



State of Maine

Teachers Retiree Healthcare Plan

Actuarial Valuation Report

June 30, 2017

Prepared by Deloitte Consulting LLP

October 2018

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Actuarial Valuation Opinion

This report presents the results of the actuarial valuation of the "Other" Post-Employment Benefits (OPEB) provided under the State of Maine Retiree Healthcare Plan for Teachers as of June 30, 2017. In our opinion, this report is complete and accurate and represents fairly the actuarial position of the Plan for the purposes stated herein.

The actuarial valuation has been prepared based on participant data, financial information, and plan descriptions as of June 30, 2017. The actuary has analyzed the data and other information provided for reasonableness but has not independently audited the data. Estimates were made where data was missing or unavailable. The actuary has no reason to believe the data and other information is not accurate and knows of no further information that is essential to the preparation of the actuarial valuation.

In our opinion, all costs, liabilities, rates of interest, and other factors underlying these actuarial computations have been determined on the basis of actuarial assumptions and methods, which are each reasonable (or consistent with authoritative guidance) for the purposes described herein taking into account the experience of the Plans and future expectations.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operations of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law.

Our scope did not include analyzing the potential range of such future measurements, and we did not perform that analysis.

The undersigned with actuarial credentials collectively meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

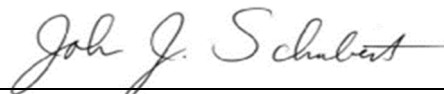
This report was prepared solely for the benefit and internal use of the plan sponsor. This report is not intended for the benefit of any other party and may not be relied upon by any third party for any purpose, and Deloitte Consulting accepts no responsibility or liability with respect to any party other than the plan sponsor.

To the best of our knowledge, no employee of the Deloitte U.S. Firms is an officer or director of the employer. In addition, we are not aware of any relationship between the Deloitte U.S. Firms and the employer that may impair or appear to impair the objectivity of the work detailed in this report.

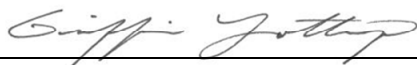
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Section 1 - Background and Comments

The Governmental Accounting Standards Board released the Statement of Governmental Accounting Standards No. 75 in June 2015. GASB No. 75 requires employers and non-employer contributing entities to accrue the cost of post-employment benefits other than pensions (“OPEB”) while eligible employees are providing services to the employer. State of Maine adopted GASB No. 75 for the fiscal year ending June 30, 2018 using a measurement date of June 30, 2017.

GASB No. 75 requires a reconciliation of liability during the fiscal year being measured; therefore, we prepared results as of June 30, 2016. These results will differ from those previously reported as of June 30, 2016 for purposes of GASB No. 45 due to the following:

- change in the accounting standard;
- change in assumptions; and
- prior results were prepared by a different actuary.

The purpose of this actuarial valuation report is to provide information that will serve as the basis for State of Maine’s employer financial reporting for the fiscal year ended June 30, 2018 GASB No. 75 disclosures, which will be provided under separate cover.

Plan Overview

The State of Maine provides a Retiree Healthcare Plan (“Plan”) for Teachers. To be eligible for reimbursement from the State, a retiree must be receiving a retirement benefit from the Maine Public Employees Retirement System (MainePERS). For teachers retiring after July 1, 2012 the reimbursement from the State shall begin when the retiree reaches normal retirement age with at least one year of service under MainePERS; normal retirement age defined as:

Tier 1 - Be at least 60 years of age; with at least 10 years of service on 7/1/1993

Tier 2 - Be at least 62 years of age; with less than 10 years of service on 7/1/1993 or hired on/after 7/1/1993 but had 5 years of service on 7/1/2011

Tier 3 - Be at least 65 years of age; with less than 5 years of service on 7/1/2011 or hired on/after 7/1/2011

Normal retirement eligibility occurs upon attainment of 25 years of service, if earlier.

State of Maine Contributions

- 45% of the retiree medical premium based on:
 - Single rate for single and employee + child(ren) coverage
 - 50% of 2-party rate for 2-party and family coverage

Retirees pay the remaining portion of the retiree-only premium and/or the full additional premium for spouse and family coverage. There is no benefit for surviving spouses.

The substantive plan of benefits is described in Section 8 of this report.

Section 1 – Background and Comments (continued)

Implicit Rate Subsidy

GASB No. 75 requires that employers/non-employer contributing entities recognize the Implicit Rate Subsidy that exists in many postretirement medical plans provided by governmental employers. The Implicit Rate Subsidy refers to the concept that retirees under the age of 65 (i.e., not eligible for Medicare) generate higher claims on average than active participants.

When a medical plan is self-insured through a third-party administrator or fully insured, a premium is usually determined by analyzing the claims of the entire population in that plan and adjusting for administrative costs. The resulting premium is called a blended premium because it blends the claims of active and retired participants. Since individuals generally have more and higher claims as they get older, the blended premium paid for retirees is lower than their expected claims. Another way of considering this is that if the retirees were removed from the plan, the premium for the active group would be lower; therefore, the retirees' premiums are being subsidized by the active group. Since the employer generally pays a large portion or all of the premiums for the active group, this subsidy creates a liability for the employer. The difference between the expected claims for the retiree group and the blended premium is called the Implicit Rate Subsidy.

The State of Maine has confirmed that it is not responsible for the implicit rate subsidy for the participants in this plan given that the State contributes only a specified explicit subsidy for participants to cover a portion of the blended premium and provides no contributions for active employee health insurance premiums.

It is our understanding the implicit rate subsidy is the responsibility of each individual school district because each pays for a portion (or all) of their active employees' premiums and provide retirees access to postretirement medical coverage at a blended rate.

Health Care Reform

The Patient Protection and Affordable Care Act ("PPACA") was signed into law on March 23, 2010. The primary objective of the act is to increase the number of Americans with health insurance coverage. There are several provisions within PPACA with potentially significant short- and long-term cost implications for employers. The provisions of PPACA applicable to retiree health benefits were considered in this valuation. On December 18, 2015, the Consolidated Appropriations Act, 2016 became law. This legislation delayed the effective date of the high cost plan excise tax from 2018 to 2020 and made it tax deductible. On January 22, 2018, the Federal Register Printing Savings Act further delayed the effective date from 2020 to 2022. In future years, there may continue to be increased cost impact to the extent the health plans experience increased utilization due to these changes, all of which are assumed to be in place indefinitely.

Section 1 – Background and Comments (continued)

The health plans are assumed to have implemented the PPACA provisions and the premiums are assumed to reflect the PPACA costs as follows:

- prohibiting lifetime and annual limits on the dollar value of coverage for “essential health benefits”;
- increasing the dependent child age limit to age 26;
- elimination of cost sharing for in-network preventative services;
- reflecting manufacturer discounts available to certain Medicare beneficiaries receiving applicable covered Part D drugs (mostly brand) while in the coverage gap;
- transitional reinsurance fee; and
- out-of-pocket limit includes both medical and Rx expenses.

