



October 14, 2008

Ms. Freda Miller
 Benefits Manager
 State of Alaska
 PO Box 110203
 Juneau AK 99811

Re: Alaska Fiscal-Year 2010 Active Select Benefits Rate Recommendations

Dear Freda:

Buck Consultants is pleased to present the results of our analysis of State of Alaska healthcare plan data and fiscal 2010 Select Benefits active employee rate recommendations. Rate recommendations cover the projected cost of healthcare claims and administration, including composite funding rates by plan and rates specific to employee and dependent coverage. Rates by dependent category are presented in attachments for active employees as the basis for determining imputed income for employees who enroll same-sex partners. Our report summarizes rate recommendations, the benefit plans and data analyzed, and methods and assumptions used for projections. Attached exhibits provide additional detail and illustrate recommendations as regards available reserve funds.

Rate Recommendation Summary (Select Benefits)

ACTIVE EMPLOYEES – EMPLOYER BASE CONTRIBUTION AMOUNT
 (SUM OF ECONOMY MEDICAL RATE AND PREVENTIVE DENTAL RATE)

	FY2009	FY2010	% Change
Employer Contribution	\$ 867	\$ 910.35	5%

ACTIVE MEDICAL AND PRESCRIPTION DRUG COVERAGE
 FISCAL 2009 MONTHLY RATES AND FISCAL 2010 RECOMMENDED RATES

	FY2009	FY2010	% Change
Prem EE / Std FAM	\$ 1,040	\$1,092.00	5%
Premium Family	\$ 1,227	\$1,288.35	5%
Standard	\$ 953	\$1,000.65	5%
Economy	\$ 822	\$ 863.10	5%

ACTIVE DENTAL COVERAGE
 FISCAL 2009 MONTHLY RATES AND FISCAL 2010 RECOMMENDED RATES

	FY2009	FY2010	% Change
Premium	\$ 175	\$ 183.75	5%
Standard	\$ 105	\$ 110.25	5%
Preventive	\$ 45	\$ 47.25	5%

ACTIVE VISION COVERAGE			
FISCAL 2009 MONTHLY RATES AND FISCAL 2010 RECOMMENDED RATES			
	FY2009	FY2010	% Change
No Coverage			
Standard	\$ 33	\$ 34.65	5%
Managed	\$ 22	\$ 23.10	5%

Alaska Active Select Benefits Employee Healthcare Benefits and Data Elements

- Benefits
Medical, prescription drug, dental, vision and audio coverage is provided through the Select Benefits Health Plan and is available to employees of the State of Alaska who are in a participating bargaining unit and who meet eligibility criteria. Employers fund base coverage comprised of Economy medical and Preventive dental benefits; employees may buy-up to Standard and Premium benefits. Managed and Standard vision are optional and fully funded by employee-paid premiums. Employer funding also varies for certain bargaining units.
- Administration and Data Sources
The plans described above were administered by Aetna through June 30, 2006 and are administered by Premera thereafter. This report reflects claim and enrollment data prepared by Aetna from January 2003 through June 2006. Claims and enrollment data for July 2006 through June 2008 were provided by Premera and are also included in the analysis. We also incorporated data and calculations covering the period January 2001 through December 2005 prepared by the prior consultant.

Rate Projection Methods and Assumptions

Buck projected historic claim data to fiscal 2010 for employees using the following basic steps:

1. Develop historic paid claim cost rates – annual per employee costs for each type of coverage for each year in the experience period of calendar 2002 through June 2008.
2. Adjust for plan design – multiply each historic paid claim cost rate by the relative value of benefits to be provided in the projection year compared to the relative value of benefits provided during each year in the experience period. Plan design improvements accounted for are: same-sex partner coverage, Health Improvement Plan (HIP), and well baby care benefit. The impact of these changes on costs is shown in the Contribution vs. Cost exhibit.
3. Adjust for claim fluctuation, anomalous experience, etc. – explicit adjustments are often made for past or anticipated future large claims or other anomalous experience. Because we averaged both Alaska-specific and national trend factors as described below, we did not make any additional smoothing adjustments.

