



MAY 16, 2017

# Annual Performance Review | 2017

## Vectrus Systems Corporation





**VECTRUS AND CBIZ PERFORMANCE REVIEW AND  
RENEWAL PLANNING MEETING AGENDA**

May 16, 2017

**Kickoff** **9:00am – 9:15am**

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Janet Willis

- Introductory Remarks
- Goals of Meeting
- CBIZ National Resources

**Summary of Current Programs** **9:15am – 9:30am**

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Kelly Phenix, Joe Oberoi

- Renewals for 2018
- Extended Guarantees
- Anticipated Delivery Date
- Recap of Last Year's Renewal Actions
- Key Wellness Accomplishments

**Financial Performance** **9:30am – 10:00am**

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Dave Rubadue, Emily Noll

- Brief Recap of 2016 and YTD Utilization (*Be mindful of the fact that we just met with all CIGNA lines and Matt Cline to review performance late March*)
- Renewal Projections
- Review of Wellness Budget and Projection for 2018

**Compliance Review** **10:00am – 10:15am**

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Janet Willis

- 2016 Year End Summary
- Review of Impact on Vectrus' Plans
- Proposed Changes to ACA



**Benchmarking** **10:15am – 10:30am**

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Matt Cline, Janet Willis, Gabe Ross

- Cost Benchmarking
- Vectrus by Comparison
- Plan Design and Suggestions for 2018
- Wellness Features

**Innovations and Considerations** **10:30am – 11:00am**

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Janet Willis, Emily Noll

- Potential Applications for Vectrus' Consideration
- Carrier Requests for RFP

**Strategic Plan/Wellness Recommendations** **11:00am – 11:30am**

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Janet Willis, Emily Noll

- Review of 2016-17 Goals
- Recommendations for 2018
- Contingency Plans/Barriers

**Timeline and Action Items** **11:30am – Noon**

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Kelly Phenix, Team

- Potential Applications for Vectrus' Consideration
- Carrier Requests for RFP



SECTION ONE

# 1

*CBIZ Account  
Management Team*



# CBIZ Account Management Team

## OVERALL RELATIONSHIP MANAGEMENT

**Polly Thomas**  
*President*  
*CBIZ ESO*

- Identify client objectives
- Responsible for strategy development
- Contractual and renewal negotiations
- Marshal resources and client relationship management

## ACCOUNT COORDINATION

**Janet Willis, CEBS**  
*Senior Account Executive*

- Responsible for overseeing the performance of account management team
- Executing the strategy set by the employer and consulting team members,
- Reviewing financial and utilization data
- Assisting in renewal and contractual negotiations
- Regulatory compliance consulting and issue resolution

**Kelly Phenix**  
*Senior Account Manager*

- Responsible for managing client relationships and projects
- Implementing new government contracts
- Regulatory compliance assistance
- Renewal planning, new carrier implementations
- Develop bid specifications and market comparisons
- Oversees local client service team
- Assisting in and monitoring day-to-day client service issues

**Stephani Bolton**  
*Account Manager*  
*Customer Care Lead*

- Responsible for day to day client service activities
- Customer Service lead
- Development of open enrollment material/employee communications
- Responsible for monthly carrier & client audits
- Resolves billing and claim issues, carrier administrative issues

**Rebecca Myers**  
*Senior Project Manager*  
*Custom Enrollment Technology*  
*Premium Administration*

- Responsible for online Custom Solutions enrollment site
- Coordinates all programming and project related activities
- Administers all 401a accounting processes
- Responsible for client premium administration and directs audit related activity
- Backup of day-to-day service and general administrative issues

**Theresa Brackens**  
*Senior COBRA/FLEX Specialist*

- Responsible for day to day management of COBRA process
- Manages Vectrus' FLEX plan administration

**Bicknell C. Robbins, J.D.**  
*President, CBIZ Government Contracting*

- Recognized national expert in the area of Service Contract Act and
- Davis-Bacon Act benefit compliance
- Thirty five years experience as a benefits attorney, C.P.A. and consultant



# National Resources

## WELLBEING AND POPULATION HEALTH MANAGEMENT SOLUTIONS

**Emily Noll**  
National Director  
CBIZ Wellbeing Solutions

- Responsible for overall design of impactful wellness strategy
- Identify resources to address health risks
- Vendor partnership and deliverables
- Benchmarking and industry best practices

**Gabriel Ross**  
Wellness Account Manager

- Responsible for day to day wellness issues
- General Administrative support
- Assist with vendor partnership and deliverables

**Joe Oberoi**  
Onsite Wellbeing Coordinator

- Portal Management, including communications development
- Team Member engagement and participation
- Leader and oversight of Wellness Champions
- Development, coordination and implementation of new wellness initiatives and activities

## EMPLOYEE BENEFITS REGULATORY AFFAIRS

**Karen R. McLeese, Esq.**  
Vice President—Employee Benefits Regulatory  
Affairs

- In-house counsel for employee benefits and insurance laws
- Writes and distributes *For Your Benefit Book*, *At Issue*, *Benefit Beat* and *Health Reform Bulletin*
- Reviews and interprets federal and state laws and regulations impacting employee benefits

## PHARMACY

**Mike Zucarelli, Pharm D**  
National Pharmacy Director

- Provides analysis and support for all Rx and PBM questions and projects
- Pharmacy plan evaluation, procurement, contract review, and implementation of pharmacy benefit management for self-insured plan sponsors
- Leverage PBM and carrier relationships to advocate vendor accountability and best practices on the client's behalf

## ACTUARIAL

**Dave Rubadue**  
National Director of Healthcare  
Actuarial Services

- Responsible for helping mitigate benefit plan costs
- Specializes in premium rate adequacy, reserve and contingency fund assessments
- Leads CBIZ' National Actuarial Practice

**Matt Cline**  
Actuarial Assistant

- Setting funding reserves and projecting trend
- Migration studies and data/claims analysis
- Assists client service team with renewal and premium analysis
- Forecasting and modeling of claims data





SECTION TWO

# 2

## *Prior Plan Year Review*



# Summary of Current Programs & Renewal Dates

Line of Coverage	Carrier	Renewal Date	Rate Guarantee	CBIZ Compensation
<b>Domestic Medical</b> <ul style="list-style-type: none"> <li>● OAP \$500</li> <li>● HDHP \$1500</li> <li>● HDHP \$2600</li> </ul>	CIGNA	January 1, 2017	12/31/2017	Brokerage, Compliance & Custom compensation
Dental	CIGNA	January 1, 2017	through 12/31/2019	Flat 4%
Group Life/AD&D	Cigna Group	January 1, 2017	12/31/2017	Flat 15%
Voluntary Life/AD&D	Cigna Group	January 1, 2017	12/31/2017	Flat 7.5%
Short Term Disability	Cigna Group	January 1, 2017	12/31/2017	Graded 15%
Long Term Disability	Cigna Group	January 1, 2017	12/31/2017	Flat 12%
NY/NJ & HI State Disability	Cigna Group	January 1, 2017	12/31/2017	NY: 0.50% - 15% NJ: 10% HI: 10%
Vision	EyeMed	January 1, 2017	through 12/31/2018	Flat 10%





Line of Coverage	Carrier	Renewal Date	Rate Guarantee	CBIZ Compensation
HAWAII Medical	HMSA	January 1, 2017	12/31/2017	Brokerage, Compliance & Custom compensation
International Medical OAP Global/OAP CAT OCN Global/OCN CAT Short Term Abroad	CIGNA Global	January 1, 2017	12/31/2017	Brokerage, Compliance & Custom compensation
International Dental	CIGNA Global	January 1, 2017	12/31/2017	Brokerage, Compliance & Custom compensation
Group Universal Life	MetLife	January 1, 2017	N/A	18/3
CBA Accident	AXA (Turkey/Spain)	April 1, 2017	4/1/2018	0%
EAP	Aetna Resources For Living	January 1, 2017	through 12/31/2019	Flat 5%
Voluntary CI/HI/AI	VOYA	January 1, 2017	12/31/2017 (Renewal action: Rates now extended thru 2019)	CI: yr 1: 70%; yrs 2+: 10% HI: yr 1: 55%; yrs 2+: 10% AI: yr 1: 60%; yrs 2+: 10%
Tele-Health	Healthiest You	January 1, 2017	12/31/2017	Flat 20%
Wellness	CBIZ/Cerner	September 1, 2018	N/A	N/A



## Summary of 2017 Renewals

<p>Cigna Global Medical Renewal</p>	<p>Much improved claims experience</p> <p>Cigna Global initial overall increase 5.1% - negotiated to 4% including IEAP and EVAC</p> <p>IEAP rate negotiated down from \$5 to \$3, after receiving competitive bid from Aetna/RFL EAP</p> <p>Pooling point increased from \$150K to \$225K (annual projected savings of \$276,733)</p> <p>Final negotiated rate of <b>2.9%</b> overall</p> <p>No plan design changes; No changes to Int'l contribution strategy</p> <p>Updated Dividend contract put in place starting "fresh" in 2016. Vectrus benefits if positive experience continues</p> <p>International Sub group 5RIVERS removed</p> <p><b>\$50K</b> Wellness allowance for 2017</p>
<p>Cigna Domestic Medical Renewal</p>	<p><b>15% rate cap</b> favorable to Vectrus (uncapped rate increase was 34%)</p> <p>HIGH PPO \$350: increased deductible to \$500 LOW PPO \$800: removed entirely HDHP \$1500: no changes Added 2<sup>nd</sup> HDHP \$2600 – used as 'premium base'</p> <p>Added dependent eligibility all benefit groups to comply with proposed ACA regulations</p> <p>Any enrolled EE's defaulted into HDHP 1500 plan, unless they actively elected another plan</p> <p>Domestic Sub groups SSI and Penn &amp; Sons removed</p> <p><b>\$25K</b> Wellness allowance for 2017 (yr 2 of 3)</p>



## Summary of 2017 Renewals, cont.

<p>Cigna Domestic Medical Renewal; continued</p>	<p>Presented Rate relief options: Cigna Care Designation opportunity assessment – deemed to have negligible impact</p> <p>“Local Plus Network” (3.24% net rate savings); 70% of EE’s w/ access in CO, but little opportunity for other locations</p> <p>Value Rx Formulary (1.2% net rate savings)</p>
<p>Dental Renewal</p>	<p><b>Delta Dental:</b> Initial blended rate increase 20.8% Non-blended: Non-mgmt = 0%; Mgmt = 45% <i>MB (added in 2015) had much higher utilization rate</i></p> <p>Marketed to Cigna, MetLife, Guardian, Aetna &amp; Standard, with Cigna returning the most competitive bid.</p> <p><b>Cigna:</b> Initial blended rate increase <b>10.17%</b> Non-blended: Non-mgmt = 11.65%; Mgmt = 40.13% -3 year rate guarantee, incl PPACA fees</p> <p>DPPO plans close match to current plan designs Overall network match 94.8% on DPPO</p> <p>Max Ortho benefit to start fresh</p> <p>FINAL decision to terminate Delta Dental and adopt Cigna’s plan with a blended rate for Non-MB &amp; MB</p> <p>Separate Texas plan due to state regs</p>
<p>Vision Renewal</p>	<p>EyeMed vision plan under rate guarantee until 12/31/18</p> <p>No rate or plan design changes</p>



## Summary of 2017 Renewals, cont.

<p>Life/AD&amp;D and Disability Renewal</p>	<p>All Plans: Rates guaranteed through 12/31/2017</p> <p><b>Basic Life/AD&amp;D</b> no rate change Separated Basic Life and Basic AD&amp;D in Custom to support Severance continuation</p> <p><b>STD:</b> Project/Prof: no increase, no plan changes MB: no changes to self-insured plan</p> <p><b>LTD:</b> Class 5 (MB) – Changed the Own Occupation definition from 12 months to 24 months and definition of disability from “AND” to “OR” for roughly an 8% increase. No change/increase to other classes.</p> <p><b>Voluntary Life/Voluntary AD&amp;D (Project/Prof):</b> No increase, no plan changes</p>
<p>MetLife Renewal</p>	<p><b>Voluntary Group Universal Life:</b> Management benefitted No increase, no plan changes</p>
<p>AXA/CBA Accident (Turkey/Spain)</p>	<p>All guarantees contained in CBA covered in policy; AXA issued endorsement stating same: ~Total (professional) disability by work related accident ~Total (professional) disability by non work related accident ~Total (professional) disability by illness Rate reduction (due to current enrollment)</p>
<p>EAP – Aetna, Resources for Living (domestic only)</p>	<p>Quoted Int’l (IEAP), higher than CGHB</p> <p>No increase, no plan changes (domestic)</p>
<p>VOYA</p>	<p>Critical Illness Hospital Indemnity Accident</p> <p>No increase, no plan changes</p>
<p>Healthiest You (tele-health)</p>	<p>Eligibility change: If medical is waived, cannot elect as a separate benefit, per ACA guidance (removed voluntary group)</p>





SECTION THREE

# 3

*2017 Wellness Campaign*



# Key Accomplishments

- Wellness Expo was a success! Positive feedback!
- Rejuvenation room created #Relax
- Wellbeing captions/champions recruited
- Increase of employees registering on the portal - 360 registered members on portal (68 more than previous campaign) & 203 have completed a PHA
- 154 participants (200%) increase from last challenge - Just shy of 33 million steps!
- Increase in fitness device registration – 50.2% of users have an activated fitness device (Increase of 19.1%)
- 6,175 points earned (just shy of 8,000 previous campaign)

*Ahoy Pirates*

Mark yer calendars for the 2017  
**WELLNESS EXPO**

Friday, January 13, 2017 • 8:00 a.m.-Noon • Southeast and Liberty Conference Rooms

JOIN US ON A TREASURE HUNT TO WELL BEING

This event is gunna display some 'o th' great local resources we have available to us in our community. Come participate to learn 'bout these resources 'n how they can help improve overall wellbein'!

Whole Foods	YMCA
Smith Chiropractic	Orangetheory Fitness
American Heart Association	Westside Community Center
Ronald McDonald House	401K
My Life Values	Cigna
Height, Weight, and BMI	Nutrition and Prediabetes Screening
Foot Screening	Skin Screening

We gunna be havin' multiple drawin's durin' th' event includin' a grand prize giveaway!