We also considered the expected costs associated with the excise tax on “Cadillac Plans” effective in 2022. Due to the expectation that the medical trend rate will significantly exceed inflation over the long-term, most retiree health plans will be affected by the excise tax at some point in the future. The excise tax is projected to have an impact of less than 0.5% on the liabilities for the State of Maine.

Actuarial Methods and Assumptions

The actuarial methods and assumptions are described in Section 6 of this report.

The majority of the Teachers covered under this plan are participants in the MainePERS State and Teacher Retirement Program. For this reason, several demographic assumptions are selected to be consistent with the most recently available active lives actuarial valuation of that plan.

Since the State’s portion of the Teachers’ postretirement medical plans are not being funded by assets in a separate trust, GASB No. 75 requires that the discount rate be based on the index rate as of the measurement date of a 20-year tax-exempt general obligation municipal bond index with an average rating of AA/Aa or higher. The State of Maine elected to determine the discount rate using the Bond Buyer 20-Bond General Obligation Index. The discount rate was 3.58% as of the measurement date, June 30, 2017, (2.85% as of June 30, 2016).

Claim costs were developed using current premiums, without any age-adjustments given the individual school districts – not the State of Maine – are responsible for the implicit subsidy.

This is the first year Deloitte Consulting LLP is the actuary for this plan. The results presented as of June 30, 2016 and June 30, 2017 are based on the plan provisions and actuarial methods and assumptions disclosed in this report.

The only change in assumptions is the discount rate, updated from 2.85% to 3.58%.

The Actuarial Accrued Liability decreased from \$1,300 million at June 30, 2016 to \$1,226 million at June 30, 2017. The decrease is primarily due to the decrease in discount rate, offset by demographic changes.

Section 2 – Summary of Actuarial Valuation Results

This section provides a summary of the actuarial valuation results. All information is provided as of the measurement date. Dollar amounts are in thousands.

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
1. Actuarial Accrued Liability	\$1,248,326	\$1,323,731
2. Actuarial Value of Assets	<u>\$0</u>	<u>\$0</u>
3. Unfunded Actuarial Accrued Liability (UAAL): (1) – (2)	\$1,248,326	\$1,323,731
4. Funded Ratio: (2) / (1)	0.00%	0.00%
5. UAAL as a percentage of covered payroll (3) / (8b)	108.63%	117.62%
6. Normal Cost	\$35,795	\$42,214
7. Discount Rate	3.58%	2.85%
8. Census Data Used		
a. Count of Covered Participants		
Actives	27,056	27,039
Terminated Vested – Eligible for Participation	449	0
Retirees	<u>10,473</u>	<u>10,386</u>
Total	37,978	37,425
b. Covered Payroll	\$1,149,126	\$1,125,444
9. Expected Benefit Payments	\$31,943	\$30,854

Section 3 – Actuarial Experience

Actuarial gains and losses arise from experience different from that assumed, changes in actuarial assumptions and methods, and changes in plan provisions. The following summarizes the changes in the Actuarial Accrued Liability due to these sources from June 30, 2016 to June 30, 2017. Dollar amounts are in thousands.

1. Actuarial Accrued Liability as of June 30, 2016	\$1,323,731
2. Normal Cost for the year ending June 30, 2017	42,214
3. Actual Benefit Payments for the year ending June 30, 2017	(28,848)
4. Interest at 2.85% on (1), (2) and (3)	<u>38,521</u>
5. Expected Actuarial Accrued Liability as of June 30, 2017 (1) + (2) + (3) + (4)	\$1,375,618
6. (Gain)/Loss for the year ending June 30, 2017:	
i. Demographic Experience	43,128
ii. Change in Discount Rate	<u>(170,420)</u>
iii. Total (Gain)/Loss	<u>(127,292)</u>
7. Actual Actuarial Accrued Liability as of June 30, 2017 (5) + (6)(iii)	\$1,248,326

Section 4 – Development of Unfunded Actuarial Accrued Liability

Presented below is the development of the Unfunded Actuarial Accrued Liability as of June 30, 2017, which is the Actuarial Accrued Liability minus the Actuarial Value of Assets. The Actuarial Accrued Liability is the portion of the Present Value of Future Benefits accrued to date. The Present Value of Future Normal Costs represents the portion of the Present Value of Future Benefits expected to accrue in the future, based on the current population. Dollar amounts are in thousands.

1. Present Value of Future Benefits	
Actives	\$1,096,655
Terminated Vested	20,873
Retirees	<u>527,973</u>
Total	\$1,645,501
2. Present Value of Future Normal Costs	\$(397,175)
3. Actuarial Accrued Liability	
Actives	\$699,480
Terminated Vested	20,873
Retirees	<u>527,973</u>
Total	\$1,248,326
4. Actuarial Value of Assets	0
5. Unfunded Actuarial Accrued Liability (3) – (4)	\$1,248,326

Section 5 – 10-Year Projection of Employer Benefit Payments

Presented below are the projected employer benefit payments for the next ten years based on the current plan design. These projected benefit payments are based on the actuarial assumptions shown in Section 6. If actual experience differs from that expected by the actuarial assumptions, the actual employer benefit payments will vary from those presented below. Dollar amounts are in thousands.

Year Ending	<u>Amount</u>
6/30/2018	\$31,943
6/30/2019	\$31,708
6/30/2020	32,593
6/30/2021	34,600
6/30/2022	36,784
6/30/2023	39,233
6/30/2024	41,790
6/30/2025	44,481
6/30/2026	47,137
6/30/2027	49,860

Section 6 – Summary of Actuarial Methods & Assumptions

Actuarial Cost Method

The Actuarial Cost Method used in this valuation to determine the Actuarial Accrued Liability was the Entry Age Normal Percent of Pay method.

This method is one of the family of projected benefit cost methods. An estimate of the projected benefit payable at retirement is initially required to determine costs and liabilities under this method.

The Normal Cost is the annual allocation required for each participant from entry date to assumed retirement date so that the accumulated allocation at retirement is equal to the liability for the projected benefit. The projected benefits are based on estimates of future years of service and projected health benefit costs. The normal cost is developed as a level percentage of pay.

The Present Value of Future Benefits is equal to the value of the projected benefit payable at retirement discounted back to the participant's current age. Discounts include such items as interest and mortality. The Present Value of Future Normal Costs is equal to the discounted value of the normal costs allocated from the member's current age to retirement age.

The difference between the present value of future benefits and the present value of future normal costs represents the actuarial liability at the participant's current age.

The Actuarial Accrued Liability for vested terminated participants and participants currently receiving benefits is calculated as the actuarial present value of future benefits expected to be paid. No normal cost is allocated for these participants.

This actuarial cost method is required by GASB No. 75.