4. Trend all data points to the projection period – bring prior years experience forward to fiscal 2010 for employee benefits and adjust from a paid to an incurred claim basis. Trend factors derived from historic Alaska-specific experience and national trend factors are shown in the table below, with the exception of membership, which is assumed to grow at 2.0% per year.
5. Apply credibility to prior experience – adjust prior year’s data to give more weight to recent periods, as shown at the right of the following table. Note also that we averaged projected plan costs using Alaska-specific trend factors and national trend factors, assigning each equal weight:

Active Plan Projection Factors							
Period	Alaska-Specific Trend Factors			National Trend Factors			Credibility Weighting
	Medical	Rx	DVA	Medical	Rx	DVA	
CY 2002	12%	15%	0%	10%	15%	5%	2.5%
CY 2003	3%	5%	0%	10%	15%	5%	5.0%
CY 2004	5%	9%	0%	9.5%	14%	5%	7.5%
CY 2005	3%	8%	0%	9.5%	14%	4%	10%
CY 2006	8%	11%	0%	9.5%	14%	4%	15%
FY 2007	4%	4.5%	1%	9%	13%	4%	40%
FY 2008	16.1%	14.6%	6%	9%	12%	4%	20%

6. Add administration costs – no explicit adjustments were made for internal administrative costs. Third party plan administration fees were added as follows: \$35.46 per employee per month for medical, prescription and audio benefits, \$1.99 per employee per month for dental benefits. We allocated composite TPA fees to each benefit type to estimate the cost of administering medical and dental benefits separately.
7. Required rate increase – finally, after projecting costs to fiscal 2010, we reviewed with the State of Alaska the amount of revenue generated by the process above compared to projected plan costs and unencumbered reserve funds expected to be available. Because of the current surplus position of \$38.9 million, there is no need to pass along the entire percentage increase in expected plan costs versus current annual revenue. The attached exhibits illustrate a variety of scenarios explored for each benefit, comparing expected costs to potential fiscal 2009 revenue and starting reserves. Based on these scenarios, Buck recommends the rate increases shown above in the Rate Recommendation Summary.

The amount of the unencumbered reserve has decreased approximately \$9 million dollars since last year, to a current level of \$38.9 million. This rate of decline, combined with the relatively moderate contribution increases in the past, leads towards a conclusion that the unencumbered reserves will last a few more years before they are exhausted. In contrast to the recommended increase of 5%, the increase that would be needed to cover the expected plan costs for FY2010, and therefore have no impact to the reserve, is 16.2%.

Buck’s recommendation for the long term strategy of the State is to manage the combination of increasing plan costs and a decreasing reserve level by grading in incrementally more aggressive contribution increases over

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the next few years. This will provide a hedge against the potential situation of needing to put through a large contribution increase to cover costs during the year that the reserve is exhausted.

Based on our review of data provided, the use of generally accepted actuarial and underwriting principals described above and the sets of reasonable assumptions shown above, we believe our fiscal 2010 active rate recommendations for funding Alaska healthcare benefits will result in continued significant unencumbered reserves at calendar and fiscal year-end. Please let us know if you have any questions regarding active employee healthcare rate recommendations.

Very truly yours,



Christopher R. Hulla
Principal, Health & Welfare Consulting



Aaron P. Jurgaitis, A.S.A., M.A.A.A.
Consultant, Health & Welfare

AJ:mw

Enclosure

c: Pat Shier, State of Alaska
David Slushinsky, Buck Consultants
Michelle DeLange, Buck Consultants
Monica DeGraff, Buck Consultants

Active - Medical / Rx / Dental / Vision
 Contribution vs. Cost - Funding Scenario:
 Includes estimated FY 2008 VSP revenue