**VECTRUS**  
TRUE TO YOUR MISSION



namasté  
 { nah-mas-tay }

My soul honors your soul.  
 I honor the place in you where  
 the entire universe resides.  
 I honor the light, love, truth,  
 beauty & peace within you,  
 because it is also within me.  
 In sharing these things  
 we are united, we are the same,  
 we are one.





2017 WELLNESS CAMPAIGN

# 2017 Incentive Design



# Vectrus Wellness Incentive Program

Activity #	Activity Name	Points Value	Maximum Points	Frequency	
Fitbit Incentive *	1	Personal Health Assessment (PHA)	5	5	Once
Hallmark Business Connect (HBC) Incentives	1	Labs/Physician Form/Onsite Biometric Screening	25	25	Once
	2	Step Challenges	25	75	Up to 3x
	3	Wellbeing Tasks	5	115	Weekly
<b>Maximum Points Allowed</b>			<b>220</b>		





2017 WELLNESS CAMPAIGN

# Metrics



# METRICS DASHBOARD

WELLNESS METRICS DASHBOARD - SAMPLE					
ENGAGEMENT	1	2	3	Change	Benchmark
Registered on the Portal		581			
PHA Completion		203			56% (Fidelity)
Screening Completion	104	46			56% (Fidelity)
On-site Screenings	104	41			
Lab Vouchers		3			
Physician Forms		1			
Activity Device Registration		251			68% (HERO)
Enrolled in Coaching					
Enrolled in Quit Program					22% (Fidelity)
Challenge 1		154			22% (Fidelity)
Challenge 2	30-May				22% (Fidelity)
Challenge 3	29-Aug				22% (Fidelity)
Workshops Completed					
EAP Utilization Rate					
Telemedicine Utilization Rate					
Flu Shots					



# METRICS DASHBOARD

WELLNESS METRICS DASHBOARD - SAMPLE					
OUTCOMES	1	2	3	Change	Benchmark
WELCOA Assessment Score					
Percent Earned Fitbit					
Earned Full Incentive					47% (Fidelity)
Earned Partial Incentive					26% (Fidelity)
Average Incentive \$ Earned					
Incentive \$ Redemption Rate					
Average PHA Score					
High Risk (5 or more)	0% (Screenings)	0%			
Medium Risk (3-4)	68% (Screenings)	17%			
Low Risk (0-2)	32% (Screenings)	65%			
Participants Avg Steps Per Day					
Cessation Program Quit Rate					
Paid claims/trend					
Preventative Care Utilization					
Gaps in Care Compliance					
Medication Adherence (Diabetes)					
Average Sick days					
Safety incidents/Injury Rate					
Disability Absence Days					
Retention Rate					
Satisfaction					



# METRICS DASHBOARD

## WELLNESS METRICS DASHBOARD - SAMPLE

HEALTH DATA	1	2	3	Change	Benchmark
Tobacco Use		17.4%			
Obesity - BMI > 30	30% (Screenings)	35% Verified			
Obesity - Waist >35(women)/40(men)	43% (Screenings)	52% Verified			
High Glucose Level	2% (Screenings)	4% Verified			
High Blood Pressure	16% (Screenings)	11% Verified			
Physical Inactivity		51%			
Poor Nutrition		9%			
Poor Sleep		41%			
High Stress					
Depression		5%			

# Biometric Data

Category	Last Year	This Year
High Risk (5+)	0% (Screenings)	0% (Screenings)
Medium Risk (3-4)	68% (Screenings)	17%
Low Risk (0-2)	32% (Screenings)	65%

## Unique members at risk

	Current
Total Cholesterol	7
HDL Cholesterol	1
Cholesterol Ratio	6
Random Glucose	0
Blood Pressure	4
Waist Circumference	14
Body Mass Index	17

Risk Factors Considerations		
Risk Factors	High Risk Factor Definition	Vectrus Participants
Total Cholesterol	≥240mg/dL	14.90%
HDL Cholesterol	<40mg/dL	4.30%
LDL Cholesterol	≥160mg/dL	8.50%
Triglycerides	≥200mg/dL	8.50%
Blood Glucose	≥126mg/dL	4.30%
Blood Pressure	≥140/90mmHg	10.60%
Obesity	BMI ≥ 30.0	34.70%

### Biometric Screening Participant Data

Gender	Male	14	30%
	Female	32	70%
	Unknown	0	

## Vectrus Wellbeing Calendar

2017 Calendar of Wellbeing Interventions and Activities



Focus Area	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
<b>Interventions &amp; Activities</b>												
Challenges			Step Challenge	Get up offa that thing Desk Exercise		Step Challenge	Step Challenge		Step Challenge	Step Challenge		Maintain Don't Gain
Education			Healthy Recipes	Stress/ Positive Thinking			Anxiety Presentation (w/ Quiz)		Financial Webinar (w/ Quiz)	Depression Presentation (w/ Quiz)		
Onsite Events	Wellness Expo (13 <sup>th</sup> )			Fun in the Sun	Employee Engagements	Smoothie Day			Smoothie Day	Scariest Office	No Shave November	Snowman Contest
Screenings and Health Awareness				Stress Assessment (EAP)						Flu Shots		
HRA & Biometric Screenings	Screenings during Expo											
EAP Webinars/ Seminars	10 Q's to become a better you	Teaching kids good money habits	Raising resilient teens	Memory improvement	Caregiving	Surviving the adult dating scene	Avoiding burnout	Training your brain	The truth about blended families	Trauma & stress recovery	Gift of forgiveness	Winning at life
<b>Safety Program Interventions &amp; Activities</b>												
Training					Safe lifting?		Fire Drill		Hands Only CPR			
Videos												
Recognition												



Focus Area	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
<b>Communication Plan</b>												
Program Communication		Update to Champions/Committee		Update to Champions/Committee		Update to Champions/Committee		Update to Champions/Committee		Update to Champions/Committee		Update to Champions/Committee
Signa Well	E-card	E-card	E-card	E-card	E-card	E-card	E-card	E-card	E-card	E-card	E-card	E-card
Signa VitaMin Series	Steps for Cancer Prevention	Right Place for Care	Probiotics & Dairy	Financial Health	Support w/ Mental Health	Staying Active on Vacation	Interval Training	Gluten Facts	Childhood Disease Prevention	Over-the-counter drugs	Stress During Travel	Fire Safety
CWS Insight Newsletter	Nat'l Blood Donor Month	Heart Month	Kidney & Nutrition Month	Distracted Driving	Fitness Month	Men's Health	Beat the Heat	Happier Life	Fruit & Veggie Month	Breast Cancer	Caregiving	Beating Winter Blues
Cerner Portal (Workshops)			Nutrition Workshop		High Cholesterol Workshop	12 week Quit Program		Intro. To Stress Management	Hypertension Workshop		Diabetes Prevention Workshop	Weight Management Workshop
EAP Monthly Awareness	Radon Awareness	National Senior Independence	Gambling Awareness	Alcohol Awareness	Fibromyalgia Awareness	Cancer Survivor Week	Massages	Psoriasis Awareness	Suicide Prevention	Pregnancy & Infant Loss	Alzheimer's Awareness	Safe Toys & Gifts
National Observances	Cervical Cancer	American Heart Month	Nutrition Month	Alcohol Awareness	Mental Health	Nat'l Safety Month	Arthritis Month	Nat'l Immunizations	Childhood Obesity Awareness	Breast Cancer	Great American Smokeout	Safe Toys & Gifts
Other Communications												



# Vectrus Wellbeing Action Plan (Updated 5/4/17)

## 2017 VECTRUS WELLBEING ACTION PLAN

ACTIVITY	ACTION ITEMS	VECTRUS LEAD	CBIZ LEAD	TIMELINE	STATUS	PROGRESS NOTES	QUESTIONS/CONCERNS
<b>ORGANIZATIONAL COMMITMENT</b>							
<b>Strategic Planning</b>	Planning meetings	Tracy/Denise	Emily/Cerner	January	Ongoing	Weekly check in meetings; every other week followed by Cerner meeting	
	Incentive design & \$\$\$	Tracy/Denise	Emily	January	Complete	Tracy & Denise are finalizing incentive design and amounts. Continue points system and rewards via HBC. May need to reduce team based rewards due to budget.	Compare with Amazon option in advance of next year's incentive plan.
	Budget and tracking	Tracy	Emily/Rebecca	Ongoing	In progress	Emily will create a budget spreadsheet track expenses incurred for domestic and international on a monthly basis.	
<b>Meetings</b>	Pre-renewal meeting	Tracy/Denise	Emily/Joe	May	Open		
	Strategy Meeting	Tracy/Denise	Emily/Joe	Sept	Open		
<b>Management Training</b>	Fully Charged (Tom Rath) Series	Tracy/Denise	Emily/Joe	2017 Program	In progress	Copies of the Fully Charged book provided to Vectrus. Joe is reading the book and will work with CBIZ team to put together possible training to post on the website and/or deliver in person.  <i>Applicable to employees</i>	Vectrus: will see if there is a list of topics for Vectrus University classes and examples of format. We could possible develop a training in that format and/or deliver an in person class (as a pilot). We can also give points for other Vectrus U class.
	<b>ACTIONABLE DATA</b>						
<b>Screenings</b>	Biometric Screenings	Denise	Joe	Jan	Completed	Onsite biometric screenings offered at Wellness Expo. <b>46 Screenings conducted at event</b>	
	Physician Forms	Denise	Joe/Cerner	To discuss	In progress	Draft: instructions for employees on how/where to submit form. Use Cerner form. Joe will enter the data into one file and upload via file feed to the Cerner portal.	Denise/Joe/Cerner: how will this work? Cerner: Is there a file template and is there a fee to upload this file?
	Cigna CAP Reporting	Tracy/Denise	Emily/Gabe/Joe	Ongoing	Ongoing	CBIZ has reviewed the most recent CAP report available from Cigna. CBIZ will review the data and their recommendations during the Stewardship meeting.	How often would the Vectrus team like to receive reporting updates?

SUSTAINABLE CULTURE							
<b>International Population</b>	International headcount	Tracy	Emily	July	Complete	Tracy provided July 21: 2,851	
<b>Wellbeing Committee</b>	Toolkit	Denise	Joe	TBD	In progress	Outline content for onboarding champions	Wellbeing Champions have already been established
	Incentives	Denise/Tracy	Emily	TBD	Complete	Emily will find out if an incentive to champions counts towards the 30% incentive cap - It does not if framed properly	
	Wellness Champions - Recruitment Letter	Denise	Joe	TBD	In progress	Joe drafted a flyer. CBIZ recommends forming the domestic committee and add international if/when possible.	Vectrus: Clarification on the time requirements? Vectrus wants to sort out what will be available to international first to determine who to invite.
	Wellness Champions - Survey Link	Denise	Joe	TBD	In progress	Joe drafted the survey - Denise provided edits <a href="https://www.surveymonkey.com/r/wellbeingchampionssurvey">https://www.surveymonkey.com/r/wellbeingchampionssurvey</a>	Same as above
<b>Wellbeing Coordinator</b>	Introduce Joe	Tracy/Denise	Joe/Gabe	November & January	Complete	Joe drafted and Tracy and Denise edited.	
WELLBEING PROGRAMS, BENEFITS & NETWORKS							
<b>Vendor Management</b>	Fitbit Store Front - <i>Domestic</i>	Denise	Emily/Gabe	To discuss	Open	Cerner confirmed that there is no cost for the storefront.	
	Fitbit Store Front - <i>International</i>	Denise	Emily/Gabe	To discuss	Open	Vectrus to work directly with Fitbit. Use 2016 Cigna wellness funds for challenge platform and devices.	
	Dental file feeds	Denise	Emily/Gabe	August/Sep	In progress	Cigna domestic: no charge Cerner: no charge	Cigna/Cerner: when is the first feed pulled into the Cerner portal?
	Screening file feed	Denise	Gabe/Joe	January	In progress	Points of contacts and process established. File feed was tested between Cerner and Cigna. This year there is a charge from Quest for this feed and will cover the cost out of wellness funds.	Ashley Glab from Quest was POC
	Cerner Contract	Tracy	Emily	Q1-Q2	In progress	Modification to number of ee's and eliminate coaching benefit	Cerner agreed and we are awaiting updated agreement for review
	Invoicing & Wellness Funds	Tracy	Emily/Rebecca	Monthly	In progress	CBIZ to review and approve for payments: Cerner program, HBC rewards via Cerner, Screenings, Wellness fund via Cigna	Domestic invoicing for 2016 complete. International invoicing: Cigna agreed to pay for Fitbit (credit to bill)

	Challenges	Denise	Joe/Cerner	To discuss	Open	Joe will support Denise in communicating the challenges and monitoring participation and progress of the challenges.	Communications have been made and approved. Building as we go for challenges and activities
<b>Program Activities</b>	Health Fair/Wellness Expo	Denise	Cigna/Kelly/Joe	13-Jan	Complete	Planning meeting in November. Joe is helping to draft communications and exploring local resources - Per Denise, Joe will edit where to send security form. Denise wants to have screenings at the Colorado Springs event. Emily will send Cigna a note to start the conversation.	Vectrus will only do onsite screening at HQ. Other locations will do Lab Voucher/Physician Fax Form
<b>Program Activities</b>	Financial Wellbeing Series	Denise	Emily	2017 Program	Open	Emily exploring CBIZ resources for financial webinar series that may be used for earning points in 2017 incentive plan. Need to develop content for quiz admin via Cerner portal.	CBIZ: What is the timing on the webinars and can Vectrus offer 1-3 instead of the 6? Joe: Is there a financial wellbeing webinar on the EAP that is already built.
<b>Program Resources</b>	Cerner video's in content library	Denise	Joe	2017 Program	Open		Cerner: Are the video's ready in the content library?
	Resource calendar	Denise	Joe/Gabe	To discuss	In progress	2017 Calendar updated 4/27/17 and will be reviewed during Stewardship meeting/call.	
<b>COMMUNICATION &amp; ENGAGEMENT</b>							
<b>2017 Wellness Calendar (Employee Handout)</b>	Live it Up 2017 Wellbeing Calendar	Tracy/Denise	Emily/Joe	January	Complete	Calendars with custom logo and letter will be mailed to employees this week.	There is also a free monthly wellness communication (email) that is provided by the calendar vendor.
<b>CBIZ Wellbeing Insight Newsletter</b>	Newsletter	Tracy/Frank	Emily	TBD	Open	Vectrus is receiving the Wellbeing Insights and Cerner newsletters. Co-branding requires extensive internal review and content may become out of date.	
	Brainspark	Tracy/Denise	Gabe	TBD	In progress	Vectrus will review	
	FAQs	Tracy/Denise	Emily/Gabe	First Quarter	Complete	Joe will add his input to the version with Denise's comments/edits and send to Emily.	Discuss distribution
<b>Program Communications</b>	Notice of Privacy	Tracy/Denise	Emily/Janet	First Quarter	Complete	Modify the standard version	Discuss distribution
	<b>OUTCOMES &amp; VALUE ON INVESTMENT</b>						
<b>Annual Scorecard</b>	Program Metrics	Tracy/Denise	Joe/Gabe	Ongoing	In progress	Joe and Gabe are working on identifying key program metrics and collect previous year data for tracking and trend/benchmarking purposes.	Vectrus: How do you define a successful program and what metrics would you like CBIZ to track?



