

PET / Traverse City Area Schools

Proposed Plan Options

Group Sector:
Divisions 1 & 2

Effective Period:
7/1/2010 -- to -- 6/30/2011

	<u>Single</u>	<u>Two Person</u>	<u>Family</u>	<u>Comp</u>
Census	28	24	18	1

POC Plan Alternatives Fully Insured

	<u>Deductible</u>	<u>Co-Insurance</u>		
Option 1	\$150/\$300	100/0%	-	\$0
Option 2 \checkmark	\$200/\$400	100/0%	-	\$0

POC Riders: OV\$10, MT100%/Visits-24, ET\$50, PCP\$1000
Underlying Plan: CB15/20%, CBD\$2500, OV\$40, ER\$250, PCP\$1000 (Requires Base Plan Modification)

POC Plan Alternatives Monthly Cost

	<u>Single</u>	<u>Two Person</u>	<u>Family</u>	<u>Comp</u>	<u>Total</u>
Option 1	\$368.32	\$864.00	\$1,041.50	\$247.40	\$50,043.36
Option 2 \checkmark	\$364.53	\$855.10	\$1,030.77	\$247.40	\$49,530.50

Discounts to Office Call Co-pay

	<u>Single</u>	<u>Two Person</u>	<u>Family</u>	<u>Comp</u>
\$20 Co-pay	-\$7.30	-\$17.13	-\$20.65	\$0.00
\$30 Co-pay \checkmark	-\$14.60	-\$34.26	-\$41.29	\$0.00

Discounts to Chiropractic Call Co-pay

	<u>Single</u>	<u>Two Person</u>	<u>Family</u>	<u>Comp</u>
\$20 Co-pay	-\$5.25	-\$12.32	-\$14.85	\$0.00
\$30 Co-pay \checkmark	-\$7.88	-\$18.47	-\$22.27	\$0.00

Discounts to Emergency Room Co-pay

	<u>Single</u>	<u>Two Person</u>	<u>Family</u>	<u>Comp</u>
\$100 Co-pay	-\$2.70	-\$6.32	-\$7.62	\$0.00
\$150 Co-pay \checkmark	-\$5.39	-\$12.65	-\$15.25	\$0.00

Caremark Rx Plan Alternatives Fully Insured

	<u>Script</u>	<u>Mail Order</u>	<u>Plan</u>	<u>DAW Opt.</u>	<u>MMO</u>
Option 1 \checkmark	\$10/\$40/\$40	2x	A	2	3rd Fill
Option 2	\$10/\$60/\$60	2x	A	2	3rd Fill
Option 3	\$10/\$40/\$50	\$10/\$80/\$100	A	2	3rd Fill
Option 4	\$10/\$35/\$45	\$10/\$70/\$90	A	2	3rd Fill

Caremark Rx Plan Alternatives Monthly Cost

	<u>Single</u>	<u>Two Person</u>	<u>Family</u>	<u>Comp</u>	<u>Total</u>
Option 1 \checkmark	\$82.75	\$173.66	\$202.82	\$192.92	\$10,328.52
Option 2	\$60.69	\$127.36	\$148.75	\$141.49	\$7,574.95
Option 3	\$82.93	\$174.04	\$203.26	\$193.34	\$10,351.02
Option 4	\$90.22	\$189.34	\$221.13	\$210.34	\$11,261.00

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800.968.9682
www.mebs.com

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D. Finnegan

one for
v103 mps
prop

PROPOSED PLAN RATES AND PLAN DESIGNS

April 23, 2010



Group Name:
PET / Traverse City Area Schools

Account Number:
TMI 0487

Group Sector:
Divisions 1 & 2

Effective Date:
7/1/2010

Renewal Date
7/1/2011

	Single	Two-Per	Family	Fam Cont	Comp	Total
Exposure:	28	24	18	0	1	71

Administration Fees: \$700.00 (MEBS Admin, Billing & Customer Service Totals - Monthly)

