



North Carolina
State Health Plan
FOR TEACHERS AND STATE EMPLOYEES



Board Approved Plan Design: Updated Projection

Board of Trustees Meeting

Forecast prepared by The Segal Company
Final version dated 3-14-13

March 22, 2013

A Division of the Department of State Treasurer

Presentation Overview

- Legislative directives and Board strategic planning discussion
- Comparison of approved benefit design projections
 - Initial projection: February 1st (*Shared with Board on February 4th*)
 - New projection: March 14th
- Outlook for 2013-15 and 2015-17 Fiscal Bienniums
- Comparison of Board approved design to baseline forecast
- Summary

Legislative Directives and Guidance

SB 323 [State Health Plan Changes SL 2011-85] and HB 578 [State Health Plan Changes SL 2011-96] set out certain requirements and authority for the Plan:

- ❑ Examine the issue, costs and mechanics of moving to a **calendar year**
- ❑ **Find savings** through wellness programs, Medicare Advantage plans, alternative plan designs, or other resources
- ❑ Any savings and available cash reserves may be used to **offer a premium-free plan** option to employees for FYs 2012 & 2013. Premium free option required no later than July 1, 2013
- ❑ Strive to **keep all premiums low** by finding savings through wellness programs, Medicare Advantage plans, alternative plan designs, or other resources
- ✓ Conversion will begin July 1, 2013; operate on **Calendar Year basis in 2014**
- ✓ Board approved benefit design to include wellness programs & incentives, Medicare Advantage options, and a new Consumer Directed Health Plan **expected to save nearly \$350 million over the next four years**
- ✓ **Basic 70/30 PPO option** offered to active employees on a premium free basis since June 1, 2011 and will continue to be available through calendar year 2015
- ✓ Board approved benefit design will **lower the average annual premium increases** for employees & retirees and the State over the next four years

BOT Strategic Planning Discussions

Overarching Themes and Goals

- ❑ Improve the health and wellness of Plan members
- ❑ Need to “bend” the health care cost curve to promote long term financial sustainability of the Plan and affordability for Plan members
- ❑ Increase member engagement and accountability
- ❑ Incent and reward healthy behaviors to provide members with opportunities to reduce their out-of-pocket expenses
- ❑ Increase choice and flexibility by offering more benefit options

Actions Taken

- ✓ 100% coverage of preventive services (80/20, CDHP, Medicare Advantage)
- ✓ Actions taken reduce four year average increase in employer contributions to 5.7% annually; saves \$165M over next two fiscal bienniums, with \$132M savings to General Fund
- ✓ Implement smoker and wellness premium surcharges
- ✓ Provide premium credits for healthy activities and reduce copays for using primary care and high quality, lower cost providers
- ✓ Offer Consumer Directed Health Plan and Medicare Advantage-PDP

Board Approved Plan Design

- Effective January 2014:
 - Convert to calendar year
 - Offer Medicare Advantage with an integrated prescription drug program (MA-PDP) to Medicare retirees
 - Offer a consumer directed health plan (CDHP) to active employees and non-Medicare retirees
 - Implement Board's Wellness Design for the 80/20 Plan and CDHP
 - Maintain premium free 70/30 Plan option for active employees and retirees
- Increase target stabilization reserve from 7.5% to 9.0% of claims by December 2015

Forecast Assumptions in **Both** Projections

Initial Projection vs. Updated Projection

- Overall trend assumption of 8.5%
- Membership trends
 - 1% annual decrease in actives
 - 1% annual increase in retirees
- Elimination of EGWP + Wrap pharmacy benefit effective January 1, 2014
- Enhancements to behavioral health and dental benefits effective July 1, 2013
- Short plan year from July 1-December 31, 2013
- Premium increases shift to January 1st of each year
- Affordable Care Act reinsurance fee

