

City of Stockton

Health Benefits Reports - Fiscal Year Ending 2017

A large, dark blue, stylized arrow pointing to the right, which serves as a background for the Segal Consulting logo.

✦ Segal Consulting



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March 15, 2017

*Kurt O. Wilson
City Manager
City of Stockton
425 N. El Dorado Street
Stockton, CA 95202*

Dear Kurt:

We are pleased to present the City Health Plan Cost Projection for July 1, 2016 - June 30, 2017 and July 1, 2017 - June 30, 2018. This report also reviews the medical plan experience through December 31, 2016.

We look forward to reviewing this report with you and answering any questions you may have at the next meeting. However, if there are any questions that need to be addressed prior to the meeting, please do not hesitate to contact us.

Sincerely,

Segal Consulting

By:



Thomas M. Morrison, Jr.
Senior Vice President
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Section 1

City of Stockton 2017/2018 Projection

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Section 1

City of Stockton 2017/2018 Projection

Key Findings,
Recommendations

-
- *Presented in this report are the proposed rates for the City of Stockton Health Plan for fiscal year July 1, 2017 through June 30, 2018.*
 - *The projected plan expenses have been calculated using the most recent 36 months of available claims experience, from January 1, 2014 through December 31, 2016 for the Active groups.*
 - *As of the date of this report, negotiated employer contribution rates will be as stated below effective July 1, 2017:*
 - *City's contribution for active employees in all bargaining units remained a fixed monthly amount of \$631 for single employee, \$1,146 for 2-party and \$1,526 for families.*
 - *Retirees contribute the entire cost of coverage to participate in the City's health plan.*
 - *As a result of the availability of the Kaiser DHMO option and the addition of the Kaiser HMO and Sutter Health Plus HMO options effective July 1, 2016, the Active enrollment continues to decline in the City's self-funded health plans.*
 - *The 2017/2018 required increases/decreases for Active employees are:*
 - *PPO FFS Medical Plan decrease of 6% for Single, 6% for Two-Party and 6.1% for Family*
 - *Kaiser DHMO Medical Plan decrease of 0.6%*
 - *Kaiser HMO Medical Plan decrease of 0.5%*
 - *Sutter Health Plus HMO Medical Plan decrease 0.2% for Single, 0.1% for Two-Party and 0.1% for Family*
 - *Dental decrease of 3.3%*
 - *Vision increase of 8.8% for Single, 8.8% for Two-Party and 8.7% for Family*
 - *The 2017/2018 required increases for Retirees are:*
 - *Retiree Under 65 Modified Medical Plan increase of 2.9%*
 - *Retiree Over 65 Modified Medical Plan increase of 11.7%*
 - *Retiree Over 65 Original Medical Plan increase of 8.2%*
 - *The current Medical out-of-pocket maximum is \$5,000 single/\$10,000 family and includes deductibles, co-pays, and co-insurance as required by the Affordable Care Act. The current Prescription Drug out-of-pocket maximum is \$1,600 single/\$3,200 family. The total out-of-pocket expenses remain under the Affordable Care Act 2017 plan year limit of \$7,150 single/\$14,300 family.*
 - *Active medical plan experience was very favorable for the most recent experience period of calendar year 2016 with no large claims. The prescription drug expenses continued to drop in 2016 compared to prior years.*
 - *A detailed review of the City Health Plan expenses and enrollment is included in Section 2.*
 - *The Active dental plan decrease is due to favorable plan experience.*

Section 1

City of Stockton 2017/2018 Projection

**Key Findings,
Recommendations**

-
- *The average 2015/2016 Retiree plan enrollment combined for the Under and Over 65 Retirees is less than 30. The year-to-date average 2016/2017 enrollment is around 25. Due to very low enrollment in the retiree plans, claims are subject to significant fluctuation. Medical and prescription drug trends were applied to the 2016/2017 Retiree rates to develop the 2017/2018 Retiree rates. The claims experience was not used as the experience is not credible based on the size of the group. Because of the low enrollment in the retiree plans, cost breakdown by each group is not provided to comply with privacy requirements.*
 - *The City has reported the self-funded plan reserve at \$14.0 million in 2015/2016 after funding the IBNR. These reserves fully fund the recommended Claims Fluctuation for the self-funded plan and Economic Reserves for the self-funded plan and the fully-insured Kaiser and Sutter Health Plus plans.*
 - *The OE 3 plans are not included in our analysis in this report. The City has estimated the administrative cost as \$27.55 per employee/per month for this plan. At the City's request, Segal is including this in the report for informational purpose only.*
 - *Effective July 1, 2015 the City allows part-time employees to elect the Kaiser high deductible plan with the employee paying the full cost of coverage.*
 - *The rate projection includes the Patient Centered Outcomes Research fee and temporary re-insurance fee as required under the Affordable Care Act. The temporary re-insurance fee ceased after 2016.*
 - *Financial budget projections are subject to change due to claims fluctuation, benefit plan changes, eligibility trends, industry activity, legislative actions, and other economic developments. Therefore, suggested reserve levels are included as an exhibit in this Section 1.*
 - *The projections in this report are estimates of future costs and are based on unaudited information available to Segal Consulting at the time the projections were made. Projections are not a guarantee of future results. Actual experience may differ due to, but not limited to, such variables as changes in the regulatory environment, local market pressure, changes in group demographics, overall inflation rates and claims volatility. The accuracy and reliability of health projections decrease as the projection period increases.*
 - *Projection of retiree costs takes into account only the dollar value of providing benefits for current retirees during the period referred to in the projection. It does not reflect the present value of any future retiree benefits for active, disabled or terminated employees during a period other than that which is referred to in the projection, nor does it reflect any anticipated increase in the number of those eligible for retiree benefits, or any changes that may occur in the nature of benefits over time.*

Section 1

TABLE 1A

**2017/2018 Monthly Premium Rates - Active
Without Claims Fluctuation Margin**

PPO FFS Medical

Active Monthly Premium Rates	2016/2017*	2017/2018**	Percent Change from Prior Year
Employee only	\$780.57	\$734.04	-6.0%
Employee plus 1 dependent	\$1,405.28	\$1,321.32	-6.0%
Employee plus 2 or more dependents	\$1,875.56	\$1,762.05	-6.1%

*2016/2017 rates include City's administrative fees of \$54.11 for employee only, \$97.40 for employee plus 1, \$129.86 for employee plus 2 or more

**2017/2018 rates include City's administrative fees of \$57.71 for employee only, \$103.88 for employee plus 1, \$138.49 for employee plus 2 or more

Kaiser DHMO

Active Monthly Premium Rates	2016/2017*	2017/2018**	Percent Change from Prior Year
Employee only	\$631.45	\$627.85	-0.6%
Employee plus 1 dependent	\$1,136.60	\$1,130.14	-0.6%
Employee plus 2 or more dependents	\$1,515.46	\$1,506.84	-0.6%

*2016/2017 rates include City's administrative fees of \$44.89 for employee only, \$80.80 for employee plus 1, \$107.72 for employee plus 2 or more

**2017/2018 rates include City's administrative fees of \$43.17 for employee only, \$77.71 for employee plus 1, \$103.60 for employee plus 2 or more

Kaiser HMO (including Chiropractic and Acupuncture Rider)

Active Monthly Premium Rates	2016/2017*	2017/2018**	Percent Change from Prior Year
Employee only	\$739.31	\$735.31	-0.5%
Employee plus 1 dependent	\$1,330.75	\$1,323.56	-0.5%
Employee plus 2 or more dependents	\$1,774.31	\$1,764.73	-0.5%

*2016/2017 rates include City's administrative fees of \$44.89 for employee only, \$80.80 for employee plus 1, \$107.72 for employee plus 2 or more

**2017/2018 rates include City's administrative fees of \$43.17 for employee only, \$77.71 for employee plus 1, \$103.60 for employee plus 2 or more

Sutter Health Plus HMO (including Chiropractic and Acupuncture Rider)

Active Monthly Premium Rates	2016/2017*	2017/2018**	Percent Change from Prior Year
Employee only	\$685.18	\$684.12	-0.2%
Employee plus 1 dependent	\$1,234.07	\$1,232.22	-0.1%
Employee plus 2 or more dependents	\$1,646.16	\$1,643.76	-0.1%

*2016/2017 rates include City's administrative fees of \$44.89 for employee only, \$80.80 for employee plus 1, \$107.72 for employee plus 2 or more

**2017/2018 rates include City's administrative fees of \$43.83 for employee only, \$78.95 for employee plus 1, \$105.32 for employee plus 2 or more

Section 1

TABLE 1A

**2017/2018 Monthly Premium Rates - Active
Without Claims Fluctuation Margin**

Dental

Active Monthly Premium Rates	2016/2017	2017/2018	Percent Change from Prior Year
Employee only	\$50.10	\$48.46	-3.3%
Employee plus 1 dependent	\$100.18	\$96.91	-3.3%
Employee plus 2 or more dependents	\$130.24	\$125.98	-3.3%

Vision

Active Monthly Premium Rates	2016/2017	2017/2018	Percent Change from Prior Year
Employee only	\$6.25	\$6.80	8.8%
Employee plus 1 dependent	\$12.50	\$13.60	8.8%
Employee plus 2 or more dependents	\$16.26	\$17.67	8.7%

Vision - Buy Up

Active Monthly Premium Rates	2016/2017	2017/2018	Percent Change from Prior Year
Employee only	\$9.25	\$9.80	5.9%
Employee plus 1 dependent	\$17.50	\$18.60	6.3%
Employee plus 2 or more dependents	\$23.26	\$24.67	6.1%

TABLE 1B

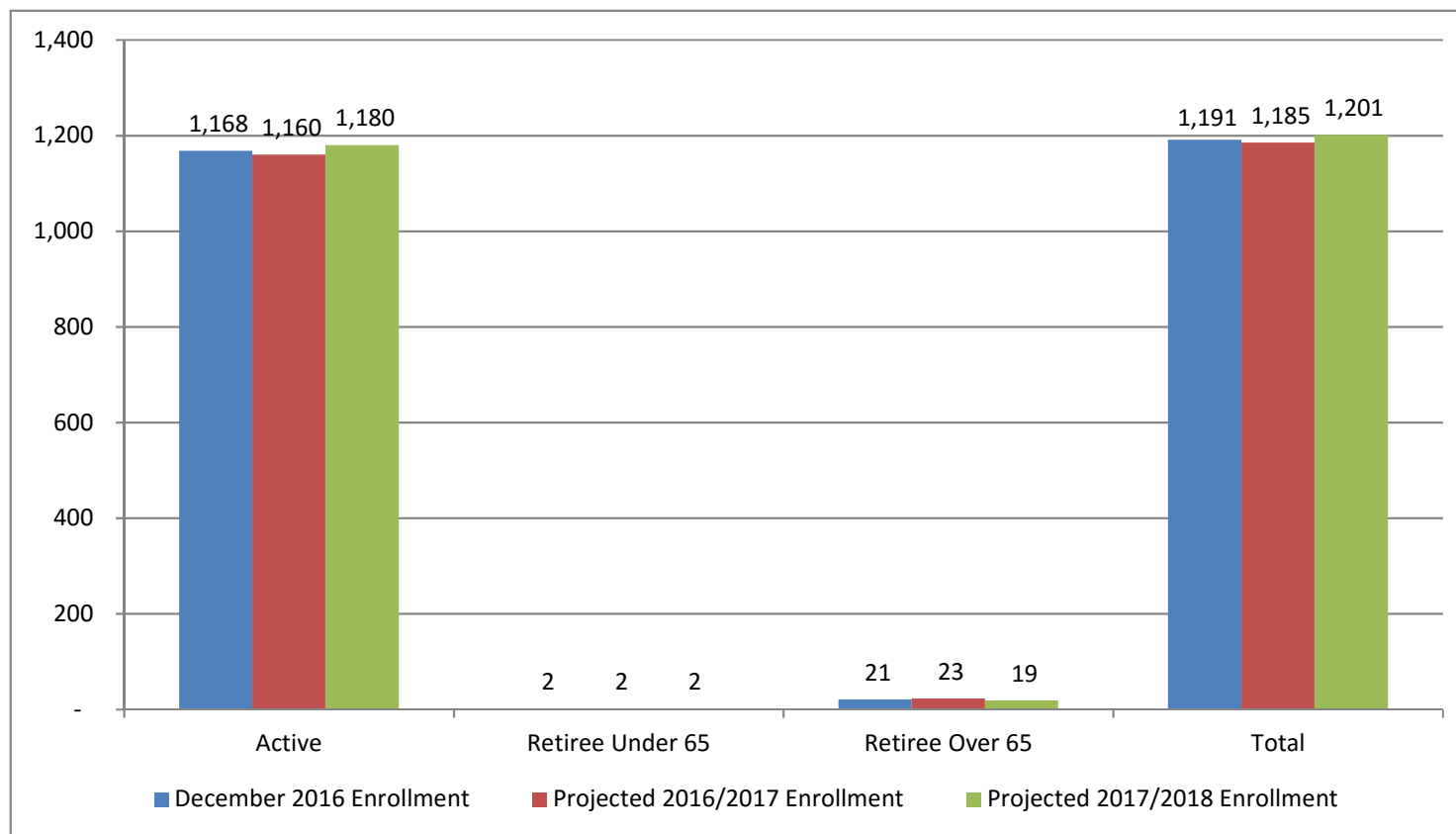
2017/2018 Monthly Premium Rates - Retiree

Retiree Under 65 - PPO

Retiree Under 65 Monthly Premium Rates	Modified			Original		
	2016/2017	2017/2018	Percent Change from Prior Year	2016/2017	2017/2018	Percent Change from Prior Year
Retiree only	\$2,191.32	\$2,254.99	2.9%	N/A	N/A	N/A
Retiree plus 1 dependent	\$3,944.64	\$4,059.04	2.9%	N/A	N/A	N/A
Retiree plus 2 or more dependents	\$5,261.36	\$5,412.35	2.9%	N/A	N/A	N/A

Retiree Over 65 - PPO

Retiree Over 65 Monthly Premium Rates	Modified			Original		
	2016/2017	2017/2018	Percent Change from Prior Year	2016/2017	2017/2018	Percent Change from Prior Year
Retiree only	\$717.53	\$801.28	11.7%	\$1,385.07	\$1,498.57	8.2%
Retiree plus 1 dependent	\$1,291.59	\$1,442.35	11.7%	\$2,493.17	\$2,697.47	8.2%
Retiree plus 2 or more dependents	\$1,721.53	\$1,923.42	11.7%	\$3,323.64	\$3,596.93	8.2%

MEDICAL ENROLLMENT ASSUMPTIONS - ALL PLANS

Note: Projected 2016/2017 average enrollment is based on actual plan enrollment and projected enrollment using the latest month of available data.

