

**BERRIEN RESA
SELF-FUNDED OPTIONS EFFECTIVE 7/01/2020**

CURRENT ENROLLMENT: SINGLE 63 FAMILY 164 TOTAL 227	CURRENT ASR ARDELLIS	OPTION 1 ASR ARDELLIS	OPTION 2 PRIORITY HEALTH	OPTION 3 BCBSM	OPTION 4 ASR/ARDELLIS MEMBER EXCLUSION	
SPECIFIC STOP LOSS COVERAGE						
Specific Deductible	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	
Aggregating Specific Deductible	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	
Single Premium	\$110.07	\$152.57	\$88.00	\$249.69	\$110.72	
Family Premium	\$275.18	\$381.43	\$221.35	\$249.69	\$276.81	
Benefits Covered	MED/RX	MED/RX	MED/RX	MED/RX	MED/RX	
Accumulator Type	INDIVIDUAL	INDIVIDUAL	INDIVIDUAL	FAMILY	INDIVIDUAL	
Specific Contract Basis	PAID	PAID	18/12	18/12	PAID	
ANNUAL SPECIFIC STOP LOSS PREMIUM	\$624,767	\$865,997	\$502,145	\$680,156	\$628,466	
TRANSPLANT INSURANCE						
Transplant Single Premium Rate	\$8.42	\$8.63	Included in Stop-loss	Included in Stop-loss	\$8.63	
Transplant Family Premium Rate	\$20.89	\$21.41			\$21.41	
ANNUAL TRANSPLANT INSURANCE PREMIUM	\$47,477	\$48,659			\$48,659	
AGGREGATE STOP LOSS COVERAGE						
Single Aggregate Factor	\$963.44	\$948.27	\$918.41	\$1,713.00	\$935.83	
Family Aggregate Factor	\$2,423.46	\$2,385.30	\$2,310.18	\$1,713.00	\$2,354.02	
Annual Expected Claims	\$4,398,184	\$4,328,930	\$4,192,602	\$3,732,970	\$4,272,159	
Annual Aggregate Attachment Point	\$5,497,730	\$5,411,163	\$5,240,752	\$4,666,212	\$5,340,199	
Aggregate Premium Rate	\$8.44	\$8.93	\$9.79	\$13.21	\$8.53	
Benefits Covered	MED/RX	MED/RX	MED/RX	MED/RX	MED/RX	
Aggregate Contract Basis	PAID	PAID	18/12	12/12	PAID	
ANNUAL AGGREGATE STOP LOSS PREMIUM	\$22,991	\$24,325	\$26,668	\$35,984	\$23,236	
ADMINISTRATION FEES						
Medical Administration Fee	\$7.00	\$4.95	\$59.42	\$58.38	\$17.30	
Dental Administration Fee	Included	Included	\$2.50	\$5.69	Included	
Vision Administration Fee	Included	Included	\$0.56	\$1.50	Included	
Provider Network Access Fee	\$8.45	\$8.45	Included	Included	\$8.45	
Case Management/Certification Fee	\$4.45	\$4.45	Included	Included	\$4.45	
Prescription Drug Administration Fee	\$7.20	\$7.20	Included	Included	\$7.20	
COBRA Administration Fee	\$1.25	\$1.25	Included	\$1.00	\$1.25	
Agent Fee Adjustment	N/A	N/A	N/A	(\$8.74)	N/A	
Flexible Spending Fee	\$6.45	\$6.45	\$3.50	\$3.95	\$6.45	
ANNUAL ADMINISTRATION FEES	\$94,795	\$89,211	\$179,730	\$168,289	\$122,852	
TOTAL COST RECAP						
EST. FIXED RUN-OUT COSTS	N/A	N/A	\$69,209	\$69,209	N/A	
EST. CLAIM RUN-OUT COSTS	N/A	N/A	\$52,408	\$839,918	N/A	
IMPLEMENTATION CREDIT	N/A	N/A	(\$22,500)	(\$25,000)	N/A	
EST. ANNUAL FIXED COSTS	\$840,030	\$1,078,193	\$805,251	\$978,637	\$873,214	
% Change from Current		28.4%	-4.1%	16.5%	4.0%	
EST. ANNUAL EXPECTED COSTS	\$5,238,214	\$5,407,123	\$5,050,261	\$5,551,525	\$5,145,373	
% Change from Current		3.2%	-3.6%	6.0%	-1.8%	
EST. ANNUAL MAXIMUM COSTS	\$6,337,760	\$6,489,355	\$6,098,411	\$6,484,767	\$6,213,413	
% Change from Current		2.4%	-3.8%	2.3%	-2.0%	

Note:

The above Dental Administration Fee for Priority Health assumes ASR will continue to administer this benefit.

