City of Biddeford
Personnel Committee
November 14, 2017 5:00 PM 205 Main Street

1. **Call to Order**
2. **Discussion**
   - 2.1. 2018 Health Insurance Renewal
     November 14 2017-PC Agenda- 2018 Health Insurance Renwal.pdf
   - 2.2. Executive Session-Recruitment/Interview Economic and Community Development Director - 1 MRSA, Section 405, Subsection 6 (A)
3. **Other Business**
4. **Unfinished Business/Future Agenda Items**
5. **Adjourn**

To: **Personnel Committee Members-**

Council President McCurry, Councilor Ready, Councilor St. Cyr and Councilor Belanger

From: **Marcy Faucher, Human Resources Director**

Date: **November 9, 2017**

Re: **2018 Health Insurance Renewal**

The Human Resources Department has been working aggressively with representatives from P&C Insurance to provide the City with a competitively priced health insurance renewal for 2018. The City's current carrier, Harvard Pilgrim Health Care (HPHC) issued a renewal which would have resulted in a 38.6% overall increase. Representative from P&C Insurance requested quotes from several carriers and we worked directly with the Maine Municipal Employees Health Trust (MMEHT) to obtain a quote. Quotes were received by Aetna, Community Health Options, Health Plans Inc., Maine Health Saver and MMEHT. On November 3, 2017 me, City Manager Bennett and Daniel Cote of P&C Insurance met to review quotes and plan designs. Unfortunately, Daniel informed us that two of the major carriers in the State declined to quote our group and those remaining were not competitive, his recommendation was that the City consider accepting the proposal submitted by MMEHT.

Attached you will find MMEHT's proposal including side-by-side benefit comparisons (HPHC vs. MMEHT), a health insurance cost analysis report created by Finance Director, Cheryl Fournier, the Market Synopsis provided by P&C Insurance, Harvard Pilgrim's 2018 proposed renewal and Harvard's Total Cost by Month reports for 2015/2016 and 2016/2017.

Please let me know if you have questions or would like additional information prior to meeting on Tuesday.

Maine Municipal
Employees Health Trust

THE CITY OF BIDDEFORD MONTHLY RATES
Effective January 1, 2018 - December 31, 2018

Health

	POS-C	POS-200	PPO-500	PPO-1000	PPO-1500	PPO-2500
Single Person	$1,044.20	$956.96	$925.31	$886.20	$804.11	$734.38
Employee/Spouse	$2,342.30	$2,146.58	$2,075.59	$1,987.89	$1,803.74	$1,647.35
Employee/Child(ren)	$1,703.84	$1,561.46	$1,509.84	$1,446.03	$1,312.08	$1,198.32
Family	$2,342.30	$2,146.58	$2,075.59	$1,987.89	$1,803.74	$1,647.35

Retiree (with Medicare) - Retiree Group Companion Plan

Single Person	$527.65
Two Person	$1,055.29

Dental

Single Person	$43.36
Employee/Spouse	$74.85
Employee/Child(ren)	$142.86
Family	$142.86

Vision

Single Person	$5.58
Employee/Spouse	$11.15
Employee/Child(ren)	$11.94
Family	$19.09

Income Protection Plan (short term disability)
Employee may select 40%, 55% or 70% of annual salary
$2.04 per $100 of covered payroll per month

Long Term Disability
Employer Paid: $0.40 per $100 of covered payroll per month
Employee paid: Age Banded (call Health Trust for details)

Life Insurance

Basic Life (including AD&D)	$0.30 per $1,000 of coverage per month No cost if enrolled in health insurance
Supplemental Life	$0.30 per $1,000 of coverage per month
Dependent Life	Option A: $1.50 per month Option B: $3.20 per month

Note: The above rates are initial calculations. Rates may change slightly, once final calculations have been made.

3

CITY OF BIDDEFORD
MEDICAL INSURANCE BENEFIT COMPARISON

	HARVARD PILGRIM 1/1/2017 HMO *Benefits only provided for In-Network services. No benefits available for services received Out-of-Network.*	MMEHT 1/1/2018 PPO 1500 *Benefits shown are In-Network only. Reduced benefits provided for services received Out-of-Network.*
CALENDAR YEAR DEDUCTIBLE	*All amounts listed below are member cost shares.*	*All amounts listed below are member cost shares.*
Single/Family	$1000/$2000	$1500/$3000
COINSURANCE		
Single/Family	20% or 30% TO $2500/$5000	20% TO $2000/$4000
CALENDAR YEAR OUT OF POCKET MAXIMUM	*Includes deductible, coinsurance, and medical copays.Does not include prescription drug copays.*	*Includes deductible and coinsurance. Does not include copays.*
Single/Family	$3500/$7000	$3500/$7000
COVERED SERVICES		
HOSPITAL INPATIENT SERVICES	30% after deductible	20% after deductible
OUTPATIENT SURGERY	30% after deductible	20% after deductible
PRIMARY CARE VISIT COPAY	$25	$25
SPECIALIST VISIT COPAY	$50	$40
REFERRALS REQUIRED FOR SPECIALIST	YES	NO
PREVENTIVE LAB & X-RAY	$0	$0
DIAGNOSTIC LAB & X-RAY	30% after deductible	20% after Deductible
MRI/CAT/PET SCAN	30% after deductible	20% after deductible
ROUTINE PHYSICAL EXAM	$0	$0
ANNUAL GYN EXAM	$0	$0
ROUTINE EYE EXAM	$25 copay	$0
AMBULANCE	$0	20% after deductible
EMERGENCY ROOM COPAY	$150	$200
CHIROPRACTIC CARE VISIT	$25 copay	$40 copay
PHYSICAL, SPEECH & OCCUPATIONAL THERAPY	$25 copay Maximum 40 visits per calendar year	$40 copay Maximum 75 visits per calendar year
DURABLE MEDICAL EQUIPMENT	20% after deductible	20% after deductible
PRESCRIPTION DRUGS		
PRESCRIPTIONS, 30 DAY SUPPLY	$15/$30/$50	$8/$15/$35/$60/$80
MAIL-ORDER PRESCRIPTIONS, 90 DAY SUPPLY	$30/$60/$100	$16/$30/$70/$120/$160
RETAIL PRESCRIPTIONS, 90 DAY SUPPLY	$45/$90/$150	$24/$45/$105/$180/$240
PRESCRIPTION DRUG COPAY CALENDAR YEAR MAXIMUM	$1000/$2000	N/A. All copays apply towards the copay out of pocket maximum of $2850/$5700 per calendar year.
MAXIMUM LIFETIME BENEFIT	None	None

Health Insurance Renewal
November 8, 2017

Current Enrollment

	Single	Two Person	Single Parent	Family	Total
Hard Pilgrim HMO - Trust Billing	-	3.00	-	1.00	4.00
HPHC HMO-HRA	30.00	15.00	4.00	32.00	81.00
Retiree/Cobra - HMO	1.00	-	-	-	1.00
Retiree/Cobra - HRA	6.00	-	-	-	6.00
	37.00	18.00	4.00	33.00	92.00

HPHC (2017 Rates)

