Facility and Professional	PCP	SCP	Other	Pharmacy
0.001578745	\$14,618.78	\$3,185.19	\$799.40	\$5,784.83	\$2,144.27	\$508.71	\$1,571.61	\$624.77	\$3,111.10
0.001446310	\$15,096.34	\$3,252.52	\$803.54	\$6,159.78	\$2,171.66	\$500.89	\$1,523.08	\$684.88	\$3,126.27
0.001390569	\$15,436.63	\$3,492.47	\$849.49	\$6,045.56	\$2,260.55	\$493.45	\$1,611.81	\$683.30	\$3,215.23
0.001315161	\$15,925.45	\$3,795.54	\$909.10	\$6,148.20	\$2,259.76	\$489.42	\$1,602.61	\$720.82	\$3,282.76
0.001281691	\$16,313.55	\$3,895.34	\$918.90	\$6,382.98	\$2,389.39	\$495.57	\$1,534.84	\$696.53	\$3,410.64
0.002269183	\$16,831.41	\$4,015.41	\$933.06	\$6,538.52	\$2,454.93	\$513.77	\$1,625.40	\$750.31	\$3,632.58
0.002090010	\$17,697.24	\$4,363.21	\$998.87	\$6,838.93	\$2,495.19	\$531.69	\$1,688.66	\$780.69	\$3,755.11
0.001903057	\$18,315.06	\$4,540.93	\$1,024.31	\$7,107.71	\$2,470.72	\$529.12	\$1,771.68	\$870.58	\$4,118.69
0.001757479	\$18,803.94	\$4,645.09	\$1,032.58	\$7,377.44	\$2,506.32	\$572.44	\$1,775.97	\$894.09	\$4,694.21
0.001614755	\$19,411.85	\$4,861.00	\$1,065.02	\$7,457.45	\$2,674.29	\$555.59	\$1,892.16	\$906.35	\$4,984.92
0.001506787	\$20,485.42	\$5,416.48	\$1,169.77	\$7,748.88	\$2,657.20	\$558.50	\$1,927.57	\$1,007.01	\$4,960.30
0.001290129	\$21,424.56	\$5,371.81	\$1,143.69	\$8,461.77	\$2,813.42	\$585.75	\$1,995.17	\$1,052.96	\$4,985.06
0.001210329	\$21,915.08	\$5,830.49	\$1,223.90	\$8,313.37	\$2,815.50	\$634.01	\$2,052.30	\$1,045.51	\$5,525.86
0.001164124	\$22,687.52	\$6,064.39	\$1,255.24	\$8,762.19	\$2,800.10	\$616.67	\$2,122.87	\$1,066.05	\$5,768.62
0.001117198	\$22,293.77	\$6,190.93	\$1,263.69	\$8,211.77	\$2,841.93	\$604.82	\$2,113.93	\$1,066.71	\$7,112.71
0.007685159	\$26,652.43	\$8,351.72	\$1,681.30	\$9,291.01	\$3,001.25	\$653.85	\$2,373.02	\$1,300.29	\$7,663.47
0.004276099	\$36,206.43	\$13,174.48	\$2,615.95	\$11,590.42	\$3,244.57	\$734.99	\$3,083.99	\$1,762.03	\$8,062.08
0.002726777	\$43,259.68	\$16,936.77	\$3,317.35	\$13,164.04	\$3,416.28	\$854.47	\$3,568.92	\$2,001.86	\$11,022.89
0.001931696	\$50,716.08	\$20,342.68	\$3,930.69	\$15,634.05	\$3,584.04	\$936.20	\$4,028.30	\$2,260.12	\$13,494.78
0.001332664	\$60,450.75	\$25,503.59	\$4,861.80	\$17,985.49	\$3,915.22	\$1,057.18	\$4,491.38	\$2,636.08	\$13,335.13
0.000901826	\$69,737.33	\$29,660.48	\$5,578.82	\$20,652.41	\$3,775.44	\$1,191.36	\$5,837.57	\$3,041.24	\$14,023.18
0.000081839	\$77,036.70	\$32,936.76	\$6,112.87	\$24,483.01	\$3,385.04	\$1,290.99	\$5,280.37	\$3,547.67	\$12,751.73
0.000083188	\$80,303.92	\$34,149.63	\$6,254.31	\$23,868.03	\$4,496.62	\$1,185.87	\$6,771.52	\$3,577.94	\$10,288.09
0.000078482	\$75,101.16	\$34,480.02	\$6,231.88	\$19,936.81	\$3,796.55	\$1,374.59	\$6,634.41	\$2,646.90	\$16,359.52
0.000081086	\$81,128.00	\$37,874.08	\$6,755.83	\$21,899.33	\$3,770.69	\$1,792.18	\$5,730.87	\$3,305.02	\$11,693.02
0.000071864	\$79,416.20	\$33,775.29	\$5,946.29	\$25,228.39	\$4,585.61	\$1,272.57	\$4,990.75	\$3,617.30	\$13,529.67
0.000085383	\$81,189.61	\$37,601.23	\$6,534.07	\$22,342.98	\$3,910.91	\$1,278.38	\$7,005.86	\$2,516.18	\$13,634.98
0.000069919	\$82,207.23	\$38,815.01	\$6,657.93	\$21,189.88	\$5,694.38	\$1,605.67	\$5,549.64	\$2,694.72	\$12,731.27
0.000074216	\$79,475.96	\$34,484.00	\$5,838.97	\$24,641.06	\$3,600.30	\$1,156.60	\$6,018.48	\$3,736.55	\$15,934.13
0.000071017	\$85,117.60	\$37,843.87	\$6,325.78	\$25,535.19	\$3,649.75	\$1,424.24	\$6,715.09	\$3,623.68	\$11,485.69
0.000060728	\$85,936.04	\$38,376.63	\$6,332.93	\$23,508.84	\$4,936.85	\$1,321.09	\$6,195.06	\$5,264.64	\$13,206.59
0.001959896	\$106,253.01	\$48,063.92	\$7,830.59	\$32,005.98	\$4,931.53	\$1,692.13	\$8,125.22	\$3,603.63	\$12,925.79
0.000849379	\$155,656.62	\$71,265.82	\$11,463.33	\$49,992.53	\$5,835.05	\$2,425.04	\$11,008.00	\$3,666.85	\$12,856.96
0.000438303	\$206,510.06	\$93,313.00	\$14,819.81	\$73,526.72	\$5,929.56	\$2,218.92	\$12,162.80	\$4,539.26	\$12,694.37
0.000269858	\$254,518.13	\$113,012.18	\$17,721.95	\$95,993.16	\$7,908.24	\$2,509.67	\$12,973.50	\$4,399.43	\$11,952.46
0.000160980	\$301,647.54	\$148,227.51	\$22,951.70	\$106,298.77	\$6,327.76	\$2,671.38	\$10,574.06	\$4,596.38	\$13,606.96
0.000102008	\$341,266.03	\$166,256.64	\$25,420.14	\$119,076.11	\$9,668.31	\$2,441.74	\$13,662.81	\$4,740.29	\$15,605.89
0.000074185	\$396,420.41	\$206,622.12	\$31,196.14	\$133,721.81	\$7,728.01	\$1,631.05	\$9,437.45	\$6,083.84	\$15,669.71
0.000048087	\$438,150.17	\$229,372.66	\$34,198.09	\$139,166.81	\$9,048.62	\$2,416.98	\$18,994.97	\$4,952.03	\$16,053.55
0.000037359	\$488,996.20	\$277,535.13	\$40,862.48	\$143,736.68	\$7,308.02	\$1,583.89	\$11,701.43	\$6,268.57	\$14,338.69
0.000025878	\$549,204.51	\$325,082.96	\$47,266.87	\$151,114.20	\$5,891.79	\$7,189.46	\$9,247.27	\$3,411.97	\$16,348.85
0.000016437	\$593,844.78	\$387,992.53	\$55,712.21	\$131,713.04	\$7,259.97	\$1,145.05	\$5,925.18	\$4,096.81	\$13,604.87
0.000014147	\$640,417.64	\$373,699.11	\$52,993.32	\$187,381.57	\$16,402.44	\$2,140.22	\$4,557.50	\$3,243.48	\$29,162.35
0.000012359	\$703,777.71	\$434,207.25	\$60,810.00	\$167,601.93	\$25,782.58	\$1,272.10	\$4,518.77	\$9,585.07	\$11,688.68
0.000008344	\$758,851.65	\$444,189.34	\$61,437.13	\$209,813.75	\$30,760.83	\$2,094.58	\$7,380.85	\$3,175.18	\$8,219.06
0.000005897	\$782,953.23	\$512,327.68	\$69,984.31	\$159,029.90	\$30,145.09	\$1,206.08	\$5,268.92	\$4,991.25	\$6,401.10
0.000006870	\$770,486.83	\$505,613.76	\$68,212.84	\$140,659.06	\$16,118.59	\$931.41	\$36,466.15	\$2,485.02	\$10,079.97
0.000005521	\$908,357.74	\$673,603.02	\$89,753.07	\$120,130.33	\$15,184.00	\$2,216.40	\$3,253.77	\$4,217.16	\$7,702.68
0.000004925	\$943,635.19	\$649,930.58	\$85,528.94	\$188,969.89	\$4,636.36	\$2,547.49	\$5,071.15	\$6,950.79	\$14,797.76
0.000005395	\$1,045,398.39	\$768,765.20	\$99,917.76	\$153,143.79	\$8,663.93	\$1,578.21	\$5,592.47	\$7,737.04	\$4,676.80
0.000004705	\$1,136,309.17	\$911,308.71	\$116,981.90	\$89,059.92	\$9,004.40	\$2,460.55	\$3,758.43	\$3,735.25	\$3,954.84
0.000002478	\$1,217,221.75	\$819,290.52	\$103,871.35	\$280,187.77	\$4,786.83	\$626.17	\$4,494.65	\$3,964.44	\$4,612.13
0.000003419	\$1,310,658.50	\$921,860.84	\$115,432.41	\$238,996.44	\$7,010.00	\$1,001.73	\$4,597.39	\$21,759.71	\$30,327.37
0.000002290	\$1,254,346.89	\$818,375.02	\$101,208.82	\$313,899.69	\$4,590.68	\$1,759.33	\$6,945.76	\$7,567.61	\$13,159.97
0.000008218	\$1,566,126.48	\$1,198,880.94	\$146,434.69	\$192,458.73	\$10,311.53	\$927.48	\$6,631.26	\$10,481.85	\$36,074.01
0.000001506	\$2,170,414.30	\$1,868,513.51	\$225,405.09	\$54,754.80	\$8,555.78	\$8,003.86	\$1,850.72	\$3,330.54	\$12,764.39
0.000001067	\$2,839,497.32	\$1,648,717.54	\$196,431.08	\$990,514.17	\$902.73	\$604.15	\$652.39	\$1,675.26	\$191.31

**Table 10 – Average Visit Cost**

	<b>PCP Office Visit</b>	<b>SCP Office Visit</b>	<b>OON Office Visit</b>
Average Cost	110	190	190
Note: Trend applies to these values If PCP and SCP have a combined limit, weight these values 45% PCP and 55% SCP			

**Table 11 – Preventive Care Cost-Share Weighting**

<b>Major Service Category</b>	<b>Weighting</b>
PCP	75%
SCP	25%

**Table 12 – Medical Utilization Dampening**

	IP	OP	PCP Copay	PCP Ded/Coins	ER	SCP Copay	SCP Ded/Coins	Other
A	-2.17	-1.34	-0.68	-0.83	0.00	-0.71	-2.06	-1.78
B	0.12	0.21	0.11	0.37	0.00	0.15	0.57	0.30
Applicable MSC	IP	OP	PCP	PCP	ER	SCP	SCP	Other
C	This factor is equal to $[(\text{Total Cost-Share}) \times (-0.16) + (0.011)]$ and is the same for all MSCs							
	Indemnity (NY metro)		Indemnity (NJ)			Indemnity (all other areas)		
A	-0.10		-0.10			-0.32		
B	0.27		0.36			0.22		
Applicable MSC	These indemnity UD factors apply to the aggregate cost-share							
Note: Utilization dampening has a floor of 0.20. There is a cap of 1.12 on PCP, 1.17 on SCP, and 1.25 on Other.								

Table 13 – Effective Deductible - Collective Accumulation Adjustment

Deductible Multiplier	Deductible	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4	Deductible Multiplier	Deductible	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4
1	0	1.000	1.000	1.000	2	5000	1.000	0.977	0.898
1	50	0.635	0.441	0.352	2	5500	1.000	0.983	0.906
1	100	0.630	0.437	0.335	2	6000	1.000	0.990	0.918
1	150	0.633	0.437	0.334	2	6500	1.000	0.990	0.925
1	200	0.633	0.439	0.335	2	6850	1.000	1.000	0.933
1	300	0.635	0.441	0.338	2	7000	1.000	1.000	0.933
1	400	0.639	0.444	0.339	2	7500	1.000	1.000	0.943
1	500	0.644	0.447	0.342	2	8000	1.000	1.000	0.949
1	750	0.657	0.459	0.349	2	8500	1.000	1.000	0.954
1	1000	0.663	0.470	0.358	2	9000	1.000	1.000	0.963
1	1500	0.688	0.489	0.369	2	9500	1.000	1.000	0.968
1	2000	0.708	0.508	0.389	2	10000	1.000	1.000	0.972
1	2250	0.714	0.518	0.396	2	10500	1.000	1.000	0.979
1	2500	0.719	0.528	0.404	2	11000	1.000	1.000	0.983
1	3000	0.731	0.540	0.421	2	11500	1.000	1.000	0.990
1	3500	0.744	0.552	0.431	2	12000	1.000	1.000	0.990
1	4000	0.754	0.565	0.441	2	12500	1.000	1.000	1.000
1	4500	0.762	0.577	0.452	2.25	0	1.000	1.000	1.000
1	5000	0.772	0.588	0.463	2.25	50	1.000	0.890	0.706
1	5500	0.780	0.597	0.474	2.25	100	1.000	0.890	0.719
1	6000	0.787	0.608	0.484	2.25	150	1.000	0.890	0.716
1	6500	0.795	0.616	0.492	2.25	200	1.000	0.890	0.726
1	6850	0.800	0.625	0.502	2.25	300	1.000	0.890	0.730
1	7000	0.807	0.632	0.511	2.25	400	1.000	0.894	0.741
1	7500	0.807	0.632	0.511	2.25	500	1.000	0.904	0.755
1	8000	0.813	0.641	0.519	2.25	750	1.000	0.919	0.781
1	8500	0.818	0.648	0.527	2.25	1000	1.000	0.933	0.803
1	9000	0.824	0.656	0.535	2.25	1500	1.000	0.952	0.838
1	9500	0.828	0.660	0.545	2.25	2000	1.000	0.967	0.866
1	10000	0.829	0.666	0.549	2.25	2250	1.000	0.972	0.878
1	10500	0.833	0.674	0.559	2.25	2500	1.000	0.977	0.890
1	11000	0.838	0.681	0.566	2.25	3000	1.000	0.990	0.905
1	11500	0.843	0.690	0.572	2.25	3500	1.000	0.990	0.917
1	12000	0.846	0.690	0.579	2.25	4000	1.000	1.000	0.936
1	12500	0.851	0.700	0.584	2.25	4500	1.000	1.000	0.946
1	13000	0.854	0.706	0.590	2.25	5000	1.000	1.000	0.953
1	13500	0.857	0.712	0.596	2.25	5500	1.000	1.000	0.963
1	14000	0.861	0.718	0.602	2.25	6000	1.000	1.000	0.971
1	14500	0.864	0.723	0.607	2.25	6500	1.000	1.000	0.977
1	15000	0.867	0.727	0.613	2.25	6850	1.000	1.000	0.983
1	17000	0.879	0.744	0.634	2.25	7000	1.000	1.000	0.983
1	20000	0.896	0.767	0.661	2.25	7500	1.000	1.000	0.990
1.25	0	1.000	1.000	1.000	2.25	8000	1.000	1.000	0.990
1.25	50	0.718	0.515	0.393	2.25	8500	1.000	1.000	1.000
1.25	100	0.729	0.529	0.407	2.25	9000	1.000	1.000	1.000
1.25	150	0.725	0.530	0.408	2.5	0	1.000	1.000	1.000
1.25	200	0.733	0.529	0.403	2.5	50	1.000	0.990	0.784
1.25	300	0.733	0.532	0.401	2.5	100	1.000	0.990	0.784
1.25	400	0.741	0.537	0.403	2.5	150	1.000	0.922	0.782
1.25	500	0.752	0.545	0.427	2.5	200	1.000	0.923	0.792
1.25	750	0.769	0.563	0.442	2.5	300	1.000	0.935	0.800
1.25	1000	0.782	0.579	0.455	2.5	400	1.000	0.944	0.812
1.25	1500	0.805	0.607	0.479	2.5	500	1.000	0.951	0.825
1.25	2000	0.823	0.630	0.501	2.5	750	1.000	0.962	0.850
1.25	2250	0.830	0.641	0.510	2.5	1000	1.000	0.972	0.869
1.25	2500	0.838	0.651	0.520	2.5	1500	1.000	0.986	0.897
1.25	3000	0.851	0.671	0.537	2.5	2000	1.000	1.000	0.922
1.25	3500	0.863	0.690	0.554	2.5	2250	1.000	1.000	0.931
1.25	4000	0.875	0.706	0.570	2.5	2500	1.000	1.000	0.939
1.25	4500	0.881	0.719	0.584	2.5	3000	1.000	1.000	0.955
1.25	5000	0.890	0.732	0.599	2.5	3500	1.000	1.000	0.965
1.25	5500	0.895	0.737	0.604	2.5	4000	1.000	1.000	0.977
1.25	6000	0.900	0.742	0.609	2.5	4500	1.000	1.000	0.990

Deductible Multiplier	Deductible	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4	Deductible Multiplier	Deductible	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4
1.25	6500	0.907	0.762	0.635	2.5	5000	1.000	1.000	0.990
1.25	6850	0.913	0.772	0.647	2.5	5500	1.000	1.000	1.000
1.25	7000	0.913	0.772	0.647	2.75	0	1.000	1.000	1.000
1.25	7500	0.921	0.781	0.654	2.75	50	1.000	1.000	0.890
1.25	8000	0.924	0.789	0.664	2.75	100	1.000	1.000	0.890
1.25	8500	0.927	0.798	0.676	2.75	150	1.000	1.000	0.890
1.25	9000	0.935	0.805	0.690	2.75	200	1.000	1.000	0.890
1.25	9500	0.938	0.811	0.697	2.75	300	1.000	1.000	0.890
1.25	10000	0.940	0.819	0.706	2.75	400	1.000	1.000	0.890
1.25	10500	0.946	0.825	0.715	2.75	500	1.000	1.000	0.890
1.25	11000	0.949	0.831	0.723	2.75	750	1.000	1.000	0.906
1.25	11500	0.951	0.833	0.731	2.75	1000	1.000	1.000	0.923
1.25	12000	0.955	0.839	0.738	2.75	1500	1.000	1.000	0.947
1.25	12500	0.957	0.845	0.745	2.75	2000	1.000	1.000	0.966
1.25	13000	0.960	0.851	0.752	2.75	2250	1.000	1.000	0.972
1.25	13500	0.963	0.856	0.758	2.75	2500	1.000	1.000	0.979
1.25	14000	0.965	0.861	0.765	2.75	3000	1.000	1.000	0.990
1.25	14500	0.967	0.866	0.771	2.75	3500	1.000	1.000	1.000
1.25	15000	0.970	0.871	0.777	2.75	4000	1.000	1.000	1.000
1.25	17000	0.978	0.890	0.799	2.75	4500	1.000	1.000	1.000
1.25	20000	0.990	0.904	0.828	2.75	5000	1.000	1.000	1.000
1.5	0	1.000	1.000	1.000	2.75	5500	1.000	1.000	1.000
1.5	50	0.834	0.629	0.489	3	0	1.000	1.000	1.000
1.5	100	0.834	0.629	0.489	3	50	1.000	1.000	0.910
1.5	150	0.834	0.629	0.489	3	100	1.000	1.000	0.910
1.5	200	0.834	0.629	0.489	3	150	1.000	1.000	0.911
1.5	300	0.839	0.636	0.491	3	200	1.000	1.000	0.912
1.5	400	0.848	0.645	0.496	3	300	1.000	1.000	0.924
1.5	500	0.856	0.654	0.503	3	400	1.000	1.000	0.934
1.5	750	0.870	0.674	0.521	3	500	1.000	1.000	0.942
1.5	1000	0.890	0.690	0.549	3	750	1.000	1.000	0.957
1.5	1500	0.896	0.721	0.578	3	1000	1.000	1.000	0.969
1.5	2000	0.911	0.745	0.603	3	1500	1.000	1.000	0.990
1.5	2250	0.916	0.755	0.615	3	2000	1.000	1.000	1.000
1.5	2500	0.921	0.765	0.626	3	2250	1.000	1.000	1.000
1.5	3000	0.933	0.783	0.643	3	2500	1.000	1.000	1.000
1.5	3500	0.939	0.800	0.664	3	3000	1.000	1.000	1.000
1.5	4000	0.950	0.810	0.684	3	3500	1.000	1.000	1.000
1.5	4500	0.955	0.826	0.701	3	4000	1.000	1.000	1.000
1.5	5000	0.959	0.834	0.717	3	4500	1.000	1.000	1.000
1.5	5500	0.965	0.844	0.731	3	5000	1.000	1.000	1.000
1.5	6000	0.970	0.853	0.744	3	5500	1.000	1.000	1.000
1.5	6500	0.974	0.863	0.755	3.25	0	1.000	1.000	1.000
1.5	6850	0.977	0.871	0.767	3.25	50	1.000	1.000	0.945
1.5	7000	0.977	0.871	0.767	3.25	100	1.000	1.000	0.945
1.5	7500	0.982	0.880	0.777	3.25	150	1.000	1.000	0.945
1.5	8000	0.990	0.890	0.786	3.25	200	1.000	1.000	0.945
1.5	8500	0.990	0.890	0.797	3.25	300	1.000	1.000	0.956
1.5	9000	0.990	0.897	0.805	3.25	400	1.000	1.000	0.965
1.5	9500	0.990	0.901	0.813	3.25	500	1.000	1.000	0.990
1.5	10000	1.000	0.911	0.822	3.25	750	1.000	1.000	1.000
1.5	10500	1.000	0.914	0.830	3.25	1000	1.000	1.000	1.000
1.5	11000	1.000	0.918	0.833	3.25	1500	1.000	1.000	1.000
1.5	11500	1.000	0.923	0.842	3.25	2000	1.000	1.000	1.000
1.5	12000	1.000	0.929	0.849	3.25	2250	1.000	1.000	1.000
1.5	12500	1.000	0.932	0.856	3.25	2500	1.000	1.000	1.000
1.5	13000	1.000	0.936	0.863	3.25	3000	1.000	1.000	1.000
1.5	13500	1.000	0.941	0.869	3.25	3500	1.000	1.000	1.000
1.5	14000	1.000	0.944	0.875	3.25	4000	1.000	1.000	1.000
1.5	14500	1.000	0.947	0.881	3.25	4500	1.000	1.000	1.000
1.5	15000	1.000	0.951	0.890	3.25	5000	1.000	1.000	1.000
1.5	17000	1.000	0.962	0.905	3.25	5500	1.000	1.000	1.000
1.5	20000	1.000	0.978	0.927	3.5	0	1.000	1.000	1.000
1.75	0	1.000	1.000	1.000	3.5	50	1.000	1.000	1.000
1.75	50	0.927	0.721	0.570	3.5	100	1.000	1.000	1.000