Funding Policy

The State is currently funding the Plan on a pay-as-you-go basis. It is our understanding the State intends to establish a trust for this plan and will phase into funding the full Actuarially Determined Contribution (ADC) over an 8-year period beginning with 2018/2019:

Fiscal Year	Funding Policy Contribution
Prior to 2018/2019	PayGo
2018/19	PayGo + 12.5% x (ADC - PayGo)
2019/20	PayGo + 25.0% x (ADC - PayGo)
2020/21	PayGo + 37.5% x (ADC - PayGo)
2021/22	PayGo + 50.0% x (ADC - PayGo)
2022/23	PayGo + 62.5% x (ADC - PayGo)
2023/24	PayGo + 75.0% x (ADC - PayGo)
2024/25	PayGo + 87.5% x (ADC - PayGo)
2025/26	100% of ADC

Section 6 – Summary of Actuarial Methods & Assumptions (continued)

Discount Rate	<p>3.58% as of June 30, 2017 2.85% as of June 30, 2016</p> <p>Since the State funds the retiree health benefits on a pay-as-you-go basis, GASB No. 75 prescribes that the discount rate be based on the index rate of a 20-year tax-exempt general obligation municipal bond index with an average rating of AA/Aa or higher as of the measurement date. The State elected to determine the discount rate using the Bond Buyer 20-Bond General Obligation Index.</p>																						
Healthy Mortality	<p>Mortality rates use the same assumptions as the June 30, 2017 actuarial valuation for the MainePERS State and Teacher Retirement Program.</p> <p>Rates are based on the RP-2014 Mortality Tables and MP-2015 Mortality Improvement Scale with the following adjustments:</p> <ul style="list-style-type: none"> • Adjustment of 99% for males and females applied to the RP-2014 Mortality Tables 2006 bases rates • MP-2015 Mortality Improvement Scale adjusted to use an ultimate rate of 0.85% for ages 20-85 grading down to an ultimate rate of 0.00% for ages 111-120, and convergence to the ultimate rate in the year 2020. 																						
Disabled Mortality	<p>Mortality rates use the same assumptions as the June 30, 2017 actuarial valuation for the MainePERS State and Teacher Retirement Program.</p> <p>Rates are based on the RP-2014 Total Dataset Disabled Annuitant Mortality Tables and MP-2015 Mortality Improvement Scale with the following adjustments:</p> <ul style="list-style-type: none"> • Adjustment of 108% for males and 105% for females applied to the RP-2014 Mortality Tables 2006 bases rates • MP-2015 Mortality Improvement Scale adjusted to use an ultimate rate of 0.85% for ages 20-85 grading down to an ultimate rate of 0.00% for ages 111-120, and convergence to the ultimate rate in the year 2020. 																						
Termination	<p>Consistent with the MainePERS State and Teacher Retirement Program. Sample Rates of Termination at Selected Years of Service:</p> <table border="1"> <thead> <tr> <th>Service</th> <th>Rate</th> </tr> </thead> <tbody> <tr><td>0</td><td>33.50%</td></tr> <tr><td>1</td><td>22.00%</td></tr> <tr><td>2</td><td>16.50%</td></tr> <tr><td>3</td><td>13.25%</td></tr> <tr><td>4</td><td>12.15%</td></tr> <tr><td>5</td><td>10.50%</td></tr> <tr><td>10</td><td>5.95%</td></tr> <tr><td>15</td><td>4.25%</td></tr> <tr><td>20</td><td>4.00%</td></tr> <tr><td>25+</td><td>4.00%</td></tr> </tbody> </table>	Service	Rate	0	33.50%	1	22.00%	2	16.50%	3	13.25%	4	12.15%	5	10.50%	10	5.95%	15	4.25%	20	4.00%	25+	4.00%
Service	Rate																						
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Section 6 – Summary of Actuarial Methods & Assumptions (continued)

Retirement	Consistent with the MainePERS State and Teacher Retirement Program. Sample Rates of Retirement at Selected Ages:			
	Age	Tier 1	Tier 2	Tier 3
	50	2.9%	n/a	n/a
	55	4.0%	4.0%	4.0%
	56	4.0%	4.0%	4.0%
	57	4.0%	4.0%	4.0%
	58	7.5%	4.0%	4.0%
	59	15.0%	4.0%	4.0%
	60	25.0%	7.5%	4.0%
	61	20.0%	17.5%	4.0%
	62	20.0%	25.0%	4.0%
	63	20.0%	15.0%	7.5%
	64	25.0%	20.0%	22.5%
	65	35.0%	25.0%	30.0%
70	20.0%	20.0%	30.0%	
75	100%	100%	100%	
Disability	Consistent with the MainePERS State and Teacher Retirement Program. Sample Rates of Disability at Selected Ages:			
	Age	Rate		
	25	0.021%		
	30	0.023%		
	35	0.023%		
	40	0.031%		
	45	0.070%		
	50	0.109%		
55	0.149%			
60	0.188%			

Section 6 – Summary of Actuarial Methods & Assumptions (continued)

Healthcare Cost Increases

Medical trend rates were developed using a combination of trend surveys and the SOA-Getzen trend rate model. Initial trend rates start at 6.60% in 2018 based on survey data and client market expectations. The SOA-Getzen model was then used to determine the trend rates beginning in year 2022 and thereafter based on reasonable macro-economic assumptions for the growth of health care expenditures during this period relative to the general economy.

<u>Plan Year*</u>	<u>Rate</u>	<u>Plan Year*</u>	<u>Rate</u>
2018	6.60%**	2055	5.15%
2019	6.40%	2056	5.13%
2020	6.20%	2057	5.11%
2021	6.00%	2058	5.10%
2022	5.92%	2059	5.08%
2023	5.85%	2060	5.07%
2024	5.77%	2061	5.05%
2025	5.70%	2062	5.04%
2026	5.62%	2063	5.03%
2027 – 2045	5.54%	2064	5.02%
2046	5.41%	2065	5.00%
2047	5.36%	2066	4.92%
2048	5.32%	2067	4.84%
2049	5.28%	2068	4.77%
2050	5.26%	2069	4.70%
2051	5.23%	2070	4.63%
2050	5.21%	2071	4.56%
2051	5.19%	2072	4.49%
2052	5.21%	2073	4.42%
2053	5.19%	2074	4.36%
2054	5.17%	2075+	4.29%

*Year ending June 30

**Adjusted to reflect known changes in premium increases from 2017 to 2018

Section 6 – Summary of Actuarial Methods & Assumptions (continued)

