

San Francisco Health Service System Health Service Board

Rates & Benefits

Kaiser Permanente 2020 Multi-State Regional Rates
Presentation—Early Retirees and Medicare Retirees

June 13, 2019

Prepared by:
Health Solutions



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Recommendation Summary

It is recommended that the Health Service Board (HSB) accept the Kaiser multi-state regional plan premium renewals and resulting rate cards contained in this material. The table below illustrates current membership enrolled in each plan along with the proposed Kaiser rate actions from 2019 to 2020.

| | Early Retirees and Dependents | Medicare Retirees and Dependents |
|--------------------------------|----------------------------------|-------------------------------------|
| Total Covered Members | | |
| ▪ Washington region | 15 | 9 |
| ▪ Northwest region | 16 | 28 |
| ▪ Hawaii region | 12 | 23 |
| 2020 Rate Change Action | | |
| ▪ Washington region | +3.6% | +3.0% |
| ▪ Northwest region | -4.5% | +5.7% |
| ▪ Hawaii region | -2.7% | 0.0% |

Introduction

In 2018, the San Francisco Health Service System (SFHSS) introduced a new set of Kaiser Permanente (Kaiser) plans for retirees living in certain geographies outside of California where Kaiser has plans available.

These “multi-state regional” Kaiser early and Medicare retiree plans are offered in three geographies—Washington state, Northwest (primarily Oregon), and Hawaii.

This report provides the HSB with the recommendation for the fully insured 2020 Kaiser multi-state regional renewal for applicable early retirees and Medicare retirees.

Aon Commentary on Kaiser 2020 Rates

Overall average rate changes for the Kaiser multi-state region plans are 1.2% decrease for early retirees and 3.2% increase for Medicare retirees. Due to the small populations enrolled in these plans, rates are determined by Kaiser on a community rated basis. These proposed rate changes are below national health care cost increase trends.

When setting the total Kaiser premiums, the following SFHSS costs are included:

- The VSP vision Basic Plan premiums; and
- The Healthcare Sustainability Fund charge of \$3.00 per retiree per month.

Best Doctors expert opinion service costs are no longer included starting in 2020 given recent HSB decision to allow the existing contract to expire on December 31, 2019.

Retiree Medical Contributions in Rate Cards

- The rate cards presented in this document reflect the full employer contributions for retiree medical coverage presently available to:
 - Retired employees hired on or before January 9, 2009;
 - Retired persons who retired for disability; and
 - Surviving spouses or surviving domestic partners of active employees who died in the line of duty.
- Retiree medical coverage—but no employer contribution—is available to retired employees hired on or after January 10, 2009 with at least 5 but less than 10 years of Credited Service with the Employers.

Retiree Medical Contributions in Rate Cards

- Retiree medical coverage at the 50% employer Charter-contribution rate is available to retired employees hired on or after January 10, 2009, with greater than 10 years of Credited Service with the Employers, but less than 15 years of Credited Service.
 - This segment of retirees will receive 50% of the full employer Charter contribution for each retiree medical plan and coverage tier as reflected in the following rate cards.

2020 Kaiser Monthly Rate Card

Washington Rates and Contributions

| | Early Retirees | | | Medicare Retirees | | | |
|----------------------|--------------------|--------------------------------|---------------------------------|-----------------------|----------------------------|-----------------------------|--------------------------------------------|
| | Early Retiree Only | Retiree + 1 (All Non-Medicare) | Retiree + 2+ (All Non-Medicare) | Medicare Retiree Only | Retiree + 1 (All Medicare) | Retiree + 2+ (All Medicare) | Retiree + 2+ (2 Medicare, 1+ Non-Medicare) |
| Premium | \$1,369.44 | \$2,738.89 | \$3,875.53 | \$325.40 | \$650.80 | \$976.20 | \$1,787.44 |
| Vision | \$3.95 | \$7.92 | \$11.20 | \$3.95 | \$7.92 | \$11.20 | \$11.20 |
| Expense ¹ | \$3.00 | \$3.00 | \$3.00 | \$3.00 | \$3.00 | \$3.00 | \$3.00 |
| Total | \$1,376.39 | \$2,749.81 | \$3,889.73 | \$332.35 | \$661.72 | \$990.40 | \$1,801.64 |

