

**State of Montana
HDHP Plan Analysis
Projected Rates with HDHP Plans**

Enrollment Counts	2013 Final Rates			2014 Projected Rates			
Actives	Choice	Classic	HDHP	Choice	Classic	HDHP 1500	HDHP 2500
Employee Only	\$709	\$745		\$765	\$804	\$689	\$650
Employee and Spouse	\$892	\$931		\$962	\$1,005	\$866	\$818
Employee and Children	\$801	\$838		\$864	\$904	\$778	\$735
Employee and Family	\$947	\$987		\$1,022	\$1,065	\$920	\$869
Joint Core	\$747	\$782		\$806	\$844	\$725	\$685
State Share for Medical:	\$714	\$714		\$787	\$787	\$787	\$787
Annual Cost Net of State Share (EE Only):	(\$55)	\$377		(\$259)	\$209	(\$1,171)	(\$1,639)
Annual Cost Net of State Share (Family):	\$2,801	\$3,281		\$2,825	\$3,341	\$1,601	\$989

Assumptions:

	2014			2015		
	Actives	Non-Medicare	Medicare	Actives	Non-Medicare	Medicare
1. Plan migration assumptions:						
From Classic to Choice	15%	5%	5%	10%	5%	5%
From Classic to HDHP	5%	1%	1%	2%	1%	1%
From Choice to HDHP	10%	3%	3%	15%	3%	3%
2. Migration between plans in 2014 & 2015 is the same across all family tiers.						
3. Assumes risk profile of Actives in HDHP plan is 21% better in 2014 and 10% better in 2015 than the average (no risk change for retirees).						
4. Rates are based on 2013 pricing assumptions, trended by 8% in 2014 and 8% in 2015 and assuming no change to tier or plan ratios.						
5. HDHP rates for 2014 and 2015 set to be 90% and 85% of the Choice Plan rates.						
6. Assumes State Share of \$806 for 2014 and \$887 for 2015, with reductions for dental (\$17.50) and life insurance (\$1.90).						

**State of Montana
HDHP Plan Analysis
Member Cost Sharing by Allowed Charge and Plan Option (Medical & Rx)**

Allowed Charges	Annual Member Cost Share					Cost Share Increase vs. Choice Plan		
	# Members	Choice	Classic	HDHP 1500	HDHP 2500	Classic	HDHP 1500	HDHP 2500
< \$500	9,906	\$182	\$182	\$199	\$199	\$0	\$17	\$17
\$500 to \$1,000	4,722	\$531	\$660	\$728	\$728	\$129	\$197	\$197
\$1,000 to \$1,500	2,957	\$646	\$987	\$1,230	\$1,230	\$341	\$584	\$584
\$1,500 to \$2,500	3,611	\$806	\$1,164	\$1,615	\$1,959	\$358	\$809	\$1,153
\$2,500 to \$5,000	4,645	\$1,138	\$1,507	\$2,017	\$2,767	\$369	\$879	\$1,629
\$5,000 to \$10,000	3,273	\$1,772	\$2,147	\$2,878	\$3,628	\$376	\$1,106	\$1,856
\$10,000 to \$15,000	1,188	\$2,643	\$3,143	\$4,148	\$4,898	\$499	\$1,505	\$2,255
\$15,000 to \$17,500	310	\$2,859	\$3,913	\$5,154	\$5,904	\$1,054	\$2,294	\$3,044
> \$17,500	1,641	\$3,049	\$4,983	\$5,500	\$6,250	\$1,933	\$2,451	\$3,201
All Members	32,253	\$907	\$1,215	\$1,526	\$1,822	\$308	\$619	\$915

Assumptions:

1. Cost based on 2012 paid claims data, without trend.
2. Member cost based on full population enrolled in each benefit option (i.e. same risk profile across options).