

Components of Cost Comparison

Projection Period: January 2018 through December 2018

Specific SL at \$150,000

	Current	Insured Projection	Estimated Self-Funded Projection		Estimated Self-Funded Projection, ILLUSTRATIVE ONLY	
		Prospective Renewal	Estimated Self-Funded (Based on 1 Year Methodology)	Estimated Self-Funded (Based on 3 Year Methodology)	Best Case Year One (IMMATURE YEAR)*, ILLUSTRATIVE	Worst Case**, ILLUSTRATIVE
Expected Claims		\$4,110,980	\$3,745,691	\$3,788,053	\$3,680,576	\$5,134,251
GME		\$22,254	\$22,254	\$22,254	\$22,254	\$22,254
Margin (3% of Total for SF only)		\$0	\$135,429	\$136,740	\$0	\$0
<b>Total Claims</b>		<b>\$4,133,234</b>	<b>\$3,903,374</b>	<b>\$3,947,046</b>	<b>\$3,680,576</b>	<b>\$5,134,251</b>
TPA Administration Fee		\$397,332	\$196,576	\$196,576	\$196,576	\$196,576
Risk Charge		\$174,157	\$0	\$0	\$0	\$0
Contribution to Reserve		\$51,987	\$0	\$0	\$0	\$0
Pooling / Stop Loss Charge		\$212,474	\$414,363	\$414,363	\$414,363	\$414,363
ACA: Premium Tax		\$79,727	\$0	\$0	\$0	\$0
<b>Total Retention</b>		<b>\$915,677</b>	<b>\$610,939</b>	<b>\$610,939</b>	<b>\$610,939</b>	<b>\$610,939</b>
<b>Total Cost</b>	<b>\$4,246,351</b>	<b>\$5,048,911</b>	<b>\$4,514,313</b>	<b>\$4,557,985</b>	<b>\$4,291,516</b>	<b>\$5,745,190</b>
<b>Renewal Compared to Current</b>		<b>\$802,560</b> <b>18.9%</b>	<b>\$267,962</b> <b>6.3%</b>	<b>\$311,635</b> <b>7.3%</b>	<b>\$45,165</b> <b>1.1%</b>	<b>\$1,498,839</b> <b>35.3%</b>

SAVINGS Compared to Insured

	-\$534,598	-\$490,926	-\$757,396	\$696,279
	-12.6%	-11.6%	-17.8%	16.4%

Please note the self-funded proposal is based on the Excellus preliminary proposal for stop loss and administration, and are subject to change based on final quotes received as well as any determined lasers.

\*Claims in the best case column removes the estimated IBNR with the assumption that not all claims incurred in year one may actually be paid in year one.

\*\*The maximum exposure column is the attachment point or aggregate deductible set by Excellus on the stop loss proposal. This shows if ABC Company took Aggregate Stop Loss Insurance what the maximum exposure might be. Note this is subject to change based on the final stop loss quote and attachment point determined by Excellus.

