APPENDICES TO

REPORT OF THE TASK FORCE ON HEALTHCARE BENEFITS, OPEB, AND PENSION BENEFITS

Submitted to the Mayor and Court of Common Council
City of Hartford

April 16, 2014
Addendum Added May 14, 2014

APPENDICES

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City of Hartford Health Care Review

December 18, 2013

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Appendix A

Health Benefits Overview

- The City, in accordance with various collective bargaining agreements, is committed to provide health benefits to current employees, eligible retirees, their spouses, and or their dependents.

- Benefits are established and amended through negotiations between the City and the various Unions representing City employees. The City institutes a health benefits pooled underwriting structure that is premium-based, similar to a fully insured process, is split funded, yet self insured.

Active Employee Health Plan Options

- The City of Hartford Active Employees have a choice between two Health Benefit Plans:
  - The Century Preferred Provider (PPO) Self Insured Program ; each Union maintains its own collectively bargained Health Plan design
  - A Fully Insured (premium based) Anthem Blue Care HMO. The Blue Care Plan with additional restrictions, remains the lowest cost option for the City and employee

HEALTH INSURANCE PREMIUM COST SHARING SCHEDULE
FISCAL YEARS 2011-12 THROUGH 2015-16
(UNLESS INDICATED BELOW, EMPLOYEE COST SHARES DO NOT APPLY TO DENTAL COVERAGE)

Employee Group	Contract Expiration	2011-12	2012-13	2013-14	2014-15	2015-16
CHPEA*	6/30/2012	15%	15%	15.5%	16%	16.5%
FIRE*	6/30/2016	11% HC Cost Containment Committee eff. Jan. 2012	11%	11%	11%	11%
HMEA*	6/30/2013	16%	16%	**In negotiations**	**In negotiations**	**In negotiations**
LOCAL 1716	6/30/2015	11.5%	12%	12%	12%	12%
Municipal Lawyers* (Includes Dental)	6/30/2015	16%	1/1/13 – 17%	18%	19%	19%
NONU Classified & Unclassified (Includes Dental)	NA	14% or $20, whichever is greater	14% or $20, whichever is greater	15% 1/1/2014 or $20, whichever is greater	16% or $20, whichever is greater	17% or $20, whichever is greater
POLICE*	6/30/2016	12%	12%	13%	13.5%	14%
SCGA	6/30/2015	12% x .5	7%	8% new hires receive coverage for employee only	9%	

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*Increases to employee contributions are capped at a 125% increase annually for these bargaining groups.

NOTE: The City also offers a Blue Care HMO to all employee groups, except the Fire Union. If the cost of this plan is higher than the Century Preferred Plan, then the employee pays 100% of the difference, which is capped at the 125% if applicable.

Retiree Health Plans

- According to Collectively Bargained Agreements, when employees retire under a specific active health plan design, an identical plan design shall be created to mirror the active coverage benefits in retirement

- For this reason, the City continues to accumulate additional "health plan divisions" specific to the bargained benefits active employees receive

Bargaining Unit	Retiree Health Insurance
Local 1716 Age 55 or 25 years of service	May purchase at 100% of cost City pays $50 monthly stipend. 62-65 Free (age 55 & 25 years of service) Pays for Dental only After age 65 pays 100% plus City pays $50 monthly stipend for life.
Firefighters 20 Years of service	**Hired on or after 7/1/2007** - At age 50+ retiree & spouse receive City health insurance at a fixed cost for life. Retiree pays 10%-11% of "Active" employee health premium rate for family coverage at the time of retirement. Dependent coverage is difference of 2-person rate & family rate. Retirees under 50 receive $125 monthly stipend. **Hired on or after 7/1/2007** - City offering a Voluntary Employees Beneficiary Association (VEBA). City shall deposit 2.5% on a quartlerly basis. Employee contributes 1% of pay. **VEBA account is not funded as of 12/19/2013**
CHPEA-Hired prior to 6/23/2003 *20 years of service	May purchase at 100% of cost; Age 62-65 Free,* 20 years of service regardless of age. Pays for Dental only Retiree plan design changes along with the actives plan.
CHPEA-hired on or after 6/23/2003 *25 years of service & age 55	May purchase at 100% of cost; 62-65 Free*, Pays for Dental only Retiree plan design changes along with the actives plan.
Non-Union *Age 60 & 5 years, 55 with 5 years or 20 years of service	Pays 100 % of cost 62-65 Free,* Pays for Dental only Early retirement at age 55 with at least 5 years of continuous service
HIMEA-Hired prior to 7/1/2003 *20 years of service	May purchase at 100% of cost. $50 monthly stipend until age 62, 62-65 Free* 20 years of service regardless of age. Pays for dental only
HIMEA-Hired on or after 7/1/2003 *25 years of service	Hired into barganing unit on or after June 9, 2008 shall not be eligible to receive or purchase any retiree health insurance coverage.
MLA 25 years of service & age 55	MLA Retirees are not eligible to purchase any type retiree health insurance coverage.
Police-Hired prior to 7/1/1999 Police-Hired on or after 7/1/2012* 20 years of service *25 years of service	**Pre 7/1/2012** Retiree Health Insurance Plan - Pays 100% of cost $500 monthly allowance. **Post 7/1/2012** (Opt In Option) employees may elect to participate in retiree health insurance at the monthly "active" cost at time of retirement minus the employee monthly medical & Rx deduction to determine the fixed rate up to age 65 for retiree and/or all family members that are eligible for the plan. With the agreement to contribute an additional 1.5% to the pension. Members that are eligible for the plan at the fixed rate up to age 65 yrs only. For those that "Opt-Out" they will pay 100% of total health premium and receive a $500 monthly stipend. Retiree plan design changes along with the actives.
EMBERS	Health Insurance for employee and family for life; as of 7/1/2013, no longer a benefit provided

SUCCESSFUL LABOR NEGOTIATIONS EFFECTUATING CHANGES IN HEALTH PLAN DESIGNS

Active Employees

- Moved to a 3-Tier prescription drug formulary for all employees groups, with the exception of the Fire Union.
- Mandatory generic prescription drug dispensing.
- Prior authorization for high diagnostic testing for 2 of the 7 employee groups.
- Increased copays for various services (e.g., office visits from $15 to $20 or $25; Emergency Department copays from $100 to $150 depending on the employee group; etc.).
- Increased health insurance opt out payment to encourage employees to opt out the City's health insurance coverage.
- School Crossing Guards hired on or after April 22, 2013, the City will provide medical, prescription drug and dental benefits for the employee only. (not dependents) 90

Retiring Employees

- For the Police and Professional Employees Unions, retiring employees now have the option to purchase the same health insurance coverage offered to active employees as that coverage may change through negotiations. Previously, the City was required to maintain the benefit coverage in effect at the time of retirement.
- Eliminated the ability to purchase over age 65 health insurance coverage for 2 out of 7 of the employee groups.
- Eliminated the ability to purchase any retiree health insurance coverage for the Supervisors Union members hired on or after July 1, 2008 and the Municipal Lawyers Association.
- Eliminated City paid retiree health insurance (The "Embers" Program) for employees hired into Executive, Director, Deputy Director, Assistant/Office Director and certain Administrative Positions on or after July 1, 2013. There are 45 current employees who retain eligibility for this benefit upon retirement.

Other Post Employment Benefits Funding Design

In order to isolate legacy costs/retirees from current/active employees, three tranches were created to support a change in funding the OPEB liability.

- Group one; All retirees that left City service before June 30, 2009. It is a pay-as-you-go claim payment process with no amortization of prior service cost.

  Current Liability $125,902,000 = (1447 retirees)

  5% Discount Rate (Expected Long Term % Return on Assets for financing payments)

- Group two; Include actives employees hired prior to July 1, 2009 including employees retired since July 1, 2009. Funding includes normal cost, including an accrual for future benefits, and an amortization of prior service liability.

  Current Liability $98,370,000 = (1203 Actives and 281 Retirees)

  6.5% Discount Rate (Expected Long Term % Return on Assets for financing payments)

- Group three; All new hires since July 1, 2009 and is actuarially funded for both current and future benefits. Groups 2 and 3 require trust fund establishment and all 3 groups have distinct discount rates, 5%, 6.5%, and 8% as provide for by GASB.

  Current Liability $519,000 = (159 Actives)

  8% Discount Rate (Expected Long Term % Return on Assets for financing payments)

There is currently a provision in the Municipal Code authorizing a OPEB Trust Fund. The Trust Fund has not been established. An amended ordinance is being drafted to make certain changes to the implementation and maintenance of the Fund and to assure compliance with the latest GASB guidelines.