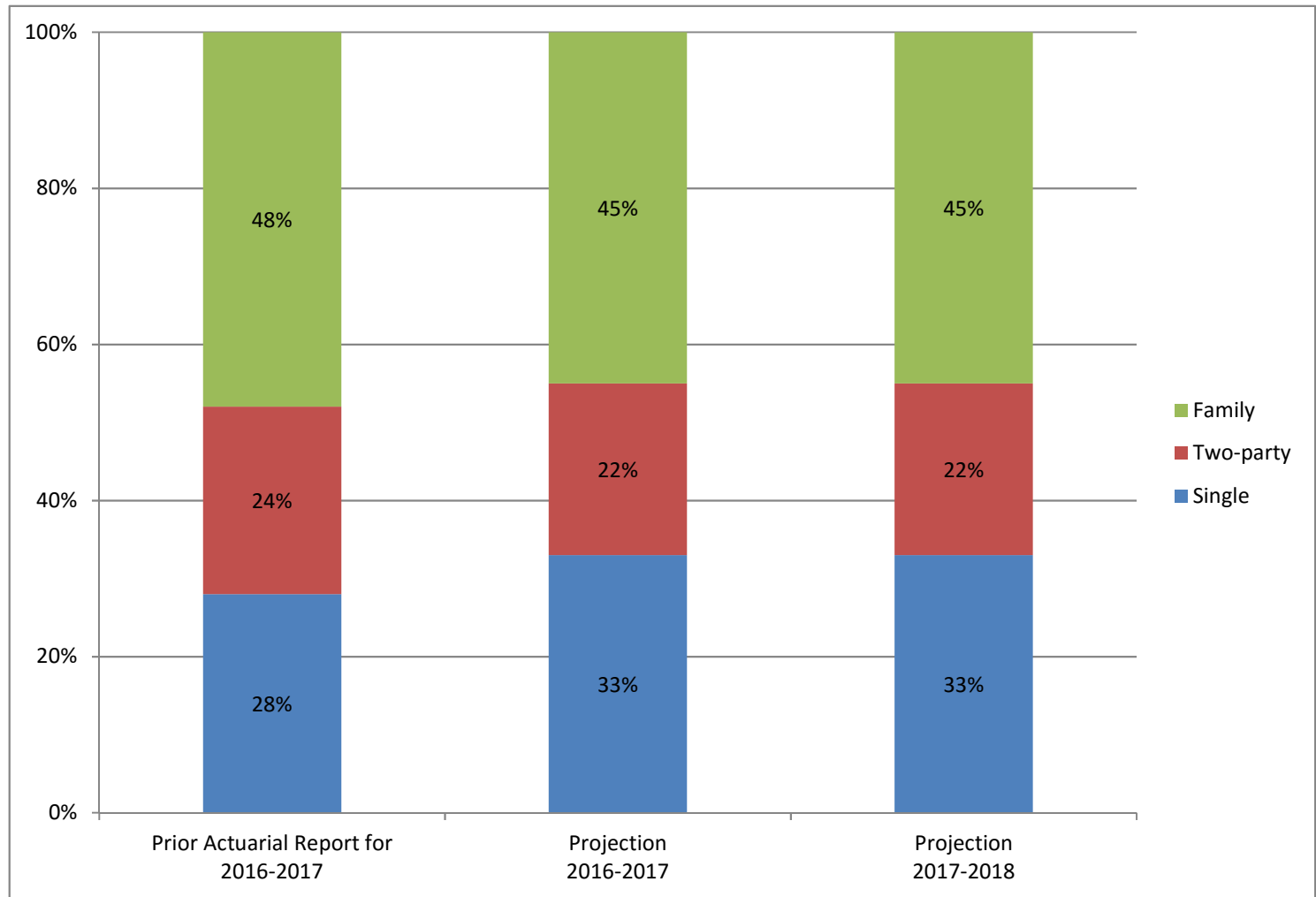
ENROLLMENT ASSUMPTIONS - ALL PLANSCurrent and Projected

	December 2016 Enrollment	Projected 2016/2017 Enrollment¹	Projected 2017/2018 Enrollment	Percent Change from Projected 2016/2017
<u>Active</u>				
Kaiser DHMO	525	530	525	-0.9%
Kaiser HMO	175	170	185	8.8%
Sutter Health Plus HMO	285	280	290	3.6%
Modified	183	180	180	0.0%
Total Active	1,168	1,160	1,180	1.7%
<u>Retiree Under 65²</u>				
Modified Retirees	2	2	2	0.0%
Original Retirees	-	-	-	0.0%
Total Retiree Under 65	2	2	2	0.0%
<u>Retiree Over 65²</u>				
Modified Retirees	20	22	18	-18.2%
Original Retirees	1	1	1	0.0%
Total Retiree Over 65	21	23	19	-17.4%
Total Medical³	1,191	1,185	1,201	1.4%
Dental	1,292	1,285	1,292	0.5%
Vision	1,357	1,345	1,355	0.7%

¹Average for actives based on actual plan enrollment and projected enrollment using the latest month available.

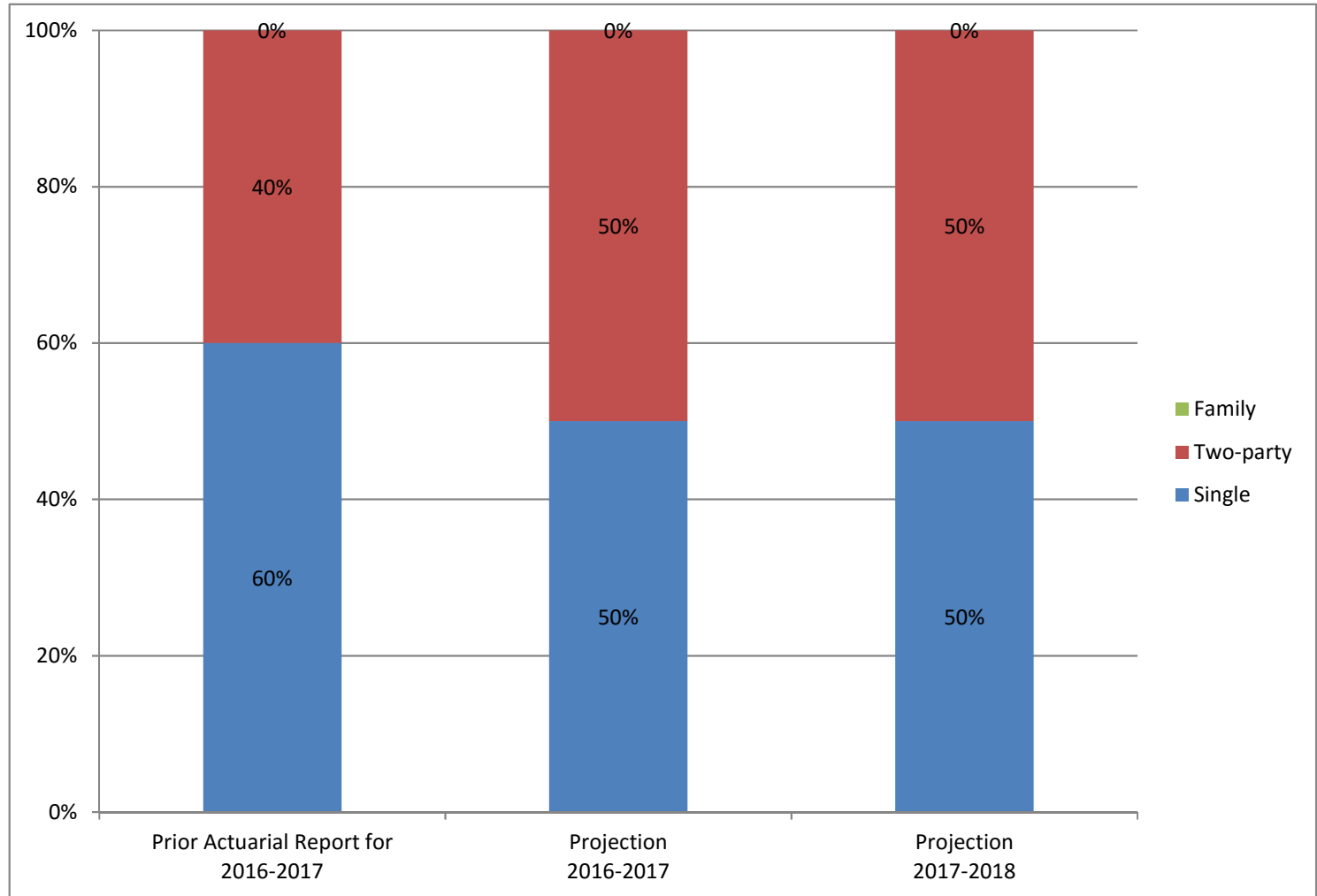
²Effective July 1, 2013, retirees must contribute the entire cost of coverage to participate in the City's health plans.

³Enrollment does not include Opt-Outs and OE 3 participants.

MEDICAL ENROLLMENT DISTRIBUTION BY TIER - ACTIVE

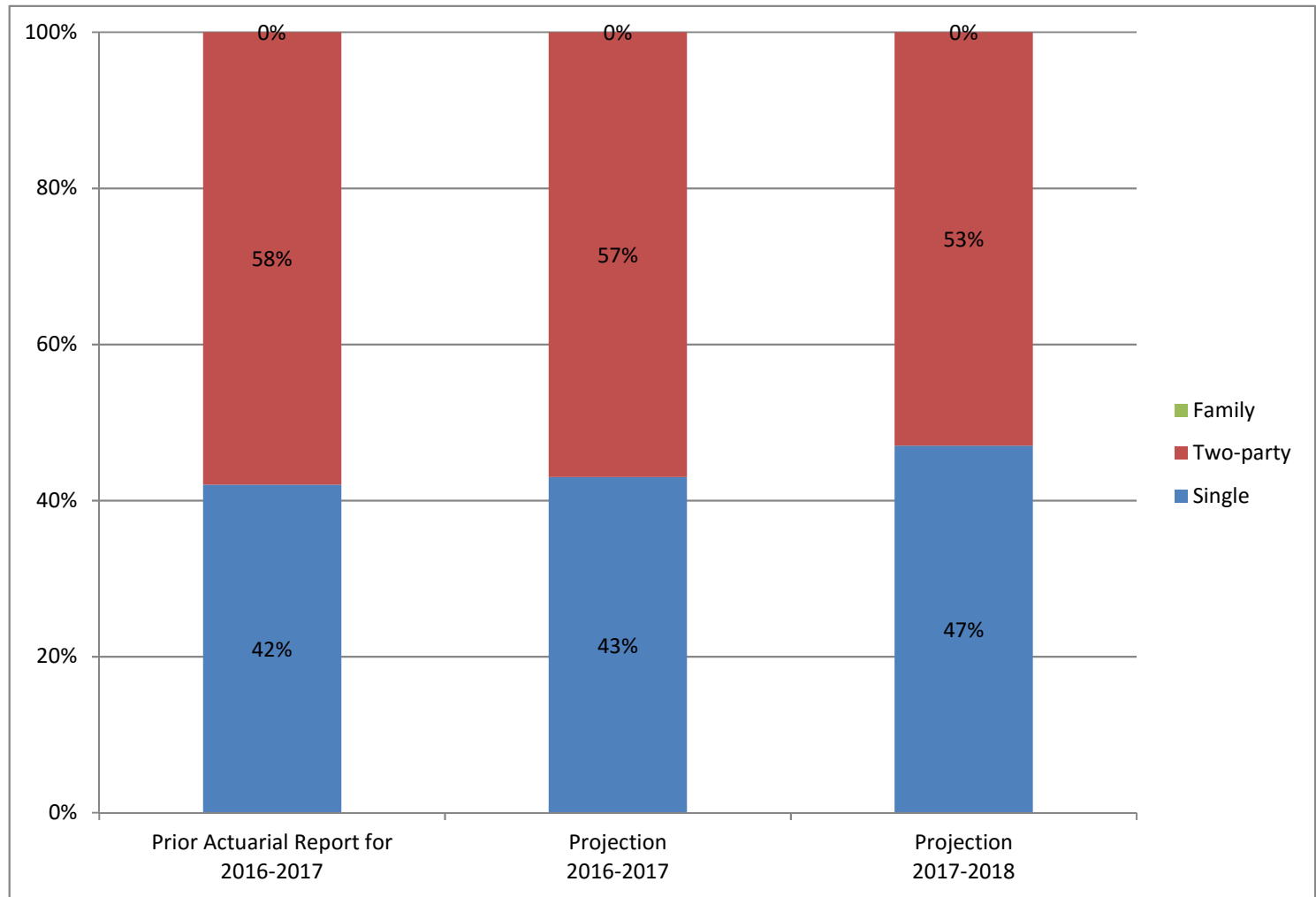
Section 1

City of Stockton 2017/2018 Projection

MEDICAL ENROLLMENT DISTRIBUTION BY TIER - UNDER 65 RETIREE (MODIFIED PLAN)