| | | | | | | | |
|-----------------------------------------------------------------|---------------|-----------------|-------------------|---------------|-----------------|-----------------|-------------------|
| 10-County Amount (or single tier premium, if less) ² | \$705.92 | \$0.00 | \$0.00 | \$332.35 | \$0.00 | \$0.00 | \$0.00 |
| Single Retiree Offset ³ | \$0.00 | \$705.92 | \$705.92 | \$0.00 | \$332.35 | \$332.35 | \$332.35 |
| "Actuarial Difference" ⁴ | \$670.47 | \$670.47 | \$670.47 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Prop. E Contribution ⁵ | \$0.00 | \$686.71 | \$686.71 | \$0.00 | \$164.69 | \$164.69 | \$164.69 |
| Subtotal City Contributions | \$1,376.39 | \$2,063.10 | \$2,063.10 | \$332.35 | \$497.04 | \$497.04 | \$497.04 |
| Non-Bargained Contribution Rate 2020 | \$0.00 | \$686.71 | \$1,826.63 | \$0.00 | \$164.68 | \$493.36 | \$1,304.60 |

| | | | | | | | |
|---------------------------------------|---------------|-----------------|-------------------|---------------|-----------------|-----------------|-------------------|
| Final Member Contribution 2020 | \$0.00 | \$686.71 | \$1,826.63 | \$0.00 | \$164.68 | \$493.36 | \$1,304.60 |
|---------------------------------------|---------------|-----------------|-------------------|---------------|-----------------|-----------------|-------------------|

| | | | | | | | |
|----------------------------------------------|---------------|-----------------|-------------------|---------------|-----------------|-----------------|-------------------|
| Final Member Contribution 2019 | \$0.00 | \$663.23 | \$1,764.19 | \$0.00 | \$159.94 | \$479.14 | \$1,260.90 |
| Difference—2020 vs. 2019 Contribution | \$0.00 | \$23.48 | \$62.44 | \$0.00 | \$4.74 | \$14.22 | \$43.70 |

NOTE—Footnotes 1 – 5 defined in Appendix

Kaiser Medicare Retiree Monthly Premiums & Contributions

2020 vs. 2019—Washington Region

| PY = Plan Year | | Early Retirees | | | Medicare Retirees | | | |
|-------------------------------|-----------|--------------------|--------------------------------|---------------------------------|-----------------------|----------------------------|-----------------------------|--------------------------------------------|
| | | Early Retiree Only | Retiree + 1 (All Non-Medicare) | Retiree + 2+ (All Non-Medicare) | Medicare Retiree Only | Retiree + 1 (All Medicare) | Retiree + 2+ (All Medicare) | Retiree + 2+ (2 Medicare, 1+ Non-Medicare) |
| Monthly Retiree Contributions | PY 2019 | \$0.00 | \$663.23 | \$1,764.19 | \$0.00 | \$159.94 | \$479.14 | \$1,260.90 |
| | PY 2020 | \$0.00 | \$686.71 | \$1,826.63 | \$0.00 | \$164.68 | \$493.36 | \$1,304.60 |
| | \$ Change | \$0.00 | +\$23.48 | +\$62.44 | \$0.00 | +\$4.74 | +\$14.22 | +\$43.70 |
| | % Change | — | +3.5% | +3.5% | - | +3.0% | +3.0% | +3.0% |

| | | | | | | | | |
|--------------------------------|-----------|------------|------------|------------|----------|----------|----------|----------|
| Monthly Employer Contributions | PY 2019 | \$1,330.59 | \$1,993.83 | \$1,993.83 | \$324.02 | \$483.97 | \$483.97 | \$483.97 |
| | PY 2020 | \$1,376.39 | \$2,063.10 | \$2,063.10 | \$332.35 | \$497.04 | \$497.04 | \$497.04 |
| | \$ Change | +\$45.80 | +\$69.27 | +\$69.27 | +\$8.33 | +\$13.07 | +\$13.07 | +\$13.07 |
| | % Change | +3.4% | +3.5% | +3.5% | +2.6% | +2.7% | +2.7% | +2.7% |

| | | | | | | | | |
|--------------------|-----------|------------|------------|------------|----------|----------|----------|------------|
| Monthly Total Rate | PY 2019 | \$1,330.59 | \$2,657.06 | \$3,758.02 | \$324.02 | \$643.91 | \$963.11 | \$1,744.87 |
| | PY 2020 | \$1,376.39 | \$2,749.81 | \$3,889.73 | \$332.35 | \$661.72 | \$990.40 | \$1,801.64 |
| | \$ Change | +\$45.80 | +\$92.75 | +\$131.71 | +\$8.33 | +\$17.81 | +\$27.29 | +\$56.77 |
| | % Change | +3.4% | +3.5% | +3.5% | +2.6% | +2.8% | +2.8% | +3.3% |