10/13/2008

	Medical/Rx			Dental			Vision			Total
FY 2009 Total Contribs	\$71,264,964			\$7,040,663			\$1,167,091			\$79,472,717
@2.0% Annual Employee Growth							<= incl. \$386,838 est. FY08 VSP revenue			
	National Trends	SoAK Trends	50/50 Split	National Trends	SoAK Trends	50/50 Split	National Trends	SoAK Trends	50/50 Split	
FY 2010 Projected Claims	\$74,729,582	\$84,874,733	\$79,802,158	\$6,248,770	\$6,577,688	\$6,413,229	\$722,712	\$760,481	\$741,596	\$86,956,983
FY 2010 VSP Claim Allowance							\$502,867	\$532,447	\$517,657	\$517,657
FY 2010 Admin Fee	\$2,595,917	\$2,595,917	\$2,595,917	\$146,007	\$146,007	\$146,007	\$55,436	\$55,436	\$55,436	\$2,797,360
FY 2010 Claims Load	\$848,747	\$848,747	\$848,747	\$65,777	\$65,777	\$65,777	\$7,605	\$7,605	\$7,605	\$922,129
Benefit Plan Changes	\$1,141,990	\$1,158,551	\$1,150,271	\$22,416	\$23,596	\$23,006	\$2,624	\$2,761	\$2,693	\$1,175,970
- Same-Sex Partner Coverage	\$100,596	\$114,253	\$107,425	\$22,416	\$23,596	\$23,006	\$2,624	\$2,761	\$2,693	\$133,123
- Health Improvement Plan (FY09)	\$1,020,000	\$1,020,000	\$1,020,000							\$1,020,000
- Well Baby Care (FY09)	\$21,394	\$2,298	\$22,846							\$22,846
Total FY 2010 Expected Costs	\$79,316,236	\$89,477,949	\$84,397,093	\$6,482,970	\$6,813,067	\$6,648,019	\$1,291,243	\$1,358,730	\$1,324,987	\$92,370,098
% Increase Over FY09 Revenue	11.3%	25.6%	18.4%	-7.9%	-3.2%	-5.6%	10.6%	16.4%	13.5%	16.23%
Add Historic Margin	\$9,981,707	\$11,336,806	\$10,659,256	\$1,656,034	\$1,743,203	\$1,699,618	\$134,698	\$141,738	\$138,218	\$12,497,092
Total FY 2010 Expected Contribution	\$89,297,944	\$100,814,754	\$95,056,349	\$8,139,004	\$8,556,270	\$8,347,637	\$1,425,942	\$1,500,468	\$1,463,205	\$104,867,190
Percentage Increase	25.3%	41.5%	33.4%	15.6%	21.5%	18.6%	22.2%	28.6%	25.4%	32.0%
Total Reserves as of 6/30/2008										\$38,909,709
Incurred & Unpaid as of 6/30/08										(\$9,741,000)
Assumed Claims Payments In Process as of 6/30/08										(\$2,542,005)
Accrued Expenses, etc. (estimated.)										(\$1,145,663)
Unrestricted Net Assets 6/30/08 (estimated.)										\$24,885,868
Incurred & Unpaid Reserve (as % of Expected Costs FY2010 w/o Margin)										11.1%
										5.7%
										6.9%
										11.1%
Contribution Increase Percentage - Self-Supporting FY10 Rate										32.0%
Contribution Volume at 33.4% / 18.6% / 25.4% Assumed Increase										\$95,056,349
Amount Removed From (Added To) Reserve Fund										(\$10,659,256)
Contribution Increase Percentage - One-Half of Self-Supporting Inc										16.0%
Contribution Volume at 16.7% / 9.3% / 12.7% Assumed Increase										\$83,166,213
Amount Removed From (Added To) Reserve Fund										\$1,230,880
Contribution Increase Percentage (No Impact to Reserve Func										16.23%
Contribution Volume at 16.23% / 16.23% / 16.23% Assumed Increase										\$82,830,334
Amount Removed From (Added To) Reserve Fund										\$1,566,759
Contribution Increase Percentage (Recommendation										5.0%
Contribution Volume at 5.0% / 5.0% / 5.0% Assumed Increase										\$74,828,212
Amount Removed From (Added To) Reserve Fund										\$9,568,881