Deductible Multiplier	Deductible	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4	Deductible Multiplier	Deductible	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4
1.75	100	0.927	0.721	0.570	3.5	150	1.000	1.000	1.000
1.75	150	0.927	0.718	0.572	3.5	200	1.000	1.000	1.000
1.75	200	0.926	0.727	0.573	3.5	300	1.000	1.000	1.000
1.75	300	0.934	0.729	0.579	3.5	400	1.000	1.000	1.000
1.75	400	0.940	0.738	0.587	3.5	500	1.000	1.000	1.000
1.75	500	0.945	0.749	0.596	3.5	750	1.000	1.000	1.000
1.75	750	0.953	0.769	0.618	3.5	1000	1.000	1.000	1.000
1.75	1000	0.960	0.786	0.639	3.5	1500	1.000	1.000	1.000
1.75	1500	0.969	0.814	0.673	3.5	2000	1.000	1.000	1.000
1.75	2000	0.978	0.837	0.702	3.5	2250	1.000	1.000	1.000
1.75	2250	0.984	0.847	0.714	3.5	2500	1.000	1.000	1.000
1.75	2500	0.990	0.857	0.727	3.5	3000	1.000	1.000	1.000
1.75	3000	0.990	0.873	0.748	3.5	3500	1.000	1.000	1.000
1.75	3500	1.000	0.890	0.769	3.5	4000	1.000	1.000	1.000
1.75	4000	1.000	0.899	0.786	3.5	4500	1.000	1.000	1.000
1.75	4500	1.000	0.907	0.802	3.5	5000	1.000	1.000	1.000
1.75	5000	1.000	0.912	0.811	3.5	5500	1.000	1.000	1.000
1.75	5500	1.000	0.923	0.824	3.75	0	1.000	1.000	1.000
1.75	6000	1.000	0.931	0.836	3.75	50	1.000	1.000	1.000
1.75	6500	1.000	0.936	0.849	3.75	100	1.000	1.000	1.000
1.75	6850	1.000	0.942	0.858	3.75	150	1.000	1.000	1.000
1.75	7000	1.000	0.942	0.858	3.75	200	1.000	1.000	1.000
1.75	7500	1.000	0.950	0.869	3.75	300	1.000	1.000	1.000
1.75	8000	1.000	0.953	0.878	3.75	400	1.000	1.000	1.000
1.75	8500	1.000	0.958	0.890	3.75	500	1.000	1.000	1.000
1.75	9000	1.000	0.964	0.892	3.75	750	1.000	1.000	1.000
1.75	9500	1.000	0.968	0.898	3.75	1000	1.000	1.000	1.000
1.75	10000	1.000	0.971	0.909	3.75	1500	1.000	1.000	1.000
1.75	10500	1.000	0.976	0.914	3.75	2000	1.000	1.000	1.000
1.75	11000	1.000	0.979	0.919	3.75	2250	1.000	1.000	1.000
1.75	11500	1.000	0.981	0.925	3.75	2500	1.000	1.000	1.000
1.75	12000	1.000	0.984	0.932	3.75	3000	1.000	1.000	1.000
1.75	12500	1.000	0.990	0.936	3.75	3500	1.000	1.000	1.000
1.75	13000	1.000	0.990	0.941	3.75	4000	1.000	1.000	1.000
1.75	13500	1.000	0.990	0.947	3.75	4500	1.000	1.000	1.000
1.75	14000	1.000	0.990	0.951	3.75	5000	1.000	1.000	1.000
1.75	14500	1.000	1.000	0.955	3.75	5500	1.000	1.000	1.000
1.75	15000	1.000	1.000	0.960	4	0	1.000	1.000	1.000
1.75	17000	1.000	1.000	0.975	4	50	1.000	1.000	1.000
1.75	20000	1.000	1.000	1.000	4	100	1.000	1.000	1.000
2	0	1.000	1.000	1.000	4	150	1.000	1.000	1.000
2	50	1.000	0.816	0.690	4	200	1.000	1.000	1.000
2	100	1.000	0.816	0.690	4	300	1.000	1.000	1.000
2	150	1.000	0.815	0.690	4	400	1.000	1.000	1.000
2	200	1.000	0.822	0.690	4	500	1.000	1.000	1.000
2	300	1.000	0.827	0.690	4	750	1.000	1.000	1.000
2	400	1.000	0.836	0.690	4	1000	1.000	1.000	1.000
2	500	1.000	0.846	0.690	4	1500	1.000	1.000	1.000
2	750	1.000	0.865	0.701	4	2000	1.000	1.000	1.000
2	1000	1.000	0.890	0.722	4	2250	1.000	1.000	1.000
2	1500	1.000	0.901	0.758	4	2500	1.000	1.000	1.000
2	2000	1.000	0.921	0.788	4	3000	1.000	1.000	1.000
2	2250	1.000	0.928	0.801	4	3500	1.000	1.000	1.000
2	2500	1.000	0.934	0.813	4	4000	1.000	1.000	1.000
2	3000	1.000	0.947	0.836	4	4500	1.000	1.000	1.000
2	3500	1.000	0.955	0.855	4	5000	1.000	1.000	1.000
2	4000	1.000	0.966	0.873	4	5500	1.000	1.000	1.000
2	4500	1.000	0.972	0.884					

Table 14 – Effective OOP Maximum - Collective Accumulation Adjustment

OOP Multiplier	OOP Max.	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4	OOP Multiplier	OOP Max.	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4
1	500	0.675	0.498	0.382	2	5500	1.000	0.897	0.780
1	1000	0.675	0.498	0.382	2	6000	1.000	0.899	0.792
1	1500	0.675	0.498	0.382	2	6500	1.000	0.904	0.800
1	2000	0.700	0.520	0.404	2	7000	1.000	0.909	0.802
1	2500	0.725	0.542	0.424	2	8000	1.000	0.914	0.808
1	3000	0.767	0.588	0.444	2	9000	1.000	0.919	0.813
1	4000	0.778	0.609	0.464	2	10000	1.000	0.924	0.818
1	5000	0.784	0.612	0.484	2	11000	1.000	0.929	0.823
1	5500	0.790	0.615	0.504	2	12000	1.000	0.934	0.828
1	6000	0.801	0.623	0.524	2	13000	1.000	0.939	0.833
1	7000	0.811	0.632	0.524	2	14000	1.000	0.944	0.838
1	8000	0.818	0.632	0.524	2	15000	1.000	0.949	0.843
1	9000	0.824	0.632	0.524	2.25	500	1.000	0.880	0.801
1	10000	0.828	0.637	0.527	2.25	1000	1.000	0.880	0.806
1	11000	0.836	0.644	0.537	2.25	1500	1.000	0.880	0.812
1	12000	0.836	0.647	0.541	2.25	2000	1.000	0.888	0.828
1	13000	0.852	0.657	0.553	2.25	2500	1.000	0.892	0.845
1	14000	0.868	0.662	0.564	2.25	3000	1.000	0.895	0.862
1	15000	0.890	0.672	0.572	2.25	4000	1.000	0.898	0.875
1	16000	0.893	0.690	0.581	2.25	5000	1.000	0.903	0.883
1	17000	0.914	0.700	0.595	2.25	5500	1.000	0.908	0.887
1	18000	0.928	0.711	0.601	2.25	6000	1.000	0.913	0.894
1	19000	0.931	0.716	0.608	2.25	6500	1.000	0.918	0.899
1	20000	0.950	0.726	0.616	2.25	7000	1.000	0.923	0.904
1	25000	1.000	0.785	0.649	2.25	8000	1.000	0.928	0.909
1	30000	1.000	0.819	0.690	2.25	9000	1.000	0.933	0.914
1	35000	1.000	0.945	0.875	2.25	10000	1.000	0.938	0.919
1	40000	1.000	0.973	0.905	2.25	11000	1.000	0.943	0.924
1	45000	1.000	1.000	0.931	2.25	12000	1.000	0.948	0.929
1	50000	1.000	1.000	0.962	2.25	13000	1.000	0.953	0.934
1.25	500	0.738	0.565	0.406	2.25	14000	1.000	0.958	0.939
1.25	1000	0.738	0.565	0.406	2.25	15000	1.000	0.963	0.944
1.25	1500	0.738	0.565	0.406	2.5	500	1.000	0.896	0.845
1.25	2000	0.755	0.591	0.427	2.5	1000	1.000	0.896	0.853
1.25	2500	0.772	0.617	0.447	2.5	1500	1.000	0.896	0.861
1.25	3000	0.803	0.660	0.492	2.5	2000	1.000	0.897	0.865
1.25	4000	0.820	0.683	0.523	2.5	2500	1.000	0.897	0.870
1.25	5000	0.833	0.699	0.542	2.5	3000	1.000	1.000	0.878
1.25	5500	0.838	0.702	0.560	2.5	4000	1.000	1.000	0.885
1.25	6000	0.843	0.721	0.561	2.5	5000	1.000	1.000	0.891
1.25	7000	0.851	0.728	0.579	2.5	5500	1.000	1.000	0.893
1.25	8000	0.874	0.740	0.615	2.5	6000	1.000	1.000	0.899
1.25	9000	0.879	0.743	0.628	2.5	6500	1.000	1.000	0.919
1.25	10000	0.899	0.772	0.642	2.5	7000	1.000	1.000	0.939
1.25	11000	0.919	0.790	0.658	2.5	8000	1.000	1.000	0.959
1.25	12000	0.939	0.808	0.674	2.5	9000	1.000	1.000	0.979
1.25	13000	0.959	0.826	0.690	2.5	10000	1.000	1.000	0.999
1.25	14000	0.979	0.844	0.706	2.5	11000	1.000	1.000	1.000
1.25	15000	0.999	0.862	0.723	2.5	12000	1.000	1.000	1.000
1.25	16000	1.000	0.880	0.739	2.5	13000	1.000	1.000	1.000
1.25	17000	1.000	0.900	0.755	2.5	14000	1.000	1.000	1.000
1.25	18000	1.000	0.920	0.771	2.5	15000	1.000	1.000	1.000
1.25	19000	1.000	0.940	0.787	2.75	500	1.000	1.000	0.980
1.25	20000	1.000	0.960	0.804	2.75	1000	1.000	1.000	0.980
1.25	25000	1.000	1.000	0.834	2.75	1500	1.000	1.000	0.980
1.5	500	0.829	0.678	0.500	2.75	2000	1.000	1.000	0.983
1.5	1000	0.839	0.678	0.500	2.75	2500	1.000	1.000	0.986
1.5	1500	0.833	0.678	0.500	2.75	3000	1.000	1.000	0.987
1.5	2000	0.856	0.724	0.500	2.75	4000	1.000	1.000	0.991
1.5	2500	0.855	0.727	0.547	2.75	5000	1.000	1.000	0.994
1.5	3000	0.870	0.758	0.596	2.75	5500	1.000	1.000	0.995
1.5	4000	0.879	0.785	0.624	2.75	6000	1.000	1.000	0.998
1.5	5000	0.887	0.800	0.637	2.75	6500	1.000	1.000	1.000

OOP Multiplier	OOP Max.	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4	OOP Multiplier	OOP Max.	Avg. Family Size: 2	Avg. Family Size: 3	Avg. Family Size: 4
1.5	5500	0.890	0.803	0.650	3	500	1.000	1.000	0.991
1.5	6000	0.896	0.822	0.680	3	1000	1.000	1.000	0.991
1.5	6500	0.906	0.828	0.691	3	1500	1.000	1.000	0.991
1.5	7000	0.916	0.834	0.692	3	2000	1.000	1.000	0.991
1.5	8000	0.926	0.844	0.696	3	2500	1.000	1.000	0.991
1.5	9000	0.936	0.856	0.711	3	3000	1.000	1.000	0.992
1.5	10000	0.946	0.869	0.718	3	4000	1.000	1.000	0.993
1.5	11000	0.956	0.878	0.725	3	5000	1.000	1.000	0.995
1.5	12000	0.966	0.884	0.727	3	5500	1.000	1.000	0.997
1.5	13000	0.976	0.891	0.747	3	6000	1.000	1.000	1.000
1.5	14000	0.986	0.901	0.761	3.5	500	1.000	1.000	0.992
1.5	15000	0.996	0.911	0.770	3.5	1000	1.000	1.000	0.992
1.75	500	1.000	0.772	0.576	3.5	1500	1.000	1.000	0.992
1.75	1000	1.000	0.772	0.581	3.5	2000	1.000	1.000	0.992
1.75	1500	1.000	0.772	0.586	3.5	2500	1.000	1.000	0.992
1.75	2000	1.000	0.791	0.617	3.5	3000	1.000	1.000	0.993
1.75	2500	1.000	0.811	0.648	3.5	4000	1.000	1.000	0.995
1.75	3000	1.000	0.832	0.684	3.5	5000	1.000	1.000	0.997
1.75	4000	1.000	0.851	0.709	3.5	5500	1.000	1.000	0.998
1.75	5000	1.000	0.865	0.730	3.5	6000	1.000	1.000	1.000
1.75	5500	1.000	0.870	0.732	3.75	500	1.000	1.000	0.997
1.75	6000	1.000	0.881	0.750	3.75	1000	1.000	1.000	0.997
1.75	6500	1.000	0.885	0.761	3.75	1500	1.000	1.000	0.997
1.75	7000	1.000	0.892	0.764	3.75	2000	1.000	1.000	0.997
1.75	8000	1.000	0.898	0.777	3.75	2500	1.000	1.000	0.997
1.75	9000	1.000	0.900	0.790	3.75	3000	1.000	1.000	0.997
1.75	10000	1.000	0.905	0.806	3.75	4000	1.000	1.000	0.997
1.75	11000	1.000	0.910	0.811	3.75	5000	1.000	1.000	0.997
1.75	12000	1.000	0.915	0.816	3.75	5500	1.000	1.000	0.997
1.75	13000	1.000	0.920	0.821	3.75	6000	1.000	1.000	1.000
1.75	14000	1.000	0.925	0.826	4	500	1.000	1.000	1.000
1.75	15000	1.000	0.930	0.831	4	1000	1.000	1.000	1.000
2	500	1.000	0.841	0.659	4	1500	1.000	1.000	1.000
2	1000	1.000	0.842	0.664	4	2000	1.000	1.000	1.000
2	1500	1.000	0.844	0.669	4	2500	1.000	1.000	1.000
2	2000	1.000	0.863	0.691	4	3000	1.000	1.000	1.000
2	2500	1.000	0.869	0.713	4	4000	1.000	1.000	1.000
2	3000	1.000	0.880	0.743	4	5000	1.000	1.000	1.000
2	4000	1.000	0.889	0.762	4	5500	1.000	1.000	1.000
2	5000	1.000	0.895	0.775	4	6000	1.000	1.000	1.000

Table 15 – Effective Coinsurance - Collective Accumulation Adjustment

Plan Coinsurance	Average Family Size		
	2	3	4
0%	1.00	1.00	1.00
10%	0.95	0.96	0.97
20%	0.89	0.91	0.92
30%	0.85	0.88	0.90
40%	0.75	0.80	0.80

Table 16 – Collective Deductible Adjustment

Average Family Size	Deductible Multiplier	Individual Medical Deductible	Collective Adjustment	Average Family Size	Deductible Multiplier	Individual Medical Deductible	Collective Adjustment
0	1	500	0.00%	3	2	2500	2.95%
0	1	1000	0.00%	3	2	3000	3.72%
0	1	1500	0.00%	3	2	4000	5.28%
0	1	2000	0.00%	3	2.5	500	0.92%
0	1	2500	0.00%	3	2.5	1000	2.08%
0	1	3000	0.00%	3	2.5	1500	3.36%
0	1	4000	0.00%	3	2.5	2000	4.69%
0	1.5	500	0.00%	3	2.5	2500	6.05%
0	1.5	1000	0.00%	3	2.5	3000	7.39%
0	1.5	1500	0.00%	3	2.5	4000	9.97%
0	1.5	2000	0.00%	3	3	500	1.61%
0	1.5	2500	0.00%	3	3	1000	3.55%
0	1.5	3000	0.00%	3	3	1500	5.56%
0	1.5	4000	0.00%	3	3	2000	7.61%
0	2	500	0.00%	3	3	2500	9.59%
0	2	1000	0.00%	3	3	3000	11.45%
0	2	1500	0.00%	3	3	4000	14.90%
0	2	2000	0.00%	3.5	1	500	0.00%
0	2	2500	0.00%	3.5	1	1000	0.00%
0	2	3000	0.00%	3.5	1	1500	0.00%
0	2	4000	0.00%	3.5	1	2000	0.00%
0	2.5	500	0.00%	3.5	1	2500	0.00%
0	2.5	1000	0.00%	3.5	1	3000	0.00%
0	2.5	1500	0.00%	3.5	1	4000	0.00%
0	2.5	2000	0.00%	3.5	1.5	500	0.07%
0	2.5	2500	0.00%	3.5	1.5	1000	0.18%
0	2.5	3000	0.00%	3.5	1.5	1500	0.32%
0	2.5	4000	0.00%	3.5	1.5	2000	0.48%
0	3	500	0.00%	3.5	1.5	2500	0.66%
0	3	1000	0.00%	3.5	1.5	3000	0.86%
0	3	1500	0.00%	3.5	1.5	4000	1.32%
0	3	2000	0.00%	3.5	2	500	0.22%
0	3	2500	0.00%	3.5	2	1000	0.62%
0	3	3000	0.00%	3.5	2	1500	1.12%
0	3	4000	0.00%	3.5	2	2000	1.70%
2	1	500	0.00%	3.5	2	2500	2.34%
2	1	1000	0.00%	3.5	2	3000	3.01%
2	1	1500	0.00%	3.5	2	4000	4.42%
2	1	2000	0.00%	3.5	2.5	500	0.63%
2	1	2500	0.00%	3.5	2.5	1000	1.55%
2	1	3000	0.00%	3.5	2.5	1500	2.64%
2	1	4000	0.00%	3.5	2.5	2000	3.82%
2	1.5	500	0.18%	3.5	2.5	2500	5.07%
2	1.5	1000	0.41%	3.5	2.5	3000	6.32%
2	1.5	1500	0.66%	3.5	2.5	4000	8.80%
2	1.5	2000	0.95%	3.5	3	500	1.17%
2	1.5	2500	1.25%	3.5	3	1000	2.79%
2	1.5	3000	1.56%	3.5	3	1500	4.60%
2	1.5	4000	2.24%	3.5	3	2000	6.53%
2	2	500	0.49%	3.5	3	2500	8.43%
2	2	1000	1.20%	3.5	3	3000	10.24%
2	2	1500	1.99%	3.5	3	4000	13.62%
2	2	2000	2.84%	4	1	500	0.00%
2	2	2500	3.71%	4	1	1000	0.00%
2	2	3000	4.58%	4	1	1500	0.00%
2	2	4000	6.31%	4	1	2000	0.00%