2020 Kaiser Monthly Rate Card

Northwest Rates and Contributions

| | Early Retirees | | | Medicare Retirees | | | |
|----------------------|--------------------|--------------------------------|---------------------------------|-----------------------|----------------------------|-----------------------------|--------------------------------------------|
| | Early Retiree Only | Retiree + 1 (All Non-Medicare) | Retiree + 2+ (All Non-Medicare) | Medicare Retiree Only | Retiree + 1 (All Medicare) | Retiree + 2+ (All Medicare) | Retiree + 2+ (2 Medicare, 1+ Non-Medicare) |
| Premium | \$1,267.93 | \$2,535.87 | \$3,588.25 | \$417.85 | \$835.70 | \$1,253.55 | \$1,888.08 |
| Vision | \$3.95 | \$7.92 | \$11.20 | \$3.95 | \$7.92 | \$11.20 | \$11.20 |
| Expense ¹ | \$3.00 | \$3.00 | \$3.00 | \$3.00 | \$3.00 | \$3.00 | \$3.00 |
| Total | \$1,274.88 | \$2,546.79 | \$3,602.45 | \$424.80 | \$846.62 | \$1,267.75 | \$1,902.28 |

| | | | | | | | |
|-----------------------------------------------------------------|---------------|-----------------|-------------------|---------------|-----------------|-----------------|-------------------|
| 10-County Amount (or single tier premium, if less) ² | \$705.92 | \$0.00 | \$0.00 | \$424.80 | \$0.00 | \$0.00 | \$0.00 |
| Single Retiree Offset ³ | \$0.00 | \$705.92 | \$705.92 | \$0.00 | \$424.80 | \$424.80 | \$424.80 |
| "Actuarial Difference" ⁴ | \$568.96 | \$568.96 | \$568.96 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Prop. E Contribution ⁵ | \$0.00 | \$635.96 | \$635.96 | \$0.00 | \$210.91 | \$210.91 | \$210.91 |
| Subtotal City Contributions | \$1,274.88 | \$1,910.84 | \$1,910.84 | \$424.80 | \$635.71 | \$635.71 | \$635.71 |
| Non-Bargained Contribution Rate 2020 | \$0.00 | \$635.95 | \$1,691.61 | \$0.00 | \$210.91 | \$632.04 | \$1,266.57 |

| | | | | | | | |
|---------------------------------------|---------------|-----------------|-------------------|---------------|-----------------|-----------------|-------------------|
| Final Member Contribution 2020 | \$0.00 | \$635.95 | \$1,691.61 | \$0.00 | \$210.91 | \$632.04 | \$1,266.57 |
|---------------------------------------|---------------|-----------------|-------------------|---------------|-----------------|-----------------|-------------------|

| | | | | | | | |
|----------------------------------------------|---------------|-----------------|-------------------|---------------|-----------------|-----------------|-------------------|
| Final Member Contribution 2019 | \$0.00 | \$665.89 | \$1,771.27 | \$0.00 | \$199.71 | \$598.44 | \$1,417.95 |
| Difference—2020 vs. 2019 Contribution | \$0.00 | -\$29.94 | -\$79.66 | \$0.00 | \$11.20 | \$33.60 | -\$151.38 |

NOTE—Footnotes 1 – 5 defined in Appendix

Kaiser Medicare Retiree Monthly Premiums & Contributions

2020 vs. 2019—Northwest Region

| PY = Plan Year | | Early Retirees | | | Medicare Retirees | | | |
|--------------------------------|-----------|--------------------|--------------------------------|---------------------------------|-----------------------|----------------------------|-----------------------------|--------------------------------------------|
| | | Early Retiree Only | Retiree + 1 (All Non-Medicare) | Retiree + 2+ (All Non-Medicare) | Medicare Retiree Only | Retiree + 1 (All Medicare) | Retiree + 2+ (All Medicare) | Retiree + 2+ (2 Medicare, 1+ Non-Medicare) |
| Monthly Retiree Contributions | PY 2019 | \$0.00 | \$665.89 | \$1,771.27 | \$0.00 | \$199.71 | \$598.44 | \$1,417.95 |
| | PY 2020 | \$0.00 | \$635.95 | \$1,691.61 | \$0.00 | \$210.91 | \$632.04 | \$1,266.57 |
| | \$ Change | \$0.00 | -\$29.94 | -\$79.66 | \$0.00 | +\$11.20 | +\$33.60 | -\$151.39 |
| | % Change | — | -4.5% | -4.5% | - | +5.6% | +5.6% | -10.7% |
| Monthly Employer Contributions | PY 2019 | \$1,335.93 | \$2,001.83 | \$2,001.83 | \$403.55 | \$603.26 | \$603.26 | \$603.26 |
| | PY 2020 | \$1,274.88 | \$1,910.84 | \$1,910.84 | \$424.80 | \$635.71 | \$635.71 | \$635.71 |
| | \$ Change | -\$61.05 | -\$90.99 | -\$90.99 | +\$21.25 | +\$32.45 | +\$32.45 | +\$32.45 |
| | % Change | -4.6% | -4.5% | -4.5% | +5.3% | +5.4% | +5.4% | +5.4% |
| Monthly Total Rate | PY 2019 | \$1,335.93 | \$2,667.72 | \$3,773.10 | \$403.55 | \$802.97 | \$1,201.70 | \$2,021.21 |
| | PY 2020 | \$1,274.88 | \$2,546.79 | \$3,602.45 | \$424.80 | \$846.62 | \$1,267.75 | \$1,902.28 |
| | \$ Change | -\$61.05 | -\$120.93 | -\$170.65 | +\$21.25 | +\$43.65 | +\$66.05 | -\$118.93 |
| | % Change | -4.6% | -4.5% | -4.5% | +5.3% | +5.4% | +5.5% | -5.9% |

