

Missouri Department of Transportation
Patrick McKenna, Director

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**ADDENDUM 001
ACTUARIAL AND CONSULTING SERVICES
RFP 6-160503LK**

Offerors should acknowledge receipt of Addendum 001 (ONE) by **signing and including it** with the original proposal. The due date for receipt of proposals is **unchanged** by this Addendum. The following changes shall be included as mandatory requirements for this solicitation. All other terms and conditions remain unchanged and in full force.

Name and Title of Signer (Print or type)	Name and Title of Department Authority Leann Kottwitz Senior General Services Specialist
Contractor/Offeror Signature _____ (Signature of person authorized to sign)	Department of Transportation Leann Kottwitz (Authorizing Signature) <i>Leann Kottwitz</i>
Date Signed:	Date Signed: April 25, 2016

Question:

Who was the last consulting firm that performed the work?

Response:

Aon Consulting Inc.,

Question:

How long have the current actuaries been providing their service?

Response:

Since 2010

Question:

What were the annual fees charged and the terms of the contract?

Response:

Please see the attached Original Contract Agreement



Question:

Has the scope of the work changed since the work was done?

Response:

No

Question:

Can we get a copy of the most recent actuarial report?

Response:

Please see the attached Actuary Review.

Question:

Can we get a copy of the proposal of the last successful bidder?

Response:

In order for you to obtain this specific information you will need to request it through the Open Records Policy. I have provided the link below.

<http://www.modot.org/about/OpenRecords.htm>

Question:

Can a firm propose on one of the requested services only? (e.g. Actuarial valuation for SIP)

Response:

No

Question:

Will you share the Evaluation Sheet and perform a debriefing if requested at the end of the process?

Response:

In order for you to obtain this specific information you will need to request it through the Open Records Policy. I have provided the link below. If a debriefing is requested this can be arranged.

<http://www.modot.org/about/OpenRecords.htm>

Medical Plan Report
For the 12 Month Period Ended
June 30, 2015

Missouri Department of Transportation
And Missouri State Highway Patrol
Medical and Life Plan Board of Trustees

June 24, 2015



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Appendix A - Historical Claims Cost, PEPY

Appendix B - Historical Claims Cost, PMPY

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2015 Fiscal Year Report

Liability For Incurred But Not Reported Claims

A claim becomes the potential liability of The Plan at the time an illness or injury occurs and treatment is sought, but various reasons may cause the payment to be made at a later date. Therefore, at the end of an accounting period it becomes necessary to formally estimate the amount of future payments for those claims already incurred but not reported, i.e. IBNR claims.

To estimate the IBNR liability for FY 2015, the following steps were performed:

1. Lag triangle reports were obtained from Coventry Health Care that showed medical claims payment information for the period 1/1/2009 through 04/30/2015. These reports summarize the claims payment pattern by month incurred and month paid.
2. Prescription drug claims payment information is available by paid month only. To estimate the prescription drug liability for IBNR claims a factor representing approximately 4 days of one month's paid prescription drug claims was used and included in the IBNR estimate.

The total estimated liability for IBNR claims as of June 30, 2015 is estimated at \$11,010,000. The liability was allocated between categories of participants based on claims paid during the above period and is shown below. The liability includes a 5% administrative fee in order to pay terminal fees.

Category	Percent of Total	IBNR Claim Liability
Active	60.8%	\$6,700,000
Pre-65 Retiree	23.0%	\$2,530,000
Post-65 Retiree	16.2%	\$1,780,000
Total	100.0%	\$11,010,000

Exhibit 1: IBNR Claim Liability and Incurred Claim Experience

12 Month Period	Year	Paid Claims	Projected IBNR	Actual IBNR	% Actual IBNR to Projected	Incurred Claims	IBNR as % Paid	12 Month PMPM	12 Month PMPM Increase
Ending									
6/30/2010	FY 2010	\$100,417,273	\$11,800,000	\$10,600,000	89.83%	\$97,286,367	10.56%	\$574.93	0.0%
12/31/2010	CY 2010	\$97,548,947	\$11,100,000	\$10,800,000	97.30%	\$98,289,908	11.07%	\$592.98	3.3%
6/30/2011	FY 2011	\$103,545,148	\$11,400,000	\$10,400,000	91.23%	\$100,356,811	10.04%	\$610.67	6.2%
12/31/2011	CY2011	\$106,102,365	\$11,700,000	\$11,000,000	94.02%	\$104,374,895	10.37%	\$638.18	7.6%
6/30/2012	FY2012	\$104,416,044	\$11,500,000	\$10,700,000	93.04%	\$104,228,342	10.25%	\$635.43	4.1%
12/30/2012	CY2012	\$101,795,633	\$10,900,000	\$10,300,000	94.50%	\$100,541,343	10.12%	\$615.50	-3.6%
6/30/2013	FY2013	\$103,099,811	\$10,100,000	\$7,600,000	75.25%	\$99,320,589	7.37%	\$616.02	-3.1%
12/31/2013	CY2013	\$102,411,958	\$10,200,000	\$11,900,000	116.67%	\$103,144,507	11.62%	\$639.64	3.9%
6/30/2014	FY2014	\$103,286,063	\$10,000,000	\$11,000,000	110.00%	\$105,784,443	10.65%	\$647.36	5.1%
12/31/2014	CY2014	\$110,906,778	\$11,100,000	\$10,700,000	96.40%	\$108,974,785	9.65%	\$660.72	3.3%
6/30/2015	FY2015	\$113,396,264	\$11,000,000	\$11,000,000	100.00%	\$112,082,230	9.70%	\$678.63	4.8%

Fiscal Year

Projected Liability

2016	July 2015	\$11,058,000
	August	\$11,116,000
	September	\$11,174,000
	October	\$11,233,000
	November	\$11,292,000
	December	\$11,351,000
	January 2016	\$11,411,000
	February	\$11,471,000
	March	\$11,531,000
	April	\$11,592,000
	May	\$11,653,000
	June	\$11,714,000

Notes:

Rx Paid Claims from IPC reports; Medical Paid Claims from Lag Triangles Provided by Coventry Enrollment provided by MODOT; 5% admin fee included
 Actual IBNR amounts for FY2013, CY2013, FY2014, and FY2015 are still subject to change.
 Projected Liabilities assuming combined medical and prescription drug trend of 6.5%.
 The projected Fiscal Year 2016 claim liabilities are assumed to be subject assumptions in Exhibit 7 - actual liabilities may differ.