Active Summary	
Total Reserves as of 6/30/2008	\$38,909,709
Total Unrestricted Net Assets as of 6/30/2008	\$24,885,868
Medical / Rx / Audio Incurred & Unpaid and In Process as of 6/30/2008	(\$12,283,005)
Dental Incurred & Unpaid and In Process as of 6/30/2008	(\$480,426)
Vision Incurred & Unpaid and In Process as of 6/30/2008	(\$114,747)
Total Reserves (% of Expected Costs FY2010 w/o Margin- All Plans)	42.1%
Recommended Medical Contribution Increase	5.0%
Recommended Dental Contribution Increase	5.0%
Recommended Vision Contribution Increase	5.0%
Net Assets Removed (Added) at Recommendation Levels	
-Medical	\$9,568,881
-Dental	(\$744,677)
-Vision	\$99,541
-Total	\$8,923,745
Reserve Projection w/o Interest Earnings - Using FY 2010 Recommended Contributions	
-Total Claim Liability (as % of Expected Costs FY2010 w/o Margin - All Plans)	13.9%
-Unrestricted Reserves (% of Expected Costs FY2010 w/o Margin - All Plans)	32.5%

FY2010 Price-Tag Recommendation

	Medical/Rx	Dental	Vision
Premium Family	\$1,288.35	\$183.75	\$34.65
Prem EE / Std FAM	\$1,092.00	\$110.25	\$23.10
Standard	\$1,000.65		
Economy	\$863.10		
Premium Preventive		\$47.25	
Standard Managed			\$23.10