2020 Kaiser Monthly Rate Card

Hawaii Rates and Contributions

| | Early Retirees | | | Medicare Retirees | | | |
|----------------------|--------------------|--------------------------------|---------------------------------|-----------------------|----------------------------|-----------------------------|--------------------------------------------|
| | Early Retiree Only | Retiree + 1 (All Non-Medicare) | Retiree + 2+ (All Non-Medicare) | Medicare Retiree Only | Retiree + 1 (All Medicare) | Retiree + 2+ (All Medicare) | Retiree + 2+ (2 Medicare, 1+ Non-Medicare) |
| Premium | \$935.36 | \$1,870.71 | \$2,647.06 | \$368.01 | \$736.02 | \$1,104.03 | \$1,671.38 |
| Vision | \$3.95 | \$7.92 | \$11.20 | \$3.95 | \$7.92 | \$11.20 | \$11.20 |
| Expense ¹ | \$3.00 | \$3.00 | \$3.00 | \$3.00 | \$3.00 | \$3.00 | \$3.00 |
| Total | \$942.31 | \$1,881.63 | \$2,661.26 | \$374.96 | \$746.94 | \$1,118.23 | \$1,685.58 |

| | | | | | | | |
|-----------------------------------------------------------------|---------------|-----------------|-------------------|---------------|-----------------|-----------------|-------------------|
| 10-County Amount (or single tier premium, if less) ² | \$705.92 | \$0.00 | \$0.00 | \$374.96 | \$0.00 | \$0.00 | \$0.00 |
| Single Retiree Offset ³ | \$0.00 | \$705.92 | \$705.92 | \$0.00 | \$374.96 | \$374.96 | \$374.96 |
| "Actuarial Difference" ⁴ | \$236.39 | \$236.39 | \$236.39 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Prop. E Contribution ⁵ | \$0.00 | \$469.66 | \$469.66 | \$0.00 | \$185.99 | \$185.99 | \$185.99 |
| Subtotal City Contributions | \$942.31 | \$1,411.97 | \$1,411.97 | \$374.96 | \$560.95 | \$560.95 | \$560.95 |
| Non-Bargained Contribution Rate 2020 | \$0.00 | \$469.66 | \$1,249.29 | \$0.00 | \$185.99 | \$557.28 | \$1,124.63 |

| | | | | | | | |
|---------------------------------------|---------------|-----------------|-------------------|---------------|-----------------|-----------------|-------------------|
| Final Member Contribution 2020 | \$0.00 | \$469.66 | \$1,249.29 | \$0.00 | \$185.99 | \$557.28 | \$1,124.63 |
|---------------------------------------|---------------|-----------------|-------------------|---------------|-----------------|-----------------|-------------------|

| | | | | | | | |
|----------------------------------------------|---------------|-----------------|-------------------|---------------|-----------------|-----------------|-------------------|
| Final Member Contribution 2019 | \$0.00 | \$482.83 | \$1,284.33 | \$0.00 | \$185.99 | \$557.28 | \$1,150.98 |
| Difference—2020 vs. 2019 Contribution | \$0.00 | -\$13.17 | -\$35.04 | \$0.00 | \$0.00 | \$0.00 | -\$26.35 |

