**Appendix 7**

**Funding Arrangements**

The information in this Appendix 7 provides a description of the funding arrangements currently used for the State Plan and Local Plan. **Proposals, including Cost Proposals, must be based on the funding arrangements described herein in order for the Department to accurately compare Proposals.** Other funding arrangements may be proposed by a Proposer (in Tab 3 of the Proposal); however, any new funding arrangements must be agreed to by the Department and approved by the Board.

**I. General Funding Methods**

The current Program for pre-retirement Employees is fully insured and funded through Employee and Employer contributions. The Program is retrospectively experience rated through a Stabilization Reserve. The Stabilization Reserve is credited for premiums and interest credits and debited for claims and expenses. The State Plan and Local Plan have separate Stabilization Reserves.

Post-Retirement Insurance is supported by contributions from Employers and from pre-age 65 Retirees. Contributions are made until age 65 and are intended to pre-fund the cost of Post-Retirement Insurance benefits. The funds supporting Post-Retirement Insurance are held in the Retiree Premium Deposit Fund (PDF). These funds represent a portion of Employer contributions on behalf of Active Employees, contributions from pre-age 65 Retirees, and interest credits on prior PDF balances. Withdrawals from the Retiree PDF include benefit payments from post-65 death claims and related expenses. There are separate Retiree PDFs for the State Plan and Local Plan.

There is also a separate Contingent Liability Reserve (CLR) for the Local Plan that contains funds supporting Post-Retirement Insurance. Benefits for pre-65 and post-65 Retirees are paid first from the Local Plan CLR and secondly from the Local Plan Retiree PDF. Funds in the Local Plan CLR are expected to be depleted in the relatively near future (by 2022), after which the benefits will be paid from the Local Plan Retiree PDF. There is no longer a CLR for the State Plan.

The current vendor insures the Retiree life benefits but does not guarantee that existing Retiree life Assets will be enough to cover the full cost of future Retiree life benefits. Employers bear the funding risk for Retiree life benefits if the current premium rate schedule is inadequate.

If the Department were to terminate its policy with the current insurer, the current insurer would keep the funds that it determines are necessary for paying future benefits for then-current Retirees as of the policy termination date. See Appendix 6 – Program Requirements, Section III – Financial Provisions in the Event of Cancellation of the Policy. If the Program is transferred to a different insurance provider (the Contractor), any remaining funds in the Active PDFs and the Stabilization Reserve would be transferred as well. The Contractor would be responsible for paying future Pre-Retirement Insurance and Post-Retirement Insurance claims on all Employees who were Active at the time of the transfer.

**II. Stop-Loss Provision**

1. **General Description**
2. The stop‑loss provision limits the liability of the Program for claims and certain expense charges in any one Policy Year.
3. Stop‑loss factors as described below are determined annually based on recent plan experience. The premium rates and stop-loss factors are determined independently for the State Plan and the Local Plan.
4. The stop‑loss provisions of the State Plan and Local Plan are separate for financial and experience-rating purposes.

1. **State Plan**
2. Stop‑loss provision applies to:
3. Pre-Retirement Insurance for Employees.
4. Post‑Retirement Insurance for Employees.
5. Insurance for Spouses and Dependents.
6. RFP FORM I – Cost Proposal Workbook includes a table of Employee stop‑loss rates that vary by age for Employee insurance. These rates are multiplied by the insurance in force at each age to determine the overall stop‑loss limit. The stop‑loss limits are intended to generate a stop‑loss limit equal to approximately 140% of expected claims for active Employees and 120% of expected claims for Retiree Employees.
7. The stop‑loss limit for the Spouse and Dependent Plan equals 130% of Policy Year Premium.
8. Stop-loss limits are enforced in a Policy Year when death claims plus accidental death claims plus pooled claim charges plus living benefit claims plus the change in claim reserves during the year plus conversion charges plus Contractor expenses and risk charges (excludes State administrative expenses) and State premium taxes exceed the stop‑loss limit(s).
9. Losses exceeding the stop-loss limits stated in 2.b and 2.c above are deemed catastrophic and are charged against the Contractor rather than the Program.

### **Local Plan**

1. Stop‑loss provision applies to:
2. Pre-Retirement Insurance for Employees.
3. Post‑Retirement Insurance for Employees.
4. Insurance for Spouses and Dependents.
5. RFP FORM I – Cost Proposal Workbook includes stop‑loss rates for Employee insurance that vary by age. These rates are multiplied by the insurance in force at each age to determine the overall stop‑loss limit. The stop‑loss rates are intended to generate an overall stop‑loss limit equal to approximately 140% of expected claims for active Employees and 120% of expected claims for Retired Employees.
6. The stop‑loss limit for the Spouse and Dependent Plan insurance equals 145% of Policy Year Premium.
7. Stop-loss limits are enforced in a Policy Year when death claims plus accidental death claims plus pooled claim charges plus living benefit claims plus the change in claim reserves during the year plus conversion charges plus Contractor expenses and risk charges (excludes Department administrative expenses) and State premium taxes exceed the stop‑loss limit(s).
8. Losses exceeding the stop-loss limits stated in 3.b and 3.c above are deemed catastrophic and are charged against the Contractor rather than the Program.