Select Benefits

June 30, 2008 Valuation - FY 2010 Claim Cost Rates

Active Employee Plans

	Medical		Rx	Dental	Vision	Total
	Pre-Medicare					
Calendar 2003 Paid Claims	\$ 37,348,096	\$ 6,273,166	\$ 4,867,444	\$ 603,770	\$ 49,092,477	
Membership	13,879	13,879	13,879	5,555	13,879	
Paid Claim Cost Rate	\$ 2,691	\$ 452	\$ 351	\$ 109	\$ 3,537	
Trend to FY2010	1.767	2.153	1.303	1.303		
FY 2010 Paid Cost Rate	\$ 4,754	\$ 973	\$ 457	\$ 142	\$ 6,325	
Paid to Incurred Factor**	1.014	1.007	1.002	1.002		
FY 2010 Incurred Cost Rate	\$ 4,823	\$ 980	\$ 458	\$ 142	\$ 6,402	
Calendar 2004 Paid Claims	\$ 36,614,316	\$ 6,252,697	\$ 4,977,869	\$ 592,635	\$ 48,437,518	
Membership	13,969	13,969	13,969	5,308	13,969	
Paid Claim Cost Rate	\$ 2,621	\$ 448	\$ 356	\$ 112	\$ 3,467	
Trend to FY2010	1.613	1.888	1.241	1.241		
FY 2010 Paid Cost Rate	\$ 4,228	\$ 845	\$ 442	\$ 139	\$ 5,654	
Paid to Incurred Factor**	1.014	1.007	1.002	1.002		
FY 2010 Incurred Cost Rate	\$ 4,289	\$ 851	\$ 443	\$ 139	\$ 5,723	
Calendar 2005 Paid Claims	\$ 42,301,834	\$ 6,276,962	\$ 4,966,730	\$ 566,225	\$ 54,111,751	
Membership	14,793	14,793	14,775	5,343	14,793	
Paid Claim Cost Rate	\$ 2,860	\$ 424	\$ 336	\$ 106	\$ 3,658	
Trend to FY2010	1.473	1.656	1.193	1.193		
FY 2010 Paid Cost Rate	\$ 4,212	\$ 703	\$ 401	\$ 126	\$ 5,443	
Paid to Incurred Factor**	1.014	1.007	1.002	1.002		
FY 2010 Incurred Cost Rate	\$ 4,273	\$ 708	\$ 402	\$ 127	\$ 5,510	
Calendar 2006 Paid Claims	\$ 44,039,269	\$ 7,251,447	\$ 5,185,181	\$ 596,668	\$ 57,072,566	
Membership	14,271	14,271	14,273	5,161	14,271	
Paid Claim Cost Rate	\$ 3,086	\$ 508	\$ 363	\$ 116	\$ 3,999	
Trend to FY2010	1.345	1.453	1.147	1.147		
FY 2010 Paid Cost Rate	\$ 4,152	\$ 738	\$ 417	\$ 133	\$ 5,439	
Paid to Incurred Factor**	1.014	1.007	1.002	1.002		
FY 2010 Incurred Cost Rate	\$ 4,212	\$ 744	\$ 418	\$ 133	\$ 5,506	
Fiscal 2007 Paid Claims	\$ 39,299,465	\$ 7,373,632	\$ 4,826,971	\$ 509,835	\$ 52,009,903	
Membership	14,796	14,796	14,796	5,882	14,796	
Paid Claim Cost Rate	\$ 2,656	\$ 498	\$ 326	\$ 87	\$ 3,515	
Trend to FY2010	1.289	1.368	1.125	1.125		
FY 2010 Paid Cost Rate	\$ 3,424	\$ 682	\$ 367	\$ 98	\$ 4,570	
Paid to Incurred Factor**	1.014	1.007	1.002	1.002		
FY 2010 Incurred Cost Rate	\$ 3,474	\$ 686	\$ 368	\$ 98	\$ 4,626	
Fiscal 2008 Paid Claims	\$ 61,860,971	\$ 9,363,857	\$ 5,806,724	\$ 714,561	\$ 77,746,114	
Membership	14,726	14,726	14,726	5,830	14,726	
Paid Claim Cost Rate	\$ 4,201	\$ 636	\$ 394	\$ 123	\$ 5,280	
Trend to FY2010	1.183	1.221	1.082	1.082		
FY 2010 Paid Cost Rate	\$ 4,968	\$ 776	\$ 427	\$ 133	\$ 6,304	
Paid to Incurred Factor**	1.014	1.007	1.002	1.002		
FY 2010 Incurred Cost Rate	\$ 5,040	\$ 782	\$ 427	\$ 133	\$ 6,382	
Average 7/2003-6/2010 Incurred Claim Cost Rates (weighted by membership only, not prior-year credibility):						
	\$ 4,348	\$ 790	\$ 419	\$ 128	\$ 5,684	

Includes estimated FY 2008 VSP revenue

**State of Alaska Contribution Rate Study
Active Employee Base Rates**

Includes estimated FY 2008 VSP revenue

	FY2009	FY2010	% Change
Employer Contribution for Full-Time Employees	\$ 867.00	\$ 910.35	5.0%

PRE-TAX DEDUCTIONS

Formula for imputed income: $I = D - S - C$
 I = imputed income
 D = premium for dependent coverage tier
 S = premium for single coverage
 C = post-tax employee contribution

	Medical & Rx Monthly Rates		
	FY2009	FY2010	% Change
Premium Family	\$ 1,227.00	\$ 1,288.35	5.0%
Prem EE / Std FAM	\$ 1,040.00	\$ 1,092.00	5.0%
Standard	\$ 953.00	\$ 1,000.65	5.0%
Economy	\$ 822.00	\$ 863.10	5.0%

	Medical & Rx Employee FY10 Contribution (Pre-Tax Payroll Deduction)		
	FY2009	FY2010	% Change
	\$ 405.00	\$ 425.25	5.0%
	\$ 218.00	\$ 228.90	5.0%
	\$ 131.00	\$ 137.55	5.0%
	\$ -	\$ -	0.0%