City OPEB Liability Combined Three Tranche Actuarial Funding Program Summary

	6/30/2013	6/30/2012	6/30/2011	6/30/2010
Actuarial Accrued Liability	$ 224,792,719	$ 215,459,052	$ 209,205,517	$ 202,925,050
Amortization of Unfunded Actuarial Accrued Liability "UAAL"	$ 11,217,005	$ 10,694,434	$ 9,159,808	$ 8,850,789
Normal Cost	$ 3,726,667	$ 3,820,767	$ 3,225,905	$ 3,313,404
Normal Cost + Amortization of "UAAL"	$ 14,943,672	$ 14,515,201	$ 12,385,713	$ 12,164,193
Annual Required Contribution "ARC"	$ 14,943,672	$ 14,515,201	$ 12,385,713	$ 12,164,193

	Actuarial Accrued Liability	Amortization of Unfunded Actuarial Accrued Liability "UAAL"	Normal Cost	Normal Cost + Amortization of "UAAL"	Annual Required Contribution "ARC"
6/30/2013	$224,792,719	$11,217,005	$3,726,667	$14,943,672	$14,943,672
6/30/2012	$215,459,052	$10,694,434	$3,820,767	$14,515,201	$14,515,201
6/30/2011	$209,205,517	$9,159,808	$3,225,905	$12,385,713	$12,385,713
6/30/2010	$202,925,050	$8,850,789	$3,313,404	$12,164,193	$12,164,193

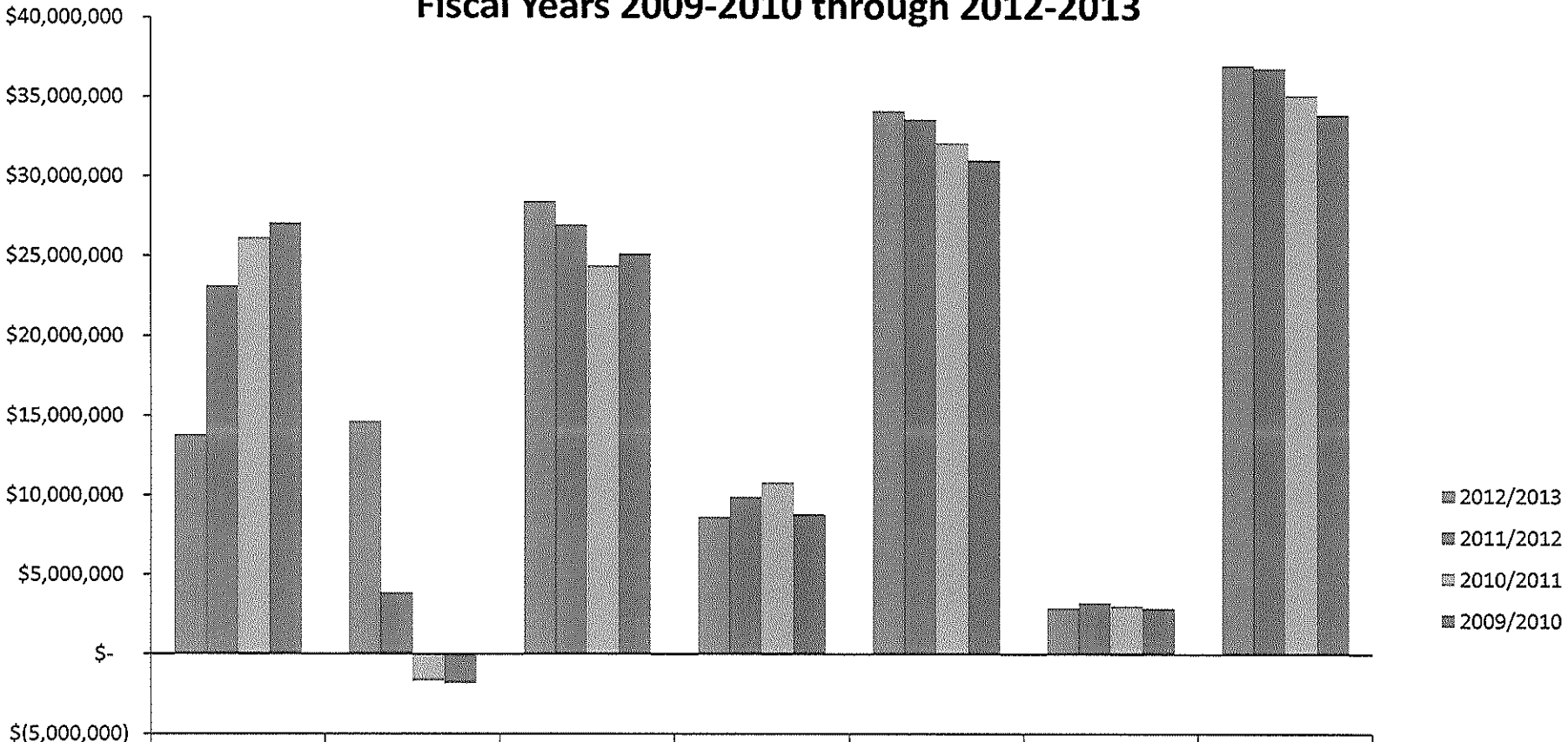
Health Benefit Revenue

HealthCare Revenue Medical RX and Dental **Unaudited	FY End 2012/2013**		FY End 2011/2012		FY End 2010/2011		FY End 2009/2010	
Revenue	Actives	Retirees	Actives	Retirees	Actives	Retirees	Actives	Retirees
City Contribution	$ 5,356,938	$ 8,469,234	$ 16,415,544	$ 6,725,235	$ 17,542,750	$ 8,618,636	$ 19,393,566	$ 7,684,116
Employee/Retiree Contribution	$ 2,668,737	$ 4,570,144	$ 3,348,072	$ 5,373,442	$ 3,212,915	$ 5,705,846	$ 2,443,597	$ 5,717,602
Other Revenue	$ 822,375	$ 598,799	$ 576,309	$ 639,449	$ 726,196	$ 1,182,173		$ 668,783
SubTotal	$ 8,848,050	$ 13,638,177	$ 20,339,925	$ 12,738,126	$ 21,481,861	$ 15,506,655	$ 21,837,163	$ 14,070,501
Total Revenue		$ 22,486,227	$	33,078,051	$	36,988,516	$	35,907,664
Health Int. Svc. Fund Balance (Source)/Used		$ 14,660,550	$	3,882,188	$	(1,713,599)	$	(1,862,421)
Total Revenue		$ 37,146,777	$	36,960,239	$	35,274,917	$	34,045,243
City Contributions on a Cash Basis		$ 13,826,172	$	23,140,779	$	26,161,386	$	27,077,682

Health Benefits Expenses

HealthCare Expenses Medical RX and Dental **unaudited	FY End 2012/2013**		FY End 2011/2012		FY End 2010/2011		FY End 2009/2010	
Expenses	Actives	Retirees	Actives	Retirees	Actives	Retirees	Actives	Retirees
Medical/Dental Claims	$ 15,903,229	$ 7,706,783	$ 17,386,588	$ 8,154,712	$ 16,305,268	$ 13,898,910	$ 13,918,331	$ 12,909,213
Drug Claims	$ 3,349,458	$ 4,873,643	$ 3,234,522	$ 2,789,984	$ -	$ -	$ -	$ -
Administration	$ 1,337,329	$ 713,608	$ 1,260,863	$ 603,106	$ 1,294,206	$ 704,382	$ 1,123,634	$ 809,956
IBNR	$ 323,614	$	$ 265,790				$ 1,445,301	$ 920,592
SubTotal	$ 20,913,630	$ 13,293,710	$ 22,147,763	$ 11,547,802	$ 17,599,474	$ 14,603,292	$ 16,487,266	$ 14,639,761
Total Expenses Self Insured Program		$ 34,207,340		$ 33,695,565		$ 32,202,766		$ 31,127,027
Add: Fully Insured BlueCare HMO Expenses		$ 2,939,437		$ 3,264,674		$ 3,072,151		$ 2,918,216
Total Expenses		$ 37,146,777		$ 36,960,239		$35,274,917		$ 34,045,243
Total all Employee Cost / Other Revenue		$ 8,660,055		$ 9,937,272		$ 10,827,130		$ 8,829,982
Total City Cost All Medical Programs (Total expense less employee contribution & other revenue)		$ 28,486,722		$ 27,022,967		$ 24,447,787		$ 25,215,261

Health Care Program Revenue and Expenses
Fiscal Years 2009-2010 through 2012-2013



	City Contribution Cash Basis	City Internal Fund Contribution	Total City Contribution	Employee Contributions Other Revenue	Self Insured Plan Expenses	Fully Insured Plan Expenses	Total Expenses
2012/2013	$13,826,172	$14,660,550	$28,486,722	$8,660,055	$34,207,340	$2,939,437	$37,146,777
2011/2012	$23,140,779	$3,882,188	$27,022,967	$9,937,272	$33,695,565	$3,264,674	$36,960,239
2010/2011	$26,161,386	$(1,713,599)	$24,447,787	$10,827,130	$32,202,766	$3,072,151	$35,274,917
2009/2010	$27,077,682	$(1,862,421)	$25,215,261	$8,829,982	$31,127,027	$2,918,216	$34,045,243

Human Resources: Benefits

$12 Million Saved 2009-2013

* 2013 Pharmacy Benefit Pricing Restructure: projected 3 year savings of approximately $2.3 million for City and $4.4 million for BOE for a combined $6.7 million

* 2012 Medical RFP: $1 Million guaranteed fixed cost savings
  * Reduced first year Stop Loss Premiums by over $930,000
  * Reduced ASO Fees by $150,000
    * Enhanced Performance Guarantees with $250,000 fees at risk
    * $75,000 annual Wellness Credits
  * $10,000 Technology Stipend to support on-site clinic

* 2011 Pharmacy Benefit Manager RFP: $1.8 Million first year savings
  * $1.3 Million projected annual savings due to enhanced discounts
  * $500,000 additional rebates projected annually (increased from $1.3M to $1.8M)
* 2011 Stop Loss RFP: $800,000 first year savings
* 2010 Medical Renewal: Negotiated $256,000 guaranteed fixed cost savings

Human Resources: Benefits

$12 Million Saved 2009-2013

* 2009 Renewal Negotiations: Combined savings of over $1.2 Million
  * Medical: $700,000 guaranteed fixed cost savings
  * Life: $500,000 reduction in annual premiums (28.4% rate reduction)
  * Long Term Disability: $40,000 reduction in annual premiums (20% rate reduction)

* 2009 AonHewitt Workers' Compensation Analysis: $434,000 saved
  * $218,000 PPO discounts
  * $176,000 bill review fees
  * $25,000 pharmacy
  * $9,000 out of network negotiations
  * $6,000 PPO access fees

* **Total Savings = $11,836,000**

Additional Cost Saving Initiatives

April, 2012:

On-Site Clinic for Employees and Family Members:

Through our work with the Hartford Healthcare Collaborative Roundtable meetings, the City of Hartford Partnered with St. Francis Hospital and the State of Connecticut to open the State's first on-site walk-in healthcare facility for government sector employees.

$250,000 build out of the facility was absorbed by St. Francis Healthcare.

January, 2010:

On-site Fitness Center Grand Opening:

Secured seed money to establish an employees fitness center at City Hall.

