

OGB for the State of Louisiana
FY 2011 Projected Cost - Paid Claims

Adjusted for Elimination of the EPO plan and Additional Discounts Due to move the BCBS

Actives

	HMO	PPO	HDHP	Total
Midpoint of Claims Period	7/1/2009	7/1/2009	7/1/2009	7/1/2009
Midpoint of Renewal Period	1/1/2011	1/1/2011	1/1/2011	1/1/2011
	1.5	1.5	1.5	1.5
Base Period Claims Paid	\$ 423,167,973	\$ 115,990,604		\$ 539,158,577
Completed Claims Paid	423,167,973	115,990,604	0	539,158,577
Prescription Drugs	93,351,392	33,724,600		127,075,992
Total Paid Claims	\$ 516,519,365	\$ 149,715,204	\$ 0	\$ 666,234,569
Adjustment for Pooled Claims	\$ 0	\$ 0	\$ 0	\$ 0
Adjustment for Autism and Mental Health	12,991,257	3,560,912	0	16,552,168
Adjusted Claims	\$ 529,510,622	\$ 153,276,116	\$ 0	\$ 682,786,738
Annual Trend Factor Assumption:				
Medical	10.0%	10.0%	10.0%	10.0%
Prescription Drugs	12.0%	12.0%	12.0%	12.0%
Anticipated Increase in Cost and Usage	\$ 84,330,890	\$ 24,622,894	\$ 0	\$ 108,953,784
Projected Paid Claims	\$ 613,841,512	\$ 177,899,009	\$ 29,935,090	\$ 821,675,611
Admin Fee	21,434,322	4,100,905		25,535,227
Stop Loss	0	0	0	0
Unpooled Large Claims	0	0	0	0
Required Income	\$ 635,275,834	\$ 181,999,914	\$ 29,935,090	\$ 847,210,838
Enrollment Adjustment	0.9795	0.8229	1.0000	
Final Required Income	\$ 622,232,713	\$ 149,770,955	\$ 29,935,090	\$ 801,938,758
Contract Months Exposed	799,235	155,709	50,260	1,005,204
Total Fiscal 2011 Premiums	576,693,090	124,109,118	29,935,090	730,737,297
Total Fiscal 2010 Premiums	612,625,072	151,833,798		764,458,870
Required Increase	1.57%	-1.36%		1.0%

Retirees with Medicare

	HMO	PPO	EPO	Total
Midpoint of Claims Period	7/1/2009	7/1/2009	7/1/2009	7/1/2009
Midpoint of Renewal Period	1/1/2011	1/1/2011	1/1/2011	1/1/2011
	1.5	1.5	1.5	1.5
Base Period Claims Paid	\$ 13,548,762	\$ 28,153,327		\$ 41,702,089
Completed Claims Paid	13,548,762	28,153,327	0	41,702,089
Prescription Drugs	14,775,592	64,969,802		79,745,395
Total Paid Claims	\$ 28,324,355	\$ 93,123,129	\$ 0	\$ 121,447,484
Adjustment for Pooled Claims	\$ 0	\$ 0	\$ 0	\$ 0
Adjustment for Autism and Mental Health	415,947	864,307	0	1,280,254
Adjusted Claims	\$ 28,740,302	\$ 93,987,436	\$ 0	\$ 122,727,738
Annual Trend Factor Assumption:				
Medical	10.0%	10.0%	10.0%	10.0%
Prescription Drugs	12.0%	12.0%	12.0%	12.0%
Anticipated Increase in Cost and Usage	\$ 4,884,099	\$ 16,498,395	\$ 0	\$ 21,382,494
Projected Paid Claims	\$ 33,624,401	\$ 110,485,831	\$ 0	\$ 144,110,232
Admin Fee	1,553,578	4,972,799		6,526,377
Stop Loss	0	0	0	0
Unpooled Large Claims	0	0	0	0
Required Income	\$ 35,177,979	\$ 115,458,630	\$ 0	\$ 150,636,609
Enrollment Adjustment	1.0000	1.0000	1.0000	
Final Required Income	\$ 35,177,979	\$ 115,458,630	\$ 0	\$ 150,636,609
Contract Months Exposed	62,940	242,376		305,316
Total Fiscal 2011 Premiums	34,918,837	118,680,141	0	153,598,978
Total Fiscal 2010 Premiums	35,278,559	119,617,698		154,896,257
Required Increase	-0.29%	-3.48%		-2.8%

