

Impact of Benefit Changes on Utilization

Month	Membership	Adjusted Claims - Normalized for Contract Changes	Adjusted PMPM	Regression on Adjusted PMPM - 24 Months	Average Induced Utilization Factor	Normalization Factor for Induced Utilization	Adjusted Claims - Normalized for Contract Changes and Induced Utilization Factor	Adjusted PMPM	Regression on Adjusted PMPM - 24 Months
Nov-12	88,923	\$38,965,529	\$438.19	\$414.25	0.9958	0.9639	\$37,559,775	\$422.39	\$411.71
Dec-12	88,775	\$33,285,444	\$374.94	\$414.76	0.9946	0.9651	\$32,123,334	\$361.85	\$412.31
Jan-13	87,454	\$39,000,528	\$445.95	\$415.29	0.9933	0.9663	\$37,687,970	\$430.95	\$412.94
Feb-13	87,369	\$37,426,849	\$428.38	\$415.81	0.9922	0.9674	\$36,206,440	\$414.41	\$413.57
Mar-13	87,378	\$38,778,941	\$443.81	\$416.29	0.9905	0.9690	\$37,577,811	\$430.06	\$414.14
Apr-13	87,188	\$38,313,206	\$439.43	\$416.82	0.9891	0.9705	\$37,181,539	\$426.45	\$414.77
May-13	87,414	\$39,353,818	\$450.20	\$417.33	0.9882	0.9713	\$38,225,724	\$437.30	\$415.38
Jun-13	87,331	\$36,512,475	\$418.09	\$417.86	0.9877	0.9718	\$35,482,302	\$406.30	\$416.01
Jul-13	87,446	\$37,416,998	\$427.89	\$418.37	0.9859	0.9736	\$36,428,386	\$416.58	\$416.63
Aug-13	87,399	\$37,890,167	\$433.53	\$418.90	0.9844	0.9750	\$36,943,601	\$422.70	\$417.26
Sep-13	87,802	\$33,491,069	\$381.44	\$419.43	0.9802	0.9792	\$32,793,997	\$373.50	\$417.90
Oct-13	87,792	\$38,608,348	\$439.77	\$419.95	0.9811	0.9784	\$37,772,756	\$430.25	\$418.51
Nov-13	87,664	\$35,866,630	\$409.14	\$420.48	0.9772	0.9822	\$35,228,109	\$401.85	\$419.15
Dec-13	87,613	\$39,268,940	\$448.21	\$420.99	0.9746	0.9849	\$38,676,076	\$441.44	\$419.77
Jan-14	86,608	\$39,556,165	\$456.73	\$421.53	0.9735	0.9860	\$39,001,302	\$450.32	\$420.41
Feb-14	86,619	\$34,688,530	\$400.47	\$422.06	0.9726	0.9869	\$34,232,722	\$395.21	\$421.05
Mar-14	86,439	\$37,117,279	\$429.40	\$422.54	0.9714	0.9881	\$36,677,264	\$424.31	\$421.63
Apr-14	86,104	\$39,348,385	\$456.99	\$423.08	0.9702	0.9893	\$38,928,791	\$452.11	\$422.27
May-14	86,606	\$36,255,868	\$418.63	\$423.60	0.9685	0.9911	\$35,931,535	\$414.89	\$422.89
Jun-14	86,367	\$37,503,072	\$434.23	\$424.14	0.9669	0.9927	\$37,228,882	\$431.05	\$423.54
Jul-14	85,471	\$37,105,045	\$434.12	\$424.66	0.9664	0.9932	\$36,853,960	\$431.19	\$424.16
Aug-14	85,426	\$34,732,067	\$406.57	\$425.20	0.9652	0.9945	\$34,540,990	\$404.34	\$424.81
Sep-14	86,092	\$35,163,816	\$408.44	\$425.73	0.9644	0.9952	\$34,996,237	\$406.50	\$425.45
Oct-14	86,136	\$39,482,709	\$458.38	\$426.26	0.9634	0.9963	\$39,335,167	\$456.66	\$426.08
Nov-14	86,037	\$35,285,374	\$410.12	\$426.80	0.9621	0.9977	\$35,204,089	\$409.17	\$426.73
Dec-14	86,185	\$38,528,134	\$447.04	\$427.32	0.9608	0.9990	\$38,490,020	\$446.60	\$427.36
Jan-15	84,280	\$37,171,528	\$441.05	\$427.86	0.9606	0.9992	\$37,141,190	\$440.69	\$428.01
Feb-15	84,304	\$34,750,964	\$412.21	\$428.41	0.9604	0.9994	\$34,729,571	\$411.96	\$428.66
Mar-15	84,197	\$37,219,684	\$442.05	\$428.90	0.9590	1.0009	\$37,253,415	\$442.46	\$429.25
Apr-15	83,735	\$37,496,951	\$447.80	\$429.44	0.9577	1.0022	\$37,579,204	\$448.79	\$429.90
May-15	83,665	\$33,272,811	\$397.69	\$429.97	0.9574	1.0026	\$33,357,753	\$398.71	\$430.54
Jun-15	83,926	\$38,185,603	\$454.99	\$430.51	0.9568	1.0031	\$38,305,798	\$456.42	\$431.19
Jul-15	83,032	\$36,898,056	\$444.38	\$431.04	0.9562	1.0038	\$37,039,933	\$446.09	\$431.83
Aug-15	82,740	\$33,030,471	\$399.21	\$431.59	0.9554	1.0047	\$33,184,253	\$401.07	\$432.49
Sep-15	82,840	\$34,338,973	\$414.52	\$432.13	0.9546	1.0055	\$34,526,130	\$416.78	\$433.14
Oct-15	82,757	\$36,324,701	\$438.93	\$432.66	0.9534	1.0068	\$36,570,962	\$441.91	\$433.78
Nov-15	82,866	\$35,506,233	\$428.48	\$433.21	0.9525	1.0077	\$35,780,818	\$431.79	\$434.44
Dec-15	82,966	\$35,926,918	\$433.03	\$433.74	0.9516	1.0086	\$36,237,005	\$436.77	\$435.08
Jan-16	71,911	\$29,357,977	\$408.25	\$434.29	0.9544	1.0057	\$29,524,771	\$410.57	\$435.75
Feb-16	71,491	\$29,064,196	\$406.54	\$434.84	0.9549	1.0051	\$29,213,733	\$408.64	\$436.41
Mar-16	71,433	\$33,468,500	\$468.53	\$435.36	0.9567	1.0033	\$33,579,663	\$470.09	\$437.03
Apr-16	71,293	\$30,587,810	\$429.04	\$435.91	0.9574	1.0026	\$30,665,877	\$430.14	\$437.70
May-16	70,642	\$30,751,184	\$435.31	\$436.45	0.9582	1.0017	\$30,802,782	\$436.04	\$438.34
Jun-16	70,409	\$33,570,861	\$476.80	\$437.00	0.9586	1.0013	\$33,613,591	\$477.40	\$439.01
Jul-16	69,594	\$28,851,451	\$414.57	\$437.54	0.9589	1.0010	\$28,879,207	\$414.97	\$439.66
Aug-16	69,465	\$32,013,565	\$460.86	\$438.09	0.9598	1.0000	\$32,013,565	\$460.86	\$440.33

Annual Increase

1.5%

1.8%

Impact of Benefit Chages  
 Selected Utilization Trend  
 Final Utilization Trend

0.3%  
 1.0%  
 1.3%