Highlights of Medical Plan Report

For this report, Aon Hewitt has examined the experience for calendar year 2015 through April, compared to Income Statements for calendar years 2000 through 2015 and have projected the cost of calendar year 2015 and the next five calendar years.

- Expenses in YTD 2015 were less than income by \$1,317,000.
- The average monthly medical contribution (state and member) per eligible employee/retiree in YTD 2015 was \$654.10 compared to \$640.55 in CY 2014. This represents an increase of 2.1%.
- The number of enrolled active employees decreased 1.0% between CY 2014 to YTD 2015, from 7,145 to 7,089.
- The retiree group experienced an enrollment increase of 1.4% in the same period, from 6,600 to 6,689.
- The Plan's surplus of \$22.7 million at the end of CY 2014 increased to a surplus of \$24.1 million as of April 30, 2015.

The combination of the following will help The Plan continue to manage The Plan's expense ratio, and manage the desired decline in the existing surplus to an acceptable level:

- Contribution increases for CY 2016 and beyond (See Exhibit 9 for details).
- Monthly monitoring of the medical claim payments system on a 12-month average PEPY basis as an "early indicator" of increasing claims expense over current favorable expense (See Graphs in Appendix).
- Close monitoring to the ending retained earnings as calculated by MoDOT's financial "Statements of Revenues, Expenses And Changes in Net Assets".
- Ongoing review of actual IBNR.

Exhibit 2: Fund History

Exhibit 2 Fund History Calendar Year 2015 through April

	CY2013	CY2014	YTD 2015
Average Number Enrolled			
Active (Includes COBRA and Vested)	6,957	7,145	7,089
Pre-65 Retiree (Includes Survivors and Disabled)	2,331	2,332	2,347
Post-65 Retiree	4,150	4,267	4,342
Retiree (Includes Survivors and Disabled)	6,481	6,600	6,689
Total	13,438	13,745	13,778
Average Monthly Contribution Per Enrollee	\$641.92	\$640.55	\$654.10
Total Income	\$115,535,963	\$118,997,296	\$40,627,243
Total Expense	\$116,731,199	\$125,433,474	\$39,309,715
Retained Earnings	\$29,184,288	\$22,748,110	\$24,065,638

(Income, Expenses, and Retained Earnings as Reported in The Plan's Financial Statements)

Exhibit 4: Medical/Rx Incurred Trend

Exhibit 4 provides the recent medical and prescription drug trends on a 12 month over 12 month basis adjusted for headcount.

- Medical trend has been moderate
- Pharmacy trend has increased significantly in 2014 but has started to come back down.
- The rise in pharmacy trend is due to specialty drugs.
- This is similar results to what we are seeing throughout the country.