Section 1

City of Stockton 2017/2018 Projection

MEDICAL ENROLLMENT DISTRIBUTION BY TIER - OVER 65 RETIREE (MODIFIED AND ORIGINAL PLANS)

MEDICAL ENROLLMENT DISTRIBUTION BY TIER - MODIFIED AND ORIGINAL PLANS

Current and Projected

	Prior Actuarial Report for 2016-2017	Projection 2016-2017	Projection 2017-2018
Actives			
Single	28%	33%	33%
Two-party	24%	22%	22%
Family	48%	45%	45%
Under 65 Retirees			
Single	60%	50%	50%
Two-party	40%	50%	50%
Family	0%	0%	0%
Over 65 Retirees			
Single	42%	43%	47%
Two-party	58%	57%	53%
Family	0%	0%	0%

Section 1

TABLE 2A
Summary of Projected Per Eligible Per Month Cost - Active Medical

	Active Plan									
	Original Projection as of January 2016 for 7/1/2016-6/30/2017		Revised Projection as of February 2017 for 7/1/2016-6/30/2017				7/1/2017-6/30/2018			
	PPO	Kaiser DHMO	PPO	Kaiser DHMO	Kaiser HMO	Sutter HMO	PPO	Kaiser DHMO	Kaiser HMO	Sutter HMO
<u>Medical</u>										
Total Medical and Rx Combined	\$1,249.86	\$1,112.09	\$1,004.85	\$1,111.14	\$1,237.69	\$1,184.64	\$1,086.16	\$1,110.12	\$1,225.65	\$1,176.49
Stop Loss Premium	\$93.80		\$93.80				\$112.56			
Third Party Administrator (TPA)	22.50	0.00	22.50	0.00	0.00	0.00	23.35	0.00	0.00	0.00
COBRA/Self-Pay Fee	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Eligibility Administration*	0.00	6.00	0.00	6.00	6.00	6.00	5.40	5.40	5.40	5.40
City Administration/Consultants	77.60	77.60	73.69	73.69	73.69	73.69	73.63	73.63	73.63	73.63
Anthem PPO Network Access	17.86		17.87				18.32			
Research Fee** (PMPY 2016/17: \$2.30; 2017/18: \$2.37)	0.52		0.50				0.51			
Reinsurance Fee*** (PMPY: \$27 for 2016)	3.09		2.94				N/A			
Total Other Fees	\$216.87	\$85.10	\$212.80	\$81.19	\$81.19	\$81.19	\$235.27	\$80.53	\$80.53	\$80.53
Total Per Participant Composite Cost	\$1,466.73	\$1,197.19	\$1,217.65	\$1,192.33	\$1,318.88	\$1,265.83	\$1,321.43	\$1,190.65	\$1,306.18	\$1,257.02
Expense (lower) from last projection			(\$249.08)							
Percent difference from last projection			-17.0%							
Projected Enrollment	250	840	180	530	170	280	180	525	185	290

Notes: Projected Medical Claims are net of Stop Loss Reimbursements for claims over attachment point.

*Eligibility Administration fee for PPO plan was included in the TPA administrative expense prior to July 1, 2017.

**Research fee for 2017 and 2018 are estimated by Segal.

***2016 is the last year of the Reinsurance Fee.

Section 1

TABLE 2B
Summary of Projected Per Eligible Per Month Cost - Active Dental and Vision

	Active Plan		
	Original Projection as of January 2016 for 7/1/2016-6/30/2017	Revised Projection as of February 2017 for 7/1/2016-6/30/2017	7/1/2017-6/30/2018
	PPO and Kaiser DHMO	PPO, Kaiser, and Sutter	PPO, Kaiser, and Sutter
<u>Dental</u>			
Incurred claims	\$88.41	\$80.35	\$83.57
Delta ASO	7.64	7.42	7.42
Eligibility Administration*	0.00	0.00	0.00
City Administration/Consultants	6.00	5.24	5.39
(1) Total	\$102.05	\$93.01	\$96.38
Expense (lower) from last projection		(\$9.04)	
Percent difference from last projection		-8.9%	
Projected Enrollment	1,211	1,285	1,292
<u>Vision</u>			
Incurred claims	\$10.49	\$10.78	\$10.84
VSP ASO	1.43	1.39	1.61
Eligibility Administration*	0.00	0.00	0.00
City Administration/Consultants	0.71	0.70	0.70
(2) Total	\$12.63	\$12.87	\$13.15
Expense higher from last projection		\$0.24	
Percent difference from last projection		1.9%	
Projected Enrollment	1,261	1,345	1,355
Total Per Participant Composite Cost (1) + (2)	\$114.68	\$105.88	\$109.53

*Eligibility Administration fee is included in the Medical TPA administrative expense.

TABLE 2C
Summary of Projected Per Eligible Per Month Cost - Active Total Medical, Dental and Vision

	Active Plan									
	Original Projection as of January 2016 for 7/1/2016-6/30/2017		Revised Projection as of February 2017 for 7/1/2016-6/30/2017				7/1/2017-6/30/2018			
	PPO	Kaiser DHMO	PPO	Kaiser DHMO	Kaiser HMO	Sutter HMO	PPO	Kaiser DHMO	Kaiser HMO	Sutter HMO
<u>Medical</u>										
Projected Enrollment	250	840	180	530	170	280	180	525	185	290
(1) Total Per Participant Cost	\$1,466.73	\$1,197.19	\$1,217.65	\$1,192.33	\$1,318.88	\$1,265.83	\$1,321.43	\$1,190.65	\$1,306.18	\$1,257.02
<u>Dental</u>										
Projected Enrollment	1,211	1,211	1,285	1,285	1,285	1,285	1,292	1,292	1,292	1,292
(2) Total Per Participant Cost	\$102.05	\$102.05	\$93.01	\$93.01	\$93.01	\$93.01	\$96.38	\$96.38	\$96.38	\$96.38
<u>Vision</u>										
Projected Enrollment	1,261	1,261	1,345	1,345	1,345	1,345	1,355	1,355	1,355	1,355
(3) Total Per Participant Cost	\$12.63	\$12.63	\$12.87	\$12.87	\$12.87	\$12.87	\$13.15	\$13.15	\$13.15	\$13.15
Total Per Participant Composite Cost (1)+(2)+(3)	\$1,581.41	\$1,311.87	\$1,323.53	\$1,298.21	\$1,424.76	\$1,371.71	\$1,430.96	\$1,300.18	\$1,415.71	\$1,366.55

**COST PROJECTION FOR JULY 2016 - JUNE 2017 PLAN YEAR
MEDICAL AND PRESCRIPTION DRUG - ACTIVE**

	2016/2017 Projection
a. Updated monthly incurred claims per enrollee for 2016/2017	\$1,047.74
b. Claims margin	0%
c. Expected monthly incurred claims with margin per enrollee (a. x (1 + b.))	\$1,047.74
d. Expected number of enrollees	180
e. Expected incurred claims (c. x d. x 12)	\$2,263,100
f. Expected prescription drug rebates	(\$92,600)
g. Expected final incurred claims (e. + f.)	\$2,170,500
h. Expected final incurred claims per enrollee (g. / d. / 12)	\$1,004.85
i. Estimated annual administrative and other expenses	\$459,600
j. Expected claim and expense costs (g. + i.)	\$2,630,100
k. Updated Expected monthly costs per enrollee (j. / d. / 12)	\$1,217.65
l. 2016/2017 per enrollee premium (based on projected 2016/2017 enrollment)	\$1,406.06
m. Amount difference from actual (k. - m.)	(\$188.41)
n. Decrease actual premium to updated expected cost	-13.4%

**COST PROJECTION FOR JULY 2017 - JUNE 2018 PLAN YEAR
MEDICAL AND PRESCRIPTION DRUG - ACTIVE**

	2017/2018 Projection
a. Expected monthly incurred claims per enrollee for 2017/2018	\$1,133.89
b. Claims margin	0%
c. Expected monthly incurred claims with margin per enrollee (a. x (1 + b.))	\$1,133.89
d. Expected number of enrollees	180
e. Expected incurred claims (c. x d. x 12)	\$2,449,200
f. Expected prescription drug rebates	(\$103,100)
g. Expected final incurred claims (e. + f.)	\$2,346,100
h. Expected final incurred claims per enrollee (g. / d. / 12)	\$1,086.16
i. Estimated annual administrative and other expenses	\$508,200
j. Expected claim and expense costs (g. + i.)	\$2,854,300
k. Expected monthly costs per enrollee for 2017/2018 (j. / d. / 12)	\$1,321.43
l. Current 2016/2017 per enrollee premium (based on projected 2017/2018 enrollment)	\$1,406.06
m. Required 2017/2018 Decrease	-6.0%

**COST PROJECTION FOR JULY 2016 - JUNE 2017 PLAN YEAR
DENTAL AND VISION**

	2016/2017 Projection	
	Dental	Vision
a. Updated monthly incurred claims per enrollee for 2016/2017	\$80.35	\$10.78
b. Claims margin	0%	0%
c. Expected monthly incurred claims with margin per enrollee (a. x (1 + b.))	\$80.35	\$10.78
d. Expected number of enrollees	1,285	1,345
e. Expected incurred claims (c. x d. x 12)	\$1,239,000	\$174,000
f. Estimated annual administrative and other expenses	\$195,200	\$33,700
g. Expected claim and expense costs (e. + f.)	\$1,434,200	\$207,700
h. Updated expected monthly costs per enrollee for 2016/2017 (g. / d. / 12)	\$93.01	\$12.87
i. Current 2016/2017 per enrollee premium (based on projected 2016/2017 enrollment)	\$99.65	\$12.09
j. Increase/Decrease actual premium to updated expected cost	-6.7%	6.5%

**COST PROJECTION FOR JULY 2017 - JUNE 2018 PLAN YEAR
DENTAL AND VISION**

	2017/2018 Projection	
	Dental	Vision
a. Expected monthly incurred claims per enrollee for 2017/2018	\$83.57	\$10.84
b. Claims margin	0%	0%
c. Expected monthly incurred claims with margin per enrollee (a. x (1 + b.))	\$83.57	\$10.84
d. Expected number of enrollees	1,292	1,355
e. Expected incurred claims (c. x d. x 12)	\$1,295,700	\$176,300
f. Estimated annual administrative and other expenses	\$198,600	\$37,600
g. Expected claim and expense costs (e. + f.)	\$1,494,300	\$213,900
h. Expected monthly costs per enrollee for 2017/2018 (g. / d. / 12)	\$96.38	\$13.15
i. Current 2016/2017 per enrollee premium (based on projected 2017/2018 enrollment)	\$99.64	\$12.09
j. Required 2017/2018 Increase/Decrease	-3.3%	8.8%

Section 1

TABLE 5A
Weighted Average - Medical Cost, City Contribution and Employee Contribution

Active PPO - All Bargaining Groups*	Projected 2017/18 Enrollment	Fiscal 2016/17			Fiscal 2017/18		
		City Medical Cost	City Contribution	Employee Contribution	City Medical Cost	City Contribution	Employee Contribution
Employee only	60	\$ 780.57	\$ 619.00	\$ 161.57	\$ 734.04	\$ 631.00	\$ 103.04
Employee plus 1 dependent	40	1,405.28	1,124.00	281.28	1,321.32	1,146.00	175.32
Employee plus 2 or more dependents	80	1,875.56	1,496.00	379.56	1,762.05	1,526.00	236.05
Composite	180	\$ 1,406.06	\$ 1,121.00	\$ 285.06	\$ 1,321.44	\$ 1,143.22	\$ 178.22
% Change from 2016/17					-6.0%		-37.5%

Active Kaiser DHMO - All Bargaining Groups*	Projected 2017/18 Enrollment	Fiscal 2016/17			Fiscal 2017/18		
		City Medical Cost	City Contribution	Employee Contribution	City Medical Cost	City Contribution	Employee Contribution
Employee only	152	\$ 631.45	\$ 619.00	\$ 12.45	\$ 627.85	\$ 627.85	\$ -
Employee plus 1 dependent	84	1,136.60	1,124.00	12.60	1,130.14	1,130.14	-
Employee plus 2 or more dependents	289	1,515.46	1,496.00	19.46	1,506.84	1,506.84	-
Composite	525	\$ 1,198.90	\$ 1,182.57	\$ 16.33	\$ 1,192.08	\$ 1,192.08	\$ -
% Change from 2016/17					-0.6%		-100.0%

*Some units were not with the specified rates for the entire 2016/17 fiscal year.