Forecast Assumptions **Changed/Revised** in the Update

Initial Projection vs. Updated Projection

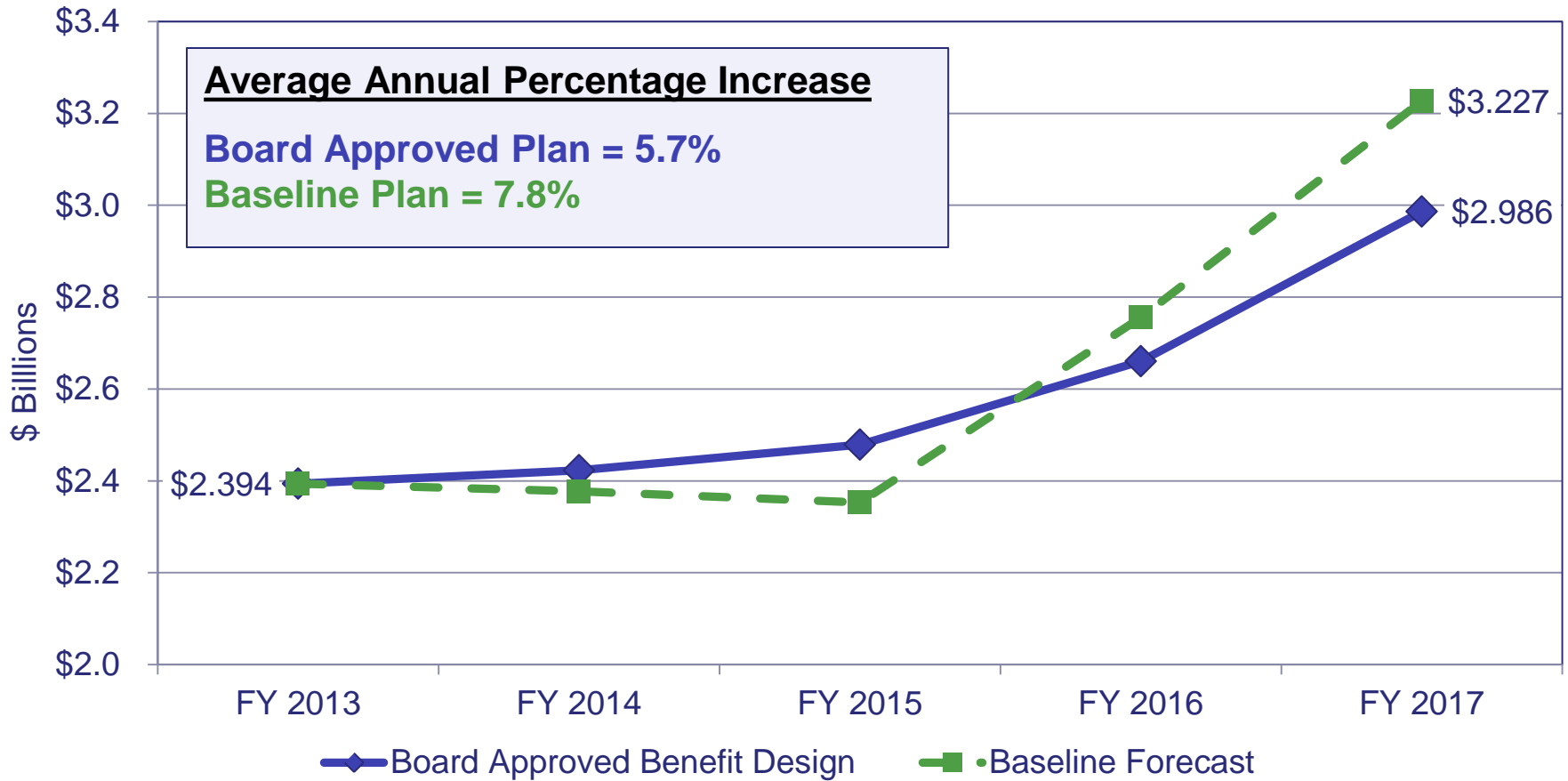
- Membership based on actual December 2012 counts (instead of September 2012)
- Anticipated claims expenditures based on actual experience through December 2012 (instead of through September 2012)
- Investment earnings assumption reduced
- Administrative costs adjusted to reflect more recent Plan projections
- Timing of pharmacy claims payments and rebates were aligned with current expectations
- Pharmacy rebate amounts were increased for 2013 and 2014
- Timing of payments for ACA reinsurance fee were adjusted
- Assumptions for the wellness design were refined