### **D. Reinsurance Arrangements**

1. Currently, 2.4% of Employee insurance under both the State Plan and Local Plan is reinsured through a carrier domiciled in Wisconsin per the request of the Board. Since January 1, 2003, The EPIC Life Insurance Company has been the only company participating in the reinsurance.

2. Both Active and Retiree coverage is reinsured including the pooling of large insurance amounts and the stop‑loss arrangement.

3. The cost of reinsurance is passed on to the State Plan or Local Plan in the form of a reinsurance expense charge. The 2018 charges were:

|  |  |  |
| --- | --- | --- |
|  | **State** | **Local** |
| **Reinsurance Expense Charge** | $3,527 | $3,400 |

4. The Contractor shall provide, or work with another insurance provider to provide, reinsurance sufficient to cover 2.4% of potential claims and such insurance shall commence on January 1, 2022 and continue until termination of the Department’s policy.

5. There is no reinsurance on the Spouse and Dependent Plans.

1. **Stop-Loss Experience.**

Annual losses from the State Plan have not exceeded the stop-loss limits between 2009 and 2018, as shown below for Actives and Retirees.

**1. State Plan Active Stop-Loss Experience:**

|  |  |  |
| --- | --- | --- |
|  | **Employees** | **Spouses and Dependents** |
| **Policy** | **Stop-Loss** | **Stop-Loss** |
| **Year** | **Limit** | **Charges** | **Limit** | **Charges** |
| 2009 | $26,359,432 | $15,551,296 | $1,368,572 | $1,163,063 |
| 2010 | $27,462,423 | $15,116,326 | $1,629,567 | $1,010,323 |
| 2011 | $24,125,920 | $17,422,094 | $1,657,501 | $1,278,815 |
| 2012 | $22,427,781 | $17,807,103 | $1,602,953 | $1,095,372 |
| 2013 | $25,034,598 | $15,546,411 | $1,587,975 | $1,391,512 |
| 2014 | $24,898,330 | $15,013,444 | $1,581,998 | $1,155,652 |
| 2015 | $25,390,593 | $13,920,637 | $1,565,281 | $885,433 |
| 2016 | $25,548,993 | $16,875,753 | $1,551,320 | $1,053,369 |
| 2017 | $26,096,020 | $15,072,686 | $1,562,283 | $882,619 |
| 2018 | $27,531,024 | $15,492,676 | $1,593,233 | $848,510 |

**2. State Plan Retiree Stop-Loss Experience:**

|  |  |
| --- | --- |
|  | **Employees** |
| **Policy** | **Stop-Loss** |
| **Year** | **Limit** | **Charges** |
| 2009 | $17,097,787 | $12,667,057 |
| 2010 | $18,379,348 | $14,682,247 |
| 2011 | $21,591,896 | $14,889,574 |
| 2012 | $22,595,593 | $17,717,205 |
| 2013 | $23,413,120 | $18,374,155 |
| 2014 | $24,817,799 | $19,478,696 |
| 2015 | $26,452,401 | $18,980,739 |
| 2016 | $28,494,531 | $21,547,151 |
| 2017 | $30,302,685 | $20,438,611 |
| 2018 | $32,148,161 | $22,850,010 |

Annual losses from the Local Plan have not exceeded the stop-loss limits between 2009 and 2018, as shown below for Actives and Retirees.

**3. Local Plan Active Stop-Loss Experience:**

|  |  |  |
| --- | --- | --- |
|  | **Employees** | **Spouses and Dependents** |
| **Policy** | **Stop-Loss** | **Stop-Loss** |
| **Year** | **Limit** | **Charges** | **Limit** | **Charges** |
| 2009 | $22,485,042 | $12,310,123 |  $1,945,517 |  $1,646,037 |
| 2010 | $23,948,219 | $15,614,550 | $1,927,690 | $1,499,719 |
| 2011 | $23,014,227 | $12,565,114 | $1,881,600 | $1,701,733 |
| 2012 | $22,133,278 | $12,951,122 | $1,809,784 | $1,266,686 |
| 2013 | $21,416,505 | $13,140,175 | $1,763,682 | $1,399,842 |
| 2014 | $22,500,649 | $14,028,100 | $1,752,646 | $1,319,548 |
| 2015 | $23,202,430 | $15,461,294 | $1,734,662 | $1,125,415 |
| 2016 | $24,081,258 | $12,053,246 | $1,727,652 | $1,244,694 |
| 2017 | $24,593,288 | $12,297,591 | $1,718,099 | $1,124,515 |
| 2018  | $25,115,930 | $11,857,546 | $1,698,840 | $1,010,160 |

**4. Local Retired Employee Stop-Loss Experience:**

|  |  |
| --- | --- |
|  | **Employees** |
| **Policy** | **Stop-Loss** |
| **Year** | **Limit** | **Charges** |
| 2009 |  $12,560,173 |  $10,161,797 |
| 2010 | $13,604,484 | $13,290,859 |
| 2011 | $14,530,662 | $13,333,207 |
| 2012 | $16,500,084 | $12,642,855 |
| 2013 | $17,309,537 | $12,972,114 |
| 2014 | $18,220,664 | $12,960,352 |
| 2015 | $19,309,774 | $15,619,292 |
| 2016 | $20,549,391 | $15,765,016 |
| 2017 | $21,746,507 | $14,104,997 |
| 2018  | $23,331,830 | $14,431,672 |

**III. Post-Retirement Insurance**

**A. State Plan**

1. No premiums are collected from the Employee after the Insurance Reduction Age. Deposits accumulated under the State Plan from total premium contributions for Employees under the Insurance Reduction Age are the source of funds for continuing insurance on a term basis after the Insurance Reduction Age. Therefore, premium rates should be determined in a manner to cover both expected Pre-Retirement Insurance and Post-Retirement Insurance claim costs including the amortization of any existing shortfall in the funding of expected Retiree benefits.