	Single	Two Person	Single Parent	Family	Total
Hard Pilgrim HMO - Trust Billing	-	71,846.64	-	34,725.84	106,572.48
HPHC HMO-HRA	259,902.00	259,902.00	65,842.08	803,965.44	1,389,611.52
Retiree/Cobra - HMO	11,974.44	-	-	-	11,974.44
Retiree/Cobra - HRA	51,980.40	-	-	-	51,980.40
	323,856.84	331,748.64	65,842.08	838,691.28	1,560,138.84
80% Employer Cost					1,248,111.07
Estimated HRA (Deductible 3500/7000)					146,475.00
Estimated Copay					20,286.00
Life Insurance					15,754.80
Employer Cost					1,430,626.87
Annual Premium	8,663.40	17,326.80	16,460.52	25,123.92	
Employee Weekly Amount (20%)	33.32	66.64	63.31	96.63	

HPHC (New Proposed Rates)

	Single	Two Person	Single Parent	Family	Total
Hard Pilgrim HMO - Trust Billing	-	99,579.44	-	48,130.01	147,709.46
HPHC HMO-HRA	360,223.20	360,225.00	91,257.12	1,114,295.04	1,926,000.36
Retiree/Cobra - HMO	16,596.57	-	-	-	16,596.57
Retiree/Cobra - HRA	72,044.64	-	-	-	72,044.64
	448,864.41	459,804.44	91,257.12	1,162,425.05	2,162,351.03
80% Employer Cost					1,729,880.82
Estimated HRA (Deductible 3500/7000)					146,475.00
Estimated Copay					20,286.00
Life Insurance					15,754.80
Employer Cost					1,912,396.62
Employer Increase percentage					33.7%
Annual Premium	12,007.44	24,015.00	22,814.28	34,821.72	
Employee Weekly Amount (20% for 52 weeks)	46.18	92.37	87.75	133.93	
Increase/(decrease) from 2017 Rate	**12.86**	**25.72**	**24.44**	**37.30**	

MMEHT PPO-1500

	Single	Two Person	Single Parent	Family	Total	Increase/ (Decrease) over HPHC (Proposed Rates)	Increase/ (Decrease) over 2017 Rates
Hard Pilgrim HMO - Trust Billing	-	64,934.64	-	21,644.88	86,579.52		
HPHC HMO-HRA	289,479.60	324,673.20	62,979.84	692,636.16	1,369,768.80		
Retiree/Cobra - HMO	9,649.32	-	-	-	9,649.32		
Retiree/Cobra - HRA	57,895.92	-	-	-	57,895.92		
	357,024.84	389,607.84	62,979.84	714,281.04	1,523,893.56	(638,457.47)	(36,245.28)
80% Employer Cost					1,219,114.85	(510,765.98)	(28,996.22)
Estimated HRA (Deductible 3500/7000)					146,475.00	-	-
Estimated Copay					20,286.00	-	-
Life Insurance					-	(15,754.80)	(15,754.80)
Employer Cost					1,385,875.85	(526,520.78)	(44,751.02)
Employer Increase percentage					-3.1%	-27.5%	-3.1%
Annual Premium	9,649.32	21,644.88	15,744.96	21,644.88			
Employee Weekly Amount (20% for 52 weeks)	37.11	83.25	60.56	83.25			
Increase/(decrease) from 2017 Rate	**3.79**	**16.61**	**(2.75)**	**(13.38)**			
Increase/(decrease) from New Proposed HPHC Rate	**(9.07)**	**(9.12)**	**(27.19)**	**(50.68)**			

MAINE MUNICIPAL EMPLOYEES HEALTH TRUST

PPO 1500 Plan

Effective January 1, 2018

This is a summary of plan benefits. In the case of any inadvertent discrepancies, the plan document will govern.

For specific information regarding plan provisions, please contact the Health Trust Service Representatives at 1-800-852-8300 or htservice@memun.org.

	In-Network	Out-of-Network
Please Note: Payment made Out-Of-Network cannot be applied towards meeting the In-Network Deductible or Out-of-Pocket Maximum, and vice versa.		
BENEFIT DESCRIPTION		
• Deductible	$1,500 Single / $3,000 Family	$2,500 Single / $5,000 Family
• Coinsurance	Plan pays 80%	Plan pays 60%
• Deductible + Coinsurance Out-of-Pocket Maximum Per Calendar Year (1)	$3,500 Single / $7,000 Family	$4,000 Single / $8,000 Family
• Lifetime Maximum	Unlimited	Unlimited
Inpatient Services		
• Unlimited days of care in semi-private room (2)	80% after In-Network deductible	60% after Out-of-Network deductible
• Physician services	80% after In-Network deductible	60% after Out-of-Network deductible
• Intensive care	80% after In-Network deductible	60% after Out-of-Network deductible
• Mental health services/Substance abuse services (2)	80% after In-Network deductible	60% after Out-of-Network deductible
• Ancillary services, lab tests, x-rays, anesthesia, medications	80% after In-Network deductible	60% after Out-of-Network deductible
• Maternity care	80% after In-Network deductible	60% after Out-of-Network deductible
• Newborn care	80% after In-Network deductible	60% after Out-of-Network deductible
Outpatient Services		
• Any physician office visit, diagnosis and treatment	100% after $25 copay (PCP) or $40 copay (Specialist)	80% after $25 copay (PCP) or $40 copay (Specialist)
• Lab & X-ray – Diagnostic	80% after In-Network deductible	60% after Out-of-Network deductible
• Lab & X-ray – Preventive	100% (no deductible)	80% (no deductible)
• Advanced Imaging (e.g., MRI, CT, and PET scans) (2)	80% after In-Network deductible	60% after Out-of-Network deductible
• Physical exams and Well-child care	100% (no deductible)	80% (no deductible)
• Immunizations/Flu Shots	100% (no deductible)	80% (no deductible)
• Covered surgical procedures	80% after In-Network deductible	60% after Out-of-Network deductible
• Mental health services/Substance abuse services	100% after $25 copay	80% after $25 copay
• Maternity care	100% after $25 copay (PCP) or $40 copay (Specialist)	80% after $25 copay (PCP) or $40 copay (Specialist)
• Gynecological exam – Preventive	100% (no deductible)	80% (no deductible)
• Physical, Speech or Occupational Therapy (3)	100% after $40 copay	80% after $40 copay
• Outpatient facility fees	80% after In-Network deductible	60% after Out-of-Network deductible
• Ambulance (medically necessary)	80% after In-Network deductible	80% after Out-of-Network deductible
Emergency Room Services		
• Emergency/Urgent/Acute care	100% after $200 copay	100% after $200 copay
• Non-emergency care	100% after $200 copay	100% after $200 copay
Other Services		
• Walk-In Center	100% after $40 copay	80% after $40 copay
• Home Health/Hospice care	80% after In-Network deductible	60% after Out-of-Network deductible
• Skilled nursing facility (2) (4)	80% after In-Network deductible	60% after Out-of-Network deductible
• Human tissue & organ transplants	80% after In-Network deductible	60% after Out-of-Network deductible
• Durable Medical Equipment	80% (no deductible)	60% (no deductible)
• Oral surgery (limited benefits)	80% after In-Network deductible	60% after Out-of-Network deductible
• Eye exams – Preventive	100% (no deductible)	80% (no deductible)
• Chiropractic care (5)	100% after $40 copay	80% after $40 copay
Prescription Drugs		
Each **30-day** supply – Retail Pharmacy (Tier 1-Select Generic/ Tier 1-Standard/ Tier 2/ Tier 3/ Tier 4)	Copays: $8 / $15 / $35 / $60 / $80	Copays: $8 / $15 / $35 / $60 / $80
90 day supply copay – Mail Order (Tier 1-Select Generic/ Tier 1-Standard/ Tier 2/ Tier 3/ Tier 4)	Copays: $16 / $30 / $70 / $120 / $160	Copays: $16 / $30 / $70 / $120 / $160
Specialty medications may only be filled through specialty pharmacies and in quantities up to a 30 day supply. Some specialty medications may be subject to partial fills for new prescriptions. Please contact the Health Trust with any questions.		

