

Sample Blended ASE & PSE Active Rates for 2015

Actives	Total Rate	State & District Contrib.	Reserve Contrib.	2015 Total EE Cost with & without Wellness Visit		Assumed Enrollment	Change in EE Cost for ASE	Change in EE Cost for PSE
Premium								
Employee Only	\$427.52	\$278.67	\$8.73	\$140.12	\$215.12	32,687	\$35.34	(\$39.26)
Employee & Spouse	953.31	500.54	15.69	437.08	512.08	3,562	58.00	(375.64)
Employee & Child(ren)	745.14	453.73	14.22	277.19	352.19	7,087	67.15	(182.89)
Family	1,270.92	675.60	21.17	574.15	649.15	3,995	89.81	(240.77)
Est. Monthly Total (\$mil)	\$27.7	\$16.8	\$0.5	\$10.4	\$13.9	47,331	\$1.3	(\$1.4)
Classic								
Employee Only	\$361.97	\$278.67	\$8.73	\$74.57	\$149.57	11,604	\$28.09	\$29.57
Employee & Spouse	801.41	500.54	15.69	285.18	360.18	1,338	42.16	(61.56)
Employee & Child(ren)	627.35	453.73	14.22	159.40	234.40	3,058	49.94	4.50
Family	1,066.78	675.60	21.17	370.01	445.01	2,761	64.01	19.65
Est. Monthly Total (\$mil)	\$10.1	\$7.2	\$0.2	\$2.8	\$4.2	18,761	\$0.1	\$0.3
Basic								
Employee Only	\$314.83	\$278.67	\$8.73	\$27.43	\$102.43	2,901	\$27.43	\$16.43
Employee & Spouse	689.63	500.54	15.69	173.40	248.40	334	40.92	(93.32)
Employee & Child(ren)	541.10	453.73	14.22	73.15	148.15	764	44.99	(46.01)
Family	915.90	675.60	21.17	219.13	294.13	690	58.49	(50.37)
Est. Monthly Total (\$mil)	\$2.2	\$1.8	\$0.1	\$0.3	\$0.7	4,690	\$0.0	(\$0.0)
Total (Monthly) (\$ mil)	\$40.1	\$25.8	\$0.8	\$13.5	\$18.8	70,782	\$1.4	(\$1.1)
Est Annual Total (\$ mil)	\$480.7	\$309.0	\$9.7	\$162.0	\$225.7		\$17.0	(\$13.7)

The above is one sample scenario where ASE and PSE are blended for 2015 with no new funding. This scenario starts with the active rates adopted for 2015 for ASE. For PSE, we used risk adjusted active rates and no migration for 2015. We then adjusted the benefits to be equal to ASE. To determine the employee contributions, we used the same formula as was used to calculate the ASE premium rates for 2015, but scaled the State/District/Reserve contributions to match the money available.

Please note that this scenario assumes the current plan election (adjusted for removal of PT employees in PSE, and a small adjustment for dependent audit and the spousal exclusion). Prior to adopting any change, we would recommend a review of what plan election patterns may result. Also, this scenario does not address how retirees would be merged, which could affect the active rates. For more information about data, methods, and assumptions, please refer to Cheiron's presentations at the June and July meetings of the State and Public School Life & Health Insurance Board.