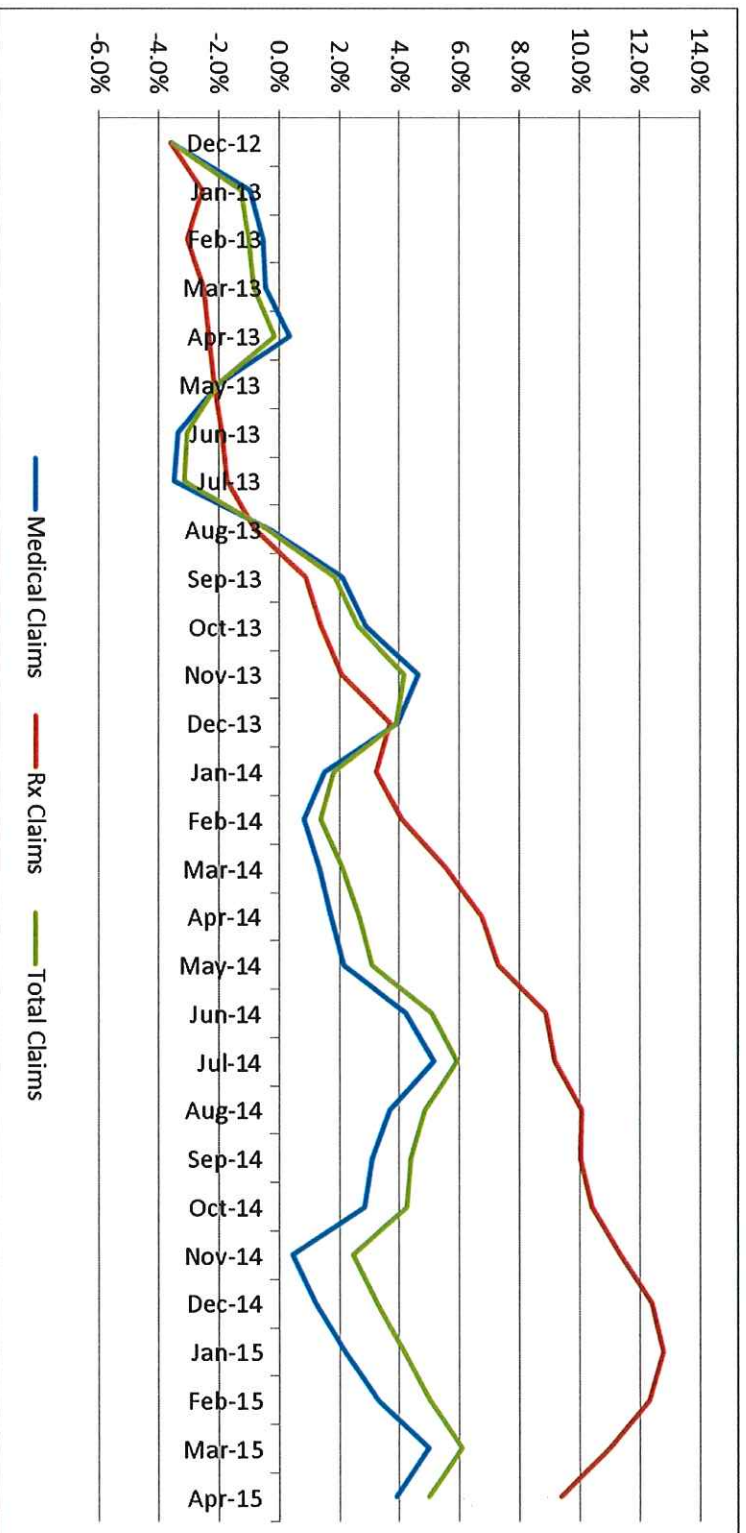


Exhibit 5: Contributions and Benefits by Category

	CY2013	CY2014	YTD 2015	YTD 2015 Subscribers
Contributions as Percent of Claims Paid¹				
Active (Includes COBRA & Vested)	107.8%	101.1%	111.2%	7,089
Active (Includes COBRA & Vested) Subscriber Only	118.5%	108.5%	116.5%	2,546
Active (Includes, COBRA & Vested) Subscriber + Spouse	75.1%	74.2%	79.0%	844
Active (Includes, COBRA & Vested) Subscriber + Family	115.7%	110.8%	130.7%	2,693
Active (Includes COBRA & Vested) Subscriber + 1 Child	112.2%	99.8%	136.1%	552
Active (Includes COBRA & Vested) Subscriber + 2 Children	105.2%	82.9%	58.9%	454
Pre-65 Retiree (Includes Survivors & Disabled)	83.1%	87.1%	96.4%	2,347
Post-65 Retiree ²	106.1%	94.9%	110.3%	4,342
Total	101.6%	97.0%	107.6%	13,778
Contributions as Percent of Total Costs¹				
Active (Includes COBRA & Vested)	103.6%	97.6%	106.4%	
Pre-65 Retiree (Includes Survivors & Disabled)	80.5%	84.3%	92.7%	
Post-65 Retiree	115.2%	104.0%	113.9%	
Total	99.7%	95.6%	105.6%	

Note: Differences compared to Exhibit 4 result from timing differences between the reports used.

1. Based upon pre-determined contribution rates and enrollment as reported in the Income to Medical Plan (MHTD & Patrol) report.
2. Post-65 claims do not include Medicare reimbursement
3. Percentages greater than 100% indicate that there were excess contributions.

Exhibit 6: Historical Monthly Medical Costs vs. Contributions

	Active (Includes COBRA, Disabled & Vested)	Pre-65 Retiree (Includes Survivors)	Post-65 Retiree (Includes Survivors)	Total
Calendar Year 2006 Actual				
Excess of Contribution over Monthly Cost (PEPMD)	\$16.81	(\$356.65)	\$45.62	(\$22.61)
Calendar Year 2007 Actual				
Excess of Contribution over Monthly Cost (PEPMD)	(\$11.49)	(\$371.76)	\$29.51	(\$48.35)
Calendar Year 2008 Actual				
Excess of Contribution over Monthly Cost (PEPMD)	\$44.01	(\$431.36)	\$87.85	(\$0.94)
Calendar Year 2009 Actual				
Excess of Contribution over Monthly Cost (PEPMD)	\$53.33	(\$253.95)	\$72.70	\$15.45
Calendar Year 2010 Actual				
Excess of Contribution over Monthly Cost (PEPMD)	\$81.29	(\$136.84)	\$76.67	\$48.74
Calendar Year 2011 Actual				
Excess of Contribution over Monthly Cost (PEPMD)	\$25.46	(\$192.97)	\$97.85	\$14.07
Calendar Year 2012 Actual				
Excess of Contribution over Monthly Cost (PEPMD)	\$57.99	(\$202.46)	\$70.77	\$17.53
Calendar Year 2013 Actual				
Excess of Contribution over Monthly Cost (PEPMD)	\$31.72	(\$170.92)	\$43.90	\$0.34
Calendar Year 2014 Actual				
Excess of Contribution over Monthly Cost (PEPMD)	(\$20.62)	(\$142.76)	\$12.57	(\$31.04)
Calendar Year 2015 Projected				
Monthly Cost (PEPMD)	\$883.08	\$957.19	\$341.66	\$723.82
Contribution (PEPMD)	\$813.97	\$811.06	\$394.95	\$680.65
Excess of Contribution over Monthly Cost (PEPMD)	(\$69.12)	(\$146.13)	\$53.29	(\$43.17)

Exhibit 8: Development of Monthly Medical Costs vs. Contributions (CY2016)