(1) In-Network copays will be capped at $2,850 single / $5,700 family. This means that you will not have to pay more than $6,350 single / $12,700 family for all covered services received In-Network (including deductible, coinsurance, and copays).

(2) Private rooms covered when medically necessary. The Provider or Participant must contact Anthem Blue Cross and Blue Shield before any scheduled hospital or skilled nursing facility admission or outpatient advanced imaging procedure to obtain certification. If certification is not obtained, a $500 penalty may apply. This $500 penalty does not apply to the Out-of-Pocket Maximum.

(3) Combined physical, speech, and occupational therapy benefits (including those billed by a chiropractor or a D.O.) limited to 75 visits per person per calendar year (combined In-Network and Out-of-Network).

(4) Skilled nursing facility services limited to 100 days per calendar year (combined In-Network and Out-of-Network).

(5) Acute chiropractic care will be covered for up to 36 visits per calendar year (combined In-Network and Out-of-Network).

(6) All services must be pre-authorized by Anthem Blue Cross and Blue Shield. The Provider or Participant must contact Anthem Blue Cross and Blue Shield's Mental Health Administrator for review of inpatient non-emergency services in order to receive the In-Network level of benefits. If certification is not obtained for an inpatient admission, benefits will be paid at the Out-of-Network level and a $500 penalty may apply. This $500 penalty does not apply to the Out-of-Pocket Maximum.

The Maine Municipal Employees Health Trust

Basic Life Insurance Plan

The MMEHT Health Plan includes quality life insurance coverage (through Standard Insurance Company) for participants.

BASIC COVERAGE

Basic coverage (including Accidental Death & Dismemberment) equal to one times an active employee's annual salary rounded to the next multiple of $1,000 (with a maximum of $100,000) is provided to all employees (including eligible elected and appointed officials) participating in the MMEHT Health Plan. (Benefits may be less for some elected officials.) Any employee who is eligible to participate in the Health Trust Health Plan, but does not elect coverage because he or she is covered as a dependent under another employer's group health plan, may participate in the Basic Life and Basic AD&D plan, at a monthly cost of $0.30 per thousand dollars of coverage.

Benefits are reduced by 50% (for active employees) at age 70.

ACCELERATED BENEFIT

Standard Insurance Company will pay up to 75% of the insured's Life benefit (subject to a minimum benefit of $ 5,000 or 10% of your insurance, whichever is greater) if they receive a request and proof that the employee is terminally ill and is certified by a physician to have 12 months or less to live. Any benefit amount paid under the Accelerated Benefit will be paid in a lump sum. The insured must be covered for at least $10,000 to be eligible for this benefit.

RETIREES OR SURVIVING SPOUSES

Retirees or surviving spouses who continue with the MMEHT Health Plan receive Basic Life and Basic AD&D coverage of $2,000. Accidental Death & Dismemberment coverage for retirees and surviving spouses will terminate at age 70.

This outline is intended only as a summary of the MMEHT Life Insurance Plan. All benefits and conditions are subject to the terms of the master policy issued by Standard Insurance Company.

For more information, please contact the Health Trust at 1-800-852-8300 (in Maine) or 207-621-2645 (out of state).

FUNDING ARRANGEMENTS

The Maine Municipal Employees Health Trust (MMEHT) is a group, self-funded trust structured as a Multiple Employer Welfare Arrangement (or MEWA), regulated by the Maine Bureau of Insurance.

What is a self-funded plan and how is this different from insurance?

Self-funding is an arrangement where the employer (or Trust) bears the total and ultimate responsibility for providing plan benefits and paying claims. In the case of the Health Trust, this responsibility rests with the entire group of more than 450 participating employers. In an insurance arrangement, on the other hand, an employer (or group of employers) transfers that responsibility or financial risk to an insurance company when it purchases a policy. The insurance company thus bears the ultimate responsibility for providing plan benefits and paying claims for all of its insured groups.

By joining the Health Trust, each participating employer group has entered into a contract not only with the Trust itself, but with all of the other employer groups that participate in the Trust. Under this contract, all participating employer groups share or pool the responsibility for providing benefits and paying claims for the entire group.

To protect the program's finances from single large claims, in any given year, the Health Trust purchases a type of insurance called specific reinsurance through Anthem. The specific reinsurance purchased by the Health Trust provides coverage by the reinsurance carrier for amounts in excess of $375,000 on an individual claimant – in other words, if claims in excess of $375,000 in a calendar year are paid on behalf of any individual participant.

How is the MMEHT funded?

Each year the Health Trust's actuary reviews the Trust's past claims experience for a twenty-four month period in order to project future claim costs. The Trust's actuary is Cheiron, a full-service financial analysis and actuarial consulting firm.

The actuary adjusts the claims projection by a medical trend factor that takes into account such factors as utilization of services, new technologies, prescription drug costs and regional medical care inflation factors. The Trust adds other expenditure items such as administrative costs and reinsurance to the actuary's projected claims costs in order to develop a complete funding model (budget) for the Trust.

Once the total Trust funding model or budget is established, the Trustees set premium contributions, or rates. The Trust collects premiums from employers and participants to fund claims and administrative costs. The Board of Trustees follows a reserve policy that provides for a safety margin for potential claims that might exceed the actuary's projected claims.

RATE DEVELOPMENT

Maine Municipal Employees Health Trust rates are established by the MMEHT Board of Trustees each year in the fall, for the upcoming calendar year. Premium rates are guaranteed from January 1 through December 31 of each calendar year. There are a number of factors that go into developing medical rates for each participating employer group of the MMEHT including the Loss Ratio and Credibility Factor. Both are outlined below.

Experience Rating: The Maine Municipal Employees Health Trust Board of Trustees adopted its Individual Rating Plan (IRP) in 1989, and amended it in 1997, 2001, 2004, and 2014. The IRP is a process for determining rate adjustments for each of the individually rated groups and for the non-rated Pool as a whole.

For groups of more than 50 covered employees, such as the City of Biddeford, experience-rating formulas are applied to the rate-setting process. Rates for these large groups are calculated partially on the group's individual experience and partially on the experience of the entire Health Trust pool. Groups with 50 or fewer covered employees, on the other hand, are part of the Health Trust pool. Rates for these groups are determined based upon the experience of the Health Trust pool as a whole, and not upon the individual claims experience of any one employer group.

Calculation of Rates and Annual Adjustments: The Health Trust's actuary calculates the rates and rate adjustments for an individually rated group by blending the group's Experience Rate Adjustment with the Average Trust Adjustment. The group's Experience Rate Adjustment is the adjustment based solely on the group's own experience for the most recent 24 months of Health Trust claims experience ending June 30; the Average Trust Adjustment is the Trust-wide average adjustment determined by the Board. Experience rating for an individually rated group will be pro-rated based on the actual number of months of claims experience for the rating period until the group has a full 24 months of experience with the Health Trust.