City of Hartford Health & Wellness Programs

Monthly Health Education Workshops - These Lunch & Learn seminars touch upon health related topics such as Exercise, Nutrition, Weight Management, Stress Management, and Heart & Hypertension. These sessions often include a bag lunch or healthy snacks and refreshments. In addition to therapeutic chair massages, reflexology techniques, breathing exercises, and stress management, smoking cessation programs are also available upon request.

Upcoming seminars scheduled include Hartford Hospital, EAP Solutions, Abacus Diabetes Program, Fitness Square, Health & Human Services (HHS), Capital Chiropractic and the Fitness Center of St Francis. Vendors often include a brown bag lunch to all participants.

Smart Shopper Incentive Rewards Services - Century Preferred members insured through the City of Hartford (active & retirees) can earn cash rewards and help lower health care costs. Voluntary service helps employees to learn more about the different health care costs at area offices and hospitals. When they use the program they can select more cost effective provider options and earn themselves some cash.

City of Hartford Health & Wellness Programs

Blood Pressure Screenings –

Every Tuesday & Thursday at St Francis Care Connect @ City Hall - Jennifer Rivers, APRN, provides free blood pressure screenings at the city hall employee medical clinic. St Francis will offer on-site BP Screenings at other City Department Locations such as DPW Yard on Jennings Rd. and the new Public Safety Complex.

Diabetes Management Program –

This program, exclusive for City & BOE employees is designed to help employees and their family members with diabetes understand their condition and assist them with managing their care. By enrolling and participating in this program, each participant is rewarded monetarily through monthly payments of $35 that adds up to $420 per year. Participation is voluntary and confidential.

Weight Watchers At Work –

Weight Watchers has helped people lose weight and lead healthier lives for over 50 years. And through the Weight Watchers At Work program, we're providing our employees the convenience of the program right at work. Weekly Meetings are held every Thursday at the library during the lunch hour 12 pm – 1 pm. The total cost to the participant is $165.21 which includes weekly meetings at work and/or at Weight Watcher Centers, a 14-weeks free E-Tools, & confidential weigh-ins. All Hartford City & BOE employees enrolled in the health plan receive either a $50 or $75 reimbursement following the completion of each session through Anthem BCBS. **Total lbs. lost = over 720 !!!**

Fitness Facility Partnerships

Discounted memberships to local Fitness Clubs for City & Board of Education Employees.

Downtown YMCA – Full facility privileges to all Hartford **YMCA's & other** YMCA branches in CT. State of the art fitness center & group classes. The individual monthly fee is $40.24 and the family fee is $70.24. No contract needed.

Fitness Squared – formally known as "The Taking Care Center" –Fitness Squared is a modern, comfortable fitness center where members exercise, play and connect. The employee discounted Individual monthly fee is $52.00 and $63.00 with laundry service.

The Fitness Center At St Francis Hospital - provides affordable access to a state-of-the-art fitness facility. Their goal is to provide members with the expertise to guide them to a healthier lifestyle through physical fitness. The employee discount rate for an individual is $45.00 monthly, Two Person $64.00 and a family membership is $74.00.

Curves of West and East Hartford - with other surrounding Curves throughout Connecticut is offering membership discounts to all City of Hartford employees & retirees and their family members. Curves is a facility that is specifically designed for women to help build their self-esteem and lead healthy lives by setting goals. City employees pay between $34.00 and $45.00 monthly depending on the program they select.

Health and Wellness Fair and Flu Clinics

Health & Wellness Fair - Invitations to our City's health fair is extended to active and retired employees. We recruit subject matter experts on all health and wellness topics to educate, inform and promote healthy lifestyles. In addition the following screenings are made available to those that attend:

- Total Cholesterol & High density Lipids
- Blood Pressure
- Lipid Panel/Glucose
- Body Composition/ Body Mass Index
- Diabetes Risk Assessment
- Bone Density
- Onsite Mammograms (these are scheduled throughout the year)
- Health Risk Assessments & individual consult program designs
- UV / UVA skin screenings
- Dental Screenings from the UConn Dental School

Onsite Flu Clinics - Clinics are scheduled each year to ensure employees, retirees and their family members have an opportunity to attend one of our many Flu Clinics. The City of Hartford works with VNA Healthcare of Hartford to coordinate these clinics. There are a total of 25 flu clinics scheduled each year throughout Hartford.

Continued Cost Containment Focus

Individual health management

Health care costs are driven to a significant extent by the behavior and lifestyle choices of individuals. Thus, targeted efforts to encourage lifestyle changes:

- Wellness programs
- Disease management (for at-risk employees or employees undergoing initial treatment) Currently administered through Anthem BC/BS
- Financial incentives for behavior /lifestyle modification
- Employee education on healthcare matters

Greater cost awareness

Making provider costs more "visible" to participants, e.g., providing incentives to employees with the "Smart Shopper" Program.

Aggregation

In order to obtain better pricing and market leverage, we should evaluate whether to aggregate purchasing power. This includes (where allowed by law) formation of health care insurance pools, intergovernmental agreements for procurement of prescription drugs, partnerships with private sector organizations, or local government participation in state master agreements.

Life Insurance Benefit by Bargaining Unit *

Bargaining Unit	Active Employee Coverage		Accidental Death Dismemberment	Retired Employee Coverage
Local 1716	1.5 X Salary	$50,000 Max	$100,000.00	$7,500.00
Hartford Fire Union	1.5 X Salary	$50,000 Max	$100,000.00	$5,000.00
Hartford Police Union	1.5 X Salary	$50,000 Max	$100,000.00	$6,000.00
Hartford Municipal Employee Association retired Prior 6/08/08	1.5 X Salary	$50,000 Max	$100,000.00	$9,000.00
Hartford Muncipal Employee Association retired Post 6/08/08	1.5 X Salary	$75,000 Max	$100,000.00	$12,000.00
City of Hartford Professional Employees Association	1.5 X Salary	$50,000 Max	$100,000.00	$5,000.00
School Crossing Guards Association	1.5 X Salary	$50,000 Max	$100,000.00	$5,000.00
Municipal Lawyers Association	2 X Salary	$250,000 Max	$100,000.00	$7,500.00
Non-Union and Unclassified / Hartford Public Library	2 X Salary	$250,000 Max	$100,000.00	$15,000.00
Hartford Public Library 1716	2 X Salary	$250,000 Max	$100,000.00	$15,000.00

Pricing	$0.216 per $1000		$0.016 per $1000	$0.216 per $1000

Annual Cost to City (no employee contributions) **$340,000**

* RFP issued 2012

Carrier transitioned from Aetna to The Hartford

Beginning coverage on 7/1/2013

3 Year Savings = $125,000

City of Hartford - Anthem Disease Management Programs and Services			
	Initiative Name:	**Description:**	**Program Value**
	Benefit Plan Structure		
1	**Condition Care Programs Core Conditions:** **° Asthma- 651 members engaged** **° Diabetes- 463 members engaged** **° CAD- 201 members engaged** **° COPD- 75 members engaged** **° Heart Failure- 31 members engaged** **Program currently in place for City of Hartford**	Nurse coaches help members with chronic conditions better manage and improve their health. Conditions include: asthma; diabetes; chronic obstructive pulmonary disease (COPD); coronary artery disease (CAD); heart failure. Both adult and pediatric populations are managed for asthma and diabetes.	° Three out of four members feel more confident about managing their condition as a result of participating in a ConditionCare program. ° Of the City of Hartford members identified with one of the 5 core conditions: □ 11.2% are identified under high intensity engagement □ 19.7% members are identified under moderate intensity □ 69.1% are identified under standard intensity engagement ° Case Risk Stratification: □ 991 Low Risk members were identified □ 161 High and 282 Moderate Risk members were targeted for outbound telephone-based case management. □ High and Moderate identified members represents 30.9% ° Proven ROI 2:1 (Based on enterprise data)
2	24/7 NurseLine **Program currently in place for City of Hartford**	Anytime, toll-free access to highly-experienced, nurse coach for answers to general health questions and guidance with critical health concerns.	° For the period of 01/01/2012 to 12/31/2012, the NurseLine received 21 calls with 52.4% of the calls needing clinical evaluation by a nurse. 60% of the nurse recommendations were to call a Healthcare Professional and 6.7% were recommended Self Care (City of Hartford specific data)
3	**Complex Care** **Program currently in place for City of Hartford**	Intense outreach and coordination from nurse coaches specialized in managing the complex needs of members with multiple health conditions. Access to multidisciplinary team and input from Medical Director.	° Members in the program experienced a reduction of ER use by 5% and a reduction of inpatient use by 11% (based on Enterprise data)

	Future Moms **Program currently in place for City of Hartford**	Support from nurse coaches who are dedicated to helping expectant parents have a healthy pregnancy and delivery. Post-partum support is also provided. Anthem data has shown that groups whose members utilize Future Moms tend to be more informed throughout their pregnancies and also have a reduced number of emergency room visits during the baby's first year of life.	° NICU admits per 1,000 were 50-60% lower for Future Moms participants than for non-participants. ° For the period of 01/01/2012 to 12/31/2012, the Future Moms programs registered 2 City of Hartford members. ° Participants had 12.3% fewer low birth weight babies (Based on enterprise data) ° Voluntary Program
	Plan design options	° PPO Basic ° Bluecare Basic Care ° PPO Comp Mix- upfront deductible on hospital only ° CDHP ° Copay and Deductible Changes	Cost adjustments will vary based on choice of copays, deductibles and other plan design variables
23	**AIM High Diagnostic Imaging Program- Prior Authorization** **Opportunity for Hartford to implement**	The Radiology Utilization Management program to help improve the quality and appropriateness of radiology services. Prior authorization will be required for the following non-emergency outpatient imaging services CT, CAT, MRI, Nuclear Cardiology, MRA, PET, SPECT.	° Estimated savings in AIM's diagnostic imaging and cardiac programs to be on the order of $30 PMPY (Based on enterprise data) AIM ensures the right test is provided: ° Orders are reviewed against clinical guidelines and medical policy prior to being delivered ° Guidelines are based on widely accepted evidence-based studies and current clinical literature ° Members flagged for high aggregated radiation exposure can be saved from additional exams At the right place: ° AIM provides a comprehensive analysis of physician networks, generating a quality-driven site score based on accreditation, cost, and capabilities ° The physician ordering the test is provided with imaging site scores to inform referral patterns.
	Physical Therapy and Occupational Therapy Program **Opportunity for Hartford to implement**	Under the Utilization Management program all outpatient PT and OT services following the initial evaluation would require prior authorization. PT and OT services rendered to UM members that are not prior authorized will be denied.	° Implementing PT/OT UM Program for ASO municipality groups have resulted in up to $2 PMPM annual savings. (Currently conducting projected savings specific to City of Hartford population).