<p>Annual Claims Costs: Medicare Advantage Plan</p>	<p>Costs for Medicare-eligible retirees are determined by age by applying age-grading factors to the current year Medicare Advantage premium.</p> <p>Medicare Premium for MEA Group Companion Plan: \$441 per month</p> <p>Sample Age Graded Rates at Selected Ages (based on the Society of Actuaries age-curve study “Health Care Costs—From Birth to Death”):</p> <table border="1" data-bbox="592 541 824 779"> <thead> <tr> <th>Age</th> <th>Rate</th> </tr> </thead> <tbody> <tr> <td><65</td> <td>0.8620</td> </tr> <tr> <td>70</td> <td>0.9507</td> </tr> <tr> <td>75</td> <td>1.0252</td> </tr> <tr> <td>80</td> <td>1.0798</td> </tr> <tr> <td>85</td> <td>1.1035</td> </tr> <tr> <td>90</td> <td>1.0986</td> </tr> <tr> <td>95</td> <td>1.0689</td> </tr> </tbody> </table>	Age	Rate	<65	0.8620	70	0.9507	75	1.0252	80	1.0798	85	1.1035	90	1.0986	95	1.0689
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<p>Salary Increases</p>	<p>Consistent with the MainePERS State and Teacher Retirement Program. Sample rates below:</p> <table border="1" data-bbox="641 867 836 1094"> <thead> <tr> <th>Service</th> <th>Rate</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>14.50%</td> </tr> <tr> <td>5</td> <td>5.75%</td> </tr> <tr> <td>10</td> <td>4.75%</td> </tr> <tr> <td>15</td> <td>4.00%</td> </tr> <tr> <td>20</td> <td>2.75%</td> </tr> <tr> <td>25+</td> <td>2.75%</td> </tr> </tbody> </table>	Service	Rate	0	14.50%	5	5.75%	10	4.75%	15	4.00%	20	2.75%	25+	2.75%		
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<p>Inflation Rate</p>	<p>2.75% annually</p>																
<p>Aggregate Payroll Increases</p>	<p>3.00% annually</p>																
<p>Future New Participants</p>	<p>Closed Group - no future new participants assumed.</p>																
<p>Coverage Election</p>	<p>75% of active participants currently with coverage continue coverage at retirement.</p> <p>33% of active participants who have currently waived coverage elect coverage at retirement.</p> <p>Same assumptions apply to vested terminated participants who have maintained eligibility for coverage at retirement.</p>																
<p>Medical Plan at Retirement</p>	<p>Non-Medicare eligible: Current plan election</p> <p>Medicare eligible: Currently available Medicare plan</p>																
<p>Ineligible Teachers</p>	<p>93.33% of all Teachers are assumed to be eligible to receive a State contribution at retirement.</p> <ul style="list-style-type: none"> Ineligible Teachers assumed equal to 10% of all Teachers, with 1/3 of those assumed to receive State contribution at retirement 																

Section 7 - Rationale for Assumptions

Discount Rate	Based on a broad 20-year municipal bond index (Bond Buyer GO 20) as of the Measurement Date.
Inflation	Inflation is updated with the assumption used in the June 30, 2017 MainePERS actuarial valuation.
Mortality, Withdrawal, Retirement, and Salary Scale	The assumptions prescribed in the actuarial valuation are based on the last experience study prepared for MainePERS that covered the four-year period from 2012 to 2015.
Plan Participation	Based on recent experience of the plan.
Annual Medical Trend	Rationale described in Section 6.
Health Care Reform	Rationale described in Section 6.

Section 8 – Summary of Substantive Plan Provisions

<p>Eligibility</p>	<p>Retire with a retirement benefit from the Maine Public Employees Retirement System (MainePERS). For teachers retiring after July 1, 2012 the reimbursement from the State shall begin when the retiree reaches normal retirement age with at least one year of service under MainePERS; normal retirement age defined as:</p> <p style="padding-left: 40px;"><u>Tier 1</u> - Be at least 60 years of age; with at least 10 years of service on 7/1/1993</p> <p style="padding-left: 40px;"><u>Tier 2</u> - Be at least 62 years of age; with less than 10 years of service on 7/1/1993 or hired on/after 7/1/1993 but had 5 years of service on 7/1/2011</p> <p style="padding-left: 40px;"><u>Tier 3</u> - Be at least 65 years of age; with less than 5 years of service on 7/1/2011 or hired on/after 7/1/2011</p> <p>Normal retirement eligibility occurs upon attainment of 25 years of service, if earlier.</p>
<p>Benefit</p>	<p>Subsidy of 45% of retiree medical premium based on:</p> <ul style="list-style-type: none"> • Single rate for single and employee + child(ren) coverage • 50% of 2-party rate for 2-party and family coverage <p>No State cash subsidy until retiree reaches normal retirement age</p> <p>Disability retirement benefits are 100% vested and cash subsidy begins at disability retirement</p>
<p>Surviving Spouse Benefit</p>	<p>None</p>
<p>Dependent Benefits</p>	<p>No cash subsidy for spouse or dependents</p> <p>Retiree must pay full cost to cover spouse and/or dependents</p>
<p>Dental, Vision, Life</p>	<p>None</p>

Section 9 – Monthly Premiums

2018 premiums were used in order to reflect the most up to date information (adjusted to the valuation date of 7/1/2017). These premiums are developed using a blended methodology and reflect the premium paid by both actives and non-Medicare eligible retirees.

Active and Non-Medicare Eligible Retirees Monthly Premiums Effective 7/1/2018

Medical Plan	Coverage	Rate Band CR	Rate Band 4	Rate Band 10	Rate Band 11	Rate Band 12
% Relative to Rate Band 4		26.9%	0.0%	3.0%	3.5%	4.0%
MEA Choice Plus (HMO Choice)	Single	\$754.03	\$593.98	\$611.88	\$614.87	\$617.85
	2-Adult	1,699.41	1,338.71	1,379.08	1,385.80	1,392.53
	Family	2,068.43	1,629.39	1,678.52	1,686.71	1,694.90
	Adult w/ Child(ren)	1,334.45	1,051.21	1,082.90	1,088.18	1,093.47
MEA Standard Plan (Blue Choice \$15)	Single	814.24	641.42	660.76	663.98	667.20
	2-Adult	1,835.38	1,445.80	1,489.40	1,496.66	1,503.93
	Family	1,233.90	1,759.75	1,812.30	1,821.65	1,830.49
	Adult w/ Child(ren)	1,441.19	1,135.30	1,169.53	1,175.23	1,180.94
MEA Standard 500 Plan \$500 Deductible (Blue Choice \$20)	Single	716.31	564.27	581.29	584.12	586.96
	2-Adult	1,614.45	1,271.78	1,310.12	1,316.52	1,322.91
	Family	1,965.00	1,547.92	1,594.59	1,602.37	1,610.15
	Adult w/ Child(ren)	1,267.73	998.65	1,028.76	1,033.78	1,038.80
MEA Standard 1000 Plan \$1,000 Deductible (Blue Choice \$20)	Single	683.15	538.15	554.37	557.08	559.78
	2-Adult	1,539.68	1,212.88	1,249.44	1,255.54	1,261.63
	Family	1,873.99	1,476.23	1,520.74	1,528.16	1,535.58
	Adult w/ Child(ren)	1,209.01	952.39	981.11	985.90	990.68