SECTION FOUR

# 4

## *Financial Performance*



# CIGNA Domestic Medical

## CIGNA Domestic Experience Summary Report

### A. Medical & Rx

#### I. All Medical Plans (All Benefit Plans, Management & Non-Management)

##### Experience Highlights

	A	B	C	D	E	F = C - E	G = C/B	H = F/B
	Average Enrollment	Total Premium	Total Paid Claims	Total Claims Above \$150,000	Excess Claims Above \$150,000	Adjusted Claims	Pure Loss Ratio	Net Loss Ratio (Remove Ind. Large Claims above \$150K)
2014	362	\$3,263,502	\$2,228,371	\$243,815	\$93,815	\$2,134,556	0.68	0.65
2015	475	\$5,421,797	\$4,692,626	\$822,430	\$372,430	\$4,320,196	0.87	0.80
2016	536	\$6,310,989	\$8,087,357	\$3,106,331	\$1,756,331	\$6,331,026	1.28	1.00
2017 (4 mo)	534	\$2,155,465	\$2,243,172	\$0	\$0	\$2,243,172	1.04	1.04
Rolling 12	535	\$6,348,192	\$7,979,230	\$2,783,017	\$1,583,017	\$6,396,214	1.26	1.01

Rate Action: 29% - 45%

$[(R12 \text{ Paid Claims Less Claims Above } 150K \times \text{Trend}) / .8] / \text{Current Premium} = \text{Rate Action Ratio}$

#### II. Individual Large Paid Claims (From Utilization Report - assumed paid with no adjustment for IBNR)

Note: Med + Rx

	2014	2015	2016	Rolling 12
1	\$243,815	\$386,841	\$764,759	\$539,628
2	\$111,320	\$274,024	\$540,967	\$505,536
3	\$101,946	\$161,565	\$475,496	\$442,026
4	\$81,341	\$115,362	\$296,308	\$363,658
5	\$79,606	\$110,602	\$253,026	\$267,162
6	\$78,492	\$102,773	\$229,384	\$236,144
7	\$72,356	\$102,138	\$198,190	\$230,673
8	\$65,621	\$101,978	\$192,421	\$198,190
9	\$59,506	\$101,888	\$155,780	\$142,820
10		\$93,936	\$109,102	\$121,221
11		\$74,588	\$103,357	\$96,930
12		\$67,847	\$102,217	\$91,651
13		\$67,372	\$89,920	\$85,592
14		\$66,356	\$73,334	\$84,893
15		\$62,628	\$72,775	\$82,890
16		\$60,860	\$72,008	\$82,565
17		\$57,670	\$65,606	\$76,065
18		\$55,860	\$63,691	\$72,849



# CIGNA Domestic Medical Continued

## III. Renewal Considerations

### 1 . Healthcare Reform Impact, In particular:

- Health Insurance Tax (generally ~3% or more) moratorium ends starting in 2018.
- Cadillac tax is moved to 2020.
- American Health Care Act (AHCA) bill (not law) and related changes to be determined (WIP):
  - The Employer Mandate would generally be repealed.
  - Ten Essential Health Benefits might not all be required for certain types of insurance.
  - Dependents up to age 26 can still be covered.
  - Coverage can still not be denied for those with pre-existing conditions in some states.
  - Several miscellaneous ACA taxes would be repealed.
  - The Individual Mandate would be replaced with a 30% increase in premiums for those that have a coverage gap of more than 63 continuous days.
  - Tax Credits on the individual market would only be based on age and generally would be less than what they were under the ACA.
  - Many components still being edited as this bill gets closer to potentially becoming a law.

### 2 . Pharmacy changes are significant and should be considered in analysis.

### 3 . Tier Change Consideration, Currently:

Management: 4 Tier  
Non-Management: 3 Tier

## IV. Verscend Implementation Update

### 1 . After extended contracting (NDAs, etc), Cigna delivered the first domestic medical/pharmacy data package as of 5/5/17.

- Note that delays are primarily due to the increased difficulty in acquiring fully insured claim data (self-funded claim data is much easier).

### 2 . Next steps of implementation include:

- Verscend performs initial data scrubbing of Cigna data (2-4 weeks).
- Verscend provides CBIZ with initial data validation reports and CBIZ validates them for issues (1 week).
- If validated, Verscend performs additional data scrubbing of Cigna data (2-4 weeks).
- CBIZ and Verscend provide configuration data and eligibility code cross walks (e.g. contract benefit group code crosswalks, etc) (2-3 weeks).
- Verscend provides final data summary report for CBIZ validation (1 week).
- If validated, Verscend prepares the "beta" application for Vectrus's data. CBIZ performs final testing & approval (1 week).
- CBIZ utilizes Verscend data analytics platform and can share insights with Vectrus.
- Any applicable wellness data needs to be collected. Note this can occur simultaneously to above steps.

## B. Dental

Vectrus moved domestic dental to Cigna as of 1.1.17 and no significant claim experience is available. This will be monitored in the coming months. Rates are guaranteed for three years starting 1.1.17.



# CIGNA Global Medical

## CIGNA Global Experience Summary Report

### A. Medical & Rx

#### I. All Medical Plans (All Plans, Expat & OCN)

Experience Highlights (Medical, Vision & Rx Excludes Evac)

	A	B	C	D	E	F = C - E	G = C/B	H = F/B
	Average Enrollment	Total Premium	Total Paid Claims	Total Ind. Claims Above \$225,000	Excess Claims Above \$225,000	Adjusted Claims	Pure Loss Ratio	Net Loss Ratio (Remove Ind. Large Claims above \$225K)
2014	3,730	\$18,900,188	\$16,865,240	\$587,000	\$137,000	\$16,728,240	0.89	0.89
2015	3,338	\$17,656,815	\$13,171,278	\$858,634	\$183,634	\$12,987,645	0.75	0.74
2016	3,215	\$17,579,787	\$12,478,559	\$536,427	\$86,427	\$12,392,132	0.71	0.70
2017 (3 mo)	3,003	\$3,950,644	\$1,837,250	\$0	\$0	\$1,837,250	0.47	0.47
Rolling 12	3,117	\$16,638,234	\$11,709,162	\$659,991	\$209,991	\$11,499,171	0.70	0.69

Rate Action: 0% - 5%

$[(R12 \text{ Paid Claims Less Claims Above } 225K \times \text{Trend}) / .8] / \text{Current Premium} = \text{Rate Action Ratio}$

#### II. Individual Large Paid Claims (From Utilization Report - assumed paid with no adjustment for IBNR)

Note: Med + Rx

	2014	2015	2016*	Rolling 12
1	\$295,019	\$314,583	\$274,112	\$335,376
2	\$291,981	\$279,860	\$262,315	\$324,615
3	\$205,080	\$264,190	\$167,240	\$218,694
4	\$202,342	\$198,810	\$161,926	\$159,102
5	\$200,288	\$151,404	\$129,953	\$148,190
6	\$181,609	\$134,994	\$128,657	\$141,626
7	\$178,156	\$129,953	\$114,437	\$122,972
8	\$162,896	\$115,374	\$104,622	\$116,284
9	\$162,580	\$108,164	\$96,058	\$100,580
10	\$145,250	\$104,926	\$89,299	\$99,568
11	\$134,993	\$83,705	\$80,420	\$92,158
12	\$125,554	\$80,485	\$79,221	\$91,973
13	\$119,936	\$67,240	\$77,167	\$89,469
14	\$115,321	\$66,593	\$67,787	\$70,846
15	\$113,103	\$64,501	\$67,367	\$70,329
16	\$108,259	\$63,980	\$63,572	\$64,946
17	\$105,149	\$57,399	\$61,092	\$64,920
18	\$94,563	\$53,399	\$59,027	\$63,678
19	\$88,156	\$52,230	\$53,722	\$59,503
20	\$86,472	\$51,728	\$52,660	\$58,393

\* Used 12 months through 2/17 for illustrative purposes

### B. Dental

Over the past 12 months the paid loss ratio is 66%. This is a favorable loss ratio which will lead to a favorable renewal at or around a range of -5% to 2%.

### C. Evacuation

Over the past 12 months the paid loss ratio is 52%. This is a favorable loss ratio, however due to significant claim fluctuations, the evacuation benefit is general based on a Cigna Global "manual" and not company specific experience rated. It is assumed that Cigna Global's block of business is favorable and therefore, no rate change for 2018 is anticipated.

### D. Retrospective Refund/Dividend Potential for 2016 (Issued in August, 2017)

Calendar Year 2016 experience was favorable. It is anticipated that once the IBNR is complete (through June, 2017) the loss ratio will still be under 77% for 2016. Under an 77% loss ratio will lead to a retrospective refund.



# CIGNA Ancillary

## CIGNA Ancillary Historical Experience Report Summary

(Updated to show Totals from 2011 through 2016)

What follows is a summary of Vectrus' historical ancillary experience with CIGNA. For more detail, please review the comprehensive CIGNA experience reports. This summary is an excerpt of the more detailed reports remitted to CBIZ by CIGNA. Calendar Years 2011 and 2012 include MS and IS enrollment, after 2012, it is MS/Vectrus only. In addition, calendar year 2013 is from a historical Cigna report.

### A. Premium Rates & Guarantees

LTD	Rates Guaranteed til 1/1/2018
STD	Rates Guaranteed til 1/1/2018
Basic Life	Rates Guaranteed til 1/1/2018
Employee & Dependent Voluntary Life & AD&D	Rates Guaranteed til 1/1/2018

### B. Experience

#### LTD (All Plans) Experience Report on an Incurred Claim Basis

	Calendar Year						2014-2016
	2011	2012	2013	2014	2015	2016*	
# of Months	12	12	12	12	12	8	32
Paid Premium	\$1,303,951	\$1,362,573	\$1,047,583	\$893,502	\$907,403	\$590,749	\$2,391,654
Paid	\$604,846	\$615,038	\$936,291	\$756,052	\$566,735	\$97,842	\$1,420,629
Reserves (Includes IBNR)	\$339,931	\$1,220,579	\$1,673,151	\$1,655,884	\$1,312,196	\$1,026,046	\$3,994,126
Net Incurred Claims	\$944,777	\$1,835,617	\$2,609,442	\$2,411,936	\$1,878,931	\$1,123,888	\$5,414,755
Loss Ratio	72.5%	134.7%	249.1%	269.9%	207.1%	190.2%	226.4%
Open/Pending Claims	6	13	11	8	17	9	34
Closed Claims	<u>12</u>	<u>16</u>	<u>27</u>	<u>24</u>	<u>4</u>	<u>1</u>	<u>29</u>
Total Claims	18	29	38	32	21	10	63

\*2016 represents experience from 1/1/2016 - 8/31/2016

#### STD (All Plans) Experience Report on a Paid Basis

	Calendar Year						2014-2016
	2011	2012	2013	2014	2015	2016	
# of Months	12	12	12	12	12	12	36
Paid Premium	\$865,597	\$996,090	\$947,489	\$831,189	\$740,022	\$615,875	\$2,187,086
Paid	\$614,712	\$747,708	\$803,865	\$740,513	\$580,793	\$364,279	\$1,685,585
IBNR	\$0	\$0	\$0	\$0	\$0	\$7,485	\$7,485
Net Incurred Claims	\$614,712	\$747,708	\$803,865	\$740,513	\$580,793	\$371,764	\$1,693,070
Loss Ratio	71.0%	75.1%	84.8%	89.1%	78.5%	60.4%	77.4%
Number of Claims	168	181	204	141	121	73	335





# CIGNA Ancillary Continued

## Basic Life (All Plans) Experience Report on a Paid Basis

	Calendar Year						2014-2016
	2011	2012	2013	2014	2015	2016	
# of Months	12	12	12	12	12	12	36
Paid Premium	\$372,329	\$419,346	\$234,728	\$121,507	\$148,752	\$147,596	\$417,855
Paid	\$225,059	\$474,447	\$305,328	\$170,548	\$132,912	\$125,046	\$428,506
<u>Reserves</u>	<u>\$15,687</u>	<u>\$16,199</u>	<u>\$28,988</u>	<u>\$9,986</u>	<u>\$35,731</u>	<u>\$7,796</u>	<u>\$53,513</u>
Net Incurred Claims	\$240,746	\$490,646	\$334,316	\$180,534	\$168,643	\$132,842	\$482,019
Loss Ratio	64.7%	117.0%	142.4%	148.6%	93.1%	93.1%	115.4%
Number of Claims	11	22	15	7	7	10	24

## Voluntary Life Employee Experience Report on a Paid Basis

	Calendar Year						2014-2016
	2011	2012	2013	2014	2015	2016	
# of Months	12	12	12	12	12	12	36
Paid Premium	\$1,949,190	\$1,998,140	\$1,538,068	\$1,264,391	\$1,036,570	\$869,328	\$3,170,289
Paid	\$648,495	\$1,082,821	\$502,119	\$671,336	\$250,132	\$506,805	\$1,428,273
<u>Reserves</u>	<u>\$247,747</u>	<u>\$0</u>	<u>\$320,844</u>	<u>\$95,845</u>	<u>\$27,624</u>	<u>\$10,773</u>	<u>\$134,242</u>
Net Incurred Claims	\$896,242	\$1,082,821	\$822,963	\$767,181	\$277,756	\$517,578	\$1,562,515
Loss Ratio	46.0%	54.2%	53.5%	60.7%	28.2%	28.2%	49.3%
Number of Claims	5	12	7	3	2	6	11

## Voluntary Life Dependent Experience Report on a Paid Basis

	Calendar Year						2014-2016
	2011	2012	2013	2014	2015	2016	
# of Months	12	12	12	12	12	12	36
Paid Premium	\$236,093	\$257,254	\$174,933	\$143,771	\$115,918	\$96,584	\$356,273
Paid	\$100,376	\$100,039	\$210,420	\$110,381	\$60,152	\$110,091	\$280,624
<u>Reserves</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$6,376</u>	<u>\$1,553</u>	<u>\$7,929</u>
Net Incurred Claims	\$100,376	\$100,039	\$210,420	\$110,381	\$66,528	\$111,644	\$288,553
Loss Ratio	42.5%	38.9%	120.3%	76.8%	57.4%	157.4%	81.0%
Number of Claims	2	2	5	3	2	2	7

## GRAND TOTAL (LTD, STD, Basic Life, Vol EE & Dep Life)

	Calendar Year						2014-2016
	2011	2012	2013	2014	2015	2016	
Premium	\$4,727,160	\$5,033,403	\$3,942,801	\$3,254,360	\$2,948,665	\$2,320,132	\$8,523,157
Paid	\$2,193,488	\$3,020,053	\$2,758,023	\$2,448,830	\$1,590,724	\$1,204,063	\$5,243,617
<u>Reserves</u>	<u>\$603,365</u>	<u>\$1,236,778</u>	<u>\$2,022,983</u>	<u>\$1,761,715</u>	<u>\$1,381,927</u>	<u>\$1,053,653</u>	<u>\$4,197,295</u>
Incurred Claims	\$2,796,853	\$4,256,831	\$4,781,006	\$4,210,545	\$2,972,651	\$2,257,716	\$9,440,912
Loss Ratio	59.2%	84.6%	121.3%	129.4%	100.8%	97.3%	110.8%





# CIGNA Ancillary Continued

## C. Observations Regarding Renewal

Historically Cigna has underwrote poor experience years (2014, 2015) that resulted in better than anticipated renewals. They have been a favorable partner with Vectrus. It is anticipated that Cigna will assess the risk and provide mechanisms to mitigate a potential premium rate increase.