Average Family Size	Deductible Multiplier	Individual Medical Deductible	Collective Adjustment	Average Family Size	Deductible Multiplier	Individual Medical Deductible	Collective Adjustment
2	2.5	500	1.30%	4	1	2500	0.00%
2	2.5	1000	2.75%	4	1	3000	0.00%
2	2.5	1500	4.24%	4	1	4000	0.00%
2	2.5	2000	5.74%	4	1.5	500	0.04%
2	2.5	2500	7.22%	4	1.5	1000	0.11%
2	2.5	3000	8.64%	4	1.5	1500	0.19%
2	2.5	4000	11.34%	4	1.5	2000	0.30%
2	3	500	2.18%	4	1.5	2500	0.43%
2	3	1000	4.46%	4	1.5	3000	0.56%
2	3	1500	6.68%	4	1.5	4000	0.91%
2	3	2000	8.86%	4	2	500	0.13%
2	3	2500	10.92%	4	2	1000	0.39%
2	3	3000	12.82%	4	2	1500	0.74%
2	3	4000	16.34%	4	2	2000	1.18%
3	1	500	0.00%	4	2	2500	1.70%
3	1	1000	0.00%	4	2	3000	2.25%
3	1	1500	0.00%	4	2	4000	3.48%
3	1	2000	0.00%	4	2.5	500	0.38%
3	1	2500	0.00%	4	2.5	1000	1.03%
3	1	3000	0.00%	4	2.5	1500	1.88%
3	1	4000	0.00%	4	2.5	2000	2.87%
3	1.5	500	0.12%	4	2.5	2500	3.97%
3	1.5	1000	0.28%	4	2.5	3000	5.09%
3	1.5	1500	0.46%	4	2.5	4000	7.41%
3	1.5	2000	0.68%	4	3	500	0.74%
3	1.5	2500	0.92%	4	3	1000	1.99%
3	1.5	3000	1.16%	4	3	1500	3.52%
3	1.5	4000	1.73%	4	3	2000	5.26%
3	2	500	0.33%	4	3	2500	7.03%
3	2	1000	0.87%	4	3	3000	8.76%
3	2	1500	1.50%	4	3	4000	12.03%
3	2	2000	2.21%				

Table 17 – Community Rate Loads

Category	Load	Detail
<b>Modular Medical Management</b>	1.023	Basic Medical Management
	0.993	Buy-up Medical Management
<b>Multiple Offering Load</b>		<b>Offerings</b>
	1.000	1
	1.020	2
	1.025	3
	1.030	4+
	1.025	2 (CA)
	1.050	3 (CA)
	1.055	4+ (CA)
Does not apply to LocalPlus products in TN or FL		
<b>Deductible Accumulation Adjustment</b>		<b>Accumulation Type (IN and OON)</b>
	0.995	No Cross-Accumulation
	1.000	One-Way Accumulation (out-of-network to in-network)
	1.005	Cross-Accumulation
<b>Gatekeeper Credit</b>	0.99	
<b>CarryOver Deductible Adjustment</b>		<b>Deductible</b>
	1	0
	1.013	250
	1.019	500
	1.023	750
	1.030	1000
<b>Office Surgery</b>	The load is one plus the sum of the following applicable adjustments	
	0.0005	Waive deductible on PCP office surgery
	0.0005	Waive deductible on SCP office surgery
	0.0005	Waive coinsurance on PCP office surgery
	0.0005	Waive coinsurance on SCP office surgery
<b>Consumerism Adjustment</b>	0.985	
<b>Breast Pump Supplies</b>	1.0005	Covered at 100%
	1.0000	Covered at Deductible/Coinsurance
	0.9998	Not Covered
<b>Lock-In Decrement</b>	0.890	NY/NJ
	0.990	Elsewhere
<b>Case-Size Adjustment</b>	.95	Fewer than 200 subscribers (NY/NJ)
	.95 to 1	Interpolate between .95 and 1 for 200 to 300 subscribers (NY/NJ)
	1	Greater than 300 subscribers (NY/NJ)
	.97	Fewer than 200 subscribers (FL)
	.97 to 1	Interpolate between .97 and 1 for 200 to 300 subscribers (FL)
	1	Greater than 300 subscribers (FL)
<b>Criteria Based Network Adjustment</b>		
	0.8505	Minimum
	0.9999	Maximum

**Table 17 – Community Rate Loads (Continued)**

**ER/UC Steerage Adjustment**

Using the applicable copay and/or coinsurance per the plan design and the average steerable visit cost below, calculate the average actual visit cost to a member for an ER visit and Urgent Care facility visit. Look up the load on the table based on visit cost differential and the Effective ER deductible from Step 2.4. No load is applied if Urgent Care is subject to the deductible or if the calculated Urgent Care facility visit cost is \$0.

<b>Average Steerable visit cost</b>					
ER	1000				
Urgent Care	160				
		<b>Effective ER Deductible</b>			
<b>Visit Cost Difference</b>	<b>0</b>	<b>500</b>	<b>1000</b>	<b>3000</b>	<b>6000</b>
0	1.0000	0.9995	0.9990	0.9975	0.9970
100	0.9995	0.9989	0.9984	0.9974	0.9970
200	0.9990	0.9984	0.9979	0.9973	0.9970
300	0.9985	0.9980	0.9975	0.9972	0.9970
400	0.9980	0.9976	0.9972	0.9971	0.9970
500	0.9975	0.9973	0.9970	0.9970	0.9970

**Medical Specialty Drugs Steerage Adjustment**

The following adjustments apply for plan designs where the deductible applies to medical specialty drugs administered in outpatient facilities, the deductible does not apply to medical specialty drugs administered in either (or both of) the home or at a physician's office, and the member coinsurance for those services is greater than 0%.

<b>Deductible</b>	<b>Deductible Waiver by Place of Administration</b>		
	<b>Physician's office</b>	<b>Home</b>	<b>Both Home and Physician's Office</b>
0	1.0000	1.0000	1.0000
1000	0.9997	0.9999	0.9996
2000	0.9994	0.9998	0.9992
3000	0.9991	0.9997	0.9988
4000	0.9988	0.9996	0.9984
5000	0.9985	0.9995	0.9980

**Independent Lab Steerage Adjustment**

The following adjustments apply for plan designs where the deductible does not apply to independent lab facility services, the deductible does apply to either (or both of) physician's office lab services or outpatient facility lab services, and the member coinsurance for those services is greater than 0%.

<b>Deductible</b>	<b>Deductible by Place of Service</b>		
	<b>Outpatient Facility</b>	<b>Physician's Office</b>	<b>Both OP Facility and Physician's Office</b>
0	1.0000	1.0000	1.0000
1000	0.9998	0.9998	0.9996
2000	0.9996	0.9996	0.9992
3000	0.9994	0.9994	0.9988
4000	0.9992	0.9992	0.9984
5000	0.9990	0.9990	0.9980

**Enhanced Non-Par Claims Adjustment**

See Table 33 - Enhanced Non-Par. Claims Adjustment and Table 34 - Enhanced Non-Par. Claims Adjustment Summary for appropriate loads.

**Table 18 – Medical OON Program Savings Factors**

	Percent	Factor	
		All Other Products	LocalPlus Product
<b>Medicare Stacked</b>	100	0.450	0.355
	110	0.500	0.400
	150	0.590	0.490
	200	0.690	0.600
	250	0.775	0.708
	300	0.860	0.815
<b>Medicare Only</b>	100	0.100	0.077
	110	0.110	0.086
<b>Average Contracted Rate</b>	100	0.600	0.600
<b>Usual &amp; Customary (Percentile)</b>	80 <sup>th</sup>	1.000	1.000
	90 <sup>th</sup>	1.100	1.100

**Table 19 – Lifetime Maximum Adjustment**

Lifetime Max (in dollars)	Factor
≤ 50000	-2.00%
100000	-1.50%
150000	-1.25%
200000	-1.00%
300000	-0.83%
400000	-0.67%
500000	-0.50%
750000	-0.40%
1000000	-0.25%
2000000	-0.10%
3000000	-0.05%
4000000	-0.02%
5000000	-0.01%
> 5000000	0.00%

**Table 20 – Industry Load**

Industry	Minimum	Maximum	Median
Agriculture	0.950	1.100	1.025
Mining	1.000	1.150	1.100
Construction	0.950	1.150	1.050
Manufacturing	0.900	1.100	1.000
Transportation, Communication, & Utilities	0.900	1.100	1.000
Wholesale Trade	0.900	1.000	0.950
Retail Trade	0.950	1.150	1.050
Finance, Insurance and Real Estate	0.900	1.100	1.000
Services	0.900	1.100	1.050
Public Administration	1.000	1.100	1.000



**Table 21 – Medical Demographic Factors**

Age Band	Male			Female			MT and MN Unisex
	Employee	Spouse	Child	Employee	Spouse	Child	All
00 - 19	0.483	0.483	0.483	0.462	0.462	0.462	0.472
20 - 24	0.385	0.387	0.583	0.833	1.336	0.680	0.640
25 - 29	0.461	0.656	0.721	0.975	1.426	1.569	0.807
30 - 34	0.535	0.651	0.716	1.179	1.401	1.541	0.916
35 - 39	0.632	0.871	0.959	1.165	1.261	1.387	0.943
40 - 44	0.803	0.975	1.072	1.212	1.302	1.432	1.045
45 - 49	0.993	1.298	1.427	1.388	1.496	1.646	1.244
50 - 54	1.340	1.737	1.911	1.574	1.807	1.988	1.548
55 - 59	1.700	2.198	2.418	1.742	2.057	2.263	1.837
60 - 64	2.211	2.963	3.260	2.136	2.543	2.797	2.330
65 - 69	3.658	3.658	4.024	2.926	2.926	3.219	3.292
70+	4.243	4.243	4.668	3.414	3.414	3.756	3.829

**Table 22 – Demographic Aging Trend**

<b>Trend</b>
0.0075

**Table 23 – Infertility Rider Demographic Factors**

Age Band	Male	Female	Unisex
00 - 19	0.000	0.000	0.000
20 - 24	0.000	0.600	0.297
25 - 29	0.072	3.432	1.789
30 - 34	0.234	8.046	4.294
35 - 39	0.518	7.278	4.010
40 - 44	0.170	2.635	1.434
45 - 49	0.095	0.530	0.319
50 - 54	0.037	0.043	0.040
55 - 59	0.026	0.018	0.022
60 - 64	0.000	0.009	0.005
65 - 69	0.000	0.000	0.000
70+	0.000	0.000	0.000

**Table 24 – Health Management Program Savings**

Health Management Program	Savings
Your Health First	-1.64%
Healthy Pregnancies, Healthy Babies	-\$0.36
Comprehensive Oncology	-\$0.20
Personal Health Team – Non-CCF	-\$5.04
Personal Health Team – CCF	-\$2.19
Health-Advisor – CCF	-\$3.94

Table 25 – Medical Riders

Rider	Methodology
Bariatric Surgery	0.7187 for a maximum from \$1 to \$8000 2.2774 for a maximum greater than \$8000 2.6114 for unlimited coverage
Durable Medical Equipment (DME)	1.47144 base PMPM
Durable Medical Equipment OON Buy Up	IN PMPM multiplied by the POS Load
External Prosthetic Appliances (EPA)	0.2953 base PMPM
External Prosthetic Appliances OON Buy Up	IN PMPM multiplied by the POS Load
DME and EPA Combined	1.7665 Base PMPM
DME and EPA Combined OON Buy Up	IN PMPM multiplied by the POS Load
Routine Foot Disorders Buy Up	1.0189 for a maximum less than \$1000 1.1987 for a maximum \$1000 or greater
Routine Foot Disorders OON Buy Up	IN PMPM multiplied by the POS Load
Organ Transplants OON	0.2397 base PMPM
Home Health Care	-1.2467 when annual maximum days are set to zero. Slope of 0.0189 per day. 1.3545 cap on coverage.
Infertility Treatment – Buy Up #1	1.2814 base PMPM
Infertility Treatment – Buy Up #1 OON	IN PMPM multiplied by the POS Load
Infertility Treatment – Buy Up #2	Base Cost PMPM = $5.2897 \times \left[ \frac{\text{Max}}{18844.37} \right]^{0.6}$ 10.5794 cap on coverage
Infertility Treatment – Buy Up #2 OON	IN PMPM multiplied by the POS Load
Infertility Only	Difference between the cost of Infertility Treatment Buy Up #2 and Buy Up #1
Infertility Only OON	IN PMPM multiplied by the POS Load
Complex Psych Program Savings	-0.1798 base PMPM
TMJ	0.3716 base PMPM

Rider	Methodology
Narcotics Therapy Program Savings	-0.1798 base PMPM
Alternative Care (Acupuncture, Naturopathy, Massage)	Naturopathy and Acupuncture are available with or without massage at \$300 or \$600 limits. 1.5643 – Without massage, \$300 limit. 2.2835 – Without massage, \$600 limit 1.8041 – With massage, \$300 limit 3.3624 – With massage, \$600 limit
Acupuncture	This doesn't apply if an Alternative Care election is made. 0 – Less than 10 visits 0.4695 – 10 to 11 visits 0.5634 – 12 to 14 visits 0.6690 – 15 to 19 visits 0.8451 – For 20 or more visits.
Preventive Care OON Exclusion	If OON preventive care is not covered: -0.7500 base PMPM
Family Planning Preventive Care Exemption	Apply a factor of 0.96 to the preventive care base rate in Step 2.1.

The following therapies riders use curves based on the number of visits. One slope (PMPM per visit) applies up to some number of visits ("Breakpoint") while another slope applies past that number of visits.

For example, if Speech Therapy is offered with a 30 day limit (with a limit past the breakpoint), then the final cost would be:

$$ST \text{ PMPM} = [1st \text{ Slope}] \times 20 + [2nd \text{ Slope}] \times 10 = 0.00545 \times 20 + 0.00136 \times 10 = 0.123$$

If Cardiac and Pulmonary Rehab is included with these benefits, it does not have a pricing impact.

Therapy	1 <sup>st</sup> slope	Breakpoint	2 <sup>nd</sup> slope	Cap
Speech Therapy (ST)	0.00545	20 days	0.00136	0.20432
Outpatient Speech, Hearing, and Occupational Therapy (OSHOT)	0.01090	20 days	0.00272	0.40865
Chiropractic Therapy (Chiro)	0.05449	60 days	0.01453	3.70508
Physical Therapy (PT)	0.10150	20 days	0.02383	3.45963
PT and Occupational Therapy (OT)	0.10695	20 days	0.02519	3.63262
PT and OSHOT	0.11240	20 days	0.02655	3.86828
PT, OT, ST, and Chiro	0.13827	30 days	0.05709	7.57336

The following riders are not standardly offered but are frequently requested. If elected, they are multiplicative adjustments applied to total expected medical and pharmacy claims as calculated in Step 5 and Step 6.20. If the coverage is mandated, then the adjustment is already embedded in the rating area factor and does not apply separately.

Short Term Rehab Coverage for Autism	1.001
Short Term Rehab Coverage for Developmental Delays	1.001
Applied Behavioral Analysis Therapy for Autism	1.004
Hearing Aids	1.001
Gender Reassignment	1.0005
Artificial Insemination	1.000
Skilled Nursing	1.000

## Appendix D: Medical Tables by Rating Area

The following tables include the rating area product: Open Access Plus (OAP), Network (NWK), LocalPlus (LCP) and Preferred Provider Organization (PPO)/Indemnity.

**Table 26 – Medical Area Factors**

<b>Area Description</b>	<b>Rating Area</b>	<b>Product</b>	<b>Area Factor</b>
VT, VERMONT	VTNWK1	NWK	0.84
VT, VERMONT	VTOAP1	OAP	0.85
VT, VERMONT	VTPPOA	PPO	0.88

Table 27 – Medical Area Factor Summary

State	Minimum Area Factor	Maximum Area Factor	State	Minimum Area Factor	Maximum Area Factor
AK	1.43	1.44	NC	0.69	1.04
AL	0.61	0.92	ND	0.94	0.95
AR	0.67	0.84	NE	1.01	1.23
AZ	0.65	1.14	NH	0.93	1.10
CA*	0.00	1.29	NJ	0.90	1.13
CO	0.71	1.16	NM	0.76	1.05
CT	0.84	1.24	NV	0.86	0.94
DC	0.69	0.77	NY	0.65	1.25
DE	0.90	0.91	OH	0.82	1.21
FL	0.81	1.30	OK	0.90	1.07
GA	0.68	1.13	OR	0.84	0.96
HI	0.83	0.83	PA	0.80	1.04
IA	1.01	1.02	PR	0.30	0.31
ID	0.95	0.95	RI	0.74	0.82
IL	0.68	1.28	SC	0.79	1.19
IN	0.77	1.22	SD	1.17	1.17
KS	0.71	1.29	TN	0.66	0.96
KY	0.78	1.45	TU	0.83	1.06
LA	0.85	1.16	TX	0.76	1.42
MA	0.70	1.06	VA	0.70	1.07
MD	0.67	0.69	VI	0.35	0.40
ME	0.82	0.96	VT	0.84	0.88
MI	0.82	1.15	WA	0.82	0.97
MN	0.81	1.00	WI	0.98	1.51
MO	0.75	1.26	WV	0.86	1.14
MS	0.71	0.88	WY	1.23	1.24
MT	0.84	0.90			

\*The low area factor for certain CA NWK rating areas applies to the FFS portion of the rate, while the capitated portion is calculated separately and added to the total medical rate.

**Table 28 – Medical Trend and Capitation**

Area Description	Rating Area	Product	% Capitated	In-Network Cost Trend	
				2015/2014	2016+/2015
VT, VERMONT	VTNWK1	NWK	3.82%	10.53%	9.68%
VT, VERMONT	VTOAP1	OAP	-	10.53%	9.68%
VT, VERMONT	VTPPOA	PPO	-	10.53%	9.68%

**Table 29 – Medical Trend Summary**

State	2015/2014		2016+/2015		State	2015/2014		2016+/2015	
	Minimum	Maximum	Minimum	Maximum		Minimum	Maximum	Minimum	Maximum
AK	9.61%	9.63%	8.88%	8.91%	NC	5.63%	9.28%	7.70%	9.18%
AL	7.59%	9.87%	7.99%	9.58%	ND	9.41%	9.41%	9.11%	9.11%
AR	7.01%	13.47%	7.70%	8.78%	NE	10.34%	10.44%	10.04%	10.14%
AZ	8.14%	8.75%	7.96%	8.40%	NH	8.68%	8.68%	8.94%	8.94%
CA	7.23%	8.92%	7.01%	8.49%	NJ	8.61%	9.00%	7.94%	8.37%
CO	8.66%	8.79%	8.57%	8.66%	NM	8.68%	8.74%	8.55%	8.63%
CT	7.79%	7.79%	9.17%	9.17%	NV	7.23%	8.92%	7.01%	8.49%
DC	8.96%	8.96%	8.28%	8.28%	NY	9.00%	9.84%	8.62%	9.68%
DE	8.00%	8.00%	7.82%	7.82%	OH	7.28%	10.41%	8.90%	10.12%
FL	6.62%	9.98%	6.51%	9.74%	OK	6.62%	8.44%	7.58%	9.04%
GA	7.46%	9.87%	7.96%	9.58%	OR	8.08%	10.04%	7.73%	9.72%
HI	10.33%	10.34%	10.00%	10.04%	PA	6.37%	10.83%	5.32%	10.55%
IA	10.34%	10.34%	10.04%	10.04%	PR	8.50%	8.50%	8.50%	8.50%
ID	10.01%	10.04%	9.71%	9.72%	RI	3.51%	3.51%	8.57%	8.57%
IL	6.63%	10.37%	7.43%	10.38%	SC	8.36%	9.87%	8.32%	9.58%
IN	6.63%	10.37%	7.43%	10.52%	SD	10.34%	10.34%	10.04%	10.04%
KS	8.85%	8.85%	8.48%	8.68%	TN	4.47%	13.47%	5.96%	10.28%
KY	8.27%	10.59%	8.95%	10.38%	TU	8.52%	9.02%	8.22%	8.74%
LA	7.45%	8.98%	7.78%	9.16%	TX	5.44%	10.75%	5.84%	9.29%
MA	7.93%	8.52%	8.12%	9.09%	VA	8.12%	9.32%	8.32%	9.32%
MD	7.72%	7.72%	7.49%	7.49%	VI	9.22%	9.32%	9.03%	9.10%
ME	8.55%	8.55%	8.31%	8.31%	VT	7.89%	10.53%	7.89%	9.68%
MI	8.82%	10.41%	8.90%	10.12%	WA	6.07%	8.13%	7.55%	7.93%
MN	9.41%	9.41%	9.11%	9.11%	WI	8.94%	10.34%	8.50%	10.04%
MO	8.63%	8.85%	8.48%	8.68%	WV	9.16%	9.16%	9.30%	9.30%
MS	7.69%	13.47%	7.70%	9.08%	WY	9.29%	9.30%	9.15%	9.25%
MT	10.21%	10.21%	9.89%	9.92%					
Out-of-Network and Indemnity trend is 8.50% for all rating areas.									