Medical Plan	Coverage	Rate Band 13	Rate Band 15	Rate Band 17	Rate Band 19	Rate Band 22
% Relative to Rate Band 4		4.5%	5.5%	6.5%	7.5%	9.0%
MEA Choice Plus (HMO Choice)	Single	\$620.84	\$626.81	\$632.78	\$638.75	\$647.70
	2-Adult	1,399.26	1,412.71	1,426.17	1,439.62	1,459.80
	Family	1,703.08	1,719.46	1,735.83	1,752.21	1,776.77
	Adult w/ Child(ren)	1,098.75	1,109.31	1,119.88	1,130.44	1,146.29
MEA Standard Plan (Blue Choice \$15)	Single	670.43	676.87	683.32	689.76	699.43
	2-Adult	1,511.19	1,525.72	1,540.25	1,554.78	1,576.58
	Family	1,839.33	1,857.02	1,874.71	1,892.39	1,918.92
	Adult w/ Child(ren)	1,186.64	1,198.05	1,209.46	1,220.87	1,237.99
MEA Standard 500 Plan \$500 Deductible (Blue Choice \$20)	Single	589.79	595.47	601.14	606.81	615.31
	2-Adult	1,329.30	1,342.08	1,354.86	1,367.64	1,386.81
	Family	1,617.93	1,633.49	1,649.04	1,664.60	1,687.93
	Adult w/ Child(ren)	1,043.82	1,053.85	1,063.89	1,073.93	1,088.98
MEA Standard 1000 Plan \$1,000 Deductible (Blue Choice \$20)	Single	562.48	567.89	573.30	578.71	586.82
	2-Adult	1,267.73	1,279.92	1,292.11	1,304.30	1,322.58
	Family	1,543.00	1,557.83	1,572.67	1,587.51	1,609.76
	Adult w/ Child(ren)	995.47	1,005.04	1,014.61	1,024.18	1,038.54

Section 9 – Monthly Premiums (continued)

Active and Non-Medicare Eligible Retirees Monthly Premiums Effective 7/1/2018

Medical Plan	Coverage	Rate Band 24	Rate Band 25	Rate Band 26	Rate Band 27	Rate Band 29
% Relative to Rate Band 4		10.0%	10.6%	11.0%	11.6%	12.6%
MEA Choice Plus (HMO Choice)	Single	\$653.67	\$656.66	\$659.54	\$662.63	\$668.60
	2-Adult	1,473.26	1,479.98	1,486.71	1,493.44	1,506.89
	Family	1,793.15	1,801.34	1,809.53	1,817.71	1,834.09
	Adult w/ Child(ren)	1,156.86	1,162.14	1,167.42	1,172.70	1,183.27
MEA Standard Plan (Blue Choice \$15)	Single	705.88	709.10	712.33	715.55	722.00
	2-Adult	1,591.11	1,598.38	1,605.64	1,612.91	1,627.44
	Family	1,936.61	1,945.45	1,954.29	1,963.13	1,980.82
	Adult w/ Child(ren)	1,249.40	1,255.10	1,260.81	1,266.51	1,277.92
MEA Standard 500 Plan \$500 Deductible (Blue Choice \$20)	Single	620.99	623.82	626.66	629.49	635.16
	2-Adult	1,399.60	1,405.99	1,412.38	1,418.77	1,431.55
	Family	1,703.49	1,711.27	1,719.05	1,726.83	1,742.38
	Adult w/ Child(ren)	1,099.02	1,104.04	1,109.06	1,114.07	1,124.11
MEA Standard 1000 Plan \$1,000 Deductible (Blue Choice \$20)	Single	592.23	594.94	597.64	600.34	605.75
	2-Adult	1,334.77	1,340.87	1,346.96	1,353.06	1,365.25
	Family	1,624.60	1,632.02	1,639.43	1,646.85	1,661.69
	Adult w/ Child(ren)	1,048.11	1,052.90	1,057.68	1,062.47	1,072.04

Medical Plan	Coverage	Rate Band 30	Rate Band 32	Rate Band 34	Rate Band 36	Rate Band 37
% Relative to Rate Band 4		13.1%	14.1%	15.1%	16.1%	16.6%
MEA Choice Plus (HMO Choice)	Single	\$671.58	\$677.55	\$683.52	\$689.49	\$692.47
	2-Adult	1,513.62	1,527.07	1,540.53	1,553.98	1,560.71
	Family	1,842.28	1,858.65	1,875.03	1,891.40	1,899.59
	Adult w/ Child(ren)	1,188.55	1,199.12	1,209.68	1,220.25	1,225.53
MEA Standard Plan (Blue Choice \$15)	Single	725.22	731.67	738.11	744.56	747.78
	2-Adult	1,634.70	1,649.23	1,663.77	1,678.30	1,685.56
	Family	1,989.66	2,007.35	2,025.04	2,042.72	2,051.56
	Adult w/ Child(ren)	1,283.63	1,295.04	1,306.45	1,317.86	1,323.56
MEA Standard 500 Plan \$500 Deductible (Blue Choice \$20)	Single	638.00	643.67	649.34	655.01	657.85
	2-Adult	1,437.94	1,450.72	1,463.50	1,476.29	1,482.68
	Family	1,750.16	1,765.72	1,781.28	1,796.83	1,804.61
	Adult w/ Child(ren)	1,129.13	1,139.17	1,149.20	1,159.24	1,164.26
MEA Standard 1000 Plan \$1,000 Deductible (Blue Choice \$20)	Single	608.46	613.86	619.27	624.68	627.39
	2-Adult	1,371.34	1,383.53	1,395.72	1,407.91	1,414.01
	Family	1,669.11	1,683.94	1,698.78	1,713.62	1,721.03
	Adult w/ Child(ren)	1,076.83	1,086.40	1,095.97	1,105.54	1,110.33

Section 9 – Monthly Premiums (continued)

Active and Non-Medicare Eligible Retirees Monthly Premiums Effective 7/1/2018

Medical Plan	Coverage	Rate Band 38	Rate Band 39	Rate Band 40	Rate Band 41	Rate Band 42
% Relative to Rate Band 4		17.1%	17.6%	18.1%	18.6%	19.1%
MEA Choice Plus (HMO Choice)	Single	\$695.46	\$698.44	\$701.43	\$704.41	\$707.40
	2-Adult	1,567.44	1,574.16	1,580.89	1,587.62	1,594.35
	Family	1,907.78	1,915.97	1,924.16	1,932.34	1,940.53
	Adult w/ Child(ren)	1,230.81	1,236.09	1,241.38	1,246.66	1,251.94
MEA Standard Plan (Blue Choice \$15)	Single	751.01	754.23	757.45	760.68	763.90
	2-Adult	1,692.83	1,700.09	1,707.36	1,714.62	1,721.89
	Family	2,060.41	2,069.25	2,078.09	2,086.94	2,095.78
	Adult w/ Child(ren)	1,329.27	1,334.97	1,340.68	1,346.38	1,352.09
MEA Standard 500 Plan \$500 Deductible (Blue Choice \$20)	Single	660.68	663.52	666.35	669.19	672.03
	2-Adult	1,489.07	1,495.46	1,501.85	1,508.24	1,514.63
	Family	1,812.39	1,820.17	1,827.95	1,835.73	1,843.50
	Adult w/ Child(ren)	1,169.28	1,174.29	1,179.31	1,184.33	1,189.35
MEA Standard 1000 Plan \$1,000 Deductible (Blue Choice \$20)	Single	630.09	632.79	635.50	638.20	640.91
	2-Adult	1,420.10	1,426.19	1,432.29	1,438.38	1,444.48
	Family	1,728.45	1,735.87	1,743.29	1,750.71	1,758.13
	Adult w/ Child(ren)	1,115.11	1,119.90	1,179.31	1,129.47	1,134.26

