

Munster

The Aim Medical Trust remains committed to serving the health care needs of Indiana Cities and Towns. The Board of Trustees and your Aim Medical Trust staff are excited to share the final 2024 renewal information with all of our members. The Board of Trustees does not take their fiduciary responsibility lightly in protecting the financial integrity of the Trust while offering competitive benefit plans and excellent customer service for the 59 participating municipalities.

We are excited to share that the 2024 Trust overall renewal is +4.1% vs. current. The minimum Member renewal action is +2.1% and the maximum is +8.1%.

The 2024 Renewal for Munster is -13.6%.

Munster's renewal action is below the Aim minimum renewal action "guardrail." The Trust's underwriting guidelines provide that if a large group has been in the Trust for at least 5 full years and has a cumulative loss ratio less than 90%, the group is eligible for an additional adjustment to their renewal. Since Munster's cumulative loss ratio from 2019 – 2022 is 84.4 %, you are receiving the adjustment for 2024.

Plan Design Changes for 2024

Due to increases in IRS deductible requirements for 2024, to keep the embedded status of all of our plans, we are making changes to Aim Plans 7, 8 and 9. For 2024, deductibles will increase to \$3,200 (single) and \$6,400 (family) to maintain compliance. Plan 7 has 100% coinsurance, so the member out of pocket maximum will also increase to \$3,200 (single) and \$6,400 (family). The member out of pocket maximums for plans 8 and 9 will remain unchanged.

We will also be adding a new PPO plan, Plan 6, that has a \$2,500 single and \$5,000 family deductible while maintaining first dollar copays for health coverage items like physician office visits, ER, urgent care and prescriptions.

Renewal Information and Key Dates

Included in this packet are the following:

- Rate calculation showing the application of the banding formula
- 2024 premium rates for all medical plan options
- 2024 benefit summaries for all Aim Medical Trust benefit options
- 2024 Aim Medical Trust Renewal Decision Tool

The Renewal Decision Tool is an Excel-based tool that summarizes all Aim Medical Trust benefits and assists you in making your final 2024 decisions. **Please complete it to make all of your final selections including plans, employee contributions and employer HSA contributions (if applicable) and return to Audrie Simison on or before September 15, 2023.** The Trust Staff and our partners are happy to assist you with your contribution strategies, plan selections and using the tool. Don't hesitate to contact Audrie Simison for assistance at asimison@aimindiana.org or 317-237-6200 ext. 247.

Sincerely,



Amy Eberwine
Aim Medical Trust Deputy Director

RENEWAL RATING CALCULATION FOR JANUARY 1, 2024



Renewal Information

Member Name	Town of Munster
Date Joined	January 1, 2016
# months in the Trust by January 1, 2024	96
Member of small group pool?	No
Subject to Market Based Renewal Adjustment (MBRA)?	Yes

For 2024, the required Trust increase is

4.1%

Note that members of the Trust for 18 months or less will receive the required Trust increase.

Explanation of Individual Rate Increase

(A) Calculation of Adjustment for Historical Experience

Calculated using actual vs expected (A/E) claims experience for the 4 year period from CY 2019 - CY 2022

* For small groups, uses actual vs expected claims for entire small group pool

CY 2019	120.4%
CY 2020	80.9%
CY 2021	67.5%
CY 2022	68.0%
Cumulative Actual vs Expected (2019 - 2022)	84.4%

If a large group has been in the Trust for at least 5 full years (CY 2018 - 2022) and has a Cumulative A/E less than 90%, that group is eligible for an additional adjustment to their renewal.

If a group has received this adjustment within the past 3 years, the group is not eligible for an adjustment the year.

(B) Calculation of MBRA

The MBRA is calculated by solving for the required premium increase so that Projected Premium Income covers the Total Projected Expenses.