	Active (Includes COBRA & Vested)	Pre-65 Retiree (Includes Survivors & Disabled)	Actives & Pre-65 Retirees Combined	Post-65 Retiree (Includes Survivors)	Total
Medical Plan Benefit Payments Calendar Year 2015	\$743.70	\$806.56	\$759.37	\$165.91	\$571.25
Medical Trend @ 6.5% Non-Medicare and 6% Medicare	106.5%	106.5%	106.5%	106.0%	106.5%
Medical Plan Benefit Payments Calendar Year 2016	\$792.04	\$858.99	\$808.73	\$175.87	\$608.12
Medical Plan Administration Costs Calendar Year 2015	\$27.03	\$27.03	\$27.03	\$27.03	\$26.77
Change in Medical Plan Administration Costs ¹	1.9%	1.9%	1.9%	1.9%	1.9%
Medical Plan Administration Costs Calendar Year 2016	\$27.55	\$27.55	\$27.55	\$27.55	\$27.29
Prescription Drug Plan Benefit Payments Calendar Year 2015	\$103.29	\$114.15	\$105.99	\$204.34	\$137.17
Prescription Drug Trend @ 6.5%	106.5%	106.5%	106.5%	106.5%	106.5%
Prescription Drug Plan Benefit Payments Calendar Year 2016	\$110.00	\$121.57	\$112.88	\$217.63	\$146.09
Prescription Drug Plan Administration Costs Calendar Year 2015	\$5.57	\$6.15	\$5.71	\$11.01	\$7.39
Prescription Drug Plan Administration Costs Calendar Year 2016	\$5.57	\$6.15	\$5.71	\$11.01	\$7.39
Change in Reserve Jan 1 - Dec 31, 2016	\$5.63	\$6.10	\$5.75	\$1.26	\$4.32
Other Expenses	\$5.59	\$5.58	\$5.58	\$5.56	\$5.58
Medicare Reimbursement	\$0	\$0	\$0	(\$59.61)	(\$18.89)
Subrogation Refunds	(\$1.36)	(\$1.36)	-\$1.36	(\$1.35)	(\$1.36)
Prescription Formulary Rebates	(\$6.30)	(\$6.97)	(\$6.47)	(\$12.47)	(\$8.37)
Total Projected Cost Calendar Year 2016	\$938.71	\$1,017.62	\$958.38	\$365.44	\$770.16
Eligible Contract Months (Based upon 2015 Enrollment)	84,691	28,116	112,807	52,353	165,160
Projected Monthly Costs (PEPM) ^{3,4}	\$938.71	\$1,017.62	\$958.38	\$365.44	\$770.16
2015 Current Contribution (PEPM)	\$813.97	\$811.06	\$813.24	\$394.95	\$680.65
Excess of Contribution over Monthly Cost (PEPM) ³	(\$124.75)	(\$206.56)	(\$145.14)	\$29.50	(\$89.52)
Projected Contributions	\$813.97	\$811.06	\$813.24	\$394.95	\$680.65
Investment Income	\$5.25	\$5.24	\$5.25	\$5.23	\$5.24
Projected Surplus (Deficit)	(\$19.50)	(\$201.32)	(\$139.89)	\$34.73	(\$84.27)
Require Increase (Decrease) in Rates	14.7%	24.8%	17.2%	-8.8%	12.4%

1. Overall medical administrative fees increase 1.9% in 2016 based on Coventry proposal.
2. Overall pharmacy administrative fees remain unchanged in 2016.
3. PEPM - per employee per month.
4. Projected costs based upon 2015 enrollment through May

2016 Approved HSA

- A HSA will be introduced in 2016 alongside the current PPO. Below is a comparison between the current PPO and the proposed HSA.

	Current PPO		Proposed HSA	
	In Network	Out of Network	In Network	Out of Network
HSA Funding (Individual/Family)	n/a			
Deductible				
Individual	\$450	\$450	\$1,700	\$3,500
Family	\$1,350	\$1,350	\$3,500	\$7,000
Out-of-Pocket Maximum				
Individual	\$1,600	\$2,425	\$3,300	\$5,000
Family	\$4,800	\$7,275	\$6,600	\$10,000
Coinsurance				
Office Visit	10%	20%	30%	50%
Emergency Room	\$25	20%	30%	50%
Preventive Care	\$75 + 10%	\$75 + 10%	30%	30%
Prescription Drugs	100%	Not Covered	100%	Not Covered
Deductible	\$100	Not Covered	Shared with Medical	Shared with Medical
Coinsurance	30% (minimum \$5 copay)	Not Covered	30%	50%

Relative Value to Current
Relative Value to Current After Utilization Change

94%
91%

Exhibit 9 Scenario 1: Five Year Projected Income and Expense

	2016	2017	2018	2019	2020
Estimated Income ¹	\$135,094,000	\$145,484,000	\$155,886,000	\$167,054,000	\$179,048,000
Estimated Total Expense	\$139,896,000	\$148,371,000	\$157,386,000	\$166,975,000	\$177,174,000
Estimated Income Less Expenses	(\$4,802,000)	(\$2,887,000)	(\$1,500,000)	\$79,000	\$1,874,000
Beginning Retained Earnings	\$15,618,396	\$10,816,396	\$7,929,396	\$6,429,396	\$6,508,396
Pending Retained Earnings	\$10,816,396	\$7,929,396	\$6,429,396	\$6,508,396	\$8,382,396
<u>Proposed Premium Increase</u>					
Actives and Medicare Retirees	7.5%	7.5%	7.5%	7.5%	7.5%
Non-Medicare Retirees	10.5%	10.5%	7.5%	7.5%	7.5%
Retained Earnings as a % Total Expense	7.7%	5.3%	4.1%	3.9%	4.7%

1. Assumes 2015 enrollment numbers through May from MoDOT for 2016. For 2017-2020, assumes no change to enrollment.

2. Assumes 1.9% annual trend for administrative expenses and 6.5% annual medical/Rx claims trend

3. Assumes 2.5% annual trend for other expenses

Medical Premiums

The following table summarizes active contribution levels for CY 2010 through CY 2016. Retiree and Other plan category details may be found in Exhibit 10.