Note: These contribution charts show the employer contribution being applied to medical costs only (not dental or vision costs).

Section 1

TABLE 5A
Weighted Average - Medical Cost, City Contribution and Employee Contribution

Active Kaiser HMO - All Bargaining Groups*	Projected 2017/18 Enrollment	Fiscal 2016/17			Fiscal 2017/18		
		City Medical Cost	City Contribution	Employee Contribution	City Medical Cost	City Contribution	Employee Contribution
Employee only	69	\$ 739.31	\$ 619.00	\$ 120.31	\$ 735.31	\$ 631.00	\$ 104.31
Employee plus 1 dependent	33	1,330.75	1,124.00	206.75	1,323.56	1,146.00	177.56
Employee plus 2 or more dependents	83	1,774.31	1,496.00	278.31	1,764.73	1,526.00	238.73
Composite	185	\$ 1,309.16	\$ 1,102.55	\$ 206.62	\$ 1,302.09	\$ 1,124.41	\$ 177.68
% Change from 2016/17					-0.5%		-14.0%

Active Sutter Health Plus HMO - All Bargaining Groups*	Projected 2017/18 Enrollment	Fiscal 2016/17			Fiscal 2017/18		
		City Medical Cost	City Contribution	Employee Contribution	City Medical Cost	City Contribution	Employee Contribution
Employee only	98	\$ 685.18	\$ 619.00	\$ 66.18	\$ 684.12	\$ 631.00	\$ 53.12
Employee plus 1 dependent	44	1,234.07	1,124.00	110.07	1,232.22	1,146.00	86.22
Employee plus 2 or more dependents	148	1,646.16	1,496.00	150.16	1,643.76	1,526.00	117.76
Composite	290	\$ 1,258.89	\$ 1,143.19	\$ 115.70	\$ 1,257.03	\$ 1,165.90	\$ 91.13
% Change from 2016/17					-0.1%		-21.2%

*Some units were not with the specified rates for the entire 2016/17 fiscal year.

Note: These contribution charts show the employer contribution being applied to medical costs only (not dental or vision costs).

Weighted Cost (PPO, Kaiser, and Sutter Health Plus Combined - Total enrollment of 1,180)	\$ 1,245.02	\$ 1,167.58	\$ 77.44
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Section 1

TABLE 5B

Weighted Average - Dental and Vision Cost, City Contribution and Employee Contribution

Dental - All Employees	Projected 2017/18 Enrollment	Fiscal 2016/17			Fiscal 2017/18		
		Dental Cost	City Contribution	Employee Contribution	Dental Cost	City Contribution	Employee Contribution
Employee only	386	\$ 50.10	\$ -	\$ 50.10	\$ 48.46	\$ -	\$ 48.46
Employee plus 1 dependent	286	100.18	-	100.18	96.91	-	96.91
Employee plus 2 or more dependents	620	130.24	-	130.24	125.98	-	125.98
Composite	1,292	\$ 99.64	\$ -	\$ 99.64	\$ 96.39	\$ -	\$ 96.39
% Change from 2016/17					-3.3%		-3.3%

Vision - All Employees	Projected* 2017/18 Enrollment	Fiscal 2016/17			Fiscal 2017/18		
		Vision Cost	City Contribution	Employee Contribution	Vision Cost	City Contribution	Employee Contribution
Employee only	452	\$ 6.25	\$ -	\$ 6.25	\$ 6.80	\$ -	\$ 6.80
Employee plus 1 dependent	301	12.50	-	12.50	13.60	-	13.60
Employee plus 2 or more dependents	602	16.26	-	16.26	17.67	-	17.67
Composite	1,355	\$ 12.09	\$ -	\$ 12.09	\$ 13.14	\$ -	\$ 13.14
% Change from 2016/17					8.7%		8.7%

*Projected enrollment by tier is based on the medical enrollment as this information is not available

Note: These contribution charts show the employer contribution being applied to medical costs only (not dental or vision costs).

Section 1

TABLE 5C

Weighted Average - Total Medical, Dental, and Vision Cost, City Contribution and Employee Contribution

Active PPO, Dental, Vision - All Bargaining Groups*	Projected 2017/18 Enrollment	Fiscal 2016/17			Fiscal 2017/18		
		Total Cost	City Contribution	Employee Contribution	Total Cost	City Contribution	Employee Contribution
Employee only	60	\$ 836.92	\$ 619.00	\$ 217.92	\$ 789.30	\$ 631.00	\$ 158.30
Employee plus 1 dependent	40	1,517.96	1,124.00	393.96	1,431.83	1,146.00	285.83
Employee plus 2 or more dependents	80	2,022.06	1,496.00	526.06	1,905.70	1,526.00	379.70
Composite	180	\$ 1,514.99	\$ 1,121.00	\$ 393.99	\$ 1,428.26	\$ 1,143.22	\$ 285.04
% Change from 2016/17					-5.7%		-27.7%

Active Kaiser DHMO, Dental, Vision - All Bargaining Groups*	Projected 2017/18 Enrollment	Fiscal 2016/17			Fiscal 2017/18		
		Total Cost	City Contribution	Employee Contribution	Total Cost	City Contribution	Employee Contribution
Employee only	152	\$ 687.80	\$ 619.00	\$ 68.80	\$ 683.11	\$ 631.00	\$ 52.11
Employee plus 1 dependent	84	1,249.28	1,124.00	125.28	1,240.65	1,146.00	94.65
Employee plus 2 or more dependents	289	1,661.96	1,496.00	165.96	1,650.49	1,526.00	124.49
Composite	525	\$ 1,313.89	\$ 1,182.57	\$ 131.32	\$ 1,304.84	\$ 1,206.08	\$ 98.76
% Change from 2016/17					-0.7%		-24.8%

*Some units were not with the specified rates for the entire 2016/17 fiscal year.

Section 1

TABLE 5C

Weighted Average - Total Medical, Dental, and Vision Cost, City Contribution and Employee Contribution

Active Kaiser HMO, Dental, Vision - All Bargaining Groups*	Projected 2017/18 Enrollment	Fiscal 2016/17			Fiscal 2017/18		
		Total Cost	City Contribution	Employee Contribution	Total Cost	City Contribution	Employee Contribution
Employee only	69	\$ 795.66	\$ 619.00	\$ 176.66	\$ 790.57	\$ 631.00	\$ 159.57
Employee plus 1 dependent	33	1,443.43	1,124.00	319.43	1,434.07	1,146.00	288.07
Employee plus 2 or more dependents	83	1,920.81	1,496.00	424.81	1,908.38	1,526.00	382.38
Composite	185	\$ 1,416.01	\$ 1,102.55	\$ 313.46	\$ 1,406.86	\$ 1,124.41	\$ 282.46
% Change from 2016/17					-0.6%		-9.9%

Active Sutter Health Plus HMO, Dental, Vision - All Bargaining Groups*	Projected 2017/18 Enrollment	Fiscal 2016/17			Fiscal 2017/18		
		Total Cost	City Contribution	Employee Contribution	Total Cost	City Contribution	Employee Contribution
Employee only	98	\$ 741.53	\$ 619.00	\$ 122.53	\$ 739.38	\$ 631.00	\$ 108.38
Employee plus 1 dependent	44	1,346.75	1,124.00	222.75	1,342.73	1,146.00	196.73
Employee plus 2 or more dependents	148	1,792.66	1,496.00	296.66	1,787.41	1,526.00	261.41
Composite	290	\$ 1,369.80	\$ 1,143.19	\$ 226.60	\$ 1,365.78	\$ 1,165.90	\$ 199.88
% Change from 2016/17					-0.3%		-11.8%

*Some units were not with the specified rates for the entire 2016/17 fiscal year.

Weighted Cost (PPO, Kaiser, and Sutter Health Plus Combined - Total enrollment of 1,180)	\$ 1,354.64	\$ 1,173.81	\$ 180.83
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OTHER ASSUMPTIONS

The financial projection is based on the following assumptions:

1. Data

Medical and Prescription Drug Enrollment - Delta Health Systems (Third Party Administrator)
 Medical Claims and Stop Loss Reimbursement - Delta Health Systems (Third Party Administrator)
 Prescription Drug Claims and Rebate Information - CVS/caremark
 Dental Enrollment and Claims - Delta Dental
 Vision Enrollment and Claims - VSP
 Internal Administrative Expense - City

2. Trend (Based on Industry Trends)

Medical Claims	8%
Stop Loss (Ullico)	20%
Kaiser DHMO	Proposed 2017/2018 Rates
Kaiser HMO	Proposed 2017/2018 Rates
Sutter Health Plus HMO	Current rates guaranteed through June 30, 2018
Prescription Drug Claims	12%
Prescription Drug Rebates	18% of total Prescription Drug claims
Dental Claims	4%
Vision Claims	4%

3. Margin - The financial projection includes a 10% margin for retirees due to the eroding enrollment in the retiree medical plans.

4. Stop Loss - Claims over the stop loss amount were provided by Delta Health Systems. There were no claims over the stop-loss amount reported for the current plan year from July 1, 2016 through June 30, 2017. There was also no stop-loss reimbursement reported for the 2015/2016 policy year. Attachment point has remained at \$350,000 since the 2012/2013 policy year.

5. Administrative Expenses

Comments

Anthem Blue Cross PPO Network Fees	2.5% Proposed 2017/2018 Rates
Delta Dental ASO Fees	0.0% Rate guarantee through June 30, 2018
VSP ASO Fees	15.8% Rate guarantee through June 30, 2020
Delta Health Systems Fees (Third Party and COBRA/Self-Pay Administrator)	Actual Rate guarantee through December 31, 2019
ConnectedHealth Fees (Eligibility Administrator)	Actual Rate guarantee through June 30, 2022
2016/2017 City Internal Administrative Expense	\$1,140,000 Provided by City
2017/2018 City Internal Administrative Expense	\$1,156,000 Provided by City

RESERVE FACTOR GUIDELINES - ALL PLANS

Applicable Plans	Reserves	Importance	Why	Methodology	Percent	2016/2017 Estimated Reserves	2017/2018 Estimated Reserves	2017/2018 Estimated City Contribution
Self-Funded	Incurred But Not Reported (IBNR)	Required	To cover expenses for already incurred claims that have not been paid.	Factor or Lag Model	11%*	\$404,000	\$462,000	
Self-Funded	Claims Fluctuation Reserve (CFR)	Recommended	To cover expenses in excess of projected levels due to: 1) Large Claims - Risk of unexpected increases in the number and/or size of claims incurred by individual participants. 2) Client Claims - Overall plan claims experience developing at a variance	Takes into consideration the Individual Stop Loss Level and is based on the factors from published methodology	43%*	\$1,591,700	\$1,808,000	
Self-Funded	Economic	Optional	To cover expenses when available sources of revenue develop at less than projected levels due to country and state recession or other changes to expected revenues.	25% minimal 50% optimal	50%**	\$1,210,700	\$1,234,700	\$2,469,400
Self-Funded	Sub-Total					\$3,206,400	\$3,504,700	
Kaiser, Sutter Health Plus	Economic	Optional	To cover expenses when available sources of revenue develop at less than projected levels due to country and state recession or other changes to expected revenues.	25% minimal 50% optimal	50%**	\$6,817,900	\$7,075,900	\$14,151,800
Self-Funded, Kaiser, Sutter Health Plus	Grand Total					\$10,024,300	\$10,580,600	

*Calculated as a percent of estimated self-funded Medical, Rx, Dental and Vision claims projected for periods July 1, 2016 through June 30, 2017 and July 1, 2017 through June 30, 2018.