2. The Retiree Premium Deposit Funds are accumulated under the following funding goals:

1. The funding of the Post‑Retirement Insurance should be on a current basis for each generation of employees. Past service liabilities which arose from initiating the plan and from a change in the Post‑Retirement Insurance should be amortized over a reasonable period of time by margins in future contributions.
2. The present value of Post‑Retirement Insurance benefits for Retired Employees should be fully funded as soon as possible and should be maintained at a fully funded level. See RFP Appendix 3 – Background Information, Section IV.B.5, regarding Board-approved rate increases.

3. The determination of the Employee and Employer premium contributions for Pre-Retirement Insurance is based on separate calculations for the State Plan and Local Plan that take into account the funding goals for Pre-Retirement Insurance and Post-Retirement Insurance benefits.

4. These calculations involve many assumptions including growth of the Employee groups, salary increases, Employee turnover and investment income. Ideally, the level of Employee and Employer contributions, subject to the assumptions, will not fluctuate materially over time. Minor corrections may be made on the basis of actual experience. See RFP Appendix 3 – Background Information, Section II.A, regarding the statutory limit on rate increases.

5. The Post‑Retirement Insurance funds are held by the Contractor and owned by the State. All interest credits on the funds accrue to the State. The Contractor will hold and manage the Program Assets.

6. The funding policy and funding decisions for Post‑Retirement Insurance are the responsibility of the Board. The Contractor does not guarantee the sufficiency of the funds nor their rate of accumulation.

**B. Local Plan**

Separate Post‑Retirement Insurance funds for the Local Plan are established in the same manner as the State Plan Post‑Retirement Insurance funds.

**IV. Experience Rating Basis**

**A. General Description**

1. Premium rates are established annually by the Board. The Contractor makes recommendations based on recent experience of the Program. See Appendix 9 – Historical Claims Experience.

2. The premium rates are established independently for the State Plan and Local Plan.

3. Under the State Plan, State Employers and Employees contribute toward the cost of current year term insurance on the Basic Plan and Supplemental Plan coverages. The Employee premium rates for these two coverages are equal, but State Employer contributions are different. Premium rates for Additional Insurance are established separately based on experience of that coverage. Employees pay the entire premium for Additional Insurance.

4. Under the Local Plan, Employers are not required to contribute toward the cost of current year term insurance on any coverage. Employee premium rates for all three coverages are equal at all ages under 70.

**B. State Plan**

1. The Basic Plan, Supplemental Plan and Additional Insurance Plan are combined for performing annual accounting and experience rating.

2. The annual experience accounting is performed separately for Pre-Retirement Insurance and for Post‑Retirement Insurance. All Employee premium contributions and a portion of the Employer premium contributions are intended to cover the cost of Pre-Retirement Insurance. The remainder of Employer premium contributions is intended to fund the future cost of Post-Retirement Insurance.

1. For Pre-Retirement Insurance, Active Employee premium contributions are deducted from Employee paychecks by the Employers or the State’s central payroll office. The portion of Employer contributions intended to cover the cost of Pre-Retirement Insurance is wired to the Contractor with the Active Employee premium contributions. Premium contributions in a given year are compared to the total amount of paid claims, change in reserves, pooled claim charges, conversion charges, company expense and risk charges, Department administrative expense charges, charges for State premium taxes and federal income taxes, catastrophic loss credits, and interest credits in that year. Any excess in premium is added to a Stabilization Reserve, and any deficits are withdrawn from the Stabilization Reserve.
2. For Post-Retirement Insurance, premium contributions, for those Annuitants receiving an annuity benefit payment, are deducted from monthly annuity payments by the Department and transferred to the Contractor. Employer contributions intended to fund the cost of Post‑Retirement Insurance are deposited immediately in the funds held for Post‑Retirement Insurance. Premium contributions in a given year are compared to the total amount of paid claims, change in reserves, pooled claim charges, conversion charges, company expense and risk charges, Department administrative expense charges, charges for State premium taxes and federal income taxes, catastrophic loss credits, and interest credits in that year. If additional premium is needed to cover any deficit that results from this calculation, the Retiree PDF is decreased by this additional required premium.

3. The claim liability of the Program is limited by pooling insurance amounts in excess of the specified pooling level. The current pooling level for life insurance is $500,000 per claim. The pooling level for accidental death and dismemberment insurance is $500,000 per claim.