	FY 2010 SSP Imputed Income Factors			
	EE Only	EE+Spouse	EE+Child(ren)	Family
	\$ 660.69	\$ 1,321.38	\$ 1,057.10	\$ 1,717.79
	\$ 660.69	\$ 1,173.84	\$ 968.58	\$ 1,481.73
	\$ 513.15	\$ 1,026.30	\$ 821.04	\$ 1,334.19
	\$ 442.62	\$ 885.24	\$ 708.19	\$ 1,150.81

FY 2010 Imputed Income; Full-Time Employees with Pre-Tax Payroll Deductions - Medical & Rx			
EE + Partner	EE+Child(ren)	Family	
\$ 660.69	\$ 396.41	\$ 1,057.10	
\$ 513.15	\$ 307.89	\$ 821.04	
\$ 513.15	\$ 307.89	\$ 821.04	
\$ 442.62	\$ 265.57	\$ 708.19	

	Dental Monthly Rates		
	FY2009	FY2010	% Change
Premium	\$ 175.00	\$ 183.75	5.0%
Standard	\$ 105.00	\$ 110.25	5.0%
Preventive	\$ 45.00	\$ 47.25	5.0%

	Dental Employee FY10 Contribution (Pre-Tax Payroll Deduction)		
	FY2009	FY2010	% Change
	\$ 130.00	\$ 136.50	5.0%
	\$ 60.00	\$ 63.00	5.0%
	\$ -	\$ -	0.0%

	FY 2010 SSP Imputed Income Factors			
	EE Only	EE+Spouse	EE+Child(ren)	Family
	\$ 77.37	\$ 154.74	\$ 189.56	\$ 266.93
	\$ 46.42	\$ 92.84	\$ 113.73	\$ 160.15
	\$ 19.89	\$ 39.78	\$ 48.73	\$ 68.62

FY 2010 Imputed Income; Full-Time Employees with Pre-Tax Payroll Deductions - Dental			
EE + Partner	EE+Child(ren)	Family	
\$ 77.37	\$ 112.19	\$ 189.56	
\$ 46.42	\$ 67.31	\$ 113.73	
\$ 19.89	\$ 28.84	\$ 48.73	

	Vision Monthly Rates		
	FY2009	FY2010	% Change
No Coverage	\$ -	\$ -	0.0%
Standard	\$ 33.00	\$ 34.65	5.0%
Managed	\$ 22.00	\$ 23.10	5.0%

	Vision Employee FY10 Contribution (Pre-Tax Payroll Deduction)		
	FY2009	FY2010	% Change
	\$ -	\$ -	0.0%
	\$ 33.00	\$ 34.65	5.0%
	\$ 22.00	\$ 23.10	5.0%

	FY 2010 SSP Imputed Income Factors			
	EE Only	EE+Spouse	EE+Child(ren)	Family
	\$ 15.81	\$ 33.60	\$ 30.36	\$ 48.15
	\$ 10.54	\$ 22.40	\$ 20.24	\$ 32.10

FY 2010 Imputed Income; Full-Time Employees with Pre-Tax Payroll Deductions - Vision			
EE + Partner	EE+Child(ren)	Family	
\$ 17.79	\$ 14.55	\$ 32.34	
\$ 11.86	\$ 9.70	\$ 21.56	

	FY2009	FY2010	% Change
Employer Contribution for Part-Time Employees	\$ 433.50	\$ 455.18	5.0%

	Medical & Rx Monthly Rates		
	FY2009	FY2010	% Change
Premium Family	\$ 1,227.00	\$ 1,288.35	5.0%
Prem EE / Std FAM	\$ 1,040.00	\$ 1,092.00	5.0%
Standard	\$ 953.00	\$ 1,000.65	5.0%
Economy	\$ 822.00	\$ 863.10	5.0%

	Medical & Rx Employee FY10 Contribution (Pre-Tax Payroll Deduction)		
	FY2009	FY2010	% Change
	\$ 816.00	\$ 856.80	5.0%
	\$ 629.00	\$ 660.45	5.0%
	\$ 542.00	\$ 569.10	5.0%
	\$ 411.00	\$ 431.55	5.0%