**Table 30 – NWK Percent Capitated Summary**

<b>State</b>	<b>Minimum</b>	<b>Maximum</b>
AL	5.27%	5.27%
AR	4.27%	4.27%
AZ	7.45%	7.45%
CA	0.90%	30.00%
CO	4.70%	4.70%
CT	18.84%	18.84%
DC	8.72%	8.72%
DE	6.18%	6.18%
FL	5.97%	5.97%
GA	10.31%	10.31%
IL	5.80%	5.80%
IN	4.65%	5.80%
KS	6.69%	6.69%
KY	4.21%	4.65%
LA	5.19%	5.19%
MA	4.42%	4.42%
MD	8.72%	8.72%
ME	5.58%	5.58%
MI	5.02%	5.02%
MO	6.69%	6.69%
MS	5.25%	5.25%
NC	1.96%	1.96%
NH	1.96%	1.96%
NJ	15.08%	15.08%
NM	4.25%	4.25%
NV	0.90%	0.90%
NY	14.03%	14.03%
OH	5.02%	5.03%
OK	7.04%	7.04%
OR	2.43%	2.43%
PA	6.18%	6.68%
RI	4.39%	4.39%
SC	5.91%	5.91%
TN	5.25%	5.25%
TX	6.69%	6.69%
UT	8.15%	11.98%
VA	8.72%	8.72%
VT	3.82%	3.82%
WA	4.12%	4.12%
WI	2.40%	2.40%
WV	2.90%	2.90%



Table 31 – POS Load Coefficients

Base Area Description	Rating Area	Product	Equation Coefficients		
			A	B	C
VT, VERMONT	VTNWK1	NWK	0.550	-0.430	0.080
VT, VERMONT	VTOAP1	OAP	0.250	-0.240	0.053
VT, VERMONT	VTPPOA	PPO	0.550	-0.430	0.076

**Table 32 – POS Load Coefficients Summary**

<b>Area</b>	<b>Product</b>	<b>A</b>	<b>B</b>	<b>C</b>
Northeast	OAP	0.250	-0.240	0.053
Southeast	OAP	0.550	-0.430	0.082
West	OAP	0.450	-0.400	0.085
Florida	OAP	0.550	-0.430	0.092
Houston	OAP/PPO/NWK	0.850	-0.670	0.126
Maryland	OAP	0.250	-0.240	0.083
New York/New Jersey	OAP/PPO/NWK	1.200	-1.010	0.210
Southern California	OAP/PPO/NWK	0.780	-0.700	0.154
US Virgin Islands	OAP/PPO	0.550	-0.430	0.076
All other	PPO/Indemnity	0.550	-0.430	0.076
All other	NWK	0.550	-0.430	0.080
CT/MA/RI/KS	LocalPlus	1.158	-0.762	0.126
GA/SC	LocalPlus	1.889	-1.190	0.187
TX (All other)/TN	LocalPlus	2.021	-1.268	0.195
CA (Northern)/CO	LocalPlus	2.047	-1.317	0.210
AZ/NV	LocalPlus	2.113	-1.322	0.210
FL	LocalPlus	2.254	-1.413	0.227
TX (Houston)	LocalPlus	3.124	-1.964	0.301
CA (Southern)	LocalPlus	3.703	-2.384	0.385
IL	LocalPlus	3.703	-2.376	0.385

**Table 33 - Enhanced Non-Par. Claims Adjustment**

<b>Base Area Description</b>	<b>Rating Area</b>	<b>Product</b>	<b>Adjustment</b>
VT, VERMONT	VTNWK1	NWK	0
VT, VERMONT	VTOAP1	OAP	0
VT, VERMONT	VTPPOA	PPO	0

**Table 34 - Enhanced Non-Par. Claims Adjustment Summary**

<b>State</b>	<b>Minimum</b>	<b>Maximum</b>	<b>State</b>	<b>Minimum</b>	<b>Maximum</b>
AK	0.996	0.996	NC	0.997	0.997
AL	0.964	0.984	ND	1.000	1.000
AR	0.964	0.994	NE	1.000	1.000
AZ	0.970	0.995	NH	0.998	0.998
CA	0.993	0.996	NJ	0.987	1.000
CO	0.970	0.999	NM	0.996	0.996
CT	0.997	1.000	NV	0.956	0.995
DC	0.990	0.990	NY	0.996	1.000
DE	1.000	1.000	OH	0.993	0.998
FL	0.982	0.983	OK	0.993	0.993
GA	0.964	0.989	OR	1.000	1.000
HI	1.000	1.000	PA	0.993	0.993
IA	1.000	1.000	PR	1.000	1.000
ID	1.000	1.000	RI	0.991	0.997
IL	0.966	0.996	SC	0.964	0.992
IN	0.966	0.993	SD	1.000	1.000
KS	0.969	0.995	TN	0.964	0.989
KY	0.993	0.997	UT	0.994	0.994
LA	0.991	0.991	TX	0.959	0.984
MA	0.993	0.999	VA	0.990	0.990
MD	0.990	0.990	VI	1.000	1.000
ME	1.000	1.000	VT	1.000	1.000
MI	0.998	0.998	WA	0.997	0.997
MN	1.000	1.000	WI	0.999	1.000
MO	0.995	0.995	WV	0.995	0.995
MS	0.964	0.985	WY	0.995	0.995
MT	1.000	1.000			

## Appendix E: Mental Health/Substance Use Disorders

Table 35 – MH/SUD: Trend and Adjustments

MH/SUD Trend	6.0%
FFS Adjustment (if applicable)	1%
Residential Buy-up (if applicable)	\$0.12

Table 36 – MH/SUD: OAP/PPO Rates

State	Proclaim Cap. Rate		Facets Rate		State	Proclaim Cap. Rate		Facets Rate	
	Minimum	Maximum	Minimum	Maximum		Minimum	Maximum	Minimum	Maximum
AK	\$10.35	\$18.41	\$2.11	\$3.46	MT	\$9.99	\$17.77	\$2.11	\$3.46
AL	\$9.49	\$16.87	\$1.98	\$3.23	NC	\$0.00	\$0.00	\$2.05	\$3.35
AR	\$8.82	\$15.69	\$1.92	\$3.14	ND	\$9.95	\$17.69	\$2.02	\$3.30
AZ	\$9.77	\$17.37	\$2.09	\$3.42	NE	\$9.94	\$17.67	\$2.02	\$3.30
CA	\$0.00	\$0.00	\$2.09	\$3.42	NH	\$11.60	\$20.63	\$2.43	\$3.98
CO	\$9.86	\$17.54	\$2.02	\$3.30	NJ	\$10.59	\$18.84	\$2.39	\$3.91
CT	\$11.78	\$20.95	\$2.39	\$3.91	NM	\$9.14	\$16.26	\$1.98	\$3.23
DC	\$10.18	\$18.11	\$2.37	\$3.87	NV	\$9.51	\$16.91	\$2.04	\$3.33
DE	\$10.54	\$18.74	\$2.39	\$3.91	NY	\$10.98	\$19.52	\$2.39	\$3.91
FL	\$9.27	\$16.48	\$1.95	\$3.19	OH	\$9.71	\$17.27	\$1.98	\$3.23
GA	\$9.13	\$16.24	\$2.05	\$3.35	OK	\$9.47	\$16.84	\$2.02	\$3.30
GU	\$0.00	\$0.00	\$2.11	\$3.46	OR	\$9.90	\$17.60	\$2.09	\$3.42
HI	\$9.45	\$16.82	\$2.11	\$3.46	PA	\$10.38	\$18.45	\$2.39	\$3.91
IA	\$9.84	\$17.51	\$2.02	\$3.30	PR	\$9.96	\$17.72	\$2.05	\$3.35
ID	\$9.84	\$17.50	\$2.11	\$3.46	RI	\$10.67	\$18.98	\$2.43	\$3.98
IL	\$9.93	\$17.66	\$2.02	\$3.30	SC	\$9.05	\$16.09	\$2.05	\$3.35
IN	\$9.39	\$16.69	\$1.98	\$3.23	SD	\$9.86	\$17.53	\$2.02	\$3.30
KS	\$9.68	\$17.22	\$1.98	\$3.23	TN	\$9.46	\$16.83	\$2.09	\$3.41
KY	\$9.24	\$16.43	\$1.98	\$3.23	TX	\$8.76	\$15.59	\$1.96	\$3.21
LA	\$9.55	\$16.98	\$1.98	\$3.23	UT	\$9.45	\$16.80	\$2.04	\$3.33
MA	\$11.26	\$20.02	\$2.43	\$3.98	VA	\$9.42	\$16.75	\$2.09	\$3.41
MD	\$10.46	\$18.60	\$2.37	\$3.87	VI	\$9.64	\$17.14	\$2.05	\$3.35
ME	\$11.38	\$20.25	\$2.43	\$3.98	VT	\$11.35	\$20.19	\$2.43	\$3.98
MI	\$10.31	\$18.33	\$2.39	\$3.91	WA	\$9.47	\$16.84	\$2.15	\$3.52
MN	\$9.94	\$17.67	\$2.02	\$3.30	WI	\$9.94	\$17.67	\$2.02	\$3.30
MO	\$9.34	\$16.61	\$1.98	\$3.23	WV	\$9.32	\$16.57	\$2.05	\$3.35
MS	\$9.37	\$16.67	\$2.05	\$3.35	WY	\$10.31	\$18.33	\$2.11	\$3.46

Note: The rates are identical across all rating areas within the state and range from minimum to maximum depending on deductible, coinsurance, and copays.

Table 37 – MH/SUD: NWK Rates

Rider	Outpatient Copay										
<b>Mental Health</b>	<b>0</b>	<b>5</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>25</b>	<b>30</b>	<b>35</b>	<b>40</b>	<b>45</b>	<b>50</b>
	\$20.38	\$19.45	\$18.55	\$17.70	\$16.80	\$15.91	\$15.02	\$14.09	\$13.24	\$12.34	\$11.45
<b>Substance Use Disorder</b>	<b>0</b>	<b>5</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>25</b>	<b>30</b>	<b>35</b>	<b>40</b>	<b>45</b>	<b>50</b>
	\$3.86	\$3.79	\$3.73	\$3.67	\$3.60	\$3.53	\$3.47	\$3.40	\$3.33	\$3.26	\$3.20
<b>Mental Health and Substance Use Disorder</b>	<b>0</b>	<b>5</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>25</b>	<b>30</b>	<b>35</b>	<b>40</b>	<b>45</b>	<b>50</b>
	\$22.97	\$21.95	\$20.98	\$20.05	\$19.07	\$18.10	\$17.13	\$16.12	\$15.18	\$14.21	\$13.24
<b>Non-Standard</b>	<b>Base Cost</b>										
	\$20.05										

# Appendix F: Vision Riders

Table 38 – Vision: Average Costs

State	Exam	Lenses					Frames	Contact Lenses		Materials
		Single Vision	Bifocal	Trifocal	Lenticular	Progressive		Elective	Therapeutic	
National	\$138.98	\$87.58	\$126.83	\$151.71	\$191.35	\$289.55	\$177.33	\$176.36	\$586.62	\$150.00
AK	\$206.23	\$95.86	\$149.92	\$180.06	\$191.35	\$239.52	\$170.76	\$184.65	\$586.62	\$150.00
AL	\$126.05	\$91.56	\$115.97	\$158.61	\$191.35	\$310.26	\$176.57	\$148.72	\$586.62	\$150.00
AR	\$141.11	\$85.84	\$115.14	\$136.25	\$191.35	\$256.35	\$156.91	\$154.85	\$586.62	\$150.00
AZ	\$158.54	\$76.38	\$127.62	\$149.84	\$191.35	\$277.95	\$172.93	\$191.14	\$586.62	\$150.00
CA	\$141.06	\$95.24	\$128.77	\$162.53	\$191.35	\$300.51	\$178.50	\$193.58	\$586.62	\$150.00
CO	\$140.41	\$91.18	\$143.67	\$163.06	\$191.35	\$313.45	\$180.75	\$189.23	\$586.62	\$150.00
CT	\$175.94	\$100.67	\$142.56	\$187.97	\$191.35	\$310.62	\$192.51	\$199.34	\$586.62	\$150.00
DC	\$159.50	\$105.22	\$153.36	\$173.80	\$191.35	\$330.09	\$248.74	\$245.91	\$586.62	\$150.00
DE	\$144.72	\$101.52	\$123.44	\$168.90	\$191.35	\$349.23	\$166.71	\$191.23	\$586.62	\$150.00
FL	\$129.36	\$76.49	\$115.08	\$136.07	\$191.35	\$296.19	\$176.45	\$161.24	\$586.62	\$150.00
GA	\$136.86	\$84.17	\$126.47	\$156.49	\$191.35	\$302.54	\$179.08	\$167.98	\$586.62	\$150.00
HI	\$148.28	\$119.41	\$128.91	\$210.21	\$191.35	\$245.65	\$142.94	\$175.55	\$586.62	\$150.00
IA	\$140.52	\$77.92	\$139.45	\$142.47	\$191.35	\$251.77	\$164.26	\$169.81	\$586.62	\$150.00
ID	\$147.92	\$87.19	\$133.06	\$139.17	\$191.35	\$265.33	\$170.16	\$171.74	\$586.62	\$150.00
IL	\$116.15	\$89.36	\$128.84	\$148.38	\$191.35	\$282.23	\$183.50	\$192.08	\$586.62	\$150.00
IN	\$109.69	\$81.23	\$125.52	\$150.20	\$191.35	\$266.94	\$164.78	\$170.99	\$586.62	\$150.00
KS	\$136.29	\$88.24	\$119.30	\$148.40	\$191.35	\$257.70	\$167.44	\$191.94	\$586.62	\$150.00
KY	\$106.18	\$88.96	\$127.03	\$152.20	\$191.35	\$255.97	\$148.75	\$172.82	\$586.62	\$150.00
LA	\$132.92	\$75.98	\$102.29	\$128.04	\$191.35	\$253.07	\$167.01	\$156.55	\$586.62	\$150.00
MA	\$168.95	\$113.21	\$155.88	\$161.55	\$191.35	\$326.57	\$201.52	\$180.96	\$586.62	\$150.00
MD	\$134.33	\$96.58	\$146.30	\$162.70	\$191.35	\$317.48	\$199.93	\$198.71	\$586.62	\$150.00
ME	\$156.53	\$82.06	\$116.32	\$135.70	\$191.35	\$269.54	\$165.78	\$166.36	\$586.62	\$150.00
MI	\$95.46	\$93.94	\$147.10	\$154.52	\$191.35	\$276.47	\$180.57	\$197.04	\$586.62	\$150.00
MN	\$202.33	\$96.50	\$173.20	\$151.79	\$191.35	\$305.31	\$194.81	\$186.59	\$586.62	\$150.00
MO	\$137.42	\$85.46	\$112.01	\$147.81	\$191.35	\$276.51	\$174.43	\$187.59	\$586.62	\$150.00
MS	\$130.37	\$72.87	\$112.02	\$130.62	\$191.35	\$215.85	\$142.00	\$146.91	\$586.62	\$150.00
MT	\$117.27	\$75.26	\$122.52	\$144.91	\$191.35	\$270.03	\$168.57	\$160.90	\$586.62	\$150.00
NC	\$154.47	\$89.03	\$124.57	\$149.90	\$191.35	\$288.95	\$170.00	\$164.56	\$586.62	\$150.00
ND	\$133.99	\$82.01	\$154.26	\$164.94	\$191.35	\$249.13	\$173.82	\$155.11	\$586.62	\$150.00
NE	\$142.49	\$81.87	\$132.63	\$157.79	\$191.35	\$327.89	\$176.28	\$193.35	\$586.62	\$150.00
NH	\$149.34	\$99.15	\$133.48	\$148.33	\$191.35	\$275.86	\$179.21	\$190.60	\$586.62	\$150.00
NJ	\$158.14	\$93.03	\$136.03	\$208.40	\$191.35	\$300.96	\$193.66	\$191.55	\$586.62	\$150.00

NM	\$156.63	\$76.53	\$117.31	\$135.62	\$191.35	\$262.09	\$171.89	\$156.62	\$586.62	\$150.00
NV	\$145.28	\$83.69	\$135.61	\$163.14	\$191.35	\$298.58	\$183.45	\$174.26	\$586.62	\$150.00
NY	\$140.48	\$91.19	\$141.00	\$168.91	\$191.35	\$315.50	\$208.58	\$192.65	\$586.62	\$150.00
OH	\$115.57	\$91.59	\$134.66	\$164.83	\$191.35	\$263.42	\$168.95	\$177.13	\$586.62	\$150.00
OK	\$122.39	\$79.54	\$111.84	\$148.01	\$191.35	\$245.07	\$163.78	\$166.57	\$586.62	\$150.00
OR	\$169.87	\$100.20	\$148.70	\$153.55	\$191.35	\$285.91	\$174.90	\$174.20	\$586.62	\$150.00
PA	\$108.88	\$85.20	\$120.69	\$131.64	\$191.35	\$268.86	\$176.47	\$179.78	\$586.62	\$150.00
PR	\$80.02	\$80.00	\$83.75	\$143.80	\$191.35	\$189.00	\$136.94	\$176.36	\$586.62	\$150.00
RI	\$143.81	\$110.93	\$125.00	\$153.17	\$191.35	\$275.62	\$158.80	\$177.93	\$586.62	\$150.00
SC	\$137.48	\$97.08	\$119.81	\$165.78	\$191.35	\$290.41	\$165.61	\$159.00	\$586.62	\$150.00
SD	\$127.80	\$87.15	\$152.60	\$112.38	\$191.35	\$287.95	\$169.59	\$185.30	\$586.62	\$150.00
TN	\$126.70	\$83.15	\$114.93	\$150.38	\$191.35	\$280.10	\$164.38	\$156.38	\$586.62	\$150.00
TX	\$137.92	\$84.52	\$123.95	\$145.22	\$191.35	\$305.94	\$178.40	\$172.35	\$586.62	\$150.00
UT	\$148.48	\$82.64	\$119.71	\$121.07	\$191.35	\$261.81	\$155.76	\$182.86	\$586.62	\$150.00
VA	\$164.71	\$87.66	\$135.66	\$168.46	\$191.35	\$290.40	\$179.74	\$164.80	\$586.62	\$150.00
VT	\$132.18	\$81.12	\$135.90	\$130.02	\$191.35	\$289.41	\$162.00	\$193.75	\$586.62	\$150.00
WA	\$199.86	\$96.58	\$137.90	\$170.22	\$191.35	\$283.54	\$187.19	\$177.39	\$586.62	\$150.00
WI	\$121.24	\$77.56	\$136.12	\$146.66	\$191.35	\$259.12	\$168.92	\$178.86	\$586.62	\$150.00
WV	\$112.61	\$74.32	\$116.90	\$140.18	\$191.35	\$225.37	\$147.48	\$144.71	\$586.62	\$150.00
WY	\$129.45	\$92.68	\$105.38	\$148.04	\$191.35	\$252.69	\$160.12	\$194.61	\$586.62	\$150.00

Table 39 – Vision: Frequency Factors

Service	Frequency Factor	
	12 month	24 month
Exam (Exam Only Plans)	1.00	0.70
Exam (Comprehensive Plans)	1.00	0.65
Lenses: Single Vision	1.00	0.70
Lenses: Bifocal	1.00	0.70
Lenses: Trifocal	1.00	0.70
Lenses: Lenticular	1.00	0.70
Lenses: Progressive	1.00	0.70
Frames	1.00	0.65
Contact Lenses: Elective	1.00	0.70
Contact Lenses: Therapeutic	1.00	0.70
Materials	1.00	0.65



**Table 40 – Vision: Service Utilization**

<b>Service</b>	<b>Utilization</b>
Exam (Exam Only Plans)	30.10%
Exam (Comprehensive Plans)	51.17%
Lenses: Single Vision	15.14%
Lenses: Bifocal	8.30%
Lenses: Trifocal	0.24%
Lenses: Lenticular	0.02%
Lenses: Progressive	8.19%
Frames	32.68%
Contact Lenses: Elective	13.60%
Contact Lenses: Therapeutic	0.20%
Materials	45.10%

**Table 41 – Vision: Trend and Adjustments**

<b>Industry Factor</b>		<b>Case Size Adjustment</b>		<b>Vision Trend</b>
<b>SIC Code</b>	<b>Factor</b>	<b>Number of Employees</b>	<b>Factor</b>	<b>Annual</b>
0	0.95	Less than 50	1.10	3.00%
1000	1.05	Greater than or equal to 50	1.00	
1500	0.98			
2000	1.05			
4000	1.01			
5000	1.01			
5200	0.93			
6000	1.04			
7000	0.95			
7200	0.95			
7300	1.02			
7500	1.05			
7600	1.00			
7800	1.05			
7900	0.95			
8000	1.03			
8100	1.00			
8200	0.98			
8300	1.00			
8400	1.05			
8600	1.02			
8900	1.00			
9100	0.92			
9999	0.95			

