

City of Memphis

"Base" Rates for October 1, 2014 & January 1, 2015

Rates Set to Increase 24% for All Groups; Transition to "Access-Only" 1/1/15 for Pre-65 Retirees and Medicare Retirees

June 19, 2014

24% Increase Rates
10/1/14 Rates & 1/1/15 "Access-Only" Rates

<u>Current 2014 Rates (Effective 1/1/2014)</u>			Active Employees			Post 65 - Non-Medicare		Pre-65 Retiree		Retiree w/ Medicare	
			<u>Basic</u>	<u>Premier</u>	<u>Value</u>	<u>Basic</u>	<u>Premier</u>	<u>Basic</u>	<u>Premier</u>	<u>Basic</u>	<u>Premier</u>
Single	EE		\$162	\$176	\$84	\$166	\$184	\$166	\$184	\$153	\$169
	City		<u>\$297</u>	<u>\$342</u>	<u>\$324</u>	<u>\$362</u>	<u>\$490</u>	<u>\$362</u>	<u>\$490</u>	<u>\$365</u>	<u>\$496</u>
			\$459	\$517	\$408	\$528	\$674	\$528	\$674	\$518	\$664
Family	EE		\$344	\$355	\$295	\$348	\$365	\$348	\$365	\$320	\$334
	City		<u>\$587</u>	<u>\$835</u>	<u>\$643</u>	<u>\$592</u>	<u>\$970</u>	<u>\$592</u>	<u>\$970</u>	<u>\$602</u>	<u>\$994</u>
			\$931	\$1,190	\$938	\$940	\$1,335	\$940	\$1,335	\$922	\$1,328

<u>10/1/2014 Rates</u>			Active Employees			Post 65 - Non-Medicare		Pre-65 Retiree		Retiree w/ Medicare	
			<u>Basic</u>	<u>Premier</u>	<u>Value*</u>	<u>Basic</u>	<u>Premier</u>	<u>Basic</u>	<u>Premier</u>	<u>Basic</u>	<u>Premier</u>
- 24% increase to all current rates	Single	EE	\$201	\$218	\$92	\$205	\$228	\$205	\$228	\$189	\$209
		City	<u>\$369</u>	<u>\$424</u>	<u>\$414</u>	<u>\$450</u>	<u>\$608</u>	<u>\$450</u>	<u>\$608</u>	<u>\$453</u>	<u>\$614</u>
			\$570	\$642	\$506	\$655	\$836	\$655	\$836	\$642	\$823
Family	EE	\$426	\$440	\$366	\$432	\$452	\$432	\$452	\$397	\$415	
	City	<u>\$729</u>	<u>\$1,036</u>	<u>\$797</u>	<u>\$733</u>	<u>\$1,204</u>	<u>\$733</u>	<u>\$1,204</u>	<u>\$746</u>	<u>\$1,232</u>	
		\$1,155	\$1,476	\$1,163	\$1,165	\$1,656	\$1,165	\$1,656	\$1,143	\$1,647	

<u>1/1/2015 Rates</u>			Active Employees			Post 65 - Non-Medicare		Pre-65 Retiree		Retiree w/ Medicare	
			<u>Basic</u>	<u>Premier</u>	<u>Value*</u>	<u>Basic</u>	<u>Premier</u>	<u>Basic</u>	<u>Premier</u>	<u>Basic</u>	<u>Premier</u>
- 24% increase to all current rates	Single	EE	\$201	\$218	\$92	\$205	\$228	\$655	\$836	\$642	\$823
		City	<u>\$369</u>	<u>\$424</u>	<u>\$414</u>	<u>\$450</u>	<u>\$608</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
			\$570	\$642	\$506	\$655	\$836	\$655	\$836	\$642	\$823
- "Access-Only" for applicable retirees	Family	EE	\$426	\$440	\$366	\$432	\$452	\$1,165	\$1,656	\$1,143	\$1,647
		City	<u>\$729</u>	<u>\$1,036</u>	<u>\$797</u>	<u>\$733</u>	<u>\$1,204</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
			\$1,155	\$1,476	\$1,163	\$1,165	\$1,656	\$1,165	\$1,656	\$1,143	\$1,647

* Value PPO contribution for single coverage set to comply with HCR "affordability" standards (~9.5% increase over current)

Notes:

- 1.) 10/1/14 rates are increased 24% over the current 1/1/14 effective rates, as directed by the City of Memphis
- 2.) Tobacco surcharge and spousal surcharge/carve-out are not reflected in the "base" rates shown above

All estimates are based upon the information available at a point in time, and are subject to unforeseen and random events. Therefore, any projection must be interpreted as having a likely range of variability from the estimate. Any estimate or projection may not be used or relied upon by any other party or for any other purpose than for which it was issued by Mercer. Mercer is not responsible for the consequences of any unauthorized use.