	FY 2010 SSP Imputed Income Factors			
	EE Only	EE+Spouse	EE+Child(ren)	Family
	\$ 660.69	\$ 1,321.38	\$ 1,057.10	\$ 1,717.79
	\$ 660.69	\$ 1,173.84	\$ 968.58	\$ 1,481.73
	\$ 513.15	\$ 1,026.30	\$ 821.04	\$ 1,334.19
	\$ 442.62	\$ 885.24	\$ 708.19	\$ 1,150.81

FY 2010 Imputed Income; Part-Time Employees with Pre-Tax Payroll Deductions - Medical & Rx			
EE + Partner	EE+Child(ren)	Family	
\$ 660.69	\$ 396.41	\$ 1,057.10	
\$ 513.15	\$ 307.89	\$ 821.04	
\$ 513.15	\$ 307.89	\$ 821.04	
\$ 442.62	\$ 265.57	\$ 708.19	

	Dental Monthly Rates		
	FY2009	FY2010	% Change
Premium	\$ 175.00	\$ 183.75	5.0%
Standard	\$ 105.00	\$ 110.25	5.0%
Preventive	\$ 45.00	\$ 47.25	5.0%

	Dental Employee FY10 Contribution (Pre-Tax Payroll Deduction)		
	FY2009	FY2010	% Change
	\$ 152.50	\$ 160.13	5.0%
	\$ 82.50	\$ 86.63	5.0%
	\$ 22.50	\$ 23.63	5.0%

	FY 2010 SSP Imputed Income Factors			
	EE Only	EE+Spouse	EE+Child(ren)	Family
	\$ 77.37	\$ 154.74	\$ 189.56	\$ 266.93
	\$ 46.42	\$ 92.84	\$ 113.73	\$ 160.15
	\$ 19.89	\$ 39.78	\$ 48.73	\$ 68.62

FY 2010 Imputed Income; Part-Time Employees with Pre-Tax Payroll Deductions - Dental			
EE + Partner	EE+Child(ren)	Family	
\$ 77.37	\$ 112.19	\$ 189.56	
\$ 46.42	\$ 67.31	\$ 113.73	
\$ 19.89	\$ 28.84	\$ 48.73	

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EE + Partner	EE+Child(ren)	Family	
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**State of Alaska Contribution Rate Study
Active Employee Base Rates**

Includes estimated FY 2008 VSP revenue

	FY2009	FY2010	% Change
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	Medical & Rx Monthly Rates		
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	FY2009	FY2010	% Change
Employer Contribution for Part-Time Employees	\$ 433.50	\$ 455.18	5.0%

	Medical & Rx Monthly Rates		
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Premium Family	\$ 1,227.00	\$ 1,288.35	5.0%
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Standard	\$ 33.00	\$ 34.65	5.0%
Managed	\$ 22.00	\$ 23.10	5.0%

POST-TAX DEDUCTIONS

Medical & Rx Employee FY10 Contribution (Post-Tax Payroll Deduction)			
	FY2009	FY2010	% Change
	\$ 405.00	\$ 425.25	5.0%
	\$ 218.00	\$ 228.90	5.0%
	\$ 131.00	\$ 137.55	5.0%
	\$ -	\$ -	0.0%

Dental Employee FY10 Contribution (Post-Tax Payroll Deduction)			
	FY2009	FY2010	% Change
	\$ 130.00	\$ 136.50	5.0%
	\$ 60.00	\$ 63.00	5.0%
	\$ -	\$ -	0.0%

Vision Employee FY10 Contribution (Post-Tax Payroll Deduction)			
	FY2009	FY2010	% Change
	\$ -	\$ -	0.0%
	\$ 33.00	\$ 34.65	5.0%
	\$ 22.00	\$ 23.10	5.0%

Medical & Rx Employee FY10 Contribution (Post-Tax Payroll Deduction)			
	FY2009	FY2010	% Change
	\$ 816.00	\$ 856.80	5.0%
	\$ 629.00	\$ 660.45	5.0%
	\$ 542.00	\$ 569.10	5.0%
	\$ 411.00	\$ 431.55	5.0%