# Other Ancillary

## Other Ancillary Products

### A. EyeMed Vision

- Rate guarantee until 1/1/2019 (4 years began 1/1/2015)

### B. MetLife VUL and Executive Disability

- Generally no changes as basis of risk is generally set at contract issuance.

### C. Horizon EAP

- Rate guarantee until 1/1/2018

# Vision, EAP and Tele-Health 2016 Utilization Highlights

## EyeMed Vision (Feb '16 – Jan '17)

- 31% of Claims were Exams; 18% Eyewear; 9% Contacts
- 42% of Covered Members used Benefit;
- Exams Provided by Independent Providers 74% of the Time
- Materials Provided by Independent Providers 63% of the Time
- Lenscrafters #1 Chain Utilized 16% for Materials and Exams

## Resources for Living EAP

- Average Enrollment Dropped 18% to 1,121 Employees
- Utilization Down from 2015 3.9% to 2.8% of Covered Employees in 2016
- 60% of Cases Resolved within Program
- 72% of those Utilizing Services are Employees; 28% Dependents
- 37% are Management Referrals; 33% Family Referrals
- 28% of Contacts were from CO; 22% Alabama
- Top Reason for Contact was Anxiety (30%); Legal was Second at 15%; Third was Stress/Distress at 13%
- 686 Website Sessions in 2016 – 45% on “Life” Topics; 18% on “Health”

## Healthiest You

- 42 of 523 Enrolled Employees (8%) Used the Plan
- Sinus Conditions and Upper Respiratory were the Most Common Patient Complaints – Representing 8 Consults (19%)
- CO had the Highest Number of Consults (17) followed by Oregon (5) and Tennessee (4)



SECTION FIVE

# 5

## *Compliance Review*



# Health Reform Bulletin



Subject: **House Passes the American Health Care Act**  
Date: May 5, 2017

On May 4, 2017, the House passed the American Health Care Act of 2017 (“AHCA”, **H. R. 1628**). Since the initial bill was officially introduced on March 20, 2017 (see *The GOP Proposal to Repeal and Replace the Affordable Care Act*, HRB 127, 3/10/17), there have been several amendments made to the law’s text. The bill will now progress to the Senate for consideration; its fate in the Senate is unclear at this point. Every indication is that the bill will undergo significant scrutiny and probably substantial change. Following is a brief overview of certain provisions of the bill passed by the House.

**Individual and employer shared responsibility provisions.** While the AHCA retains the actual language of the current law as it relates to potential penalties, the employer shared responsibility “no coverage” excise tax, and the “inadequate or unaffordable” excise tax, as well as the penalty applicable to individuals who fail to maintain essential health coverage, is reduced to zero. If these provisions are preserved in the final law, they would be made retroactive to those impacted by the penalty in 2016.

For individuals, the AHCA would repeal the ACA’s premium assistance tax credit and cost-sharing available to individuals who fall below 400% of the federal poverty level, replacing it with an advanced, refundable tax credit for the purchase of state-approved, major medical health insurance and unsubsidized COBRA coverage for U. S. citizens who do not have access to employer or government-sponsored coverage, or who are otherwise exempt. The credits are age-adjusted as follows:

AGE OF INDIVIDUAL	AMOUNT OF CREDIT
Under 30	\$2,000
Between 30 and 39	\$2,500
Between 40 and 49	\$3,000
Between 50 and 59	\$3,500
Over 60	\$4,000

The credits are capped at \$14,000, and are available to individuals whose income is less than \$75,000 per year (\$150,000 joint filers). The credit phases out by \$100 for every \$1,000 in income higher than those thresholds.

**Market reforms.** While AHCA purports to maintain many of the market provisions of the ACA such as coverage of adult children up to age 26 and the prohibition of caps on lifetime and annual limits, it grants states the right to seek a waiver of a 10-year duration for certain purposes. In particular, states could apply for waivers to establish their own essential health benefit package in the individual and small group market (the initial bill would have retained the ACA’s ten essential health benefits mandate), as well as set their own cost sharing limits, including out-of-pocket limits.



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With regard to preexisting conditions, a state could seek a waiver that would permit health status underwriting for individuals who experience extended gaps in coverage. Accordingly, the bill would address gaps in coverage by allowing insurers to impose a 30% premium increase for 12-months if an individual experiences more than a 63-day gap in coverage. As an alternative, states establishing a high risk pool could engage in more aggressive underwriting for individuals who will be placed in the high risk pool.

The latest amendment to AHCA provides for an additional \$8 billion in federal funds for the period between 2018 and 2023 to be allocated to states with health status underwriting waivers.

Waivers could also be sought to allow aged-based or other premium rating. Currently, the law limits the cost of the most generous plan for older individuals to three times the cost of the least generous plan for younger individuals. The AHCA would loosen the ratio to five-to-one and allows states to set their own ratio. The aged-based rating provision in creating much concern for AARP, among many other professional associations and patient advocacy groups.

**Repeal of ACA provisions.** Among the ACA provisions that would be repealed include:

- ◆ The Small Business Tax Credit, beginning in 2020;
- ◆ Flexible medical spending account cap (currently \$2,600, indexed for 2017);
- ◆ Health insurance tax imposed on insurers;
- ◆ Reduction of Medicare Part D retiree drug subsidy;
- ◆ Medicare tax imposed on high earners – the unearned income and 0.9 percent tax surcharge;
- ◆ Medical device excise tax;
- ◆ Branded prescription drug tax;
- ◆ For health savings accounts and other reimbursement arrangements, the tax favored status of over-the-counter medications would be returned; and
- ◆ The 3.8% net investment tax on individuals, estates, and trusts with income above certain levels.

With regard to other ACA-imposed taxes, the AHCA further delays the imposition date of the Cadillac tax on high cost of employer-sponsored coverage until 2026. In addition, the income threshold for the medical expense tax deduction would be returned to 5.8% of income, from 10% under the ACA. Notably, this bill does not repeal the ACA's Patient-Centered Outcomes Research (PCOR) fee. The ACA's requirement to pay the transitional reinsurance fee sunset last year in 2016.

With regard to the employer's reporting obligation under the ACA to include the cost of health coverage on the Form W-2, the bill would create a new entry on the W-2 whereby the employer would indicate whether an individual was offered coverage. Presumably, ultimately, this could take the place of the current IRC Section 6056 reporting obligations, i.e., the C series of the Forms 1094 and 1095. Though again, for the moment, this obligation remains in full force and effect.

**HSA Expansion.** The AHCA intends to expand Health Savings Accounts (HSA) beginning in 2018 in the following ways:

- ✓ Would increase the annual tax-free contribution limit to equal the limit on out-of-pocket cost sharing under qualified high deductible health plans (HDHP), subject to indexing. For 2017, the HDHP annual out-of-pocket limit is \$6,550 for individual/self-only coverage, \$13,100 for family coverage. In 2018, the HDHP out of pocket limit is indexed at \$6,550 for individual/self-only and \$13,300 for family;
- ✓ Both spouses could make catch up contributions to the same HSA;
- ✓ Would modify qualified medical expense definition to include over-the-counter medications;

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- ✓ Would reduce tax penalty for HSA withdrawals used for non-qualified expenses from 20 percent to 10 percent; and
- ✓ Would create a special rule for certain medical expenses incurred prior to establishing an HSA.

**Changes to Medicaid.** The ACHA would roll back the Medicaid expansion framework established by the ACA. The bill would create a per-capita Medicaid funding system and allow states to impose a work requirement for certain able-bodied individuals.

We will keep you updated as this bill progresses in the Senate. In this interim, remember the Affordable Care Act has not been repealed, and remains in full force and effect.

*About the Author:* Karen R. McLeese is Vice President of Employee Benefit Regulatory Affairs for CBIZ Benefits & Insurance Services, Inc., a division of CBIZ, Inc. She serves as in-house counsel, with particular emphasis on monitoring and interpreting state and federal employee benefits law. Ms. McLeese is based in the CBIZ Kansas City office.

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***In This Edition:***

- ❖ **HEALTH SAVINGS ACCOUNTS: 2018 INFLATION ADJUSTMENTS**
- ❖ **SEX DISCRIMINATION, AT LEAST ACCORDING TO THE SEVENTH CIRCUIT**
- ❖ **FIDUCIARY DUTIES INCLUDE COMMUNICATIONS**
- ❖ **ON-GOING ADA WELLNESS SAGA**
- ❖ **MEDIGARE PART D ADJUSTMENTS FOR 2018**

**HEALTH SAVINGS ACCOUNTS:  
2018 INFLATION ADJUSTMENTS**

In **Revenue Procedure 2017-37**, the IRS released the 2018 cost of living adjustments relating to health savings accounts (HSA). For 2018, the individual and family contribution limits, annual high deductible health plan (HDHP) deductible limits, and out-of-pocket (OOP) limits will increase.

As a reminder, the \$1,000 catch up contribution available to accountholders aged 55 and over is not tied to a cost of living adjustment and thus, remains at \$1,000.

	<i>Individual/Self Only</i>		<i>Family</i>	
	2018	2017	2018	2017
<b>HDHP ANNUAL DEDUCTIBLE</b>	\$1,350	\$1,300	\$2,700	\$2,600
<b>HDHP ANNUAL OUT-OF-POCKET LIMIT*</b>	\$6,650	\$6,550	\$13,300	\$13,100
<b>CONTRIBUTION LIMIT</b>	\$3,450	\$3,400	\$6,900	\$6,750

*\*Note: The out-of-pocket (OOP) limits applicable to high deductible health plans used in conjunction with HSAs differ slightly from the ACA-imposed OOP limits, which for 2017, the OOP is \$7,150 for self-only; \$14,300 for other than self-only coverage. In 2018, the proposed OOP limits are \$7,350 for self-only, \$14,700 for other than self-only coverage. As a reminder, for a family plan, no individual can be subject to an OOP greater than the individual OOP limit.*



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## SEX DISCRIMINATION, AT LEAST ACCORDING TO THE SEVENTH CIRCUIT

A Seventh Circuit Court decision finds that sex discrimination, a protected right under Title VII, includes sexual orientation. As background, Title VII of the Civil Rights Act of 1964 prohibits employment discrimination based on an individual's race, color, religion, sex or national origin. Over the years since the law's enactment, the issue of what constitutes sex discrimination has been the subject of much litigation.

In the matter of *Hively v. Ivy Tech Cmty Coll* (2017 WL 1230393, 7th Cir. 2017), the plaintiff-appellate began teaching as a part-time adjunct professor at Ivy Tech Community College in 2000. From 2009 to 2014, she applied for at least six full-time positions with unsuccessful results; and was finally terminated when her part-time teaching contract was not renewed in 2014. Ms. Hively then filed a charge with the Equal Employment Opportunity Commission on December 13, 2013. Her contention was based on the premise that she was denied a full-time teaching position with the College due to her sexual orientation.

On appeal, the 7<sup>th</sup> Circuit concluded that sexual orientation falls within the purview of sex discrimination, based on several theories. First, the Court utilized a comparative method of analysis in which all being seen equal, had the plaintiff been heterosexual, the promotion would have been granted. Next, the Court applied a gender-stereotyping theory pursuant to which it determined that the plaintiff was harmed because she did not carry herself in a gender-stereotypical way. And lastly, the Court applied an associational theory pursuant to which the plaintiff was denied the promotion due to her association with another woman.

Other circuit courts have determined that sexual orientation is not protected by Title VII. Given the split among the circuits, it is possible that this matter will proceed to the Supreme Court at some point. In the meantime, employers should use caution and consult with legal counsel in any matter that could be deemed to be discriminatory.

## FIDUCIARY DUTIES INCLUDE COMMUNICATIONS

A recent District Court decision reminds plan fiduciaries of the importance of communication. In the matter of *Erwood v. Life Insurance Company of North America and Wellstar Health System, Inc. Group Life Insurance Program* (No. 14-1284 (W.D. Penn. Apr. 13, 2017), an employee participated in his employer-sponsored benefit program, including coverage under a basic and supplement life insurance plan. Notably, while the life insurance benefit was provided by the insurer, the employer was designated to carry out the administrative tasks associated with the benefit, including providing notification of continuation and conversion rights upon employment termination.