Initial Set-Up Fees: Plan Doc \$225.00 Computer \$0.00 Booklets \$0.00

Total Initial Set-Up Fees: \$225.00 (One-Time Fees to Establish Plan)

MEBS WRAP™ COST SUMMARY AT 29% MEDICAL CLAIM UTILIZATION

	Single	Two-Per	Family	Fam Cont	Comp	Monthly	Annual
Total Cost:	\$365.83	\$851.41	\$1,024.85	\$173.43	\$238.06	\$49,362.44	\$592,349.28

MEBS WRAP™ COST SUMMARY AT 21% MEDICAL CLAIM UTILIZATION

	Single	Two-Per	Family	Fam Cont	Comp	Monthly	Annual
Total Cost:	\$337.90	\$784.38	\$943.85	\$159.47	\$238.06	\$45,513.68	\$546,164.16

40965 93474 1118.4

MEBS WRAP™ COST SUMMARY AT 13% MEDICAL CLAIM UTILIZATION

	Single	Two-Per	Family	Fam Cont	Comp	Monthly	Annual
Total Cost:	\$309.98	\$717.35	\$862.85	\$145.50	\$238.06	\$41,665.20	\$499,982.40

MEBS WRAP™ BENEFITS-AT-A-GLANCE

Comm Blue 15/20% Self-Funded to a Comm Blue 1

Wrap Design: \$100/\$200; OV\$20; UC\$20; MT\$20/Visits-24; ET\$150; PCP\$1000; ,MHP-2

Base Plan Riders: CBD\$2500; OV\$40; MT\$40/OCSM-24; ET\$250; PCP\$1000; MHP-2 (The PCP rider is the only modification to current base plan)

Note: Plan Doc Fees: First Plan Doc will be charged at \$1,000; each subsequent Plan purchased will be charged a fee of \$500 with a max of \$2,500

Note: This Group is PET eligible and must be submitted through the PET

Note: \$10,000 Life Insurance must be purchase with Mini-Aggregate Stop Loss Reinsurance

20 70 80



PROPOSED PLAN RATES AND PLAN DESIGNS

April 23, 2010



Group Name:
PET / Traverse City Area Schools

Account Number:
TMI 0487

Group Sector:
Divisions 1 & 2

MEBS WRAP™ SELF-FUNDED MEDICAL COST SCHEDULE

	Monthly Fixed Costs	Annual Fixed Costs
Blue Cross Blue Shield of MI Medical Premiums:	\$34,137.46	\$409,649.52
MEBS Wrap™ Medical Administration Fees:	\$700.00	\$8,400.00
AMHI Mini-Aggregate Premiums:	\$630.00	\$7,560.00
Total Fixed Costs:	\$35,467.46	\$425,609.52

	Utilization	Monthly Variable Cost	Annual Variable Cost
Wrap™ Liability at Mini-Agg Attachment Point:	100%	\$25,298.91	\$303,586.90
Wrap™ Liability Above Expected Plan Utilization:	29%	\$13,895.10	\$166,741.20
Wrap™ Liability at Expected Plan Utilization:	21%	\$10,046.40	\$120,556.80
Wrap™ Liability Below Expected Plan Utilization:	13%	\$6,197.70	\$74,372.40

	Monthly Total Cost	Annual Total Cost
MEBS Wrap™ Priced at Full Plan Utilization:	\$60,766.37	\$729,196.44
MEBS Wrap™ Priced Above Expected Plan Utilization:	\$49,362.56	\$592,350.72
MEBS Wrap™ Priced at Expected Plan Utilization:	\$45,513.86	\$546,166.32
MEBS Wrap™ Priced Below Expected Plan Utilization:	\$41,665.16	\$499,981.92

	Single	Two-Per	Family	Fam Cont	Comp
Blue Cross Blue Shield of MI Medical Premiums:	\$246.00	\$590.41	\$713.42	\$123.01	\$238.06
MEBS Wrap™ Medical Administration Fees:	\$10.00	\$10.00	\$10.00	\$0.00	\$0.00
AMHI Mini-Aggregate Premiums:	\$9.00	\$9.00	\$9.00	\$0.00	\$0.00
Wrap™ Liability at Expected Plan Utilization:	\$72.90	\$174.97	\$211.43	\$36.46	\$0.00
MEBS Wrap™ Priced at Expected Plan Utilization:	\$337.90	\$784.38	\$943.85	\$159.47	\$238.06