Rate Category	Total Contribution					
	Coventry Health Plan in 2010 through 2015					
	CY 2010	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015
Subscriber Only	\$384.00	\$399.00	\$399.00	\$399.00	\$399.00	\$407.00
Subscriber/Family	\$1,167.00	\$1,214.00	\$1,214.00	\$1,214.00	\$1,214.00	\$1,238.00
Subscriber/Spouse	\$768.00	\$798.00	\$878.00	\$878.00	\$878.00	\$896.00
Subscriber/Child	\$768.00	\$798.00	\$559.00	\$559.00	\$559.00	\$570.00
Subscriber/2 Children	\$873.00	\$908.00	\$718.00	\$718.00	\$718.00	\$732.00

Rate Category	Total Contribution			
	Coventry Health Plan in 2016			
	Scenario 1		Scenario 2	
Plan	PPO	HDHP	PPO	HDHP
Subscriber Only	\$438.00	\$398.00	\$427.00	\$388.00
Subscriber/Family	\$1,331.00	\$1,209.00	\$1,300.00	\$1,180.00
Subscriber/Spouse	\$963.00	\$874.00	\$941.00	\$854.00
Subscriber/Child	\$613.00	\$557.00	\$599.00	\$544.00
Subscriber/2 Children	\$787.00	\$715.00	\$769.00	\$698.00

Exhibit 10 shows the contribution levels by tier for calendar year 2015.

Exhibits 11 shows the contribution levels by tier for calendar year 2016.

Exhibit 10 (cont.)

Rate Category	Coventry Plan		
	Premium	Employer Share	Subscribers Cost
MEDICARE MEMBERS			
Retiree - Medicare Subscriber Only	\$265.00	\$151.00	\$114.00
Retiree - Medicare Sub./Non-Med. Spouse	\$789.00	\$316.00	\$473.00
Retiree - Medicare Sub./Medicare Spouse	\$530.00	\$239.00	\$291.00
Retiree - Medicare Sub./Non-Med. Family	\$1,334.00	\$587.00	\$747.00
Retiree - Medicare Sub./Medicare Family	\$989.00	\$485.00	\$504.00
Retiree - Medicare Subscriber/Child	\$789.00	\$347.00	\$442.00
Retiree - Medicare Subscriber/Med. Child	\$530.00	\$244.00	\$286.00
Retiree - Medicare Subscriber/2 Children	\$934.00	\$374.00	\$560.00
Survivor - Medicare Subscriber Only	\$265.00	\$151.00	\$114.00
Survivor - Medicare Sub./Non-Med. Family	\$1,339.00	\$589.00	\$750.00
Survivor - Medicare Sub./Medicare Family	\$1,009.00	\$494.00	\$515.00
Survivor - Medicare Subscriber/Child	\$794.00	\$349.00	\$445.00
Survivor - Medicare Subscriber/Med. Child	\$530.00	\$244.00	\$286.00
Survivor - Medicare Subscriber/2 Children	\$939.00	\$376.00	\$563.00
LTD - Medicare Subscriber Only	\$265.00	\$151.00	\$114.00
LTD - Medicare Sub./Non-Medicare Spouse	\$794.00	\$318.00	\$476.00
LTD - Medicare Subscriber/Medicare Spouse	\$530.00	\$239.00	\$291.00
LTD - Medicare Sub./Non-Med. Family	\$1,339.00	\$589.00	\$750.00
LTD - Medicare Sub./Medicare Family	\$1,009.00	\$494.00	\$515.00
LTD - Medicare Subscriber/Child	\$794.00	\$349.00	\$445.00
LTD - Medicare Subscriber/2 Children	\$939.00	\$376.00	\$563.00



Exhibit 10 (cont.)

Rate Category	Coventry Plan Available Statewide		
	Premium	Employer Share	Subscribers Cost
LTD - Subscriber Only	\$524.00	\$299.00	\$225.00
LTD - Subscriber/Family	\$1,593.00	\$701.00	\$892.00
LTD - Subscriber/Spouse	\$1,048.00	\$419.00	\$629.00
LTD - Subscriber/Child	\$1,048.00	\$461.00	\$587.00
LTD - Subscriber/2 Children	\$1,193.00	\$477.00	\$716.00
LTD - Non-Med. Sub./Medicare Child	\$794.00	\$365.00	\$429.00
LTD - Non-Med. Sub./Medicare Spouse	\$794.00	\$357.00	\$437.00
Survivor - Subscriber Only	\$524.00	\$299.00	\$225.00
Survivor - Subscriber/Family	\$1,593.00	\$701.00	\$892.00
Survivor - Subscriber/Child	\$1,048.00	\$461.00	\$586.00
Survivor - Non-Med. Sub./Medicare Child	\$794.00	\$365.00	\$429.00
Survivor - Subscriber/2 Children	\$1,193.00	\$477.00	\$716.00
Vested - Subscriber Only	\$415.00	\$0.00	\$415.00
Vested - Subscriber/Family	\$1,263.00	\$0.00	\$1,263.00
Vested - Subscriber/Spouse	\$914.00	\$0.00	\$914.00
Vested - Non-Med. Sub./Medicare Spouse	\$741.00	\$0.00	\$741.00
Vested - Subscriber/Child	\$581.00	\$0.00	\$581.00
Vested - Subscriber/2 Children	\$747.00	\$0.00	\$747.00