## Appendix G: General Pharmacy Tables

Table 42 – Retail AWP per Script Assumptions

Cost Categories								
Formulary	Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)	Standard Injectables	Optional Injectables	Oral Contraceptives	Anti-histamines
Legacy	\$101.16	\$311.75	\$568.97	\$141.99	\$2,812.09	\$2,889.30	\$118.10	\$96.43
Standard	\$101.29	\$307.15	\$581.20	\$149.65	\$2,812.09	\$2,889.30	\$118.10	\$96.43
Value	\$101.29	\$318.09	\$459.30	\$163.75	\$2,812.09	\$2,889.30	\$118.10	\$96.43
Value DRT	\$102.37	\$308.83	\$568.72	\$153.06	\$2,812.09	\$2,889.30	\$118.10	\$94.21
Cost Categories, continued								
Formulary	Cold & Cough	Lifestyle	Oral Fertility	Diet Drugs	Smoking Cessation	Vitamins	PPIs	
Legacy	\$39.17	\$246.82	\$347.01	\$89.72	\$266.37	\$16.33	\$200.88	
Standard	\$39.17	\$246.82	\$347.01	\$89.72	\$266.37	\$16.33	\$200.88	
Value	\$39.17	\$246.82	\$347.01	\$89.72	\$266.37	\$16.33	\$200.88	
Value DRT	\$39.17	\$246.82	\$347.01	\$89.72	\$266.37	\$16.33	\$200.88	

Table 43 – Mail Order AWP per Script Assumptions

Cost Categories								
Formulary	Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)	Standard Injectables	Optional Injectables	Oral Contraceptives	Anti-histamines
Legacy	\$312.42	\$1,148.30	\$2,550.19	\$212.64	\$8,860.50	\$3,743.03	\$316.45	\$330.98
Standard	\$312.51	\$1,139.62	\$2,659.47	\$174.31	\$8,860.50	\$3,743.03	\$316.45	\$330.98
Value	\$312.63	\$1,171.34	\$1,960.63	\$312.67	\$8,860.50	\$3,743.03	\$316.45	\$330.98
Value DRT	\$315.19	\$1,140.01	\$2,828.42	\$179.97	\$8,860.50	\$3,743.03	\$316.45	\$322.08
Cost Categories, continued								
Formulary	Cold & Cough	Lifestyle	Oral Fertility	Diet Drugs	Smoking Cessation	Vitamins	PPIs	
Legacy	\$182.13	\$678.76	\$1,815.10	\$306.80	\$605.37	\$61.40	\$574.73	
Standard	\$182.13	\$678.76	\$1,815.10	\$306.80	\$605.37	\$61.40	\$574.73	
Value	\$182.13	\$678.76	\$1,815.10	\$306.80	\$605.37	\$61.40	\$574.73	
Value DRT	\$182.13	\$678.76	\$1,815.10	\$306.80	\$605.37	\$61.40	\$574.73	

**Table 44 – Retail Script Count PMPY Assumptions**

Cost Categories								
Formulary	Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)	Standard Injectables	Optional Injectables	Oral Contraceptives	Anti-histamines
Legacy	\$6.39	\$1.01	\$0.22	\$0.09	\$0.01	\$0.00	\$0.10	\$0.24
Standard	\$6.40	\$1.04	\$0.20	\$0.08	\$0.01	\$0.00	\$0.10	\$0.24
Value	\$6.40	\$0.84	\$0.36	\$0.12	\$0.01	\$0.00	\$0.10	\$0.24
Value DRT	\$6.45	\$0.98	\$0.21	\$0.08	\$0.01	\$0.00	\$0.10	\$0.24
Cost Categories, continued								
Formulary	Cold & Cough	Lifestyle	Oral Fertility	Diet Drugs	Smoking Cessation	Vitamins	PPIs	
Legacy	\$0.08	\$0.04	\$0.01	\$0.03	\$0.01	\$0.32	\$0.27	
Standard	\$0.08	\$0.04	\$0.01	\$0.03	\$0.01	\$0.32	\$0.27	
Value	\$0.08	\$0.04	\$0.01	\$0.03	\$0.01	\$0.32	\$0.27	
Value DRT	\$0.08	\$0.04	\$0.01	\$0.03	\$0.01	\$0.32	\$0.27	

**Table 45 – Mail Order Script Count PMPY Assumptions**

Cost Categories								
Formulary	Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)	Standard Injectables	Optional Injectables	Oral Contraceptives	Anti-histamines
Legacy	\$0.61	\$0.15	\$0.02	\$0.01	\$0.01	\$0.00	\$0.01	\$0.02
Standard	\$0.61	\$0.15	\$0.02	\$0.01	\$0.01	\$0.00	\$0.01	\$0.02
Value	\$0.61	\$0.13	\$0.04	\$0.02	\$0.01	\$0.00	\$0.01	\$0.02
Value DRT	\$0.62	\$0.15	\$0.02	\$0.01	\$0.01	\$0.00	\$0.01	\$0.02
Cost Categories, continued								
Formulary	Cold & Cough	Lifestyle	Oral Fertility	Diet Drugs	Smoking Cessation	Vitamins	PPIs	
Legacy	\$0.00	\$0.01	\$0.00	\$0.00	\$0.00	\$0.03	\$0.04	
Standard	\$0.00	\$0.01	\$0.00	\$0.00	\$0.00	\$0.03	\$0.04	
Value	\$0.00	\$0.01	\$0.00	\$0.00	\$0.00	\$0.03	\$0.04	
Value DRT	\$0.00	\$0.01	\$0.00	\$0.00	\$0.00	\$0.03	\$0.04	

**Table 46 – Retail Discounts and Dispensing Fees (National Network)**

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount (30 Day)	Brand Discount (90 Day)	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National	Non-Experience Rated	All	2014	65.00%	14.97%	14.97%	15.60%	\$1.39	\$1.34	\$1.34
			2015	65.00%	15.50%	15.50%	15.00%	\$1.39	\$1.34	\$1.34
			2016	65.00%	16.15%	16.15%	13.50%	\$1.40	\$1.40	\$1.40
			2017	65.00%	16.15%	16.15%	13.50%	\$1.40	\$1.40	\$1.40
	Experience Rated	0 - 1,500 employees	2014	65.98%	16.14%	16.14%	11.00%	\$1.31	\$1.23	\$1.23
			2015	66.53%	16.34%	16.34%	11.20%	\$1.31	\$1.23	\$1.23
			2016	66.78%	16.44%	16.44%	11.40%	\$1.31	\$1.23	\$1.23
			2017	66.78%	16.44%	16.44%	11.40%	\$1.31	\$1.23	\$1.23
		1,501+ employees	2014	66.00%	15.12%	15.12%	11.10%	\$1.65	\$1.49	\$1.49
			2015	66.80%	15.32%	15.32%	11.30%	\$1.65	\$1.49	\$1.49
			2016	67.30%	15.42%	15.42%	11.50%	\$1.65	\$1.49	\$1.49
			2017	67.30%	15.42%	15.42%	11.50%	\$1.65	\$1.49	\$1.49

**Table 47 – Retail Discounts and Dispensing Fees (National Network without CVS)**

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount (30 Day)	Brand Discount (90 Day)	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National without CVS	Non-Experience Rated	All	2014	66.25%	16.15%	16.15%	16.91%	\$1.34	\$1.27	\$1.27
			2015	66.25%	16.15%	16.15%	16.91%	\$1.34	\$1.27	\$1.27
			2016	66.25%	16.15%	16.15%	13.50%	\$1.40	\$1.40	\$1.40
			2017	66.25%	16.15%	16.15%	13.50%	\$1.40	\$1.40	\$1.40
	Experience Rated	0 - 1,500 employees	2014	67.23%	16.14%	16.14%	11.00%	\$1.31	\$1.23	\$1.23
			2015	67.78%	16.34%	16.34%	11.20%	\$1.31	\$1.23	\$1.23
			2016	68.03%	16.44%	16.44%	11.40%	\$1.31	\$1.23	\$1.23
			2017	68.03%	16.44%	16.44%	11.40%	\$1.31	\$1.23	\$1.23
		1,501+ employees	2014	67.25%	15.12%	15.12%	11.10%	\$1.65	\$1.49	\$1.49
			2015	68.05%	15.32%	15.32%	11.30%	\$1.65	\$1.49	\$1.49
			2016	68.55%	15.42%	15.42%	11.50%	\$1.65	\$1.49	\$1.49
			2017	68.55%	15.42%	15.42%	11.50%	\$1.65	\$1.49	\$1.49

**Table 48 – Retail Discounts and Dispensing Fees (National Network without Walgreens)**

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount (30 Day)	Brand Discount (90 Day)	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National without WAG	Non-Experience Rated	All	2014	66.25%	16.15%	16.15%	16.91%	\$1.34	\$1.27	\$1.27
			2015	66.25%	16.15%	16.15%	16.91%	\$1.34	\$1.27	\$1.27
			2016	66.25%	16.15%	16.15%	13.50%	\$1.40	\$1.40	\$1.40
			2017	66.25%	16.15%	16.15%	13.50%	\$1.40	\$1.40	\$1.40
	Experience Rated	0 - 1,500 employees	2014	67.23%	16.14%	16.14%	11.00%	\$1.31	\$1.23	\$1.23
			2015	67.78%	16.34%	16.34%	11.20%	\$1.31	\$1.23	\$1.23
			2016	68.03%	16.44%	16.44%	11.40%	\$1.31	\$1.23	\$1.23
			2017	68.03%	16.44%	16.44%	11.40%	\$1.31	\$1.23	\$1.23
		1,501+ employees	2014	67.25%	15.12%	15.12%	11.10%	\$1.65	\$1.49	\$1.49
			2015	68.05%	15.32%	15.32%	11.30%	\$1.65	\$1.49	\$1.49
			2016	68.55%	15.42%	15.42%	11.50%	\$1.65	\$1.49	\$1.49
			2017	68.55%	15.42%	15.42%	11.50%	\$1.65	\$1.49	\$1.49

**Table 49 – Retail Discounts and Dispensing Fees (National Network without CVS & Walgreens)**

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount (30 Day)	Brand Discount (90 Day)	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National without CVS and WAG	Non-Experience Rated	All	2014	66.65%	17.65%	17.65%	16.91%	\$1.34	\$1.27	\$1.27
			2015	66.65%	17.65%	17.65%	16.91%	\$1.34	\$1.27	\$1.27
			2016	66.65%	17.65%	17.65%	13.50%	\$1.40	\$1.40	\$1.40
			2017	66.65%	17.65%	17.65%	13.50%	\$1.40	\$1.40	\$1.40
	Experience Rated	0 - 1,500 employees	2014	67.63%	17.64%	17.64%	11.00%	\$1.31	\$1.23	\$1.23
			2015	68.18%	17.84%	17.84%	11.20%	\$1.31	\$1.23	\$1.23
			2016	68.43%	17.94%	17.94%	11.40%	\$1.31	\$1.23	\$1.23
			2017	68.43%	17.94%	17.94%	11.40%	\$1.31	\$1.23	\$1.23
		1,501+ employees	2014	67.65%	16.62%	16.62%	11.10%	\$1.65	\$1.49	\$1.49
			2015	68.45%	16.82%	16.82%	11.30%	\$1.65	\$1.49	\$1.49
			2016	68.95%	16.92%	16.92%	11.50%	\$1.65	\$1.49	\$1.49
			2017	68.95%	16.92%	16.92%	11.50%	\$1.65	\$1.49	\$1.49

Table 50 – Mail Order Discounts and Dispensing Fees (National Network)

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National	Non-Experience Rated	All	2014	67.50%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2015	67.50%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2016	67.50%	16.00%	11.98%	\$1.50	\$1.50	\$1.50
			2017	67.50%	16.00%	11.98%	\$1.50	\$1.50	\$1.50
	Experience Rated	0 - 1,500 employees	2014	69.58%	17.99%	12.00%	\$0.47	\$0.50	\$0.50
			2015	69.83%	18.29%	12.40%	\$0.47	\$0.50	\$0.50
			2016	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
			2017	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
		1,501+ employees	2014	70.96%	18.49%	12.13%	\$0.17	\$0.21	\$0.21
			2015	71.46%	18.79%	12.53%	\$0.17	\$0.21	\$0.21
			2016	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21
			2017	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21

Table 51 – Mail Order Discounts and Dispensing Fees (National Network Excluding CVS)

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National without CVS	Non-Experience Rated	All	2014	69.56%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2015	70.06%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2016	70.56%	16.00%	11.98%	\$1.50	\$1.50	\$1.50
			2017	70.56%	16.00%	11.98%	\$1.50	\$1.50	\$1.50
	Experience Rated	0 - 1,500 employees	2014	69.58%	17.99%	12.00%	\$0.47	\$0.50	\$0.50
			2015	69.83%	18.29%	12.40%	\$0.47	\$0.50	\$0.50
			2016	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
			2017	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
		1,501+ employees	2014	70.96%	18.49%	12.13%	\$0.17	\$0.21	\$0.21
			2015	71.46%	18.79%	12.53%	\$0.17	\$0.21	\$0.21
			2016	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21
			2017	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21

Table 52 – Mail Order Discounts and Dispensing Fees (National Network Excluding WAG)

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National without WAG	Non-Experience Rated	All	2014	69.56%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2015	70.06%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2016	70.56%	16.00%	11.98%	\$1.50	\$1.50	\$1.50
			2017	70.56%	16.00%	11.98%	\$1.50	\$1.50	\$1.50
	Experience Rated	0 - 1,500 employees	2014	69.58%	17.99%	12.00%	\$0.47	\$0.50	\$0.50
			2015	69.83%	18.29%	12.40%	\$0.47	\$0.50	\$0.50
			2016	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
			2017	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
		1,501+ employees	2014	70.96%	18.49%	12.13%	\$0.17	\$0.21	\$0.21
			2015	71.46%	18.79%	12.53%	\$0.17	\$0.21	\$0.21
			2016	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21
			2017	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21

Table 53 – Mail Order Discounts and Dispensing Fees (National Network Excluding both CVS & WAG)

Retail Pharmacy Network	Funding Type/Product	Employer Size	Calendar Year	Generic Discount	Brand Discount	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National without CVS and WAG	Non-Experience Rated	All	2014	69.56%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2015	70.06%	13.61%	11.98%	\$1.96	\$1.97	\$1.97
			2016	70.56%	18.00%	11.98%	\$1.50	\$1.50	\$1.50
			2017	70.56%	18.00%	11.98%	\$1.50	\$1.50	\$1.50
	Experience Rated	0 - 1,500 employees	2014	69.58%	17.99%	12.00%	\$0.47	\$0.50	\$0.50
			2015	69.83%	18.29%	12.40%	\$0.47	\$0.50	\$0.50
			2016	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
			2017	70.08%	18.39%	12.60%	\$0.47	\$0.50	\$0.50
		1,501+ employees	2014	70.96%	18.49%	12.13%	\$0.17	\$0.21	\$0.21
			2015	71.46%	18.79%	12.53%	\$0.17	\$0.21	\$0.21
			2016	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21
			2017	71.96%	18.89%	12.73%	\$0.17	\$0.21	\$0.21

**Table 54 – Shift Assumptions for Plans with 90-Day Retail**

<b>Copay Multiplier</b>	<b>30-Day Retail Shift to 90-Day Retail</b>	<b>Mail Order Shift to 90-Day Retail</b>
-1	0%	0%
2	20%	0%
2.5	20%	0%
3	10%	0%

**Table 55 – Mail Order Multiplier Assumption**

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**Table 56 – Mandatory Generic Shift Factor**

50%
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**Table 57 – Pharmacy: Cost Trend**

	<b>2015/2014</b>	<b>2016/2015</b>
<b>National</b>	10.34%	12.34%
<b>CO</b>	13.10%	13.10%

**Table 58 – Pharmacy: Utilization Trend**

	<b>2015/2014</b>	<b>2016/2015</b>
<b>National</b>	1.50%	0.50%
<b>CO</b>	1.00%	1.00%



Table 59 – Pharmacy: Area Factors

State	Minimum Area Factor	Maximum Area Factor	State	Minimum Area Factor	Maximum Area Factor
AK	0.78	0.83	MT	0.82	0.84
AL	1.01	1.03	NC	0.94	0.98
AR	0.82	0.85	NE	0.77	0.82
AZ	0.88	0.91	NH	0.91	0.97
CA	0.64	0.92	NJ	1.03	1.07
CO	0.88	0.96	NM	0.69	0.73
CT	1.03	1.07	NV	0.73	0.82
DC	1.00	1.04	NY	1.07	1.13
DE	1.01	1.07	OH	0.90	1.00
FL	0.89	1.06	OK	0.98	1.00
GA	1.04	1.08	OR	0.70	0.81
HI	0.69	0.73	PA	0.97	0.99
ID	0.82	0.84	PR	0.91	0.93
IL	0.90	0.99	RI	0.82	0.87
IN	0.95	1.07	SC	1.00	1.03
KS	0.93	1.02	TN	0.99	1.03
KY	0.98	1.10	TX	0.89	1.09
LA	1.14	1.19	UT	0.91	0.93
MA	0.84	0.88	VA	0.96	1.04
MD	1.00	1.04	VI	0.86	0.88
ME	0.81	0.88	VT	0.79	0.84
MI	0.84	0.93	WA	0.74	0.85
MN	0.81	0.83	WI	0.89	0.95
MO	0.93	1.02	WV	0.96	1.02
MS	0.85	0.89	WY	0.84	0.89

Table 60 – Pharmacy: CPD (% Preventive)

Probability	Retail			Mail Order		
	Generic	Preferred Brand	Non-Preferred Brand	Generic	Preferred Brand	Non-Preferred Brand
23.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
18.3%	7.5%	75.6%	23.3%	55.6%	27.0%	36.9%
8.3%	11.7%	49.3%	21.3%	47.8%	14.6%	31.9%
5.4%	16.1%	21.4%	19.0%	47.6%	36.6%	39.7%
4.1%	17.3%	27.0%	21.6%	45.0%	20.1%	26.0%
3.3%	18.4%	24.4%	15.9%	41.9%	12.4%	34.6%
2.6%	19.9%	27.1%	15.8%	39.8%	20.6%	42.4%
2.2%	19.7%	28.7%	19.7%	38.9%	26.4%	49.7%
1.9%	20.7%	29.1%	18.5%	40.6%	28.3%	54.1%
1.6%	22.1%	27.2%	18.5%	42.8%	31.6%	62.8%
1.5%	23.8%	27.6%	20.2%	44.8%	34.4%	61.9%
1.3%	24.7%	29.3%	17.6%	44.4%	36.5%	45.1%
1.2%	25.1%	30.0%	18.3%	45.8%	36.7%	42.1%
1.1%	24.5%	29.2%	19.4%	46.4%	36.0%	44.5%
1.0%	25.0%	29.0%	20.8%	45.1%	35.9%	47.8%
0.9%	25.4%	30.3%	20.3%	44.4%	37.7%	45.4%
0.8%	25.3%	30.6%	21.6%	46.2%	37.6%	48.1%
0.8%	25.4%	29.5%	21.7%	47.8%	37.1%	57.2%
0.7%	25.9%	28.5%	23.3%	48.3%	38.5%	54.3%
0.7%	26.3%	29.7%	25.3%	49.4%	37.2%	54.5%
0.7%	27.0%	29.0%	24.5%	50.8%	39.2%	55.5%
1.2%	28.2%	29.1%	25.9%	50.6%	39.3%	50.0%
1.1%	28.4%	31.8%	27.1%	50.8%	44.4%	53.6%
1.0%	28.5%	33.6%	28.7%	53.7%	49.9%	60.0%
0.9%	29.7%	36.5%	30.8%	53.5%	52.4%	64.0%
0.8%	29.9%	37.7%	32.2%	54.6%	54.2%	62.6%
0.7%	29.5%	40.1%	33.1%	53.8%	54.5%	58.6%
0.6%	29.6%	38.5%	34.1%	54.4%	55.5%	59.5%
0.6%	29.6%	39.8%	34.0%	55.2%	56.7%	63.3%
0.6%	28.8%	40.3%	34.7%	54.0%	57.2%	59.8%
0.5%	29.2%	40.0%	33.6%	54.6%	55.9%	60.8%
2.1%	29.6%	40.4%	30.8%	54.1%	55.7%	53.2%
1.5%	30.4%	42.1%	28.4%	54.6%	57.5%	49.8%
1.1%	30.4%	44.6%	27.7%	56.0%	58.7%	49.3%
0.8%	30.3%	45.4%	27.0%	54.2%	58.5%	47.2%
0.7%	30.1%	43.9%	25.6%	53.4%	57.8%	44.9%
0.5%	30.3%	44.1%	24.1%	54.8%	56.8%	42.7%
0.4%	29.9%	43.9%	24.0%	53.9%	57.3%	40.6%
0.4%	29.0%	44.5%	21.1%	53.4%	56.3%	38.1%
0.3%	29.8%	44.5%	20.9%	52.5%	54.4%	37.7%
0.2%	28.3%	44.2%	20.0%	51.3%	51.4%	32.7%
0.2%	27.2%	43.9%	19.2%	51.3%	53.7%	31.6%
0.2%	27.2%	42.9%	18.5%	49.3%	53.3%	31.0%
0.1%	26.6%	40.8%	17.3%	48.8%	52.8%	31.3%
0.1%	25.2%	39.9%	18.0%	45.4%	50.6%	29.7%
0.1%	24.9%	38.6%	15.3%	46.8%	49.5%	27.4%
0.1%	23.8%	39.2%	15.5%	47.4%	47.9%	27.7%
0.1%	24.0%	36.4%	15.5%	42.1%	48.9%	25.0%
0.1%	21.9%	34.7%	14.1%	44.0%	47.4%	21.6%
0.1%	22.1%	34.4%	13.9%	41.4%	44.0%	18.8%
0.1%	21.6%	34.7%	14.0%	42.3%	45.5%	18.1%
0.1%	22.2%	35.2%	13.9%	40.0%	37.6%	19.7%
0.0%	21.2%	31.6%	13.4%	37.2%	29.0%	17.2%
0.0%	19.5%	30.9%	11.0%	37.1%	27.2%	15.3%