Medical Loss Ratio: The Loss Ratio is the comparison of premiums to claims in a given period of time. A loss ratio of over 100% means that claims paid out by the insurer exceeded premiums paid in by the employer.

Credibility Factor: The weight given to the Experience Rate Adjustment is known as the group's Credibility Factor and is based on the average number of participants in the Health Trust health plan. The larger the employer group, in terms of the number of covered employees, the larger the Credibility Factor, meaning that the group's own claims experience will weigh more heavily in the rating determination. This factor can change annually.

With 86 covered employees and retirees (according to the information provided to the Health Trust), the credibility factor for the City of Biddeford is approximately 19%. So, assuming no major fluctuations in enrollment (and no changes to the Health Trust's rating policies), following 24 complete months of claims experience with the Health Trust, the City's own claims

experience will account for 19% of its annual rate adjustments; the remaining 81% will be determined by the Health Trust average.

In the calculation of total claims experience for individually rated groups and for the non-rated pool, an individual's claims are capped at the specific reinsurance stop-loss point in effect during the rating period. At the present time, this individual reinsurance stop-loss point (the "attachment point") has been set at $375,000 per calendar year. Claims in excess of this individual attachment point will not be counted towards an individual group's losses when calculating total claims experience.

Annual Rate Setting Process: At its fall meeting each year, the Health Trust Board of Trustees determines the Average Rate Adjustment required to fund Health Trust programs in the coming year, taking into consideration claims and non-claims expenses, revenues other than premium, and available surplus. The Board also adopts an annual rate adjustment plan that includes the Average Rate Adjustment, the adjustment for groups in the non-rated Pool, and the average adjustments for rated groups, with specific reference to minimum and/or maximum limitations on such adjustments, if any.

Throughout the Trust's history, the Trustees have maintained a fiscally conservative approach with regard to funding the programs offered by the Trust. This approach has allowed the Trust to maintain its financial stability, even throughout the past several years of increasing health insurance costs. The Trustees are committed to maintaining this financial stability in the future while still striving to offer the plan flexibility that many participating employers appreciate.

Health Trust
Average Rate Adjustments
Past 10 Years

Year	Rate Adjustment – Health Trust Average (based on POS C plan)
2018 *	2.00%
2017 *	9.25%
2016 *	6.25%
2015 *	7.00%
2014	4.00%
2013	7.50%
2012	4.00%
2011	9.50%
2010	8.00%
2009	5.90%
Ten Year Average	**6.34%**

Health Trust Average:

2018
POS A and POS C plans 2.0%
POS 200 and all PPO plans 6.0%

2017
POS A and POS C plans 9.25%
POS 200 and all PPO plans 11.25%

2016
POS A and POS C plans 6.25%
POS 200, PPO 500/1000/1500 plans 8.25%
PPO 2500 plan 9.85%

2015
POS plans 7.0%
PPO plans 9.0%

Market Synopsis

Health Insurance Carriers considered:	**A. M. Best Ratings**
Harvard Pilgrim - Received Renewal Quotes for HMO and POS	Not Rated
Aetna - Received quotes for HNO & PPO options.	A -
Anthem - Declined to quote.	
CIGNA- Declined to quote.	
Community Health Options - Received quotes for PPO options.	Not Rated
Health Plans Inc	
Maine Health Saver	

Discussion Points:

Harvard Pilgrim HealthCare

Group Medical Insurance Plan Comparison

Current

MEMBER BENEFITS	HMO No Deductible MD 4125 Rx 10938	HMO $1,000 MD 4059 Rx 10940	POS MD 4126 Rx 10938	
	In-Network	In-Network	In-Network	Out-of-Network
Co-Insurance (C)	100%	70%	100%	80%
Calendar Year Deductible- Individual/Family (D)	None	$1,000/$2,000	None	$250/$750
Calendar Year Out-of-Pocket Max-Ind /Family	$2,000/$4,000	$3,500/$7,000	$2,000/$4,000	$2,000/$6,000
Hospital Inpatient	D & C	D & C	D & C	
Primary Care Physician (PCP) Office Visit	$10 copay	$25 copay	$10 copay	D & C
Specialist Office Visit	$10 copay	$50 copay	$10 copay	D & C
Chiropractic Care (Max 36 visits per CY)	$10 copay	$25 copay	$10 copay	D & C
Listed Preventive Care	100%	100%	No Charge	D & C
Diagnostic Tests (x-ray, blood work)	No Charge	D & C	No Charge	D & C
Imaging (CT/PET scans, MRI's)	No Charge	D & C	No Charge	D & C
Occ., Physical and Speech Therapy (See Max # per CY)	$10 copay (60 Combined)	$25 copay (40 combined)	$10 copay (60 each)	D & C
Outpatient Surgery	No Charge	D & C	No Charge	D & C
Emergency Room (copay waived if admitted)	$30 copay	$150 copay	$30 copay	
Routine Eye Exams	$10 copay	$25 copay	$10 copay	D & C
Pharmacy Deductible	None (OOP Max $1,000/$2,000)	None (OOP Max $1,000/$2,000)	None (OOP Max $1,000/$2,000)	
Pharmacy (30 day supply)	$10/$25/$40	$15/$30/$50	$10/$25/$40	
Pharmacy (90 day supply)	$30/$75/$120	$45/$90/$150	$30/$75/$120	
Mail Order Drugs (90 day supply)	$20/$50/$80	$30/$60/$100	$20/$50/$80	

Monthly Rates

Employee	38	$997.87	$721.95	$1,138.82
Employee Spouse	19	$1,995.74	$1,443.90	$2,277.64
Employee Child(ren)	4	$1,895.95	$1,371.71	$2,163.76
Family	33	$2,893.82	$2,093.66	$3,302.58
Monthly Total		$178,917.98	$129,445.82	$204,190.50
Annual Totals		**$2,147,016**	**$1,553,350**	**$2,450,286**
		0.00%	0.00%	0.00%

Rates are based on census provided-Actual rates may be higher or lower, depending on final enrollment. Please refer to individual proposals for more complete details. Rates assume a January 1, 2017 effective date.