Comm Blue 15/20% Self-Funded to a Comm Blue 1

Wrap Design: \$100/\$200; OV\$20; UC\$20; MT\$20/Visits-24; ET\$150; PCP\$1000; ,MHP-2

Base Plan Riders: CBD\$2500; OV\$40; MT\$40/OCSM-24; ET\$250; PCP\$1000; MHP-2 (The PCP rider is the only modification to current

PROPOSED PLAN RATES AND PLAN DESIGNS

April 23, 2010



Group Name:
PET / Traverse City Area Schools

Account Number:
TMI 0487

Group Sector:
Divisions 1 & 2

Disclaimers

1. MEBS Wrap™ illustrative rates are made up of fixed costs and variable costs. Please see formal proposals for a detailed description to each cost structure.
2. Expected plan utilization expects 95% of services to be In-Network and 5% to be Out-of-Network.
3. Plan cost range is for illustrative purposes only as actual self-funded plan utilization does experience variance from the above rates in any given benefit year.
4. Complementary benefits assumes Medicare as the primary provider & no liability in the Wrap.
5. This is not a binder of coverage, please do not cancel your current coverage until final approval is given by BCBSM.
6. Final BCBSM rates will be determined by underwriting based on the actual enrollment of your group with BCBSM coverage, and will include a review of group participation.
7. Groups that cancel BCBSM prescription drug coverage will not be eligible for reenrollment for 12 months.

Traverse City Area Schools
Life & AD&D Program

Schedule of Benefits

Employee Group	Life	AD&D	Dependent Life
Active Employees	\$10,000	\$10,000	n/a
Spouse/Child(ren)	n/a	n/a	n/a
Retired Employees	n/a	n/a	n/a

Reduction Schedule

<u>Attained Age</u>	<u>% of Reduction from Amount in Effect at Age 64</u>
65	35%
70	additional 15%

Rate Exhibit

Benefit	Volume/ Dependent Units	Life per \$1,000	AD&D per \$1,000	Monthly Premium	Annual Premium
Basic Life/AD&D	\$700,000	\$0.22	\$0.03	\$175.00	\$2,100.00
Dependent Life	n/a	n/a	n/a	n/a	n/a
Retiree Life	n/a	n/a	n/a	n/a	n/a

NOTE:

We reserve the right to re-rate if there is a change in lives/volume +/- 10%

Commission and Administration Fees are included

This quote is valid for 60 days

Traverse City Area Schools
Proposed Rates: 4/1/10 Renewal: 7/1/10



Current Plan for MEBS Division 1

MEBS POC Opt 1: Ded\$100/\$200, OV\$10, MT100%, ET\$50

Caremark Rx: \$10/\$20 1x

		Single	Two Person	Family	CC	Total Monthly
Census		2	3	1	0	Cost
Medical	\$	354.48	\$ 800.45	\$ 960.99	\$ 253.18	\$ 4,071.30
Rx	\$	127.78	\$ 268.24	\$ 350.22	\$ 321.51	\$ 1,410.50
Total	\$	482.26	\$ 1,068.69	\$ 1,311.21	\$ 574.69	\$ 5,481.80

Current Plan for MEBS Division 2

MEBS POC Opt 1: Ded\$100/\$200, OV\$10, MT100%, ET\$50

Caremark Rx: \$10/\$40 1x

		Single	Two Person	Family	CC	Total Monthly
Census		26	21	17	1	Cost
Medical	\$	354.48	\$ 800.45	\$ 960.99	\$ 253.18	\$ 42,615.94
Rx	\$	83.06	\$ 174.31	\$ 203.57	\$ 193.64	\$ 9,474.40
Total	\$	437.54	\$ 974.76	\$ 1,164.56	\$ 446.82	\$ 52,090.34

