



1120 South 101st Street
Suite 400
Omaha, NE 68124
USA

Tel +1 402 393 9400
Fax +1 402 384 5776

milliman.com

June 9, 2010

Ms. Broker
Vice President
Broker
Address
City, State ZipCode

Re: Sample Company's Patient Protection and Affordable Care Act (PPACA) Employer Impact Report

Dear Ms. Broker:

At your request, Milliman, Inc. (Milliman) has completed an analysis of the estimated impact to Sample Company regarding the Patient Protection and Affordable Care Act (PPACA) approved on March 23, 2010. This cover letter provides an executive summary, background, assumptions and methodologies we used, and reliance and limitations of our findings. Attachments #1 – 9 give the details on our findings.

Executive Summary

The PPACA Employer Impact Report assists Sample Company in understanding the impact of Health Care Reform as it relates to their employer-sponsored health benefit plan.

Based on Sample Company's census of current eligible employees and our understanding of the potential State Insurance Exchange plans for Sample State, we have summarized our results below. See Attachments #2 – 5 for details.

- **Current healthcare costs are approximately \$20.8 million with employer contributions at \$14.6 million and employee costs at \$6.2 million. Refer to "2011" column on Attachment #2 for details.**
- **With the advent of the State Insurance Exchange plans in 2014, we project healthcare costs of approximately \$24.4 million with employer contributions at \$17.8 million and employee costs at \$6.6 million. We assumed 75% of employees eligible for the exchange select the exchange plan when it is the best value to them. Refer to column "2014" on Attachment #2 for details.**

- If Sample Company discontinues their employer-sponsored health benefits plan with additional compensation being provided to employees to make up for loss in healthcare benefits, total healthcare is approximately \$35.7 million. This will vary depending on the possibly penalty structures both now and in the future. It is important to note if Sample Company doesn't pay the additional compensation, the total healthcare costs are approximately \$9.7 million. Refer to Attachment #5 for details.
- Based on Sample State's Insurance Exchange plan designs, Sample Company's benefit plan designs are 23.3% higher than the Bronze plan and 16.4% lower than the Platinum plan. From the employee's perspective, the results vary widely depending on the employee's household income. Refer to Attachment # 6 – 9 for details.

PPACA Employer Impact Methodology

Using our proprietary cost and utilization model with Sample State's State Insurance Exchange and Sample Company's eligible census information, our analysis provides:

- A summary of changes under PPACA with percentage impact for each one,
- A 10-year cost projection of Sample Company's health care costs starting with Plan Year 2011 through Plan Year 2020,
- Potential Scenarios for Sample Company for Plan Year 2014 and how this relates to plan migration, and
- Potential Scenarios for Sample Company for Plan Year 2014 and how this relates to employer penalties if Sample Company decides to discontinue their employer-sponsored health benefits plan.
- Plan Relativities between Sample Company's current plan designs and Sample State's Insurance Exchange. Relativities could change depending on each employee's household income level.

Assumptions and Methodology

The steps we used to arrive at the results are outlined below:

1. We collected benefit plan information from Medical Vendor and Broker using our proprietary *Milliman Mid-Market Survey*. We assumed that those employees electing coverage would continue to elect coverage and that employees waiving coverage would continue to waive coverage.
2. We collected employee and employer cost information from Medical Vendor and Broker.
3. Using an eligible census as provided by Sample Company, each type of coverage with premiums is processed through our proprietary model.
4. Salary is assumed to increase at 4% per annum.
5. Medical costs are assumed to increase at 7.8% based on the findings of the 2010 Milliman Medical Index.
6. Employers with 50 or more employees offering health coverage that have employees receiving a premium credit from the State Insurance Exchange will be assessed a penalty of the lesser of \$3,000 for each employee receiving a premium credit or \$2,000 for each full-time employee.
7. Employers with 50 or more employees not offering health coverage that have employees receiving a premium credit from the State Insurance Exchange will be assessed a penalty of \$2,000 for each full-time employee. Please note: Attachments #4-5 have been provided to understand the possible variation in costs if the current \$2,000 penalty changes to either \$5,000 or \$10,000 through future legislation.
8. Employees without healthcare coverage will pay a tax penalty of \$695 / year up to a maximum of 3x this amount (\$2,085) per family or 2.5% of the household income.
9. Eligible employees whose incomes are less than or equal to 133% of FPL are assumed to move to Medicaid.
10. Plan designs were provided by Medical Vendor and Broker. It is assumed employer-offered plan designs will not change. Should plan designs change, this analysis should be updated.
11. Using the 2010 Milliman Mid-Market Survey, we assumed the cost of the State Insurance Exchange (Cat, Bronze, Silver, Gold, Platinum) will be consistent with the results of the survey in each respective state.
12. As part of the eligible census information, employee salary information was provided by Broker. The eligible spouse's salary level is based on what is known with regards to Sample State's average household income and the employee's current salary level.
13. Employer subsidy amounts are assumed to stay consistent by plan and coverage tier. Should employer contribution amounts change, this analysis should be updated.
14. Cost of Living adjustment is assumed to follow the 2010 Consumer Price Index.
15. Employee Tax Rate is approximated at 30%.