**Economic Reserves based on the projected City contribution for 2017/2018.

Section 2 City of Stockton 2017/2018 Projection

Historical Expenditures..... 1

Per Capita Monthly Costs..... 2

Claims Distribution..... 4

Enrollment History..... 6

Enrollment Distribution..... 7

Stop Loss Reimbursement History..... 10

Claims Tables (Medical, Prescription Drug, Vision and Dental)..... 11

Enrollment Tables (Active and Retiree)..... 14

Section 2

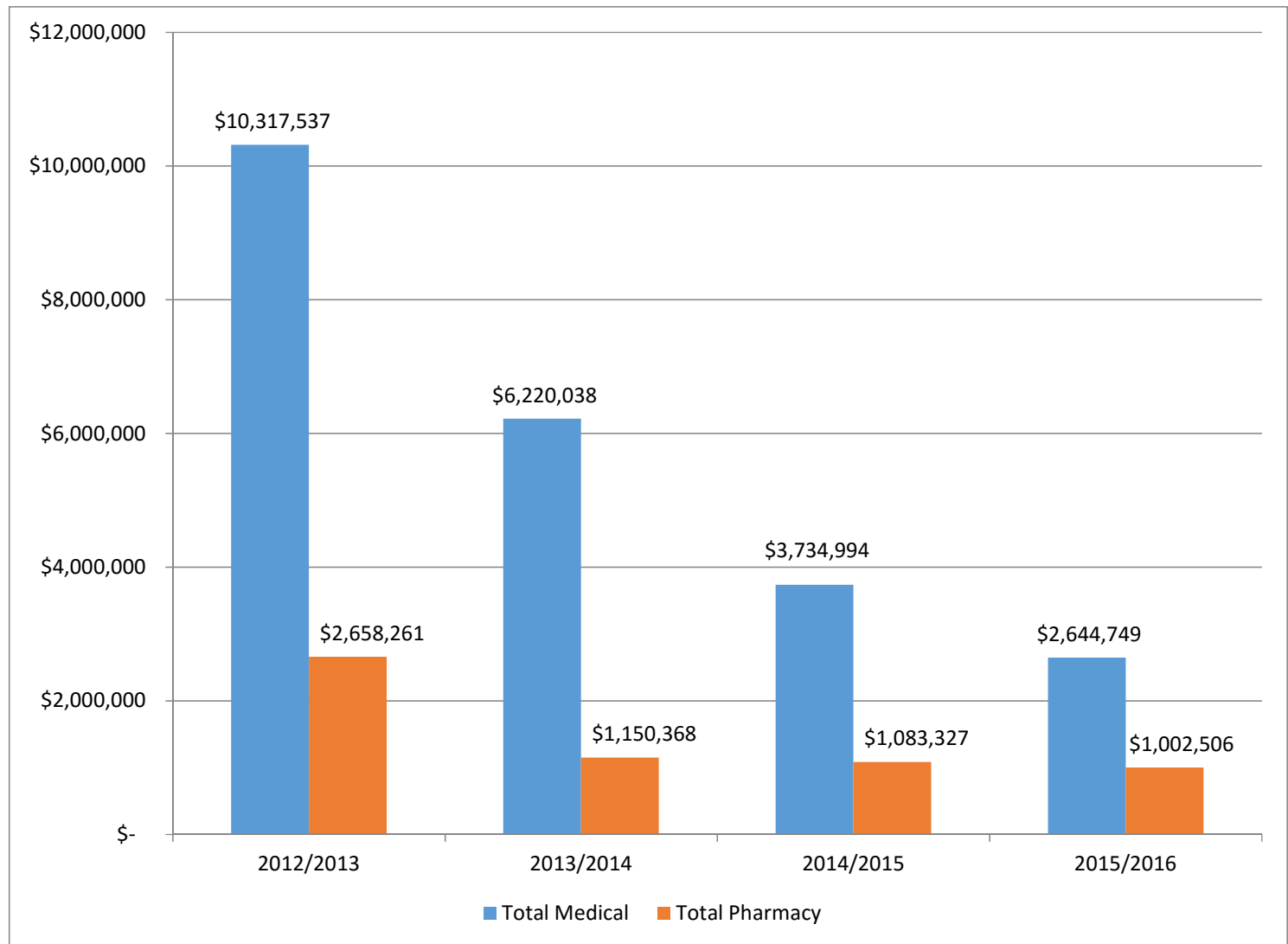
City of Stockton 2017/2018 Projection

The total medical costs decreased by 29% from 2014/2015 to 2015/2016.

The total prescription drug costs decreased by 7% from 2014/2015 to 2015/2016.

The decreases are due to a 15.0% decline in enrollment as a result of the continued migration to the Kaiser active plan.

PPO PLAN HISTORICAL EXPENDITURES

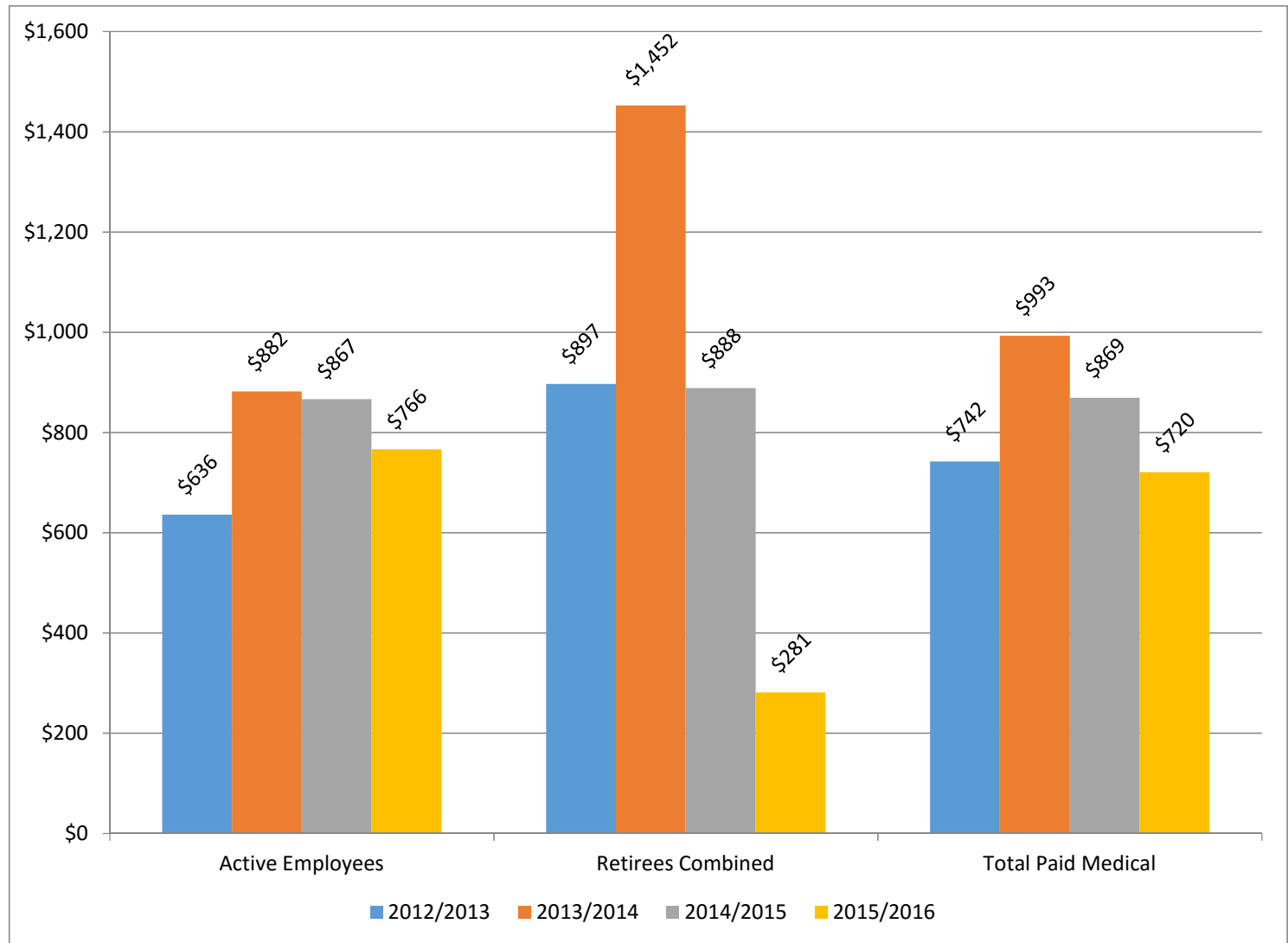


Section 2

City of Stockton 2017/2018 Projection

On an aggregate basis, the total medical costs net of stop loss recoveries decreased by 29.0%. The total overall per eligible per month (PEPM) medical costs decreased by 17.1% from 2014/2015 to 2015/2016.

PPO PLAN PER CAPITA MONTHLY MEDICAL COSTS

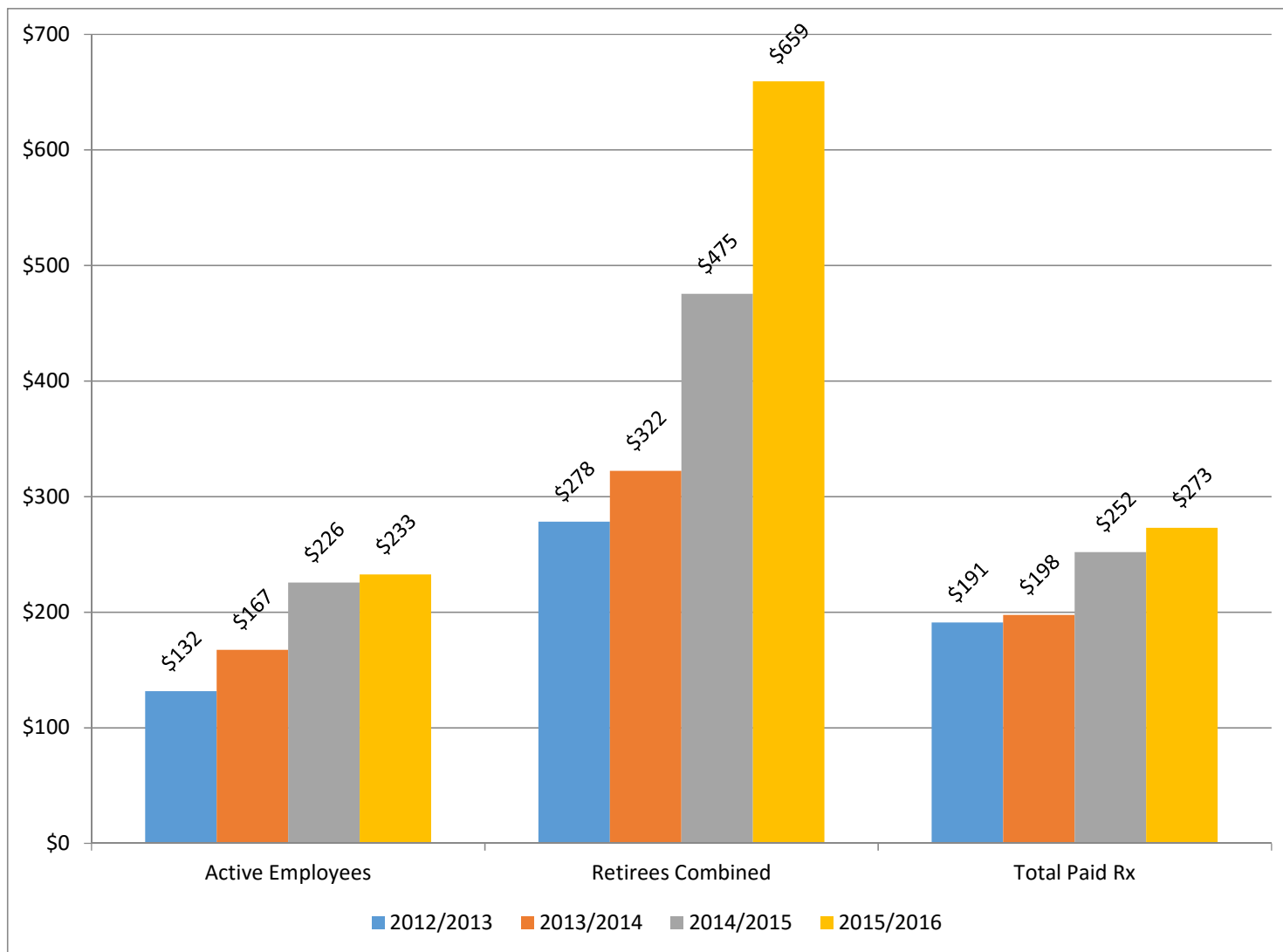


Section 2

City of Stockton 2017/2018 Projection

The total per employee per month (PEPM) prescription drug costs increased by 8.3% from 2014/2015 to 2015/2016.