Medical Plan	Coverage	Rate Band 44	Rate Band 45	Rate Band 46	Rate Band 47	Rate Band 48
% Relative to Rate Band 4		20.1%	20.6%	21.1%	21.6%	22.1%
MEA Choice Plus (HMO Choice)	Single	\$713.37	\$716.35	\$719.34	\$722.32	\$725.31
	2-Adult	1,607.80	1,614.53	1,621.26	1,627.98	1,634.71
	Family	1,956.91	1,965.10	1,973.28	1,981.47	1,989.66
	Adult w/ Child(ren)	1,262.51	1,267.79	1,273.07	1,278.35	1,283.64
MEA Standard Plan (Blue Choice \$15)	Single	770.34	773.57	776.79	780.01	783.24
	2-Adult	1,736.42	1,743.68	1,750.95	1,758.21	1,765.48
	Family	2,113.47	2,122.31	2,122.31	2,139.99	2,148.84
	Adult w/ Child(ren)	1,363.50	1,369.20	1,369.20	1,380.61	1,386.32
MEA Standard 500 Plan \$500 Deductible (Blue Choice \$20)	Single	677.70	680.53	683.37	686.20	689.04
	2-Adult	1,527.41	1,533.80	1,540.19	1,546.59	1,552.98
	Family	1,859.06	1,866.84	1,874.62	1,882.40	1,890.18
	Adult w/ Child(ren)	1,199.39	1,204.40	1,209.42	1,214.44	1,219.46
MEA Standard 1000 Plan \$1,000 Deductible (Blue Choice \$20)	Single	646.32	649.02	651.72	654.43	657.13
	2-Adult	1,456.67	1,462.76	1,468.86	1,474.95	1,481.05
	Family	1,772.96	1,780.38	1,787.80	1,795.22	1,802.63
	Adult w/ Child(ren)	1,143.83	1,148.62	1,153.40	1,158.19	1,162.97

Section 9 – Monthly Premiums (continued)

Active and Non-Medicare Eligible Retirees Monthly Premiums Effective 7/1/2018

Medical Plan	Coverage	Rate Band 49	Rate Band 50	Rate Band 51	Rate Band 52	Rate Band 53
% Relative to Rate Band 4		22.6%	23.1%	23.6%	24.1%	24.6%
MEA Choice Plus (HMO Choice)	Single	\$728.29	\$731.28	\$734.26	\$737.25	\$740.23
	2-Adult	1,641.44	1,648.16	1,654.89	1,661.62	1,668.35
	Family	1,997.85	2,006.04	2,014.22	2,022.41	2,030.60
	Adult w/ Child(ren)	1,288.92	1,294.20	1,299.48	1,304.77	1,310.05
MEA Standard Plan (Blue Choice \$15)	Single	786.46	789.68	792.91	796.13	799.35
	2-Adult	1,772.75	1,780.01	1,787.28	1,794.54	1,801.81
	Family	2,157.68	2,166.52	2,175.37	2,184.21	2,193.05
	Adult w/ Child(ren)	1,392.02	1,397.73	1,403.43	1,409.14	1,414.84
MEA Standard 500 Plan \$500 Deductible (Blue Choice \$20)	Single	691.87	694.71	697.55	700.38	703.22
	2-Adult	1,559.37	11,565.76	1,572.15	1,578.54	1,584.93
	Family	1,897.95	1,905.73	1,913.51	1,921.29	1,929.07
	Adult w/ Child(ren)	1,224.48	1,229.50	1,234.51	1,239.53	1,244.55
MEA Standard 1000 Plan \$1,000 Deductible (Blue Choice \$20)	Single	659.84	662.54	665.25	667.95	670.65
	2-Adult	1,487.14	1,493.24	1,499.33	1,505.43	1,511.52
	Family	1,810.05	1,817.47	1,824.89	1,832.31	1,839.73
	Adult w/ Child(ren)	1,167.76	1,172.55	1,177.33	1,182.12	1,186.90

Medical Plan	Coverage	Rate Band 54	Rate Band 55	Rate Band 56	Rate Band 57	Rate Band 60
% Relative to Rate Band 4		25.1%	25.6%	26.1%	26.6%	28.1%
MEA Choice Plus (HMO Choice)	Single	\$743.22	\$746.20	\$749.18	\$752.17	\$761.12
	2-Adult	1,675.07	1,681.80	1,688.53	1,695.25	1,715.44
	Family	2,038.79	2,046.98	2,055.16	2,063.35	2,087.91
	Adult w/ Child(ren)	1,315.33	1,320.61	1,325.89	1,331.18	1,347.02
MEA Standard Plan (Blue Choice \$15)	Single	802.58	805.80	809.02	812.25	821.92
	2-Adult	1,809.07	1,816.34	1,823.60	1,830.87	1,852.66
	Family	2,201.89	2,210.74	2,219.58	2,228.42	2,254.95
	Adult w/ Child(ren)	1,420.55	1,426.25	1,431.96	1,437.66	1,454.78
MEA Standard 500 Plan \$500 Deductible (Blue Choice \$20)	Single	706.05	708.89	711.72	714.56	723.07
	2-Adult	1,591.32	1,597.71	1,604.10	1,610.49	1,629.67
	Family	1,936.85	1,944.63	1,952.40	1,960.18	1,983.52
	Adult w/ Child(ren)	1,249.57	1,254.59	1,259.61	1,264.62	1,279.68
MEA Standard 1000 Plan \$1,000 Deductible (Blue Choice \$20)	Single	673.36	676.06	678.77	681.47	689.58
	2-Adult	1,517.62	1,523.71	1,529.81	1,535.90	1,554.19
	Family	1,847.14	1,854.56	1,861.98	1,869.40	1,891.65
	Adult w/ Child(ren)	1,191.69	1,196.48	1,196.48	1,206.05	1,220.40

Section 9 – Monthly Premiums (continued)

Active and Non-Medicare Eligible Retirees Monthly Premiums Effective 7/1/2018

Medical Plan	Coverage	Rate Band 61	Rate Band 62	Rate Band 63	Rate Band 64	Rate Band 67
% Relative to Rate Band 4		28.6%	29.1%	29.6%	30.1%	31.7%
MEA Choice Plus (HMO Choice)	Single	\$764.11	\$767.09	\$770.08	\$773.06	\$782.02
	2-Adult	1,722.16	1,728.89	1,735.62	1,742.34	1,762.53
	Family	2,096.10	2,104.29	2,112.48	2,120.67	2,145.23
	Adult w/ Child(ren)	1,352.31	1,357.59	1,362.87	1,368.15	1,384.00
MEA Standard Plan (Blue Choice \$15)	Single	825.14	828.36	831.59	834.81	844.48
	2-Adult	1,859.93	1,867.19	1,874.46	1,881.73	1,903.52
	Family	2,263.80	2,272.64	2,281.48	2,290.32	2,316.85
	Adult w/ Child(ren)	1,460.48	1,466.19	1,471.89	1,477.60	1,494.71
MEA Standard 500 Plan \$500 Deductible (Blue Choice \$20)	Single	725.90	728.74	731.57	734.41	742.91
	2-Adult	1,636.06	1,642.45	1,648.84	1,655.23	1,674.40
	Family	1,991.30	1,999.07	2,006.85	2,014.63	2,037.97
	Adult w/ Child(ren)	1,284.70	1,289.72	1,294.73	1,299.75	1,314.81
MEA Standard 1000 Plan \$1,000 Deductible (Blue Choice \$20)	Single	692.29	694.99	697.70	700.40	708.51
	2-Adult	1,560.28	1,566.38	1,572.47	1,578.57	1,596.85
	Family	1,899.07	1,906.49	1,913.91	1,921.33	1,943.58
	Adult w/ Child(ren)	1,225.19	1,229.98	1,234.76	1,239.55	1,253.91