NOTE—Footnotes 1 – 5 defined in Appendix

Kaiser Medicare Retiree Monthly Premiums & Contributions

2020 vs. 2019—Hawaii Region

| PY = Plan Year | | Early Retirees | | | Medicare Retirees | | | |
|--------------------------------|-----------|--------------------|--------------------------------|---------------------------------|-----------------------|----------------------------|-----------------------------|--------------------------------------------|
| | | Early Retiree Only | Retiree + 1 (All Non-Medicare) | Retiree + 2+ (All Non-Medicare) | Medicare Retiree Only | Retiree + 1 (All Medicare) | Retiree + 2+ (All Medicare) | Retiree + 2+ (2 Medicare, 1+ Non-Medicare) |
| Monthly Retiree Contributions | PY 2019 | \$0.00 | \$482.83 | \$1,284.33 | \$0.00 | \$185.99 | \$557.28 | \$1,150.98 |
| | PY 2020 | \$0.00 | \$469.66 | \$1,249.29 | \$0.00 | \$185.99 | \$557.28 | \$1,124.63 |
| | \$ Change | \$0.00 | -\$13.17 | -\$35.04 | \$0.00 | \$0.00 | \$0.00 | -\$26.35 |
| | % Change | — | -2.7% | -2.7% | — | — | — | -2.3% |
| Monthly Employer Contributions | PY 2019 | \$969.81 | \$1,452.65 | \$1,452.65 | \$376.11 | \$562.10 | \$562.10 | \$562.10 |
| | PY 2020 | \$942.31 | \$1,411.97 | \$1,411.97 | \$374.96 | \$560.95 | \$560.95 | \$560.95 |
| | \$ Change | -\$27.50 | -\$40.68 | -\$40.68 | -\$1.15 | -\$1.15 | -\$1.15 | -\$1.15 |
| | % Change | -2.8% | -2.8% | -2.8% | -0.3% | -0.2% | -0.2% | -0.2% |
| Monthly Total Rate | PY 2019 | \$969.81 | \$1,935.48 | \$2,736.98 | \$376.11 | \$748.09 | \$1,119.38 | \$1,713.08 |
| | PY 2020 | \$942.31 | \$1,881.63 | \$2,661.26 | \$374.96 | \$746.94 | \$1,118.23 | \$1,685.58 |
| | \$ Change | -\$27.50 | -\$53.85 | -\$75.72 | -\$1.15 | -\$1.15 | -\$1.15 | -\$27.50 |
| | % Change | -2.8% | -2.8% | -2.8% | -0.3% | -0.2% | -0.1% | -1.6% |

Recommendation

- It is recommended that the Health Service Board (HSB) approve the Kaiser Permanente rates and premium contributions for multi-state regional rates for early retirees and Medicare retirees for Washington, Northwest and Hawaii as presented.

Appendix

2019 Kaiser Monthly Rate Card

Washington Rates and Contributions

| | Early Retirees | | | Medicare Retirees | | | |
|-----------------------------------------------------------------|--------------------|--------------------------------|--------------------------------|-----------------------|----------------------------|----------------------------|-------------------------------------------|
| | Early Retiree Only | Retiree + 1 (All Non-Medicare) | Retiree +2+ (All Non-Medicare) | Medicare Retiree Only | Retiree + 1 (All Medicare) | Retiree +2+ (All Medicare) | Retiree +2+ (2 Medicare, 1+ Non-Medicare) |
| Premium | \$1,322.49 | \$2,644.99 | \$3,742.67 | \$315.92 | \$631.84 | \$947.76 | \$1,729.52 |
| Vision | \$3.95 | \$7.92 | \$11.20 | \$3.95 | \$7.92 | \$11.20 | \$11.20 |
| Expense ¹ | \$3.00 | \$3.00 | \$3.00 | \$3.00 | \$3.00 | \$3.00 | \$3.00 |
| Best Doctors (expert medical opinion service) | \$1.15 | \$1.15 | \$1.15 | \$1.15 | \$1.15 | \$1.15 | \$1.15 |
| Total | \$1,330.59 | \$2,657.06 | \$3,758.02 | \$324.02 | \$643.91 | \$963.11 | \$1,744.87 |
| 10-County Amount (or single tier premium, if less) ² | \$672.08 | \$0.00 | \$0.00 | \$324.02 | \$0.00 | \$0.00 | \$0.00 |
| Single Retiree Offset ³ | \$0.00 | \$672.08 | \$672.08 | \$0.00 | \$324.02 | \$324.02 | \$324.02 |
| "Actuarial Difference" ⁴ | \$658.51 | \$658.51 | \$658.51 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Prop. E Contribution ⁵ | \$0.00 | \$663.24 | \$663.24 | \$0.00 | \$159.95 | \$159.95 | \$159.95 |
| Subtotal City Contributions | \$1,330.59 | \$1,993.83 | \$1,993.83 | \$324.02 | \$483.97 | \$483.97 | \$483.97 |
| Non-Bargained Contribution Rate 2019 | \$0.00 | \$663.23 | \$1,764.19 | \$0.00 | \$159.94 | \$479.14 | \$1,260.90 |
| Final Member Contribution 2019 | \$0.00 | \$663.23 | \$1,764.19 | \$0.00 | \$159.94 | \$479.14 | \$1,260.90 |
| Final Member Contribution 2018 | \$0.00 | \$614.09 | \$1,633.47 | \$0.00 | \$196.57 | \$589.02 | \$1,215.95 |
| Difference, 2019 Versus 2018 Contribution | \$0.00 | \$49.14 | \$130.72 | \$0.00 | -\$36.63 | -\$109.88 | \$44.95 |