The above Vision Administration Fee for BCBSM assumes ASR will continue to administer this benefit.

The above Prescription Drug Administration Fee for ASR has been converted to an estimated per employee per month (PEPM) fee. The actual fee billed is \$2.50 per member per month (PMPM).

The above fixed, expected, and maximum costs include the liability for the aggregating specific shown above.

ASR CONTINGENCIES

- Stop loss quotes above require receipt and review of an updated specific report, aggregate report, precertification report, case management report and pending/held report through the date indicated below. a firm quote unless specifically stated below.
- Stop loss quotes above are contingent upon the continuation of the fully insured Organ and Tissue Transplant coverage. If this coverage is terminated, specific rates above are subject to change.
- ARDELLIS: Stop loss quotes are subject to the reports indicated above through 4/30/20. Option 1 includes the following stipulations: 1) Stop loss quote assumes there is not a spousal carve-out provision in the plan and individual #6777 remains on the plan. 2) Stop loss quotes guarantee a maximum specific premium renewal increase of 50% based on duplicate contract terms, excluding any premium reduction for the aggregating specific. 3) Lasers may be imposed at renewal. Option 4 includes the following stipulations: 1) Stop loss quote assumes there is a spousal carve-out provision in the plan and individual #6777 is not covered on the plan. 2) Stop loss quote includes a guarantee of no new lasers on renewal and maximum specific premium renewal increase of 45% based on duplicate contract terms, excluding any premium reduction for the aggregating specific deductible.
- The PCORI fee is not included in the options quoted.

PRIORITY HEALTH CONTINGENCIES

- Pricing assumes Priority Health will return 100% of prescription drug formulary rebates to the plan sponsor.
- Quotes include a renewal specific stop-loss premium cap of 35%. Priority Health Stop Loss does not mandate lasers at renewal but can offer them as an option if requested.
- The claims projection illustrated includes the group's expected claims liability and Provide Incentive Program payments (PIP).
- Rates, fees and /or claims projections do NOT reflect amounts for any applicable future tax and/or required benefits as regulated by ACA and will be adjusted as necessary to incorporate such required tax and/or benefits.
- Priority Health reserves the right to re-rate if there is modification and/or redistribution of members between plans as illustrated which impacts rates by more than 10%.
- Actively at work waiver subject to approval of Specific Excess Medical Expense Coverage Disclosure Statement.
- Any inaccurate or incomplete data submitted to Priority Health may require changes at final underwriting.
- Quote assumes policyholder will access the Priority Health network and networks listed in the Administrative Fees section.
- Aggregate is settled based on the distribution of members tier and factor at the member tier level. Minimum Annual Attachment point will be 100% of the Annual Aggregate Attachment Point as stated in the proposal.
- The following is required to finalize the stop-loss rates and factors: PHIC standard stop-loss application, completed Priority Health claims disclosure, trigger diagnosis report, pended claims report, updated monthly enrollment and claims, and updated large claimant information.

BLUE CROSS BLUE SHIELD OF MICHIGAN CONTINGENCIES

- BCBSM will return pharmacy prescription drug rebates less the following fees: 1) 3.8% of gross rebates paid to BCBSM for formulary maintenance, 2) 8.2% of gross rebates for Part D formulary claims paid to the rebate administrator, 3) Rebate Service Fee based on a percentage of pharmacy rebates as administrative compensation. The amount of rebates retained by BCBSM as administrative compensation will be identified as a BCBSM Rebate Service Fee and reported to the client.
- BCBSM will return prescription drug rebates processed as a medical claim less the following fee: 5.5% of the gross rebates paid to the rebate administrator.
- BCBSM will retain 30% of recoveries or cost avoidance delivered through their payment integrity program.
- Quotes include a renewal specific stop-loss premium cap of 50% along with a renewal administration fee cap of 3%.
- BCBSM requires an actual census and the BCBSM disclosure form be completed and submitted prior to the effective date of coverage. Coverage will not start until receipt and approval by underwriting. Updated claims information, including a 60 day detailed Prescription Drug listing will be required to bind coverage. Once coverage is bound a signed Administrative Service Contract must be submitted prior to the effective date.
- The stop loss pricing options shown include BCBSM's estimates of applicable Federal and state taxes, fees and assessment which will be added in your future bills.