Comparison of Board Approved Plan Design Projections

Initial Projection vs. Updated Projection

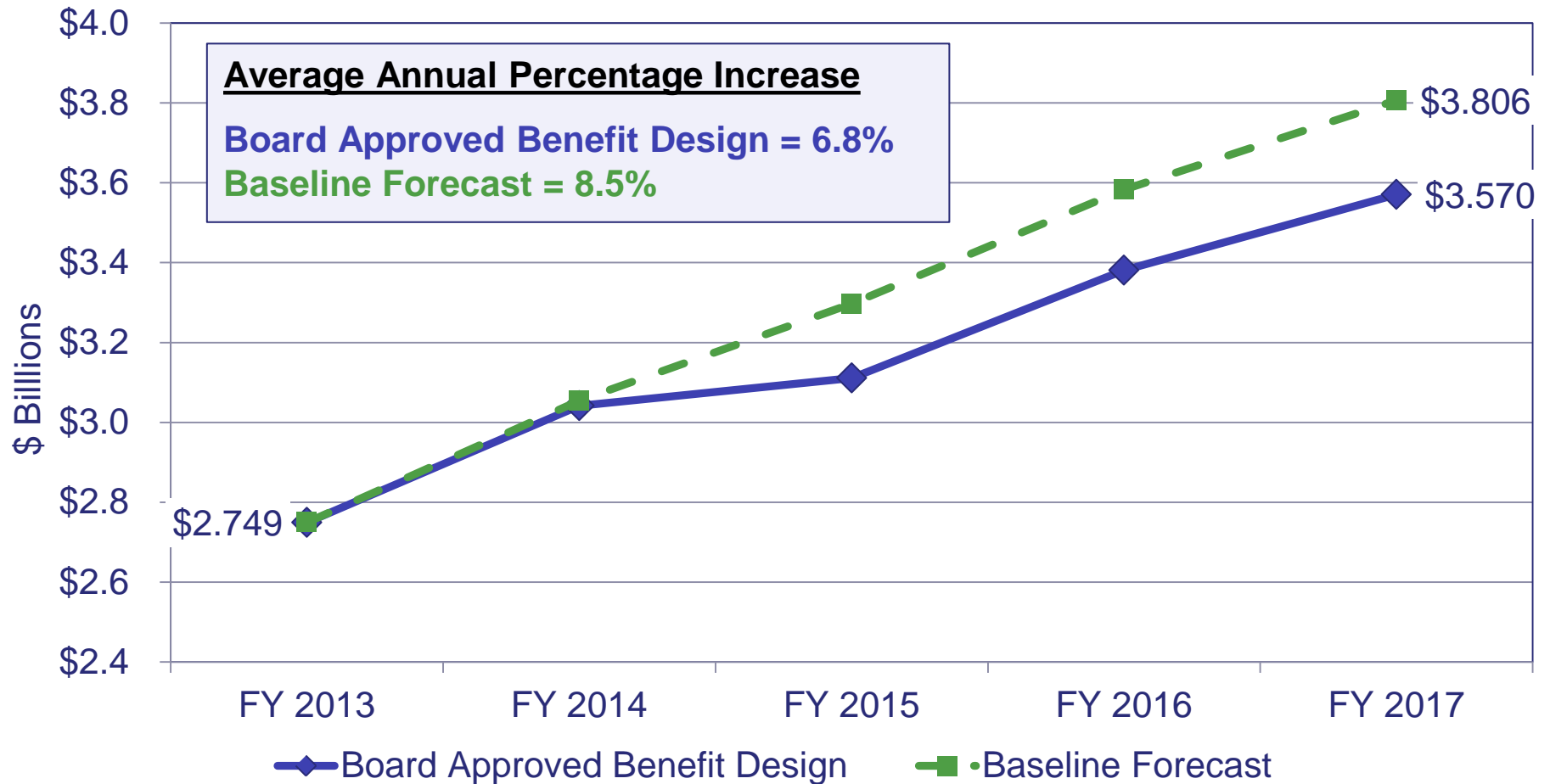
	Initial Projection (Segal 02-01-13)	Updated Projection (Segal 03-14-13)	Difference
Premium Increases			
FB 2013-15	4.7%	2.7%	(2.0%)
FB 2015-17	10.4%	12.7%	2.3%
Employer Contribution Increases			
FY 2013-14	\$56.1 m	\$32.4 m	(\$23.7 m)
FY 2014-15	\$170.2 m	\$97.8 m	(\$72.4 m)
Total	\$226.3 m	\$130.2 m	(\$96.1 m)
General Fund Increases			
FY 2013-14	\$44.8 m	\$25.9 m	(\$18.9 m)
FY 2014-15	\$136.2 m	\$78.2 m	(\$58.0 m)
Total	\$181.0 m	\$104.1 m	(\$76.9 m)