The employee developed a terminal medical problem which required a leave of absence, a reduced work schedule, and eventually sought benefits under his employer's insured long term disability plan. During his leave, the employer provided him with a packet of information relating to continuation of his medical and life insurance benefits; however, the packet lacked specific details such as materials relating to continuation and conversion of the life insurance benefit. Continuation and conversion rights were briefly mentioned in the summary plan description but failed to contain sufficient details on how to effectuate it. His benefits, then, terminated upon his death and as a result, the life insurance plan was not converted.

The Court concluded that the employer breached its fiduciary duty in the administration of the benefit and thus, required to pay \$750,000, which represents the amount of life insurance benefit that would have been payable to the employee's surviving spouse had conversion been effectuated, together with attorney fees, interest and costs associated with the lawsuit.

To avoid these kinds of mistakes, it is very important for the plan fiduciary to provide clear, accurate and complete information about all benefit rights. Often forgotten is the waiver of premium of aspects of many life insurance contracts.

## ON-GOING ADA WELLNESS SAGA

The landscape for wellness programs and various laws with which they must comply continue to evolve. Most recently, the Equal Employment Opportunity Commission (EEOC) and Orion Energy Systems have entered into a **consent decree**, settling its on-going litigation.

As background, Orion Energy Systems' wellness program required employees to complete a health risk assessment that includes medical history inquiries and baseline blood tests, as well as satisfaction of a fitness component by the use of a range of motion machine. Failure to complete the health risk assessment and fitness component would result in the employee having to pay full cost of health coverage. This brought forth a claim by an affected employee who raised objections to the collection of medical information for non-job related reasons, in addition to paying the full cost of health coverage by refusing to participate in the wellness program. The employee was terminated from employment shortly thereafter, and then filed the complaint with the EEOC (see *EEOC Challenges Wellness Program Standards*, *Benefit Beat*, 9/9/2014).

In settling the matter, Orion has agreed to pay \$100,000 to the terminated employee. Further, the company agreed to adhere to the EEOC's rules relating voluntary participation in wellness programs. According to these rules (see *Wellness and the ADA – More Guidance Issued*, *Benefit Beat*, 7/7/2016), a wellness program that includes disability-related inquiries or medical examinations (including inquiries or examinations that are part of a health risk assessment) is deemed to be voluntary as long as employees are not required to participate. For employees who elect not to participate in the program, then:

1. Any group health plan coverage or particular benefit packages cannot be denied or limited to the non-participating employees; and
2. The employer is barred from taking any adverse employment action or retaliate against the non-participating employees.

In addition, Orion agreed that it would not engage in any form of employment retaliation against an employee who raises an objection or concern as to whether the wellness program complies with the EEOC's rules. Orion also agreed to train its management and employees against retaliation and interference, as granted under the ADA, as well as provide additional training for its decision-makers in negotiating or obtaining health benefit coverage or selecting a wellness program.

The EEOC settlement in the Orion Energy Systems matter suggests that wellness programs should comply with the recently issued wellness program regulations, as well as the wellness program rules pursuant to HIPAA and the Affordable Care Act, as applicable.

## MEDICARE PART D ADJUSTMENTS FOR 2018

The Centers for Medicare and Medicaid Services have released the 2018 adjustments (note Attachment W) for Medicare Part D prescription drug benefits. The following are select modified limits relating to the standard drug benefit and the retiree drug subsidy.

<i>Standard Benefit Design</i>		
	<b>2017</b>	<b>2018</b>
Deductible	\$400	\$405
Initial coverage limit	\$3,700	\$3,750
Out-of-pocket threshold	\$4,950	\$5,000
Maximum cost sharing in catastrophic coverage portion of benefit:		
• Generic/Preferred Multi-Source Drug	\$3.30	\$3.35
• Other	\$8.25	\$8.35
<i>Retiree Drug Subsidy Amounts</i>		
	<b>2017</b>	<b>2018</b>
Cost Threshold	\$400	\$405
Cost Limit	\$8,250	\$8,350

### ABOUT THE AUTHOR:

Karen R. McLeese is Vice President of Employee Benefit Regulatory Affairs for CBIZ Benefits & Insurance Services, Inc., a division of CBIZ, Inc. She serves as in-house counsel, with particular emphasis on monitoring and interpreting state and federal employee benefits law. Ms. McLeese is based in the CBIZ Kansas City office.

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SECTION SIX

# 6

## *Benchmarking and Trend Information*



# Vectrus Claims and Benchmark Data (2016)

Based Upon 2016 Cigna CAP Report

## Key Metrics

	Base	Current	Trend	Norm
<b>Members</b>				
Average Number of Employees	476	535	12.6%	-
Average Number of Members	938	1,097	16.9%	-
Percentage of Population Age 40+	51.2%	47.2%	-4.0%	36.7%
Percentage of Cost (Age 40+)	72.9%	63.3%	-9.6%	-
<b>Non Users (% of population)</b>	<b>672 (25%)</b>	<b>354 (18%)</b>	<b>-52.7%</b>	<b>(12%)</b>
Average Age	33.0	32.7	-0.9%	-
% Male	62.7%	66.4%	3.7%	-
Male Average Age	34.6	33.5	-3.2%	-
% Female	37.3%	33.6%	-3.7%	-
Female Average Age	30.3	31.2	2.9%	-
<b>Cost Trend</b>				
Plan Spend	\$5,905,821	\$8,854,782	49.9%	-
Plan Spend PMPY	\$6,295	\$8,071	28.2%	\$5,470
Chronic Percent of Population	32.1%	37.3%	5.2%	34.2%
Chronic Percent of Cost	56.3%	80.2%	23.9%	67.8%
<b>Health and Wellbeing</b>				
Preventative Care Utilization	47.2%	45.1%	-2.1%	56.6%
Health Assessment Penetration	1.6%	1.0%	-0.6%	5.5%
Caps in Care Rule Compliance	71.5%	71.0%	-0.5%	71.9%

Current Period reflects claims incurred between Jan. 2016 and Dec. 2016, paid through Feb. 2017  
Base Period reflects claims incurred between Jan. 2015 and Dec. 2015, paid through Feb. 2017

**Please Note:** Examinations accounted for 2.23% of total cost in 2016.

**Members:** 218 (Base); 302 (Current)

**Average Cost per Condition:** \$255 (Base); \$306 (Current)



# Cigna Total Health Engagement

SERVICE TYPE	IDENTIFIED TOTAL POPULATION			ENGAGED/ IDENTIFIED			ENGAGED/ IDENTIFIED NORMS		
	Count of Individuals	Current %	Norm %	Health Maintenance %	Health Improvement %	Total Engagement	Health Maintenance %	Health Improvement %	Total Engagement
<b>Chronic Condition Coaching</b>	<b>354</b>	<b>32.3%</b>	<b>19.9%</b>	<b>22.9%</b>	<b>20.1%</b>	<b>36.7%</b>	<b>35.8%</b>	<b>11.2%</b>	<b>42.0%</b>
Asthma	54	4.9%	3.1%	40.7%	16.7%	48.1%	44.6%	12.7%	51.0%
COPD	8	0.7%	0.4%	37.5%	37.5%	50.0%	36.5%	27.2%	51.6%
Congestive Heart Failure	10	0.9%	0.4%	40.0%	60.0%	80.0%	35.5%	42.8%	62.9%
Coronary Artery Disease	35	3.2%	1.3%	17.1%	37.1%	42.9%	38.3%	32.8%	56.7%
Depression	121	11.0%	9.1%	18.2%	15.7%	28.9%	35.6%	9.8%	41.0%
Diabetes	94	8.6%	4.9%	25.5%	31.9%	48.9%	35.9%	22.6%	48.4%
Low Back Pain	97	8.8%	6.2%	21.6%	23.7%	35.1%	36.1%	9.1%	40.7%
Osteoarthritis	48	4.4%	2.1%	43.8%	31.3%	60.4%	41.9%	18.0%	50.7%
Peripheral Arterial Disease	15	1.4%	0.6%	26.7%	40.0%	53.3%	36.2%	32.5%	55.9%
Weight Complications	51	4.6%	2.8%	29.4%	23.5%	41.2%	46.0%	12.6%	51.9%
<b>Lifestyle Coaching</b>									
- Tobacco Cessation	124	11.3%	5.0%	49.2%			55.9%		
- Stress Management									
- Weight Management									
<b>Wellbeing Coaching</b>	153	13.9%	8.3%	49.0%			53.6%		
<b>Treatment Decision Support</b>	36	3.3%	1.1%	63.9%			56.9%		
<b>Case Management</b>	14	1.3%	0.6%	85.7%			80.6%		
<b>Total Unique</b>	<b>420</b>	<b>38.3%</b>	<b>24.8%</b>	<b>36.9%</b>			<b>42.8%</b>		

**Cigna Health Matters Engagement Index** – Individuals are considered engaged based on evidence of actions for Health Maintenance and Health Improvement using the following criteria:

## 2+ Health Maintenance

**Health Protection:** Activities that allow an individual to **maintain health** and **improve** health behaviors

**Health Detection:** Tests and procedures that allow an individual to **identify** illness

## 1+ Health Improvement

Activities that allow an individual to **manage** and **improve** their current illness.



# Wellbeing Benefits and Benchmarks

Based Upon 2016 SHRM Employee Benefits Full Report

## Wellbeing Benefits by Year

	2012	2013	2014	2015	2016	Vectrus 2016	Vectrus 2017
Wellbeing resources and information (Cerner Portal)	77%	77%	79%	80%	72%	292	360
Wellbeing tips or information provided to employees at least quarterly	61%	59%	61%	60%	63%	✓	✓
Wellbeing programs, general	61%	64%	62%	70%	61%	✓	✓
Onsite seasonal flu vaccinations	61%	61%	58%	61%	54%	205	September
Annual health risk assessment (Cerner Portal)	-	-	-	-	42%	240	203
Rewards or bonuses for completing certain health and Wellbeing programs	35%	43%	36%	40%	41%	✓	✓
Smoking cessation program	39%	44%	42%	44%	41%	✓	✓
Health and lifestyle coaching (Cigna Program)	45%	48%	47%	46%	37%	124	TBD
Health fairs	38%	43%	38%	40%	37%	✓	✓
Preventative programs specifically targeting employees with health conditions	36%	42%	42%	40%	34%	380	TBD
Onsite health screening programs	45%	50%	47%	43%	31%	104	46
Company-organized fitness competitions/challenges (Cerner Portal)	-	-	-	34%	30%	38	154
Onsite fitness center	22%	25%	20%	21%	26%	✓	✓
Health care premium discount for getting an annual health risk assessment	21%	21%	21%	25%	18%	-	-
Health care premium discount for participating in a Wellbeing program	15%	17%	14%	20%	17%	-	-
Health care premium discount for participating in a smoking cessation program	-	-	-	-	11%	-	-
Onsite massage therapy services	9%	9%	6%	11%	10%	✓	✓
Company-provided fitness bands/activity trackers	-	-	-	13%	10%		181 (Activated)



BENCHMARKING

COST



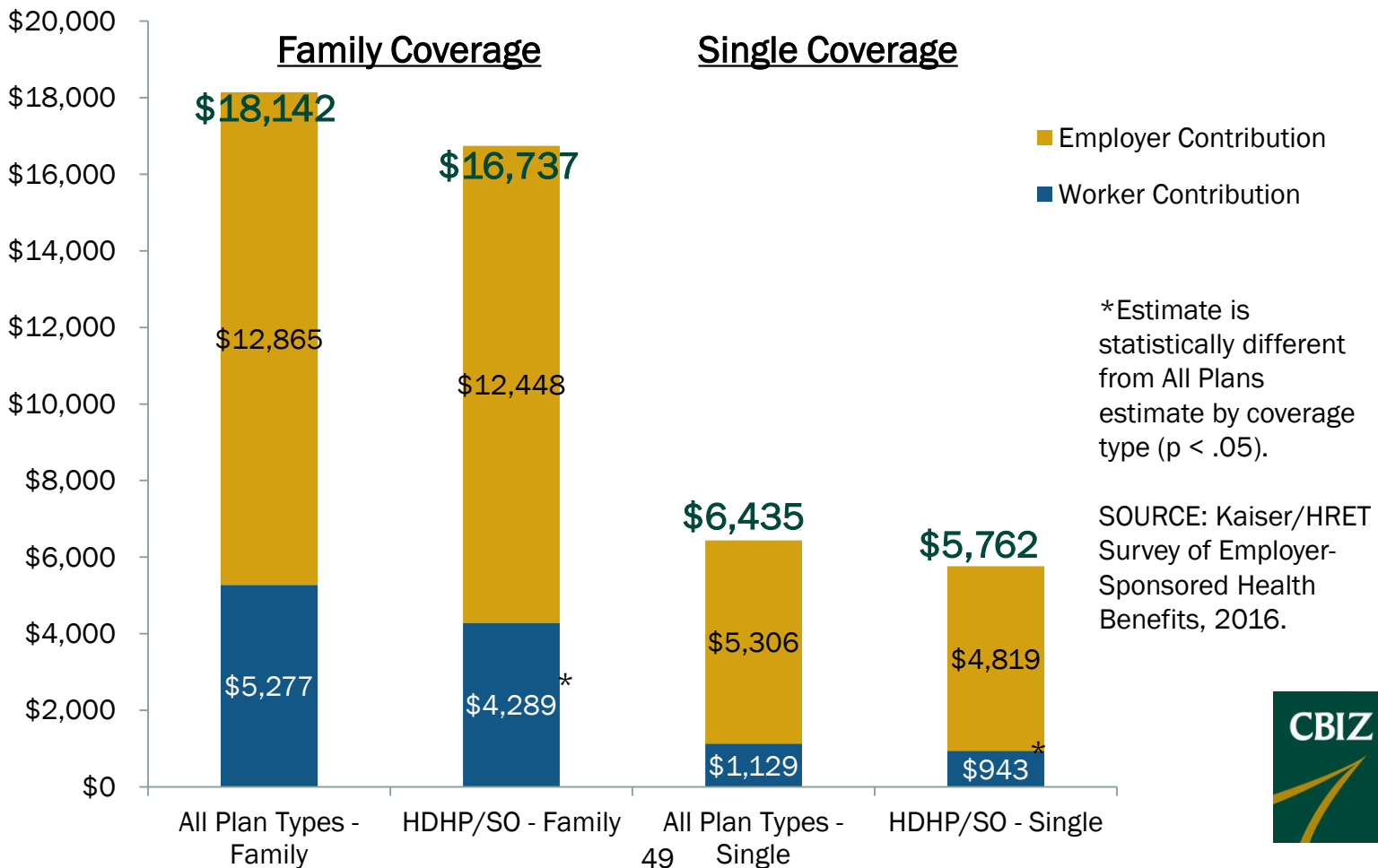
# Benchmarking Cost

## Employee Contributions

Contribution as a % of Total	Single Coverage	Dependent Coverage
< 10%	8%	4%
10% - 14%	12%	8%
15% - 19%	13%	8%
20% - 24%	29%	26%
25% - 29%	18%	20%
30% - 39%	13%	18%
40% +	7%	16%
	100%	100%