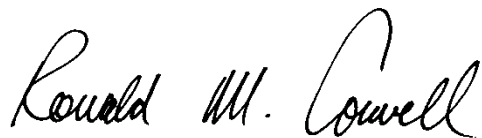
Reliance and Limitations

In performing the PPACA Employer Impact Report for Sample Company, we relied on the data provided to us by Medical Vendor and Broker. We have not audited this data, but we performed a limited review for reasonableness and we found no material defects in the data used in this report. If the underlying data is inaccurate or incomplete, then the results of our review may be inaccurate or incomplete.


Differences between our projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is likely that actual experience will not conform exactly to the assumptions used in this analysis. Actual amounts will differ from projected amounts to the extent that actual experience deviates from expected experience.

This letter and its attachments have been prepared for the internal use of Broker in their relationship with Sample Company and are only to be relied upon by these organizations. No portion may be provided to any other party without Milliman's prior written consent. Milliman does not intend to benefit any other recipient of this report, even if Milliman consents to the release of this report to that recipient. Please contact us if you have any questions.

Sincerely,



Ronald M. Cornwell, F.S.A, M.A.A.A.
Principal and Consulting Actuary



Stephanie M. Noonan, F.S.A., C.E.R.A., M.A.A.A
Actuarial Consultant



Summary of Patient Protection and Affordable Care Act Timeline & Expected Impact for Employers

~ Sample Company ~

	Percent Change
Effective 2010	
1. Provide Dependent Coverage for Adult Children to Age 26 (Married and Unmarried)	x.xx%
2. Remove Lifetime Dollar Limits	x.xx%
3. Plans are only allowed to impose annual limits on coverage as determined by HHS	x.xx%
4. First- Dollar Coverage on Preventative Care	x.xx%
5. All health plans required to cover pre-existing conditions for children 19 and under	x.xx%
6. Temporary Reinsurance Program Established for Retirees	x.xx%
7. Group plans required to comply with Internal Revenue Code 105(h) ¹	x.xx%
8. Provide rebates for Medicare beneficiaries and start to close the coverage gap.	x.xx%
Total 2010 Impact	x.xx%
Effective 2011	
1. Employers must include cost of employer-sponsored health benefits on W2s	x.xx%
2. HSA distributions for non-qualified medical expenses will have 20% tax applied	x.xx%
3. OTC drugs (without prescription) will no longer be reimbursed under HSAs, medical FSAs, HRAs, and Archer MSAs	x.xx%
4. Employers required to enroll employees in new national public LTC plan (CLASS Program)	x.xx%
6. Employers less than 100 lives allowed to adopt new "simple cafeteria plans"	x.xx%
7. 85% Minimum Loss Ratio for large group is mandated (Does not impact self-insured health plans)	x.xx%
Total 2011 Impact	x.xx%
Effective 2012	
1. All group plans & group/individual health insurers (including self-insured plans) will provide summary of benefits and coverage explanation that meets specified criteria to all enrollees.	x.xx%
2. All group plans (including self-insured plans) & group/individual health insurers will be required to submit annual reports to HHS on whether benefits provided under plans meet criteria established by HHS on improving health outcomes.	x.xx%
Total 2012 Impact	x.xx%



Summary of Patient Protection and Affordable Care Act Timeline & Expected Impact for Employers