Sub. = Subscriber

Non-Med. = Non-Medicare

LTD = Long Term Disability

WRD = Work Related Disability



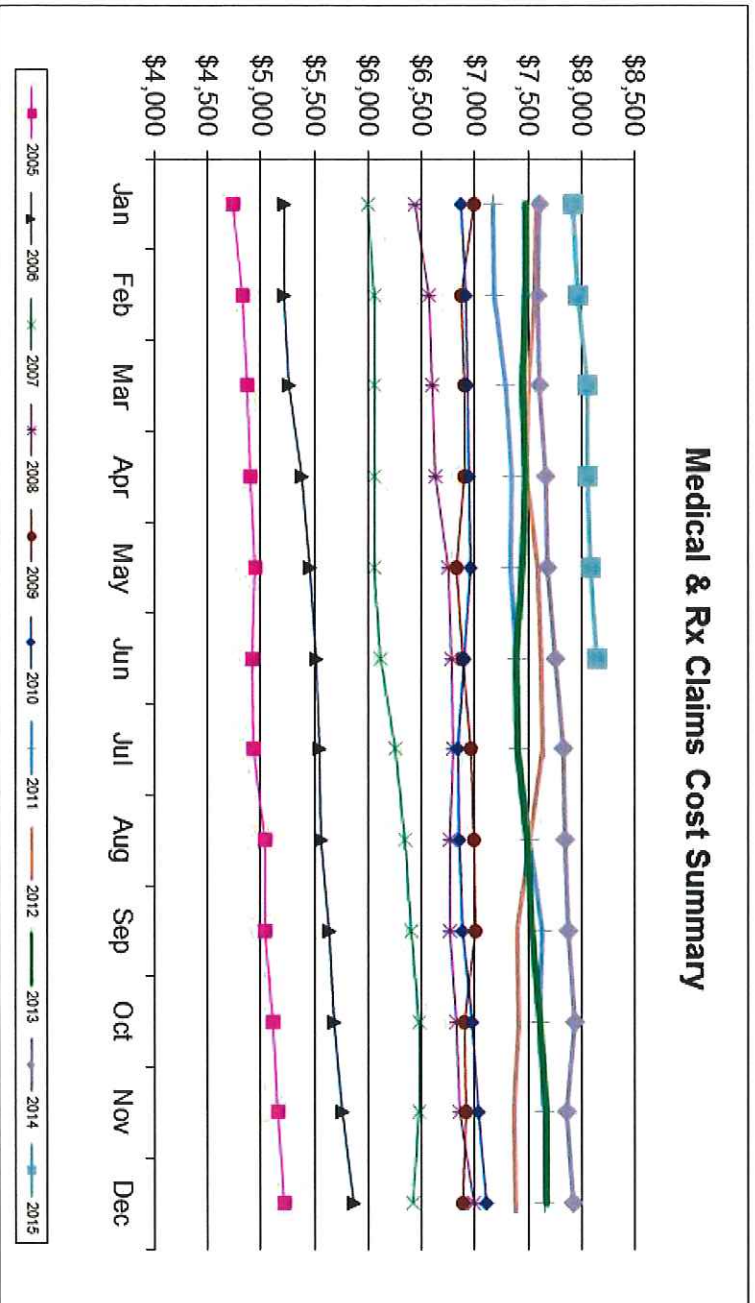
Exhibit 11 Scenario 1: 2016 Rates and Contributions (HSA)

Rate Category	Coventry Plan Available Statewide			Increase 2016 over 2015		
	Premium	Employer Share	Subscribers Cost	Premium	Employer Share	Subscribers Cost
ACTIVE EMPLOYEE						
Subscriber Only	\$398.00	\$350.00	\$48.00	-\$9.00	\$24.00	-\$33.00
Subscriber/Family	\$1,209.00	\$1,065.00	\$144.00	-\$29.00	\$75.00	-\$104.00
Subscriber/Spouse	\$874.00	\$770.00	\$104.00	-\$22.00	\$53.00	-\$75.00
Subscriber/Child	\$557.00	\$490.00	\$67.00	-\$13.00	\$34.00	-\$47.00
Subscriber/2 Children	\$715.00	\$630.00	\$85.00	-\$17.00	\$44.00	-\$61.00
NON-MEDICARE RETIREE						
Retiree - Subscriber Only	\$491.00	\$308.00	\$183.00	\$1.00	\$29.00	-\$28.00
Retiree - Subscriber/Family	\$1,494.00	\$724.00	\$770.00	\$5.00	\$69.00	-\$64.00
Retiree - Subscriber/Spouse	\$983.00	\$433.00	\$550.00	\$4.00	\$41.00	-\$37.00
Retiree - Subscriber/Child	\$983.00	\$476.00	\$507.00	\$4.00	\$45.00	-\$41.00
Retiree - Subscriber/2 Children	\$1,119.00	\$493.00	\$626.00	\$4.00	\$47.00	-\$43.00
Retiree - Non Med. Sub./Medicare Child	\$750.00	\$380.00	\$370.00	-\$5.00	\$33.00	-\$38.00
Retiree - Non Med. Sub./Medicare Spouse	\$750.00	\$372.00	\$378.00	-\$5.00	\$32.00	-\$37.00
MEDICARE MEMBERS						
Retiree - Medicare Subscriber Only	\$259.00	\$162.00	\$97.00	-\$6.00	\$11.00	-\$17.00
Retiree - Medicare Sub./Non-Med. Spouse	\$750.00	\$330.00	\$420.00	-\$39.00	\$14.00	-\$53.00
Retiree - Medicare Sub./Medicare Spouse	\$518.00	\$279.00	\$239.00	-\$12.00	\$40.00	-\$52.00
Retiree - Medicare Sub./Non-Med. Family	\$1,261.00	\$611.00	\$650.00	-\$73.00	\$24.00	-\$97.00
Retiree - Medicare Sub./Medicare Family	\$965.00	\$521.00	\$444.00	-\$24.00	\$36.00	-\$60.00
Retiree - Medicare Subscriber/Child	\$750.00	\$363.00	\$387.00	-\$39.00	\$16.00	-\$55.00
Retiree - Medicare Subscriber/Med. Child	\$518.00	\$262.00	\$256.00	-\$12.00	\$18.00	-\$30.00
Retiree - Medicare Subscriber/2 Children	\$886.00	\$390.00	\$496.00	-\$48.00	\$16.00	-\$64.00
SURVIVOR-MEDICARE						
Survivor - Medicare Subscriber Only	\$259.00	\$162.00	\$97.00	-\$6.00	\$11.00	-\$17.00
Survivor - Medicare Sub./Non-Med. Family	\$1,261.00	\$611.00	\$650.00	-\$78.00	\$22.00	-\$100.00
Survivor - Medicare Sub./Medicare Family	\$965.00	\$521.00	\$444.00	-\$44.00	\$27.00	-\$71.00
Survivor - Medicare Subscriber/Child	\$750.00	\$363.00	\$387.00	-\$44.00	\$14.00	-\$58.00
Survivor - Medicare Subscriber/Med. Child	\$518.00	\$262.00	\$256.00	-\$12.00	\$18.00	-\$30.00
Survivor - Medicare Subscriber/2 Children	\$886.00	\$390.00	\$496.00	-\$53.00	\$14.00	-\$67.00