Probability	Retail			Mail Order		
	Generic	Preferred Brand	Non-Preferred Brand	Generic	Preferred Brand	Non-Preferred Brand
0.0%	20.5%	32.6%	13.0%	33.6%	31.5%	12.9%
0.0%	17.4%	29.3%	13.9%	37.0%	35.3%	15.0%
0.0%	16.5%	28.2%	8.2%	30.1%	32.0%	15.3%
0.0%	17.2%	27.7%	9.5%	33.9%	32.2%	14.8%
0.0%	16.5%	26.8%	8.7%	30.0%	34.2%	13.1%
0.0%	15.0%	21.7%	7.5%	30.0%	34.5%	6.6%
0.0%	15.1%	22.5%	7.1%	28.1%	28.7%	10.8%
0.0%	14.8%	23.0%	7.4%	30.5%	26.6%	12.0%
0.0%	15.3%	19.4%	5.9%	23.6%	26.9%	12.6%
0.0%	16.3%	21.8%	7.0%	26.2%	30.1%	7.6%
0.0%	15.7%	19.7%	6.1%	22.2%	16.0%	9.6%
0.0%	10.9%	16.9%	6.2%	19.3%	10.9%	7.9%
0.0%	13.4%	18.1%	6.2%	22.2%	12.1%	6.5%
0.0%	12.3%	16.3%	4.7%	20.5%	17.4%	6.3%
0.0%	11.9%	12.0%	3.5%	21.4%	14.5%	3.6%
0.0%	13.7%	10.8%	2.9%	18.1%	12.0%	2.5%
0.0%	12.2%	9.0%	2.8%	25.8%	13.3%	3.3%
0.0%	10.8%	8.8%	3.0%	21.3%	9.3%	2.6%
0.0%	13.4%	7.2%	2.9%	20.2%	2.3%	2.8%
0.0%	12.2%	7.0%	3.1%	23.0%	5.5%	2.5%
0.0%	12.4%	6.8%	3.4%	19.9%	6.9%	2.2%
0.0%	13.4%	6.5%	5.3%	21.7%	9.5%	1.7%
0.0%	12.6%	6.8%	5.3%	21.9%	6.8%	2.4%
0.1%	10.9%	6.3%	3.3%	15.9%	6.1%	2.1%
0.0%	9.9%	4.8%	2.9%	12.3%	6.6%	1.1%
0.0%	9.2%	4.1%	2.1%	11.9%	3.9%	0.6%
0.0%	8.1%	4.1%	1.4%	12.3%	3.0%	0.6%
0.0%	7.0%	2.4%	1.3%	11.5%	3.2%	0.6%
0.0%	8.1%	1.9%	1.0%	16.5%	1.7%	0.5%
0.0%	4.0%	3.2%	0.9%	2.9%	2.6%	0.0%
0.0%	9.5%	2.2%	1.2%	9.7%	1.7%	0.2%
0.0%	8.1%	1.6%	2.0%	4.4%	0.2%	1.7%
0.0%	3.1%	0.4%	0.2%	3.7%	0.4%	0.4%
0.0%	1.6%	1.4%	0.1%	14.9%	0.5%	0.0%
0.0%	6.7%	0.9%	0.3%	21.0%	0.7%	0.0%
0.0%	1.8%	2.4%	0.4%	13.7%	0.0%	0.2%
0.0%	4.2%	2.1%	0.4%	24.1%	16.1%	0.3%
0.0%	12.9%	2.3%	0.0%	29.3%	11.7%	0.1%
0.0%	6.1%	2.0%	5.3%	31.2%	0.6%	0.9%
0.0%	8.5%	1.7%	0.3%	9.3%	1.6%	0.3%

Table 61 – Pharmacy: CPD (Cost per Script)

Probability	Retail				Mail Order			
	Generic	Preferred Brand	Non-Preferred Brand	Injectable	Generic	Preferred Brand	Non-Preferred Brand	Injectable
23.7%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
18.3%	\$11.51	\$29.12	\$22.56	\$26.55	\$16.90	\$22.88	\$21.89	\$0.00
8.3%	\$15.90	\$47.97	\$48.70	\$0.00	\$25.67	\$41.33	\$33.48	\$0.00
5.4%	\$17.15	\$74.84	\$66.52	\$112.45	\$29.83	\$60.30	\$43.37	\$112.00
4.1%	\$18.35	\$87.22	\$85.56	\$106.84	\$34.29	\$70.46	\$68.30	\$0.00
3.3%	\$19.23	\$97.31	\$100.43	\$82.84	\$37.73	\$92.32	\$81.77	\$112.00
2.6%	\$19.87	\$96.43	\$112.72	\$79.01	\$41.34	\$97.41	\$114.96	\$112.00
2.2%	\$21.13	\$101.14	\$117.49	\$141.16	\$44.65	\$120.85	\$141.93	\$0.00
1.9%	\$21.75	\$103.77	\$117.84	\$161.53	\$47.36	\$144.27	\$178.80	\$112.00
1.6%	\$22.59	\$109.23	\$126.91	\$220.02	\$49.12	\$169.72	\$211.24	\$112.00
1.5%	\$23.50	\$114.94	\$137.78	\$199.84	\$51.29	\$197.60	\$223.71	\$112.00
1.3%	\$24.01	\$115.22	\$142.12	\$97.64	\$54.04	\$199.90	\$236.20	\$112.00
1.2%	\$24.63	\$115.65	\$149.94	\$519.46	\$55.37	\$207.46	\$243.78	\$0.00
1.1%	\$26.05	\$117.47	\$151.70	\$123.22	\$59.53	\$215.31	\$235.63	\$0.00
1.0%	\$26.49	\$121.20	\$151.40	\$238.75	\$63.33	\$226.04	\$252.70	\$161.81
0.9%	\$26.67	\$120.20	\$150.38	\$236.32	\$65.22	\$236.65	\$260.63	\$471.55
0.8%	\$27.71	\$120.17	\$155.69	\$114.10	\$65.83	\$247.83	\$266.86	\$616.86
0.8%	\$28.63	\$123.69	\$159.00	\$306.30	\$68.25	\$245.14	\$274.28	\$747.53
0.7%	\$28.91	\$122.15	\$153.48	\$453.75	\$70.86	\$252.86	\$285.10	\$675.52
0.7%	\$29.24	\$122.69	\$154.22	\$551.67	\$71.82	\$262.26	\$276.87	\$507.17
0.7%	\$29.40	\$124.91	\$155.46	\$418.05	\$75.21	\$268.16	\$282.98	\$570.29
1.2%	\$29.82	\$123.25	\$156.37	\$345.04	\$76.96	\$275.16	\$305.35	\$543.76
1.1%	\$30.76	\$130.35	\$161.95	\$309.99	\$78.90	\$292.14	\$314.22	\$255.01
1.0%	\$31.20	\$133.88	\$162.96	\$423.95	\$80.43	\$303.88	\$323.29	\$414.75
0.9%	\$31.81	\$139.36	\$165.85	\$684.99	\$84.11	\$314.20	\$333.41	\$358.58
0.8%	\$31.82	\$144.25	\$165.17	\$438.72	\$83.69	\$332.34	\$336.28	\$662.99
0.7%	\$32.41	\$147.33	\$168.52	\$606.47	\$86.59	\$340.74	\$349.56	\$743.07
0.6%	\$32.18	\$152.16	\$169.49	\$475.16	\$83.57	\$346.62	\$356.95	\$709.20
0.6%	\$32.51	\$154.42	\$173.67	\$674.04	\$84.02	\$356.81	\$362.19	\$734.95
0.6%	\$32.96	\$157.17	\$175.84	\$649.31	\$84.91	\$362.44	\$366.83	\$809.27
0.5%	\$33.23	\$160.34	\$178.83	\$1,048.42	\$87.62	\$376.63	\$369.54	\$962.35
2.1%	\$33.76	\$166.91	\$181.64	\$1,582.17	\$87.37	\$388.89	\$382.96	\$1,545.05
1.5%	\$34.39	\$176.41	\$190.23	\$1,452.66	\$90.67	\$415.80	\$393.92	\$1,548.97
1.1%	\$35.71	\$186.42	\$196.42	\$1,248.11	\$92.34	\$441.53	\$402.87	\$1,546.29
0.8%	\$36.97	\$194.44	\$203.45	\$1,308.02	\$96.89	\$463.93	\$410.07	\$1,686.82
0.7%	\$37.23	\$203.03	\$209.22	\$1,987.69	\$98.70	\$488.68	\$415.70	\$1,982.85
0.5%	\$37.77	\$210.96	\$216.10	\$1,803.63	\$98.78	\$509.50	\$432.53	\$2,090.58
0.4%	\$37.67	\$219.91	\$218.86	\$1,617.86	\$101.79	\$520.32	\$454.55	\$2,040.45
0.4%	\$38.38	\$225.04	\$231.33	\$1,692.74	\$103.08	\$546.95	\$446.99	\$2,918.84
0.3%	\$38.68	\$230.88	\$235.21	\$2,094.67	\$104.67	\$556.24	\$450.90	\$4,207.20
0.2%	\$39.42	\$236.41	\$238.52	\$2,190.40	\$108.46	\$574.32	\$470.75	\$4,101.93
0.2%	\$39.93	\$241.29	\$248.40	\$2,342.59	\$106.24	\$588.74	\$485.52	\$3,616.91
0.2%	\$41.02	\$249.87	\$259.35	\$2,350.93	\$109.02	\$596.52	\$482.79	\$3,173.76
0.1%	\$41.89	\$256.25	\$264.16	\$2,032.44	\$112.68	\$627.48	\$491.15	\$3,308.54
0.1%	\$42.31	\$262.77	\$274.10	\$2,178.90	\$115.90	\$625.00	\$494.17	\$3,215.35
0.1%	\$43.74	\$268.93	\$283.23	\$2,355.32	\$118.18	\$647.93	\$554.32	\$3,023.86
0.1%	\$43.60	\$274.52	\$277.68	\$2,085.06	\$118.02	\$699.57	\$536.91	\$3,269.77
0.1%	\$44.95	\$285.70	\$285.64	\$2,253.23	\$128.17	\$664.49	\$576.16	\$3,671.18
0.1%	\$46.61	\$291.29	\$304.13	\$2,164.81	\$121.85	\$698.77	\$644.37	\$3,380.81

Probability	Retail				Mail Order			
	Generic	Preferred Brand	Non-Preferred Brand	Injectable	Generic	Preferred Brand	Non-Preferred Brand	Injectable
0.1%	\$44.78	\$296.23	\$319.27	\$2,299.14	\$127.78	\$729.32	\$630.36	\$3,655.65
0.1%	\$45.90	\$297.44	\$307.65	\$2,546.88	\$129.33	\$744.16	\$636.88	\$3,781.52
0.1%	\$48.13	\$302.27	\$317.58	\$2,281.59	\$132.60	\$751.10	\$623.79	\$4,630.12
0.0%	\$49.60	\$317.32	\$320.46	\$2,528.31	\$137.99	\$759.32	\$718.41	\$5,666.41
0.0%	\$47.63	\$320.36	\$360.10	\$2,468.50	\$131.17	\$752.39	\$640.48	\$5,730.62
0.0%	\$47.19	\$311.68	\$315.29	\$2,503.34	\$147.05	\$782.15	\$705.81	\$5,235.75
0.0%	\$53.85	\$333.87	\$351.79	\$2,409.10	\$139.97	\$820.69	\$818.22	\$4,639.69
0.0%	\$53.89	\$342.47	\$369.53	\$2,241.97	\$150.32	\$864.54	\$748.61	\$4,333.33
0.0%	\$52.96	\$346.59	\$387.41	\$2,488.88	\$152.32	\$885.72	\$753.91	\$4,325.98
0.0%	\$55.71	\$366.77	\$385.46	\$2,543.20	\$150.52	\$886.18	\$869.38	\$4,019.87
0.0%	\$52.26	\$370.73	\$440.95	\$2,585.42	\$162.84	\$891.35	\$1,366.05	\$4,506.23
0.0%	\$52.25	\$379.13	\$481.31	\$2,756.69	\$165.12	\$982.67	\$1,050.57	\$4,127.73
0.0%	\$53.93	\$366.97	\$438.53	\$2,432.01	\$151.34	\$951.37	\$1,002.94	\$3,606.93
0.0%	\$54.89	\$393.26	\$495.37	\$2,578.72	\$208.83	\$1,042.76	\$996.97	\$4,121.92
0.0%	\$54.62	\$395.63	\$476.81	\$2,501.65	\$167.66	\$1,136.83	\$1,209.72	\$4,524.78
0.0%	\$59.77	\$420.73	\$570.79	\$2,659.64	\$180.87	\$1,101.09	\$1,153.22	\$4,934.02
0.0%	\$65.25	\$400.12	\$468.04	\$2,554.74	\$171.16	\$1,108.43	\$1,122.97	\$5,277.23
0.0%	\$57.99	\$433.15	\$551.78	\$2,684.52	\$168.60	\$1,036.89	\$1,045.34	\$5,286.69
0.0%	\$59.64	\$447.28	\$671.87	\$2,416.42	\$185.26	\$1,073.62	\$1,283.16	\$4,944.57
0.0%	\$57.65	\$496.29	\$738.09	\$2,462.95	\$185.92	\$1,280.09	\$2,499.33	\$4,690.05
0.0%	\$52.26	\$505.29	\$900.42	\$2,375.19	\$172.66	\$1,279.17	\$2,201.17	\$5,125.75
0.0%	\$57.83	\$581.02	\$829.06	\$2,436.67	\$178.78	\$1,243.64	\$2,198.74	\$4,696.93
0.0%	\$62.17	\$530.66	\$865.83	\$2,599.81	\$178.10	\$1,401.81	\$1,809.69	\$4,858.00
0.0%	\$50.25	\$525.86	\$699.31	\$2,599.86	\$152.95	\$1,555.78	\$2,195.38	\$5,830.16
0.0%	\$50.34	\$526.08	\$647.07	\$2,437.33	\$141.53	\$1,396.69	\$2,334.63	\$6,041.54
0.0%	\$49.57	\$561.58	\$605.82	\$2,484.40	\$172.77	\$1,521.04	\$3,025.35	\$5,256.17
0.0%	\$52.61	\$591.06	\$523.18	\$2,380.29	\$152.72	\$1,384.87	\$2,429.30	\$5,423.21
0.0%	\$56.79	\$578.37	\$617.50	\$2,605.47	\$181.74	\$1,612.85	\$2,409.02	\$5,176.16
0.1%	\$60.51	\$619.85	\$692.33	\$2,967.09	\$196.62	\$1,746.30	\$2,087.98	\$6,553.05
0.0%	\$62.13	\$739.05	\$968.12	\$3,729.86	\$240.79	\$2,105.82	\$2,751.10	\$8,108.96
0.0%	\$62.68	\$757.19	\$1,131.14	\$4,415.39	\$217.62	\$2,860.92	\$5,172.33	\$9,683.96
0.0%	\$73.46	\$1,139.30	\$1,786.56	\$4,345.44	\$191.01	\$4,301.20	\$5,828.04	\$9,590.85
0.0%	\$82.58	\$2,040.92	\$1,890.14	\$3,476.92	\$245.98	\$6,853.54	\$5,571.79	\$7,328.26
0.0%	\$76.40	\$2,407.19	\$2,259.97	\$3,723.13	\$179.43	\$6,858.20	\$5,314.92	\$7,548.41
0.0%	\$185.18	\$1,587.97	\$2,250.72	\$2,738.13	\$305.44	\$5,810.63	\$7,621.96	\$11,200.50
0.0%	\$71.44	\$1,682.48	\$3,309.61	\$2,662.70	\$241.57	\$4,111.79	\$4,654.31	\$15,901.18
0.0%	\$67.85	\$1,916.38	\$1,811.69	\$3,074.63	\$877.79	\$9,601.43	\$4,665.42	\$11,873.16
0.0%	\$110.22	\$2,037.27	\$2,974.43	\$2,666.69	\$306.77	\$10,114.10	\$7,104.64	\$5,928.91
0.0%	\$253.96	\$1,990.40	\$2,739.15	\$4,315.35	\$102.61	\$8,934.48	\$8,897.89	\$11,255.88
0.0%	\$77.19	\$1,734.56	\$3,154.81	\$4,258.68	\$103.81	\$6,306.94	\$7,691.20	\$4,723.48
0.0%	\$159.74	\$2,395.83	\$3,449.83	\$3,279.39	\$348.67	\$12,279.73	\$11,330.04	\$11,550.94
0.0%	\$92.66	\$3,343.61	\$2,699.53	\$2,757.34	\$117.94	\$1,800.89	\$7,483.50	\$10,003.56
0.0%	\$69.21	\$2,517.04	\$5,815.75	\$5,470.36	\$109.68	\$5,827.34	\$5,747.11	\$5,945.97
0.0%	\$115.37	\$2,432.74	\$306.77	\$2,685.49	\$44.02	\$7,969.20	\$5,746.35	\$0.00
0.0%	\$82.89	\$2,648.22	\$4,825.41	\$6,783.32	\$349.34	\$8,062.75	\$10,190.73	\$15,677.60

Table 62 – Pharmacy: CPD (Scripts PMPY)

Probability	Retail				Mail Order			
	Generic	Preferred Brand	Non-Preferred Brand	Injectable	Generic	Preferred Brand	Non-Preferred Brand	Injectable
23.7%	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
18.3%	1.8937	0.0222	0.0064	0.0000	0.0130	0.0002	0.0001	0.0000
8.3%	3.7465	0.1598	0.0606	0.0000	0.0863	0.0016	0.0003	0.0000
5.4%	4.9648	0.3404	0.1018	0.0000	0.1988	0.0050	0.0008	0.0000
4.1%	5.8828	0.4961	0.1398	0.0000	0.2774	0.0117	0.0019	0.0000
3.3%	6.5416	0.6576	0.1804	0.0000	0.3616	0.0267	0.0030	0.0000
2.6%	7.6163	0.7682	0.2280	0.0000	0.4713	0.0312	0.0039	0.0000
2.2%	8.2221	0.9020	0.2560	0.0000	0.5413	0.0350	0.0060	0.0000
1.9%	9.0384	1.0125	0.3010	0.0001	0.6091	0.0462	0.0094	0.0000
1.6%	9.3777	1.1344	0.3407	0.0001	0.6663	0.0576	0.0143	0.0000
1.5%	9.4466	1.2803	0.3887	0.0001	0.7033	0.0642	0.0145	0.0000
1.3%	10.0045	1.3991	0.4309	0.0002	0.7595	0.0801	0.0201	0.0000
1.2%	10.3648	1.5329	0.4768	0.0000	0.8299	0.0902	0.0238	0.0000
1.1%	10.3933	1.6688	0.5165	0.0001	0.8460	0.1090	0.0241	0.0000
1.0%	10.7113	1.8116	0.5255	0.0001	0.8902	0.1226	0.0300	0.0001
0.9%	11.0919	1.9742	0.5779	0.0002	0.9486	0.1424	0.0346	0.0001
0.8%	11.1194	2.0739	0.6528	0.0004	1.0005	0.1590	0.0389	0.0001
0.8%	11.2460	2.2178	0.6344	0.0003	1.0043	0.1847	0.0491	0.0002
0.7%	11.3861	2.4463	0.6822	0.0001	1.0210	0.2171	0.0517	0.0001
0.7%	11.6885	2.5703	0.7331	0.0001	1.0833	0.2346	0.0544	0.0002
0.7%	11.5745	2.7741	0.7808	0.0002	1.1051	0.2450	0.0623	0.0001
1.2%	11.9867	3.0751	0.8141	0.0008	1.1580	0.2718	0.0673	0.0001
1.1%	12.3997	3.1320	0.8801	0.0003	1.2576	0.3167	0.0799	0.0002
1.0%	12.7780	3.3311	0.9880	0.0003	1.3241	0.3479	0.0968	0.0002
0.9%	13.2365	3.3764	1.0778	0.0002	1.4418	0.3778	0.1153	0.0001
0.8%	13.8192	3.5614	1.1304	0.0002	1.5587	0.4087	0.1265	0.0002
0.7%	14.0631	3.6456	1.2513	0.0004	1.6101	0.4646	0.1360	0.0006
0.6%	14.3522	3.9102	1.3321	0.0011	1.6824	0.4885	0.1569	0.0002
0.6%	14.7261	4.1298	1.3711	0.0004	1.7516	0.5209	0.1695	0.0002
0.6%	15.0458	4.2115	1.4982	0.0009	1.8268	0.5642	0.1848	0.0003
0.5%	15.3774	4.4837	1.4720	0.0012	1.8754	0.5855	0.1878	0.0004
2.1%	16.4575	4.9302	1.6646	0.0086	2.1234	0.7057	0.2293	0.0042
1.5%	18.0275	5.7329	1.9875	0.0020	2.4862	0.9096	0.2962	0.0043
1.1%	19.3260	6.3866	2.2639	0.0023	2.8347	1.1238	0.3646	0.0045
0.8%	20.4489	7.0580	2.5680	0.0029	3.0820	1.3119	0.4207	0.0046
0.7%	21.4842	7.8016	2.7794	0.0067	3.2642	1.4813	0.4757	0.0085
0.5%	22.1456	8.3731	2.9757	0.0096	3.5623	1.7000	0.5506	0.0082
0.4%	23.0920	9.0964	3.2751	0.0096	3.7350	1.8631	0.5946	0.0017
0.4%	23.7480	9.6433	3.4037	0.0091	3.9415	2.0629	0.6494	0.0024
0.3%	24.6093	9.9734	3.5818	0.0141	4.1430	2.2179	0.7226	0.0076
0.2%	25.2817	10.3033	3.8097	0.0239	4.2068	2.3794	0.7454	0.0116
0.2%	26.4571	11.0049	4.1777	0.0211	4.4861	2.4576	0.8094	0.0102
0.2%	26.8357	11.4224	4.2611	0.0203	4.6534	2.6938	0.8238	0.0120
0.1%	27.7028	11.7508	4.4288	0.0400	4.6470	2.7372	0.8793	0.0136
0.1%	28.0555	11.8987	4.4247	0.0644	4.7571	2.8823	0.9409	0.0253
0.1%	27.7379	12.3443	4.8077	0.0501	4.8846	2.9690	0.9604	0.0212
0.1%	29.4579	12.7700	4.8842	0.0581	5.0354	3.0402	1.0124	0.0224
0.1%	29.9601	13.2004	4.9294	0.0688	5.0529	3.0319	1.0519	0.0292
0.1%	29.5437	12.8892	4.8533	0.0895	5.2844	3.1708	1.1649	0.0380