Projected Total State Contributions for Health Benefits



- The Board approved benefit design is expected to save the state \$165 million over the next four years, including \$132 million in General Fund appropriations.
- Employees and retirees are expected to save \$34 million in premium contributions.

Projected State Health Plan Expenses



- The board approved benefit design is expected to reduce Plan expenses by \$638 million, including \$600 million in claims costs and \$38 million in administrative expenses.

Summary

- The benefit design approved by the Board at the February 4th meeting meets goals set by the General Assembly and the Board's objectives
- Factoring in recent experience and refining the projection assumptions reduced the January 1, 2014 premium increase initially projected for the approved benefit design
- Required premium increase for 2013-15 Fiscal Biennium under the approved design is lower than previously forecasted
- Required premium increase for 2015-17 Fiscal Biennium under the approved design is higher than previously forecasted
- Relative to the baseline forecast, the Board's approved benefit design:
 - Requires a higher premium increase for 2013-15 Fiscal Biennium
 - Requires a lower premium increase for 2015-17 Fiscal Biennium
 - Saves the state \$165 million in employer contributions over the next four years
 - Reduces Plan expenses by more than \$600 million over the next four years

CY 2014 Benefit Plan Options

Approved by Board of Trustees

Availability of Benefit Plan Offerings by Subscriber Status

Drug Coverage

Current Pharmacy Benefit Plan	Current Medicare Part D Prescription Drug Plan
"Traditional"	"EGWP + Wrap"
Yes	No
Yes	No
Yes	No

Applies to 70/30, 80/20 and CHDP Plans

Modified Calendar Year 2014 Plan Offerings for Consideration	Current Basic 70/30 Plan	New Buy-Up 80/20 Plan	New Consumer Directed Health Plan CDHP	New Medicare Advantage with Prescription Drug Plan MA-PDP		Number of Options
	"Traditional"	"Wellness"	"Wellness"	Base	Buy-Up	
Subscriber Status						
Active Employees	Yes	Yes	Yes	No	No	3
Non-Medicare Retirees	Yes	Yes	Yes	No	No	3
Medicare Primary Retirees	Yes	No	No	Yes	Yes	3
Employee/Retiree Premium?	No	Yes	No	No	Yes	
Employee/Retiree Wellness Premium Surcharge?	No	Yes	Yes	No	No	

Note: Final calendar year 2014 benefit plan offerings are subject to change pending funding by the NC General Assembly

Initial Projection (Segal 2-1-13)

North Carolina State Health Plan
Financial Projections - Sept 2012
Trends - 8.5% Medical & Pharmacy
Scenario 12d - Wellness Incentives - Active 70/30 Unchanged thru 2015 only, Retirees 70/30 Unchanged
With MA & PDP
Incentives start at \$15/\$15/\$20 and increase to \$25/\$25/\$40 in Calendar 2016, \$10 Standard Premium Credit