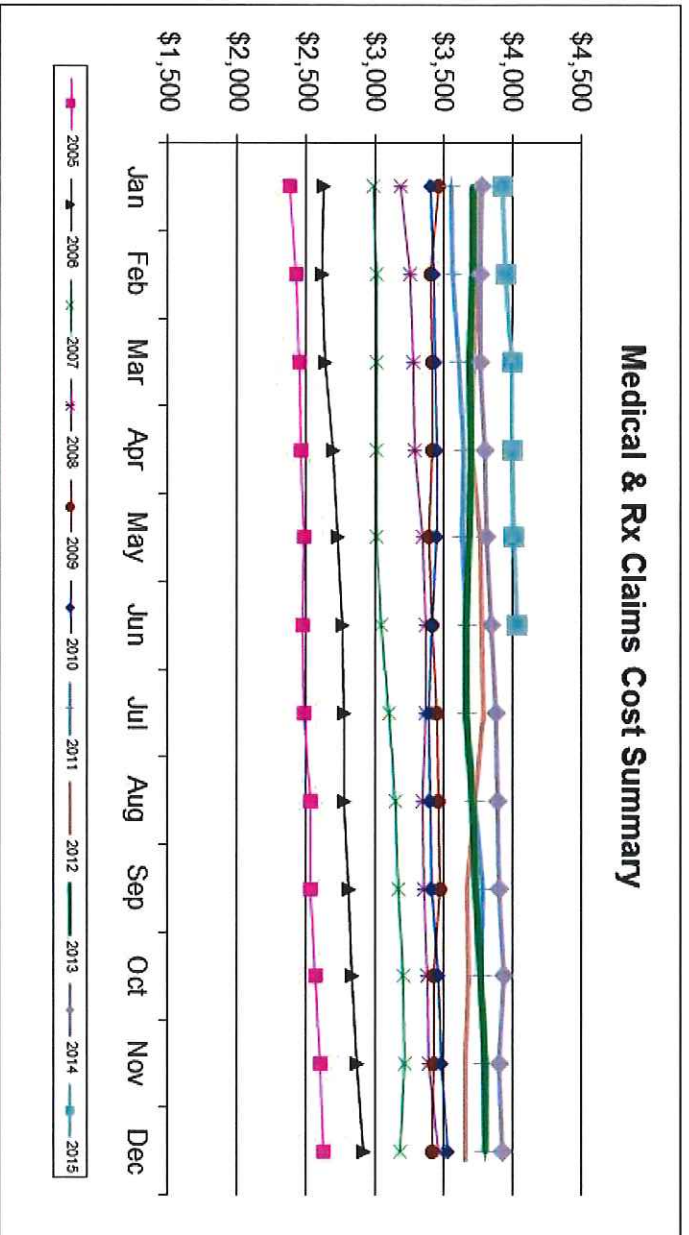
Exhibit 11 Scenario 2: 2016 Rates and Contributions (HSA)

Rate Category	Coventry Plan Available Statewide				Increase 2016 over 2015			
	Premium	Employer Share	Subscribers Cost		Premium	Employer Share	Subscribers Cost	
ACTIVE EMPLOYEE								
Subscriber Only	\$388.00	\$342.00	\$46.00		-\$19.00	\$16.00	-\$35.00	
Subscriber/Family	\$1,180.00	\$1,040.00	\$140.00		-\$58.00	\$50.00	-\$108.00	
Subscriber/Spouse	\$854.00	\$753.00	\$101.00		-\$42.00	\$36.00	-\$78.00	
Subscriber/Child	\$544.00	\$479.00	\$65.00		-\$26.00	\$23.00	-\$49.00	
Subscriber/2 Children	\$698.00	\$615.00	\$83.00		-\$34.00	\$29.00	-\$63.00	
NON-MEDICARE RETIREE								
Retiree - Subscriber Only	\$480.00	\$302.00	\$178.00		-\$10.00	\$23.00	-\$33.00	
Retiree - Subscriber/Family	\$1,460.00	\$708.00	\$752.00		-\$29.00	\$53.00	-\$82.00	
Retiree - Subscriber/Spouse	\$960.00	\$423.00	\$537.00		-\$19.00	\$31.00	-\$50.00	
Retiree - Subscriber/Child	\$960.00	\$465.00	\$495.00		-\$19.00	\$34.00	-\$53.00	
Retiree - Subscriber/2 Children	\$1,093.00	\$482.00	\$611.00		-\$22.00	\$36.00	-\$58.00	
Retiree - Non Med. Sub./Medicare Child	\$733.00	\$371.00	\$362.00		-\$22.00	\$24.00	-\$46.00	
Retiree - Non Med. Sub./Medicare Spouse	\$733.00	\$363.00	\$370.00		-\$22.00	\$23.00	-\$45.00	
MEDICARE MEMBERS								
Retiree - Medicare Subscriber Only	\$252.00	\$158.00	\$94.00		-\$13.00	\$7.00	-\$20.00	
Retiree - Medicare Sub./Non-Med. Spouse	\$733.00	\$323.00	\$410.00		-\$56.00	\$7.00	-\$63.00	
Retiree - Medicare Sub./Medicare Spouse	\$506.00	\$266.00	\$240.00		-\$24.00	\$27.00	-\$51.00	
Retiree - Medicare Sub./Non-Med. Family	\$1,232.00	\$597.00	\$635.00		-\$102.00	\$10.00	-\$112.00	
Retiree - Medicare Sub./Medicare Family	\$943.00	\$509.00	\$434.00		-\$46.00	\$24.00	-\$70.00	
Retiree - Medicare Subscriber/Child	\$733.00	\$355.00	\$378.00		-\$56.00	\$8.00	-\$64.00	
Retiree - Medicare Subscriber/Med. Child	\$506.00	\$256.00	\$250.00		-\$24.00	\$12.00	-\$36.00	
Retiree - Medicare Subscriber/2 Children	\$865.00	\$381.00	\$484.00		-\$69.00	\$7.00	-\$76.00	
SURVIVOR- MEDICARE								
Survivor - Medicare Subscriber Only	\$252.00	\$158.00	\$94.00		-\$13.00	\$7.00	-\$20.00	
Survivor - Medicare Sub./Non-Med. Family	\$1,232.00	\$597.00	\$635.00		-\$107.00	\$8.00	-\$115.00	
Survivor - Medicare Sub./Medicare Family	\$943.00	\$509.00	\$434.00		-\$66.00	\$15.00	-\$81.00	
Survivor - Medicare Subscriber/Child	\$733.00	\$355.00	\$378.00		-\$61.00	\$6.00	-\$67.00	
Survivor - Medicare Subscriber/Med. Child	\$506.00	\$256.00	\$250.00		-\$24.00	\$12.00	-\$36.00	
Survivor - Medicare Subscriber/2 Children	\$865.00	\$381.00	\$484.00		-\$74.00	\$5.00	-\$79.00	