4. The stop‑loss provision described in Appendix 7, Section II places an aggregate limit on claim charges.

5. The Spouse and Dependent Plan is separate for experience rating.

1. Premium contributions in a given year are compared to the total amount of paid claims, change in reserves, pooled claim charges, conversion charges, company expense and risk charges, Department administrative expense charges, charges for State premium taxes and federal income taxes, catastrophic loss credits, and interest credits in that year. Any excess in premium is added to the Stabilization Reserve, and any deficit is withdrawn from the Stabilization Reserve.

**C. Local Plan**

1. The Local Plan is separate from the State Plan for financial and experience rating purposes.

2. The Basic Plan, Supplemental Plan and Additional Insurance plans are combined for experience rating.

3. The annual experience accounting is performed separately for Pre-Retirement Insurance and for Post‑Retirement Insurance. All Employee premium contributions are intended to cover the cost of Pre-Retirement Insurance. Employer premium contributions are intended to fund the future cost of Post‑Retirement Insurance. (Some local government Employers may pay all or a portion of the Employee premium contributions. These payments are handled the same as Employee contributions.)

1. For Pre-Retirement Insurance, Active Employee premium contributions are deducted from Employee paychecks. Active Employee premium contributions in a given year are compared to the total amount of paid claims, change in reserves, pooled claim charges, conversion charges, company expense and risk charges, administrative expense charges, charges for premium taxes and federal income taxes, catastrophic loss credits, and interest credits in that year. Any excess in premium is added to the Stabilization Reserve, and any deficit is withdrawn from the Stabilization Reserve.
2. For Post-Retirement Insurance, premium contributions, for those Annuitants receiving an annuity benefit payment, are deducted from monthly annuity payments by the Department and transferred to the Contractor. Employer contributions intended to fund the cost of Post‑Retirement Insurance are deposited immediately in the funds held for Post‑Retirement Insurance. Annuitant premium contributions in a given year are compared to the total amount of paid claims, change in reserves, pooled claim charges, conversion charges, company expense and risk charges, administrative expense charges, charges for premium taxes and federal income taxes, catastrophic loss credits, and interest credits in that year. Any excess in premium is added to the Contingent Liability Reserve, and any deficiency is withdrawn from the Contingent Liability Reserve first, then the Retiree PDF if funds from the CLR are depleted.

4. The claim liability of the Local Plan is limited by pooling insurance amounts in excess of the specified pooling level. The current pooling level for life insurance is $500,000 per claim. The pooling level for AD&D Insurance is $500,000 per claim. See the Annual Financial Experience Report for the pooled volume as of December 31, 2018 at <https://etf.wi.gov/boards/groupinsurance/2019/08/21/item7a/direct>.

5. The stop‑loss provision described in Appendix 7, Section II places an aggregate limit on claim charges.

6. The Local Government Spouse and Dependent Plan is separate for experience rating.

1. Premium contributions in a given year are compared to the total amount of paid claims, change in reserves, pooled claim charges, conversion charges, company expense and risk charges, administrative expense charges, charges for premium taxes and federal income taxes, catastrophic loss credits, and interest credits in that year. Any excess in premium is added to the Stabilization Reserve, and any deficit is withdrawn from the Stabilization Reserve.
2. The stop‑loss provision described in Appendix 7, Section II places an aggregate limit on claim charges.
3. The Local Government Spouse and Dependent Plan is subject to potential anti-selection and volatility as new Employers enter the Plan and provide initial guaranteed enrollment to Employees.

**V. Disability Waiver of Premium Reserves**

**A. Purpose**

1. Premiums are waived for disabled employees satisfying the Program’s definition of total disability. See Section 9 of The Wisconsin Public Employers Group Life Insurance Program brochure at <https://etf.wi.gov/publications/et2101/direct>. The full amount of insurance is maintained for a continuously disabled employee until the insurance reduction age, which is the later of the 65th birthday or termination of employment but in no event beyond the 70th birthday.

2. The Contractor is liable for payment of death benefits for disabled Employees approved for waiver of premium benefits. If a Local Government Employer leaves the Program, the Contractor remains liable for the premium of any Employees of that Employer approved for waiver of premium benefits prior to the Employer leaving the Program.

3. The Contractor establishes and holds waiver of premium reserves to fund expected future benefits on waiver of premium claims.

**B. Reserve Determination**

1. Currently, the disability waiver reserves are calculated annually based on a table of reserve factors. The calculation of disability waiver reserves will be mutually agreed upon by the Contractor and the Department and specified in the Contract. See RFP Form I – Cost Proposal, Questions Tab, question 4.

2. If a disabled Employee approved for waiver of premium benefits recovers, the claim reserve for that Employee is released and credited to the appropriate plan.

3. If a disabled Employee approved for waiver of premium benefits dies, the reserve is released and credited to the appropriate plan, and the amount of the death claim is charged to the appropriate plan.

4. Reserves are released and credited to the appropriate plan for all waiver of premium claimants who reach the Insurance Reduction Age. At that time, the Employees are assumed to retire, the normal insurance reduction schedule is implemented, and the responsibility for future claim liability is shifted to the contingent liability reserve and premium deposit fund.