NOTE—Footnotes 1 – 5 defined in Appendix

2019 Kaiser Monthly Rate Card

Appendix

Northwest Rates and Contributions

| | Early Retirees | | | Medicare Retirees | | | |
|-----------------------------------------------|--------------------|--------------------------------|--------------------------------|-----------------------|----------------------------|----------------------------|-------------------------------------------|
| | Early Retiree Only | Retiree + 1 (All Non-Medicare) | Retiree +2+ (All Non-Medicare) | Medicare Retiree Only | Retiree + 1 (All Medicare) | Retiree +2+ (All Medicare) | Retiree +2+ (2 Medicare, 1+ Non-Medicare) |
| Premium | \$1,327.83 | \$2,655.65 | \$3,757.75 | \$395.45 | \$790.90 | \$1,186.35 | \$2,005.86 |
| Vision | \$3.95 | \$7.92 | \$11.20 | \$3.95 | \$7.92 | \$11.20 | \$11.20 |
| Expense ¹ | \$3.00 | \$3.00 | \$3.00 | \$3.00 | \$3.00 | \$3.00 | \$3.00 |
| Best Doctors (expert medical opinion service) | \$1.15 | \$1.15 | \$1.15 | \$1.15 | \$1.15 | \$1.15 | \$1.15 |
| Total | \$1,335.93 | \$2,667.72 | \$3,773.10 | \$403.55 | \$802.97 | \$1,201.70 | \$2,021.21 |

| | | | | | | | |
|-----------------------------------------------------------------|---------------|-----------------|-------------------|---------------|-----------------|-----------------|-------------------|
| 10-County Amount (or single tier premium, if less) ² | \$672.08 | \$0.00 | \$0.00 | \$403.55 | \$0.00 | \$0.00 | \$0.00 |
| Single Retiree Offset ³ | \$0.00 | \$672.08 | \$672.08 | \$0.00 | \$403.55 | \$403.55 | \$403.55 |
| "Actuarial Difference" ⁴ | \$663.85 | \$663.85 | \$663.85 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Prop. E Contribution ⁵ | \$0.00 | \$665.90 | \$665.90 | \$0.00 | \$199.71 | \$199.71 | \$199.71 |
| Subtotal City Contributions | \$1,335.93 | \$2,001.83 | \$2,001.83 | \$403.55 | \$603.26 | \$603.26 | \$603.26 |
| Non-Bargained Contribution Rate 2019 | \$0.00 | \$665.89 | \$1,771.27 | \$0.00 | \$199.71 | \$598.44 | \$1,417.95 |

| | | | | | | | |
|---------------------------------------|---------------|-----------------|-------------------|---------------|-----------------|-----------------|-------------------|
| Final Member Contribution 2019 | \$0.00 | \$665.89 | \$1,771.27 | \$0.00 | \$199.71 | \$598.44 | \$1,417.95 |
|---------------------------------------|---------------|-----------------|-------------------|---------------|-----------------|-----------------|-------------------|

| | | | | | | | |
|--------------------------------------------------|---------------|-----------------|-------------------|---------------|-----------------|-----------------|-------------------|
| Final Member Contribution 2018 | \$0.00 | \$689.81 | \$1,834.89 | \$0.00 | \$193.41 | \$579.55 | \$1,455.42 |
| Difference, 2019 Versus 2018 Contribution | \$0.00 | -\$23.92 | -\$63.62 | \$0.00 | \$6.30 | \$18.89 | -\$37.47 |

NOTE—Footnotes 1 – 5 defined in Appendix

2019 Kaiser Monthly Rate Card

Hawaii Rates and Contributions

| | Early Retirees | | | Medicare Retirees | | | |
|-----------------------------------------------|--------------------|--------------------------------|--------------------------------|-----------------------|----------------------------|----------------------------|-------------------------------------------|
| | Early Retiree Only | Retiree + 1 (All Non-Medicare) | Retiree +2+ (All Non-Medicare) | Medicare Retiree Only | Retiree + 1 (All Medicare) | Retiree +2+ (All Medicare) | Retiree +2+ (2 Medicare, 1+ Non-Medicare) |
| Premium | \$961.71 | \$1,923.41 | \$2,721.63 | \$368.01 | \$736.02 | \$1,104.03 | \$1,697.73 |
| Vision | \$3.95 | \$7.92 | \$11.20 | \$3.95 | \$7.92 | \$11.20 | \$11.20 |
| Expense ¹ | \$3.00 | \$3.00 | \$3.00 | \$3.00 | \$3.00 | \$3.00 | \$3.00 |
| Best Doctors (expert medical opinion service) | \$1.15 | \$1.15 | \$1.15 | \$1.15 | \$1.15 | \$1.15 | \$1.15 |
| Total | \$969.81 | \$1,935.48 | \$2,736.98 | \$376.11 | \$748.09 | \$1,119.38 | \$1,713.08 |