Harvard Pilgrim HealthCare

Group Medical Insurance Plan Comparison

Renewal

MEMBER BENEFITS	HMO No Deductible MD 4125 Rx 10938	HMO $1,000 MD 4059 Rx 10940	POS MD 4126 Rx 10938	
	In-Network	In-Network	In-Network	Out-of-Network
Co-Insurance (C)	100%	70%	100%	80%
Calendar Year Deductible- Individual/Family (D)	None	$1,000/$2,000	None	$250/$750
Calendar Year Out-of-Pocket Max-Ind./Family	$2,000/$4,000	$3,500/$7,000	$2,000/$4,000	$2,000/$6,000
Hospital Inpatient	D & C	D & C	D & C	
Primary Care Physician (PCP) Office Visit	$10 copay	$25 copay	$10 copay	D & C
Specialist Office Visit	$10 copay	$50 copay	$10 copay	D & C
Chiropractic Care (Max 36 visits per CY)	$10 copay	$25 copay	$10 copay	D & C
Listed Preventive Care	100%	100%	No Charge	D & C
Diagnostic Tests (x-ray, blood work)	No Charge	D & C	No Charge	D & C
Imaging (CT/PET scans, MRI's)	No Charge	D & C	No Charge	D & C
Occ., Physical and Speech Therapy (See Max # per CY)	$10 copay (60 Combined)	$25 copay (40 combined)	$10 copay (60 each)	D & C
Outpatient Surgery	No Charge	D & C	No Charge	D & C
Emergency Room (copay waived if admitted)	$30 copay	$150 copay	$30 copay	
Routine Eye Exams	$10 copay	$25 copay	$10 copay	D & C
Pharmacy Deductible	None (OOP Max $1,000/$2,000)	None (OOP Max $1,000/$2,000)	None (OOP Max $1,000/$2,000)	
Pharmacy (30 day supply)	$10/$25/$40	$15/$30/$50	$10/$25/$40	
Pharmacy (90 day supply)	$30/$75/$120	$45/$90/$150	$30/$75/$120	
Mail Order Drugs (90 day supply)	$20/$50/$80	$30/$60/$100	$20/$50/$80	
Monthly Rates				
Employee	38	$1,383.01	$1,000.61	$1,578.38
Employee Spouse	19	$2,766.02	$2,001.22	$3,156.76
Employee Child(ren)	4	$2,627.72	$1,901.16	$2,998.92
Family	33	$4,010.73	$2,901.77	$4,577.30
Monthly Total		$247,973.73	$179,409.41	$283,003.46
Annual Totals		**$2,975,685**	**$2,152,913**	**$3,396,042**
		38.60%	38.60%	38.60%

Rates are based on census provided-Actual rates may be higher or lower, depending on final enrollment. Please refer to individual proposals for more complete details. Rates assume a January 1, 2018 effective date.

Harvard Pilgrim HealthCare

Harvard Pilgrim Health Care includes Harvard Pilgrim Health Care, Harvard Pilgrim Health Care of Connecticut, Harvard Pilgrim Health Care of New England and HPHC Insurance Company

Rate Proposal

Proposal for: City Of Biddeford

Rating Period: 01/01/2018 - 12/31/2018

Product Name	ME POS Standard	ME HMO Standard	ME HMO Choice Tiered Copay
Group Number	099493	099492	024099
Plan ID	MD0000004126/RX0000010938	MD0000004125/RX0000010938	NPVR00006705/RX0000014084
Bundling	Triple Option	Triple Option	Triple Option
Benefit Year Type	Calendar	Calendar	Calendar
Office Visit	$10 copay	$10 copay	Seq1 (visit 1): T1: No charge/$50 copay / T2: Deductible then 30% coinsurance / Seq2 (after visit 1): T1: $20 copay/$50 copay / T2: Deductible then 30% coinsurance
Emergency Room	$30 copay	$30 copay	T1: $250 copay
Inpatient Services	No charge	No charge	T1: Deductible then 20% coinsurance / T2: Deductible then 30% coinsurance
Outpatient Surgery	No charge	No charge	T1: Deductible then 20% coinsurance / T2: Deductible then 30% coinsurance
Coinsurance In Network	NA	NA	T1: 20% coinsurance / T2: 30% coinsurance
Coinsurance Out of Network	20% coinsurance	NA	NA
Deductible In Network Member/Family	No deductible	No Deductible	T1: $1,250 per Member/$2,500 per Family / T2: $3,000 per Member/$6,000 per Family
Deductible Out of Network Member/Family	$250 per Member/$750 per Family	No Deductible	NA
Deductible Embedded or Non Embedded	NA	NA	Embedded
OOP Max In Network Member/Family	$2,000 per Member/$4,000 per Family	$2,000 per Member/$4,000 per Family	T1: $2,500 per Member/$5,000 per Family / T2: $5,500 per Member/$11,000 per Family
OOP Max Out of Network Member/Family	$2,000 per Member/$6,000 per Family	NA	NA
OOP Max Embedded or Non Embedded	Embedded	Embedded	Embedded
Rx Copay Retail	$10/$25/$40/NA/NA	$10/$25/$40/NA/NA	$15/$30/$50/NA/NA
Rx Copay Mail Order	$20/$50/$80/NA/NA	$20/$50/$80/NA/NA	$30/$60/$100/NA/NA
Rx Deductible Member/Family	NA	NA	NA
Rx Deductible Embedded or Non Embedded	NA	NA	NA
Rx OOP Max Member/Family	$1,000 per Member/$2,000 per Family	$1,000 per Member/$2,000 per Family	$2,500 per Member/$5,000 per Family
Rx Formulary	Premium	Premium	Premium
Rx In Network OOP Embedded or Non Embedded	Embedded	Embedded	Embedded
Cross Accumulation	Separate	Separate	Cross Accumulated
Total Plan In Network OOP Max Member/Family	$3,000 per Member/$6,000 per Family	$3,000 per Member/$6,000 per Family	T1: $2,500 per Member/$5,000 per Family / T2: $5,500 per Member/$11,000 per Family
Total Member Rates	$1,578.38	$1,383.01	$942.63
Total Employee/Child(ren) Rates	$2,998.92	$2,627.72	$1,791.00

Total Dual Rates	$3,156.76	$2,766.02	$1,885.26
Total Family Rates	$4,577.30	$4,010.73	$2,733.63
Percent Increase	38.6%	38.6%	30.57%

Rate Proposal

Proposal terms and conditions

1. A minimum of 25% of the total eligible and participating employees within the service area must enroll in our plan.
2. No more than 25% of eligible employees may waive coverage.
3. The account may not have fewer than 4 subscribers (i.e. though account may meet 25% guideline, it cannot have less than 4 subscribers).
4. Total Replacement offering. No other carriers offered.
5. We reserve the right to change the rates if there is a change in our state mandates or a change in interpretation of state or federal law. Harvard Pilgrim's quote reflects a rate for benefits that are compliant with the Affordable Care Act ("ACA") as of January 1, 2014. However, certain documents that accompany the rate proposal may not be current and may not include all ACA required benefits or language. Those documents will be updated to be ACA-compliant on your Plan's effective date.
6. Account may be cancelled on renewal if minimum underwriting guidelines are not maintained including, but not limited to: a.Employer Contribution Level; b.Group Participation; c.Selected Products; d.Out of Area Membership
7. Please note Rx trends in 2016 and 2017 are expected to be higher than prior years due to new medications available to treat cholesterol, cystic fibrosis and Hepatitis C.
8. This quote includes standard commission.
9. We reserve the right to revise rates during the year if changes in laws/regulations require us to provide additional State Mandated benefits, coverages or services that increase cost.
10. We reserve the right to revise rates if our enrolled population (subscribers) changes by more than 10% or if any changes occur to existing carriers, existing carrier benefits, or existing carrier funding arrangements during the policy year. COBRA participants are limited to no more than 15% of the total enrolled or expected subscribers.

For Renewing Business Only:
The Rate Proposal incorporates the terms of the applicable Employer Agreement. The rates, for the selected plan above, and the Employer Agreement will be deemed accepted upon payment of the first month's premium for coverage.