**C. Disability claim reserves held at the end of recent years:**

|  |  |  |
| --- | --- | --- |
| **Policy Year** | **State Plan** | **Local Plan** |
| **2016** | $29,877,831 | $25,478,681 |
| **2017** | $28,923,282 | $25,233,183 |
| **2018** | $27,582,514 | $24,097,476 |

**VI. Premium Contributions**

**A. State Plan**

1. Historically, Employee premium rates have been intended to pay the full cost of current year insurance under the Additional Insurance Plan, and to pay a portion of the cost of current year insurance under the Basic Plan and Supplemental Plan coverages. The State premium contributions have been intended to accumulate the funds for future Post-Retirement Insurance under the Basic Plan and to pay the remaining portion of current year cost for Basic Plan and Supplemental Plan coverages. Employee premium rates for Basic Plan and Supplemental Plan coverages are the same. Additional Insurance Plan rates are higher due to the Employee paying the entire cost without a State contribution.

2. Premium rates for Basic Plan, Supplemental Plan and Additional Insurance Plan coverages are shown in the following tables. In the tables for Basic Plan and Supplemental Plan coverages, there are two columns of rates:

*Employee* ‑ These are the premium rates paid by Employees.

*Total* ‑ These rates are the total of the Employee and Employer premium contributions.

The tables also show the Employer premium contribution rates expressed as percentages of the Employee premium rates. The "Total" rates are equal to the Employee rates increased by the percentages shown.

**B. Local Plan**

1. Generally, Employees pay the full cost for Basic Plan, Supplemental Plan, and Additional Insurance Plan coverages, and the premium rates for these coverages are equal. Employer contributions are intended to cover future Retiree claims.

2. Premium rates for Basic Plan, Supplemental Plan and Additional Insurance Plan coverages are shown in the tables below in the same format used for the State Plan rate tables.

|  |
| --- |
| **STATE PLAN****MONTHLY PREMIUMS PER $1,000 OF INSURANCE** |
|  |  | Apr. 15 - Mar. 16 | Apr. 16 – Mar . 17 | Apr. 17 - Mar. 18 | Apr. 18 - Mar.19 | Apr. 19 - Mar. 20 | Apr. 20 – Mar. 21 |
| **Attained Age** | **Employee** | **Total** | **Employee** | **Total** | **Employee** | **Total** | **Employee** | **Total** | **Employee** | **Total** | **Employee**  | **Total** |
| **BASIC** | Under 30 | $0.04  | $0.0661  | $0.04 | $0.0661  | $0.04  | $0.0661  | $0.04  | $0.0661  | $0.04  | $0.0661  | $0.04  | $0.0661  |
| 30 - 34 | 0.04  | 0.0661  | 0.04 | 0.0661 | 0.04  | 0.0661  | 0.04  | 0.0661  | 0.04  | 0.0661  | 0.04  | 0.0661  |
| 35 - 39 | 0.04  | 0.0661  | 0.04 | 0.0661 | 0.04  | 0.0661  | 0.04  | 0.0661  | 0.04  | 0.0661  | 0.04  | 0.0661  |
| 40 - 44 | 0.06  | 0.0992  | 0.06 | 0.0991 | 0.06  | 0.0991  | 0.06  | 0.0991  | 0.06  | 0.0991  | 0.07  | 0.1157  |
| 45 - 49 | 0.10  | 0.1652  | 0.10 | 0.1652  | 0.10  | 0.1652  | 0.10  | 0.1652  | 0.11  | 0.1817  | 0.11  | 0.1818  |
| 50 - 54 | 0.16  | 0.2644  | 0.16 | 0.2644  | 0.16  | 0.2644  | 0.16  | 0.2644  | 0.17  | 0.2809  | 0.18  | 0.2975  |
| 55 - 59 | 0.22  | 0.3636  | 0.22 | 0.3635  | 0.22  | 0.3635  | 0.22  | 0.3635  | 0.23  | 0.3800  | 0.24  | 0.3966  |
| 60 - 64 | 0.30  | 0.4957  | 0.30 | 0.4957  | 0.30  | 0.4957  | 0.30  | 0.4957  | 0.32  | 0.5288  | 0.33  | 0.5453  |
| 65 - 69 | 0.39  | 0.6445  | 0.39 | 0.6444  | 0.39  | 0.6444  | 0.39  | 0.6444  | 0.41  | 0.6775  | 0.43  | 0.7106  |
| Employer Premium as % of Employee Premium |  | 65.25% |  | 65.25% |  | 65.25% |  | 65.25% |  | 65.25% |  | 65.25% |
|  |  |  |  |  |  |  |  |
|  |  | Apr. 15 - Mar. 16 | Mar. 16 - Feb. 17 | Mar. 17 - Feb. 18 | Mar. 18 - Feb.19 | Mar. 19 - Feb. 20 | Mar. 20 – Feb. 21 |
| **Attained Age** | **Employee** | **Total** | **Employee** | **Total** | **Employee** | **Total** | **Employee** | **Total** | **Employee** | **Total** | **Employee**  | **Total** |
| **SUPPLEMENTAL** | Under 30 | $0.04  | $0.0549  | $0.04  | $0.0549  | $0.04  | $0.0549  | $0.04  | $0.0549  | $0.04  | $0.0549  | $0.04  | $0.0549  |
| 30 - 34 | 0.04  | 0.0549  | 0.04  | 0.0549  | 0.04  | 0.0549  | 0.04  | 0.0549  | 0.04  | 0.0549  | 0.04  | 0.0549  |
| 35 - 39 | 0.04  | 0.0549  | 0.04  | 0.0549  | 0.04  | 0.0549  | 0.04  | 0.0549  | 0.04  | 0.0549  | 0.04  | 0.0549  |
| 40 - 44 | 0.06  | 0.0824  | 0.06  | 0.0823  | 0.06  | 0.0823  | 0.06  | 0.0823 | 0.06  | 0.0823  | 0.07  | 0.0961  |
| 45 - 49 | 0.10  | 0.1372  | 0.10  | 0.1372  | 0.10  | 0.1372  | 0.10  | 0.1372  | 0.11  | 0.1509  | 0.11  | 0.1510  |
| 50 - 54 | 0.16  | 0.2196  | 0.16  | 0.2196  | 0.16  | 0.2196  | 0.16  | 0.2196  | 0.17  | 0.2333  | 0.18  | 0.2471  |
| 55 - 59 | 0.22  | 0.3020  | 0.22  | 0.3019  | 0.22  | 0.3019  | 0.22  | 0.3019  | 0.23  | 0.3156  | 0.24  | 0.3294  |
| 60 - 64 | 0.30  | 0.4117  | 0.30  | 0.4117  | 0.30  | 0.4117  | 0.30  | 0.4117  | 0.32  | 0.4392 | 0.33  | 0.4529  |
| 65 - 69 | 0.39  | 0.5353  | 0.39  | 0.5352  | 0.39  | 0.5352  | 0.39  | 0.5352  | 0.41  | 0.5627  | 0.43  | 0.5902  |
| Employer Premium as % of Employee Premium |  | 37.25% |  | 37.25% |  | 37.25% |  | 37.25% |  | 37.25% |  | 37.25% |

