

Limitations

This template is intended for the internal use of Washington State Health Care Authority (HCA) in support of the School Employee Benefit Board (SEBB) Program scheduled for implementation on 1/1/2020. Any user of the template must possess a certain level of expertise in actuarial science, health care modeling, and underwriting so as not to misinterpret the template and to appropriately display the development of bid rates. The terms of Milliman's contract with the Washington State Health Care Authority, effective December 15, 2017, apply to this template and its use.

Milliman makes no representations or warranties regarding the contents of this template to third parties. Similarly, third parties are instructed that they are to place no reliance upon this template prepared for HCA by Milliman that would result in the creation of any duty or liability under any theory of law by Milliman or its employees to third parties. It is the responsibility of any health plan to make an independent determination of the proposed bid rates for their organization.

This attachment is bound by the caveats and limitations within the documentation associated with the template ("HCA SEBB Bid Rate Proposal Template Instructions v2019.1"). Please review the instructions for important considerations regarding the data included.

Qualifications

Guidelines issued by the American Academy of Actuaries require actuaries to include their professional qualifications in all actuarial communications. The authors of this template and the associated report are members of the American Academy of Actuaries and meet the qualification standards for performing the analysis presented herein.

**Washington State Health Care Authority
SEBB Bid Rate Proposal - Carrier Name
General Inputs**

Carrier Name:

Plan	Name
1	Plan Name 1
2	Plan Name 2
3	Plan Name 3
4	Plan Name 4
5	Plan Name 5
6	Plan Name 6
7	Plan Name 7
8	Plan Name 8
9	Plan Name 9
10	Plan Name 10

Projection Period	
Start Date	1/1/2020
End Date	12/31/2020
Member Months	1,000,000
State Base Risk Score	1.00
State Proj. Risk Score	1.00

Final Projection
Projection Method: Experience

Service Category	Projection Factors										Plan Year 2020 Projected Experience - Allowed					Manual Claims Costs - Plan Year 2020					Final Claims Projection - Plan Year 2020				
	Trend - Util	Trend - Charge	Management - Util	Seasonality - Util	Reimbursement	Morbidity	Area - Util	Area - Charge	Other - Util	Other - Charge	Admits/1,000	Utilis/1,000	Default Units	Average Cost	PMPM	Admits/1,000	Utilis/1,000	Default Units	Average Cost	PMPM	Admits/1,000	Utilis/1,000	Default Units	Average Cost	PMPM
											Projected Manual - Allowed					Projected Claims Cost - Allowed									
IP Med/Surg	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1,000	1,000	Days	\$120.00	\$10.00	1,000	1,000	Days	\$120.00	\$10.00	1,000	1,000	Days	\$120.00	\$10.00
IP Psych/A&D	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1,000	1,000	Days	\$120.00	\$10.00	1,000	1,000	Days	\$120.00	\$10.00	1,000	1,000	Days	\$120.00	\$10.00
IP Maternity	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1,000	1,000	Days	\$120.00	\$10.00	1,000	1,000	Days	\$120.00	\$10.00	1,000	1,000	Days	\$120.00	\$10.00
SNF	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1,000	1,000	Days	\$120.00	\$10.00	1,000	1,000	Days	\$120.00	\$10.00	1,000	1,000	Days	\$120.00	\$10.00
OP Med/Surg	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1,000	1,000	Cases	\$120.00	\$10.00	1,000	1,000	Cases	\$120.00	\$10.00	1,000	1,000	Cases	\$120.00	\$10.00
ER	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1,000	1,000	Cases	\$120.00	\$10.00	1,000	1,000	Cases	\$120.00	\$10.00	1,000	1,000	Cases	\$120.00	\$10.00
OP Rad/Path	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1,000	1,000	Cases	\$120.00	\$10.00	1,000	1,000	Cases	\$120.00	\$10.00	1,000	1,000	Cases	\$120.00	\$10.00
OP Rx	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1,000	1,000	Cases	\$120.00	\$10.00	1,000	1,000	Cases	\$120.00	\$10.00	1,000	1,000	Cases	\$120.00	\$10.00
OP Cardiology	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1,000	1,000	Cases	\$120.00	\$10.00	1,000	1,000	Cases	\$120.00	\$10.00	1,000	1,000	Cases	\$120.00	\$10.00
OP PT/OT/ST	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1,000	1,000	Cases	\$120.00	\$10.00	1,000	1,000	Cases	\$120.00	\$10.00	1,000	1,000	Cases	\$120.00	\$10.00
OP Psych/A&D	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1,000	1,000	Cases	\$120.00	\$10.00	1,000	1,000	Cases	\$120.00	\$10.00	1,000	1,000	Cases	\$120.00	\$10.00
OP Other	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1,000	1,000	Cases	\$120.00	\$10.00	1,000	1,000	Cases	\$120.00	\$10.00	1,000	1,000	Cases	\$120.00	\$10.00
Prof Procedures	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1,000	1,000	Procedures	\$120.00	\$10.00	1,000	1,000	Procedures	\$120.00	\$10.00	1,000	1,000	Procedures	\$120.00	\$10.00
Prof Visits	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1,000	1,000	Visits	\$120.00	\$10.00	1,000	1,000	Visits	\$120.00	\$10.00	1,000	1,000	Visits	\$120.00	\$10.00
Prof Units	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1,000	1,000	Units	\$120.00	\$10.00	1,000	1,000	Units	\$120.00	\$10.00	1,000	1,000	Units	\$120.00	\$10.00
Rx Generic	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1,000	1,000	Scripts	\$120.00	\$10.00	1,000	1,000	Scripts	\$120.00	\$10.00	1,000	1,000	Scripts	\$120.00	\$10.00
Rx MSB	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1,000	1,000	Scripts	\$120.00	\$10.00	1,000	1,000	Scripts	\$120.00	\$10.00	1,000	1,000	Scripts	\$120.00	\$10.00
Rx SSB	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1,000	1,000	Scripts	\$120.00	\$10.00	1,000	1,000	Scripts	\$120.00	\$10.00	1,000	1,000	Scripts	\$120.00	\$10.00
Rx OTC	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1,000	1,000	Scripts	\$120.00	\$10.00	1,000	1,000	Scripts	\$120.00	\$10.00	1,000	1,000	Scripts	\$120.00	\$10.00
Rx Specialty	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1,000	1,000	Scripts	\$120.00	\$10.00	1,000	1,000	Scripts	\$120.00	\$10.00	1,000	1,000	Scripts	\$120.00	\$10.00
Other	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00		1,000	Units	\$120.00	\$10.00		1,000	Units	\$120.00	\$10.00		1,000	Units	\$120.00	\$10.00
Total														\$210.00	\$10.00				\$210.00	\$10.00				\$210.00	\$10.00