Please refer to the Schedule of Benefits for benefit details ***Rx =Prescription Drug OOP=Out of Pocket*** ***Printed on: October 31, 2017***

Harvard Pilgrim HealthCare

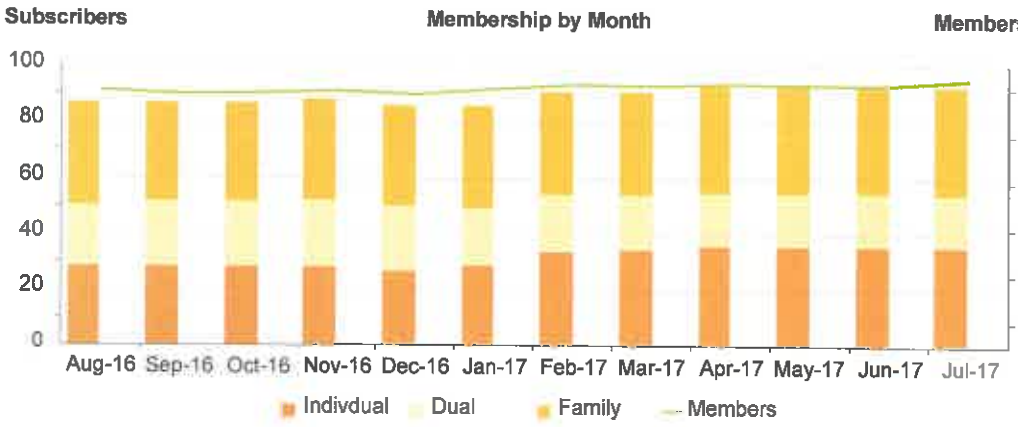
Run Date: 10/18/2017 at 10:37:35 AM

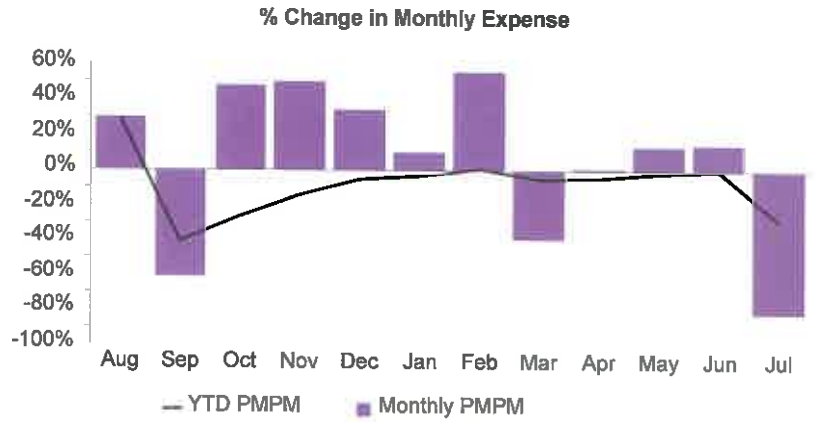
City Of Biddeford

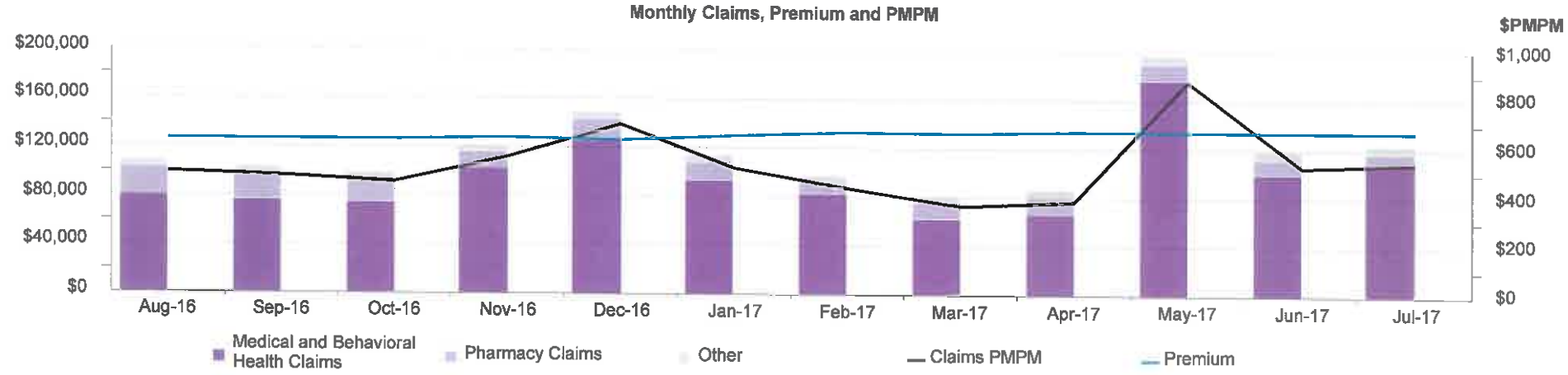
Report Displayed by Selected Population

Total Cost by Month Report

Current Incurred Period: 08/01/2016 to 07/31/2017 ; Current Paid Period: 08/01/2016 to 09/30/2017
Prior Incurred Period: 08/01/2015 to 07/31/2016; Prior Paid Period: 08/01/2015 to 09/30/2017







Notes:
1. Member Months calculated as of the 15th of the month.
2. Data includes all costs and or services allocable to the selected population.
3. Other costs include Interest Penalty, Other provider payments, Medical and Practice Management, Cap Differential, Behavioral Health Capitation, OOA Access Fees, NYHCRA Covered Lives Assessment, OOA % Savings and MA Health Safety Net Surcharges.
4. Filter Parameters are described on the last page of this report.

City Of Biddeford

Report Displayed by Selected Population

Total Cost by Month Report

Incurred Period: 08/01/2016 to 07/31/2017 ; Paid Period: 08/01/2016 to 09/30/2017