Dental Employee FY10 Contribution (Post-Tax Payroll Deduction)			
	FY2009	FY2010	% Change
	\$ 152.50	\$ 160.13	5.0%
	\$ 82.50	\$ 86.63	5.0%
	\$ 22.50	\$ 23.63	5.0%

Vision Employee FY10 Contribution (Post-Tax Payroll Deduction)			
	FY2009	FY2010	% Change
	\$ -	\$ -	0.0%
	\$ 33.00	\$ 34.65	5.0%
	\$ 22.00	\$ 23.10	5.0%

FY 2010 SSP Imputed Income Factors				
	EE Only	EE+Spouse	EE+Child(ren)	Family
	\$ 660.69	\$ 1,321.38	\$ 1,057.10	\$ 1,717.79
	\$ 660.69	\$ 1,173.84	\$ 968.58	\$ 1,481.73
	\$ 513.15	\$ 1,026.30	\$ 821.04	\$ 1,334.19
	\$ 442.62	\$ 885.24	\$ 708.19	\$ 1,150.81

FY 2010 SSP Imputed Income Factors				
	EE Only	EE+Spouse	EE+Child(ren)	Family
	\$ 77.37	\$ 154.74	\$ 189.56	\$ 266.93
	\$ 46.42	\$ 92.84	\$ 113.73	\$ 160.15
	\$ 19.89	\$ 39.78	\$ 48.73	\$ 68.62

FY 2010 SSP Imputed Income Factors				
	EE Only	EE+Spouse	EE+Child(ren)	Family
	\$ 15.81	\$ 33.60	\$ 30.36	\$ 48.15
	\$ 10.54	\$ 22.40	\$ 20.24	\$ 32.10

FY 2010 SSP Imputed Income Factors				
	EE Only	EE+Spouse	EE+Child(ren)	Family
	\$ 660.69	\$ 1,321.38	\$ 1,057.10	\$ 1,717.79
	\$ 660.69	\$ 1,173.84	\$ 968.58	\$ 1,481.73
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Formula for imputed income: $I = D - S - C$
 I = imputed income
 D = premium for dependent coverage tier
 S = premium for single coverage
 C = post-tax employee contribution

FY 2010 Imputed Income; Full-Time Employees with Post-Tax Payroll Deductions - Medical & Rx			
	EE + Partner	EE+Child(ren)	Family
	\$ 235.44	\$ -	\$ 631.85
	\$ 284.25	\$ 78.99	\$ 592.14
	\$ 375.60	\$ 170.34	\$ 683.49
	\$ 442.62	\$ 265.57	\$ 708.19

FY 2010 Imputed Income; Full-Time Employees with Post-Tax Payroll Deductions - Dental			
	EE + Partner	EE+Child(ren)	Family
	\$ -	\$ -	\$ 53.06
	\$ -	\$ 4.31	\$ 50.73
	\$ 19.89	\$ 28.84	\$ 48.73

FY 2010 Imputed Income; Full-Time Employees with Post-Tax Payroll Deductions - Vision			
	EE + Partner	EE+Child(ren)	Family
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -

FY 2010 Imputed Income; Part-Time Employees with Post-Tax Payroll Deductions - Medical & Rx			
	EE + Partner	EE+Child(ren)	Family
	\$ -	\$ -	\$ 200.30
	\$ -	\$ -	\$ 160.59
	\$ -	\$ -	\$ 251.94
	\$ 11.07	\$ -	\$ 276.64

FY 2010 Imputed Income; Part-Time Employees with Post-Tax Payroll Deductions - Dental			
	EE + Partner	EE+Child(ren)	Family
	\$ -	\$ -	\$ 29.44
	\$ -	\$ -	\$ 27.11
	\$ -	\$ 5.22	\$ 25.11

FY 2010 Imputed Income; Part-Time Employees with Post-Tax Payroll Deductions - Vision			
	EE + Partner	EE+Child(ren)	Family
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -