



State of Maine Teachers Retiree Healthcare Plan **Actuarial Valuation Report**

June 30, 2019

Prepared by Deloitte Consulting LLP

September 2020

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Actuarial Valuation Opinion

This report presents results of the actuarial valuation of the "Other" Post-Employment Benefits ("OPEB") provided under the State of Maine Retiree Healthcare Plan for Teachers ("Teachers Plan" or "Plan") as of June 30, 2019. In our opinion, this report is complete and accurate and represents fairly the actuarial position of the Plan for the purposes stated herein.

The State of Maine provided the participant data, financial information, and plan descriptions as of June 30, 2019 to be used as the basis of this valuation. The actuary has analyzed the data and other information provided for reasonableness but has not independently audited the data or other information provided. The actuary has no reason to believe the data or other information provided is not complete and 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 that are each reasonable (or consistent with authoritative guidance) for the purposes herein taking into account the experience of the Plan 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 for this actuarial valuation 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.

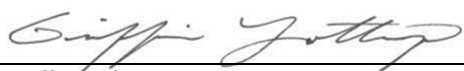
DELOITTE CONSULTING LLP



Michael de Leon, FCA, ASA, EA, MAAA
Managing Director



John Schubert, FCA, ASA, MAAA, CEBS
Specialist Leader



Griffin Lothrop, FCA, ASA, EA, MAAA
Specialist Leader

Background and Comments

Governmental Accounting Requirements and Report Purpose

The Governmental Accounting Standards Board released the Statement of Governmental Accounting Standard 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. The State of Maine is a non-employer contributing entity with respect to certain OPEB benefits provided to eligible teachers, as described in this report. The State of Maine adopted GASB No. 75 for the June 30, 2018 Reporting Date (using a Measurement Date of June 30, 2017).

The purpose of this actuarial valuation report is to provide information that will serve as the basis for the State of Maine’s employer financial reporting. The information provided herein will be used for the Reporting Dates for fiscal years ending June 30, 2020 and June 30, 2021 (for GASB No. 75 the State of Maine has elected to use a measurement date as of the end of the prior fiscal year). GASB No. 75 disclosures will be provided under separate cover.

Overview of Plan

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 7 – Summary of Substantive Plan Provisions of this report.

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.

Background and Comments (Cont.)

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 that 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 applicable provisions of PPACA 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. We estimate the impact of the excise tax to be de minimis for this measurement and therefore the excise tax was not valued. Further, the tax was repealed on December 20, 2019 and there will no longer be any liability associated with this tax in future measurements.

The provisions of PPACA considered are 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 preventive 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
- Out-of-pocket limit includes both medical and Rx expenses

Background and Comments (Cont.)

Actuarial Methods and Assumptions

The actuarial methods and assumptions are described in Section 5 – Summary of Actuarial Methods & Assumptions 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 3.50% as of the measurement date, June 30, 2019, (3.58% as of June 30, 2017).

Pre-65 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. Costs for Medicare-eligible retirees are developed by applying age-grading factors to current Medicare Advantage premiums. We note that the current premiums increased higher than expected.

For the June 30, 2019 valuation, the valuation was based on the same plan provisions and actuarial methods and assumptions as the previous valuation with the exception of the following:

- The discount rate assumption was updated to 3.50%.
- Healthcare cost trend rates were updated based on industry observations and the current SOA-Getzen model.

The effect of these changes on the Actuarial Accrued Liability is summarized in Section 2 – Actuarial Experience of the report. The actuarial methods and assumptions are described in more detail later in this report.

Valuation Results

Section 1 – Summary of Actuarial Valuation Results

Presented below are the current and prior actuarial valuation results for the Teachers Plan. All information is provided as of the valuation date shown. Dollar amounts are in thousands.

	Valuation Date	
	June 30, 2019	June 30, 2017
1. Actuarial Accrued Liability	\$1,441,260	\$1,248,326
2. Actuarial Value of Assets	-	-
3. Unfunded Actuarial Accrued Liability (UAAL) (1) - (2)	\$1,441,260	\$1,248,326
4. Funded ratio (2 / 1)	0.00%	0.00%
5. UAAL as a percentage of covered payroll (3 / 8b)	114.32%	108.63%
6. Normal Cost	\$44,132	\$35,795
7. Discount Rate	3.50%	3.58%
8. Census Data Used		
a. Count of Covered Participants		
Actives	27,236	27,056
Terminated Vested - Eligible for Participation	533	449
Retirees	10,292	10,473
Total	38,061	37,978
b. Covered Payroll	\$1,260,742	\$1,149,126
9. Expected Benefit Payments	\$30,301	\$31,943

Section 2 – 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, 2017 to June 30, 2019. Dollar amounts are in thousands.