| | | | | | | | |
|-----------------------------------------------------------------|---------------|-----------------|-------------------|---------------|-----------------|-----------------|-------------------|
| 10-County Amount (or single tier premium, if less) ² | \$672.08 | \$0.00 | \$0.00 | \$376.11 | \$0.00 | \$0.00 | \$0.00 |
| Single Retiree Offset ³ | \$0.00 | \$672.08 | \$672.08 | \$0.00 | \$376.11 | \$376.11 | \$376.11 |
| "Actuarial Difference" ⁴ | \$297.73 | \$297.73 | \$297.73 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Prop. E Contribution ⁵ | \$0.00 | \$482.84 | \$482.84 | \$0.00 | \$185.99 | \$185.99 | \$185.99 |
| Subtotal City Contributions | \$969.81 | \$1,452.65 | \$1,452.65 | \$376.11 | \$562.10 | \$562.10 | \$562.10 |
| Non-Bargained Contribution Rate 2019 | \$0.00 | \$482.83 | \$1,284.33 | \$0.00 | \$185.99 | \$557.28 | \$1,150.98 |

| | | | | | | | |
|---------------------------------------|---------------|-----------------|-------------------|---------------|-----------------|-----------------|-------------------|
| Final Member Contribution 2019 | \$0.00 | \$482.83 | \$1,284.33 | \$0.00 | \$185.99 | \$557.28 | \$1,150.98 |
|---------------------------------------|---------------|-----------------|-------------------|---------------|-----------------|-----------------|-------------------|

| | | | | | | | |
|--------------------------------------------------|---------------|-----------------|-------------------|---------------|-----------------|-----------------|-------------------|
| Final Member Contribution 2018 | \$0.00 | \$420.39 | \$1,118.24 | \$0.00 | \$177.32 | \$531.28 | \$1,017.43 |
| Difference, 2019 Versus 2018 Contribution | \$0.00 | \$62.44 | \$166.09 | \$0.00 | \$8.67 | \$26.00 | \$133.55 |

NOTE—Footnotes 1 – 5 defined in Appendix

Kaiser Rate Card Footnotes

- 1) **Expense:** SFHSS Healthcare Sustainability Fund charge of \$3.00 per employee or retiree per month.
- 2) **10-County Amount:** Amount derived from annual survey described in Charter Section A8.423 of contributions provided by 10 most populous counties in CA, not including San Francisco—called the “average contribution”. The 2020 10-County amount is \$705.92.
- 3) **Single Retiree Offset:** Under Charter Section A8.428(b)(2), the 10-County amount is the first of three Charter contribution elements used to calculate retiree rates. Employers are required to pay lesser of the 10-County amount or actual cost of coverage for each retiree member.

Kaiser Rate Card Footnotes

- 4) **"Actuarial Difference"**: Under Charter Section A8.428(b)(3), the employers contribute the difference between Active Employee-Only premium and Early Retiree-Only premium. This is the second of three Charter contribution elements applied to the calculation of retiree rates.
- 5) **2000 Prop. E Contribution**: Under Charter Section A8.428(b)(3)(iii) and A8.428(c), employer contributions toward Retiree Only and Retiree +1 rates = $50\% \times [\text{Total Rate Cost} - 10\text{-County Amount} - \text{"Actuarial Difference"}]$. This is the third of three Charter contribution elements that applied to the calculation of retiree rates.

Member Contributions for All Retiree Tiers

Washington Member Contributions

| Overall Coverage Tier | Non-Medicare and Medicare Statuses | Monthly Member Contribution ¹ | | \$ Change | % Change |
|-------------------------|----------------------------------------------------------------------------|------------------------------------------|------------|-----------|----------|
| | | 2019 | 2020 | | |
| Retiree Only | Non-Medicare Retiree | \$0.00 | \$0.00 | \$0.00 | 0.0% |
| | Medicare Retiree | \$0.00 | \$0.00 | \$0.00 | 0.0% |
| Retiree + 1 Dependent | Non-Medicare Retiree / Non-Medicare Dependent | \$663.23 | \$686.71 | \$23.48 | 3.5% |
| | Non-Medicare Retiree / Medicare Dependent | \$159.94 | \$164.68 | \$4.74 | 3.0% |
| | Medicare Retiree / Non-Medicare Dependent | \$663.23 | \$686.71 | \$23.48 | 3.5% |
| | Medicare Retiree / Medicare Dependent | \$159.94 | \$164.68 | \$4.74 | 3.0% |
| Retiree + 2+ Dependents | Non-Medicare Retiree / Non-Medicare Dependents | \$1,764.19 | \$1,826.63 | \$62.44 | 3.5% |
| | Non-Medicare Retiree / Medicare Dependent / Non-Medicare 2nd+ Dependent(s) | \$1,260.90 | \$1,304.60 | \$43.70 | 3.5% |
| | Medicare Retiree / Non-Medicare Dependents | \$1,764.19 | \$1,826.63 | \$62.44 | 3.5% |
| | Medicare Retiree / Medicare Dependent / Non-Medicare 2nd+ Dependent(s) | \$1,260.90 | \$1,304.60 | \$43.70 | 3.5% |
| | Medicare Retiree / Medicare Dependents | \$479.14 | \$493.36 | \$14.22 | 3.0% |