8	**Inpatient Family Outreach Program** **Program currently in place for City of Hartford (*effective 2/1/13)**	Program contacts parents of children and adolescents admitted to inpatient treatment within 2 business days of the admission. Case managers answer any questions the parents may have regarding inpatient treatment, educate them regarding the need for family therapy and early discharge planning, assist with any aftercare planning needs, and provide them with referrals to community-based support groups and other appropriate services.	° The program was piloted in NY, where it produced a 26% decrease in the readmission rate for children and adolescents.
	Programs and Services		
1	**ERUMI** **Piloted for City of Hartford**	Emergency Room Utilization Management Initiative (ERUMI) is a program that uses a comprehensive marketing strategy and engaging technology to help educate members on appropriate Emergency Room usage. This comprehensive approach utilizes various vehicles to educate providers, and members on lower cost ER options. The establishment of an ER copay will promote employee accountability and offer new options to manage costs and get more employees engaged in their healthcare decisions. An ER copayment will allow members to consider whether another option (i.e. walk in centers or retail health clinics) is appropriate for their immediate care needs.	Based on the pilot program experience and cost to administer the program, the Quick Care Options pilot yielded an ROI ranging from 2.1 to 5.11. (Based on enterprise data)
2	**SmartShopper** **Program currently in place for City of Hartford**	SmartShopper is a tool designed to help members understand the cost variation that exists within the current healthcare system. Here's how the program works: ▪ incorporates an incentive component to reward members who voluntarily utilize a cost-effective facility ▪ is a completely confidential, voluntary service that helps address the main driver of premium increases (the underlying cost of health care services) ▪ is a total solution offering member education, program website, and marketing ▪ leverages Anthem's entire statewide claims database to identify the most cost-effective in-network options available to members	Based on the pilot program , ROI is under review.
3	**Healthy Lifestyles** **Opportunity for Hartford to implement**	A lifestyle product that has online modules that focus on important health concerns, such as weight management, stress, tobacco cessation, nutrition. This product can also incorporate telephonic coaching for these focus areas and would allow members to build goals and work directly with dedicated health improvement coaches.	° 61% of members who received phone coaching report that they reduced or eliminated at least one health risk factor. (Based on enterprise data)

4	**EAP** **Currently active with Hartford Board of Education membership, can be rolled out to City population**	The Employee Assistance Program is available to your employees and their household members. It helps connect them to a wide range of services that they can use to get answers to questions and help when facing life's challenges, no matter how big or how small. All services come at no extra cost to employees or their household members. The EAP extends beyond your employees to the larger associated population.	° Effective treatment of depression can reduce an employee's missed workdays by 12 days a year ° A well-run EAP can result in 33% less use of sick leave benefits 78% of completed EAP cases do not become a health care expense ° Improved productivity (up to 73%) from employees with past mental or physical health problems ° Absenteeism and tardiness is reduced by an average of 1.5 days ° Improved perceived health status (62%) among workers with "fair" or "poor" overall health
5	**Anthem Health Rewards** **Opportunity for Hartford to implement**	An incentive platform structured to meet the needs of clients who are looking for an opportunity to reward their members for participating in disease management, as well as health and wellness programs and services.	° Clients who incent members for participating in health-focused activities tend to have higher levels of overall enrollment and engagement within their employee population.
6	**My Health Advantage** **Opportunity for Hartford to implement**	Personalized messaging that is provided to segments of a given population who have gaps in care, opportunities for cost savings within their pharmacy medication spend, and who may benefit from health recommendations that are customized to them and based upon actual claims data that Anthem reviews.	° City of Hartford members would be 41% more likely to reach compliance with the addition of My Health Advantage Program. ° This program increased compliance rates resulting in an incremental cost of care savings of $0.49 PMPM.
	Programs and Services		
1	**Utilize BlueQuality Bariatric Network** **Program currently in place for City of Hartford**	Blue Distinction Centers for Bariatric Surgery have demonstrated their commitment to quality care, resulting in better overall outcomes for bariatric patients. Each facility meets stringent clinical criteria, developed in collaboration with expert physicians and medical organizations, including the American Society for Metabolic and Bariatric Surgery (ASMBS), the Surgical Review Corporation (SRC) and the American College of Surgeons (ACS), and is subject to periodic reevaluation as criteria continue to evolve.	° To date, we have designated more than 350 Blue Distinction Centers for Bariatric Surgery across the country. ° Blue Distinction Centers for Bariatric Surgery provide a full range of bariatric surgery care services, including inpatient care, post-operative care, outpatient follow-up care and patient education.

2	**Utilize BlueQuality Cardiac Care Network** **Program currently in place for City of Hartford**	Blue Distinction Centers for Cardiac Care have demonstrated their commitment to quality care, resulting in better overall outcomes for cardiac patients. Each facility meets stringent clinical criteria, developed in collaboration with expert physicians' and medical organizations' recommendations, including the American College of Cardiology (ACC) and the Society of Thoracic Surgeons (STS), and is subject to periodic reevaluation as criteria continue to evolve.	° To date, we have designated more than 410 Blue Distinction Centers for Cardiac Care across the country. ° Blue Distinction Centers for Cardiac Care provide a full range of cardiac care services, including inpatient cardiac care, cardiac rehabilitation, cardiac catheterization and cardiac surgery (including coronary artery bypass graft surgery).
3	**Utilize BlueQuality Complex and Rare Cancers Network** **Program currently in place for City of Hartford**	Complex and rare cancers comprise approximately 15 percent of new cancer cases each year. Blue Distinction Centers for Complex and Rare Cancers are the first in a line of Blue Distinction Centers focused on cancer treatment.	° This initial phase evaluates facilities on patient assessment, treatment planning, complex inpatient care and major surgical treatments for adults; all delivered by teams with distinguished expertise and subspecialty training for complex and rare cancers. ° The program focuses on 13 rare cancers.
4	**PC2** **PCMH**	Provider contracting initiative directed at PCPs tying practice performance and outcomes to reimbursement.	Finding show patient-centered medical homes participating in New Hampshire saw costs increase just 5% compared to 12% in traditional practices.
	The following areas have specialized outreach and/or programs in place for City of Hartford		
1	**Anthem Behavioral Health** **Program currently in place for City of Hartford**	° Anthem BlueCross BlueShield administers all levels of behavioral health care. We balance behaviorally-based medical criteria with the professional experience and judgment of experienced care management staff to deliver the right type of behavioral health care at the right time for each member. ° Our program encompass a broad range of behavioral health care, including acute care hospitalization, residential mental health, substance abuse care, partial hospitalization, intensive outpatient services and traditional outpatient care. ° We offer the following behavioral care management services: pre-treatment authorizations and concurrent reviews performed by licensed care managers; referrals to credentialed network providers; discharge and after-care planning; case management and coordination of services throughout each treatment episode to ensure that patients progress smoothly from one level of care to the next	
2	**Transplant** **Program currently in place for City of Hartford**	° Designated Blue Distinction Centers are a network of recognized specialty centers across the country. ° Focused specifically on transplant cases ° Leads to healthier employees and a healthier bottom line for employees.	
3	**Utilization Management/ Case Management** **Program currently in place for City of Hartford**	° Anthem's concurrent review services helps reduce costs associated with facility length of stay that lasts longer than clinical guidelines. ° Medical Concurrent Review: $1.09- $1.73 PMPM Savings	

	Post Discharge Planning **Program currently in place for City of Hartford**	This program provides follow up to member's post discharge and introduces a valuable opportunity to identify any potential risks for readmission. It engages members not already enrolled in case management using ELIZA post discharge calls.
	Staying Healthy Reminders **Program currently in place for City of Hartford**	Healthy reminders that focus on immunizations and important preventative services for: - children - young women - women over 40 - young men - men over 40
	Diabetes Incentive Program **Program currently in place for City of Hartford**	Supporting Abacus with file feeds.
	CareMark File Feed **Program currently in place for City of Hartford**	° Import data to support Disease Management program on monthly basis. ° Anthem provides Caremark with membership eligibility feeds on daily basis
	BlueCare Pharmacy Program **Program currently in place for City of Hartford**	° Modification of rx plan to accommodate PPACA. ° Program avoided cost of full unlimited plan.

Anthem Blue Care HMO – Health Plan Changes

Effective July 1, 2014

In an effort to reduce future health insurance premium rate increases, the City of Hartford will implement health benefit plan design changes to the optional Anthem Blue Care HMO Program beginning 7/1/2014.

These changes will moderate the 2014-2015 premium increase to approximately 2.5% for active and retired employees electing this optional health plan. Without implementing the changes below, the Anthem Blue Care HMO Health Plan premium increase is projected to exceed 11.5% for fiscal year 7/1/2014 - 6/30/2015.