PPO PLAN PER CAPITA MONTHLY PRESCRIPTION DRUG COSTS



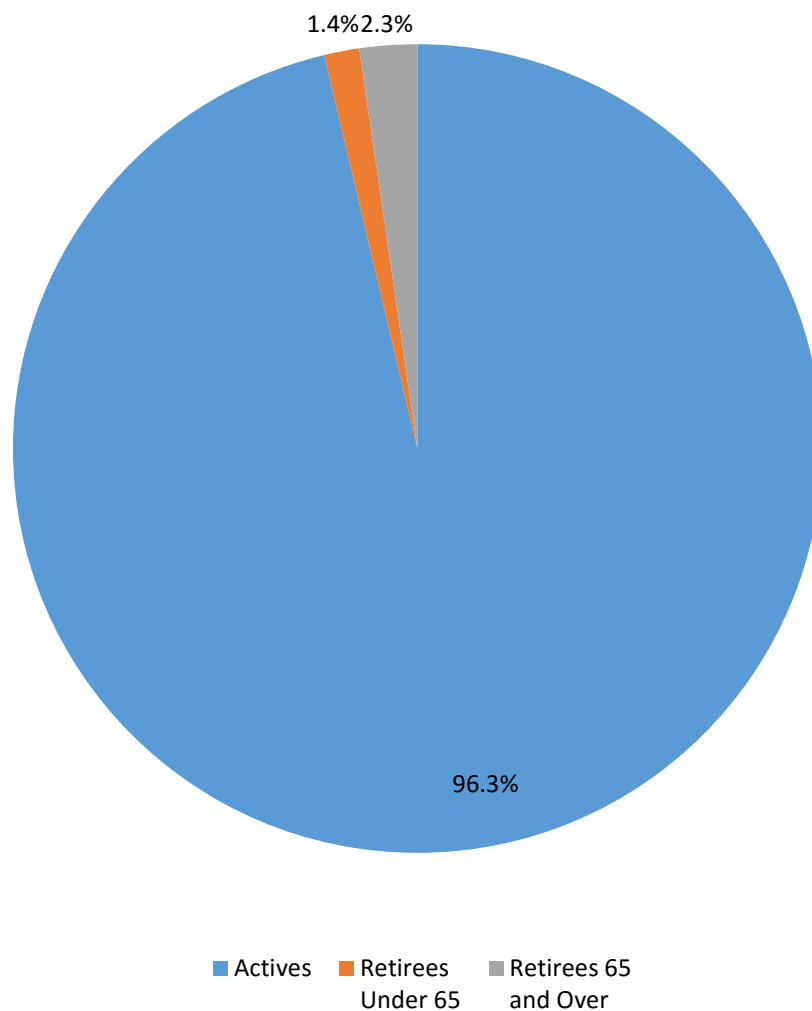
Section 2

City of Stockton 2017/2018 Projection

PPO PLAN MEDICAL CLAIMS DISTRIBUTION AS OF JUNE 2016

Over 65 retiree enrollment in the plan was 8%, which is the same as last year, and claims were 2% of total claims.

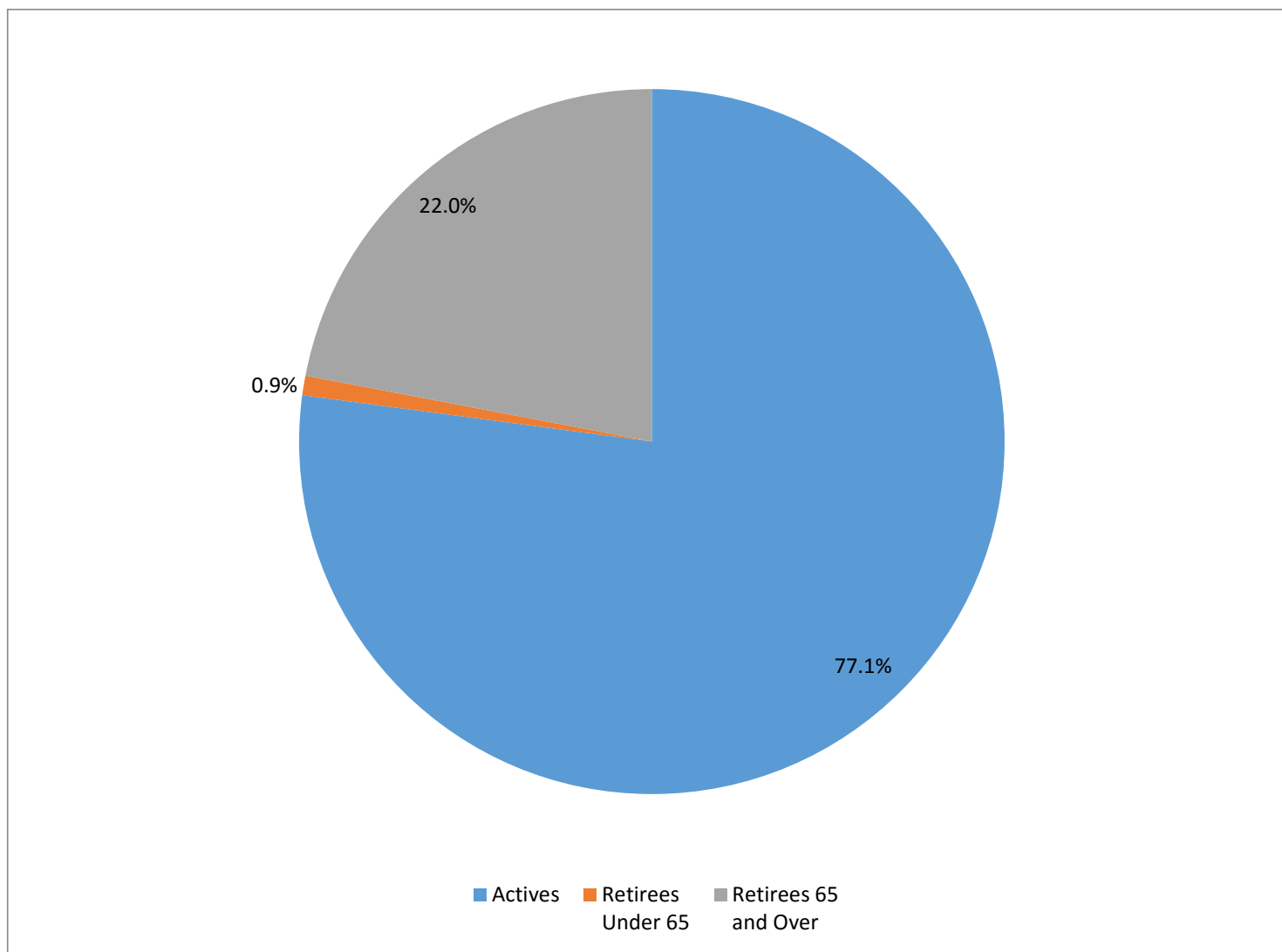
Under 65 retiree enrollment in the plan declined from 2% in 2014/2015 to 1% in 2015/2016. Claims were 1% of total claims in 2015/2016, which is lower than the 9% last year.



Section 2

City of Stockton 2017/2018 Projection

The distribution of over 65 retiree claims increased from 17% in 2014/2015 to 22% in 2015/2016, an increase of 5%. Active claims decreased by 3%, from 80% to 77%. Under 65 retiree claims decreased from 3% to 1% due to the decline in enrollment.

PPO PLAN PRESCRIPTION DRUG CLAIMS DISTRIBUTION AS OF JUNE 2016

Section 2

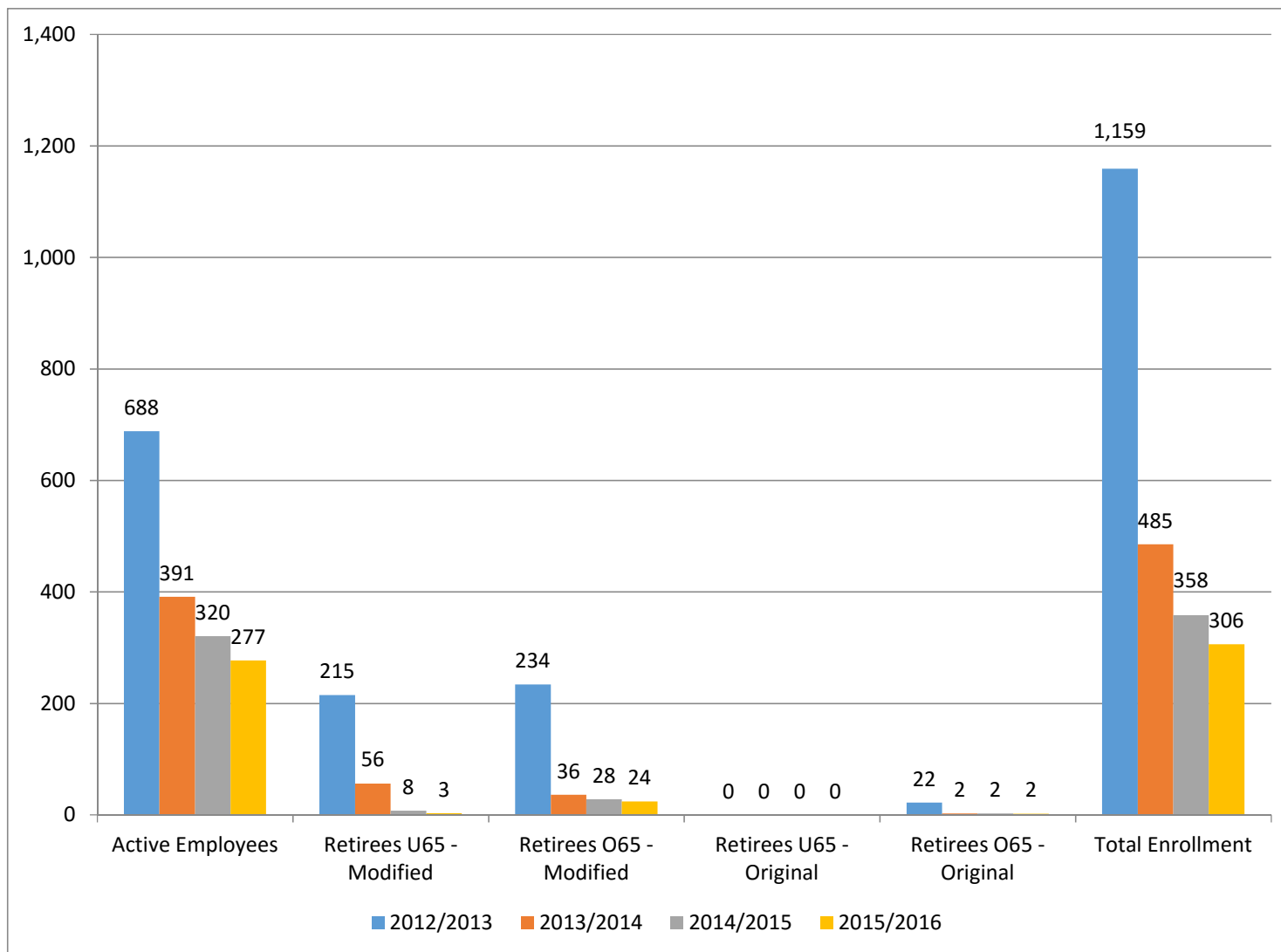
City of Stockton 2017/2018 Projection

The total enrollment in the PPO plan for 2015/2016 decreased 15% from 2014/2015. Active enrollment decreased by 14% and retiree enrollment decreased by 24%.

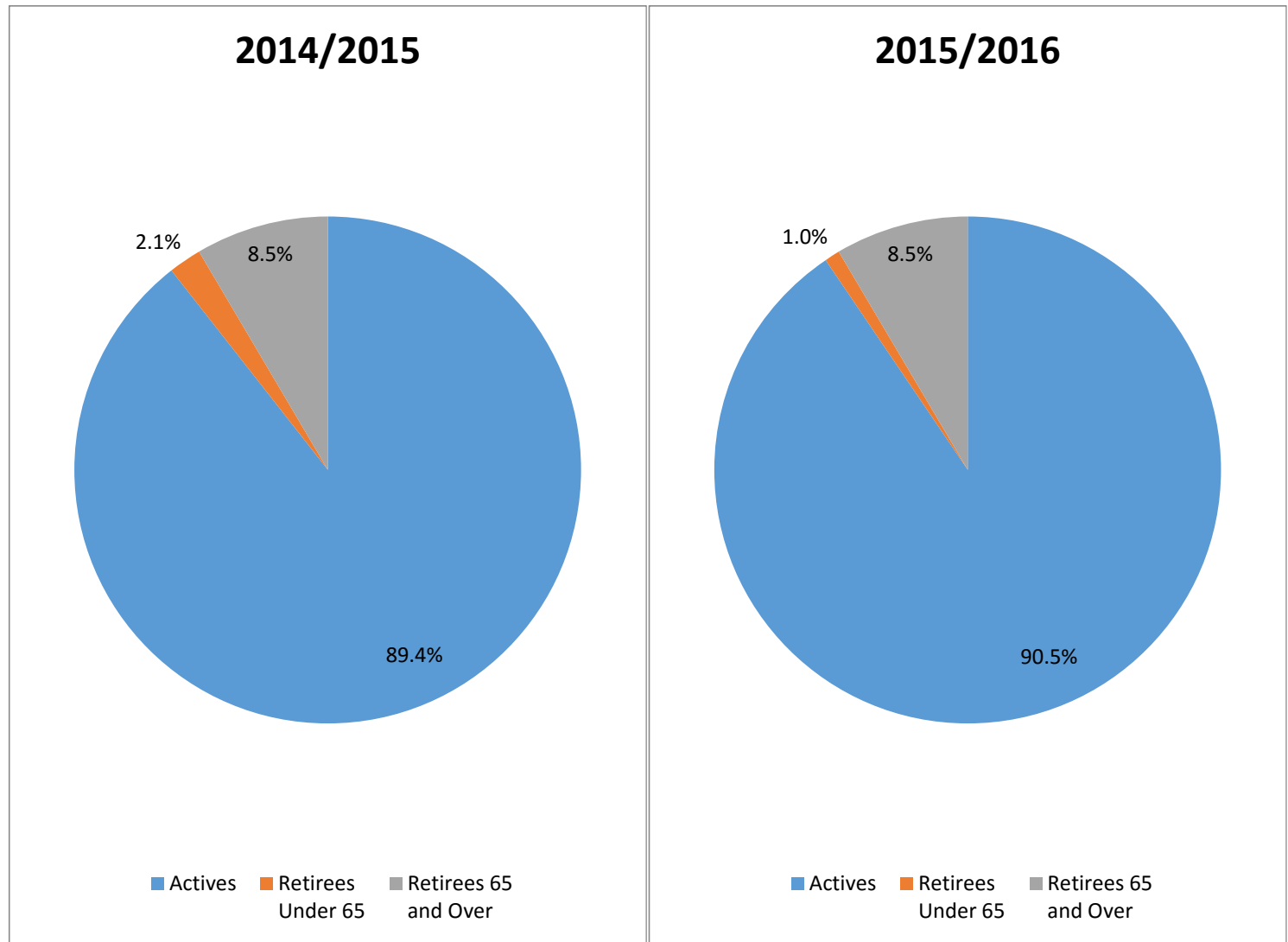
The progressive decline in active enrollment is a result of the continued migration to the Kaiser active plan introduced in September 2011.