1. Actuarial Accrued Liability as of June 30, 2017		\$1,248,326
2. Normal Cost for year ending June 30, 2018		35,795
3. Actual Benefit Payments for the year ending June 30, 2018		(26,855)
4. Interest at 3.58% on (1), (2) and (3)		45,495
5. Expected Actuarial Accrued Liability as of June 30, 2018 (1) + (2) + (3) + (4)		\$1,302,761
6. Normal Cost for year ending June 30, 2019		\$36,869
7. Actual Benefit Payments for the year ending June 30, 2019		(33,032)
8. Interest at 3.58% on (5), (6) and (7)		47,373
9. Expected Actuarial Accrued Liability as of June 30, 2019 (5) + (6) + (7) + (8)		\$1,353,971
10. (Gain)/Loss		
i. Demographic and Premium Experience	60,220	
ii. Change in Trend Rates	6,793	
iii. Change in Discount Rate	20,276	
iv. Total (Gain)/Loss		87,289
11. Actual Actuarial Accrued Liability as of June 30, 2019 (5) + (6)(iv)		\$1,441,260

Section 3 – Development of Unfunded Actuarial Accrued Liability

Presented below is the development of the Unfunded Actuarial Accrued Liability as of June 30, 2019, 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	\$1,327,658
Terminated Vested	31,093
Retirees and beneficiaries	579,355
Total	<u>\$1,938,106</u>
2. Present Value of Future Normal Costs	\$496,846
3. Actuarial Accrued Liability	
Actives	\$830,812
Terminated Vested	31,093
Retirees and beneficiaries	579,355
Total	<u>\$1,441,260</u>
4. Actuarial Value of Assets	-
5. Unfunded Actuarial Accrued Liability (3) - (4)	\$1,441,260

Section 4 – 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 actuarial assumptions shown in Section 5 - Summary of Actuarial Methods & Assumptions. 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	Amount
6/30/2020	\$30,301
6/30/2021	32,456
6/30/2022	34,832
6/30/2023	37,417
6/30/2024	40,150
6/30/2025	42,978
6/30/2026	45,903
6/30/2027	48,961
6/30/2028	51,959
6/30/2029	55,135

Basis for the Valuation

Section 5 – 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 monthly benefit payable at retirement is initially required to determine costs and liabilities under this method.

The Normal Cost is the sum of the annual contributions required for each participant from his entry date to his assumed retirement date so that the accumulated contribution at retirement is equal to the liability for the projected benefit. The projected benefits are based on estimates of future years of service. 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 payable 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 participants currently receiving benefits and terminated vested participants is calculated as the actuarial present value of future benefits expected to be paid. No normal cost is payable 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 put a funding policy into place at that time.

Financial and Census Data

The State of Maine provided the participant data, financial information and plan descriptions used in this valuation. The actuary has checked the data for reasonableness, but has not independently audited the data. The actuary has no reason to believe the data is not complete and accurate, and knows of no further information that is essential to the preparation of the actuarial valuation.

Plan Fiduciary Net Position

There are currently no plan assets held in a irrevocable trust or equivalent arrangement.

Section 5 – Summary of Actuarial Methods & Assumptions (Cont.)

Census Date

June 30, 2019

Measurement Date

June 30, 2019

Method Changes Since Prior Valuation

None.

Section 5 – Summary of Actuarial Methods & Assumptions (Cont.)

Discount Rate	3.50%																						
Healthy Mortality	<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>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>Sample Rates of Termination at Selected Years of Service:</p> <table style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;">Service</th> <th style="text-align: left;">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%
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Section 5 – Summary of Actuarial Methods & Assumptions (Cont.)

Retirement	<p>Sample Rates of Retirement at Selected Ages (see Section 7 for Tier eligibility):</p> <table border="1"> <thead> <tr> <th>Age</th> <th>Tier 1</th> <th>Tier 2</th> <th>Tier 3</th> </tr> </thead> <tbody> <tr><td>50</td><td>2.9%</td><td>N/A</td><td>N/A</td></tr> <tr><td>55</td><td>4.0%</td><td>4.0%</td><td>4.0%</td></tr> <tr><td>56</td><td>4.0%</td><td>4.0%</td><td>4.0%</td></tr> <tr><td>57</td><td>4.0%</td><td>4.0%</td><td>4.0%</td></tr> <tr><td>58</td><td>7.5%</td><td>4.0%</td><td>4.0%</td></tr> <tr><td>59</td><td>15.0%</td><td>4.0%</td><td>4.0%</td></tr> <tr><td>60</td><td>25.0%</td><td>7.5%</td><td>4.0%</td></tr> <tr><td>61</td><td>20.0%</td><td>17.5%</td><td>4.0%</td></tr> <tr><td>62</td><td>20.0%</td><td>25.0%</td><td>4.0%</td></tr> <tr><td>63</td><td>20.0%</td><td>15.0%</td><td>7.5%</td></tr> <tr><td>64</td><td>25.0%</td><td>20.0%</td><td>22.5%</td></tr> <tr><td>65</td><td>35.0%</td><td>25.0%</td><td>30.0%</td></tr> <tr><td>70</td><td>20.0%</td><td>20.0%</td><td>30.0%</td></tr> <tr><td>75</td><td>100%</td><td>100%</td><td>100%</td></tr> </tbody> </table>	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%
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Section 5 – Summary of Actuarial Methods & Assumptions (Cont.)