The following changes are:

Blue Care Health Plan	Current Benefit	New Benefit
Office visit (Primary Care Physician & Specialist)	$5	**$15**
In-Patient Admission Copayment	$0	**$150**
Emergency Room Copayment	$50	**$100**
Out Patient Surgery Copayment	$0	**$50**
Annual Prescription Drug Maximum	$2000 (70% / 30% coinsurance after max met)	**$2500 (70% / 30% coinsurance after max met)**
Brand Name Rx Copayment	$5	**$25**
Mandatory Generic Rx	Not applicable	**Public Sector Mandatory Generic Version**
Retail Day Rx Supply	34 day supply	**30 day supply**
Mail Order Day Rx Supply	100 day supply	**90 day supply**
Mail order Rx Copayment	$3	**2 x Copayment ($10 generic / $50 brand name) for a 90 day supply**

To help you better understand the health plan design changes, we plan to schedule Informational Sessions for employees enrolled and/or interested in enrolling into the Blue Care Health Plan during our open enrollment period beginning May 19th through June 20th. The Benefits Division of Human Resources is available to set up departmental session and answer any questions. They can be reached at (860) 757-9860.

Anthem Blue Care Rates and employee premium contribution amounts will become available during our Open Enrollment period from May 19th – June 20th.

Consulting
Retirement

Actuarial Valuation Report

City of Hartford and Board of Education
Valuation of Postemployment Benefit Plan

Fiscal Years Ending June 30, 2012 and June 30, 2013

Introduction

This report has been prepared to present to management the accounting and reporting requirements for the fiscal year ending June 30, 2012 for postemployment benefits other than pensions (OPEBs) as set forth in Statement No. 45 of the Governmental Accounting Standards Board ("GASB 45"). It also presents projected results for the fiscal year ending June 30, 2013. Determinations for purposes other than financial accounting requirements may be significantly different from the results reported herein. Thus, the use of this report for purposes other than those expressed here may not be appropriate.

In conducting the valuation, we have relied on personnel and plan design information supplied by the City of Hartford and Board of Education ("City and Board"). We have relied on health care claims provided by Anthem and Caremark. While we cannot verify the accuracy of all of this information, the supplied information was reviewed for consistency and reasonability. This information along with any adjustments or modifications is summarized in various sections of this report.

This valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice (ASOPs) as issued by the Actuarial Standards Board. In addition, the valuation results are based on our understanding of the requirements of GASB 45. The information in this report is not intended to supersede or supplant the advice and interpretations of the City's auditors.

The actuarial assumptions and methods used in this valuation are described in the Actuarial Assumptions and Methods section of this report. The City and Board selected the economic assumptions and prescribed them for use for purposes of compliance with GASB 45. The demographic assumptions were also prescribed by the City of Hartford and Board of Education. It is our belief that they represent reasonable expectations of anticipated plan experience.

The preparation of this report included both health care and pension actuaries familiar with the near-term and long-term aspects of postemployment benefits. The undersigned are familiar with these aspects of postemployment valuations and meet the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions herein. All of the sections of this report are considered an integral part of the actuarial opinions.

Hewitt Associates LLC, an Aon Hewitt company

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Aon Hewitt

Mike Morfe, ASA, MAAA, FCA
Aon Hewitt

November 2013

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Highlights of the Valuation

The following table presents the GASB 45 valuation results for the fiscal years ending June 30, 2012 and June 30, 2013[1], as compared to the results for June 30, 2011.

	Fiscal Year Ending June 30, 2011	Fiscal Year Ending June 30, 2012	Fiscal Year Ending June 30, 2013[1]
Principal Funding Results			
Actuarial Accrued Liability, Beginning of Year	$ 247,851,964	$ 261,782,218	$ 273,325,713
Actuarial Value of Assets, Beginning of Year	-	-	-
Unfunded Actuarial Accrued Liability (UAAL)	$ 247,851,964	$ 261,782,218	$ 273,325,713
Normal Cost, End of Year	$ 4,808,204	$ 5,303,696	$ 5,269,340
Amortization of UAAL[2]	10,950,969	13,018,237	13,667,531
Annual Required Contribution (ARC)	$ 15,759,173	$ 18,321,933	$ 18,936,871
Normal Cost, End of Year	$ 4,808,204	$ 5,303,696	$ 5,269,340
Additional Amount	11,208,772	9,910,570	10,438,108
Policy Funding Contribution	$ 16,016,976	$ 15,214,267	$ 15,707,448
Principal Accounting Results			
Net OPEB Obligations/(Asset), Beginning of Year	$ 42,907,000	$ 48,082,616	$ 55,996,385
Annual Required Contribution (ARC)	$ 15,759,172	$ 18,321,933	$ 18,936,871
Interest on Net OPEB Obligation	2,390,262	2,710,494	3,180,378
ARC Amortization Adjustment	(1,895,782)	(2,391,113)	(2,800,074)
Annual OPEB Cost for Fiscal Year	$ 16,253,653	$ 18,641,314	$ 19,317,175
Expected Pay-As-You-Go Cost	$ 11,205,716	$ 9,895,069	$ 10,389,631
Personnel Information at Beginning of Year[3]			
Medical			
Actives[4]	4,441	3,999	4,028
Retirees	2,329	2,213	2,209
Total	6,770	6,212	6,237
Life			
Actives[4]	4,441	2,459	2,420
Retirees	3,411	2,976	2,988
Total	7,852	5,435	5,408

[1] Valuation results for fiscal year ending June 30, 2013 are based on an open group projection from the prior valuation.
[2] UAAL is amortized over an open 30-year period as a level percent of pay.
[3] Personnel information was collected as of July 1, 2010 (and projected to July 1, 2011) and as of July 1, 2012.
[4] 2012 counts exclude BOE actives over age 65 (medical) or ineligible for retiree life insurance (life); 2013 counts reflect level headcount overall with new hires adding to the pre-65 group and joining some populations ineligible for life insurance; hence, the change in active headcount.

Highlights of the Valuation

Valuation results for 2011/12 reflect the following changes and updates since the valuation performed in 2009/10:

Plan Changes

Updates to plan provisions were provided by the City and Board, most notably:

- Clarification of the group eligible for life insurance benefits, and
- Identification of special retiree medical contribution/stipend provisions applicable to legacy groups.

In addition, the excise tax on high cost medical plans that is expected to impact the City and Board beginning in 2018 was included in the valuation. The increase in liabilities (shown separately in the exhibits) at July 1, 2012 was $15.7 million; the increase in normal cost was $0.8 million, and the increase in the ARC was $1.7 million.

The new Collective Bargaining Agreement between the City and the Hartford Police Union, which runs through June 30, 2016, amended the retiree medical plan. Employees retiring after the approval of the Agreement are no longer eligible for medical coverage after age 65. Employees hired on or after July 1, 2012 are eligible to purchase pre-65 medical coverage at retirement at the rate used to determine the equivalent monthly premium for active employees at the time of their retirement minus the employee's health insurance contribution. This rate will remain unchanged as long as the retiree is covered in the plan. Employees hired prior to July 1, 2012 were given a one time choice to select either the current pre-65 retiree medical plan or the new coverage that will be provided to post July 1, 2012 employees. The impact of this plan change, including elections, was an increase in the OPEB obligation as of July 1, 2012 of $356,558, a decrease in the normal cost of $177,552, and a net decrease in the ARC of $170,318.

Assumption Changes

The mortality assumption was updated to reflect projected mortality improvement, using Scale AA.

The July 1, 2012 valuation results include an open group forecast, which incorporates the impact of new hires during the 2011-12 fiscal year. New hires are added to the valuation so that the active population remains level. New hire groups are designed to reflect the average demographics of recently hired employees, by union, so the group of employees eligible for benefits may increase or decrease though total active headcount is level.

Plan Experience

There was no notable plan experience, except that a group of post-65 Board retirees who are not eligible for Medicare was identified. This group does not pay the full cost of their post-65 medical benefits, unlike the rest of the Board post-65 retirees.

Funding and Accounting Results

Funding and Accounting Results

The City of Hartford and Board of Education adopted the expense and disclosure portions of GASB 45 for its fiscal year ending June 30, 2008. The Unfunded Actuarial Accrued Liability is being amortized over a period of 30 years for purposes of determining the Annual Required Contribution amount under GASB 45.

Valuing Postretirement Medical Benefits

In reviewing these valuation results, it should be noted that determining the value of future health care benefits is especially difficult because assumptions must be made about future events that are hard to predict. Future increases in health care costs are affected by many factors, including:

- Medical inflation;
- Changes in utilization patterns;
- Technological advances;
- Cost shifting (i.e., increase in private plans' costs in nonmanaged programs due to uninsured claims, changes in the Medicare payment structure, and increased emphasis on managed care programs);
- Cost leveraging (i.e., erosion of fixed deductibles and out-of-pocket maximums); and
- Changes to government medical programs, such as Medicare.

Estimating Current Health Care Costs

In addition to estimating future increases in health care claims costs, it is necessary to develop a starting claims cost on a per covered individual basis. For a discussion of the process used to develop claims and details on the health care trend and other assumptions used in this valuation, see the Health Care Claims Development and the Actuarial Assumptions and Method sections of this report.