Probability	Retail				Mail Order			
	Generic	Preferred Brand	Non-Preferred Brand	Injectable	Generic	Preferred Brand	Non-Preferred Brand	Injectable
0.1%	30.0033	12.7513	4.9341	0.1179	5.0863	3.2379	1.1684	0.0594
0.1%	30.7376	13.5976	5.4290	0.1184	5.2613	3.1320	1.1490	0.0623
0.1%	30.8447	13.1850	5.0406	0.1182	5.1853	3.3517	1.0972	0.1010
0.0%	27.2866	12.2186	4.5083	0.1572	4.7725	2.9857	1.0688	0.1855
0.0%	27.9485	11.6550	4.7482	0.1981	4.7368	3.0354	1.0354	0.2316
0.0%	31.4437	13.8111	4.9663	0.1603	5.2283	3.3503	1.1546	0.1652
0.0%	31.5121	13.7996	5.3190	0.2060	4.8862	3.0654	1.0611	0.1519
0.0%	30.8982	13.0000	4.9090	0.2930	5.0325	3.4220	1.1878	0.1912
0.0%	29.4877	12.9979	5.0881	0.2864	5.5032	3.3643	1.1339	0.2180
0.0%	30.4166	13.3857	5.2513	0.2995	5.0408	3.3034	1.1034	0.2105
0.0%	29.8181	12.2749	4.9195	0.2740	5.3688	3.3613	1.3772	0.1598
0.0%	28.9556	12.7206	5.3612	0.3378	5.0531	3.1123	1.1810	0.2501
0.0%	30.5388	12.8352	5.3608	0.5144	5.0237	3.0871	1.2481	0.3947
0.0%	29.2944	12.4284	5.2228	0.4773	4.6532	3.0433	1.0524	0.3316
0.0%	31.0953	13.8430	5.3363	0.4315	4.8049	2.8049	1.0919	0.2798
0.0%	26.5716	10.6269	4.7234	0.5123	3.9718	2.3731	0.9067	0.6068
0.0%	26.0895	10.2586	4.1868	0.6475	3.3353	2.1750	0.7040	1.0034
0.0%	26.7503	11.2561	4.3543	0.4572	4.1633	2.0971	0.8986	0.8903
0.0%	26.8190	11.0759	4.9909	1.1366	4.0358	2.4903	0.8809	1.4100
0.0%	23.7488	9.0876	3.9094	0.7491	3.8665	2.3318	1.1641	1.5917
0.0%	22.9350	9.1407	5.0177	0.7312	3.6044	1.9760	0.9344	1.7646
0.0%	22.9488	8.6699	4.1070	0.8517	3.8124	2.1605	0.9405	1.7809
0.0%	25.6226	10.0682	4.6916	0.9887	3.2208	1.8726	0.7062	1.5605
0.0%	18.6100	6.3807	2.4494	1.2005	2.7194	1.3609	0.5052	4.2935
0.0%	23.2168	8.1577	3.0473	0.9057	3.2940	1.4816	0.6046	1.8013
0.0%	22.1949	8.2949	2.7915	0.9819	3.5441	2.0085	0.9085	1.4047
0.0%	24.6868	10.3819	3.2289	1.3627	3.9209	2.0666	0.8470	1.1028
0.0%	23.6779	10.4117	3.4247	0.9823	3.6130	2.3143	0.7377	1.1952
0.1%	24.4306	10.0208	3.3332	6.8636	4.1590	2.5590	0.8327	9.1932
0.0%	22.0375	8.0270	2.9815	0.5149	3.8396	2.4119	0.8988	4.1257
0.0%	19.8664	5.7637	2.5426	0.7519	3.3286	1.9058	1.0076	4.5900
0.0%	25.0644	8.0961	3.6370	0.3657	4.1299	2.4294	1.4294	2.0932
0.0%	23.1787	8.3026	3.4553	0.8916	3.6888	3.3372	1.4380	1.2664
0.0%	26.1745	8.6947	4.2336	0.7939	4.6231	3.1059	1.9564	0.7234
0.0%	29.0938	11.5313	3.4688	0.1402	3.0313	3.9375	1.6250	0.0104
0.0%	23.9259	8.8519	5.2222	0.6563	6.6296	6.6296	2.4444	0.0100
0.0%	31.5313	8.5000	5.1563	2.3704	1.7500	3.5625	0.5938	0.0257
0.0%	21.3333	7.4583	4.3750	0.9063	5.0417	3.6250	2.0833	0.0276
0.0%	25.2000	9.7000	4.4500	2.1250	5.4500	3.3000	0.5500	0.0274
0.0%	27.6667	8.5238	3.7143	3.1000	4.5238	3.5714	2.5238	0.1651
0.0%	27.2593	5.4074	3.6296	1.4286	2.1111	1.7407	2.2222	1.1563
0.0%	25.1111	7.1111	4.0000	1.0370	4.5000	2.7222	2.5000	2.1481
0.0%	23.4500	8.3000	3.8500	1.4444	6.4500	4.3500	2.9000	0.4063
0.0%	30.0000	8.0000	8.4545	0.9000	7.2727	5.8182	4.0000	0.0000
0.0%	24.5033	8.8366	4.8214	39.6364	3.7473	4.0109	2.4031	21.2083

Table 63 – Global Step Therapy Program

Formulary Type	Drug Therapy Category	Generic 1 <sup>st</sup> / 2-Step	Stacked	Generic or Preferred Brand 1 <sup>st</sup>	Non-Preferred Brand Lockout
Legacy	Allergy	0.03%	0.03%	0.03%	0.03%
	Antidepressants	0.06%	0.06%	0.06%	0.06%
	Asthma	0.00%	0.00%	0.00%	0.00%
	Bone Loss	0.03%	0.03%	0.03%	0.03%
	High Blood Pressure	0.35%	0.35%	0.35%	0.35%
	High Cholesterol	0.24%	0.24%	0.24%	0.24%
	Hyperactivity Disorder	0.06%	0.06%	0.06%	0.06%
	Mental Health	0.08%	0.08%	0.08%	0.08%
	Narcotic Pain Relievers	0.00%	0.00%	0.00%	0.00%
	Non-Narcotic Pain Relievers	0.08%	0.08%	0.08%	0.08%
	Overactive Bladder	0.03%	0.03%	0.03%	0.03%
	Skin Treatments	0.17%	0.17%	0.17%	0.17%
	Sleep Disorders	0.05%	0.05%	0.05%	0.05%
Stomach Acid	0.14%	0.14%	0.14%	0.14%	
Standard or Performance	Allergy	0.03%	0.03%	0.03%	0.03%
	Antidepressants	0.06%	0.06%	0.06%	0.06%
	Asthma	0.00%	0.00%	0.00%	0.00%
	Bone Loss	0.03%	0.03%	0.03%	0.03%
	High Blood Pressure	0.35%	0.35%	0.35%	0.35%
	High Cholesterol	0.24%	0.24%	0.24%	0.24%
	Hyperactivity Disorder	0.06%	0.06%	0.06%	0.06%
	Mental Health	0.08%	0.08%	0.08%	0.08%
	Narcotic Pain Relievers	0.00%	0.00%	0.00%	0.00%
	Non-Narcotic Pain Relievers	0.08%	0.08%	0.08%	0.08%
	Overactive Bladder	0.03%	0.03%	0.03%	0.03%
	Skin Treatments	0.17%	0.17%	0.17%	0.17%
	Sleep Disorders	0.05%	0.05%	0.05%	0.05%
Stomach Acid	0.14%	0.14%	0.14%	0.14%	
Value or Advantage	Allergy	0.03%	0.00%	0.00%	0.00%
	Antidepressants	0.06%	0.00%	0.00%	0.00%
	Asthma	0.00%	0.00%	0.00%	0.00%
	Bone Loss	0.03%	0.00%	0.00%	0.00%
	High Blood Pressure	0.35%	0.35%	0.00%	0.00%
	High Cholesterol	0.24%	0.00%	0.00%	0.00%
	Hyperactivity Disorder	0.06%	0.00%	0.00%	0.00%
	Mental Health	0.08%	0.00%	0.00%	0.00%
	Narcotic Pain Relievers	0.00%	0.00%	0.00%	0.00%
	Non-Narcotic Pain Relievers	0.08%	0.00%	0.00%	0.00%
	Overactive Bladder	0.03%	0.03%	0.00%	0.00%
	Skin Treatments	0.17%	0.00%	0.00%	0.00%
	Sleep Disorders	0.05%	0.00%	0.00%	0.00%
Stomach Acid	0.14%	0.14%	0.00%	0.00%	
Value or Advantage with DRT	Allergy	0.03%	0.00%	0.00%	0.00%
	Antidepressants	0.06%	0.00%	0.00%	0.00%
	Asthma	0.00%	0.00%	0.00%	0.00%
	Bone Loss	0.03%	0.00%	0.00%	0.00%
	High Blood Pressure	0.00%	0.00%	0.00%	0.00%
	High Cholesterol	0.24%	0.00%	0.00%	0.00%
	Hyperactivity Disorder	0.06%	0.00%	0.00%	0.00%
	Mental Health	0.08%	0.00%	0.00%	0.00%
	Narcotic Pain Relievers	0.00%	0.00%	0.00%	0.00%
	Non-Narcotic Pain Relievers	0.08%	0.00%	0.00%	0.00%
	Overactive Bladder	0.00%	0.00%	0.00%	0.00%
	Skin Treatments	0.17%	0.00%	0.00%	0.00%
	Sleep Disorders	0.05%	0.00%	0.00%	0.00%
Stomach Acid	0.14%	0.14%	0.00%	0.00%	



**Table 64 – Pharmacy: Clinical Management Programs**

Clinical Module A	0.0%
Clinical Module B	0.5%
Clinical Module C	1.5%

**Table 65 – Pharmacy: Demographic Factors**

	Employee		Spouse		Child		Unisex
	Male	Female	Male	Female	Male	Female	
< 20	0.2084	0.3751	0.3297	0.2634	0.3942	0.3230	0.3589
20-24	0.2440	0.5903	0.2446	0.4839	0.4476	0.7799	0.4881
25-29	0.3795	0.8006	0.4117	0.6721	0.4529	0.8807	0.5823
30-34	0.5260	0.9246	0.5830	0.8380	0.6413	1.0170	0.7161
35-39	0.7388	1.0664	0.7979	1.0479	0.8777	1.1730	0.9070
40-44	1.0068	1.2234	1.0790	1.2657	1.1869	1.3923	1.1347
45-49	1.2890	1.4629	1.4365	1.6509	1.5801	1.8160	1.4360
50-54	1.6628	1.8403	1.8757	2.1538	2.0633	2.3692	1.8439
55-59	2.0812	2.2293	2.3249	2.6425	2.5574	2.9068	2.2691
60-64	2.5926	2.6871	2.8450	3.1016	3.1295	3.4117	2.7501
65-69	2.9262	2.8160	3.4921	3.4396	3.8413	3.7836	3.0846
70+	3.4832	3.1700	3.7438	3.8747	4.1182	4.2621	3.5014

**Table 66 – Pharmacy: Mandate Factors**

State	Adjustment
CO	0.001
CT	0.001
DC	0.001
DE	0.001
HI	0.001
IA	0.001
IL	0.001
IN	0.001
KS	0.001
LA	0.001
MA	0.001
MD	0.001
MN	0.001
NE	0.001
NJ	0.001
NM	0.001
NY	0.001
OR	0.001
TX	0.001
VA	0.001
VT	0.001
WA	0.001

**Table 67 – Pharmacy: Utilization Dampening Factors**

<b>Cost Share</b>	0.0%	0.5%	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%	4.0%	4.5%	5.0%	5.5%	6.0%	6.5%	7.0%	7.5%	8.0%	8.5%
<b>Factor</b>	1.150	1.150	1.150	1.150	1.150	1.134	1.125	1.121	1.116	1.112	1.108	1.103	1.099	1.094	1.090	1.086	1.081	1.077
<b>Cost Share</b>	9.0%	9.5%	10.0%	10.5%	11.0%	11.5%	12.0%	12.5%	13.0%	13.5%	14.0%	14.5%	15.0%	15.5%	16.0%	16.5%	17.0%	17.5%
<b>Factor</b>	1.073	1.068	1.064	1.059	1.055	1.051	1.046	1.042	1.038	1.033	1.029	1.024	1.020	1.016	1.011	1.007	1.003	0.998
<b>Cost Share</b>	18.0%	18.5%	19.0%	19.5%	20.0%	20.5%	21.0%	21.5%	22.0%	22.5%	23.0%	23.5%	24.0%	24.5%	25.0%	25.5%	26.0%	26.5%
<b>Factor</b>	0.994	0.989	0.985	0.981	0.977	0.973	0.969	0.966	0.962	0.958	0.954	0.951	0.947	0.943	0.939	0.936	0.932	0.928
<b>Cost Share</b>	27.0%	27.5%	28.0%	28.5%	29.0%	29.5%	30.0%	30.5%	31.0%	31.5%	32.0%	32.5%	33.0%	33.5%	34.0%	34.5%	35.0%	35.5%
<b>Factor</b>	0.924	0.921	0.917	0.913	0.909	0.906	0.902	0.898	0.894	0.891	0.887	0.883	0.879	0.876	0.872	0.868	0.864	0.861
<b>Cost Share</b>	36.0%	36.5%	37.0%	37.5%	38.0%	38.5%	39.0%	39.5%	40.0%	40.5%	41.0%	41.5%	42.0%	42.5%	43.0%	43.5%	44.0%	44.5%
<b>Factor</b>	0.857	0.853	0.849	0.846	0.842	0.838	0.834	0.831	0.827	0.823	0.819	0.816	0.812	0.808	0.804	0.801	0.800	0.800
<b>Cost Share</b>	45.0%	45.5%	46.0%	46.5%	47.0%	47.5%	48.0%	48.5%	49.0%	49.5%	50.0%	50.5%	51.0%	51.5%	52.0%	52.5%	53.0%	53.5%
<b>Factor</b>	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800
<b>Cost Share</b>	54.0%	54.5%	55.0%	55.5%	56.0%	56.5%	57.0%	57.5%	58.0%	58.5%	59.0%	59.5%	60.0%	60.5%	61.0%	61.5%	62.0%	62.5%
<b>Factor</b>	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800
<b>Cost Share</b>	63.0%	63.5%	64.0%	64.5%	65.0%	65.5%	66.0%	66.5%	67.0%	67.5%	68.0%	68.5%	69.0%	69.5%	70.0%	70.5%	71.0%	71.5%
<b>Factor</b>	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800
<b>Cost Share</b>	72.0%	72.5%	73.0%	73.5%	74.0%	74.5%	75.0%	75.5%	76.0%	76.5%	77.0%	77.5%	78.0%	78.5%	79.0%	79.5%	80.0%	80.5%
<b>Factor</b>	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800
<b>Cost Share</b>	81.0%	81.5%	82.0%	82.5%	83.0%	83.5%	84.0%	84.5%	85.0%	85.5%	86.0%	86.5%	87.0%	87.5%	88.0%	88.5%	89.0%	89.5%
<b>Factor</b>	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800
<b>Cost Share</b>	90.0%	90.5%	91.0%	91.5%	92.0%	92.5%	93.0%	93.5%	94.0%	94.5%	95.0%							
<b>Factor</b>	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800							

**Table 68 – Pharmacy: Multiple Offering Load**

<b>State</b>	<b>Load</b>	
	<b>Minimum</b>	<b>Maximum</b>
California	0.00%	2.00%
Texas	0.00%	5.00%

# Appendix H: FACETS Pharmacy Tables

Table 69 – FACETS Retail AWP per Script Assumptions

Formulary Type	Cost Category	Preventative Generic	Non-Preventative Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)
Legacy	All else	\$106.57	\$104.91	\$307.75	\$422.88	\$136.01
	Antihistamines	\$0.00	\$80.58	\$204.21	\$189.55	\$244.13
	Contraceptives	\$0.00	\$0.00	\$127.50	\$131.46	\$80.21
	Fertility	\$0.00	\$84.66	\$0.00	\$1,520.28	\$129.80
	Lifestyle, drugs w/OTC options	\$41.84	\$0.00	\$284.88	\$252.72	\$284.60
	PPIs	\$0.00	\$202.99	\$288.29	\$314.97	\$403.19
	Smoking Cessation	\$0.00	\$0.00	\$271.52	\$270.41	\$61.12
Performance	Specialty	\$0.00	\$343.15	\$2,773.12	\$3,597.50	\$3,977.69
	All else	\$106.50	\$105.00	\$303.93	\$419.31	\$137.24
	Antihistamines	\$0.00	\$80.58	\$204.21	\$189.55	\$244.13
	Contraceptives	\$0.00	\$0.00	\$127.50	\$131.46	\$80.21
	Fertility	\$0.00	\$84.66	\$0.00	\$1,520.28	\$129.80
	Lifestyle, drugs w/OTC options	\$41.84	\$0.00	\$284.88	\$252.72	\$284.60
	PPIs	\$0.00	\$202.99	\$288.29	\$314.97	\$403.19
Advantage	Smoking Cessation	\$0.00	\$0.00	\$271.52	\$270.41	\$61.12
	Specialty	\$0.00	\$343.15	\$2,779.56	\$3,597.50	\$3,244.51
	All else	\$106.57	\$105.08	\$304.32	\$386.43	\$164.97
	Antihistamines	\$0.00	\$80.58	\$204.21	\$189.55	\$244.13
	Contraceptives	\$0.00	\$0.00	\$127.50	\$131.46	\$80.21
	Fertility	\$0.00	\$84.66	\$0.00	\$1,520.28	\$129.80
	Lifestyle, drugs w/OTC options	\$41.84	\$0.00	\$284.88	\$252.72	\$284.60
Advantage, DRT	PPIs	\$0.00	\$202.99	\$288.29	\$314.97	\$403.19
	Smoking Cessation	\$0.00	\$0.00	\$271.52	\$270.41	\$61.12
	Specialty	\$0.00	\$343.15	\$2,780.56	\$3,597.50	\$3,064.81
	All else	\$106.53	\$106.60	\$305.09	\$414.13	\$140.58
	Antihistamines	\$0.00	\$94.67	\$182.57	\$207.89	\$244.25
	Contraceptives	\$0.00	\$0.00	\$127.50	\$131.46	\$80.21
	Fertility	\$0.00	\$84.66	\$0.00	\$1,520.28	\$129.80
Generics Only	Lifestyle, drugs w/OTC options	\$41.84	\$0.00	\$284.88	\$252.72	\$284.60
	PPIs	\$0.00	\$202.99	\$288.29	\$314.97	\$403.19
	Smoking Cessation	\$0.00	\$0.00	\$271.52	\$270.41	\$61.12
	Specialty	\$0.00	\$343.15	\$2,758.09	\$3,531.97	\$1,166.80
	All else	\$106.50	\$105.00	\$305.09	\$414.13	\$140.58
	Antihistamines	\$0.00	\$80.58	\$204.21	\$189.55	\$244.13
	Contraceptives	\$0.00	\$0.00	\$127.50	\$131.46	\$80.21