Medical Plan	Coverage	Rate Band 69	Rate Band 70	Rate Band 71	Rate Band 73	Rate Band 74
% Relative to Rate Band 4		32.7%	33.2%	33.7%	34.7%	35.2%
MEA Choice Plus (HMO Choice)	Single	\$787.99	\$790.97	\$793.96	\$799.93	\$802.91
	2-Adult	1,775.98	1,782.71	1,789.44	1,802.89	1,809.62
	Family	2,161.61	2,169.79	2,177.98	2,194.36	2,202.55
	Adult w/ Child(ren)	1,394.57	1,399.85	1,405.13	1,415.70	1,420.98
MEA Standard Plan (Blue Choice \$15)	Single	850.92	854.15	857.37	863.82	867.04
	2-Adult	1,918.05	1,925.32	1,932.58	1,947.11	1,954.38
	Family	2,334.54	2,343.38	2,352.22	2,369.91	2,378.75
	Adult w/ Child(ren)	1,506.12	1,511.83	1,517.53	1,528.94	1,534.65
MEA Standard 500 Plan \$500 Deductible (Blue Choice \$20)	Single	748.59	751.42	754.26	759.93	762.76
	2-Adult	1,687.18	1,693.58	1,699.97	1,712.75	1,719.14
	Family	2,053.52	2,061.30	2,069.08	2,084.64	2,092.42
	Adult w/ Child(ren)	1,324.84	1,329.86	1,334.88	1,344.92	1,349.94
MEA Standard 1000 Plan \$1,000 Deductible (Blue Choice \$20)	Single	713.92	716.63	719.33	724.74	727.44
	2-Adult	1,609.04	1,615.14	1,621.23	1,633.42	1,639.51
	Family	1,958.42	1,965.84	1,973.25	1,988.09	1,995.51
	Adult w/ Child(ren)	1,263.48	1,268.26	1,273.05	1,282.62	1,287.41

Section 9 – Monthly Premiums (continued)

Active and Non-Medicare Eligible Retirees Monthly Premiums Effective 7/1/2018

Medical Plan	Coverage	Rate Band 75	Rate Band 76	Rate Band 78	Rate Band 79	Rate Band 80
% Relative to Rate Band 4		35.7%	36.2%	37.2%	37.7%	38.2%
MEA Choice Plus (HMO Choice)	Single	\$805.90	\$808.88	\$814.85	\$817.84	\$820.82
	2-Adult	1,816.34	1,823.07	1,836.53	1,843.25	1,849.98
	Family	2,210.73	2,218.92	2,235.30	2,243.48	2,251.67
	Adult w/ Child(ren)	1,426.26	1,431.54	1,442.11	1,447.39	1,452.67
MEA Standard Plan (Blue Choice \$15)	Single	870.26	873.49	879.93	883.16	886.38
	2-Adult	1,961.64	1,968.91	1,983.44	1,990.70	1,997.97
	Family	2,387.60	2,396.44	2,414.13	2,422.97	2,431.81
	Adult w/ Child(ren)	1,540.35	1,546.06	1,557.47	1,563.17	1,568.88
MEA Standard 500 Plan \$500 Deductible (Blue Choice \$20)	Single	765.60	768.43	774.11	776.94	779.78
	2-Adult	1,725.53	1,731.92	1,744.70	1,751.09	1,757.48
	Family	2,100.20	2,107.97	2,123.53	2,131.31	2,139.09
	Adult w/ Child(ren)	1,354.95	1,359.97	1,370.01	1,375.03	1,380.05
MEA Standard 1000 Plan \$1,000 Deductible (Blue Choice \$20)	Single	730.15	732.85	738.26	740.96	743.67
	2-Adult	1,645.61	1,651.70	1,663.89	1,669.99	1,676.08
	Family	2,002.93	2,010.35	2,025.18	2,032.60	2,040.02
	Adult w/ Child(ren)	1,292.19	1,296.98	1,306.55	1,311.34	1,316.12

Medical Plan	Coverage	Rate Band 82	Rate Band 83	Rate Band 84	Rate Band 85	Rate Band 87
% Relative to Rate Band 4		39.2%	39.7%	40.2%	40.7%	41.7%
MEA Choice Plus (HMO Choice)	Single	\$826.79	\$829.77	\$832.76	\$835.74	\$841.71
	2-Adult	1,863.43	1,870.16	1,876.89	1,883.62	1,897.07
	Family	2,268.05	2,276.24	2,284.42	2,292.61	2,308.99
	Adult w/ Child(ren)	1,463.24	1,468.52	1,473.80	1,479.09	1,489.65
MEA Standard Plan (Blue Choice \$15)	Single	892.83	896.05	899.27	902.50	908.94
	2-Adult	2,012.50	2,019.77	2,027.03	2,034.30	2,048.83
	Family	2,449.50	2,458.34	2,467.18	2,476.03	2,493.71
	Adult w/ Child(ren)	1,580.29	1,585.99	1,591.70	1,597.40	1,608.81
MEA Standard 500 Plan \$500 Deductible (Blue Choice \$20)	Single	785.45	788.28	791.12	793.95	799.63
	2-Adult	1,770.27	1,776.66	1,783.05	1,789.44	1,802.22
	Family	2,154.64	2,162.42	2,170.20	2,177.98	2,193.54
	Adult w/ Child(ren)	1,390.08	1,395.10	1,400.12	1,405.14	1,415.17
MEA Standard 1000 Plan \$1,000 Deductible (Blue Choice \$20)	Single	749.08	751.78	754.49	757.19	762.60
	2-Adult	1,688.27	1,694.37	1,700.46	1,706.56	1,718.75
	Family	2,054.86	2,062.27	2,069.69	2,077.11	2,091.95
	Adult w/ Child(ren)	1,325.69	1,330.48	1,335.27	1,340.05	1,349.62

Section 9 – Monthly Premiums (continued)

Active and Non-Medicare Eligible Retirees Monthly Premiums Effective 7/1/2018

Medical Plan	Coverage	Rate Band 90	Rate Band 91	Rate Band 94	Rate Band 97	Rate Band 99
% Relative to Rate Band 4		43.2%	43.7%	45.2%	46.7%	47.7%
MEA Choice Plus (HMO Choice)	Single	\$850.67	\$853.65	\$862.61	\$871.56	\$877.53
	2-Adult	1,917.25	1,923.98	1,944.16	1,964.34	1,977.80
	Family	2,333.55	2,341.74	2,366.30	2,390.87	2,407.24
	Adult w/ Child(ren)	1,505.50	1,510.78	1,526.63	1,542.48	1,553.04
MEA Standard Plan (Blue Choice \$15)	Single	918.61	921.84	931.50	941.17	947.62
	2-Adult	2,070.62	2,077.89	2,099.69	2,121.48	2,136.01
	Family	2,520.24	2,529.08	2,555.61	2,582.14	2,599.83
	Adult w/ Child(ren)	1,625.93	1,631.63	1,648.75	1,665.86	1,677.27
MEA Standard 500 Plan \$500 Deductible (Blue Choice \$20)	Single	808.13	810.97	819.47	827.98	833.65
	2-Adult	1,821.39	1,827.78	1,846.96	1,866.13	1,878.91
	Family	2,216.87	2,224.65	2,247.99	2,271.32	2,286.88
	Adult w/ Child(ren)	1,430.23	1,435.25	1,450.30	1,465.36	1,475.39
MEA Standard 1000 Plan \$1,000 Deductible (Blue Choice \$20)	Single	770.71	773.42	781.53	789.64	795.05
	2-Adult	1,737.03	1,743.13	1,761.41	1,779.70	1,791.89
	Family	2,114.20	2,121.62	2,143.87	2,166.13	2,180.97
	Adult w/ Child(ren)	1,363.98	1,368.77	1,383.13	1,397.48	1,407.05

Medical Plan	Coverage	Rate Band 101	Rate Band 103	Rate Band 106	Rate Band 110	Rate Band 115
% Relative to Rate Band 4		48.7%	49.7%	51.3%	53.3%	55.8%
MEA Choice Plus (HMO Choice)	Single	\$883.50	\$889.47	\$898.42	\$910.36	\$925.29
	2-Adult	1,991.25	2,004.71	2,024.89	2,051.80	2,085.43
	Family	2,423.62	2,439.99	2,464.56	2,497.31	2,538.25
	Adult w/ Child(ren)	1,563.61	1,574.17	1,590.02	1,611.15	1,637.56
MEA Standard Plan (Blue Choice \$15)	Single	954.07	960.51	970.18	983.08	999.19
	2-Adult	2,150.54	2,165.07	2,186.87	2,215.93	2,252.26
	Family	2,617.51	2,635.20	2,661.73	2,697.10	2,741.31
	Adult w/ Child(ren)	1,688.68	1,700.09	1,717.21	1,740.03	1,768.55
MEA Standard 500 Plan \$500 Deductible (Blue Choice \$20)	Single	839.32	844.99	853.50	864.84	879.02
	2-Adult	1,891.69	1,904.47	1,923.65	1,949.21	1,981.16
	Family	2,302.44	2,317.99	2,341.33	2,372.44	2,411.34
	Adult w/ Child(ren)	1,485.43	1,495.47	1,510.52	1,530.60	1,555.69
MEA Standard 1000 Plan \$1,000 Deductible (Blue Choice \$20)	Single	800.46	805.87	813.98	824.80	838.32
	2-Adult	1,804.08	1,816.27	1,834.55	1,858.93	1,889.40
	Family	2,195.80	2,210.64	2,232.89	2,262.57	2,299.66
	Adult w/ Child(ren)	1,416.63	1,426.20	1,440.56	1,459.70	1,483.63

Section 9 – Monthly Premiums (continued)

Medicare Eligible Retirees Monthly Premiums Effective 7/1/2018

Group Companion¹	Premiums
Single	\$440.71
2-Adult	925.07
Family	N/A
Adult w/ Child(ren)	N/A

¹ Medigap B, Harvard Pilgrim, and MSMA assumed to have the same premiums for valuation.

Section 10 – Summary of Participant Demographic Information

The table below presents a summary of the basic participant information as of June 30, 2017 for the active and inactive participants covered under the terms of the Plan. The participant data used in the valuation was provided by the State of Maine.

Active participants		
Count		27,056
Average age		46.16
Average past service		15.27
Terminated vested participants		
Count		449
Average age		60.41
Retirees		
Count		10,473
Average age		72.09

Distribution of Inactive Participants by Age

<u>Ages</u>	<u>Terminated Vested</u>	<u>Retirees</u>
<45	14	1
45-49	12	5
50-54	47	18
55-59	110	90
60-64	166	1,585
65+	<u>100</u>	<u>8,774</u>
Total	449	10,473

Section 10 – Summary of Participant Demographic Information (continued)

Distribution by Age and Service – Actives

Service Groups											
Age Group	<u>Under 1</u>	<u>1 - 4</u>	<u>5 - 9</u>	<u>10 - 14</u>	<u>15 - 19</u>	<u>20 - 24</u>	<u>25 - 29</u>	<u>30 - 34</u>	<u>35-39</u>	<u>40+</u>	<u>All Years</u>
0-24	384	496	13	0	0	0	0	0	0	0	893
25-29	331	1,272	520	36	0	0	0	0	0	0	2,159
30-34	270	730	824	818	56	0	0	0	0	0	2,698
35-39	196	611	441	946	905	41	0	0	0	0	3,140
40-44	200	610	413	525	838	786	23	0	0	0	3,395
45-49	168	528	445	543	546	987	566	13	0	0	3,796
50-54	102	356	299	465	539	456	717	550	10	0	3,494
55-59	100	250	223	361	581	476	457	829	452	4	3,733
60-64	56	164	139	235	323	416	403	288	523	135	2,682
65-69	14	82	53	90	104	116	114	101	70	111	855
70+	8	41	25	29	21	17	21	21	9	19	211
Total	1,829	5,140	3,395	4,048	3,913	3,295	2,301	1,802	1,064	269	27,056

Section 10 – Summary of Participant Demographic Information (continued)

Active Distribution by Plan and Coverage

Medical Plan	Single	2-Party	Family	EE + Child(ren)	Waived	Total
Blue Choice \$15	1,261	383	551	335	<u>n/a</u>	2,530
Blue Choice \$20	433	97	239	139	<u>n/a</u>	908
HMO Choice	6,365	1,833	4,262	3,138	<u>n/a</u>	15,598
Waived	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>8,020</u>	<u>8,020</u>
Total	8,059	2,313	5,052	3,612	8,020	27,056

Retiree Distribution by Plan and Coverage

Medical Plan	Single	2-Party	Family	EE + Child(ren)	Other	Total
Blue Choice \$15	1,158	59	6	1	0	1,224
Blue Choice \$20	95	16	1	2	0	114
Group Companion	6,557	1,082	0	0	0	7,639
Harvard Pilgrim	42	0	0	0	0	42
HMO Choice	1,220	98	13	9	0	1,340
Medigap B	0	0	0	0	104	104
MSMA	<u>10</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>10</u>
Total	9,082	1,255	20	12	104	10,473