	2011 - 2013 Biennium		2013 - 2015 Biennium				2015 - 2017 Biennium				Projection Calendar 2017 Jul-Dec	
	Actual	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection		
	FY 2012	FY 2013	Short Plan Year Jul-Dec 2013	Calendar 2014 Jan-June	Calendar 2014 July-Dec	Calendar 2015 Jan-Jun	Calendar 2015 Jul-Dec	Calendar 2016 Jan-June	Calendar 2016 July-Dec	Calendar 2017 Jan-Jun		
PLAN INCOME:												
Net Contribution Income	2,750,368,851	2,881,178,128	1,439,044,889	1,503,876,570	1,500,909,234	1,568,488,919	1,565,355,311	1,724,925,245	1,721,551,721	1,897,124,418	1,893,494,607	
EGWP/PDP Spouse Premium Reduction		(2,380,577)	(2,392,451)	(11,215,485)	(11,271,422)	(11,327,639)	(11,384,137)	(11,440,916)	(11,497,978)	(11,555,325)	(11,612,958)	
MA Spouse Premium Reduction				(5,943,883)	(5,973,528)	(6,003,322)	(6,033,264)	(6,063,355)	(6,093,596)	(6,123,988)	(6,154,532)	
Health care Reform ERRP	42,163,391	(558,219)	-	-	-	-	-	-	-	-	-	
Retro Disenrollments	(451,496)	(1,229,459)	(719,522)	(751,938)	(750,405)	(784,244)	(782,878)	(862,463)	(860,776)	(948,562)	(948,747)	
Premium Incentive				(16,726,281)	(16,892,166)	(15,875,872)	(15,862,759)	16,784,974	16,732,186	16,577,654	16,545,936	
CDHP Premium Reduction				(3,522,150)	(3,514,968)	(4,743,951)	(4,739,983)	(5,949,097)	(5,937,462)	(7,129,889)	(7,116,047)	
Medicare Part D	57,583,802	39,484,930	2,699,126	3,323,066	2,820,587	3,472,604	2,947,514	3,628,871	3,080,152	3,792,170	3,218,758	
EGWP+Wrap												
Direct Subsidy	-	19,759,856	23,820,221	3,981,571	-	-	-	-	-	-	-	
Coverage Gap Subsidy	-	-	6,820,704	17,060,934	-	-	-	-	-	-	-	
Catastrophic Subsidy	-	-	-	-	12,367,808	-	-	-	-	-	-	
Total	-	19,759,856	30,640,925	21,042,505	12,367,808	-	-	-	-	-	-	
Appropriations from State Reserve												
Investment Earnings	3,015,819	5,276,364	2,923,805	2,605,407	2,404,814	2,095,447	1,580,386	1,238,789	1,138,795	1,145,461	1,342,917	
Total Plan Income	2,852,680,167	2,941,531,021	1,472,196,752	1,492,667,811	1,480,169,955	1,535,521,941	1,631,280,391	1,722,242,049	1,718,113,041	1,892,882,139	1,898,771,934	
PLAN EXPENSE:												
Medical Claims Payment	1,849,410,105	1,959,418,996	1,027,931,900	1,145,513,781	1,068,651,244	1,237,827,014	1,165,319,959	1,338,058,438	1,254,974,328	1,443,285,304	1,353,181,708	
Claim Refunds	(22,634,615)	(29,465,322)	(16,572,229)	(17,289,685)	(17,706,079)	(18,682,748)	(19,735,516)	(20,323,418)	(20,967,575)	(21,626,013)	(22,610,340)	
Dental & MHSA Enhancement			1,965,711	3,370,391	3,144,242	3,642,000	3,428,666	3,936,906	3,692,452	4,246,510	3,981,403	
Medicare Advantage Savings				(19,616,010)	(28,577,928)	(28,720,462)	(28,863,707)	(29,007,667)	(29,152,344)	(29,297,744)	(29,443,888)	
Calendar Year Adjustments			44,753,680	(4,250,991)	14,111,474	(14,493,609)	18,718,118	(17,883,558)	20,309,158	(19,403,800)	22,035,437	
Preventative at 100% in Standard Plan				10,381,820	14,553,264	16,512,356	15,942,549	17,202,261	17,202,261	19,278,931	18,578,160	
Premium Incentive				(8,966,079)	(13,426,205)	(12,707,256)	(12,688,813)	(14,087,645)	(14,059,994)	(20,792,888)	(20,752,957)	