Liabilities and Expense

The following table presents the liabilities and expense for the fiscal year ending June 30, 2012 for the City of Hartford:

	Group 1	Group 2	Group 3	Total
Actuarial Accrued Liability				
Medical				
- Pre-65	$ 22,812,301	$ 22,166,172	$ 9,398	$ 44,987,871
- Post-65	88,667,484	55,307,392	131,283.35	144,106,159
- Total Medical	$ 111,479,785	$ 77,473,564	$ 140,682	$ 189,094,030
Dental	6,280,194	4,974,054	9,644	11,263,893
Life	7,592,927	1,152,523	1,618	8,747,068
Excise Tax	853,702	5,470,295	30,064	6,354,061
Total	$ 126,206,608	$ 89,070,437	$ 182,008	$ 215,459,052
Normal Cost				
Medical				
- Pre-65	$ -	$ 329,799	$ 26,339	$ 356,138
- Post-65	-	2,350,383	258,599	2,608,981
- Total	$ -	$ 2,680,182	$ 284,937	$ 2,965,119
Dental	-	167,058	18,356	185,414
Life	-	29,281	2,702	31,983
Excise Tax	-	351,681	48,386	400,067
Total	$ -	$ 3,228,202	$ 354,382	$ 3,582,583
Expected Net Claims				
Medical				
- Pre-65	$ 2,976,817	$ 1,389,686	$ 6	$ 4,366,509
- Post-65	2,679,933	125,822	15	2,805,771
- Total	$ 5,656,750	$ 1,515,509	$ 21	$ 7,172,279
Dental	369,347	91,845	1	461,193
Life	428,544	19,299	-	447,843
Excise Tax	-	-	-	-
Total	$ 6,454,641	$ 1,626,653	$ 22	$ 8,081,316
Results				
Normal Cost, End of Year	$ -	$ 3,438,035	$ 382,732	$ 3,820,767
Amortization of UAAL	5,757,782	4,924,659	11,993	10,694,434
ARC for Fiscal Year	$ 5,757,782	$ 8,362,694	$ 394,725	$ 14,515,201
Normal Cost, End of Year	$ -	$ 3,438,035	$ 382,732	$ 3,820,767
Additional Amount	6,454,641	1,626,653	11,993	8,093,287
Policy Funding Contribution	$ 6,454,641	$ 5,064,688	$ 394,725	$ 11,914,054
Personnel Information at Beginning of Year				
Medical				
Actives	-	1,246	116	1,362
Retirees	1,486	245	-	1,731
Total	1,486	1,491	116	3,093
Life				
Actives	-	1,246	116	1,362
Retirees	1,924	198	-	2,122
Total	1,924	1,444	116	3,484

The following table presents the liabilities and expense for the fiscal year ending June 30, 2013[1] for the City of Hartford:

	Group 1	Group 2	Group 3	Total
Actuarial Accrued Liability				
Medical				
- Pre-65	$ 20,902,586	$ 37,416,328	$ 73,421	$ 58,392,334
- Post-65	90,354,744	48,098,187	323,254.60	138,776,185
- Total Medical	$ 111,257,330	$ 85,514,514	$ 396,675	$ 197,168,520
Dental	6,215,736	5,380,500	31,628	11,627,864
Life	7,533,447	1,331,466	7,550	8,872,463
Excise Tax	896,386	6,143,673	83,813	7,123,872
Total	$ 125,902,899	$ 98,370,153	$ 519,667	$ 224,792,719
Normal Cost				
Medical				
- Pre-65	$ -	$ 866,188	$ 69,967	$ 936,155
- Post-65	-	1,613,769	307,164	1,920,932
- Total	$ -	$ 2,479,957	$ 377,130	$ 2,857,087
Dental	-	162,340	26,508	188,848
Life	-	37,430	6,047	43,477
Excise Tax	-	336,871	66,232	403,103
Total	$ -	$ 3,016,598	$ 475,917	$ 3,492,515
Expected Net Claims				
Medical				
- Pre-65	$ 2,799,897	$ 1,417,581	$ -	$ 4,217,478
- Post-65	3,045,073	210,097	-	3,255,170
- Total	$ 5,844,970	$ 1,627,679	$ -	$ 7,472,649
Dental	375,813	100,038	-	475,851
Life	436,692	20,997	-	457,689
Excise Tax	-	-	-	-
Total	$ 6,657,475	$ 1,748,713	$ -	$ 8,406,188
Results				
Normal Cost, End of Year	$ -	$ 3,212,677	$ 513,990	$ 3,726,667
Amortization of UAAL	5,743,926	5,438,835	34,243	11,217,005
ARC for Fiscal Year	$ 5,743,926	$ 8,651,512	$ 548,234	$ 14,943,672
Normal Cost, End of Year	$ -	$ 3,212,677	$ 513,990	$ 3,726,667
Additional Amount	6,657,475	1,748,712	34,243	8,440,431
Policy Funding Contribution	$ 6,657,475	$ 4,961,389	$ 548,234	$ 12,167,098
Personnel Information at Beginning of Year				
Medical				
Actives	-	1,203	159	1,362
Retirees	1,447	281	-	1,728
Total	1,447	1,484	159	3,090
Life				
Actives	-	1,203	159	1,362
Retirees	1,877	219	-	2,096
Total	1,877	1,422	159	3,458

[1] Valuation results for fiscal year ending June 30, 2013 are based on an open-group projection of June 30, 2012 results.

The following table presents the liabilities and expense for the fiscal year ending June 30, 2012 for the Board of Education:

	Group 1	Group 2	Group 3	Total
Actuarial Accrued Liability				
Medical				
- Pre-65	$ 1,897,578	$ 13,353,671	$ 28,137	$ 15,279,386
- Post-65	15,018,625	386,384	-	15,405,009
- Total Medical	$ 16,916,203	$ 13,740,055	$ 28,137	$ 30,684,395
Dental	995,956	2,137,103	3,439	3,136,498
Life	2,455,574	626,628	391	3,082,593
Excise Tax	4,245,298	5,152,777	21,605	9,419,680
Total	$ 24,613,031	$ 21,656,562	$ 53,572	$ 46,323,165
Normal Cost				
Medical				
- Pre-65	$ -	$ 732,596	$ 76,586	$ 809,182
- Post-65	-	-	-	-
- Total	$ -	$ 732,596	$ 76,586	$ 809,182
Dental	-	111,251	9,337	120,587
Life	-	25,813	1,210	27,023
Excise Tax	-	373,705	59,854	433,559
Total	$ -	$ 1,243,365	$ 146,987	$ 1,390,352
Expected Net Claims				
Medical				
- Pre-65	$ 506,731	$ 288,995	$ -	$ 795,726
- Post-65	728,327	13,536	-	741,863
- Total	$ 1,235,058	$ 302,531	$ -	$ 1,537,589
Dental	66,965	19,162	-	86,127
Life	183,670	6,367	-	190,037
Excise Tax	-	-	-	-
Total	$ 1,485,693	$ 328,060	$ -	$ 1,813,753
Results				
Normal Cost, End of Year	$ -	$ 1,324,184	$ 158,745	$ 1,482,930
Amortization of UAAL	1,122,893	1,197,380	3,530	2,323,803
ARC for Fiscal Year	$ 1,122,893	$ 2,521,564	$ 162,276	$ 3,806,732
Normal Cost, End of Year	$ -	$ 1,324,184	$ 158,745	$ 1,482,930
Additional Amount	1,485,693	328,060	3,530	1,817,283
Policy Funding Contribution	$ 1,485,693	$ 1,652,244	$ 162,276	$ 3,300,212
Personnel Information at Beginning of Year				
Medical				
Actives[1]	-	2,414	223	2,637
Retirees	394	88	-	482
Total	394	2,502	223	3,119
Life				
Actives[1]	-	1,040	57	1,097
Retirees	820	34	-	854
Total	820	1,074	57	1,951

[1] Excludes actives over age 65, at July 1, 2011, or in a group ineligible for retiree life insurance.

The following table presents the liabilities and expense for the fiscal year ending June 30, 2013[1] for the Board of Education:

	Group 1	Group 2	Group 3	Total
Actuarial Accrued Liability				
Medical				
- Pre-65	$ 1,473,212	$ 14,703,635	$ 113,100	$ 16,289,947
- Post-65	15,023,243	397,530	-	15,420,773
- Total Medical	$ 16,496,455	$ 15,101,165	$ 113,100	$ 31,710,720
Dental	977,134	2,374,721	14,209	3,366,064
Life	2,390,146	742,038	2,540	3,134,724
Excise Tax	4,457,562	5,777,759	86,165	10,321,486
Total	$ 24,321,297	$ 23,995,683	$ 216,015	$ 48,532,994
Normal Cost				
Medical				
- Pre-65	$ -	$ 705,229	$ 127,793	$ 833,022
- Post-65	-	-	-	-
- Total	$ -	$ 705,229	$ 127,793	$ 833,022
Dental	-	106,727	16,578	123,305
Life	-	27,343	3,077	30,420
Excise Tax	-	359,833	98,475	458,309
Total	$ -	$ 1,199,132	$ 245,924	$ 1,445,056
Expected Net Claims				
Medical				
- Pre-65	$ 419,805	$ 467,803	$ -	$ 887,608
- Post-65	796,412	15,586	-	811,998
- Total	$ 1,216,217	$ 483,389	$ -	$ 1,699,606
Dental	67,678	26,634	-	94,312
Life	181,195	8,330	-	189,525
Excise Tax	-	-	-	-
Total	$ 1,465,090	$ 518,353	$ -	$ 1,983,443
Results				
Normal Cost, End of Year	$ -	$ 1,277,075	$ 265,597	$ 1,542,673
Amortization of UAAL	1,109,583	1,326,709	14,234	2,450,526
ARC for Fiscal Year	$ 1,109,583	$ 2,603,784	$ 279,832	$ 3,993,199
Normal Cost, End of Year	$ -	$ 1,277,075	$ 265,597	$ 1,542,673
Additional Amount	1,465,090	518,353	14,234	1,997,677
Policy Funding Contribution	$ 1,465,090	$ 1,795,428	$ 279,832	$ 3,540,350
Personnel Information at Beginning of Year				
Medical				
Actives[2]	-	2,297	369	2,666
Retirees	326	155	-	481
Total	326	2,452	369	3,147
Life				
Actives[2]	-	961	97	1,058
Retirees	787	105	-	892
Total	787	1,066	97	1,950

[1] Valuation results for fiscal year ending June 30, 2013 are based on an open-group projection of June 30, 2012 results.

[2] Excludes actives over age 65, at July 1, 2012, or in a group ineligible for retiree life insurance.

Annual Required Contribution (ARC) and Annual OPEB Cost

The **Annual Required Contribution (ARC)** is an employer's theoretical periodic contribution to an OPEB plan. The ARC includes the employer's Normal Cost and a provision for amortizing unrecognized amounts. The ARC is the amount that an employer would need to fund each year in order to pre-fund the liability and build the funds necessary to fully finance the benefits over time. Note: GASB 45 does not require an employer to contribute the ARC or any other specific amount of contributions.