OGB for the State of Louisiana
 FY 2011 Projected Cost - Paid Claims

Retirees without Medicare

	HMO	PPO	EPO	Total
Midpoint of Claims Period	7/1/2009	7/1/2009	7/1/2009	7/1/2009
Midpoint of Renewal Period	1/1/2011	1/1/2011	1/1/2011	1/1/2011
	1.5	1.5	1.5	1.5
Base Period Claims Paid	\$ 92,620,398	\$ 101,208,469	\$ 0	\$ 193,828,867
Completed Claims Paid	92,620,398	101,208,469	0	193,828,867
Prescription Drugs	21,929,313	28,613,779	0	50,543,093
Total Paid Claims	\$ 114,549,711	\$ 129,822,249	\$ 0	\$ 244,371,960
Adjustment for Pooled Claims	\$ 0	\$ 0	\$ 0	\$ 0
Adjustment for Autism and Mental Health	2,843,446	3,107,100	0	\$ 5,950,546
Adjusted Claims	\$ 117,393,157	\$ 132,929,349	\$ 0	\$ 250,322,506
Annual Trend Factor Assumption:				
Medical	10.0%	10.0%	10.0%	10.0%
Prescription Drugs	12.0%	12.0%	12.0%	12.0%
Anticipated Increase in Cost and Usage	\$ 18,735,240	\$ 21,334,268	\$ 0	\$ 40,069,507
Projected Paid Claims	\$ 136,128,397	\$ 154,263,617	\$ 0	\$ 290,392,013
Admin Fee	2,846,636	2,353,813	0	5,200,449
Stop Loss	0	0	0	0
Unpooled Large Claims	0	0	0	0
Required Income	\$ 138,975,033	\$ 156,617,430	\$ 0	\$ 295,592,462
Enrollment Adjustment	1.0000	1.0000	1.0000	
Final Required Income	\$ 138,975,033	\$ 156,617,430	\$ 0	\$ 295,592,462
Contract Months Exposed	115,812	114,180	0	229,992
Total Fiscal 2011 Premiums	138,983,400	145,098,793	0	284,082,193
Total Fiscal 2010 Premiums	141,843,397	146,044,956		287,888,353
Required Increase	-2.02%	7.24%		2.7%

Total

	HMO	PPO	HDHP	Total
Midpoint of Claims Period	7/1/2009	7/1/2009	7/1/2009	7/1/2009
Midpoint of Renewal Period	1/1/2011	1/1/2011	1/1/2011	1/1/2011
	1.5	1.5	1.5	1.5
Base Period Claims Paid				
Completed Claims Paid				
Prescription Drugs				
Total Paid Claims				
Adjustment for Pooled Claims				
Adjustment for Autism and Mental Health				
Adjusted Claims				
Annual Trend Factor Assumption:				
Medical				
Prescription Drugs				
Anticipated Increase in Cost and Usage				
Projected Paid Claims				
Admin Fee				
Stop Loss				
Unpooled Large Claims				
Required Income				
Enrollment Adjustment				
Final Required Income	\$ 796,385,725	\$ 421,847,015	\$ 29,935,090	\$ 1,248,167,829
Contract Months Exposed	977,987	512,265	50,260	1,540,512
Total Fiscal 2011 Premiums	750,595,327	387,888,052	29,935,090	1,168,418,469
Total Fiscal 2010 Premiums	789,747,028	417,496,452		1,207,243,480
Required Increase	0.84%	1.04%		0.9%

OGB for the State of Louisiana
CY 2012 Projected Cost - Incurred Claims

Actives

	HMO	PPO	Total
Midpoint of Claims Period	1/1/2011	1/1/2011	1/1/2011
Midpoint of Renewal Period	7/1/2012	7/1/2012	7/1/2012
	1.5	1.5	1.5
Base Period Claims	\$ 447,282,745	\$ 93,816,244	\$ 541,098,989
Completed Claims	447,282,745	93,816,244	541,098,989
Prescription Drugs	107,415,633	29,964,448	137,380,081
Total Claims	\$ 554,698,378	\$ 123,780,692	\$ 678,479,070
Adjustment for Pooled Claims	0	0	0
Adjusted Claims	\$ 554,698,378	\$ 123,780,692	\$ 678,479,070
Annual Trend Factor Assumption:			
Medical	8.0%	8.0%	8.0%
Prescription Drugs	10.0%	10.0%	10.0%
Anticipated Increase in Cost and Usage	\$ 71,242,188	\$ 16,085,421	\$ 87,327,609
Projected Claims	\$ 625,940,566	\$ 139,866,113	\$ 765,806,679
Admin Fee	22,545,270	3,367,208	25,912,478
Stop Loss	0	0	0
Unpooled Large Claims	0	0	0
Required Income	\$ 648,485,836	\$ 143,233,321	\$ 791,719,157
Enrollment Adjustment	1.0000	1.0000	
Final Required Income	\$ 648,485,836	\$ 143,233,321	\$ 791,719,157
July 2011 - Dec 2011 Premiums - Annualized	\$ 617,200,648	\$ 123,676,592	\$ 740,877,240
Required Increase	5.07%	15.81%	6.86%