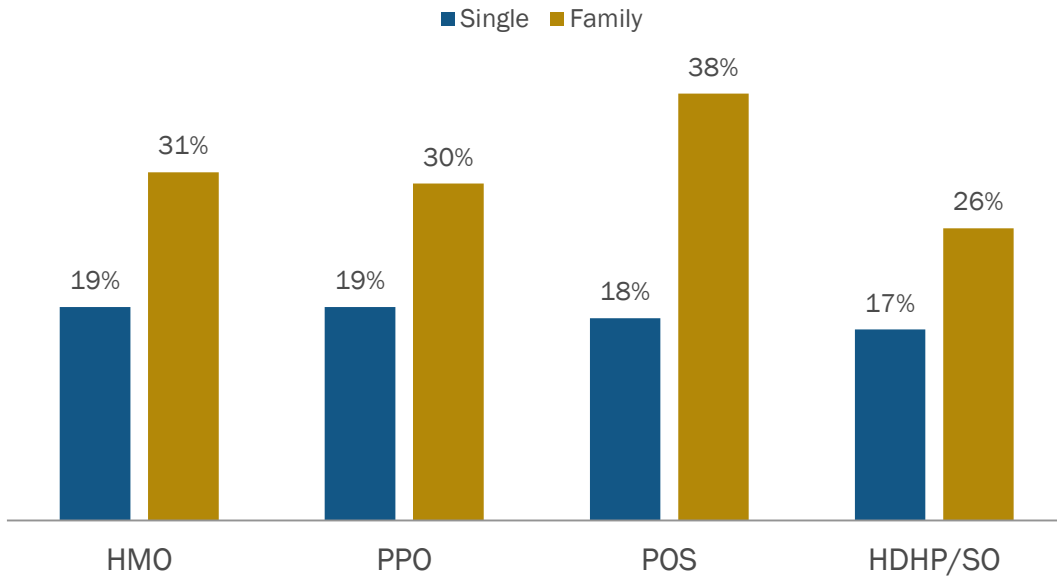
Source: Health and Well-Being  
Touchstone Survey Results  
PwC 2016

Average Annual Firm and Worker Premium Contributions and Total Premiums for Covered Workers for Single and Family Coverage, by Plan Type, 2016



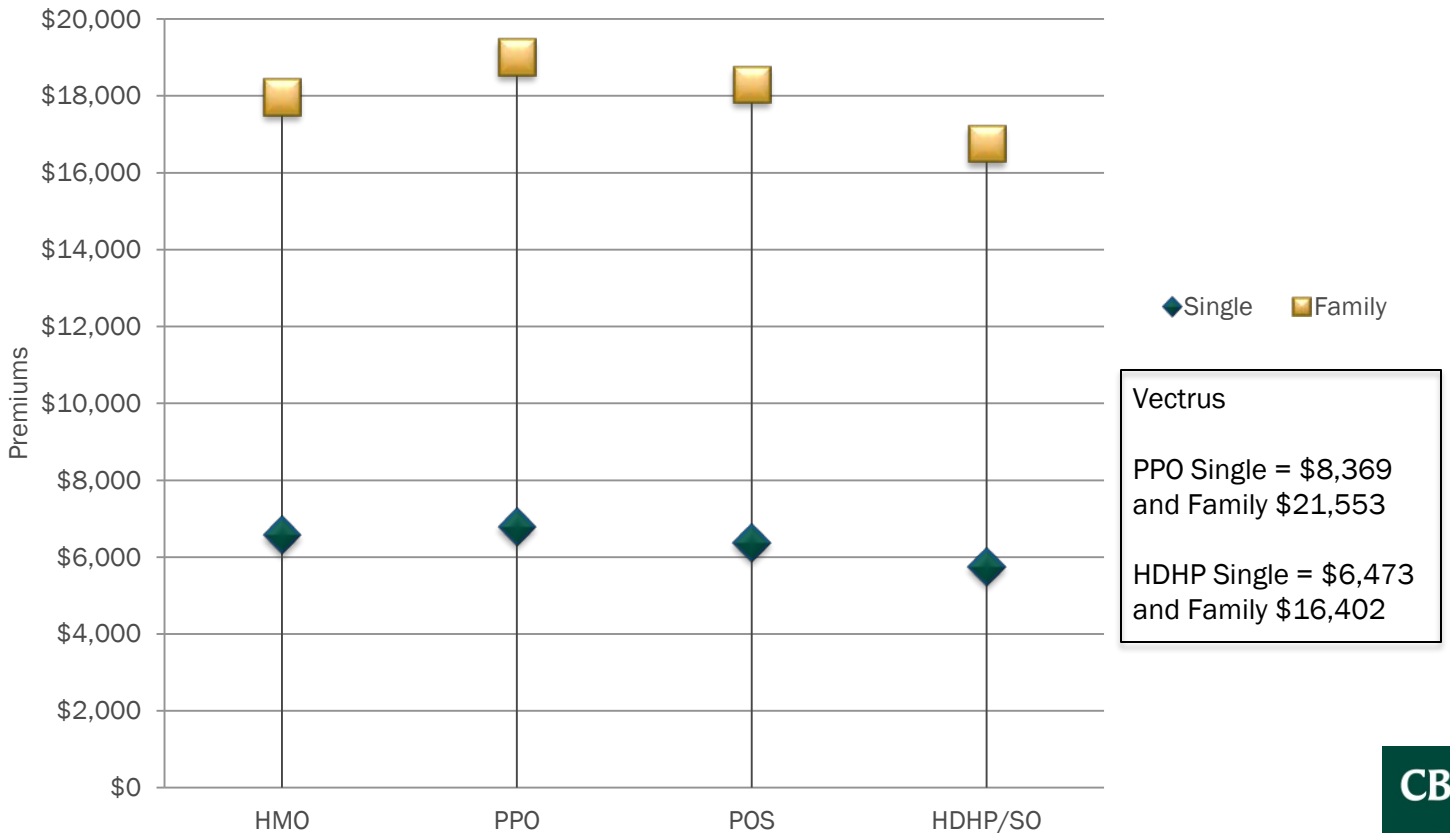
# Benchmarking | Cost

Average Employee Contribution as a Percent of Premium (National)



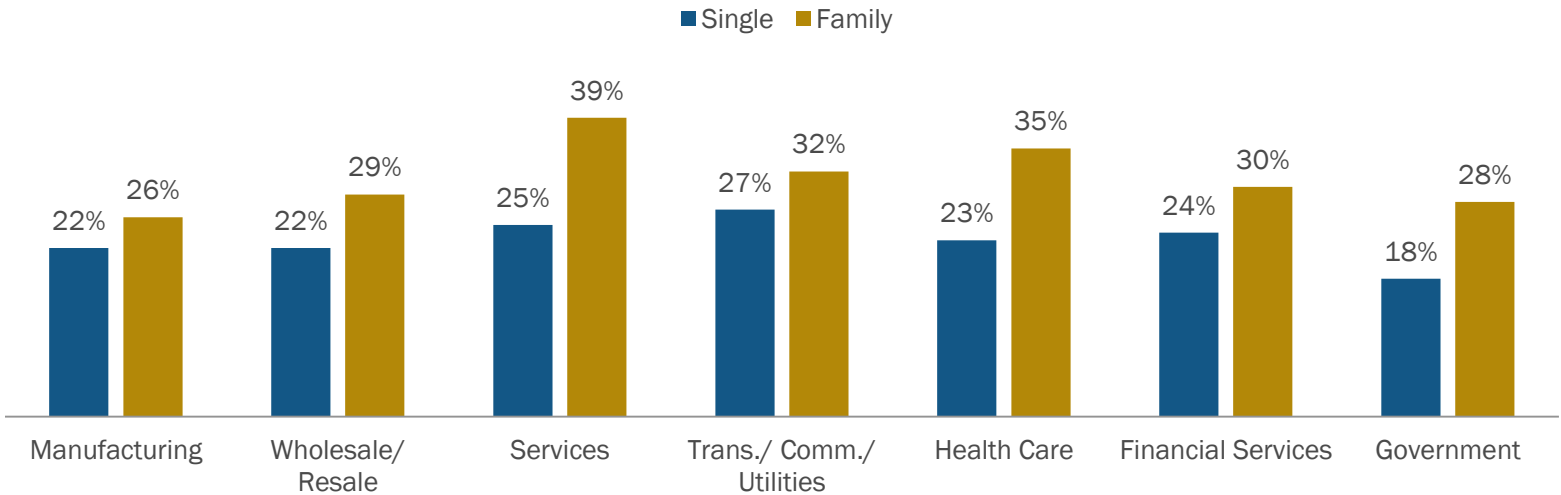
Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2016

Average Annual Premiums for Covered Workers by Plan Type & Current Plan Premiums

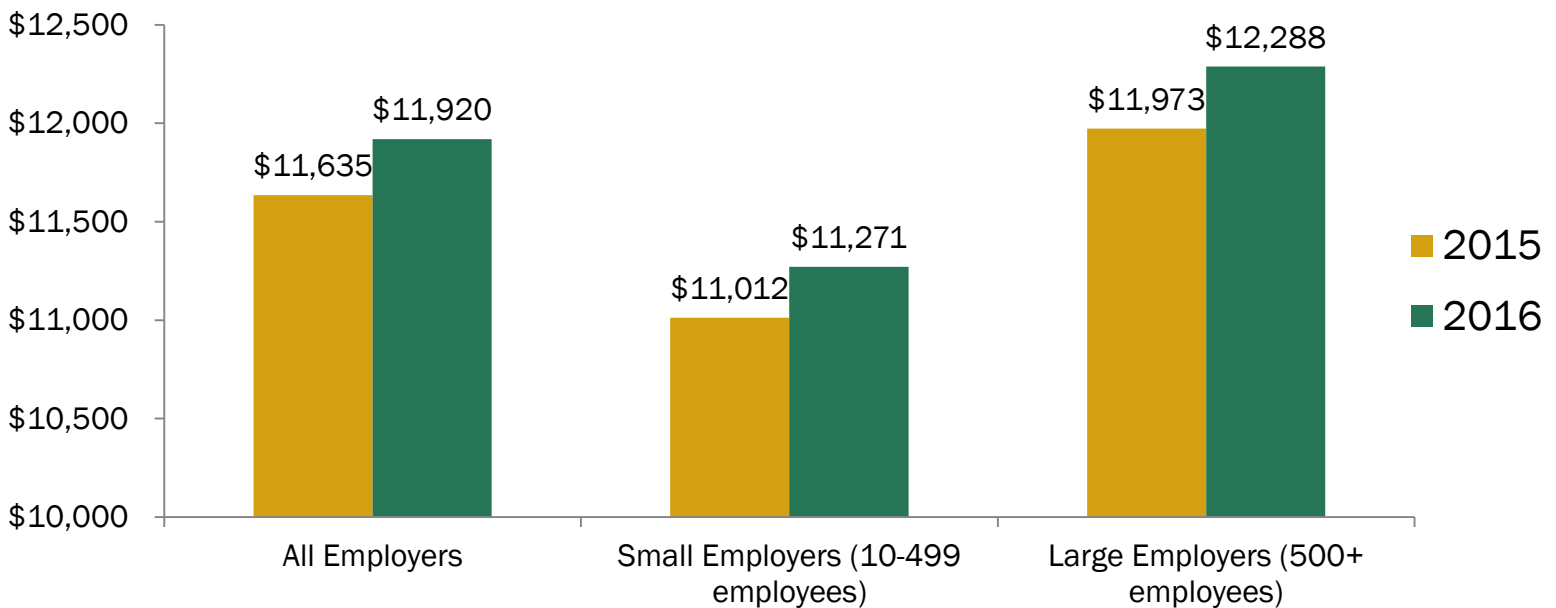


# Benchmarking | Cost

Average Employee Contribution as a Percent of Premium (PPO/POS)



Average Total Health Benefit Cost Per Employee



Source: Mercer National Survey of Employer-Sponsored Health Plans, 2015 (released in 2016)



# Benchmarking | Cost

## Average Employee Contributions – PPO v. CDHP Large Employers

	Average Monthly Dollar Amount	Vectrus Monthly Dollar Amount	Average Contributions as a % of Premiums	Vectrus Contributions as a % of Premiums
<b>HSA – eligible CDHP</b>				
Employee – only	\$84	\$64	19%	12%
Family	\$321	\$366	25%	27%
<b>PPO</b>				
Employee – only	\$132	\$75	24%	11%
Family	\$467	\$635	33%	35%

*Source: Mercer National Survey of Employer-Sponsored Health Plans, 2015 (released in 2016)*





BENCHMARKING

PLAN DESIGN

# Benchmarking | Plan Design

## Single In-Network Deductible

\$0	10%
\$1 - \$499	18%
\$500 - \$999	23%
\$1000 - \$1999	29%
\$2,000 +	20%

## Single Out-of-Pocket Max (Includes Deductible)

< \$2,000	15%
\$2,000 - \$2,999	25%
\$3,000 - \$4,999	40%
\$5,000 +	20%
Unlimited	0%

## Primary Care Office Visit

<\$19 Copay	8%
\$20 - \$24 Copay	17%
\$25 - \$29 Copay	19%
\$30 - \$34 Copay	12%
\$35 +	7%
Coinsurance	37%

## Employee Coinsurance (for most services)

0%	17%
1% - 19%	28%
20% - 29%	49%
30% +	6%

## Specialist Office Visit

< \$30 Copay	11%
\$30 - \$39 Copay	15%
\$40 - \$49 Copay	18%
\$50 +	17%
Coinsurance	39%

## Average Retail Prescription Drug Copays (30 day Supply)

Preferred Generic	\$11
Non-Pref. Generic	\$16
Brand (Formulary)	\$35
Brand (Non-Form.)	\$48
Preferred Specialty	\$58
Non-Pref. Specialty	\$64