Projected Annual Expected Claims for 2024*	\$1,583,139
Projected Administrative Costs for 2024**	\$124,901
Total Projected Expenses for 2024	\$1,708,040

Projected Premium Income from Current Rates	\$2,256,162
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Munster's MBRA for 2024 is

-24.3%

* Calculated based on Munster's historical enrollment and claims experience for the 12-month period ending June 30, 2023.

** Calculated based on Munster's current enrollment.

(C) Calculation of Blended Rate Increase

Eligible for Additional Adjustment?

Yes

Weighting:	60% of historical A/E (adjusted for experience) is	-8.3%
	40% of MBRA is	-9.7%
	Munster's additional adjustment is	-18.0%

MBRA Applies?

Yes

Weighting:	80% of additional adjustment is	-14.4%
	20% of required Trust increase is	0.8%
	Munster's blended rate increase is***	-13.6%

*** Due to rounding, the sum of the individual percentages may not add up to the blended rate increase.

Limiting Factors: The blended rate increase is restricted to a minimum of 2.1% and a maximum of 8.1%.

Limiting factors do not apply to groups eligible for the additional adjustment

Final blended rate increase for Munster is -13.6%.

Renewal Rates Effective on January 1, 2024
Town of Munster



Current 2023 Rates

	Plan 1	Plan 2	Plan 3	Plan 4	Plan 5	Plan 6	Plan 7	Plan 8	Plan 9	Plan 10	Plan 11	Plan 12	Plan 13
EE	\$ 992.95						\$ 930.89						
ES	\$ 2,035.22						\$ 1,908.01						
EC	\$ 1,836.29						\$ 1,721.52						
Family	\$ 2,878.54						\$ 2,698.62						

2024 Rates

	Plan 1	Plan 2	Plan 3	Plan 4	Plan 5	Plan 6	Plan 7	Plan 8	Plan 9	Plan 10	Plan 11	Plan 12	Plan 13
EE	\$ 857.91	\$ 826.60	\$ 803.35	\$ 737.97	\$ 751.53	\$ 716.35	\$ 804.29	\$ 621.90	\$ 526.24	\$ 598.31	\$ 492.35	\$ 445.26	\$ 589.81
ES	\$ 1,758.43	\$ 1,694.25	\$ 1,646.59	\$ 1,512.60	\$ 1,540.38	\$ 1,468.29	\$ 1,648.52	\$ 1,274.69	\$ 1,078.62	\$ 1,226.33	\$ 1,009.16	\$ 912.63	\$ 1,208.92
EC	\$ 1,586.55	\$ 1,528.64	\$ 1,485.65	\$ 1,364.75	\$ 1,389.82	\$ 1,324.77	\$ 1,487.39	\$ 1,150.09	\$ 973.19	\$ 1,106.46	\$ 910.52	\$ 823.42	\$ 1,090.75
Family	\$ 2,487.06	\$ 2,396.28	\$ 2,328.88	\$ 2,139.37	\$ 2,178.66	\$ 2,076.70	\$ 2,331.61	\$ 1,802.87	\$ 1,525.56	\$ 1,734.48	\$ 1,427.32	\$ 1,290.78	\$ 1,709.85

	2023 Rates Munster 1	Enrollment Munster 1	2023 Rates Munster 7	Enrollment Munster 7
EE	\$ 992.95	44	\$ 930.89	2
ES	\$ 2,035.22	14	\$ 1,908.01	0
EC	\$ 1,836.29	12	\$ 1,721.52	0
Family	\$ 2,878.54	31	\$ 2,698.62	1
	2024 Rates Munster 1	Enrollment Munster 1	2024 Rates Munster 7	Enrollment Munster 7
EE	\$ 857.91	44	\$ 804.29	2
ES	\$ 1,758.43	14	\$ 1,648.52	0
EC	\$ 1,586.55	12	\$ 1,487.39	0
Family	\$ 2,487.06	31	\$ 2,331.61	1
Current 2023 expenses			\$ 2,256,162	
Projected 2024 expenses			\$ 1,949,325	
% increase in expenses			-13.6%	