Table 70 – FACETS Mail Order AWP per Script Assumptions

Formulary Type	Cost Category	Preventative Generic	Non-Preventative Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)
Legacy	All else	\$331.21	\$326.05	\$956.42	\$1,314.25	\$422.71
	Antihistamines	\$0.00	\$281.69	\$713.90	\$662.64	\$853.46
	Contraceptives	\$0.00	\$0.00	\$297.99	\$307.25	\$187.47
	Fertility	\$0.00	\$449.07	\$0.00	\$8,064.62	\$688.56
	Lifestyle, drugs w/OTC options	\$148.94	\$0.00	\$1,014.16	\$899.67	\$1,013.14
	PPIs	\$0.00	\$528.36	\$750.38	\$819.83	\$1,049.44
	Smoking Cessation	\$0.00	\$0.00	\$684.03	\$681.25	\$153.97
	Specialty	\$0.00	\$756.60	\$6,114.29	\$7,931.91	\$8,770.18
Performance	All else	\$332.76	\$328.06	\$949.63	\$1,310.13	\$428.81
	Antihistamines	\$0.00	\$281.69	\$713.90	\$662.64	\$853.46
	Contraceptives	\$0.00	\$0.00	\$297.99	\$307.25	\$187.47
	Fertility	\$0.00	\$449.07	\$0.00	\$8,064.62	\$688.56
	Lifestyle, drugs w/OTC options	\$148.94	\$0.00	\$1,014.16	\$899.67	\$1,013.14
	PPIs	\$0.00	\$528.36	\$750.38	\$819.83	\$1,049.44
	Smoking Cessation	\$0.00	\$0.00	\$684.03	\$681.25	\$153.97
	Specialty	\$0.00	\$756.60	\$6,128.49	\$7,931.91	\$7,153.62
Advantage	All else	\$331.46	\$326.83	\$946.51	\$1,201.90	\$513.10
	Antihistamines	\$0.00	\$281.69	\$713.90	\$662.64	\$853.46
	Contraceptives	\$0.00	\$0.00	\$297.99	\$307.25	\$187.47
	Fertility	\$0.00	\$449.07	\$0.00	\$8,064.62	\$688.56
	Lifestyle, drugs w/OTC options	\$148.94	\$0.00	\$1,014.16	\$899.67	\$1,013.14
	PPIs	\$0.00	\$528.36	\$750.38	\$819.83	\$1,049.44
	Smoking Cessation	\$0.00	\$0.00	\$684.03	\$681.25	\$153.97
	Specialty	\$0.00	\$756.60	\$6,130.69	\$7,931.91	\$6,757.42
Advantage, DRT	All else	\$332.94	\$333.16	\$953.54	\$1,294.35	\$439.36
	Antihistamines	\$0.00	\$329.12	\$634.71	\$722.73	\$849.17
	Contraceptives	\$0.00	\$0.00	\$297.99	\$307.25	\$187.47
	Fertility	\$0.00	\$449.07	\$0.00	\$8,064.62	\$688.56
	Lifestyle, drugs w/OTC options	\$148.94	\$0.00	\$1,014.16	\$899.67	\$1,013.14
	PPIs	\$0.00	\$528.36	\$750.38	\$819.83	\$1,049.44
	Smoking Cessation	\$0.00	\$0.00	\$684.03	\$681.25	\$153.97
	Specialty	\$0.00	\$756.60	\$6,081.16	\$7,787.42	\$2,572.62
Generics Only	All else	\$332.76	\$328.06			
	Antihistamines	\$0.00	\$281.69			
	Contraceptives	\$0.00	\$0.00			
	Fertility	\$0.00	\$449.07			
	Lifestyle, drugs w/OTC options	\$148.94	\$0.00			
	PPIs	\$0.00	\$528.36			
	Smoking Cessation	\$0.00	\$0.00			
	Specialty	\$0.00	\$756.60			

Table 71 – FACETS Retail Script Count PMPY Assumptions

Formulary Type	Cost Category	Preventative Generic	Non-Preventative Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)
Legacy	All else	2.2334	4.6756	1.0915	0.2295	0.1068
	Antihistamines	0.0000	0.1970	0.0402	0.0060	0.0022
	Contraceptives	0.0000	0.0000	0.0957	0.0080	0.0000
	Fertility	0.0000	0.0054	0.0000	0.0014	0.0003
	Lifestyle, drugs w/OTC options	0.0074	0.0000	0.0486	0.0071	0.0002
	PPIs	0.0000	0.2455	0.0236	0.0032	0.0225
	Smoking Cessation	0.0000	0.0000	0.0083	0.0001	0.0000
	Specialty	0.0000	0.0102	0.0114	0.0045	0.0001
Performance	All else	2.2334	4.6868	1.1236	0.2048	0.0882
	Antihistamines	0.0000	0.1970	0.0402	0.0060	0.0022
	Contraceptives	0.0000	0.0000	0.0957	0.0080	0.0000
	Fertility	0.0000	0.0054	0.0000	0.0014	0.0003
	Lifestyle, drugs w/OTC options	0.0074	0.0000	0.0486	0.0071	0.0002
	PPIs	0.0000	0.2455	0.0236	0.0032	0.0225
	Smoking Cessation	0.0000	0.0000	0.0083	0.0001	0.0000
	Specialty	0.0000	0.0102	0.0115	0.0045	0.0001
Advantage	All else	2.2338	4.6817	0.9122	0.3766	0.1325
	Antihistamines	0.0000	0.1970	0.0402	0.0060	0.0022
	Contraceptives	0.0000	0.0000	0.0957	0.0080	0.0000
	Fertility	0.0000	0.0054	0.0000	0.0014	0.0003
	Lifestyle, drugs w/OTC options	0.0074	0.0000	0.0486	0.0071	0.0002
	PPIs	0.0000	0.2455	0.0236	0.0032	0.0225
	Smoking Cessation	0.0000	0.0000	0.0083	0.0001	0.0000
	Specialty	0.0000	0.0102	0.0115	0.0045	0.0001
Advantage, DRT	All else	2.2363	4.7358	1.0610	0.2138	0.0899
	Antihistamines	0.0000	0.2262	0.0134	0.0037	0.0022
	Contraceptives	0.0000	0.0000	0.0957	0.0080	0.0000
	Fertility	0.0000	0.0054	0.0000	0.0014	0.0003
	Lifestyle, drugs w/OTC options	0.0074	0.0000	0.0486	0.0071	0.0002
	PPIs	0.0000	0.2455	0.0236	0.0032	0.0225
	Smoking Cessation	0.0000	0.0000	0.0083	0.0001	0.0000
	Specialty	0.0000	0.0102	0.0107	0.0053	0.0000
Generics Only	All else	2.2334	4.6868			
	Antihistamines	0.0000	0.1970			
	Contraceptives	0.0000	0.0000			
	Fertility	0.0000	0.0054			
	Lifestyle, drugs w/OTC options	0.0074	0.0000			
	PPIs	0.0000	0.2455			
	Smoking Cessation	0.0000	0.0000			
	Specialty	0.0000	0.0102			

Table 72 – FACETS Mail Order Script Count PMPY Assumptions

Formulary Type	Cost Category	Preventative Generic	Non-Preventative Generic	Preferred Brand	Non-Preferred Brand (Single Source)	Non-Preferred Brand (Multi-Source)
Legacy	All else	0.1011	0.2116	0.0494	0.0104	0.0048
	Antihistamines	0.0000	0.0058	0.0012	0.0002	0.0001
	Contraceptives	0.0000	0.0000	0.0035	0.0003	0.0000
	Fertility	0.0000	0.0008	0.0000	0.0002	0.0000
	Lifestyle, drugs w/OTC options	0.0003	0.0000	0.0017	0.0002	0.0000
	PPIs	0.0000	0.0190	0.0018	0.0002	0.0017
	Smoking Cessation	0.0000	0.0000	0.0001	0.0000	0.0000
	Specialty	0.0000	0.0286	0.0321	0.0127	0.0002
Performance	All else	0.1011	0.2121	0.0509	0.0093	0.0040
	Antihistamines	0.0000	0.0058	0.0012	0.0002	0.0001
	Contraceptives	0.0000	0.0000	0.0035	0.0003	0.0000
	Fertility	0.0000	0.0008	0.0000	0.0002	0.0000
	Lifestyle, drugs w/OTC options	0.0003	0.0000	0.0017	0.0002	0.0000
	PPIs	0.0000	0.0190	0.0018	0.0002	0.0017
	Smoking Cessation	0.0000	0.0000	0.0001	0.0000	0.0000
	Specialty	0.0000	0.0286	0.0322	0.0127	0.0002
Advantage	All else	0.1011	0.2119	0.0413	0.0170	0.0060
	Antihistamines	0.0000	0.0058	0.0012	0.0002	0.0001
	Contraceptives	0.0000	0.0000	0.0035	0.0003	0.0000
	Fertility	0.0000	0.0008	0.0000	0.0002	0.0000
	Lifestyle, drugs w/OTC options	0.0003	0.0000	0.0017	0.0002	0.0000
	PPIs	0.0000	0.0190	0.0018	0.0002	0.0017
	Smoking Cessation	0.0000	0.0000	0.0001	0.0000	0.0000
	Specialty	0.0000	0.0286	0.0322	0.0127	0.0002
Advantage, DRT	All else	0.1012	0.2144	0.0480	0.0097	0.0041
	Antihistamines	0.0000	0.0067	0.0004	0.0001	0.0001
	Contraceptives	0.0000	0.0000	0.0035	0.0003	0.0000
	Fertility	0.0000	0.0008	0.0000	0.0002	0.0000
	Lifestyle, drugs w/OTC options	0.0003	0.0000	0.0017	0.0002	0.0000
	PPIs	0.0000	0.0190	0.0018	0.0002	0.0017
	Smoking Cessation	0.0000	0.0000	0.0001	0.0000	0.0000
	Specialty	0.0000	0.0286	0.0300	0.0150	0.0001
Generics Only	All else	0.1011	0.2121			
	Antihistamines	0.0000	0.0058			
	Contraceptives	0.0000	0.0000			
	Fertility	0.0000	0.0008			
	Lifestyle, drugs w/OTC options	0.0003	0.0000			
	PPIs	0.0000	0.0190			
	Smoking Cessation	0.0000	0.0000			
	Specialty	0.0000	0.0286			

Table 73 – FACETS Retail Discounts and Dispensing Fees

Network	Pricing Package	Year	Generic Discount	Brand Discount (30 Day)	Brand Discount (90 Day)	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National	1	2014	62.80%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2015	65.50%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2016	65.50%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2017	65.50%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
	10	2014	70.50%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
		2015	72.00%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
		2016	72.00%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
National excluding CVS	12	2014	64.05%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2015	66.75%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2016	66.75%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2017	66.75%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
	15	2014	71.75%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
		2015	73.25%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
		2016	73.25%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
National excluding WAG	12	2014	64.05%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2015	66.75%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2016	66.75%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
		2017	66.75%	11.00%	14.00%	11.00%	\$1.50	\$1.50	\$1.50
	15	2014	71.75%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
		2015	73.25%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
		2016	73.25%	14.00%	17.00%	14.00%	\$1.30	\$1.30	\$1.30
National excluding CVS & WAG	16	2014	64.45%	12.50%	15.50%	12.50%	\$1.50	\$1.50	\$1.50
		2015	67.15%	12.50%	15.50%	12.50%	\$1.50	\$1.50	\$1.50
		2016	67.15%	12.50%	15.50%	12.50%	\$1.50	\$1.50	\$1.50
		2017	67.15%	12.50%	15.50%	12.50%	\$1.50	\$1.50	\$1.50
	19	2014	72.15%	15.50%	18.50%	15.50%	\$1.30	\$1.30	\$1.30
		2015	73.65%	15.50%	18.50%	15.50%	\$1.30	\$1.30	\$1.30
		2016	73.65%	15.50%	18.50%	15.50%	\$1.30	\$1.30	\$1.30
		2017	73.65%	15.50%	18.50%	15.50%	\$1.30	\$1.30	\$1.30



Table 74 – FACETS Mail Order Discounts and Dispensing Fees

Network	Pricing Package	Year	Generic Discount	Brand Discount	Specialty Discount	Generic Dispensing Fee	Brand Dispensing Fee	Specialty Dispensing Fee
National	1	2014	62.80%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2017	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
	10	2014	73.00%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
2017		74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00	
National excluding CVS	12	2014	62.80%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2017	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
	15	2014	73.00%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
2017		74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00	
National excluding WAG	12	2014	62.80%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2017	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
	15	2014	73.00%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
2017		74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00	
National excluding CVS & WAG	16	2014	62.80%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
		2017	67.50%	17.00%	12.10%	\$0.00	\$0.00	\$0.00
	19	2014	73.00%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2015	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
		2016	74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00
2017		74.50%	20.00%	12.10%	\$0.00	\$0.00	\$0.00	

## **EXHIBIT I**

### ACTUARIAL MEMORANDUM AND CERTIFICATION

#### Scope and Purpose

The purpose of this filing is to submit CIGNA Health and Life Insurance Company's group manual rating methodology. Our pricing model was developed to provide a consistent rating methodology across products. This filing includes Open Access Plus, PPO, Network, Indemnity, and retiree medical insurance product, and is applicable for groups of 51 or more lives. Methodology is also included for Pharmacy products.

#### Benefit Description

The benefits covered in this memorandum include group health insurance coverage as described in CIGNA Health and Life Insurance Company forms HP-POL et al, and HC-TOC et al.

#### Census

Member level census will be used when available. If only subscriber level data is available, penetration and translation assumptions will be used to create a member level census for manual rate development. The penetration and translation assumptions used are developed from studies of our book of business, which includes experience from similar CIGNA Health and Life Insurance Company ("CHLIC") policies. Penetration estimates the number of subscribers that will select the CIGNA Health and Life Insurance Company plan; the translation process develops projected subscribers and members within rating tiers.

#### Adjustments to Base Claims

The base claim rates by area are adjusted for certain group and member characteristics. These include industry loads and discounts, age and sex demographic adjustments, and trends.

Adjustments for industry (SIC) are developed from a study of our book of business combined with results from an outside consultant's national industry factor assessment study.

Age and sex demographic adjustments are developed from a study of our book of business. The resulting age/sex slopes are normalized to represent the national census.

Trends reflect historical experience from CHLIC's group medical experience and projections for future levels. Medical trend rates are applied on a daily basis.

#### Benefit Plan Adjustments

Base claims are reduced for specific cost sharing features of the product and benefit plan selected. Copay and other cost sharing benefit design related adjustments are made using assumptions regarding utilization levels by base claim component. Claim distributions are used to determine the impact of deductibles, coinsurance and out of pocket maximums. In addition, a utilization dampening factor is applied to reflect lower utilization levels as cost sharing rises.

#### Renewability Clause

The benefit plans covered under this memorandum are guaranteed renewable.

#### Applicability

CHLIC, Inc. anticipates both renewals and new issues from the forms currently filed.

#### Marketing Method

These products are sold to employer-employee groups, labor union groups and association groups through CIGNA Health and Life Insurance Company group sales offices.

### Premium Classes

Premium rates may vary by product, plan design, geographic area, group demographics, industry, effective date, experience, and underwriting discretion.

### Issue Age Range

There are no issue age restrictions in our policy forms; however, eligibility requirements must be fulfilled.

### Premium Modalization Rules

The CIGNA Health and Life Insurance Company Health Manual produces monthly premiums. Modalization factors are expressed as a function of these monthly rates as follows:

Annual	11.8227
Semi-Annual	5.9557
Quarterly	2.9852

### Distribution of Business

Rates vary by geographic location and group specific characteristics, including demographics. Target distribution is to groups with both single employees and employees with dependents, assuming a 40/60 distribution

### Rating

The group rates filed represent the rate level we expect to be necessary to achieve a desired average loss ratio for all group contracts. Accordingly, actual rates for groups will vary as a result of a variety of factors. These include variation in benefit plan, age, gender, family composition, size, industry, area, healthplan claim experience, and underwriting discretion.

Depending upon group size, case specific claim experience may be used to adjust the rate. Credibility is based on group size, pooling level and months of experience. Rates for partially credible groups are based on a blend of experience and manual rating.

For Minimum Premium plans, the premium paid by the policyholder is reduced for the portion of the total claim amount that is expected to be self-insured.

### Anticipated Loss Ratio

The methodology and supporting factors apply to groups of 51 or more employees.

The anticipated large group loss ratio for this policy is 82.2%.

The components of Cigna's retention for our Large Group pricing are as follows:

Administrative Expenses	6.0%
Optional Buy-ups	0.6%
PPACA Fees	3.5%
Risk Charge	0.4%
Premium and Income Taxes	2.0%
Profit	3.5%
State Assessments	1.5%
Commissions	0.4%
Total	17.8%

Per the requirement of the GMCB, the profit assumption in our filed and approved rating methodology is 1.0%. In this proposed filing, we are resubmitting assumptions for retention which includes a profit assumption of 3.5%. Please see reference to Cigna's position regarding this assumption in the attached link. [http://ratereview.vermont.gov/sites/dfr/files/GMCB\\_006\\_15rr\\_Cigna\\_SupplementalMemo.pdf](http://ratereview.vermont.gov/sites/dfr/files/GMCB_006_15rr_Cigna_SupplementalMemo.pdf).

Per the regulations of the Affordable Care Act, Cigna has not paid a rebate in 2013, 2014, and does not anticipate paying a rebate in 2015. The 2016 target loss ratio (traditional basis), 82.2% (above), corresponds to a projected federal MLR of 86.4% after adjusting for federally defined elements such as the removal of PPACA taxes & fees, third party vendor expenses, quality improvement expenses and premium taxes. Cigna does not anticipate paying a rebate in 2016.

#### Comparison to Status Quo

This filing includes a number of changes to our medical and pharmacy rating methodologies. It is difficult to quantify each change independent of the others. The average expected decrease in manual rates in Vermont is -1.1%. This figure was calculated by comparing the current filed and approved manuals using an illustrative effective date of 1/1/2016 to the proposed 1/1/2016 manuals for a representative sample of Vermont situated business. Note: The number of fully insured accounts situated in Vermont in 2014 was 15 consistent with the company's Supplemental Health Care Exhibits.

## Changes to Methodology for the 2016 Cigna Rate Filing

- Updates to the base medical claim assumptions and the claims probability distribution
- Updates to our medical area factors and trend
- Separation of “Lab” and “Radiology” into distinct sub-cost categories. Updates to major service category weightings by sub-cost category
- For plans with combined medical and pharmacy claims: update to pharmacy deductible applicability methodology
- Updates to the collective deductible and collective out-of-pocket maximum methodologies
- Addition of the demographic aging adjustment to the demographic factor
- Addition of a cap on utilization dampening for some major service categories
- Community rate loads – addition of the following:
  - More multiple offering load values
  - More office surgery adjustment options
  - Lock-in decrement
  - Case-size adjustment
  - Criteria-Based Network Adjustment
  - ER/UC steerage adjustment
  - Medical specialty drugs steerage adjustment
  - Independent lab steerage adjustment
  - Enhanced non-par claims adjustment
- Riders
  - Updates to base rates for all riders
  - Updates to and simplification of the Vision rider methodology, including removal of the platform dependency
  - Addition of “Health Advisor” and “Personal Health Team” health management programs
  - Updates to the out-of-network preventive care rider methodology
  - Addition of standardized pricing for the following benefits not standardly offered:
    - Short term rehab coverage for autism and developmental delays
    - Applied Behavioral Analysis therapy for autism
    - Hearing aids
    - Gender reassignment
    - Artificial insemination
    - Skilled nursing
- Updates to rates for Mental Health/Substance Use Disorder products (referred to in prior filings as “Mental Health/Substance Abuse”)
- Updates to the pharmacy area factors, pharmacy trend and base claim assumptions. The updates reflect the growing cost of specialty drugs, planned revisions to our drug lists, and market-specific experience. The impact of these changes will vary based on plan characteristics.

### **Credibility Formula Revision**

Cigna Health and Life Insurance Company uses experience rating on large employer commercial customers to set future rates based on the past experience of the customer, where a customer is defined as the aggregation of all Cigna Health and Life Insurance Company accounts associated with a given employer, nationwide.

For prospectively rated accounts, the number of member months at which the experience is considered fully credible depends on the pooling point, shown in the chart below. Partial credibility (blending experience with manual) would be reflected using the following formula:

$$Credibility = \sqrt{\frac{Member\ Months}{Upper\ Bound}}$$

Where the upper bound varies based on pooling point as follows:

<b>Pooling Point Range</b>	<b>Upper Bound</b>
\$0-\$29,999	5552
\$30,000 -\$59,999	7000
\$60,000 - \$89,999	9000
\$90,000 - \$139,999	11000
\$140,000 +	12000

There is a minimum of 5 months of experience for paid claims and 4 months for incurred claims as well as a minimum overall of 100 member months to have any credibility. If member months are greater than or equal to the upper bound, credibility is 100%.

## ACTUARIAL CERTIFICATION

### Opinion

In my opinion, the rates were developed using reasonable actuarial assumptions, and the rate levels are reasonable in relationship to the benefits provided. The actuarial data and experience will be maintained by the company and available for review by the Commissioner of Insurance upon request.

I certify that to the best of my knowledge and judgment, this rate filing is in compliance with the applicable laws and regulations of the State. In summary, I believe that the rating assumptions proposed will produce rates which are not excessive, inadequate, or unfairly discriminatory

A handwritten signature in blue ink that reads "Matthew Danziger". The signature is written in a cursive style.

Matthew D. Danziger, FSA, MAAA  
Actuarial Director

Date: 12/31/2015