

**BTD HEALTH CONSORTIUM MEETING
2012-2013 WRAP UP**

- Statistics
 - Average age of participant continues to rise – currently 56 ½ years old
 - Claims increased by 3.26% from 10-11 – 11-12 (most of the increase was in hospital claims)
 - Claims in 11-12 were very much in line with updated projections
 - Claims have increased 111% over the last 12 years – census increased by only 7% during that same time period...increase in frequency and severity with large dollar claimants
 - The average monthly cost per enrollee has slowed to about 5% over the past 4 years. This is down from the 10.4% trend experienced between 2002 and 2008
- Rates committee actions
 - Looked into offering Medigap/Medicare Advantage plans. The decision was made NOT to offer these products at this time.
 - Continues to look at 2-person plans
 - Considering changing the premium calculation
 - Currently the modifier is applied to the same base rate for all districts
 - Considering changing to apply the modifier against each district's current premium – this may have a positive impact on districts for budgeting purposes
- BTD consortium overall premium increase for 2013-14 is 7%
 - For CV –
 - PPO premium will increase by 7%
 - Indemnity premium will increase by 9.81% due to change in the experience modifier (.941 to .966)
- Surplus distribution
 - CV is expecting a surplus distribution in 13-14 of \$118,078
 - CV's surplus as of June 30, 2012 = \$1,353,932
- Looking forward
 - Anticipate seeing contributions and claims approach equality as surplus will be used to offset cost increases
 - Currently BTD is projecting 9% premium increases in the next 4 years
 - This projection takes some of Affordable Care Act into consideration