

## Fairfield: Town and Public Schools

**Fairfield Public Schools - Renewal Year (2013) 9.2% Annual Trend**

**Data Through December 2012**

AonHewitt Renewal Projection - July 1, 2013													
Components	Anthem Med/Rx			CVS/Caremark Rx <sup>(1)</sup>			Sun Life Dental			Total - All Coverages			
	Active	Retirees	Total	Active	Retirees	Total	Active	Retirees	Total	Active	Retirees	Total	
1. Exp. Per Pd Claims <sup>(2)</sup>	\$17,191,591	\$1,408,623	\$18,600,213	\$3,599,375	\$677,731	\$4,277,106	\$1,203,091	\$187,553	\$1,390,644	\$21,994,056	\$2,273,907	\$24,267,963	
2. Claims in Excess of ISL <sup>(3)</sup>	\$253,321	\$0	\$253,321	\$0	\$0	\$0	\$0	\$0	\$0	\$253,321	\$0	\$253,321	
3. Experience Period Net Paid Claims	\$16,938,270	\$1,408,623	\$18,346,892	\$3,599,375	\$677,731	\$4,277,106	\$1,203,091	\$187,553	\$1,390,644	\$21,740,735	\$2,273,907	\$24,014,642	
4. Trend Factor ( 18 Months )	1.141	1.141		1.115	1.115		1.076	1.076					
5. Annual Trend <sup>(4)</sup>	9.2%	9.2%		7.5%	7.5%		5.0%	5.0%					
6. Trended Paid Claims	\$19,328,716	\$1,607,417	\$20,936,133	\$4,011,804	\$755,388	\$4,767,193	\$1,294,442	\$201,794	\$1,496,236	\$24,634,961	\$2,564,599	\$27,199,561	
7. Experience Period Lives (2 mo. lag)	1,269	120	1,389	1,251	168	1,419	1,289	234	1,522				
8. Trended Exp Per Claims (per ee)	\$15,229	\$13,414		\$3,206	\$4,501		\$1,005	\$864		\$19,440	\$18,779		
9. Projected Current Year Average Lives	1,279	120	1,399	1,265	165	1,430	1,300	241	1,541				
10. Exp Claims: July 1, 2013 - July 1, 2014	\$19,478,472	\$1,609,653	\$21,088,125	\$4,055,620	\$742,636	\$4,798,256	\$1,305,995	\$208,201	\$1,514,196	\$24,840,086	\$2,560,490	\$27,400,576	
11. Admin: July 1, 2013 - July 1, 2014 <sup>(5)</sup>	\$587,962	\$58,150	\$646,112	\$0	\$0	\$0	\$67,865	\$12,716	\$80,581	\$655,826	\$70,866	\$726,693	
12. Network Access Fees <sup>(5)</sup>	\$274,298	\$27,128	\$301,426	\$0	\$0	\$0	\$0	\$0	\$0	\$274,298	\$27,128	\$301,426	
13. SL Exp: July 1, 2013 - July 1, 2014 <sup>(5)</sup>	\$560,839	\$55,468	\$616,307	\$0	\$0	\$0	\$0	\$0	\$0	\$560,839	\$55,468	\$616,307	
14. ACA Reinsurance Fee <sup>(6)</sup>	\$125,086	\$11,736	\$136,822	\$0	\$0	\$0	\$0	\$0	\$0	\$125,086	\$11,736	\$136,822	
15. Est Tot Cost: July 1, 2013 - July 1, 2014	\$21,026,657	\$1,762,135	\$22,788,792	\$4,055,620	\$742,636	\$4,798,256	\$1,373,859	\$220,918	\$1,594,777	\$26,456,136	\$2,725,688	\$29,181,825	
16. 2012 Budget (from final renewals) <sup>(7,8)</sup>	\$17,086,918	\$1,250,692	\$18,337,611	\$3,974,570	\$812,255	\$4,786,826	\$1,405,116	\$221,428	\$1,626,544	\$22,466,604	\$2,284,376	\$24,750,980	
17. Change (\$)	\$3,939,739	\$511,443	\$4,451,181	\$81,050	(\$69,620)	\$11,430	(\$31,256)	(\$510)	(\$31,767)	\$3,989,532	\$441,313	\$4,430,845	
18. Change (%)	23.1%	40.9%	24.3%	2.0%	-8.6%	0.2%	-2.2%	-0.2%	-2.0%	17.8%	19.3%	17.9%	

<sup>(1)</sup> Rx rebates are not considered in projection

<sup>(2)</sup> based on claims from 1/12 to 1/13

<sup>(3)</sup> based on claims from 1/12 to 1/13

<sup>(4)</sup> Aon Consulting Winter 2012 Health Care Trend Survey - adjusted based on current BOE reserve position

<sup>(5)</sup> estimated: 3% increase on admin fees; 15% increase on Stop Loss

<sup>(6)</sup> projected: cost to cover guarantee issue (risk charge collected by ABCBS and paid directly to US Govt.)

<sup>(7)</sup> based on finalized 2012 renewal