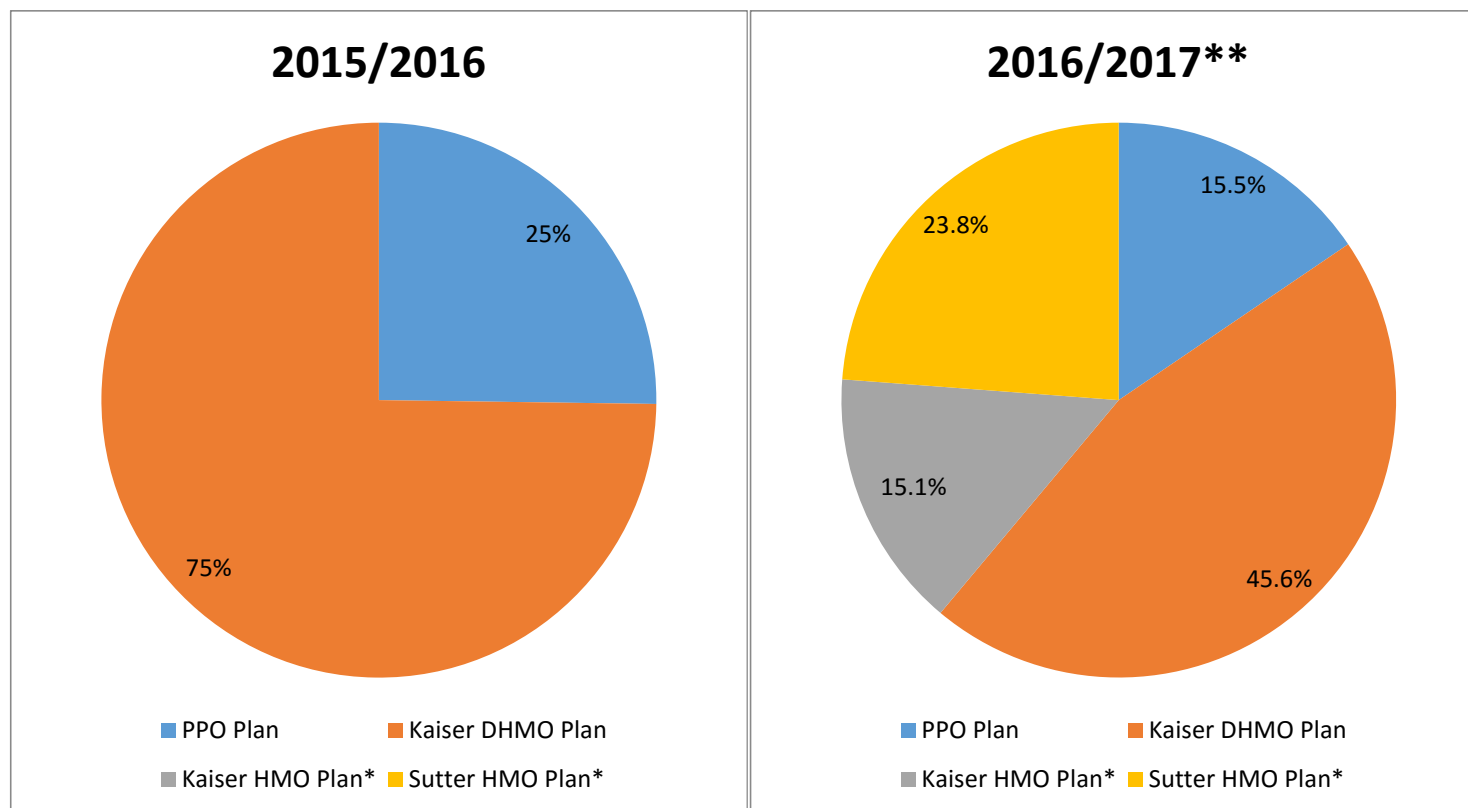
Retiree enrollment has declined since retirees do not receive any cost sharing subsidy from the City.

PPO PLAN ENROLLMENT HISTORY



PPO PLAN ENROLLMENT DISTRIBUTION AS OF JUNE 2016



ACTIVE ENROLLMENT DISTRIBUTION**Average Enrollment by Plan**

	PPO Plan	Kaiser DHMO Plan	Kaiser HMO Plan*	Sutter HMO Plan*	Total
2013/2014	391	702			1,093
2014/2015	320	782			1,102
2015/2016	277	821			1,098
2016/2017**	180	530	175	276	1,161

* Kaiser HMO and Sutter HMO were added effective July 1, 2016.

** Average enrollment from July through December 2016.

Section 2

City of Stockton 2017/2018 Projection

RETIREE ENROLLMENT DISTRIBUTION

Average retiree under 65 enrollment decreased 62.5% in 2015/2016 compared to 2014/2015.

Average retiree over 65 enrollment decreased 13.3% in 2015/2016 compared to 2014/2015.

The significant drop in enrollment for retirees is due to contribution changes made since July 1, 2012. Effective July 1, 2013, retirees must contribute the entire cost of coverage to participate in the City's health plans.

Average Enrollment by Plan

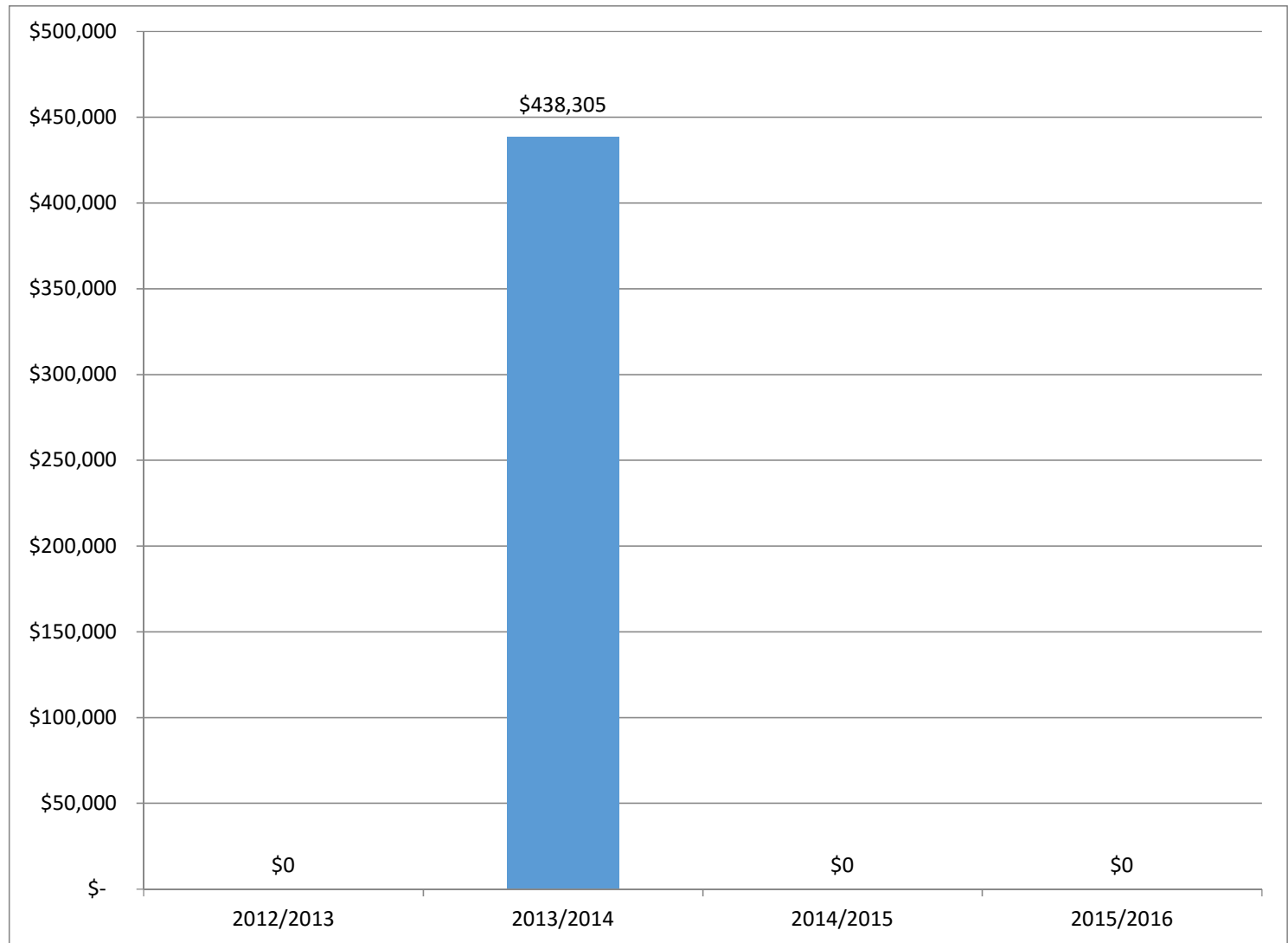
	Under 65 PPO Plan	Over 65 PPO Plan	Total
2013/2014	56	38	94
2014/2015	8	30	38
2015/2016	3	26	29
2016/2017*	2	23	25

* Average enrollment from July through December 2016.

Section 2

City of Stockton 2017/2018 Projection

There was no stop loss reimbursement 2015/2016. The average over the past 3 years and the past 5 years are \$146,102 and \$364,877 respectively.

STOP LOSS REIMBURSEMENT HISTORY - ACTIVE AND RETIREE COMBINED

PPO MEDICAL CLAIMS EXPERIENCE (Before Stop Loss Claims Adjustments)

Period	Active Employees			Retirees Under 65 and Over 65 (Original and Modified Plans)		
	Enrollment	Paid Claims	PEPM	Enrollment	Paid Claims	PEPM
Jul-14	331	\$264,084	\$797.84	42	\$87,974	\$2,094.62
Aug-14	328	\$460,481	\$1,403.90	39	\$32,291	\$827.97
Sep-14	324	\$421,688	\$1,301.50	38	\$54,648	\$1,438.11
Oct-14	322	\$311,154	\$966.32	38	-\$23,827	-\$627.02
Nov-14	321	\$290,446	\$904.82	38	\$29,332	\$771.89
Dec-14	321	\$232,439	\$724.11	38	\$81,880	\$2,154.75
Jan-15	312	\$116,410	\$373.11	36	\$33,761	\$937.82
Feb-15	315	\$249,827	\$793.10	37	\$9,891	\$267.32
Mar-15	317	\$311,481	\$982.59	37	\$32,000	\$864.87
Apr-15	322	\$181,554	\$563.83	36	\$21,421	\$595.03
May-15	316	\$234,881	\$743.29	36	\$11,637	\$323.24
Jun-15	315	\$256,456	\$814.15	33	\$33,086	\$1,002.61
Total	3,844	\$3,330,899	\$866.52	448	\$404,095	\$902.00
Average	320	\$277,575	\$866.52	37	\$33,675	\$902.00
Jul-15	283	\$281,110	\$993.32	32	\$5,669	\$177.16
Aug-15	280	\$307,096	\$1,096.77	31	\$14,506	\$467.94
Sep-15	279	\$185,733	\$665.71	34	\$5,474	\$161.00
Oct-15	278	\$213,778	\$768.99	31	\$7,259	\$234.18
Nov-15	276	\$177,828	\$644.30	30	\$12,053	\$401.77
Dec-15	272	\$198,217	\$728.74	30	\$7,686	\$256.21
Jan-16	271	\$188,320	\$694.91	29	\$8,230	\$283.78
Feb-16	273	\$233,109	\$853.88	29	\$3,520	\$121.39
Mar-16	275	\$95,682	\$347.93	27	\$6,248	\$231.40
Apr-16	278	\$210,078	\$755.67	26	\$20,430	\$785.78
May-16	281	\$188,554	\$671.01	26	\$2,014	\$77.46
Jun-16	281	\$267,389	\$951.56	26	\$4,764	\$183.24
Total	3,327	\$2,546,894	\$765.52	351	\$97,855	\$278.79
Average	277	\$212,241	\$765.52	29	\$8,155	\$278.79
Percent Change	-13.4%	-23.5%	-11.7%	-21.7%	-75.8%	-69.1%
Jul-16	180	\$299,312	\$1,662.85	26	\$4,225	\$162.51
Aug-16	178	\$69,594	\$390.98	25	\$3,556	\$142.26
Sep-16	177	\$106,357	\$600.88	26	\$37,436	\$1,439.86
Oct-16	180	\$164,504	\$913.91	25	\$8,993	\$359.71
Nov-16	182	\$115,692	\$635.67	25	\$5,059	\$202.37
Dec-16	183	\$51,833	\$283.24	23	\$5,866	\$255.05
Total (6-month)	1,080	\$807,291	\$747.49	150	\$65,136	\$434.24
Average	180	\$134,549	\$747.49	25	\$10,856	\$434.24
Percent Change	-35.1%	-36.6%	-2.4%	-14.5%	33.1%	55.8%