Note: Only the employee share of premiums is collected from annuitants. The employer does not pay a premium contribution for annuitants.

**STATE PLAN**

**MONTHLY PREMIUMS PER $1,000 OF INSURANCE**

(1) Employees pay the entire premium for additional insurance.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Mar. 15 - Feb. 16 | Mar. 16 - Feb. 17 | Mar. 17 - Feb. 18 | Mar. 18 - Feb. 19 | Mar. 19 - Feb. 20 | Mar. 20 – Feb. 21 |
| **Attained Age** | **Employee** | **Employee** | **Employee** | **Employee** | **Employee** | **Employee** |
|  | Under 30 | $0.06  | $0.06  | $0.06  | $0.06  | $0.06  | $0.07 |
|  | 30 - 34 | 0.06  | 0.06  | 0.06  | 0.06  | 0.06  | 0.07 |
|  | 35 - 39 | 0.06  | 0.06  | 0.06  | 0.06  | 0.06  | 0.07 |
| **ADDITIONAL** (1) | 40 - 44 | 0.09  | 0.09  | 0.09  | 0.09  | 0.09  | 0.10 |
|  | 45 - 49 | 0.15  | 0.15  | 0.15  | 0.15  | 0.16  | 0.17 |
|  | 50 - 54 | 0.24  | 0.24  | 0.24  | 0.24  | 0.25  | 0.26 |
|  | 55 - 59 | 0.33  | 0.33  | 0.33  | 0.33  | 0.35  | 0.36 |
|  | 60 - 64 | 0.45  | 0.45  | 0.45  | 0.45  | 0.47  | 0.50 |
|  | 65 - 69 | 0.59  | 0.59  | 0.59  | 0.59  | 0.60  | 0.63 |

**Rates at Ages 70 and Over**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Attained Age | Mar. 15 - Feb. 16  | Mar. 16 - Feb. 17  | Mar. 17 - Feb. 18  | Mar. 18 - Feb. 19  | Mar. 19 - Feb. 20  |  Mar. 20 - Feb. 21  |
| Employee | Employee | Employee | Employee | Employee | Employee |
| 70 | $1.00 | $1.00 | $1.00 | $1.00 | $1.00 | $1.00 |
| 71 | $1.15 | $1.15 | $1.15 | $1.15 | $1.15 | $1.15 |
| 72 | $1.25 | $1.25 | $1.25 | $1.25 | $1.25 | $1.25 |
| 73 | $1.45 | $1.45 | $1.45 | $1.45 | $1.45 | $1.45 |
| 74 | $1.60 | $1.60 | $1.60 | $1.60 | $1.60 | $1.60 |
| 75 | $1.80 | $1.80 | $1.80 | $1.80 | $1.80 | $1.80 |
| 76 | $1.95 | $1.95 | $1.95 | $1.95 | $1.95 | $1.95 |
| 77+ | $2.06 | $2.06 | $2.06 | $2.06 | $2.06 | $2.06 |