Proposed Plan

MEBS POC Opt 1: Ded\$100/\$200, OV\$15, UC\$40, MT\$15, ET\$100

Caremark Rx: \$10/\$40 2x, DAW Opt 2, MMO 3rd Fill

		Single	Two Person	Family	CC	Total Monthly
Census		28	24	18	1	Cost
Medical	\$	317.26	\$ 716.40	\$ 860.09	\$ 253.18	\$ 41,811.68
Rx	\$	71.65	\$ 150.36	\$ 175.60	\$ 167.03	\$ 8,942.67
Total	\$	388.91	\$ 866.76	\$ 1,035.69	\$ 420.21	\$ 50,754.35

used for final spreadsheet

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#1

3/17/2010

-Deemed useless as rates
were only 4/1-6/30/10

Traverse City Area Schools
Proposed Rates: 4/1/10 Renewal: 7/1/10



Proposed Plan for MEBS Division 1 & 2

MEBS POC Opt 1: Ded\$200/\$400, OV\$20, MT\$20, ET\$100

Caremark Rx: \$10/\$40 2x, DAW Opt 2, MMO-3rd Fill

		Single	Two Person	Family	CC	Total Monthly
Census		28	24	18	1	Cost
Medical	\$	333.20	\$ 752.39	\$ 903.29	\$ 253.18	\$ 43,899.36
Rx	\$	71.65	\$ 150.36	\$ 175.60	\$ 167.03	\$ 8,942.67
Total	\$	404.85	\$ 902.75	\$ 1,078.89	\$ 420.21	\$ 52,842.03

#2

Absolute Estimated Savings: \$ 4,730.11
Relative Estimated Savings: 8.22%

Proposed Plan for MEBS Division 1 & 2

MEBS POC Opt 1: Ded\$200/\$400, OV\$20, MT\$20, ET\$100

Caremark Rx: \$10/\$60 2x, DAW Opt 2, MMO-3rd Fill

		Single	Two Person	Family	CC	Total Monthly
Census		28	24	18	1	Cost
Medical	\$	333.20	\$ 752.39	\$ 903.29	\$ 253.18	\$ 43,899.36
Rx	\$	52.55	\$ 110.29	\$ 128.52	\$ 122.52	\$ 6,554.24
Total	\$	385.75	\$ 862.68	\$ 1,031.81	\$ 375.70	\$ 50,453.60

#3

Absolute Estimated Savings: \$ 7,118.54
Relative Estimated Savings: 12.36%

Traverse City Area Schools
Proposed Rates: 4/1/10 Renewal: 7/1/10



Current Plan for MEBS Division 1

MEBS POC Opt 1: Ded\$100/\$200, OV\$10, MT100%, ET\$50

Caremark Rx: \$10/\$20 1x

		Single	Two Person	Family	CC	Total Monthly
	Census	2	3	1	0	Cost
Medical	\$	354.48	\$ 800.45	\$ 960.99	\$ 253.18	\$ 4,071.30
Rx	\$	127.78	\$ 268.24	\$ 350.22	\$ 321.51	\$ 1,410.50
Total	\$	482.26	\$ 1,068.69	\$ 1,311.21	\$ 574.69	\$ 5,481.80

Current Plan for MEBS Division 2

MEBS POC Opt 1: Ded\$100/\$200, OV\$10, MT100%, ET\$50

Caremark Rx: \$10/\$40 1x

		Single	Two Person	Family	CC	Total Monthly
	Census	26	21	17	1	Cost
Medical	\$	354.48	\$ 800.45	\$ 960.99	\$ 253.18	\$ 42,615.94
Rx	\$	83.06	\$ 174.31	\$ 203.57	\$ 193.64	\$ 9,474.40
Total	\$	437.54	\$ 974.76	\$ 1,164.56	\$ 446.82	\$ 52,090.34