The components of the ARC are:

- Normal Cost, and
- Provisions for amortizing each of the following components:
  - Initial UAAL at transition;
  - Past contribution deficiencies;
  - Plan changes;
  - Assumption changes; and
  - Gain/loss.

In calculating the ARC for the City of Hartford and Board of Education, all components of the UAAL are amortized together.

The **Annual OPEB Cost** is the GASB 45 accrual-basis measure of the periodic cost of an employer's participation in a defined benefit OPEB plan. This is the expense that needs to be recognized each year in the income statement (or Statement of Revenues and Expenses).

The components of the Annual OPEB Cost are:

- Annual Required Contribution (ARC);
- Interest on the Net OPEB Obligation; and
- ARC Amortization Adjustment, which offsets the amount of principal and interest already included in the ARC for amortization of past contribution deficiencies or excess contributions.

Schedule of Amortization Payments to be Recognized in the Annual Required Contribution

Amortization of Unfunded Actuarial Accrued Liability

GASB 45 requires that the initial unfunded accrued liability be amortized over a period not longer than 30 years. The City of Hartford and Board of Education have elected to amortize the initial unfunded actuarial accrued liability over an open period of 30 years on a level percent of pay basis.

Amortization of Actuarial (Gain)/Loss, Plan Amendments, and Assumption Changes

GASB 45 requires that changes in the Actuarial Accrued Liability, such as plan amendments, assumption changes, and actuarial experience also be amortized over a period not longer than 30 years. The City of Hartford and Board of Education have elected to amortize these changes over an open period of 30 years on a level percent of pay basis as well.

Since the entire unfunded actuarial accrued liability will be reamortized each valuation over an open 30 years, we have combined all of these into a single base.

July 1, 2011 Valuation

Date Established	Group/Rate	7/1/2011 Unrecognized Amount	Amortization Payment (End of Year)
7/1/2011	Group 1 / 5.00%	$ 150,819,639	$ 6,880,675
7/1/2011	Group 2 / 6.50%	$ 110,726,999	$ 6,122,039
7/1/2011	Group 3 / 8.00%	$ 235,580	$ 15,523
7/1/2011	Total	$ 261,782,218	$ 13,018,237

July 1, 2012 Valuation

Date Established	Group/Rate	7/1/2012 Unrecognized Amount	Amortization Payment (End of Year)
7/1/2012	Group 1 / 5.00%	$ 150,224,196	$ 6,853,509
7/1/2012	Group 2 / 6.50%	$ 122,365,836	$ 6,765,544
7/1/2012	Group 3 / 8.00%	$ 735,681	$ 48,478
7/1/2012	Total	$ 273,325,713	$ 13,667,531

Personnel Information

Personnel Information

This actuarial valuation was based on July 1, 2011 participant data. The following chart summarizes the personnel characteristics of the employee data used for this study.

	July 1, 2011	
	City	BOE[1]
Participant counts for medical		
Actives	1,362	2,637
Retirees and spouses pre-65	789	353
Retirees and spouses post-65	942	129
Total	3,093	3,119
Demographic information		
Actives		
Average age	43.3	46.9
Average service	11.4	12.7
Average age		
Retirees	67.7	65.4
Participant counts for life		
Actives	1,362	1,097
Retirees	2,122	854
Total	3,484	1,951

[1] Counts have been updated to exclude those with no expected benefits (over 65 or in a life insurance-ineligible group).

Plan Provisions

Plan Provisions

The following summarizes the medical and prescription drug, dental, and life insurance benefits provided to retiring employees of City of Hartford and Board of Education, as provided by the City and Board and reflected in the valuation.

I. Medical and Prescription Drug Benefits

Eligibility	Employees and their dependents are eligible for coverage if they have retired from their employer. See Tables A and B for retirement eligibility.
Length of coverage	Coverage continues for the lifetime of the retiree, provided the applicable premiums are paid.
Continuation of dependent coverage after death	
▪ Dependents of retirees or participants eligible to retire	Eligible dependents can continue coverage provided the applicable premiums are paid.
▪ Dependents of participants not eligible to retire	Not eligible.
Participant contributions	The contributions payable vary according to the following:
▪ Board of Education	Pre-Medicare: 100% of the active/retiree blended plan rate. Medicare eligible: Full cost of coverage. Note: legacy retirees exist who are over 65 and not eligible for Medicare; these retirees pay the blended pre-Medicare rate.
▪ City	Basic contributions: historical rates projected forward with average trend. City subsidy varies according to the employee's union affiliation and the retirement date. Exceptions to full rates are listed in Table C.
Benefits	Medical plans administered by Anthem Blue Cross Blue Shield. Prescription drug plans administered by CVS-Caremark.

II. Dental Benefits

Eligibility	Employees and their dependents are eligible for coverage if they have retired from their employer. Employees who have been awarded full disability benefits from either Social Security or City of Hartford and Board of Education's Long Term Disability carrier are eligible.
Length of coverage	Coverage continues for the lifetime of the retiree, provided the applicable premiums are paid.
Continuation of dependent coverage after death	
▪ Dependents of retirees or participants eligible to retire	Eligible dependents can continue coverage, at full cost, provided the applicable premiums are paid.
▪ Dependents of participants not eligible to retire	Not eligible.
Participant contributions	
▪ Board of Education	Pre-Medicare: 100% of the active/retiree blended plan rate. Medicare eligible: separately rated.
▪ City	Active/retiree blended rates.

III. Life Insurance Benefits

Eligibility

Employees are eligible for coverage if they have retired from their employer and are in the groups identified below with coverage amounts.

Employees who have been awarded full disability benefits from either Social Security or City of Hartford and Board of Education's Long Term Disability carrier are eligible.

Length of coverage

Coverage continues for life.

Contributions

None.

Benefits

The benefits will vary according to the retiree's former union/group:

- Board of Education

Union/Group	Coverage Amount
Teachers, Principals, Administrators	$ 0
School Secretaries, Paraprofessionals, School Special Police Officers, Health Professionals, Local 566, Building/Grounds Supervisors, Non-Administrative/Non-Bargaining	$ 5,000
HESP Salary Grid 514–	$ 5,000
HESP Salary Grid 515+	$ 15,000
HSSSA Supervisors Salary Grid 710–	$ 5,000
HSSSA Supervisors Salary Grid 710+	$ 15,000
Certified Administrators, Administrators (Non-Certified, Non-Bargaining)	$ 15,000

- City

Union/Group	Coverage Amount
Firefighters, CHPEA	$ 5,000
Police	$ 6,000
Local 1716, Certain Library Union Retirees	$ 7,500
Non-union, Unclassified, MLA, Non-union Library, Certain Library Union Retirees	$ 15,000
HMEA Retired Prior to 06/01/2008	$ 9,000
HMEA Retired On or After 06/01/2008	$ 12,000

Table A
Board of Education

Group	Retirement Eligibility
Teachers, Principals/Administrators, Certified Administrators	Age 60 and 20 years of service or 35 years of service
Local 566	Age 55 and 5 years of service
Building/Ground Supervisors—hired prior to 03/2007	Age 60 and 10 years of service or 20 years of service
Building/Ground Supervisors—hired after 03/2007	Age 60 and 10 years of service or age 55 and 25 years of service
HESP	Age 60 and 5 years of service or age 55 and 25 years of service
All Others	Age 60 and 10 years of service or age 55 and 25 years of service

Table B
City Employees

Group	Retirement Eligibility
Local 1716	Age 55 or 25 years of service
Firefighters	20 years of service
CHPEA—hired prior to 10/01/1997	20 years of service
CHPEA—hired on or after 10/01/1997	25 years of service
Non-union	Age 60 and 5 years of service or 20 years of service
HMEA—hired prior to 07/01/2003	20 years of service
HMEA—hired on or after 07/01/2003	Age 55 and 25 years of service
Library	Age 60 and 10 years of service or 25 years of service
MLA	Age 55 and 25 years of service
Police—hired prior to 07/01/1999	20 years of service
Police—hired on or after 07/01/1999	25 years of service

Table C
City Employees

Group	Contribution Rules
EMBERS Retirees	Free coverage
Firefighters—retired after age 50	Pay 11% of active premium rate fixed at retirement for retiree and spouse; pay extra cost for family coverage (not fixed) for children.
Firefighters—retired before age 50	Receive a stipend of $125 per month.
CHPEA	Receive stipend of $50 per month from age 55 to age 62; free coverage from age 62 to age 65.
Non-union	Pay 100% of cost of coverage to age 55, then pay 25%.
HMEA	Receive stipend of $50 per month from age 55 to age 62; free coverage from age 62 to age 65.
Library	Free coverage from age 62 to age 65.
Police	Receive stipend of $500 per month until age 65 under the pre July 1, 2012 plan. In the post July 1, 2012 plan, retirees pay at the rate used to determine the equivalent monthly premium for active employees at the time of their retirement minus the employee's health insurance contribution. This rate remains unchanged after retirement.
Listed Retirees (182)	Receive various stipends.

Health Care Claims Development

Health Care Claims Development

Twelve months of paid medical claims experience through calendar year 2011 were used in the development of the valuation's claims rates. The claims were trended for the July 1, 2011 to June 30, 2012 time period to estimate incurred claims. Administration costs were added to project total plan costs.

A summary of the claims development results for medical and prescription drug is provided below:

2011 GASB 45 Expected Per Capita Costs

Medical	Average Annual Cost	Average Age
Pre-65		
City	$ 9,681	62
BOE	$ 3,986	67
Post-65		
City	$ 10,141	62
BOE	$ 11,972 [1]	67

The expected medical claims shown above were adjusted from the average age to all other ages using the age-grading increase rates shown below:

Age	Aging Adjustment
<55	3.0%
55-60	3.3%
60-65	3.9%
65-70	2.6%
70-75	2.2%
75-80	1.8%
80-85	0.9%
85-90	0.5%
90 and above	0.0%

[1] Non-Medicare eligible only; others pay full cost and are excluded from the valuation.