~ Sample Company ~

	Percent Change
Effective 2013	
1. New federal premium tax effective to fund comparative effectiveness research program (\$2/member)	x.xx%
2. Medicare payroll tax increase of 0.9% on individuals earning \$200,000+ (ind) / \$250,000 (joint)	x.xx%
3. New 3.8% Medicare Contribution from individuals with AGI over \$200,000 (ind) / \$250,000 (joint)	x.xx%
3. Threshold for deducting unreimbursed medical expenses increases from 7.5% of AGI to 10%	x.xx%
4. Employers must notify employees of existence of state-based exchanges	x.xx%
5. FSA contributions limited to \$2,500/yr indexed annually with inflation	x.xx%
6. Eliminate tax deduction for employers who receive Medicare Part D retiree drug subsidy payments.	x.xx%
Total 2013 Impact	x.xx%
Effective 2014	
1. States required to have insurance exchanges up and running.	x.xx%
2. Individual Mandate Requirement becomes effective for all citizens/legal residents.	x.xx%
3. Employer Responsibility Requirements take effect for companies ³ .	x.xx%
4. Waiting periods greater than 90 days will be prohibited otherwise be subject to fines.	x.xx%
5. All plans must be issued on a guarantee issue basis.	x.xx%
6. Preexisting condition limitations will be prohibited for all plans.	x.xx%
7. Annual and lifetime limits will be fully prohibited.	x.xx%
8. Size of small employer group will be redefined to 1-100 employees. All small employer groups up to 100 employees will abide by community rating standards - age, tobacco use, family composition, region.	x.xx%
9. Employers of 200+ required to auto-enroll new employees into available employer-sponsored plan.	x.xx%
10. Expansion of Medicaid program - Applies to all individuals up to 133% of FPL.	x.xx%
11. Additional fees on Insurance Companies and Pharmacy Benefit Managers become effective.	x.xx%
Total 2014 Impact	x.xx%



Summary of Patient Protection and Affordable Care Act Timeline & Expected Impact for Employers

~ Sample Company ~

	Percent Change
Effective 2015	
1. Children's Health Insurance Program (CHIPs) must be reauthorized.	x.xx%
Total 2015 Impact	x.xx%
Effective 2017	
1. States may allow large employers (100+) to purchase coverage through the exchange.	x.xx%
Total 2017 Impact	x.xx%
Effective 2018	
2. Cadillac tax goes into effect (includes self-insured plans) ²	x.xx%
Total 2018 Impact	x.xx%

1. 105(h) - Prohibits discrimination in favor of highly compensated individuals. Currently only applies to self-insured plans.
2. Cadillac tax will be paid by insurer (fully-insured) or the TPA (self-insured) but passed directly to employer. Stand alone vision / dental plans not affected.
3. Penalties and Employer Vouchers may apply.

** Impacts that could have the highest volatility are highlighted in orange above.

10-Year Cost Projection

~ Sample Company ~

Assumes 75% movement to the exchange for those employees where the Exchange Price / Benefit Value is greater than any other source of healthcare coverage

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Cost										
ER Portion	14,553,000	15,688,134	16,911,808	17,801,337	19,045,316	20,370,479	21,781,403	23,282,827	24,879,647	26,576,897
EE Portion	6,233,535	6,719,751	7,243,891	6,583,325	7,012,458	7,469,998	7,944,925	8,447,484	8,978,851	9,540,191
TOTAL	20,786,535	22,407,885	24,155,700	24,384,662	26,057,775	27,840,477	29,726,327	31,730,311	33,858,498	36,117,088
Enrollment										
Employer Plan	1,500	1,500	1,500	1,338	1,323	1,309	1,294	1,278	1,262	1,246
State Insurance Exchange	0	0	0	488	502	517	533	549	565	582
Covered Elsewhere	450	450	450	150	150	150	150	150	150	150
No Healthcare	50	50	50	25	25	24	24	23	23	22
Cost Break-Out										
Employer Plan										
Premium (ER Portion)	14,553,000	15,688,134	16,911,808	16,255,912	17,338,808	18,485,397	19,698,334	20,980,227	22,333,601	23,760,863
(PEPM)	809	872	940	1,013	1,092	1,177	1,269	1,368	1,474	1,589
Premium (EE Portion)	4,851,000	5,229,378	5,637,269	5,418,637	5,779,603	6,161,799	6,566,111	6,993,409	7,444,534	7,920,288
(PEPM)	270	291	313	338	364	392	423	456	491	530
State Insurance Exchange										
Vouchers (ER Portion)	0	0	0	1,427,938	1,585,496	1,760,440	1,954,687	2,170,367	2,409,845	2,675,748
(PEPM)	n/a	n/a	n/a	1,013	1,092	1,177	1,269	1,368	1,474	1,589
Penalty (ER Portion)	0	0	0	117,488	121,012	124,642	128,382	132,233	136,200	140,286
(PEPM)	n/a	n/a	n/a	167	167	167	167	167	167	167
Premium (EE Portion)	0	0	0	585,000	602,550	620,627	639,245	658,423	678,175	698,521
(PEPM)	n/a	n/a	n/a	100	100	100	100	100	100	100
Covered Elsewhere										
Premium (ER Portion)	0	0	0	0	0	0	0	0	0	0
(PEPM)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Premium (EE Portion)	1,382,535	1,490,373	1,606,622	577,313	622,343	670,886	723,215	779,626	840,437	905,991
(PEPM)	256	276	298	321	346	373	402	433	467	503
No Healthcare										
Penalty (ER Portion)	0	0	0	0	0	0	0	0	0	0
(PEPM)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Penalty (EE Portion)	0	0	0	2,375	7,963	16,687	16,353	16,026	15,706	15,392
(PEPM)	n/a	n/a	n/a	8	27	58	58	58	58	58