## Average Mail Order Prescription Drug Copays (90 day Supply)

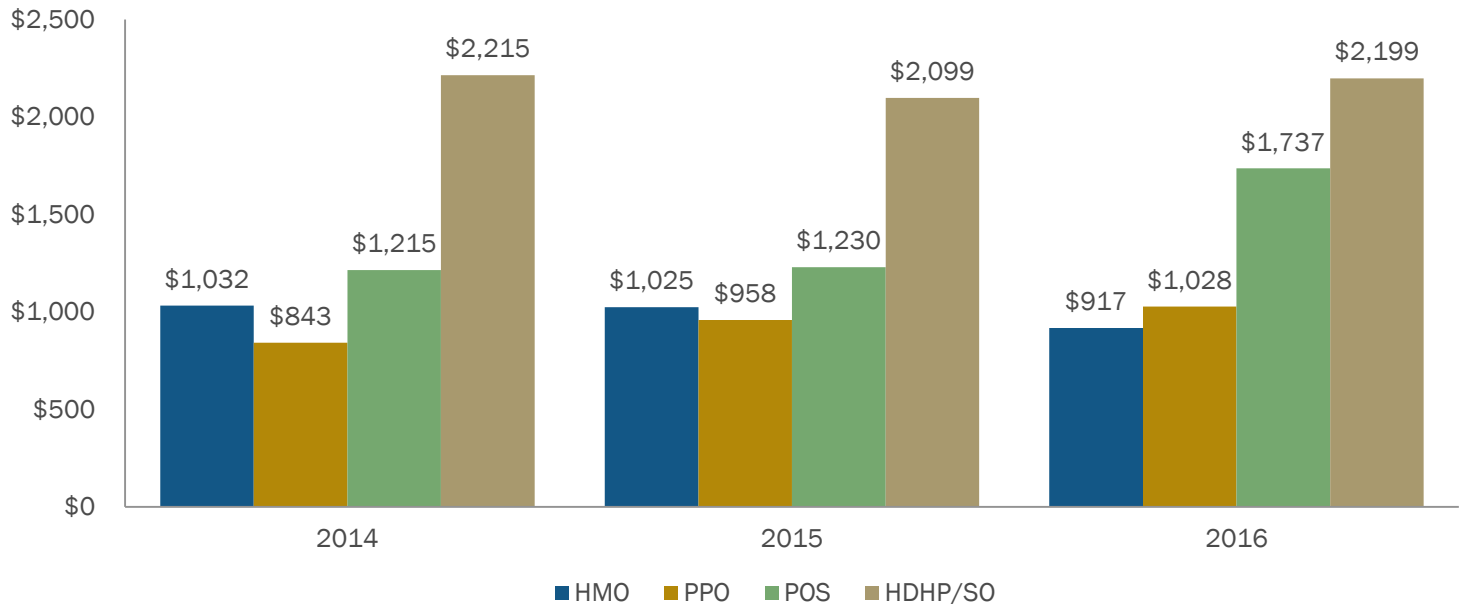
Preferred Generic	\$21
Non-Pref. Generic	\$29
Brand (Formulary)	\$63
Brand (Non-Form.)	\$98
Preferred Specialty	\$93
Non-Pref. Specialty	\$113

Source: Health and Well-Being Touchstone Survey Results PwC (PricewaterhouseCoopers) 2016

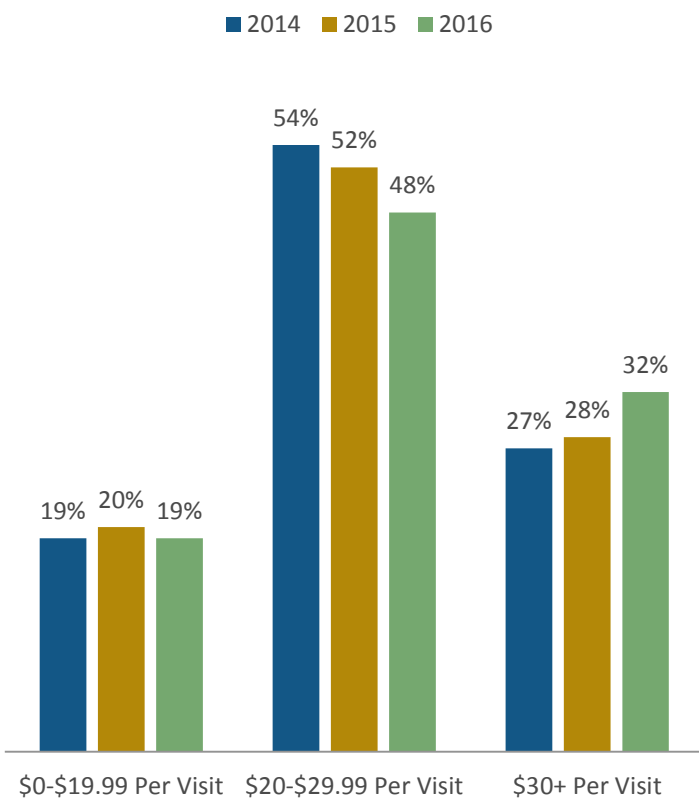


# Benchmarking | Plan Design

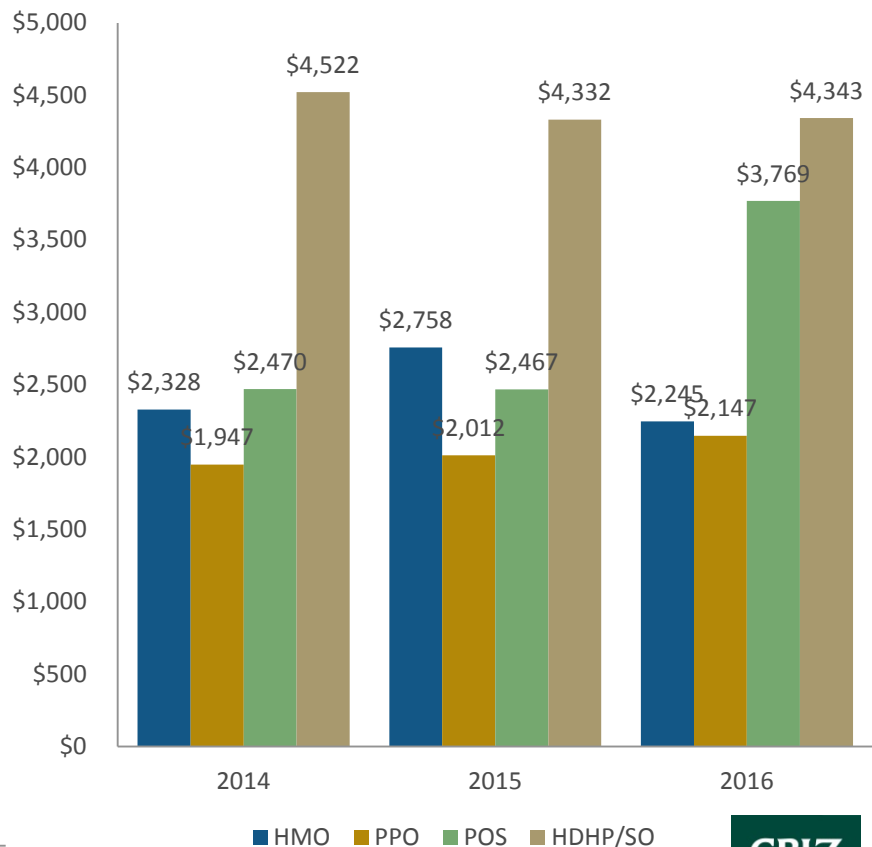
## Average Single Deductible



## Distribution of Co-Payments for Plans with a Primary Care Office Visit Co-Pay



## Average Family Deductible

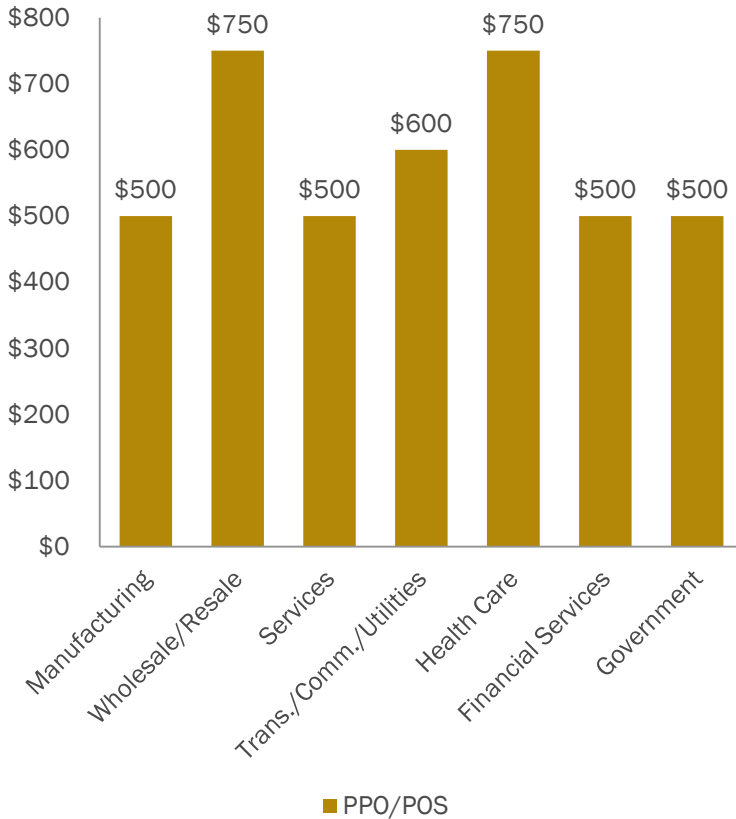


Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2016

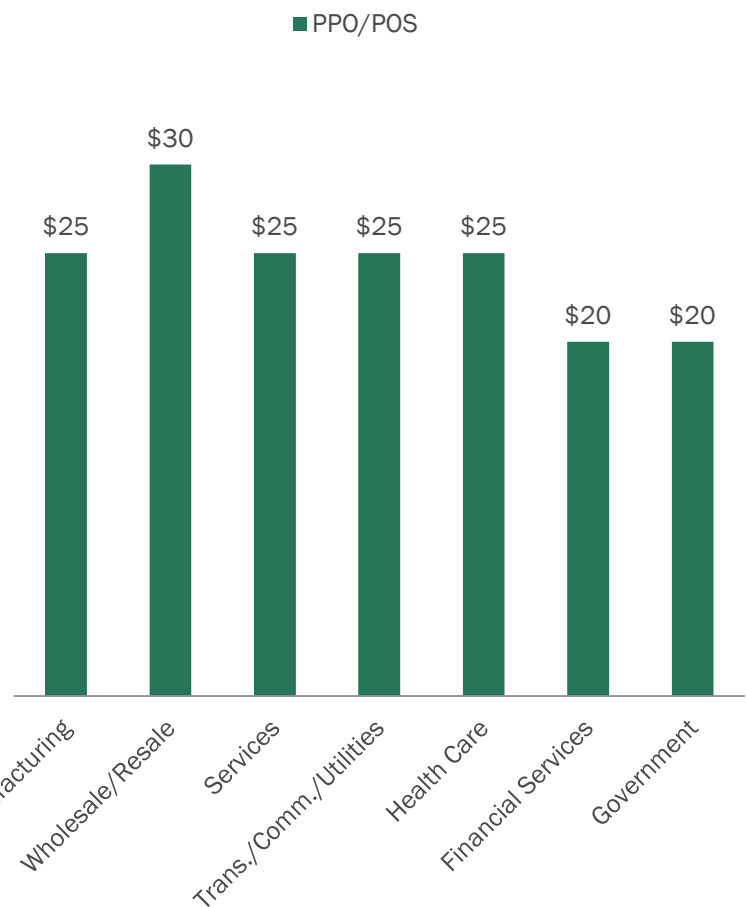


# Benchmarking | Plan Design

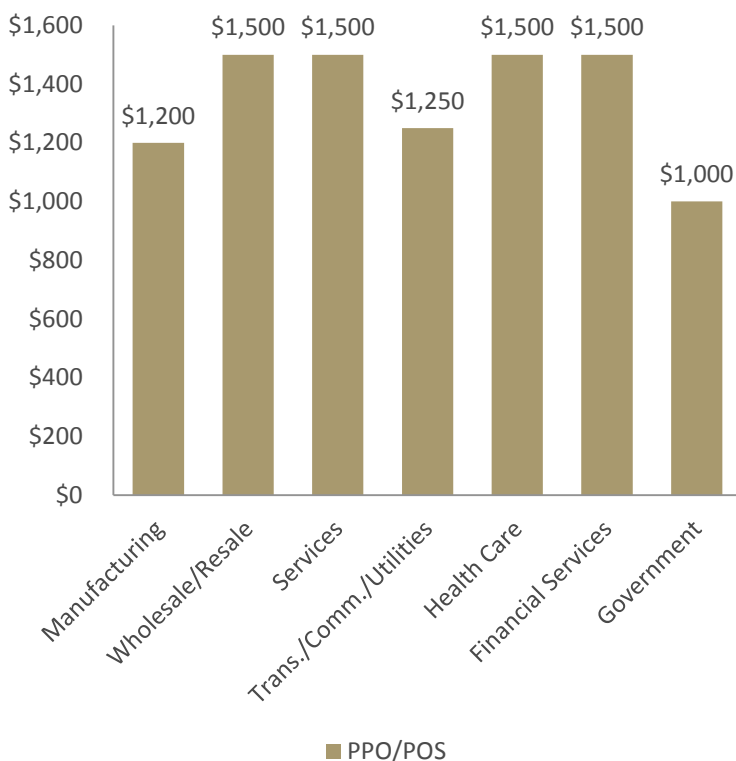
Median Single Deductible (PPO/POS)



Median Co-Payments for PPO/POS Plans with a Primary Care Office Visit Co-Pay



Median Family Deductible (PPO/POS)



Source: Mercer National Survey of Employer-Sponsored Health Plans, 2015 (released in 2016)





# Benchmarking | Plan Design

Among Large Firms Offering Health Benefits, Percentage of Firms Offering Incentives for Various Wellness and Health Promotion Activities, 2016



NOTE: Among large firms that offer a health risk assessment, 54% had incentives or penalties to encourage employees to complete it. Among large firms that offer biometric screening, 59% had incentives or penalties to encourage employees to complete it and 14% had incentives or penalties for employees to meet a biometric outcome. Among large firms that offer a wellness program, 42% had incentives or penalties to encourage employees to complete it.