Proposed Rx Plan Options for MEBS Division 1 & 2

Caremark Rx: DAW Opt 2, MMO 3rd Fill

		Single	Two Person	Family	CC	Total Monthly
	Census	28	24	18	1	Cost
Rx-\$10/\$40 2x	\$	71.65	\$ 150.36	\$ 175.60	\$ 167.03	\$ 8,942.67
Rx-\$10/\$60 2x	\$	52.55	\$ 110.29	\$ 128.52	\$ 122.52	\$ 6,554.24

Proposed Medical Plan Options for MEBS Division 1 & 2

		Single	Two Person	Family	CC	Total Monthly
	Census	28	24	18	1	Cost
Med-Ded\$150/\$300	\$	350.86	\$ 792.28	\$ 951.18	\$ 253.18	\$ 46,213.22
Med-Ded\$200/\$400	\$	347.25	\$ 784.11	\$ 941.38	\$ 253.18	\$ 45,739.66
Med-OV\$20, MT\$20, ET\$100	\$	340.14	\$ 768.07	\$ 922.11	\$ 253.18	\$ 44,808.76

PET / Traverse City Area Schools

Proposed Plan Options

Group Sector:
Full Time Employees

Effective Date:
6/1/2010

Renewal Date:
7/1/2010

	<u>Single</u>	<u>Two Person</u>	<u>Family</u>	<u>Comp</u>
Census	28	24	18	1

Initial Set-Up Fees: Group Wide Plan Change:
\$75.00

POC Plan Options Fully Insured

	<u>Deductible</u>	<u>Co-Insurance</u>		
Plan 1 - Active	\$100/\$200	100%/0%	-	\$0
Plan 2	\$150/\$300	100%/0%	-	\$0
Plan 3	\$200/\$400	100%/0%	-	\$0

POC Riders: OV\$10, MT100%/Visits-24, ET\$50, RM100%, PCM\$500
Underlying Plan: CB15/20%, CBD\$2500, OV\$40, MT\$40, ET\$250, RM100%, PCM\$500

POC Plan Options Monthly Cost

	<u>Single</u>	<u>Two Person</u>	<u>Family</u>	<u>Comp</u>	<u>Total</u>
Plan 1 - Active	\$354.48	\$800.45	\$960.99	\$253.18	\$46,687.24
Plan 2	\$350.86	\$792.28	\$951.18	\$253.18	\$46,213.22
Plan 3	\$347.25	\$784.11	\$941.38	\$253.18	\$45,739.66

Discounts to Office Call Co-pay

	<u>Single</u>	<u>Two Person</u>	<u>Family</u>	<u>Comp</u>
\$20 Co-pay	-\$6.96	-\$15.71	-\$18.86	\$0.00
\$30 Co-pay	-\$13.91	-\$31.41	-\$37.71	\$0.00

Discounts to Chiropractic Call Co-pay

	<u>Single</u>	<u>Two Person</u>	<u>Family</u>	<u>Comp</u>
\$20 Co-pay	-\$5.00	-\$5.65	-\$6.78	\$0.00
\$30 Co-pay	-\$7.50	-\$16.94	-\$20.34	\$0.00

Discounts to Emergency Room Co-pay

	<u>Single</u>	<u>Two Person</u>	<u>Family</u>	<u>Comp</u>
\$100 Co-pay	-\$2.57	-\$5.80	-\$6.96	\$0.00
\$150 Co-pay	-\$5.14	-\$11.60	-\$13.93	\$0.00

Caremark Rx Plan Options Fully Insured

	<u>Script</u>	<u>Mail Order</u>	<u>Plan</u>	<u>DAW Opt.</u>	<u>MMO</u>
Plan 1	\$10/\$40/\$40	2x	A	2	3rd Fill
Plan 2	\$10/\$60/\$60	2x	A	2	3rd Fill

Caremark Rx Plan Options Monthly Cost

	<u>Single</u>	<u>Two Person</u>	<u>Family</u>	<u>Comp</u>	<u>Total</u>
Plan 1	\$71.65	\$150.36	\$175.60	\$167.03	\$8,942.67
Plan 2	\$52.55	\$110.29	\$128.52	\$122.52	\$6,554.24

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