Potential Scenarios for 2014 - Changes to Enrollment

~ Sample Company ~

	2014 (No HCR)	100% Movement	75% Movement	50% Movement
Total Cost				
ER Portion	18,230,930	15,733,764	17,801,337	19,868,911
EE Portion	7,808,915	6,109,858	6,583,325	7,056,793
TOTAL	26,039,844	21,843,622	24,384,662	26,925,703
Enrollment				
Employer Plan	1,500	1,125	1,338	1,550
State Insurance Exchange	0	650	488	325
Covered Elsewhere	450	200	150	100
No Healthcare	50	25	25	25
Cost Break-Out				
Employer Plan				
Premium (ER Portion)	18,230,930	13,673,197	16,255,912	18,838,627
(PEPM)	1,013	1,013	1,013	1,013
Premium (EE Portion)	6,076,977	4,557,732	5,418,637	6,279,542
(PEPM)	338	338	338	338
State Insurance Exchange				
Vouchers (ER Portion)	0	1,903,917	1,427,938	951,958
(PEPM)	n/a	1,013	1,013	1,013
Penalty (ER Portion)	0	156,650	117,488	78,325
(PEPM)	n/a	167	167	167
Premium (EE Portion)	0	780,000	585,000	390,000
(PEPM)	n/a	100	100	100
Covered Elsewhere				
Premium (ER Portion)	0	0	0	0
(PEPM)	n/a	n/a	n/a	n/a
Premium (EE Portion)	1,731,938	769,750	577,313	384,875
(PEPM)	321	321	321	321
No Healthcare				
Penalty (ER Portion)	0	0	0	0
(PEPM)	n/a	n/a	n/a	n/a
Penalty (EE Portion)	0	2,375	2,375	2,375
(PEPM)	n/a	8	8	8

** 2014 No HCR: Health Care Cost with no Health Care Reform

** 100% Movement: Assumes 100% movement to the exchange for those employees where the Exchange Price / Benefit Value is greater than any other source of healthcare coverage.

** 75% Movement: Assumes 75% movement to the exchange for those employees where the Exchange Price / Benefit Value is greater than any other source of healthcare coverage.

** 50% Movement: Assumes 50% movement to the exchange for those employees where the Exchange Price / Benefit Value is greater than any other source of healthcare coverage.

Potential Scenarios for 2014 - Changes to Employer Penalties

~ Sample Company ~

**** NO Salary Increase for Loss in Health Care Benefits**

	2014 (No HCR)	\$2,000 Per Emp Penalty	\$5,000 Per Emp Penalty	\$10,000 Per Emp Penalty
Total Cost				
ER Portion	18,230,930	4,000,000	10,000,000	20,000,000
EE Portion	7,808,915	5,667,772	5,667,772	5,667,772
TOTAL	26,039,844	9,667,772	15,667,772	25,667,772
Enrollment				
Employer Plan	1,500	0	0	0
State Insurance Exchange	0	650	650	650
Covered Elsewhere	450	1,050	1,050	1,050
No Healthcare	50	300	300	300
Cost Break-Out				
Employer Plan				
Premium (ER Portion)	18,230,930	0	0	0
(PEPM)	1,013	n/a	n/a	n/a
Premium (EE Portion)	6,076,977	0	0	0
(PEPM)	338	n/a	n/a	n/a
State Insurance Exchange				
Vouchers (ER Portion)	0	0	0	0
(PEPM)	n/a	n/a	n/a	n/a
Penalty (ER Portion)	0	4,000,000	10,000,000	20,000,000
(PEPM)	n/a	167	417	833
Premium (EE Portion)	0	780,000	780,000	780,000
(PEPM)	n/a	100	100	100
Covered Elsewhere				
Premium (ER Portion)	0	0	0	0
(PEPM)	n/a	n/a	n/a	n/a
Premium (EE Portion)	1,731,938	4,679,272	4,679,272	4,679,272
(PEPM)	321	371	371	371
No Healthcare				
Penalty (ER Portion)	0	0	0	0
(PEPM)	n/a	n/a	n/a	n/a
Penalty (EE Portion)	0	208,500	208,500	208,500
(PEPM)	n/a	58	58	58
Misc Employer Expenses¹				
Salary Increase (ER Portion)	0	0	0	0
(PEPM)	n/a	n/a	n/a	n/a

** 2014 No HCR: Health Care Cost with no Health Care Reform

** \$2,000 Per Emp Penalty: Employers with 50+ employees that do not offer coverage and have at least one full-time employee receiving a premium tax credit will be assessed with a penalty of \$2,000 per full-time employee.