¹ For members receiving full City Charter employer contribution amounts.

Member Contributions for All Retiree Tiers

Northwest Member Contributions

| Overall Coverage Tier | Non-Medicare and Medicare Statuses | Monthly Member Contribution ¹ | | \$ Change | % Change |
|-------------------------|----------------------------------------------------------------------------|------------------------------------------|------------|------------|----------|
| | | 2019 | 2020 | | |
| Retiree Only | Non-Medicare Retiree | \$0.00 | \$0.00 | \$0.00 | 0.0% |
| | Medicare Retiree | \$0.00 | \$0.00 | \$0.00 | 0.0% |
| Retiree + 1 Dependent | Non-Medicare Retiree / Non-Medicare Dependent | \$665.89 | \$635.95 | (\$29.94) | -4.5% |
| | Non-Medicare Retiree / Medicare Dependent | \$199.71 | \$210.91 | \$11.20 | 5.6% |
| | Medicare Retiree / Non-Medicare Dependent | \$665.89 | \$635.95 | (\$29.94) | -4.5% |
| | Medicare Retiree / Medicare Dependent | \$199.71 | \$210.91 | \$11.20 | 5.6% |
| Retiree + 2+ Dependents | Non-Medicare Retiree / Non-Medicare Dependents | \$1,771.27 | \$1,691.61 | (\$79.66) | -4.5% |
| | Non-Medicare Retiree / Medicare Dependent / Non-Medicare 2nd+ Dependent(s) | \$1,417.95 | \$1,266.57 | (\$151.38) | -10.7% |
| | Medicare Retiree / Non-Medicare Dependents | \$1,771.27 | \$1,691.61 | (\$79.66) | -4.5% |
| | Medicare Retiree / Medicare Dependent / Non-Medicare 2nd+ Dependent(s) | \$1,417.95 | \$1,266.57 | (\$151.38) | -10.7% |
| | Medicare Retiree / Medicare Dependents | \$598.44 | \$632.04 | \$33.60 | 5.6% |

¹ For members receiving full City Charter employer contribution amounts.

Member Contributions for All Retiree Tiers

Hawaii Member Contributions

| Overall Coverage Tier | Non-Medicare and Medicare Statuses | Monthly Member Contribution ¹ | | \$ Change | % Change |
|-------------------------|----------------------------------------------------------------------------|------------------------------------------|------------|-----------|----------|
| | | 2019 | 2020 | | |
| Retiree Only | Non-Medicare Retiree | \$0.00 | \$0.00 | \$0.00 | 0.0% |
| | Medicare Retiree | \$0.00 | \$0.00 | \$0.00 | 0.0% |
| Retiree + 1 Dependent | Non-Medicare Retiree / Non-Medicare Dependent | \$482.83 | \$469.66 | (\$13.17) | -2.7% |
| | Non-Medicare Retiree / Medicare Dependent | \$185.99 | \$185.99 | \$0.00 | 0.0% |
| | Medicare Retiree / Non-Medicare Dependent | \$482.83 | \$469.66 | (\$13.17) | -2.7% |
| | Medicare Retiree / Medicare Dependent | \$185.99 | \$185.99 | \$0.00 | 0.0% |
| Retiree + 2+ Dependents | Non-Medicare Retiree / Non-Medicare Dependents | \$1,284.33 | \$1,249.29 | (\$35.04) | -2.7% |
| | Non-Medicare Retiree / Medicare Dependent / Non-Medicare 2nd+ Dependent(s) | \$1,150.98 | \$1,124.63 | (\$26.35) | -2.3% |
| | Medicare Retiree / Non-Medicare Dependents | \$1,284.33 | \$1,249.29 | (\$35.04) | -2.7% |
| | Medicare Retiree / Medicare Dependent / Non-Medicare 2nd+ Dependent(s) | \$1,150.98 | \$1,124.63 | (\$26.35) | -2.3% |
| | Medicare Retiree / Medicare Dependents | \$557.28 | \$557.28 | \$0.00 | 0.0% |

¹ For members receiving full City Charter employer contribution amounts.