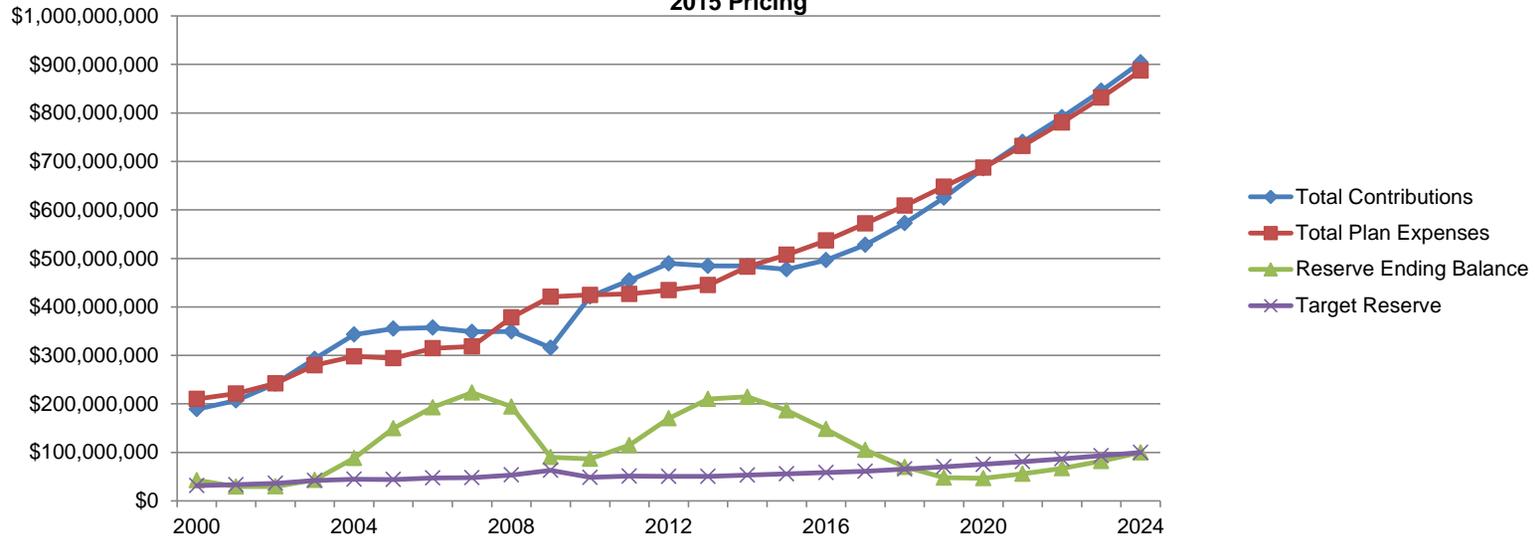


Division of Healthcare Finance
Projected Reserve Calculation - Current Plan A with New Plan C Design (\$2,600/\$5,200 deductible) with a 0% increase in 2015
Medical, Pharmacy, Dental and Vision
Projection as of June 2014

Plan Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Factors and Assumptions	Actuals	Projected Factors and Assumptions.....										
Interest Rate on Reserves	0.1%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Admin/Contract Fee Trend	1.1%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%
Kansas Healthcare cost trend rate	3.1%	5.0%	5.0%	6.0%	7.0%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
Policy Choices	HCC Policy Choices in May 2012	HCC Policy Choices by May 2013	HCC Policy Choices by May 2014	Future Policy Choices.....								
Employer Contr. % incr. (eff. July 1)	0.0%	-2.0%	0.0%	8.6%	8.6%	8.6%	9.9%	9.9%	7.0%	7.0%	7.0%	7.0%
Employee Contr. % incr. (eff. Jan 1)	0.0%	-2.0%	0.0%	8.6%	8.6%	8.6%	9.9%	9.9%	7.0%	7.0%	7.0%	7.0%
Dependent Contr. % incr. (eff. Jan 1)	0.0%	-2.0%	0.0%	8.6%	8.6%	8.6%	9.9%	9.9%	7.0%	7.0%	7.0%	7.0%
Direct Bill Contr. % incr. (eff Jan 1)	0.0%	-2.0%	0.0%	8.6%	8.6%	8.6%	9.9%	9.9%	7.0%	7.0%	7.0%	7.0%
Plan design changes % impact on expenses	0.0%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Reserves												
Beginning reserve earning interest	12,030,660	210,418,379	214,427,655	186,599,719	147,943,979	105,181,827	70,047,003	47,940,800	46,867,380	55,528,814	67,227,388	82,023,988
Beginning reserve not earning interest	158,309,374	0	0	0	0	0	0	0	0	0	0	0
Beginning Total Reserve Balance	170,340,034	210,418,379	214,427,655	186,599,719	147,943,979	105,181,827	70,047,003	47,940,800	46,867,380	55,528,814	67,227,388	82,023,988
Projected Cash Flow												
Total Employer Contributions	358,819,472	359,465,449	355,834,485	371,135,368	403,053,009	437,715,568	478,321,556	525,675,390	569,679,130	609,440,094	651,976,189	697,481,107
Total Participant Contributions	125,591,986	125,090,707	121,538,436	125,124,755	124,921,324	134,820,988	146,749,181	159,736,967	170,452,307	181,856,421	193,994,761	206,915,833
Total Contributions	484,411,458	484,556,156	477,372,920	496,260,122	527,974,333	572,536,556	625,070,737	685,412,357	740,131,438	791,296,515	845,970,950	904,396,939
Total Plan Expenses (Claims, ASO fees & contracted expenses)	444,772,330	482,651,064	507,345,133	536,781,860	572,215,925	608,723,199	647,877,410	686,965,185	731,938,677	780,153,229	831,846,624	887,274,252
Interest on Reserves	13,216	2,104,184	2,144,277	1,865,997	1,479,440	1,051,818	700,470	479,408	468,674	555,288	672,274	820,240
Net Cash flow	39,652,344	4,009,276	(27,827,936)	(38,655,740)	(42,762,152)	(35,134,824)	(22,106,203)	(1,073,420)	8,661,434	11,698,574	14,796,600	17,942,927
Projected Reserve Balance												
Reserve Ending Balance	209,992,379	214,427,655	186,599,719	147,943,979	105,181,827	70,047,003	47,940,800	46,867,380	55,528,814	67,227,388	82,023,988	99,966,915
Target Reserve	50,623,108	53,136,639	55,478,941	58,134,335	61,111,596	65,550,094	70,315,685	75,432,668	80,927,158	86,827,215	93,162,998	99,966,915
IBNR Claim Reserve	29,205,676	30,655,754	32,007,082	33,539,039	35,256,690	37,817,362	40,566,741	43,518,847	46,688,745	50,092,624	53,747,884	57,673,220
Claim Fluctuation Reserve	21,417,432	22,480,886	23,471,860	24,595,295	25,854,906	27,732,732	29,748,944	31,913,821	34,238,413	36,734,591	39,415,115	42,293,695

**Projected Reserve Balance
Annual Contributions, Expenses and Fund Balances
2015 Pricing**



**Projected Reserve Balance
Increases in Employer and Employee Premium Contributions
2015 Pricing**