** \$5,000 Per Emp Penalty: Employers with 50+ employees that do not offer coverage and have at least one full-time employee receiving a premium tax credit will be assessed with a penalty of \$5,000 per full-time employee.

** \$10,000 Per Emp Penalty: Employers with 50+ employees that do not offer coverage and have at least one full-time employee receiving a premium tax credit will be assessed with a penalty of \$10,000 per full-time employee.

1. Does not include Employer HealthCare Deduction Impact

Potential Scenarios for 2014 - Changes to Employer Penalties

~ Sample Company ~

**** INCLUDES Salary Increase for Loss in Health Care Benefits**

	2014 (No HCR)	\$2,000 Per Emp Penalty	\$5,000 Per Emp Penalty	\$10,000 Per Emp Penalty
Total Cost				
ER Portion	18,230,930	30,044,185	36,044,185	46,044,185
EE Portion	7,808,915	5,667,772	5,667,772	5,667,772
TOTAL	26,039,844	35,711,957	41,711,957	51,711,957
Enrollment				
Employer Plan	1,500	0	0	0
State Insurance Exchange	0	650	650	650
Covered Elsewhere	450	1,050	1,050	1,050
No Healthcare	50	300	300	300
Cost Break-Out				
Employer Plan				
Premium (ER Portion)	18,230,930	0	0	0
(PEPM)	1,013	n/a	n/a	n/a
Premium (EE Portion)	6,076,977	0	0	0
(PEPM)	338	n/a	n/a	n/a
State Insurance Exchange				
Vouchers (ER Portion)	0	0	0	0
(PEPM)	n/a	n/a	n/a	n/a
Penalty (ER Portion)	0	4,000,000	10,000,000	20,000,000
(PEPM)	n/a	167	417	833
Premium (EE Portion)	0	780,000	780,000	780,000
(PEPM)	n/a	100	100	100
Covered Elsewhere				
Premium (ER Portion)	0	0	0	0
(PEPM)	n/a	n/a	n/a	n/a
Premium (EE Portion)	1,731,938	4,679,272	4,679,272	4,679,272
(PEPM)	321	371	371	371
No Healthcare				
Penalty (ER Portion)	0	0	0	0
(PEPM)	n/a	n/a	n/a	n/a
Penalty (EE Portion)	0	208,500	208,500	208,500
(PEPM)	n/a	58	58	58
Misc Employer Expenses¹				
Salary Increase (ER Portion)	0	26,044,185	26,044,185	26,044,185
(PEPM)	n/a	n/a	n/a	n/a

** 2014 No HCR: Health Care Cost with no Health Care Reform

** \$2,000 Per Emp Penalty: Employers with 50+ employees that do not offer coverage and have at least one full-time employee receiving a premium tax credit will be assessed with a penalty of \$2,000 per full-time employee.

** \$5,000 Per Emp Penalty: Employers with 50+ employees that do not offer coverage and have at least one full-time employee receiving a premium tax credit will be assessed with a penalty of \$5,000 per full-time employee.

** \$10,000 Per Emp Penalty: Employers with 50+ employees that do not offer coverage and have at least one full-time employee receiving a premium tax credit will be assessed with a penalty of \$10,000 per full-time employee.

1. Does not include Employer HealthCare Deduction Impact

Sample Company



Medical (State Insurance Exchange Comparison)

All Industries
 Sample State
 Employee Cost Excluded

	Benefit Plans (Additional Cost Sharing is not considered.)	Employee Cost	Total Cost (Prem Credits/Vouchers are not considered.)
Relative Value Score - CAT <small>(represents the value of your plan relative to the State Insurance Exchange)</small>	+ 25.4%	n/a	+ 24.2%
Relative Value Score - BRONZE <small>(represents the value of your plan relative to the State Insurance Exchange)</small>	+ 23.3%	n/a	+ 22.2%
Relative Value Score - SILVER <small>(represents the value of your plan relative to the State Insurance Exchange)</small>	+ 7.5%	n/a	+ 6.5%
Relative Value Score - GOLD <small>(represents the value of your plan relative to the State Insurance Exchange)</small>	-6.0%	n/a	-6.8%
Relative Value Score - PLATINUM <small>(represents the value of your plan relative to the State Insurance Exchange)</small>	-16.4%	n/a	-17.2%

CAT Your Relative Value Score for Benefit Plans Offered is 25.4% higher than the CATASTROPHIC plan as offered by the State Insurance Exchange.

BRONZE Your Relative Value Score for Benefit Plans Offered is 23.3% higher than the BRONZE plan as offered by the State Insurance Exchange.