PPO PRESCRIPTION DRUG CLAIMS EXPERIENCE

Period	Active Employees			Retirees Under 65 and Over 65 (Original and Modified Plans)		
	Enrollment	Paid Claims	PEPM	Enrollment	Paid Claims	PEPM
Jul-14	331	\$70,183	\$212.03	42	\$14,826	\$352.99
Aug-14	328	\$68,560	\$209.02	39	\$20,677	\$530.17
Sep-14	324	\$72,734	\$224.49	38	\$15,103	\$397.45
Oct-14	322	\$79,860	\$248.01	38	\$21,180	\$557.37
Nov-14	321	\$61,430	\$191.37	38	\$14,463	\$380.61
Dec-14	321	\$78,905	\$245.81	38	\$14,134	\$371.94
Jan-15	312	\$80,436	\$257.81	36	\$18,025	\$500.69
Feb-15	315	\$61,952	\$196.67	37	\$16,443	\$444.40
Mar-15	317	\$68,570	\$216.31	37	\$15,481	\$418.41
Apr-15	322	\$76,778	\$238.44	36	\$21,673	\$602.02
May-15	316	\$76,297	\$241.45	36	\$25,719	\$714.42
Jun-15	315	\$71,321	\$226.42	33	\$18,579	\$562.99
Total	3,844	\$867,025	\$225.55	448	\$216,302	\$482.82
Average	320	\$72,252	\$225.55	37	\$18,025	\$482.82
Jul-15	283	\$55,563	\$196.33	32	\$18,342	\$573.19
Aug-15	280	\$58,459	\$208.78	31	\$20,032	\$646.21
Sep-15	279	\$62,020	\$222.29	34	\$16,920	\$497.64
Oct-15	278	\$58,398	\$210.06	31	\$12,096	\$390.18
Nov-15	276	\$64,505	\$233.71	30	\$18,183	\$606.11
Dec-15	272	\$74,092	\$272.40	30	\$15,944	\$531.47
Jan-16	271	\$58,073	\$214.29	29	\$21,556	\$743.31
Feb-16	273	\$50,994	\$186.79	29	\$18,427	\$635.43
Mar-16	275	\$87,817	\$319.33	27	\$18,834	\$697.54
Apr-16	278	\$58,908	\$211.90	26	\$22,240	\$855.39
May-16	281	\$70,456	\$250.73	26	\$25,730	\$989.63
Jun-16	281	\$73,809	\$262.67	26	\$21,108	\$811.86
Total	3,327	\$773,094	\$232.37	351	\$229,413	\$653.60
Average	277	\$64,424	\$232.37	29	\$19,118	\$653.60
Percent Change	-13.4%	-10.8%	3.0%	-21.7%	6.1%	35.4%
Jul-16	180	\$40,727	\$226.26	26	\$21,224	\$816.31
Aug-16	178	\$32,564	\$182.94	25	\$21,032	\$841.30
Sep-16	177	\$45,994	\$259.85	26	\$16,682	\$641.62
Oct-16	180	\$38,773	\$215.40	25	\$19,631	\$785.25
Nov-16	182	\$36,291	\$199.40	25	\$14,366	\$574.65
Dec-16	183	\$36,541	\$199.68	23	\$17,084	\$742.78
Total (6-month)	1,080	\$230,890	\$213.79	150	\$110,020	\$733.47
Average	180	\$38,482	\$213.79	25	\$18,337	\$733.47
Percent Change	-35.1%	-40.3%	-8.0%	-14.5%	-4.1%	12.2%

VISION AND DENTAL CLAIMS EXPERIENCE

Period	Vision			Dental		
	Enrollment	Paid Claims	PEPM	Enrollment	Paid Claims	PEPM
Jul-14	1,218	\$12,557	\$10.31	1,184	\$116,638	\$98.51
Aug-14	1,215	\$12,816	\$10.55	1,192	\$97,644	\$81.92
Sep-14	1,220	\$17,359	\$14.23	1,196	\$72,887	\$60.94
Oct-14	1,225	\$10,657	\$8.70	1,200	\$105,846	\$88.20
Nov-14	1,233	\$11,069	\$8.98	1,200	\$78,794	\$65.66
Dec-14	1,242	\$10,294	\$8.29	1,213	\$94,002	\$77.50
Jan-15	1,241	\$12,748	\$10.27	1,266	\$110,001	\$86.89
Feb-15	1,254	\$12,554	\$10.01	1,261	\$103,119	\$81.78
Mar-15	1,252	\$10,025	\$8.01	1,264	\$106,474	\$84.24
Apr-15	1,255	\$11,674	\$9.30	1,270	\$119,990	\$94.48
May-15	1,259	\$10,063	\$7.99	1,269	\$106,866	\$84.21
Jun-15	1,264	\$13,092	\$10.36	1,238	\$88,245	\$71.28
Total	14,878	\$144,908	\$9.74	14,753	\$1,200,504	\$81.37
Average	1,240	\$12,076	\$9.74	1,229	\$100,042	\$81.37
Jul-15	1,251	\$13,640	\$10.90	1,229	\$125,062	\$101.76
Aug-15	1,267	\$14,276	\$11.27	1,218	\$98,527	\$80.89
Sep-15	1,250	\$13,853	\$11.08	1,219	\$85,211	\$69.90
Oct-15	1,263	\$9,565	\$7.57	1,213	\$102,021	\$84.11
Nov-15	1,263	\$10,674	\$8.45	1,222	\$73,838	\$60.42
Dec-15	1,259	\$14,376	\$11.42	1,210	\$99,337	\$82.10
Jan-16	1,266	\$10,225	\$8.08	1,206	\$87,012	\$72.15
Feb-16	1,267	\$13,772	\$10.87	1,217	\$77,494	\$63.68
Mar-16	1,267	\$10,560	\$8.33	1,223	\$124,171	\$101.53
Apr-16	1,285	\$12,055	\$9.38	1,224	\$86,235	\$70.45
May-16	1,300	\$11,467	\$8.82	1,234	\$101,528	\$82.28
Jun-16	1,301	\$14,182	\$10.90	1,247	\$115,790	\$92.85
Total	15,239	\$148,645	\$9.75	14,662	\$1,176,226	\$80.22
Average	1,270	\$12,387	\$9.75	1,222	\$98,019	\$80.22
Percent Change	2.4%	2.6%	0.1%	-0.6%	-2.0%	-1.4%
Jul-16	1,314	\$15,199	\$11.57	1,255	\$82,331	\$65.60
Aug-16	1,328	\$14,168	\$10.67	1,262	\$87,921	\$69.67
Sep-16	1,334	\$15,616	\$11.71	1,276	\$101,591	\$79.62
Oct-16	1,343	\$13,426	\$10.00	1,274	\$94,103	\$73.86
Nov-16	1,346	\$15,829	\$11.76	1,283	\$89,247	\$69.56
Dec-16	1,357	\$14,118	\$10.40	1,292	\$102,167	\$79.08
Total (6-month)	8,022	\$88,356	\$11.01	7,642	\$557,360	\$72.93
Average	1,337	\$14,726	\$11.01	1,274	\$92,893	\$72.93
Percent Change	5.3%	18.9%	12.9%	4.2%	-5.2%	-9.1%

Section 2

City of Stockton 2017/2018 Projection

ENROLLMENT - ACTIVES

Period	PPO PLAN		KAISER DHMO PLAN		KAISER HMO PLAN (Effective 7/1/16)		SUTTER HMO PLAN (Effective 7/1/16)		TOTAL	
	Primary Enrollees	Dependents	Primary Enrollees	Dependents	Primary Enrollees	Dependents	Primary Enrollees	Dependents	Primary Enrollees	Dependents
Jul-14	331	589	756	1,525					1,087	2,114
Aug-14	328	580	762	1,535					1,090	2,115
Sep-14	324	579	766	1,545					1,090	2,124
Oct-14	322	571	767	1,550					1,089	2,121
Nov-14	321	560	776	1,556					1,097	2,116
Dec-14	321	559	782	1,562					1,103	2,121
Jan-15	312	542	792	1,583					1,104	2,125
Feb-15	315	548	790	1,572					1,105	2,120
Mar-15	317	550	790	1,573					1,107	2,123
Apr-15	322	555	797	1,601					1,119	2,156
May-15	316	549	799	1,603					1,115	2,152
Jun-15	315	549	807	1,610					1,122	2,159
Total	3,844	6,731	9,384	18,815					13,228	25,546
Average	320	561	782	1,568					1,102	2,129
Ratio		1.75		2.01						1.93
Jul-15	283	494	822	1,595					1,105	2,089
Aug-15	280	484	817	1,579					1,097	2,063
Sep-15	279	551	818	1,572					1,097	2,123
Oct-15	278	528	819	1,549					1,097	2,077
Nov-15	276	472	815	1,550					1,091	2,022
Dec-15	272	479	819	1,559					1,091	2,038
Jan-16	271	477	810	1,559					1,081	2,036
Feb-16	273	476	817	1,548					1,090	2,024
Mar-16	275	476	811	1,555					1,086	2,031
Apr-16	278	473	829	1,564					1,107	2,037
May-16	281	473	829	1,564					1,110	2,037
Jun-16	281	476	843	1,568					1,124	2,044
Total	3,327	5,859	9,849	18,762					13,176	24,621
Average	277	488	821	1,564					1,098	2,052
Ratio		1.76		1.90						1.87
Jul-16	180	293	534	1,004	157	258	263	477	1,134	2,032
Aug-16	178	290	537	1,008	220	384	277	504	1,212	2,186
Sep-16	177	291	531	999	165	259	271	495	1,144	2,044
Oct-16	180	295	527	1,000	166	260	277	497	1,150	2,052
Nov-16	182	294	527	1,002	167	266	280	503	1,156	2,065
Dec-16	183	291	525	1,000	175	279	285	506	1,168	2,076
Total (6-month)	1,080	1,754	3,181	6,013	1,050	1,706	1,653	2,982	6,964	12,455
Average	180	292	530	1,002	175	284	276	497	1,161	2,076
Ratio		1.62		1.89		1.62		1.80		1.79

Section 2

City of Stockton 2017/2018 Projection

ENROLLMENT - RETIREES

Period	Retirees Under 65 (Original and Modified Plans)		Retirees Over 65 (Original and Modified Plans)	
	Primary Enrollees	Dependents	Primary Enrollees	Dependents
Jul-14	12	3	30	20
Aug-14	10	3	29	20
Sep-14	9	3	29	20
Oct-14	9	3	29	20
Nov-14	8	2	30	21
Dec-14	8	2	30	21
Jan-15	6	2	30	20
Feb-15	6	2	31	19
Mar-15	6	2	31	20
Apr-15	6	2	30	19
May-15	6	2	30	19
Jun-15	4	2	29	18
Total	90	28	358	237
Average	8	2	30	20
Ratio		0.31		0.66
Jul-15	4	1	28	17
Aug-15	4	1	27	16
Sep-15	4	2	30	16
Oct-15	5	2	26	16
Nov-15	4	2	26	16
Dec-15	4	2	26	16
Jan-16	3	1	26	16
Feb-16	2	1	27	16
Mar-16	2	1	25	15
Apr-16	2	1	24	15
May-16	2	1	24	15
Jun-16	2	1	24	13
Total	38	16	313	187
Average	3	1	26	16
Ratio		0.42		0.60
Jul-16	2	1	24	13
Aug-16	2	1	23	13
Sep-16	2	1	24	13
Oct-16	2	1	23	13
Nov-16	2	1	23	13
Dec-16	2	1	21	12
Total (6-month)	12	6	138	77
Average	2	1	23	13
Ratio		0.50		0.56