**Local Plan**

**Monthly Premiums per $1,000 of Insurance**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | Jul. 15 – Jun. 16 | Jul. 16 – Jun. 17 | Jul. 17 – Jun. 18 |
| **Attained Age** | **Employee** | **Total (1)** | **Employee** | **Total (1)** | **Employee** | **Total (1)** |
|  | Under 30 | $0.05  | $0.060  | $0.070  | $0.05  | $0.060  | $0.070  | $0.05  | $0.060  | $0.070  |
|  | 30 - 34 | 0.06  | 0.072  | 0.084  | 0.06  | 0.072  | 0.084  | 0.06  | 0.072  | 0.084  |
|  | 35 - 39 | 0.07  | 0.084  | 0.098  | 0.07  | 0.084  | 0.098  | 0.07  | 0.084  | 0.098  |
| **BASIC** | 40 - 44 | 0.08  | 0.096  | 0.112  | 0.08  | 0.096  | 0.112  | 0.08  | 0.096  | 0.112  |
|  | 45 - 49 | 0.12  | 0.144  | 0.168  | 0.12  | 0.144  | 0.168  | 0.12  | 0.144  | 0.168  |
|  | 50 - 54 | 0.22  | 0.264  | 0.308  | 0.22  | 0.264  | 0.308  | 0.22  | 0.264  | 0.308  |
|  | 55 - 59 | 0.39  | 0.468  | 0.546  | 0.39  | 0.468  | 0.546  | 0.39  | 0.468  | 0.546  |
|  | 60 - 64 | 0.49  | 0.588  | 0.686  | 0.49  | 0.588  | 0.686  | 0.49  | 0.588  | 0.686  |
|  | 65 - 69 | 0.57  | 0.684  | 0.798  | 0.57  | 0.684  | 0.798  | 0.57  | 0.684  | 0.798  |
| Employer Premium as % of Employee Premium |  | 20% | 40% |  | 20% | 40% |  | 20% | 40% |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | Jul. 18 – Jun. 19 | Jul. 19 – Jun. 20 | Jul. 20 – Jun. 21 |
| **Attained Age** | **Employee** | **Total (1)** | **Employee** | **Total (1)** | **Employee** | **Total (1)** |
|  | Under 30 | $0.05 | $0.060  | $0.070  | $0.05 | $0.060  | $0.070  | $0.05  | $0.060  | $0.070  |
|  | 30 - 34 | 0.06 | 0.072  | 0.084  | 0.06 | 0.072  | 0.084  | 0.06  | 0.072  | 0.084  |
|  | 35 - 39 | 0.07 | 0.084  | 0.098  | 0.07 | 0.084  | 0.098  | 0.07  | 0.084  | 0.098  |
| **BASIC** | 40 - 44 | 0.08 | 0.096  | 0.112  | 0.08 | 0.096  | 0.112  | 0.08  | 0.098  | 0.112  |
|  | 45 - 49 | 0.12 | 0.144  | 0.168  | 0.12 | 0.144  | 0.168  | 0.12  | 0.144  | 0.168  |
|  | 50 - 54 | 0.22 | 0.264  | 0.308  | 0.22 | 0.264  | 0.308  | 0.22  | 0.264  | 0.308  |
|  | 55 - 59 | 0.39 | 0.468  | 0.546  | 0.39 | 0.468  | 0.546  | 0.39  | 0.468  | 0.546  |
|  | 60 - 64 | 0.49 | 0.588  | 0.686  | 0.49 | 0.588  | 0.686  | 0.49  | 0.588  | 0.686  |
|  | 65 - 69 | 0.57 | 0.684  | 0.798  | 0.57 | 0.684  | 0.798  | 0.57  | 0.684  | 0.798  |
| Employer Premium as % of Employee Premium |  | 20% | 40% |  | 20% | 40% |  | 20% | 40% |

(1) The two “Total” columns for Basic Plan insurance represent the rates for the 25% post-retirement benefit and for the 50% post-retirement benefit, respectively.

Note: Only the Employee share of premiums is collected from Annuitants. The Employer does not pay a premium contribution for Annuitants.