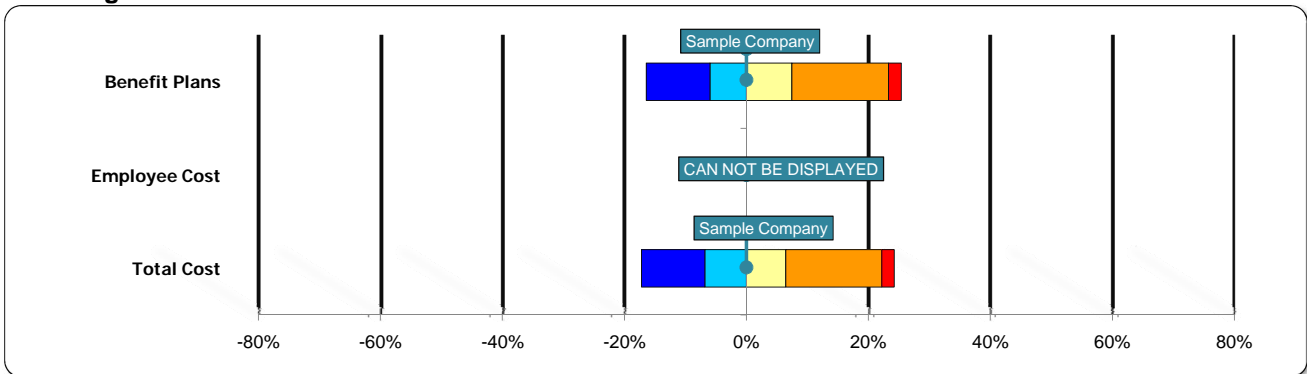
SILVER Your Relative Value Score for Benefit Plans Offered is 7.5% higher than the SILVER plan as offered by the State Insurance Exchange.

GOLD Your Relative Value Score for Benefit Plans Offered is 6.0% lower than the GOLD plan as offered by the State Insurance Exchange.

PLATINUM Your Relative Value Score for Benefit Plans Offered is 16.4% lower than the PLATINUM plan as offered by the State Insurance Exchange.

* Please note this excludes other variables (demographics, location, discounts, etc.) that will affect your costs.

Range of Relative Value Score



	Necessary Percentage Change				
	PLATINUM	GOLD	SILVER	BRONZE	CAT
Benefit Plans	+ 20%	+ 6%	-7%	-19%	-20%
Employee Cost					
Total Cost	+ 21%	+ 7%	-6%	-18%	-20%

Sample Company



Medical (State Insurance Exchange Comparison)

All Industries

Sample State

Employee Salary - 200% of FPL (approx. \$22,000)

	Benefit Plans	Employee Cost	Total Cost
Relative Value Score - CAT <small>(represents the value of your plan relative to the State Insurance Exchange)</small>	+ 3.0%	+ 136.0%	+ 2.1%
Relative Value Score - BRONZE <small>(represents the value of your plan relative to the State Insurance Exchange)</small>	+ 3.0%	+ 132.1%	+ 2.1%
Relative Value Score - SILVER <small>(represents the value of your plan relative to the State Insurance Exchange)</small>	+ 3.0%	+ 102.3%	+ 2.1%
Relative Value Score - GOLD <small>(represents the value of your plan relative to the State Insurance Exchange)</small>	-6.0%	+ 77.0%	-6.8%
Relative Value Score - PLATINUM <small>(represents the value of your plan relative to the State Insurance Exchange)</small>	-16.4%	+ 57.3%	-17.2%

CAT Your Relative Value Score for Benefit Plans Offered is 3.0% higher than the CATASTROPHIC plan as offered by the State Insurance Exchange.

BRONZE Your Relative Value Score for Benefit Plans Offered is 3.0% higher than the BRONZE plan as offered by the State Insurance Exchange.

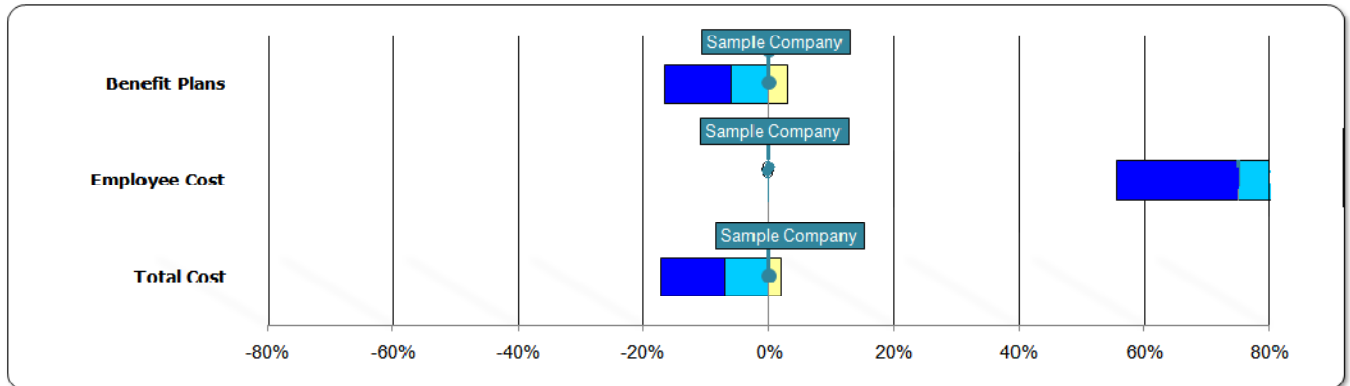
SILVER Your Relative Value Score for Benefit Plans Offered is 3.0% higher than the SILVER plan as offered by the State Insurance Exchange.

