Attachment 1 – Working Rate Projections 2021-2025

2021 Working Rate Projections - Medical

		Eversource Energy Active Employees Best Estimate	
		March18-Feb19	March19-Feb20
1	Total Paid Claims	$134,626,241	$136,450,040
2	IBNR Adjustment	1.0000	1.0000
3	Mature Paid Claims	$134,626,241	$136,450,040
4	Claims > $1M	$0	$264,004
5	Net Paid Claims	$134,626,241	$136,186,036
6	Average Employees (Lagged 1 Month)	7,001	7,172
7	PEPM	$1,602	$1,582
8	PEPY	$19,224	$18,984
9	Annual Medical & Rx Trend	1.075	1.075
10	Midpoint Months (Lagged 1 Month)	35.0	23.0
11	Compounded Trend	1.235	1.149
12	Trended PEPY	$23,742	$21,813
13	2020 Demographic Adjustment Factor	1.0000	1.0000
14	2019 Medical Discount Improvement	0.9842	1.0000
15	2019 Rx Pricing Adjustment	0.9944	1.0000
16	COVID-19 Claims Adjustment	1.0100	1.0100
17	Claims Fluctuation/Margin	1.005	1.005
18	Adjusted PEPY	$23,586	$22,141
19	Period Weighting	10.0%	90.0%
20	Weighted Claims	$22,286	
21	Stop Loss Premium	$147	
22	ASO Admin Expenses	$471	
23	Total Fixed Expenses	$618	
24	Total 2021 Premium Equivalent Cost	$22,904	
25	2020 Premium Equivalent Cost	$21,853	
26	**% Increase**	**4.8%**	

Dental

	Eversource Energy	
	Active Total	
	March18-February19	March19-February20
Total Paid Claims	$7,984,960	$8,247,243
IBNR	1.000	1.000
Total Mature Paid Claims	$7,984,960	$8,247,243
Average Employees (lagged 1 months)	7,335	7,502
Claims PEPM	$90.72	$91.61
Claims PEPY	$1,088.61	$1,099.33
Mid-point months	34.0	22.0
Lag months	1.0	1.0
Total Months	35.0	23.0
Annual Trend	1.03	1.03
Compounded Trend	1.09	1.06
Trended PEPY	$1,187	$1,163
DDMA Contracting Adjustment (10/2019)	0.968	0.981
Claims Fluctuation Margin	1.005	1.005
IBNR	1.000	1.000
Final Trended PEPY	$1,154	$1,147
Period Weighting	10%	90%
Weighted PEPY Claims	$1,148	
Admin Charge PEPY	$43	
Total PEPY Cost - Projected 2021	$1,191	
Total PEPY Cost - Current 2020	$1,200	
% Increase/Decrease vs. 2020	**-0.7%**	

Vision

	Eversource Energy	
	Active Total	
	Mar18-Feb19	Mar19-Feb20
Total Paid Claims	$804,475	$725,317
Average Employees (lagged 1 months)	6,963	7,044
Claims PEPM	$9.63	$8.58
Claims PEPY	$115.54	$102.97
Mid-point months	34	22
Lag months	1	1
Total Months	35	23
Annual Trend	1.030	1.030
Compound Trend	1.090	1.058
Trended PEPY	$125.94	$108.97
2020 Benefit Change Adjustment	1.015	1.013
Claims Fluctuation Margin	1.005	1.005
Final Trended PEPY	$128.47	$110.88
Period Weighting	30%	70%
Weighted PEPY Claims	$116.16	
Admin Charge PEPY	$6.00	
Total PEPY Cost - 2021	$122.16	
Total Projected Cost - 2021	$880,032	
2020 Premium Equivalent Cost	$888,713	
% Change from 2020	**-1.0%**	

2022 Working Rate Projections

2022 Medical/Rx Projection

		Eversource Energy Active Employees Best Estimate	
		August19-July20	August20-July21
1	Total Paid Claims	$128,339,447	$158,421,842
2	IBNR Adjustment	1.0000	1.0000
3	Mature Paid Claims	$128,339,447	$158,421,842
4	Claims > $1M	$0	$812,958
5	Net Paid Claims	$128,339,447	$157,608,884
6	Average Employees (Lagged 1 Month)	7,243	7,786
7	PEPM	$1,477	$1,687
8	PEPY	$17,724	$20,244
9	Annual Medical & Rx Trend	1.078	1.078
10	Midpoint Months (Lagged 1 Month)	30.0	18.0
11	Compounded Trend	1.207	1.119
12	Trended PEPY	$21,393	$22,653
13	2022 Rx Renewal Adjustment	0.9978	0.9978
14	COVID-19 Claims Adjustment	1.0450	1.0150
15	CMA Demographics Adjustment	1.0000	1.0000
16	Claims Fluctuation/Margin	1.005	1.005
17	Adjusted PEPY	$22,418	$23,057
18	Period Weighting	10.0%	90.0%
19	Weighted Claims	$22,993	
20	Stop Loss Premium	$159	
21	ASO Admin Expenses	$480	
22	Total Fixed Expenses	$639	
23	Total 2022 Premium Equivalent Cost	$23,632	
24	2021 Premium Equivalent Cost	$22,563	
25	**% Change from 2021**	**4.7%**	

2022 Dental Projection

	Eversource Energy Active Employees	
	Aug19-July20	Aug20-July21
Total Paid Claims	$6,342,637	$8,297,411
IBNR	1.000	1.000
Total Mature Paid Claims	$6,342,637	$8,297,411
Average Employees (lagged 1 months)	7,570	8,141
Claims PEPM	$69.82	$84.94
Claims PEPY	$837.83	$1,019.24
Mid-point months	29.0	17.0
Lag months	1.0	1.0
Total Months	30.0	18.0
Annual Trend	1.039	1.039
Compounded Trend	1.10	1.06
Trended PEPY	$922	$1,079
Demographic Adjustment	1.000	1.000
COVID Factor	1.271	1.000
DDMA Contracting Adj. (10/2019)	0.995	1.000
Claims Fluctuation Margin	1.005	1.005
Final Trended PEPY	$1,171	$1,085
Period Weighting	20%	80%
Weighted PEPY Claims	$1,102	
Admin Charge PEPY	$43	
Total PEPY Cost - Projected 2022	$1,145	
Total PEPY Cost - Current 2021	$1,186	
% Change from 2021	**-3.5%**	

2022 Vision Projection

	Eversource Energy	
	Active Employees	
	Aug19-July20	Aug20-July21
Total Paid Claims	$638,117	$782,165
Average Employees (lagged 1 months)	7,117	7,624
Claims PEPM	$7.47	$8.55
Claims PEPY	$89.67	$102.59
Mid-point months	29.0	17.0
Lag months	1.0	1.0
Total Months	30.0	18.0
Annual Trend	1.030	1.030
Compound Trend	1.077	1.045
Trended PEPY	$96.54	$107.24
2020 Benefit Change Adjustment	1.009	1.000
CMA Demographic Factor	1.000	1.000
COVID Factor	1.126	1.000
Claims Fluctuation Margin	1.005	1.005
Final Trended PEPY	$110.21	$107.78
Period Weighting	20%	80%
Weighted PEPY Claims	$108.26	
Admin Charge PEPY	$6.00	
Total PEPY Cost - 2022	$114.26	
Total Projected Cost - 2021	$920,392	
2021 Premium Equivalent Cost	$979,767	
% Change from 2021	**-6.1%**	

2023 Medical/Rx Projection

		Eversource Energy Active Employees	
		August20-July21	August21-July22
1	Total Paid Claims	$158,715,084	$162,751,150
2	IBNR Adjustment	1.0000	1.0000
3	Mature Paid Claims	$158,715,084	$162,751,150
4	Claims > $1M	$812,958	$0
5	Net Paid Claims	$157,902,126	$162,751,150
6	Average Employees (Lagged 1 Month)	7,786	8,098
7	PEPM	$1,690	$1,675
8	PEPY	$20,280	$20,100
9	Annual Medical & Rx Trend	1.081	1.081
10	Midpoint Months (Lagged 1 Month)	30.0	18.0
11	Compounded Trend	1.215	1.124
12	Trended PEPY	$24,640	$22,592
13	2022 Rx Renewal Adjustment	0.9977	0.9990
14	COVID-19 Claims Adjustment	1.000	1.000
15	Fertility Benefit Enhancements	1.005	1.005
16	2023 Design Enhancements	1.005	1.005
17	Claims Fluctuation/Margin	1.005	1.005
18	Adjusted PEPY	$24,954	$22,910
19	Period Weighting	25.0%	75.0%
20	Weighted Claims	$23,421	
21	Stop Loss Premium	$173	
22	ASO Admin Expenses	$480	
23	Total Fixed Expenses	$653	
24	Total 2023 Premium Equivalent Cost	$24,074	
25	2022 Premium Equivalent Cost	$23,490	
26	**% Increase**	**2.5%**	

2023 Dental Projection

	Eversource Energy	
	Active Employees	
	Aug 20 - Jul 21	Aug 21 - Jul 22
Total Paid Claims	$8,297,411	$8,349,258
IBNR	1.00	1.00
Total Mature Paid Claims	$8,297,411	$8,349,258
Average Employees (lagged 1 months)	8,141	8,490
Claims PEPM	$84.94	$81.96
Claims PEPY	$1,019.24	$983.47
Midpoint Months	29.0	17.0
Lag Months	1.0	1.0
Total Months	30.0	18.0
Annual Trend	1.039	1.039
Compounded Trend	1.10	1.06
Trended PEPY	$1,122	$1,042
COVID Factor	1.000	1.000
Claims Fluctuation Margin	1.005	1.005
Final Trended PEPY	$1,127.15	$1,046.77
Period Weighting	10%	90%
Weighted PEPY Claims	$1,055	
Admin Charge PEPY	$45	
Total PEPY Cost - Projected 2023	$1,099	
Total PEPY Cost - Current 2022	$1,141	
Rate of Change	**-3.7%**	

2023 Vision Projection

	Eversource Energy	
	Active Employees	
	Aug 20 - Jul 21	Aug 21 - Jul 22
Total Paid Claims	$782,165	$782,018
Average Employees (lagged 1 months)	7,625	7,905
Claims PEPM	$9	$8
Claims PEPY	$102.58	$98.93
Mid-point months	29.0	17.0
Lag months	1.0	1.0
Total Months	30.0	18.0
Annual Trend	1.015	1.015
Compound Trend	1.038	1.023
Trended PEPY	$106.47	$101.17
COVID Factor	1.000	1.000
Claims Fluctuation Margin	1.005	1.005
Final Trended PEPY	$107.00	$101.67
Period Weighting	10%	90%
Weighted PEPY Claims	$102.21	
Admin Charge PEPY	$6.00	
Total PEPY Cost - 2023	$108.21	
Total Projected Cost - 2023	$851,036	
2022 Premium Equivalent Cost	$902,975	
% Change from 2022	**-5.8%**	

2024 Working Rate Projections

2024 Medical/Rx Projection

		Active Employees	
		Aug21-Jul22	Aug22-Jul23
1	Total Paid Claims	$163,007,069	$189,563,098
2	IBNR Adjustment	1.00	1.00
3	Mature Paid Claims	$163,007,069	$189,563,098
4	Claims > $1M	$0	$2,016,751
5	Net Paid Claims	$163,007,069	$187,546,347
6	Average Employees (Lagged 1 Month)	8,099	8,357
7	PEPM	$1,677	$1,870
8	PEPY	$20,127	$22,442
9	Annual Medical & Rx Trend	1.080	1.080
10	Midpoint Months (Lagged 1 Month)	30.0	18.0
11	Compounded Trend	1.212	1.122
12	Trended PEPY	$24,396	$25,188
13	2024 Rx Renewal & Coalition Adjustment	0.995	0.995
14	Fertility Benefit Enhancements	1.005	1.000
15	2023 Design Enhancements	1.005	1.002
16	Blue Advantage Pricing	1.002	1.002
17	Claims Fluctuation/Margin	1.005	1.005
18	Rx Copay Assistance	0.990	0.990
19	Adjusted PEPY	$24,415	$25,037
20	Period Weighting	10.0%	90.0%
21	Weighted Claims	$24,975	
22	Stop Loss Premium	$192	
23	ASO Admin Expenses	$450	
24	Total Fixed Expenses	$642	
25	Total 2024 Premium Equivalent Cost	$25,617	
26	2023 Premium Equivalent Cost	$23,720	
27	**% Increase**	**8.0%**	

2024 Dental Projection

	Active Employees	
	Aug 21 - Jul 22	Aug 22 - Jul 23
Total Paid Claims	$8,349,258	$8,396,752
IBNR	1.00	1.00
Total Mature Paid Claims	$8,349,258	$8,396,752
Average Employees (lagged 1 months)	8,490	8,733
Claims PEPM	$81.96	$80.13
Claims PEPY	$983.47	$961.53
Midpoint Months	29.0	17.0
Lag Months	1.0	1.0
Total Months	30.0	18.0
Annual Trend	1.039	1.039
Compounded Trend	1.10	1.06
Trended PEPY	$1,082	$1,018
Claims Fluctuation Margin	1.005	1.005
Final Trended PEPY	$1,088	$1,023
Period Weighting	10%	90%
Weighted PEPY Claims	$1,030	
Admin Charge PEPY	$44.52	
Total PEPY Cost - Projected 2024	$1,074	
Total PEPY Cost - Current 2023	$1,087	
% Change from 2023	**-1.1%**	

2024 Vision Projection

	Active Employees	
	Aug 21 – Jul 22	Aug 22 – Jul 23
Total Paid Claims	$782,018	$760,402
Average Employees (lagged 1 months)	7,906	8,120
Claims PEPM	$8.24	$7.80
Claims PEPY	$98.92	$93.64
Mid-point months	29.0	17.0
Lag months	1.0	1.0
Total Months	30.0	18.0
Annual Trend	1.035	1.035
Compound Trend	1.090	1.053
Trended PEPY	$107.80	$98.60
Claims Fluctuation Margin	1.005	1.005
Final Trended PEPY	$108.34	$99.09
Period Weighting	10%	90%
Weighted PEPY Claims	$100.02	
Admin Charge PEPY	$6.00	
Total PEPY Cost - 2024	$106.02	
Total Projected Cost - 2024	$878,477	
2023 Premium Equivalent Cost	$890,935	
% Change from 2023	**-1.4%**	

2025 Working Rate Projections

2025 Medical/Rx Projection

		Active Employees	
		Aug22-Jul23	Aug23-Jul24
1	Total Paid Claims	$189,930,882	$206,994,227
2	IBNR Adjustment	1.00	1.00
3	Mature Paid Claims	$189,930,882	$206,994,227
4	Claims > $1M	$2,212,793	$2,199,051
5	Net Paid Claims	$187,718,089	$204,795,176
6	Average Employees (Lagged 1 Month)	8,357	8,795
7	PEPM	$1,872	$1,940
8	PEPY	$22,464	$23,280
9	Annual Medical & Rx Trend	1.088	1.088
10	Midpoint Months (Lagged 1 Month)	30.0	18.0
11	Compounded Trend	1.235	1.135
12	Trended PEPY	$27,743	$26,423
13	1/1/24 Rx Renewal & Coalition Adj.	0.995	0.998
14	1/1/23 Design Enhancements	1.002	1.000
15	1/1/24 Blue Advantage Pricing	1.002	1.001
16	Claims Fluctuation/Margin	1.005	1.005
17	1/1/24 PillarRx Copay Assistance	0.990	0.996
18	7/1/24 Data iSight	0.987	0.987
19	1/1/2025 Rx Market Check	0.997	0.997
20	Adjusted PEPY	$27,135	$26,001
21	Period Weighting	15.0%	85.0%
22	Weighted Claims	$26,171	
23	Stop Loss Premium	$238	
24	ASO Admin Expenses	$450	
25	Total Fixed Expenses	$688	
26	Total 2025 Premium Equivalent Cost	$26,859	
27	2024 Premium Equivalent Cost	$25,265	
28	**% Increase**	**6.3%**	

2025 Dental Projection

	Active Employees	
	Aug22-Jul23	Aug23-Jul24
Total Paid Claims	$8,396,752	$9,008,348
IBNR	1.00	1.00
Total Mature Paid Claims	$8,396,752	$9,008,348
Average Employees (lagged 1 months)	8,733	9,148
Claims PEPM	$80.12	$82.06
Claims PEPY	$961.46	$984.74
Midpoint Months	29.0	17.0
Lag Months	1.0	1.0
Total Months	30.0	18.0
Annual Trend	1.043	1.043
Compounded Trend	1.11	1.06
Trended PEPY	$1,067	$1,048
Claims Fluctuation Margin	1.005	1.005
Final Trended PEPY	$1,072	$1,053
Period Weighting	10%	90%
Weighted PEPY Claims	$1,055	
Admin Charge PEPY	$44.52	
Total PEPY Cost - Projected 2025	$1,100	
Total PEPY Cost - Current 2024	$1,069	
% Change from 2024	**2.9%**	

2025 Vision Projection

	Active Employees	
	Aug22-Jul23	Aug23-Jul24
Total Paid Claims	$760,402	$813,526
Average Employees (lagged 1 months)	8,120	8,506
Claims PEPM	$7.80	$7.97
Claims PEPY	$93.64	$95.64
Mid-point months	29.0	17.0
Lag months	1.0	1.0
Total Months	30.0	18.0
Annual Trend	1.035	1.035
Compound Trend	1.090	1.053
Trended PEPY	$102.05	$100.71
Claims Fluctuation Margin	1.005	1.005
Final Trended PEPY	$102.56	$101.21
Period Weighting	10%	90%
Weighted PEPY Claims	$101.34	
Admin Charge PEPY	$6.00	
Total PEPY Cost – 2025	$107.34	
Total Projected Cost – 2025	$932,721	
2024 Premium Equivalent Cost	$912,060	
% Change from 2024	**2.3%**	