CDHP Claims Reduction				(4,552,265)	(6,818,764)	(9,604,139)	(9,590,199)	(14,939,638)	(14,910,314)	(21,828,106)	(21,786,187)	
Limited Network Savings				(883,234)	(1,322,594)	(1,301,129)	(1,299,241)	(1,561,667)	(1,558,631)	(1,745,074)	(1,741,723)	
PCP Copay Waiver				4,862,155	7,280,807	(600,318)	(599,447)	(7,319,495)	(7,305,129)	(15,408,135)	(15,378,545)	
Net Medical Claims	1,826,775,490	1,929,953,674	1,058,079,063	1,108,569,883	1,039,891,461	1,171,871,648	1,130,632,369	1,254,717,369	1,208,224,213	1,336,709,125	1,286,063,088	
Pharmacy Claims Payment												
Rebates	721,163,013	749,381,163	393,842,333	417,891,887	425,568,201	451,573,973	459,888,151	488,011,760	497,017,676	527,434,313	537,190,469	
Calendar Year Adjustments	(93,130,160)	(53,940,471)	(26,119,159)	(29,707,675)	(27,075,362)	(30,710,198)	(28,256,258)	(31,945,049)	(29,287,852)	(33,015,849)	(30,359,683)	
Net Pharmacy Claims	628,032,853	695,440,692	373,333,509	379,292,610	408,195,281	410,967,001	442,116,891	445,371,327	479,061,452	482,859,049	519,078,447	
MA-PDP Savings				(33,304,170)	(57,242,451)	(57,527,951)	(57,814,876)	(58,103,231)	(58,393,024)	(58,684,263)	(58,976,955)	
EGWP+Wrap Reduction in Rebates		766,594	1,550,400	783,892	-	-	-	-	-	-	-	
EGWP+Wrap Claim Increase		417,042	438,579	-	-	-	-	-	-	-	-	
Total Pharmacy Claims	628,032,853	696,624,327	375,322,488	346,772,332	350,952,830	353,439,050	384,302,015	387,268,096	420,668,428	424,174,786	460,101,492	
Total Claims	2,454,808,343	2,626,578,001	1,433,401,551	1,455,342,215	1,390,844,291	1,525,310,698	1,514,934,384	1,641,985,465	1,628,892,640	1,760,883,911	1,746,164,580	
Administrative Costs	165,480,561	183,804,143	94,653,645	94,458,622	97,491,224	97,294,411	97,213,026	97,213,026	97,213,026	97,213,026	97,213,026	
ACA Reinsurance Fee				16,802,320	16,739,438	10,006,185	9,968,959	6,621,322	6,596,836	-	-	
Extra EGWP+Wrap Administration		5,783,249	5,794,014	5,822,912	-	-	-	-	-	-	-	
Total Plan Expense	2,620,288,904	2,815,965,393	1,533,849,210	1,572,426,070	1,505,074,953	1,632,611,294	1,622,116,369	1,745,819,813	1,732,702,502	1,858,098,936	1,843,377,606	
Plan Income (Loss)	232,391,263	125,565,628	(61,652,458)	(79,738,259)	(24,874,998)	(97,089,353)	(90,835,978)	(23,577,764)	(14,589,461)	34,785,203	45,394,329	
Beginning Cash Balance (Deficit)	269,856,212	502,247,475	627,813,103	566,160,645	486,422,386	461,547,388	364,458,035	273,622,057	250,044,293	235,454,833	270,240,035	
Ending Cash Balance (Deficit)	502,247,475	627,813,103	566,160,645	486,422,386	461,547,388	364,458,035	273,622,057	250,044,293	235,454,833	270,240,035	315,634,364	
Target Stabilization Reserve	184,110,626	210,126,240	221,519,699	245,543,220	241,925,853	262,453,949	273,622,057	284,122,786	294,379,029	305,079,890	315,634,364	
	7.5%	8.0%	8.0%	8.5%	8.5%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	
Premium Increase:	7/1 Increase 5.3%	7/1 Increase 5.3%		1/1 Increase 4.7%		1/1 Increase 4.7%		1/1 Increase 10.4%		1/1 Increase 10.4%		