Interval	Contract Type			Member Months	Premium	Plan Liability						Member Liability	
	Individual	Dual	Family			Medical	Pharmacy	Other	Total	PMPM	Loss Ratio	Costs	% Total Costs
Report Total													
Aug-16	28	22	37	218	$126,758	$80,354	$21,669	$5,865	$107,888	$495	85.1%	$11,780	9.8%
Cumulative				218	$126,758	$80,354	$21,669	$5,865	$107,888	$495	85.1%	$11,780	9.8%
Sep-16	28	23	36	215	$126,550	$75,508	$21,759	$5,948	$103,215	$480	81.6%	$12,673	10.9%
Cumulative				433	$253,308	$155,862	$43,428	$11,813	$211,103	$488	83.3%	$24,454	10.4%
Oct-16	28	23	36	216	$126,550	$74,361	$18,505	$5,809	$98,674	$457	78.0%	$13,022	11.7%
Cumulative				649	$379,859	$230,223	$61,932	$17,622	$309,777	$477	81.6%	$37,475	10.8%
Nov-16	28	24	36	218	$128,332	$102,721	$12,982	$5,907	$121,610	$558	94.8%	$8,419	6.5%
Cumulative				867	$508,191	$332,944	$74,914	$23,530	$431,388	$498	84.9%	$45,894	9.6%
Dec-16	27	23	36	215	$126,398	$125,656	$17,395	$5,987	$149,038	$693	117.9%	$9,558	6.0%
Cumulative				1,082	$634,589	$458,600	$92,309	$29,516	$580,425	$536	91.5%	$55,452	8.7%
Jan-17	29	20	37	220	$130,235	$93,497	$14,023	$5,939	$113,459	$516	87.1%	$13,097	10.3%
Cumulative				1,302	$764,824	$552,098	$106,331	$35,455	$693,884	$533	90.7%	$68,549	9.0%
Feb-17	34	20	37	224	$133,011	$81,822	$9,402	$6,191	$97,415	$435	73.2%	$10,900	10.1%
Cumulative				1,526	$897,835	$633,919	$115,734	$41,646	$791,299	$519	88.1%	$79,449	9.1%
Mar-17	35	19	37	223	$132,289	$62,473	$12,574	$6,034	$81,080	$364	61.3%	$18,877	18.9%
Cumulative				1,749	$1,030,125	$696,392	$128,307	$47,680	$872,379	$499	84.7%	$98,326	10.1%
Apr-17	36	19	38	225	$134,383	$65,766	$14,471	$6,058	$86,294	$384	64.2%	$17,970	17.2%
Cumulative				1,974	$1,164,507	$762,158	$142,778	$53,738	$958,674	$486	82.3%	$116,296	10.8%
May-17	36	19	38	224	$134,383	$177,103	$13,433	$6,178	$196,714	$878	146.4%	$13,372	6.4%
Cumulative				2,198	$1,298,890	$939,261	$156,211	$59,916	$1,155,388	$526	89.0%	$129,668	10.1%
Jun-17	36	19	38	224	$134,331	$100,439	$11,668	$6,101	$118,209	$528	88.0%	$17,379	12.8%
Cumulative				2,422	$1,433,221	$1,039,700	$167,879	$66,017	$1,273,596	$526	88.9%	$147,047	10.4%
Jul-17	36	18	39	228	$134,199	$107,529	$10,328	$6,129	$123,986	$544	92.4%	$12,979	9.5%
Cumulative				2,650	$1,567,420	$1,147,229	$178,207	$72,146	$1,397,582	$527	89.2%	$160,026	10.3%
Cumulative with UCL				2,650	$1,567,420	$1,158,107	$178,207	$72,154	$1,408,468	$531	89.9%	$160,026	10.2%

Applicable lag factors, reflecting the incurred dates identified on this report, have been applied.

Notes:

1. Member Months calculated as of the 15th of the month.
2. Data includes all costs and or services allocable to the selected population.
3. Other costs include Interest Penalty, Other provider payments, Medical and Practice Management, Cap Differential, Behavioral Health Capitation, OOA Access Fees, NYHCRA Covered Lives Assessment, OOA % Savings and MA Health Safety Net Surcharges.
4. Filter Parameters are described on the last page of this report.

Harvard Pilgrim Health Care

Run Date: 10/18/2017 at 10:39:20 AM

City Of Biddeford

Report Displayed by Selected Population

High Cost Claimant Report with Major Practice Category - Summary

Incurred Period: 08/01/2016 to 07/31/2017 ; Paid Period: 08/01/2016 to 09/30/2017

Threshold1:$50,000

Claimant	Major Practice Category	Status	Total Plan Liability
Report Total			
Claimant 1	Gynecology	Active	$165,836.63
Claimant 2	Urology	Active	$69,883.54
Claimant 3	Hepatology	Active	$65,053.34
Claimant 4	Orthopedics & rheumatology	Active	$63,015.54
Claimant 5	Gastroenterology	Active	$61,403.85
Claimant 6	Cardiology	Active	$55,443.19
Grand Total			**$480,636.09**

Notes:

1. HPHC accepts no responsibility or liability arising from or relating to the use of this report for any purpose.

2. The information contained in this report is sensitive and should be kept secure at all times. Harvard Pilgrim Health Care expects that this report will be used only for insurance rating and underwriting purposes. It will not be used in combination with other information that may be available to a broker or employer for any other purpose, such as for employment-related actions or decisions.

3. Total Plan Liability Costs include Fee-for-Service equivalent for capitated services.

4. A lag factor has not been applied.

5. Filter Parameters are described on the last page of this report.

City Of Biddeford

Report Displayed by Selected Population

High Cost Claimant Report with Major Practice Category - Summary

Incurred Period: 08/01/2016 to 07/31/2017 ; Paid Period: 08/01/2016 to 09/30/2017

Threshold1:$50,000

Group#	Group Name	Product	Annv Date (Month/Day)
024099	CITY OF BIDDEFORD/HMO LO	HMO	1/1
099492	CITY OF BIDDEFORD HMO	HMO	1/1
099493	CITY OF BIDDEFORD POS	POS	1/1

Filter Parameters:

Account Number(s):	= C17437
Group Number(s):	All
Division(s):	All

Harvard Pilgrim Health Care

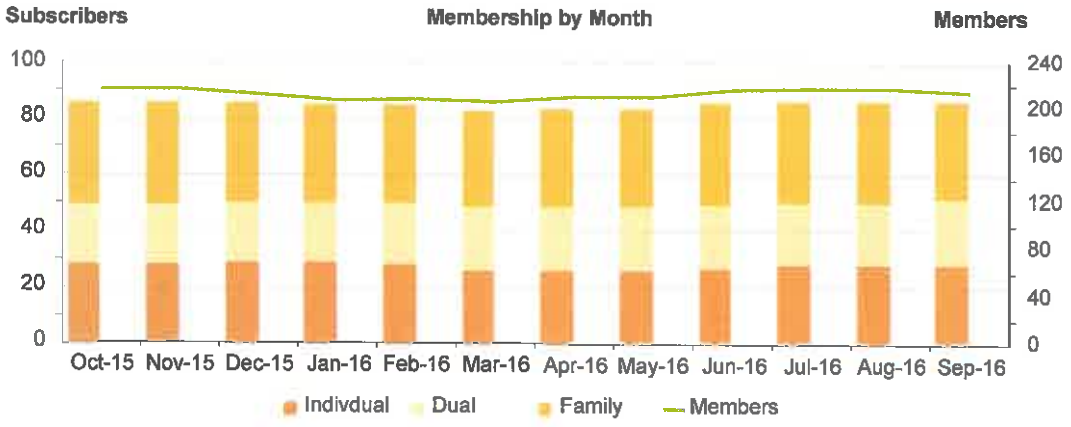
Run Date: 12/19/2016 at 11:06:15 AM

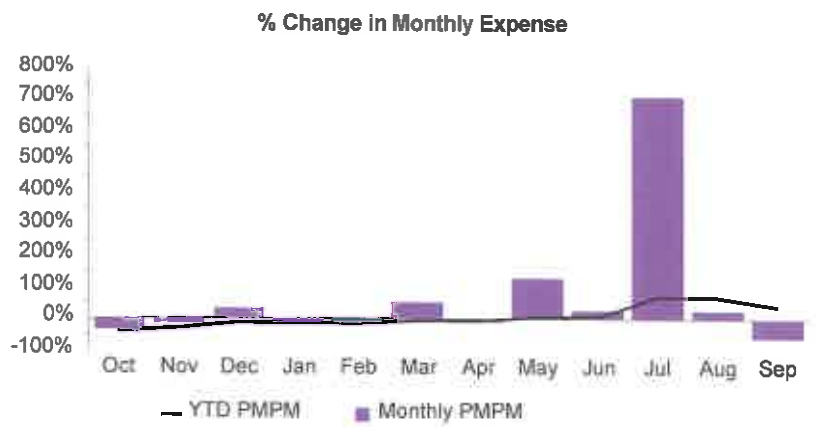
City Of Biddeford

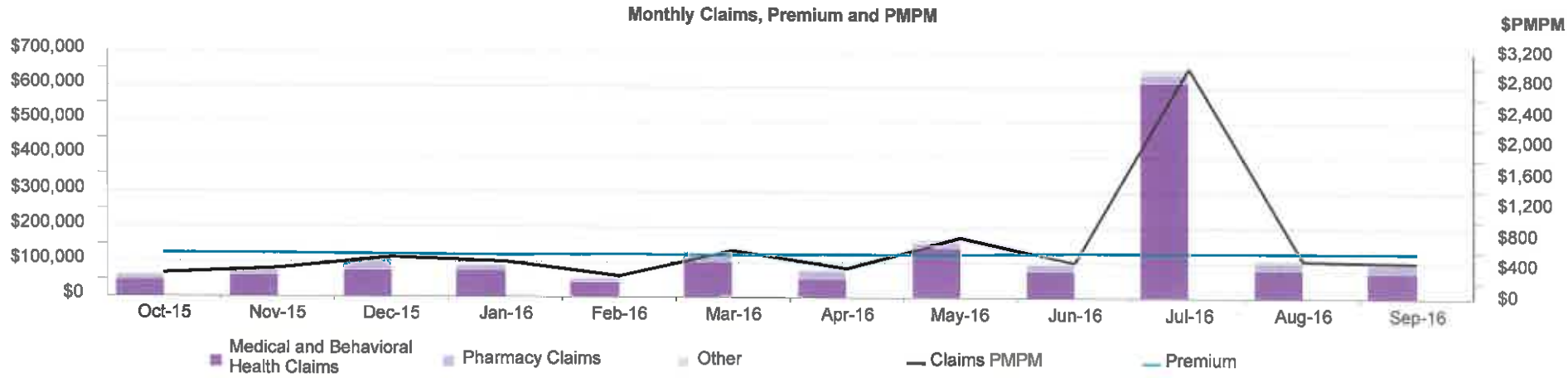
Report Displayed by Selected Population

Total Cost by Month Report

Current Incurred Period: 10/01/2015 to 09/30/2016 ; Current Paid Period: 10/01/2015 to 11/30/2016
Prior Incurred Period: 10/01/2014 to 09/30/2015; Prior Paid Period: 10/01/2014 to 11/30/2016







Notes:

1. Member Months calculated as of the 15th of the month.
2. Data includes all costs and or services allocable to the selected population.
3. Other costs include Interest Penalty, Other provider payments, Medical and Practice Management, Cap Differential, Behavioral Health Capitation, OOA Access Fees, NYHCRA Covered Lives Assessment, OOA % Savings and MA Health Safety Net Surcharges.
4. Filter Parameters are described on the last page of this report.

City Of Biddeford

Report Displayed by Selected Population

Total Cost by Month Report

Incurred Period: 10/01/2015 to 09/30/2016 ; Paid Period: 10/01/2015 to 11/30/2016

Interval	Contract Type			Member Months	Premium	Plan Liability						Member Liability	
	Individual	Dual	Family			Medical	Pharmacy	Other	Total	PMPM	Loss Ratio	Costs	% Total Costs
Report Total													
Oct-15	28	21	37	217	$124,255	$47,038	$14,569	$5,774	$67,381	$311	54.2%	$11,242	14.3%
Cumulative				217	$124,255	$47,038	$14,569	$5,774	$67,381	$311	54.2%	$11,242	14.3%
Nov-15	28	21	37	217	$124,209	$59,691	$15,293	$5,830	$80,814	$372	65.1%	$13,441	14.3%
Cumulative				434	$248,464	$106,729	$29,863	$11,604	$148,196	$341	59.6%	$24,683	14.3%
Dec-15	29	21	36	213	$122,315	$74,602	$29,658	$5,742	$110,002	$516	89.9%	$13,705	11.1%
Cumulative				647	$370,779	$181,331	$59,521	$17,346	$258,198	$399	69.6%	$38,388	12.9%
Jan-16	29	21	35	208	$120,574	$75,359	$15,387	$5,620	$96,366	$463	79.9%	$13,374	12.2%
Cumulative				855	$491,353	$256,690	$74,908	$22,966	$354,564	$415	72.2%	$51,762	12.7%
Feb-16	28	22	35	209	$121,963	$41,755	$10,957	$5,621	$58,334	$279	47.8%	$12,771	18.0%
Cumulative				1,064	$613,316	$298,445	$85,866	$28,587	$412,898	$388	67.3%	$64,534	13.5%
Mar-16	26	22	35	207	$120,674	$98,360	$21,742	$5,586	$125,688	$607	104.2%	$23,182	15.6%
Cumulative				1,271	$733,990	$396,805	$107,608	$34,173	$538,586	$424	73.4%	$87,715	14.0%
Apr-16	26	22	36	211	$122,543	$53,635	$20,932	$5,681	$80,248	$380	65.5%	$14,911	15.7%
Cumulative				1,482	$856,533	$450,440	$128,540	$39,855	$618,835	$418	72.2%	$102,626	14.2%
May-16	26	22	36	211	$123,257	$139,838	$17,888	$6,156	$163,881	$777	133.0%	$12,984	7.3%
Cumulative				1,693	$979,790	$590,278	$146,428	$46,010	$782,716	$462	79.9%	$115,610	12.9%
Jun-16	27	22	37	217	$126,486	$73,958	$20,017	$5,858	$99,833	$460	78.9%	$16,023	13.8%
Cumulative				1,910	$1,106,276	$664,236	$166,445	$51,868	$882,549	$462	79.8%	$131,633	13.0%
Jul-16	28	22	37	218	$127,130	$613,414	$25,173	$14,944	$653,531	$2,998	514.1%	$16,517	2.5%
Cumulative				2,128	$1,233,406	$1,277,650	$191,618	$66,812	$1,536,080	$722	124.5%	$148,150	8.8%
Aug-16	28	22	37	218	$126,758	$79,542	$21,701	$5,865	$107,108	$491	84.5%	$11,798	9.9%
Cumulative				2,346	$1,360,164	$1,357,192	$213,319	$72,678	$1,643,188	$700	120.8%	$159,949	8.9%
Sep-16	28	23	36	215	$126,550	$72,273	$21,759	$5,935	$99,967	$465	79.0%	$12,501	11.1%
Cumulative				2,561	$1,486,715	$1,429,465	$235,077	$78,613	$1,743,155	$681	117.2%	$172,450	9.0%
Cumulative with UCL				2,561	$1,486,715	$1,445,897	$235,077	$78,712	$1,759,686	$687	118.4%	$172,450	8.9%

Applicable lag factors, reflecting the incurred dates identified on this report, have been applied.

Notes:

1. Member Months calculated as of the 15th of the month.
2. Data includes all costs and or services allocable to the selected population.
3. Other costs include Interest Penalty, Other provider payments, Medical and Practice Management, Cap Differential, Behavioral Health Capitation, OOA Access Fees, NYHCRA Covered Lives Assessment, OOA % Savings and MA Health Safety Net Surcharges.
4. Filter Parameters are described on the last page of this report.