Actuarial Assumptions and Methods

Actuarial Assumptions and Methods

I. Actuarial Assumptions

Valuation date	July 1, 2011. July 1, 2012 liabilities were based on an open-group projection from the July 1, 2011 measurement date.
Discount rate	Group 1: 5.0%; Group 2: 6.5%; Group 3: 8.0%. Based on expected long-term rates of return on assets expected to be set aside to finance the payment of plan benefits.
Salary scale	3.0%.
Health care trend rates	See Table D.
Dental rates	The average per capita annual dental plan rate is $581 for BOE retirees and $567 for City retirees. Dental plan rates are assumed to increase by 5% each year.
Mortality rates	Pre-Retirement: RP-2000 Employees Table projected by Scale AA to valuation date plus 17 years. Post-Retirement: RP-2000 Healthy Annuitants Table projected by Scale AA to valuation date plus 8 years.
Retirement rates	
▪ Board of Education	See Table E.
▪ City	See Table F.
Withdrawal rates	See Table G.
Disability rates	N/A.
Coverage election	
▪ Medical and Rx	95% of employees are assumed to elect medical and Rx coverage at retirement.
▪ Dental	95% of employees are assumed to elect dental insurance coverage at retirement.
▪ Life Insurance	100% of employees are assumed to elect life insurance coverage at retirement.

Dependent coverage	80% of male employees and 60% of female employees electing medical and Rx coverage at retirement are assumed to be married and elect spouse coverage.
Spouse age differential	Male retirees are assumed to be three years older than female spouses. Female retirees are assumed to be the same age as their male spouses.
Administrative expense	
▪ Medical and Rx	Administrative expenses are included in the per capita claims costs.
▪ Dental	Administrative expenses are included in the per capita claims costs.
▪ Life Insurance	None assumed; actual benefits valued.

II. Actuarial Methods

Cost method	Projected Unit Credit.
Amortization method	
Initial unfunded liability	
▪ Period	Open 30-year period.
▪ Method	Level percentage of pay.
Actuarial experience, plan changes, and assumption changes	
▪ Period	Open 30-year period.
▪ Method	Level percentage of pay.
Contribution (excess)/deficiencies	
▪ Period	Open 30-year period.
▪ Method	Level percentage of pay.
Open Group projections	
▪ Existing actives	Decrement according to actuarial assumptions.
▪ New hires	
– Number	Number needed to retain level active employee headcount; distribution by recent hires in each union.
– Age and gender	Based on demographics of recent hires in each union.
▪ Retirees	Decrement according to actuarial assumptions; actives retiring produce new retirees.

Actuarial Assumptions and Methods

Table D

Health Care Trend Rates

Year	Increase Rate
2011	9.00%
2012	8.50%
2013	8.00%
2014	7.50%
2015	7.00%
2016	6.50%
2017	6.00%
2018	5.50%
2019 and after	5.00%

Table E

Retirement Rates (Board of Education)

Age	Unisex
55	15%
56	10%
57	5%
58	5%
59	5%
60	30%
61	5%
62	20%
63	10%
64	10%
65	100%

Table F

Retirement Rates by Service Values (City of Hartford)

Years of Service	Police	Fire	Municipal Services & Library
20	20%	5%	10%
21	15%	1%	5%
22	5%	1%	5%
23	5%	1%	10%
24	20%	10%	15%
25	30%	30%	15%
26–27	5%	5%	10%
28	10%	5%	15%
29	25%	20%	15%
30	100%	20%	100%
31–34	n/a	5%	n/a
35	n/a	100%	n/a

Table G

Withdrawal Rates—Full-Time Employees

Age	Uniformed	Non Uniformed
20	5.0%	10.0%
25	2.0%	7.0%
30	2.0%	5.0%
34	2.0%	4.0%
40+	0.0%	0.0%

Overview of GASB 45

Overview of GASB 45

Background

In June of 2004, the Governmental Accounting Standards Board finalized the accounting rules for postemployment benefits other than pensions in Statement No. 45 ("GASB 45"). These rules, generally effective for the first fiscal year beginning after December 15, 2006, will require employers to charge the cost of postemployment benefits (most notably postretirement medical benefits) against income over the working lifetimes of employees. This is in sharp contrast to prior practice of expensing postemployment benefit costs only when the related benefits are paid, which is after employees retire.

The new expense calculation reflects expected future medical costs, not just the cost of benefits today. It also includes an accrual for all active employees, valuing the benefits they are anticipated to receive in retirement based on the likelihood that they will stay employed until eligible for postretirement benefits.

The combined effect of projecting medical cost increases and including the active work force produces a much larger expense than that determined under the current practice of expensing only current claims of current retirees and disableds.

Scope of GASB 45

GASB 45 applies to all postemployment benefits other than pensions, including:

- Retiree health care benefits—medical and dental;
- Long-term disability (LTD) benefits;
- Life insurance outside of the pension plan; and
- Other welfare benefits—day care, legal services, housing subsidies, tuition assistance, etc.

The statement applies to any arrangement that is in substance a postemployment benefit plan. The arrangement can be written or unwritten.

Substantive Plan

The accounting for postemployment benefits is based upon the substantive plan, which is the plan as understood by the employer and employees. Generally, it is the written plan, but an employer's cost sharing policies as evidenced by past practice or communication to employees may differ from the written plan.

GASB 45 Terminology

- The **Actuarial Present Value of Total Projected Benefits (PVB)** is the actuarial present value of all postemployment benefits expected to be paid to each employee and his/her covered dependents in the future. The calculation considers the probability that the employee will remain with the City until retirement, the expected retirement age, and the anticipated level of medical claims at that time.

  This present value is not used directly in the expense calculation nor is it disclosed. It is, however, a good measure of total exposure.

- The **Actuarial Accrued Liability (AL)** is the portion of the PVB that is attributed to employee service rendered prior to the valuation date:
  - For retired employees, the AL equals the PVB.
  - For active employees who have not yet reached expected retirement age, the AL equals a pro rata portion of the PVB based on years of service worked prior to the valuation date to those expected to be worked at expected retirement age.

    The AL is used in the GASB accounting calculations to establish the plan's funded status, develop the annual required contribution (ARC), and to develop the annual OPEB cost.

- The **Normal Cost** is one year's pro rata share of the PVB for current active employees. There is no Normal Cost for retirees or active employees who have already reached expected retirement age.

- The **Annual Required Contribution (ARC)** is an employer's theoretical periodic contribution to an OPEB plan. The ARC includes the employer's normal cost and a provision for amortizing the total unfunded actuarial accrued liability (UAL). The ARC is the amount that an employer would need to fund each year in order to pre-fund the liability and build the funds necessary to fully finance the benefits over time. Note, GASB 45 does not require an employer to contribute the ARC or any other specific amount of contributions.

- The **Annual OPEB Cost** is the GASB 45 accrual-basis measure of the periodic cost of an employer's participation in a defined benefit OPEB plan. This is the expense that needs to be recognized each year in the income statement (or Statement of Revenues and Expenses).

- The **Net OPEB Obligation** is the cumulative difference since the effective date of GASB 45 between annual OPEB cost and the employer's contributions to the plan, including the OPEB liability (asset) at transition, if any. This is the liability that needs to be recognized on the balance sheet (or Statement of Net Assets).

- The **Discount Rate** is the interest rate selected as of the measurement date to determine the present value of future cash outflow of postemployment payments. GASB requires that employers should look to the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits.

Components of Annual Required Contribution (ARC)

The components of the ARC are:

- The employer's **Normal Cost**, and
- Provisions for amortizing each of the following components of the employer's Unfunded Actuarial Accrued Liability (UAL):
  - Initial unfunded accrued liability at transition;
  - Past contribution deficiencies or excesses;
  - Plan changes;
  - Assumption changes; and
  - Gain/loss.

Components of Annual OPEB Cost

The components of cost ("Annual OPEB Cost" using GASB 45 terminology) are:

- The Annual Required Contribution (ARC).
- One year's interest on the Net OPEB Obligation.
- The ARC Amortization Adjustment, which offsets the amount of principal and interest already included in the ARC for amortization of past contribution deficiencies and excesses.

Disclosures

The disclosures required by GASB 45 include:

- Benefit plan description;
- Description of the Employer's funding policy;
- Components of Annual OPEB Cost (ARC, interest on the Net OPEB Obligation, and adjustment to the ARC);
- Increase or decrease in the Net OPEB Obligation;
- Information about the funded status of the plan, including the actuarial value of assets, the actuarial accrued liability, and the plan's funded ratio; and
- Actuarial methods and significant assumptions used to determine the ARC and Annual OPEB Cost. The disclosures should include:
  - Actuarial cost method;
  - Methods used to determine the actuarial value of assets, if applicable;
  - Assumptions used with respect to projected investment return (including the method used to determine a blended rate for a partially funded plan, if applicable);
  - Assumptions used with respect to initial and ultimate healthcare cost trend rates; and
  - Amortization method (level dollar or level percentage of projected payroll), amortization period, and whether the period is closed or open.

Table C
City Employees

Group	Contribution Rules
EMBERS Retirees	Free coverage
Firefighters—retired after age 50	Pay 11% of active premium rate fixed at retirement for retiree and spouse; pay extra cost for family coverage (not fixed) for children.
Firefighters—retired before age 50	Receive a stipend of $125 per month.
CHPEA	Receive stipend of $50 per month from age 55 to age 62; free coverage from age 62 to age 65.
Non-union	Pay 100% of cost of coverage to age 55, then pay 25%.
HMEA	Receive stipend of $50 per month from age 55 to age 62; free coverage from age 62 to age 65.
Library	Free coverage from age 62 to age 65.
Police	Receive stipend of $500 per month until age 65 under the pre July 1, 2012 plan. In the post July 1, 2012 plan, retirees pay at the rate used to determine the equivalent monthly premium for active employees at the time of their retirement minus the employee's health insurance contribution. This rate remains unchanged after retirement.
Listed Retirees (182)	Receive various stipends.