**Local Plan**

**Monthly Premiums per $1,000 of Insurance**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | Jul. 15 – Jun. 16 | Jul. 16 – Jun. 17 | Jul. 17 – Jun. 18 |
| **Attained Age** | **Employee** | **Total (1)** | **Employee** | **Total (1)** | **Employee** | **Total**  |
| **SUPPLEMENTAL** | Under 30 | $0.05  | $0.05 | $0.05  | $0.05 | $0.05  | $0.05 |
| 30 - 34 | 0.06  | 0.06 | 0.06  | 0.06 | 0.06  | 0.06 |
| 35 - 39 | 0.07  | 0.07 | 0.07  | 0.07 | 0.07  | 0.07 |
| 40 - 44 | 0.08  | 0.08 | 0.08  | 0.08 | 0.08  | 0.08 |
| 45 - 49 | 0.12  | 0.12 | 0.12  | 0.12 | 0.12  | 0.12 |
| 50 - 54 | 0.22  | 0.22 | 0.22  | 0.22 | 0.22  | 0.22 |
| 55 - 59 | 0.39  | 0.39 | 0.39  | 0.39 | 0.39  | 0.39 |
| 60 - 64 | 0.49  | 0.49 | 0.49  | 0.49 | 0.49  | 0.49 |
| 65 - 69 | 0.57  | 0.57 | 0.57  | 0.57 | 0.57  | 0.57 |
| Employer Premium as % of Employee Premium |  | 0% |  | 0% |  | 0% |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | Jul. 18 – Jun. 19 | Jul. 19 – Jun. 20 | ProposedJul. 20 – Jun. 21 |
| **Attained Age** | **Employee** | **Total (1)** | **Employee** | **Total (1)** | **Employee** | **Total**  |
| **SUPPLEMENTAL** | Under 30 | $0.05 | $0.05 | $0.05 | $0.05 | $0.05  | $0.05 |
| 30 - 34 | 0.06 | 0.06 | 0.06 | 0.06 | 0.06  | 0.06 |
| 35 - 39 | 0.07 | 0.07 | 0.07 | 0.07 | 0.07  | 0.07 |
| 40 - 44 | 0.08 | 0.08 | 0.08 | 0.08 | 0.08  | 0.08 |
| 45 - 49 | 0.12 | 0.12 | 0.12 | 0.12 | 0.12  | 0.12 |
| 50 - 54 | 0.22 | 0.22 | 0.22 | 0.22 | 0.22  | 0.22 |
| 55 - 59 | 0.39 | 0.39 | 0.39 | 0.39 | 0.39  | 0.39 |
| 60 - 64 | 0.49 | 0.49 | 0.49 | 0.49 | 0.49  | 0.49 |
| 65 - 69 | 0.57 | 0.57 | 0.57 | 0.57 | 0.57  | 0.57 |
| Employer Premium as % of Employee Premium |  | 0% |  | 0% |  | 0% |

NOTE: Only the Employee share of premiums is collected from Annuitants. The Employer does not pay a premium contribution for Annuitants.

**LOCAL PLAN**

**MONTHLY PREMIUMS PER $1,000 OF INSURANCE**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | Jul. 15 – Jun. 16 | Jul. 16 – Jun. 17 | Jul. 17 – Jun. 18 |
| **Attained Age** | **Employee** | **Employee** | **Employee** |
|  | Under 30 | $0.05 | $0.05 | $0.05 |
|  | 30 – 34 | 0.06 | 0.06 | 0.06 |
|  | 35 - 39 | 0.07 | 0.07 | 0.07 |
| **ADDITIONAL**(1) | 40 - 44 | 0.08 | 0.08 | 0.08 |
|  | 45 - 49 | 0.12 | 0.12 | 0.12 |
|  | 50 - 54 | 0.22 | 0.22 | 0.22 |
|  | 55 - 59 | 0.39 | 0.39 | 0.39 |
|  | 60 - 64 | 0.49 | 0.49 | 0.49 |
|  | 65 - 69 | 0.57 | 0.57 | 0.57 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | Jul. 18 – Jun. 19 | Jul. 19 – Jun. 20 | ProposedJul. 20 – Jun. 21 |
| **Attained Age** | **Employee** | **Employee** | **Employee** |
|  | Under 30 | $0.05 | $0.05 | $0.05 |
|  | 30 – 34 | 0.06 | 0.06 | 0.06 |
|  | 35 - 39 | 0.07 | 0.07 | 0.07 |
| **ADDITIONAL**(1) | 40 - 44 | 0.08 | 0.08 | 0.08 |
|  | 45 - 49 | 0.12 | 0.12 | 0.12 |
|  | 50 - 54 | 0.22 | 0.22 | 0.22 |
|  | 55 - 59 | 0.39 | 0.39 | 0.39 |
|  | 60 - 64 | 0.49 | 0.49 | 0.49 |
|  | 65 - 69 | 0.57 | 0.57 | 0.57 |

(1) Employees pay the entire premium for Additional Insurance Plan coverage.

**Rates at Ages 70 and Over**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Attained Age** | Jul. 18 – Jun. 19 | Jul. 19 – Jun. 20 | Jul. 20 – Jun. 21 | **Attained Age** | Jul. 18 – Jun. 19 | Jul. 19 – Jun. 20 | Jul. 20 – Jun. 21 |
| **Employee** | **Employee** |
| **70** | $1.00  | $1.00  | $1.00  | **80** | $2.06 | $2.06 | $2.06  |
| **71** | 1.15  | 1.15  | 1.15  | **81** | 2.06 | 2.06 | 2.06  |
| **72** | 1.25  | 1.25  | 1.25  | **82** | 2.06  | 2.06  | 2.06  |
| **73** | 1.45  | 1.45  | 1.45  | **83** | 2.06  | 2.06  | 2.06  |
| **74** | 1.60  | 1.60  | 1.60  | **84** | 2.06  | 2.06  | 2.06  |
| **75** | 1.80  | 1.80  | 1.80  | **85** | 2.06  | 2.06  | 2.06  |
| **76** | 1.95  | 1.95  | 1.95  | **86** | 2.06  | 2.06  | 2.06  |
| **77** | 2.06  | 2.06  | 2.06  | **87** | 2.06  | 2.06  | 2.06  |
| **78** | 2.06  | 2.06  | 2.06  | **88** | 2.06  | 2.06  | 2.06  |
| **79** | 2.06  | 2.06  | 2.06  | **89** | 2.06  | 2.06  | 2.06  |