Washington State Health Care Authority
 SEBB Bid Rate Proposal - Carrier Name
 Worksheet 2
 Plan Rate Development

	Membership	Plan									
		Plan Name 1	Plan Name 2	Plan Name 3	Plan Name 4	Plan Name 5	Plan Name 6	Plan Name 7	Plan Name 8	Plan Name 9	Plan Name 10
Projected Allowed PMPM ¹		\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00
Plan-Specific Allowed Adjustments											
Benefit Design - Induced Utilization		1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Benefit Design - Covered Services		1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Network Impact		1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Other - 1		1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Other - 2		1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total Allowed Adjustments		1.00									
Plan-Specific Allowed PMPM¹		\$210.00									
Plan-Specific Paid Adjustments											
Pricing Actuarial Value (paid / allowed)		1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Other - 1		1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Other - 2		1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total Paid Adjustments		1.00									
Plan-Specific Paid PMPM¹		\$210.00									
Retention PMPM¹											
Administrative Costs		\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Taxes and Fees		\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Margin		\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Total Retention		\$3.00									
Standardized Premium Equivalent PMPM¹		\$213.00									
Membership											
Member Months	10	10	10	10	10	10	10	10	10	10	
Subscriber Months by Tier											Adult Units Per Tier
EE - Employee Only	1	1	1	1	1	1	1	1	1	1	1.00
ES - Employee + Spouse ²	1	1	1	1	1	1	1	1	1	1	2.00
EC - Employee + Child(ren)	1	1	1	1	1	1	1	1	1	1	1.75
EF - Employee + Family	1	1	1	1	1	1	1	1	1	1	3.00
Adult Unit Months		7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	
MM/AU Conversion Factor³		1.29									
2020 Bid Rate (PAUPM⁴)		\$274.84									

Notes:
 (1) Costs are expressed on a per member per month (PMPM) basis
 (2) Includes state registered domestic partners
 (3) Conversion from per member per month basis to per adult unit per month basis
 (4) Costs are expressed on a per adult unit per month (PAUPM) basis