Updated Projection (Segal 3-14-13)

North Carolina State Health Plan
Financial Projections - Dec 2012
Trends - 8.5% Medical & Pharmacy
Board Approved Wellness Incentives - Active 70/30 Unchanged thru 2015 only, Retirees 70/30 Unchanged
With MA & PDP
Incentives start at \$15/\$15/\$20 and increase to \$25/\$25/\$40 in Calendar 2016, \$10 Standard Premium Credit

	2011 - 2013 Biennium		2013 - 2015 Biennium				2015 - 2017 Biennium				Projection Calendar 2017 Jul-Dec	
	Actual	Projection	Projection Short Plan Year	Projection Calendar 2014	Projection Calendar 2014	Projection Calendar 2015	Projection Calendar 2015	Projection Calendar 2016	Projection Calendar 2016	Projection Calendar 2017		
	FY 2012	FY 2013	Jul-Dec 2013	Jan-June	July-Dec	Jan-Jun	Jul-Dec	Jan-June	July-Dec	Jan-Jun		
PLAN INCOME:												
Net Contribution Income	2,750,368,851	2,888,055,367	1,443,553,347	1,479,677,932	1,476,635,707	1,513,651,108	1,510,602,099	1,698,683,098	1,695,332,715	1,906,494,568	1,902,815,009	
EGWP/PDP Spouse Premium Reduction		(2,474,820)	(2,487,164)	(11,717,125)	(11,775,565)	(11,834,296)	(11,893,320)	(11,952,639)	(12,012,254)	(12,072,165)	(12,132,376)	
MA Spouse Premium Reduction												
Health care Reform ERRP	42,163,391	(558,219)	-	(6,185,425)	(6,216,275)	(6,247,280)	(6,278,438)	(6,309,752)	(6,341,223)	(6,372,850)	(6,404,635)	
Retro Disenrollments	(451,496)	(953,256)	(721,777)	(739,839)	(738,318)	(756,826)	(755,301)	(849,342)	(847,666)	(953,247)	(951,408)	
Premium Incentive				(15,464,291)	(15,432,497)	(14,398,019)	(14,385,876)	18,173,427	18,137,583	17,992,146	17,957,421	
CDHP Premium Reduction				(3,534,625)	(3,527,358)	(4,759,937)	(4,755,923)	(5,968,448)	(5,956,676)	(7,152,162)	(7,138,359)	
Medicare Part D	57,583,602	39,186,799	2,784,744	3,434,018	2,910,058	3,588,549	3,041,010	3,750,033	3,177,856	3,918,785	3,320,859	
EGWP+Wrap												
Direct Subsidy	-	20,745,749	25,008,700	4,180,227	-	-	-	-	-	-	-	
Coverage Gap Subsidy	-	-	7,161,014	17,912,167	-	-	-	-	-	-	-	
Catastrophic Subsidy	-	-	-	-	12,984,884	-	-	-	-	-	-	
Total	-	20,745,749	32,169,714	22,092,394	12,984,884	-	-	-	-	-	-	
Appropriations from State Reserve												
Investment Earnings	3,015,815	2,763,944	1,329,814	1,249,579	1,196,189	990,056	722,699	492,305	427,906	426,363	547,610	
Total Plan Income	2,852,680,163	2,846,765,593	1,476,628,679	1,469,812,618	1,456,036,824	1,480,233,356	1,476,296,950	1,696,018,883	1,691,918,241	1,902,281,438	1,898,014,122	
PLAN EXPENSE:												
Medical Claims Payment	1,849,410,105	1,927,218,996	1,015,169,814	1,131,272,914	1,055,348,776	1,222,398,357	1,150,776,472	1,321,337,075	1,239,270,979	1,425,201,678	1,336,205,056	
Claim Refunds	(22,634,615)	(27,964,755)	(16,366,569)	(17,074,834)	(17,485,776)	(18,449,981)	(19,489,508)	(20,069,547)	(20,705,322)	(21,355,161)	(22,326,798)	
Dental & MHSA Enhancement			1,965,754	3,370,417	3,144,216	3,641,909	3,428,525	3,936,678	3,692,178	4,246,124	3,980,975	
Medicare Advantage Savings				(19,524,830)	(28,579,624)	(28,722,167)	(28,865,420)	(29,009,388)	(29,154,074)	(29,299,482)	(29,445,615)	
Calendar Year Adjustments		-	44,524,878	(4,229,258)	14,039,329	(14,419,571)	18,622,423	(17,792,129)	20,205,328	(19,304,460)	21,922,781	