GOLD Your Relative Value Score for Benefit Plans Offered is 6.0% lower than the GOLD plan as offered by the State Insurance Exchange.

PLATINUM Your Relative Value Score for Benefit Plans Offered is 16.4% lower than the PLATINUM plan as offered by the State Insurance Exchange.

* Please note this excludes other variables (demographics, location, discounts, etc.) that will affect your costs.

Range of Relative Value Score



	Necessary Percentage Change				
	PLATINUM	GOLD	SILVER	BRONZE	CAT
Benefit Plans	+ 20%	+ 6%	-3%	-3%	-3%
Employee Cost	-36%	-43%	-51%	-57%	-58%
Total Cost	+ 21%	+ 7%	-2%	-2%	-2%

Sample Company



Medical (State Insurance Exchange Comparison)

All Industries

Sample State

Employee Salary - 275% of FPL (approx. \$30,000)

	Benefit Plans	Employee Cost	Total Cost
Relative Value Score - CAT <small>(represents the value of your plan relative to the State Insurance Exchange)</small>	+ 7.5%	+ 27.1%	+ 6.5%
Relative Value Score - BRONZE <small>(represents the value of your plan relative to the State Insurance Exchange)</small>	+ 7.5%	+ 27.1%	+ 6.5%
Relative Value Score - SILVER <small>(represents the value of your plan relative to the State Insurance Exchange)</small>	+ 7.5%	+ 27.1%	+ 6.5%
Relative Value Score - GOLD <small>(represents the value of your plan relative to the State Insurance Exchange)</small>	-6.0%	-20.4%	-6.8%
Relative Value Score - PLATINUM <small>(represents the value of your plan relative to the State Insurance Exchange)</small>	-16.4%	-42.1%	-17.2%

CAT Your Relative Value Score for Benefit Plans Offered is 7.5% higher than the CATASTROPHIC plan as offered by the State Insurance Exchange.

BRONZE Your Relative Value Score for Benefit Plans Offered is 7.5% higher than the BRONZE plan as offered by the State Insurance Exchange.

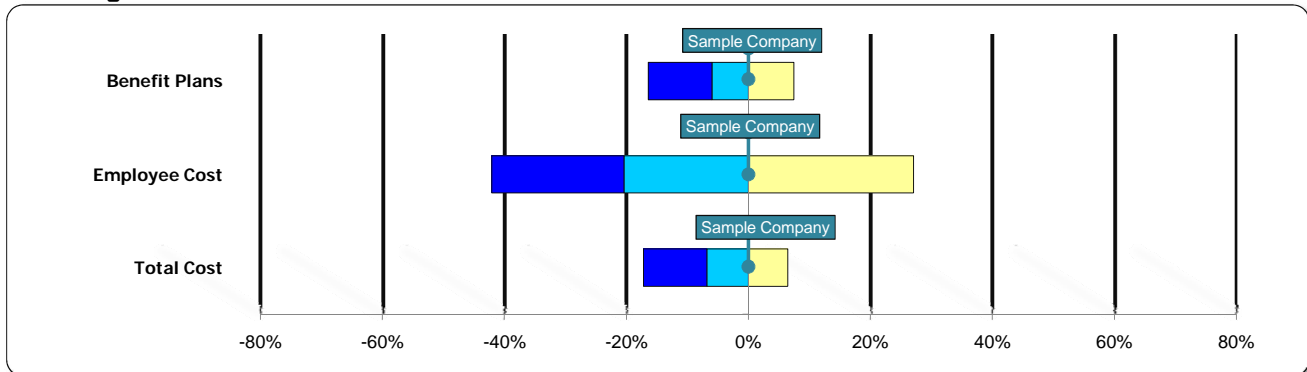
SILVER Your Relative Value Score for Benefit Plans Offered is 7.5% higher than the SILVER plan as offered by the State Insurance Exchange.