Healthcare Cost Increases	<p>Medical trend rates were developed using a combination of trend surveys and the SOA-Getzen trend rate model. Initial trend rates start at 6.20% in 2020 based on survey data and client market expectations. The SOA-Getzen model was then used to determine the trend rates beginning in year 2024 and thereafter based on reasonable macro-economic assumptions for the growth of health care expenditures during this period relative to the general economy.</p>																																																																														
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Monthly Premiums	<p>Actual premiums disclosed in Section 8 were used in the valuation for those receiving benefits. The premium information for certain participants prior to Medicare eligibility was not available and was therefore assumed to be equivalent to the Standard Plan for rate band 165 (highest rate band), with a State Share of \$522.16. The premium information for certain Medicare-eligible participants was not available and was therefore assumed to be equivalent to the Group Companion plan (the plan with the highest percentage of enrolled retirees for post-65 participants), with a State Share of \$208.35.</p>																																																																														

Section 5 – Summary of Actuarial Methods & Assumptions (Cont.)

Annual Claims Costs: Medicare Advantage Plan	<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: \$463 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 style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;">Age</th> <th style="text-align: left;">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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Salary Increases	<p>Sample rates below:</p> <table style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;">Service</th> <th style="text-align: left;">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%		
Service	Rate																
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Inflation Rate	2.75% annually																
Aggregate Payroll Increases	3.00% annually																
Coverage Election	<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 (based on coverage at termination, if available) who have maintained eligibility for coverage at retirement.</p>																
Medical Plan at Retirement	<p>Non-Medicare eligible: Current plan election, or most recent plan election if currently waived or terminated vested. If recent plan election information is not available, assumed to be the Standard Plan for rate band 165 (highest rate band).</p> <p>Medicare eligible: Currently available Medicare plan.</p>																
Ineligible Teachers	<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 6 – Rationale for Assumptions

Discount Rate	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.
Inflation	Inflation is consistent with the assumption used in the June 30, 2019 MainePERS actuarial valuation.
Mortality, Withdrawal, Retirement, and Salary Scale	The assumptions used in the actuarial valuation are the same assumptions as the June 30, 2019 actuarial valuation for the MainePERS State and Teacher Retirement Program.
Coverage Election	Based on recent experience of the plan.
Annual Medical Trend	Rationale described in Section 5 – Summary of Actuarial Methods & Assumptions.
Health Care Reform	Rationale described in Background and Comments section.
Monthly Premiums	For groups where premium information was unavailable, the premiums were set equivalent to the highest rate band for pre-65 participants and the plan with the highest percentage of enrolled retirees for post-65 participants.

Section 7 – 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 7 – Summary of Substantive Plan Provisions (Cont.)

Medical Benefits	Plan participants under the Maine Municipal Employees Health Trust are covered by one of five medical plans: MEA Choice Plus, MEA Standard Plan, MEA Standard Plan \$500 Deductible, MEA Standard Plan \$1,000 Deductible, or MEA Group Companion Plan (upon Medicare-eligibility).	
	MEA Choice Plus	
	Deductible Single/Family:	\$200/\$400 as authorized by PCP, \$250/\$500 if not authorized by PCP
	Coinsurance Limit:	\$1,000/\$2,000 authorized, \$2,250/\$4,500 not authorized
	Out-of-Pocket Limit Single/Family:	\$7,900/\$15,800 authorized, \$9,200/\$18,400 not authorized
	Physician Services:	\$15-\$25 copayment per visit authorized, 65% after deductible not authorized
	Hospital Services:	85% after deductible authorized, 65% after deductible not authorized
	Retail Prescription Drugs (30-day supply):	\$10 Tier 1a, \$15 Tier 1b, \$35 Tier 2, \$60 Tier 3, \$85 Tier 4 Specialty
	Mail Order Prescription Drugs (90-day supply):	\$20 Tier 1a, \$30 Tier 1b, \$70 Tier 2, \$120 Tier 3, Tier 4 Not Eligible for 90-day supply
	MEA Standard Plan	
	Deductible Single/Family:	\$200/\$400
	Coinsurance Limit:	\$1,000/\$2,000
	Out-of-Pocket Limit Single/Family:	\$7,900/\$15,800
	Physician Services:	\$15-\$25 copayment per visit in-network, 65% after deductible out-of-network
	Hospital Services:	85% after deductible in-network, 65% after deductible out-of-network
Retail Prescription Drugs (30-day supply):	\$10 Tier 1a, \$15 Tier 1b, \$35 Tier 2, \$60 Tier 3, \$85 Tier 4 Specialty	
Mail Order Prescription Drugs (90-day supply):	\$20 Tier 1a, \$30 Tier 1b, \$70 Tier 2, \$120 Tier 3, Tier 4 Not Eligible for 90-day supply	

Section 7 – Summary of Substantive Plan Provisions (Cont.)

Medical Benefits	MEA Standard Plan \$500 Deductible	
	Deductible Single/Family:	\$500/\$1,000
	Coinsurance Limit:	\$2,000/\$4,000
	Out-of-Pocket Limit Single/Family:	\$7,900/\$15,800
	Physician Services:	\$20-\$30 copayment per visit in-network, 60% after deductible out-of-network
	Hospital Services:	80% after deductible in-network, 60% after deductible out-of-network
	Retail Prescription Drugs (30-day supply):	\$10 Tier 1a, \$15 Tier 1b, \$35 Tier 2, \$60 Tier 3, \$85 Tier 4 Specialty
	Mail Order Prescription Drugs (90-day supply):	\$20 Tier 1a, \$30 Tier 1b, \$70 Tier 2, \$120 Tier 3, Tier 4 Not Eligible for 90-day supply
	MEA Standard Plan \$1,000 Deductible	
	Deductible Single/Family:	\$1,000/\$2,000
	Coinsurance Limit:	\$2,000/\$4,000
	Out-of-Pocket Limit Single/Family:	\$7,900/\$15,800
	Physician Services:	\$20-\$30 copayment per visit in-network, 60% after deductible out-of-network
	Hospital Services:	80% after deductible in-network, 60% after deductible out-of-network
	Retail Prescription Drugs (30-day supply):	\$10 Tier 1a, \$15 Tier 1b, \$35 Tier 2, \$60 Tier 3, \$85 Tier 4 Specialty
	Mail Order Prescription Drugs (90-day supply):	\$20 Tier 1a, \$30 Tier 1b, \$70 Tier 2, \$120 Tier 3, Tier 4 Not Eligible for 90-day supply
	MEA Group Companion Plan	
	Deductible Individual:	\$100
	Individual Coinsurance Limit:	\$600
	Lifetime Benefit Maximum:	\$5,000,000
	Physician Services:	\$0
	Hospital Services:	\$0
	Retail Prescription Drugs (30-day supply):	\$10 Tier 1a, \$15 Tier 1b, \$35 Tier 2, \$60 Tier 3, \$85 Tier 4 Specialty
	Mail Order Prescription Drugs (90-day supply):	\$20 Tier 1a, \$30 Tier 1b, \$70 Tier 2, \$120 Tier 3, Tier 4 Not Eligible for 90-day supply

Section 8 – Monthly Premiums

Monthly Premiums

See Section 6 – Rationale for Assumptions for a description of the application of the monthly premiums disclosed below.

Active and Non-Medicare Eligible Retirees Monthly Premiums Effective July 1, 2019

Medical Plan	Coverage	Rate Band CR	Rate Band 12	Rate Band 14	Rate Band 24	Rate Band 26
% Relative to Rate Band 12		31.4%	0.0%	1.0%	5.8%	6.8%
MEA Choice Plus	Single	\$811.60	\$617.85	\$623.82	\$653.67	\$659.64
	2-Adult	\$1,829.16	\$1,392.53	\$1,405.98	\$1,473.26	\$1,486.71
MEA Standard Plan	Single	\$876.41	\$667.20	\$673.65	\$705.88	\$712.33
	2-Adult	\$1,975.51	\$1,503.93	\$1,518.46	\$1,591.11	\$1,605.64
MEA Standard 500 Plan	Single	\$771.00	\$586.96	\$592.63	\$620.99	\$626.66
	2-Adult	\$1,737.71	\$1,322.91	\$1,335.69	\$1,399.60	\$1,412.38
MEA Standard 1000 Plan	Single	\$735.31	\$559.78	\$565.19	\$592.23	\$597.64
	2-Adult	\$1,657.24	\$1,261.63	\$1,273.82	\$1,334.77	\$1,346.96

Medical Plan	Coverage	Rate Band 28	Rate Band 29	Rate Band 30	Rate Band 31	Rate Band 33
% Relative to Rate Band 12		7.7%	8.2%	8.7%	9.2%	10.1%
MEA Choice Plus	Single	\$665.61	\$668.60	\$671.58	\$674.56	\$680.53
	2-Adult	\$1,500.17	\$1,506.89	\$1,513.62	\$1,520.35	\$1,533.80
MEA Standard Plan	Single	\$718.77	\$722.00	\$725.22	\$728.44	\$734.89
	2-Adult	\$1,620.17	\$1,627.44	\$1,634.70	\$1,641.97	\$1,656.50
MEA Standard 500 Plan	Single	\$632.33	\$635.16	\$638.00	\$640.83	\$646.51
	2-Adult	\$1,425.16	\$1,431.55	\$1,437.94	\$1,444.33	\$1,457.11
MEA Standard 1000 Plan	Single	\$603.05	\$605.75	\$608.46	\$611.16	\$616.57
	2-Adult	\$1,359.15	\$1,365.25	\$1,371.34	\$1,377.44	\$1,389.63

Medical Plan	Coverage	Rate Band 35	Rate Band 36	Rate Band 37	Rate Band 38	Rate Band 40
% Relative to Rate Band 12		11.1%	11.6%	12.1%	12.6%	13.5%
MEA Choice Plus	Single	\$686.50	\$689.49	\$692.47	\$695.46	\$701.43
	2-Adult	\$1,547.26	\$1,553.98	\$1,560.71	\$1,567.44	\$1,580.89
MEA Standard Plan	Single	\$741.34	\$744.56	\$747.78	\$751.01	\$757.45
	2-Adult	\$1,671.03	\$1,678.30	\$1,685.56	\$1,692.83	\$1,707.36
MEA Standard 500 Plan	Single	\$652.18	\$655.01	\$657.85	\$660.68	\$666.35
	2-Adult	\$1,469.90	\$1,476.29	\$1,482.68	\$1,489.07	\$1,501.85
MEA Standard 1000 Plan	Single	\$621.98	\$624.68	\$627.39	\$630.09	\$635.50
	2-Adult	\$1,401.82	\$1,407.91	\$1,414.01	\$1,420.10	\$1,432.29

Section 8 – Monthly Premiums (Cont.)

Monthly Premiums

Active and Non-Medicare Eligible Retirees Monthly Premiums Effective July 1, 2019

Medical Plan	Coverage	Rate Band 41	Rate Band 43	Rate Band 45	Rate Band 47	Rate Band 48
% Relative to Rate Band 12		14.0%	15.0%	15.9%	16.9%	17.4%
MEA Choice Plus	Single	\$704.41	\$710.38	\$716.35	\$722.32	\$725.31
	2-Adult	\$1,587.62	\$1,601.07	\$1,614.53	\$1,627.98	\$1,634.71
MEA Standard Plan	Single	\$760.68	\$767.12	\$773.57	\$780.01	\$783.24
	2-Adult	\$1,714.62	\$1,729.15	\$1,743.68	\$1,758.21	\$1,765.48
MEA Standard 500 Plan	Single	\$669.19	\$674.86	\$680.53	\$686.20	\$689.04
	2-Adult	\$1,508.24	\$1,521.02	\$1,533.80	\$1,546.59	\$1,552.98
MEA Standard 1000 Plan	Single	\$638.20	\$643.61	\$649.02	\$654.43	\$657.13
	2-Adult	\$1,438.38	\$1,450.57	\$1,462.76	\$1,474.95	\$1,481.05

Medical Plan	Coverage	Rate Band 49	Rate Band 50	Rate Band 51	Rate Band 52	Rate Band 53
% Relative to Rate Band 12		17.9%	18.4%	18.8%	19.3%	19.8%
MEA Choice Plus	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
MEA Standard Plan	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
MEA Standard 500 Plan	Single	\$691.87	\$694.71	\$697.55	\$700.38	\$703.22
	2-Adult	\$1,559.37	\$1,565.76	\$1,572.15	\$1,578.54	\$1,584.93
MEA Standard 1000 Plan	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

Medical Plan	Coverage	Rate Band 54	Rate Band 55	Rate Band 56	Rate Band 57	Rate Band 58
% Relative to Rate Band 12		20.3%	20.8%	21.3%	21.7%	22.2%
MEA Choice Plus	Single	\$743.22	\$746.20	\$749.18	\$752.17	\$755.15
	2-Adult	\$1,675.07	\$1,681.80	\$1,688.53	\$1,695.25	\$1,701.98
MEA Standard Plan	Single	\$802.58	\$805.80	\$809.02	\$812.25	\$815.47
	2-Adult	\$1,809.07	\$1,816.34	\$1,823.60	\$1,830.87	\$1,838.13
MEA Standard 500 Plan	Single	\$706.05	\$708.89	\$711.72	\$714.56	\$717.39
	2-Adult	\$1,591.32	\$1,597.71	\$1,604.10	\$1,610.49	\$1,616.89
MEA Standard 1000 Plan	Single	\$673.36	\$676.06	\$678.77	\$681.47	\$684.18
	2-Adult	\$1,517.62	\$1,523.71	\$1,529.81	\$1,535.90	\$1,542.00

Section 8 – Monthly Premiums (Cont.)

Monthly Premiums

Active and Non-Medicare Eligible Retirees Monthly Premiums Effective July 1, 2019

Medical Plan	Coverage	Rate Band 59	Rate Band 60	Rate Band 61	Rate Band 62	Rate Band 63
% Relative to Rate Band 12		22.7%	23.2%	23.7%	24.2%	24.6%
MEA Choice Plus	Single	\$758.14	\$761.12	\$764.11	\$767.09	\$770.08
	2-Adult	\$1,708.71	\$1,715.44	\$1,722.16	\$1,728.89	\$1,735.62
MEA Standard Plan	Single	\$818.69	\$821.92	\$825.14	\$828.36	\$831.59
	2-Adult	\$1,845.40	\$1,852.66	\$1,859.93	\$1,867.19	\$1,874.46
MEA Standard 500 Plan	Single	\$720.23	\$723.07	\$725.90	\$728.74	\$731.57
	2-Adult	\$1,623.28	\$1,629.67	\$1,636.06	\$1,642.45	\$1,648.84
MEA Standard 1000 Plan	Single	\$686.88	\$689.58	\$692.29	\$694.99	\$697.70
	2-Adult	\$1,548.09	\$1,554.19	\$1,560.28	\$1,566.38	\$1,572.47

Medical Plan	Coverage	Rate Band 67	Rate Band 68	Rate Band 69	Rate Band 70	Rate Band 71
% Relative to Rate Band 12		26.6%	27.1%	27.5%	28.0%	28.5%
MEA Choice Plus	Single	\$782.02	\$785.00	\$787.99	\$790.97	\$793.96
	2-Adult	\$1,762.53	\$1,769.25	\$1,775.98	\$1,782.71	\$1,789.44
MEA Standard Plan	Single	\$844.48	\$847.70	\$850.92	\$854.15	\$857.37
	2-Adult	\$1,903.52	\$1,910.79	\$1,918.05	\$1,925.32	\$1,932.58
MEA Standard 500 Plan	Single	\$742.91	\$745.75	\$748.59	\$751.42	\$754.26
	2-Adult	\$1,674.40	\$1,680.79	\$1,687.18	\$1,693.58	\$1,699.97
MEA Standard 1000 Plan	Single	\$708.51	\$711.22	\$713.92	\$716.63	\$719.33
	2-Adult	\$1,596.85	\$1,602.95	\$1,609.04	\$1,615.14	\$1,621.23

Medical Plan	Coverage	Rate Band 72	Rate Band 75	Rate Band 76	Rate Band 77	Rate Band 78
% Relative to Rate Band 12		29.0%	30.4%	30.9%	31.4%	31.9%
MEA Choice Plus	Single	\$796.94	\$805.90	\$808.88	\$811.87	\$814.85
	2-Adult	\$1,796.16	\$1,816.34	\$1,823.07	\$1,829.80	\$1,836.53
MEA Standard Plan	Single	\$860.59	\$870.26	\$873.49	\$876.71	\$879.93
	2-Adult	\$1,939.85	\$1,961.64	\$1,968.91	\$1,976.18	\$1,983.44
MEA Standard 500 Plan	Single	\$757.09	\$765.60	\$768.43	\$771.27	\$774.11
	2-Adult	\$1,706.36	\$1,725.53	\$1,731.92	\$1,738.31	\$1,744.70
MEA Standard 1000 Plan	Single	\$722.03	\$730.15	\$732.85	\$735.56	\$738.26
	2-Adult	\$1,627.32	\$1,645.61	\$1,651.70	\$1,657.80	\$1,663.89

Section 8 – Monthly Premiums (Cont.)

Monthly Premiums

Active and Non-Medicare Eligible Retirees Monthly Premiums Effective July 1, 2019

Medical Plan	Coverage	Rate Band 79	Rate Band 82	Rate Band 83	Rate Band 84	Rate Band 85
% Relative to Rate Band 12		32.4%	33.8%	34.3%	34.8%	35.3%
MEA Choice Plus	Single	\$817.84	\$826.79	\$829.77	\$832.76	\$835.74
	2-Adult	\$1,843.25	\$1,863.43	\$1,870.16	\$1,876.89	\$1,883.62
MEA Standard Plan	Single	\$883.16	\$892.83	\$896.05	\$899.27	\$902.50
	2-Adult	\$1,990.71	\$2,012.50	\$2,019.77	\$2,027.03	\$2,034.30
MEA Standard 500 Plan	Single	\$776.94	\$785.45	\$788.28	\$791.12	\$793.95
	2-Adult	\$1,751.09	\$1,770.27	\$1,776.66	\$1,783.05	\$1,789.44
MEA Standard 1000 Plan	Single	\$740.96	\$749.08	\$751.78	\$754.49	\$757.19
	2-Adult	\$1,669.99	\$1,688.27	\$1,694.37	\$1,700.46	\$1,706.56

Medical Plan	Coverage	Rate Band 87	Rate Band 88	Rate Band 89	Rate Band 90	Rate Band 92
% Relative to Rate Band 12		36.2%	36.7%	37.2%	37.7%	38.6%
MEA Choice Plus	Single	\$841.71	\$844.70	\$847.68	\$850.67	\$856.64
	2-Adult	\$1,897.07	\$1,903.80	\$1,910.52	\$1,917.25	\$1,930.71
MEA Standard Plan	Single	\$908.94	\$912.17	\$915.39	\$918.61	\$925.06
	2-Adult	\$2,048.83	\$2,056.09	\$2,063.36	\$2,070.62	\$2,085.16
MEA Standard 500 Plan	Single	\$799.63	\$802.46	\$805.30	\$808.13	\$813.80
	2-Adult	\$1,802.22	\$1,808.61	\$1,815.00	\$1,821.39	\$1,834.17
MEA Standard 1000 Plan	Single	\$762.60	\$765.30	\$768.01	\$770.71	\$776.12
	2-Adult	\$1,718.75	\$1,724.84	\$1,730.94	\$1,737.03	\$1,749.22

Medical Plan	Coverage	Rate Band 94	Rate Band 95	Rate Band 96	Rate Band 97	Rate Band 98
% Relative to Rate Band 12		39.6%	40.1%	40.6%	41.1%	41.5%
MEA Choice Plus	Single	\$862.61	\$865.59	\$868.58	\$871.56	\$874.55
	2-Adult	\$1,944.16	\$1,950.89	\$1,957.62	\$1,964.34	\$1,971.07
MEA Standard Plan	Single	\$931.50	\$934.73	\$937.95	\$941.17	\$944.40
	2-Adult	\$2,099.69	\$2,106.95	\$2,114.22	\$2,121.48	\$2,128.75
MEA Standard 500 Plan	Single	\$819.47	\$822.31	\$825.15	\$827.98	\$830.82
	2-Adult	\$1,846.96	\$1,853.35	\$1,859.74	\$1,866.13	\$1,872.52
MEA Standard 1000 Plan	Single	\$781.53	\$784.23	\$786.94	\$789.64	\$792.35
	2-Adult	\$1,761.41	\$1,767.51	\$1,773.60	\$1,779.70	\$1,785.79

Section 8 – Monthly Premiums (Cont.)