Retirees with Medicare

	HMO	PPO	Total
Midpoint of Claims Period	1/1/2011	1/1/2011	1/1/2011
Midpoint of Renewal Period	7/1/2012	7/1/2012	7/1/2012
	1.5	1.5	1.5
Base Period Claims	\$ 19,389,097	\$ 30,760,557	\$ 50,149,654
Completed Claims	19,389,097	30,760,557	50,149,654
Prescription Drugs	20,099,726	70,888,866	90,988,592
Total Claims	\$ 39,488,823	\$ 101,649,423	\$ 141,138,246
Adjustment for Pooled Claims	0	0	0
Adjusted Claims	\$ 39,488,823	\$ 101,649,423	\$ 141,138,246
Annual Trend Factor Assumption:			
Medical	6.0%	6.0%	6.0%
Prescription Drugs	10.0%	10.0%	10.0%
Anticipated Increase in Cost and Usage	\$ 4,860,059	\$ 13,704,462	\$ 18,564,521
Projected Claims	\$ 42,127,311	\$ 109,575,456	\$ 151,702,767
Admin Fee	2,005,548	5,284,237	7,289,785
Stop Loss	0	0	0
Unpooled Large Claims	0	0	0
Required Income	\$ 44,132,859	\$ 114,859,693	\$ 158,992,551
Enrollment Adjustment	1.0000	1.0000	
Final Required Income	\$ 44,132,859	\$ 114,859,693	\$ 158,992,551
July 2011 - Dec 2011 Premiums - Annualized	\$ 45,425,586	\$ 123,848,780	\$ 169,274,366
Required Increase	-2.85%	-7.26%	-6.07%

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CY 2012 Projected Cost - Incurred Claims

Retirees without Medicare

	HMO	PPO	Total
Midpoint of Claims Period	1/1/2011	1/1/2011	1/1/2011
Midpoint of Renewal Period	7/1/2012	7/1/2012	7/1/2012
	1.5	1.5	1.5
Base Period Claims	\$ 107,729,154	\$ 98,636,228	\$ 206,365,381
Completed Claims	107,729,154	98,636,228	206,365,381
Prescription Drugs	30,222,825	29,421,623	59,644,448
Total Claims	\$ 137,951,979	\$ 128,057,850	\$ 266,009,830
Adjustment for Pooled Claims	0	0	0
Adjusted Claims	\$ 137,951,979	\$ 128,057,850	\$ 266,009,830
Annual Trend Factor Assumption:			
Medical	8.0%	8.0%	8.0%
Prescription Drugs	12.0%	12.0%	12.0%
Anticipated Increase in Cost and Usage	\$ 18,782,887	\$ 17,521,735	\$ 36,304,622
Projected Claims	\$ 156,734,866	\$ 145,579,586	\$ 302,314,452
Admin Fee	3,536,253	2,312,854	5,849,107
Stop Loss	0	0	0
Unpooled Large Claims	0	0	0
Required Income	\$ 160,271,119	\$ 147,892,440	\$ 308,163,558
Enrollment Adjustment	1.0000	1.0000	
Final Required Income	\$ 160,271,119	\$ 147,892,440	\$ 308,163,558
July 2011 - Dec 2011 Premiums - Annualized	\$ 169,187,325	\$ 143,426,593	\$ 312,613,919
Required Increase	-5.27%	3.11%	-1.42%

Total

	HMO	PPO	Total
Midpoint of Claims Period	1/1/2011	1/1/2011	1/1/2011
Midpoint of Renewal Period	7/1/2012	7/1/2012	7/1/2012
	1.5	1.5	1.5
Base Period Claims	\$ 574,400,996	\$ 223,213,028	\$ 797,614,024
Completed Claims	574,400,996	223,213,028	797,614,024
Prescription Drugs	157,738,184	130,274,937	288,013,121
Total Claims	\$ 732,139,180	\$ 353,487,965	\$ 1,085,627,145
Adjustment for Pooled Claims	0	0	0
Adjusted Claims	\$ 732,139,180	\$ 353,487,965	\$ 1,085,627,145
Annual Trend Factor Assumption:			
Medical			
Prescription Drugs			
Anticipated Increase in Cost and Usage	\$ 94,885,134	\$ 47,311,618	\$ 142,196,752
Projected Claims	\$ 824,802,743	\$ 395,021,154	\$ 1,219,823,897
Admin Fee	28,087,070	10,964,299	39,051,369
Stop Loss	0	0	0
Unpooled Large Claims	0	0	0
Required Income	\$ 852,889,813	\$ 405,985,453	\$ 1,258,875,267
Enrollment Adjustment	1.0000	1.0000	
Final Required Income	\$ 852,889,813	\$ 405,985,453	\$ 1,258,875,267
July 2011 - Dec 2011 Premiums - Annualized	\$ 831,813,559	\$ 390,951,965	\$ 1,222,765,524
Required Increase	2.53%	3.85%	2.95%