Missouri Department of Transportation / Missouri State Highway Patrol
Medical & Rx Claims Cost Summary
Incurred Claims (12-Month Average PEPPY)
Through June 2015



Missouri Department of Transportation / Missouri State Highway Patrol
 Medical & Rx Claims Cost Summary
 Incurred Claims (12-Month Average PMPY)
 Through June 2015



Historical Claims Payment Patterns for Medical and Rx Benefits
Through June 2015

Lag Month	% Paid, Cumulative
0	27%
1	77%
2	87%
3	91%
4	95%
5	97%
6	98%
7	99%
8	99%
9	99%
10	100%
11	100%
12	100%
13	100%
14	100%
15	100%
16	100%
17	100%
18	100%
19	100%
20	100%
21	100%
22	100%
23	100%

Section 4 – Cost, Fees and Expenses

SECTION (5): PRICE PAGE

(A) **FEE SCHEDULE:** The Offeror shall indicate below all fees for providing services in accordance with the provisions and requirements stated herein:

	<u>SERVICE</u>	<u>FIRM FIXED PRICE</u>		
		1 st Yr.	2 nd Yr.	3 rd Yr.
a.	SIP Annual Actuarial Valuation	<u>\$22,500</u>	<u>\$22,500</u>	<u>\$22,500</u>
b.	Plan Annual Actuarial Valuation	<u>\$20,000</u>	<u>\$20,000</u>	<u>\$20,000</u>
c.	Plan Semi-Annual Actuarial Valuation	<u>\$18,000</u>	<u>\$18,000</u>	<u>\$18,000</u>
d.	Consultant Services/per hour	<u>\$300</u>	<u>\$300</u>	<u>\$320</u>
e.	Plan GASB 45 Post-Employment Review (if necessary)	<u>\$28,000</u>	<u>\$28,000</u>	<u>\$28,000</u>

In the event that the Board executes its option to renew the contract for two (2) additional one year periods pursuant to the applicable provisions in Part Three of this document, the Offeror should provide below the maximum percentage of increase or minimum percentages of decrease for each renewal period. The Offeror is cautioned that the percentages shall be computed against the **First Year** contract price for each renewal period. If the following blanks are not complete, prices during renewal periods shall be the same during the original contact period. Furthermore, the Offeror is advised that the Board does not automatically grant increases at the time of renewing the contract and that if an increase is request, documentation of need must be provided at the time of renewal.

(pricing page continued)

a. SIP Annual Actuarial Valuation

First Renewal Period	5% OF MAXIMUM INCREASE AND/OR N/A% OF MINIMUM DECREASE
Second Renewal	5% OF MAXIMUM INCREASE AND/OR N/A % OF MINIMUM DECREASE

b. Plan Annual Actuarial Valuation

First Renewal Period	5% OF MAXIMUM INCREASE AND/OR N/A % OF MINIMUM DECREASE
Second Renewal Period	5% OF MAXIMUM INCREASE AND/OR N/A % OF MINIMUM DECREASE

c. Plan Semi-annual Actuarial Valuation

First Renewal Period	5% OF MAXIMUM INCREASE AND/OR N/A % OF MINIMUM DECREASE
Second Renewal Period	5% OF MAXIMUM INCREASE AND/OR N/A % OF MINIMUM DECREASE

d. Consultant Services

First Renewal Period 5% OF MAXIMUM INCREASE
AND/OR
N/A % OF MINIMUM DECREASE

Second Renewal Period 5% OF MAXIMUM INCREASE
AND/OR
N/A & OF MINIMUM DECREASE

e. GASB 45

First Renewal Period 5% OF MAXIMUM INCREASE
AND/OR
N/A % OF MINIMUM DECREASE

Second Renewal Period 5% OF MAXIMUM INCREASE
AND/OR
N/A % OF MINIMUM DECREASE

Any applicable cap on out-of-pocket expense also should be noted.

(E) EXPENSES: List the name of expense for which reimbursement would be sought and the estimated amount of such expenses.

Expenses	Estimated Amount
Mileage	\$200/annual
Airfare/lodging	\$0 (at this time)
Miscellaneous (list-attach additional sheet if needed)	
Total	\$200/annual



Paul Schultes, Senior Vice President

November 23, 2009