Monthly Premiums

Active and Non-Medicare Eligible Retirees Monthly Premiums Effective July 1, 2019

Medical Plan	Coverage	Rate Band 99	Rate Band 101	Rate Band 102	Rate Band 103	Rate Band 104
% Relative to Rate Band 12		42.0%	43.0%	43.5%	44.0%	44.4%
MEA Choice Plus	Single	\$877.53	\$883.50	\$886.49	\$889.47	\$892.46
	2-Adult	\$1,977.80	\$1,991.25	\$1,997.98	\$2,004.71	\$2,011.43
MEA Standard Plan	Single	\$947.62	\$954.07	\$957.29	\$960.51	\$963.74
	2-Adult	\$2,136.01	\$2,150.54	\$2,157.81	\$2,165.07	\$2,172.34
MEA Standard 500 Plan	Single	\$833.65	\$839.32	\$842.16	\$844.99	\$847.83
	2-Adult	\$1,878.91	\$1,891.69	\$1,898.08	\$1,904.47	\$1,910.86
MEA Standard 1000 Plan	Single	\$795.05	\$800.46	\$803.16	\$805.87	\$808.57
	2-Adult	\$1,791.89	\$1,804.08	\$1,810.17	\$1,816.27	\$1,822.36

Medical Plan	Coverage	Rate Band 106	Rate Band 107	Rate Band 109	Rate Band 110	Rate Band 113
% Relative to Rate Band 12		45.4%	45.9%	46.9%	47.3%	48.8%
MEA Choice Plus	Single	\$898.42	\$901.41	\$907.38	\$910.36	\$919.32
	2-Adult	\$2,024.89	\$2,031.61	\$2,045.07	\$2,051.80	\$2,071.98
MEA Standard Plan	Single	\$970.18	\$973.41	\$979.85	\$983.08	\$992.75
	2-Adult	\$2,186.87	\$2,194.14	\$2,208.67	\$2,215.93	\$2,237.73
MEA Standard 500 Plan	Single	\$853.50	\$856.34	\$862.01	\$864.84	\$873.35
	2-Adult	\$1,923.65	\$1,930.04	\$1,942.82	\$1,949.21	\$1,968.38
MEA Standard 1000 Plan	Single	\$813.98	\$816.68	\$822.09	\$824.80	\$832.91
	2-Adult	\$1,834.55	\$1,840.64	\$1,852.83	\$1,858.93	\$1,877.21

Medical Plan	Coverage	Rate Band 115	Rate Band 116	Rate Band 117	Rate Band 118	Rate Band 119
% Relative to Rate Band 12		49.8%	50.2%	50.7%	51.2%	51.7%
MEA Choice Plus	Single	\$925.29	\$928.27	\$931.26	\$934.24	\$937.23
	2-Adult	\$2,085.43	\$2,092.16	\$2,098.89	\$2,105.61	\$2,112.34
MEA Standard Plan	Single	\$999.19	\$1,002.42	\$1,005.64	\$1,008.86	\$1,012.08
	2-Adult	\$2,252.26	\$2,259.52	\$2,266.79	\$2,274.05	\$2,281.32
MEA Standard 500 Plan	Single	\$879.02	\$881.86	\$884.69	\$887.53	\$890.36
	2-Adult	\$1,981.16	\$1,987.55	\$1,993.95	\$2,000.34	\$2,006.73
MEA Standard 1000 Plan	Single	\$838.32	\$841.02	\$843.73	\$846.43	\$849.13
	2-Adult	\$1,889.40	\$1,895.50	\$1,901.59	\$1,907.69	\$1,913.78

Section 8 – Monthly Premiums (Cont.)

Monthly Premiums

Active and Non-Medicare Eligible Retirees Monthly Premiums Effective July 1, 2019

Medical Plan	Coverage	Rate Band 121	Rate Band 124	Rate Band 129	Rate Band 131	Rate Band 137
% Relative to Rate Band 12		52.7%	54.1%	56.5%	57.5%	60.4%
MEA Choice Plus	Single	\$943.20	\$952.15	\$967.08	\$973.04	\$990.95
	2-Adult	\$2,125.80	\$2,145.98	\$2,179.61	\$2,193.07	\$2,233.43
MEA Standard Plan	Single	\$1,018.53	\$1,028.20	\$1,044.32	\$1,050.76	\$1,070.10
	2-Adult	\$2,295.85	\$2,317.65	\$2,353.97	\$2,368.50	\$2,412.10
MEA Standard 500 Plan	Single	\$896.03	\$904.54	\$918.72	\$924.39	\$941.40
	2-Adult	\$2,019.51	\$2,038.68	\$2,070.64	\$2,083.42	\$2,121.76
MEA Standard 1000 Plan	Single	\$854.54	\$862.66	\$876.18	\$881.59	\$897.81
	2-Adult	\$1,925.97	\$1,944.26	\$1,974.73	\$1,986.92	\$2,023.49

Medical Plan	Coverage	Rate Band 165
% Relative to Rate Band 12		73.9%
MEA Choice Plus	Single	\$1,074.53
	2-Adult	\$2,421.79
MEA Standard Plan	Single	\$1,160.35
	2-Adult	\$2,615.53
MEA Standard 500 Plan	Single	\$1,020.80
	2-Adult	\$2,300.71
MEA Standard 1000 Plan	Single	\$973.53
	2-Adult	\$2,194.15

Section 8 – Monthly Premiums (Cont.)