Preventative at 100% in Standard Plan				10,247,668	14,369,098	16,300,647	15,741,038	17,615,873	16,984,626	19,030,936	18,342,873	
Premium Incentive				(8,183,249)	(12,253,793)	(11,704,835)	(11,687,707)	(12,753,417)	(12,728,173)	(20,258,236)	(20,218,993)	
CDHP Claims Reduction				(3,513,582)	(5,261,322)	(7,151,167)	(7,140,703)	(10,762,846)	(10,741,543)	(15,273,727)	(15,244,140)	
Limited Network Savings				265,475	397,529	324,800	324,324	482,294	481,339	441,970	441,114	
PCP Copay Waiver				4,440,211	6,648,878	(352,563)	(352,047)	(4,133,249)	(4,125,068)	(17,107,065)	(17,073,927)	
Net Medical Claims	1,826,775,490	1,899,234,241	1,045,293,877	1,097,070,933	1,030,367,310	1,161,865,430	1,121,357,397	1,248,851,344	1,203,180,271	1,326,322,575	1,276,583,324	
Pharmacy Claims Payment	721,163,013	747,552,157	427,143,493	389,430,657	461,537,416	420,805,476	498,742,324	493,343,070	500,327,069	533,179,679	540,750,179	
Rebates	(93,130,160)	(69,039,330)	(28,211,239)	(38,718,472)	(29,235,432)	(32,762,317)	(30,299,331)	(33,846,682)	(31,400,736)	(34,968,080)	(32,552,926)	
Calendar Year Adjustments			6,216,800	(9,519,242)	11,416,587	(10,479,654)	12,337,009	(12,212,551)	12,639,535	(13,198,703)	13,660,832	
Net Pharmacy Claims	628,032,853	678,512,828	405,149,054	341,192,943	443,718,572	377,563,505	480,780,001	447,283,837	481,556,868	485,012,896	521,858,085	
MA-PDP Savings				(32,826,648)	(57,016,358)	(57,300,730)	(57,586,521)	(57,873,738)	(58,162,386)	(58,452,475)	(58,744,010)	
EGWP+Wrap Reduction in Rebates		804,842	1,627,756	823,004	-	-	-	-	-	-	-	
EGWP+Wrap Claim Increase		437,850	460,461	-	-	-	-	-	-	-	-	
Total Pharmacy Claims	628,032,853	679,755,520	407,237,271	309,189,299	386,702,215	320,262,775	423,193,480	389,410,100	423,394,482	426,560,421	463,114,075	
Total Claims	2,454,808,343	2,578,989,761	1,452,531,148	1,406,280,232	1,417,089,525	1,482,128,205	1,544,550,877	1,638,261,444	1,626,574,752	1,752,882,996	1,739,697,399	
Administrative Costs	165,480,561	164,665,404	85,503,634	91,148,980	88,666,001	88,485,547	88,410,922	88,410,922	88,410,922	88,410,922	88,410,922	
ACA Reinsurance Fee						34,632,846		21,039,454		14,201,632		
Extra EGWP+Wrap Administration		5,783,249	5,794,014	-	-	-	-	-	-	-	-	
Total Plan Expense	2,620,288,904	2,749,438,414	1,543,828,796	1,497,409,212	1,505,735,526	1,605,246,598	1,632,961,798	1,747,711,820	1,714,985,674	1,855,495,550	1,828,108,321	
Plan Income (Loss)	232,391,259	197,327,150	(67,200,117)	(28,596,594)	(49,698,702)	(125,013,243)	(156,664,848)	(51,693,136)	(23,067,433)	46,785,887	69,905,801	
Beginning Cash Balance (Deficit)	269,856,212	502,247,471	699,574,621	632,374,504	603,777,910	554,079,208	429,065,966	272,401,117	220,707,981	197,640,548	244,426,435	
Ending Cash Balance (Deficit)	502,247,471	699,574,621	632,374,504	603,777,910	554,079,208	429,065,966	272,401,117	220,707,981	197,640,548	244,426,435	314,332,236	
Target Stabilization Reserve	184,110,626	206,319,181	223,399,068	242,997,267	239,983,029	260,927,796	272,401,117	286,453,109	293,835,258	304,151,197	314,332,236	
	7.5%	8.0%	8.0%	8.5%	8.5%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	
	7/1 Increase	7/1 Increase		1/1 Increase		1/1 Increase		1/1 Increase		1/1 Increase		
Premium Increase:	5.3%	5.3%		2.7%		2.7%		12.7%		12.7%		