GOLD Your Relative Value Score for Benefit Plans Offered is 6.0% lower than the GOLD plan as offered by the State Insurance Exchange.

PLATINUM Your Relative Value Score for Benefit Plans Offered is 16.4% lower than the PLATINUM plan as offered by the State Insurance Exchange.

* Please note this excludes other variables (demographics, location, discounts, etc.) that will affect your costs.

Range of Relative Value Score



	Necessary Percentage Change				
	PLATINUM	GOLD	SILVER	BRONZE	CAT
Benefit Plans	+ 20%	+ 6%	-7%	-7%	-7%
Employee Cost	+ 73%	+ 26%	-21%	-21%	-21%
Total Cost	+ 21%	+ 7%	-6%	-6%	-6%

Sample Company



Medical (State Insurance Exchange Comparison)

All Industries

Sample State

Employee Salary - 450% of FPL (approx. \$50,000)

	Benefit Plans	Employee Cost	Total Cost
Relative Value Score - CAT (represents the value of your plan relative to the State Insurance Exchange)	+ 25.4%	-64.5%	+ 24.2%
Relative Value Score - BRONZE (represents the value of your plan relative to the State Insurance Exchange)	+ 23.3%	-65.1%	+ 22.2%
Relative Value Score - SILVER (represents the value of your plan relative to the State Insurance Exchange)	+ 7.5%	-69.6%	+ 6.5%
Relative Value Score - GOLD (represents the value of your plan relative to the State Insurance Exchange)	-6.0%	-73.4%	-6.8%
Relative Value Score - PLATINUM (represents the value of your plan relative to the State Insurance Exchange)	-16.4%	-76.3%	-17.2%

CAT Your Relative Value Score for Benefit Plans Offered is 25.4% higher than the CATASTROPHIC plan as offered by the State Insurance Exchange.

BRONZE Your Relative Value Score for Benefit Plans Offered is 23.3% higher than the BRONZE plan as offered by the State Insurance Exchange.

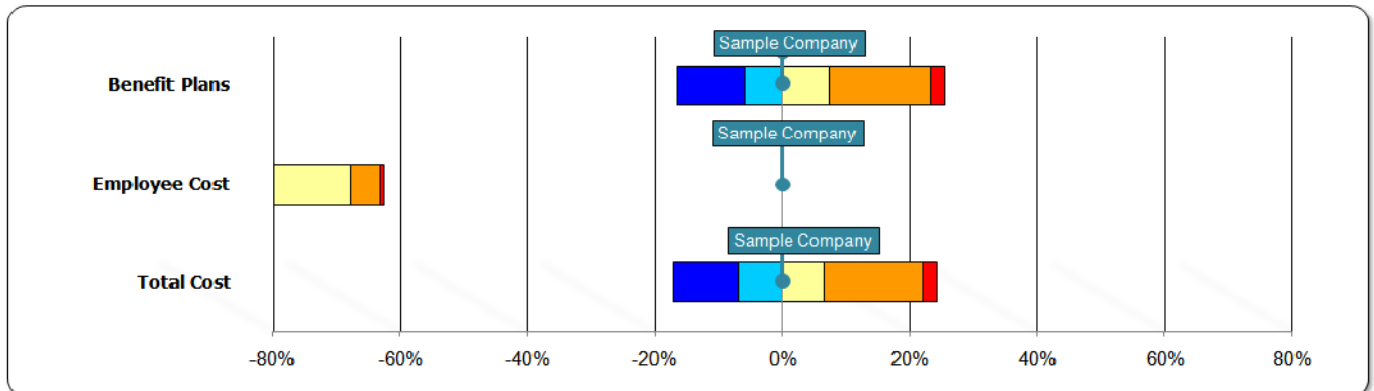
SILVER Your Relative Value Score for Benefit Plans Offered is 7.5% higher than the SILVER plan as offered by the State Insurance Exchange.

GOLD Your Relative Value Score for Benefit Plans Offered is 6.0% lower than the GOLD plan as offered by the State Insurance Exchange.

PLATINUM Your Relative Value Score for Benefit Plans Offered is 16.4% lower than the PLATINUM plan as offered by the State Insurance Exchange.

* Please note this excludes other variables (demographics, location, discounts, etc.) that will affect your costs.

Range of Relative Value Score



	Necessary Percentage Change				
	PLATINUM	GOLD	SILVER	BRONZE	CAT
Benefit Plans	+ 20%	+ 6%	-7%	-19%	-20%
Employee Cost	+ 323%	+ 276%	+ 229%	+ 186%	+ 182%
Total Cost	+ 21%	+ 7%	-6%	-18%	-20%