Monthly Premiums

Medicare Eligible Retirees Monthly Premiums Effective July 1, 2019

Group Companion ¹	Premiums
Single	\$463.01
2-Adult	971.88

¹ We assumed that the premiums paid for pre-65 participants in MSMA, Sanford, Academies, and MAIS were equivalent to the Standard Plan for rate band 165 (the highest rate band), with a State Share of \$522.16. For post-65 participants in these groups, the Group Companion plan was assumed with a State Share of \$208.35.

Section 9 – Summary of Participant Demographic Information

The table below presents a summary of the basic participant information as of June 30, 2019 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		
a.	Count	27,236
b.	Average age	45.93
c.	Average past service	14.94
Terminated vested participants		
a.	Count	533
b.	Average age	59.92
Retirees		
a.	Count	10,292
b.	Average age	73.20

The following table displays the distribution of Active participants by Age and Service.

Age Group	Service Group										All Years	
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
0 - 24	459	314										773
25 - 29	398	1,406	355									2,159
30 - 34	324	953	1,102	228								2,607
35 - 39	338	884	704	1,084	272							3,282
40 - 44	267	802	651	638	926	219						3,503
45 - 49	228	683	620	601	645	777	166	2				3,722
50 - 54	172	519	479	564	567	504	611	148				3,564
55 - 59	147	397	334	416	583	509	412	635	122			3,555
60 - 64	101	286	240	324	484	428	311	315	226	44		2,759
65 - 69	70	109	96	105	129	166	106	102	62	60		1,005
70+	44	55	38	29	31	28	28	32	10	12		307
Total	2,548	6,408	4,619	3,989	3,637	2,631	1,634	1,234	420	116		27,236

The following table displays the distribution of Inactive participants by Age.

Age Group	Terminated Vested	Retirees
<45	15	0
45-49	23	1
50-54	51	8
55-59	113	36
60-64	209	912
65+	122	9,335
Total	533	10,292

Section 9 – Summary of Participant Demographic Information (Cont.)

Active Distribution by Plan and Coverage

Medical Plan	Single	2-Party	Family	EE + Child(ren)	Waived	Total
MEA Choice Plus	6,390	1,787	4,692	3,172	N/A	16,041
MEA Standard Plan	1,120	334	528	298	N/A	2,280
MEA Standard 500 Plan	370	76	230	108	N/A	784
MEA Standard 1000 Plan	348	111	317	140	N/A	916
Waived	N/A	N/A	N/A	N/A	7,215	7,215
Total	8,228	2,308	5,767	3,718	7,215	27,236

Retiree Distribution by Plan and Coverage

Medical Plan	Single	2-Party	Family	EE + Child(ren)	Other	Total
MEA Choice Plus	943	69	7	8	-	1,027
MEA Standard Plan	949	44	4	-	-	997
MEA Standard 500 Plan	40	3	-	-	-	43
MEA Standard 1000 Plan	20	10	-	-	-	30
Group Companion	7,120	1,075	-	-	-	8,195
Total	9,072	1,201	11	8	-	10,292

Glossary

Brief explanations of terms used in this report or the accompanying GASB 75 results:

Annual OPEB Expense

The amount recognized by an employer in each accounting period for contributions to a defined benefit OPEB plan on the modified accrual basis of accounting.

Collective deferred outflows of resources and deferred inflows of resources related to OPEB

Deferred outflows of resources and deferred inflows of resources related to OPEB arising from certain changes in the collective net OPEB liability or collective total OPEB liability.

Covered Payroll

Annual compensation paid (or expected to be paid) to active employees covered by an OPEB plan, in aggregate.

Net OPEB liability (NOL)

The liability of employers and nonemployer contributing entities to plan members for benefits provided through a defined benefit OPEB plan that is administered through a trust that meets the criteria of the GASB No. 75 Statements.

Normal Cost or Service Cost

The portion of the Total Present Value of Future Benefits attributed to employee service during the current fiscal year by the actuarial cost method. These terms are used interchangeably.

Other Postemployment Benefits (OPEB)

Retiree health care benefits and post-employment benefits provided separately from a pension plan (excluding termination offers and benefits).

Plan Fiduciary Net Position (FNP)

Set equal to the market value of assets as of the measurement date.

Present Value of Future Benefits (PVFB)

The value, as of the valuation date, of the projected benefits payable to all members for their accrued service and their expected future service, discounted to reflect the time value (present value) of money and adjusted for the probabilities of retirement, withdrawal, death and disability.

Total OPEB liability (TOL)

The portion of the actuarial present value of projected benefit payments that is attributed to past periods of member service in conformity with the GASB No. 75 Statements. The total OPEB liability is the liability of employers and nonemployer contributing entities to plan members for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria of the GASB No. 75 Statements.