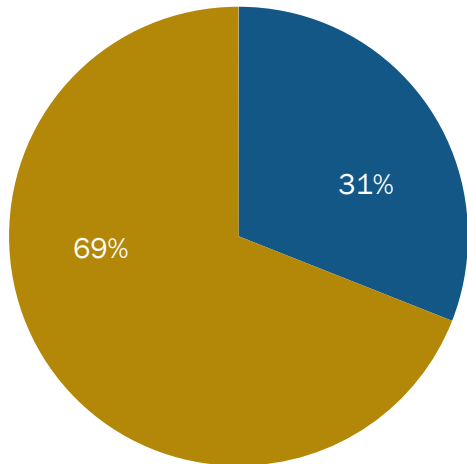
‡Firms that offer either “Programs to Help Employees Stop Smoking”, “Programs to Help Employees Lose Weight”, or “Other Lifestyle or Behavioral Coaching”.

SOURCE: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2016.



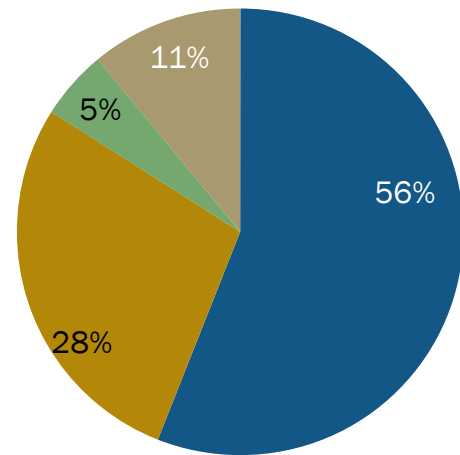
# Benchmarking | Basic Life Plan Design

Plan Design



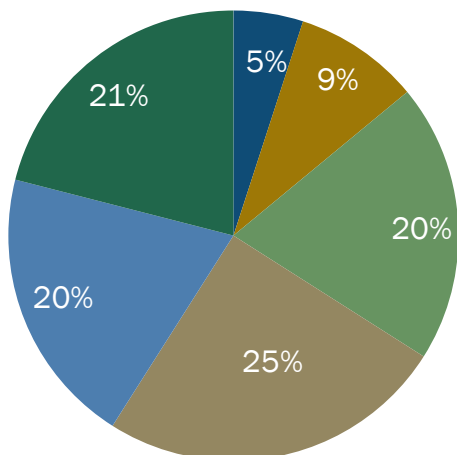
■ % of Salary    ■ Flat

% of Salary



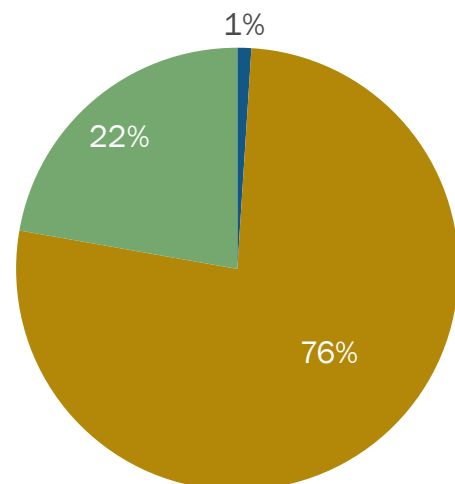
■ 1x Annual Salary    ■ 2x Annual Salary  
 ■ 3x Annual Salary    ■ Other

Maximum Issue Limit



■ 5%    ■ 9%  
 ■ 20%    ■ 25%  
 ■ 20%    ■ 21%

Rate Guarantee Period



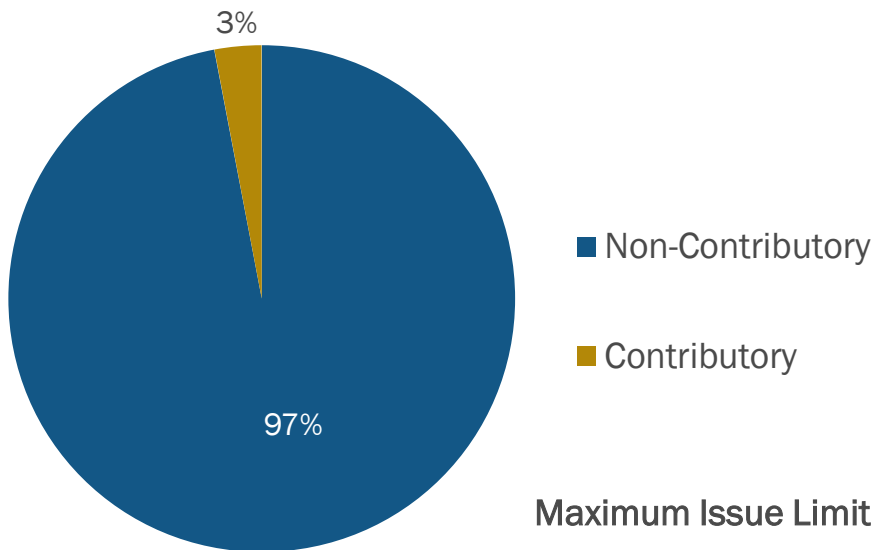
■ 12 Months  
 ■ 24 Months  
 ■ 36 Months

Source: Group Marketshare, LLC,  
 \*Based on 31,418 cases (Industry Data including Guardian)

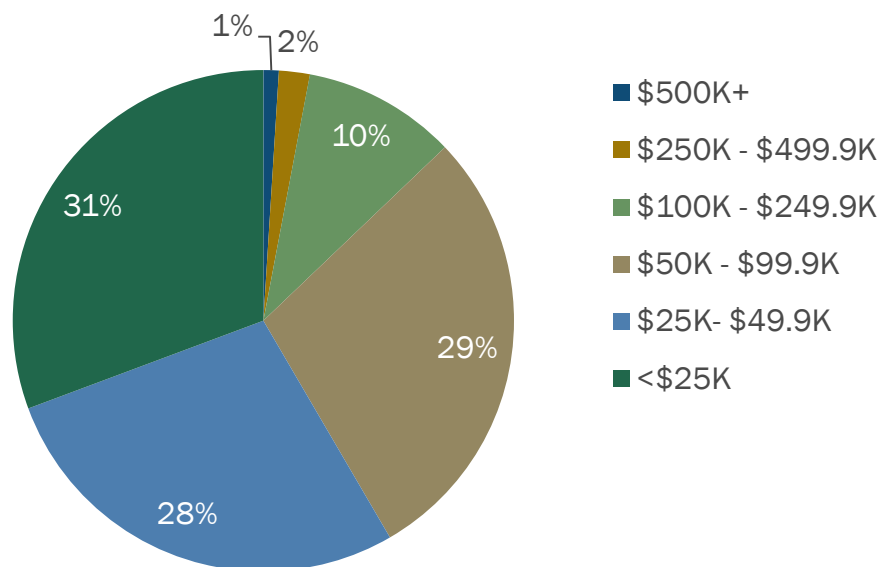


# Benchmarking | Basic Life Plan Design

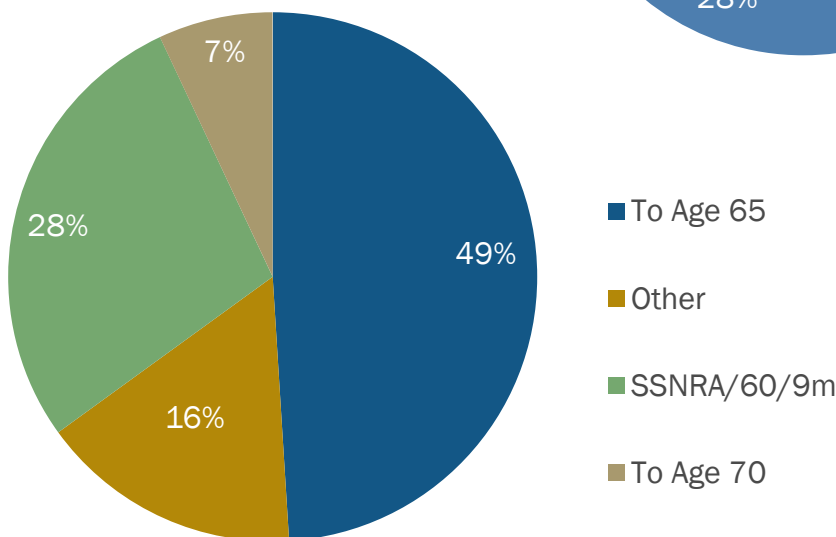
Contributory Basis



Maximum Issue Limit (Flat Benefit)



Waiver of Premium

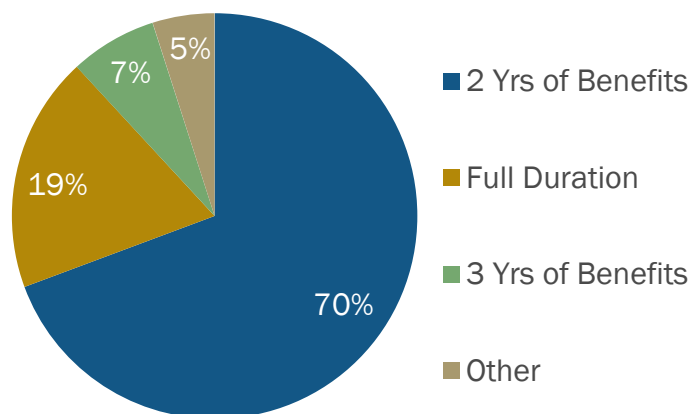


Source: Group Marketshare, LLC,  
 \*Based on 31,418 cases  
 (Industry Data including Guardian)

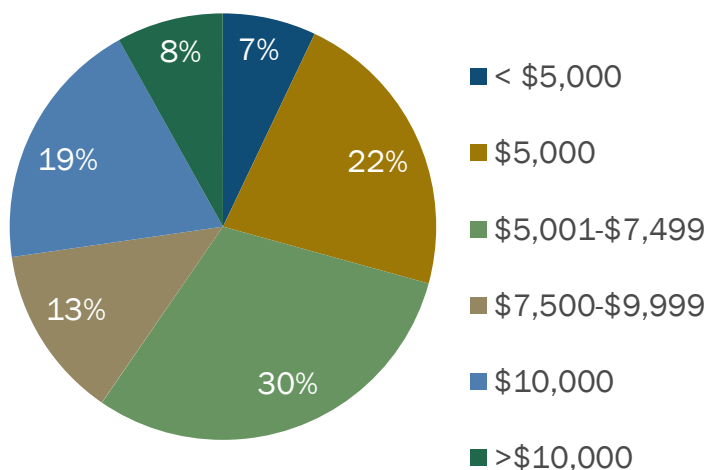


# Benchmarking | Long Term Disability Plan Design

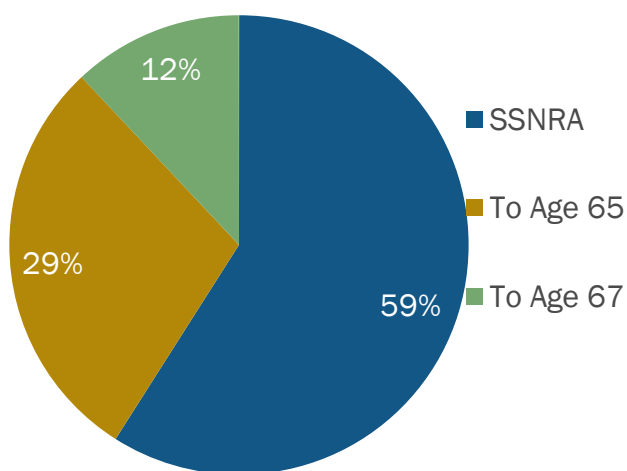
Own Occupation Period



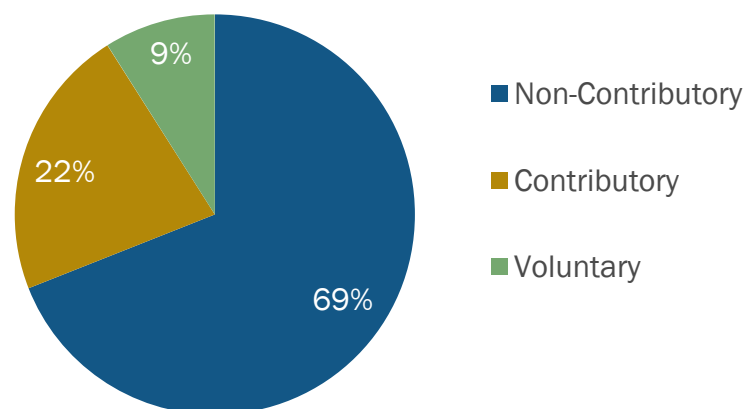
Maximum Benefit Amount



Maximum Benefit Period



Contributory Basis

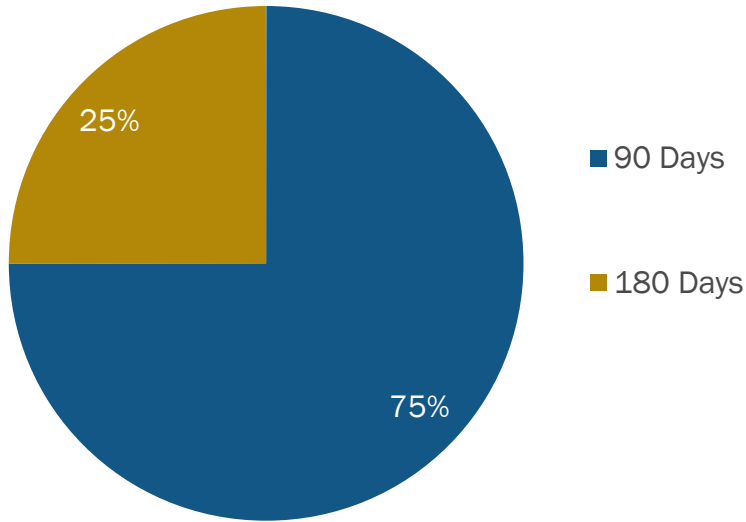


Source: Group Marketshare, LLC,  
 \*Based on 31,418 cases (Industry Data including Guardian)

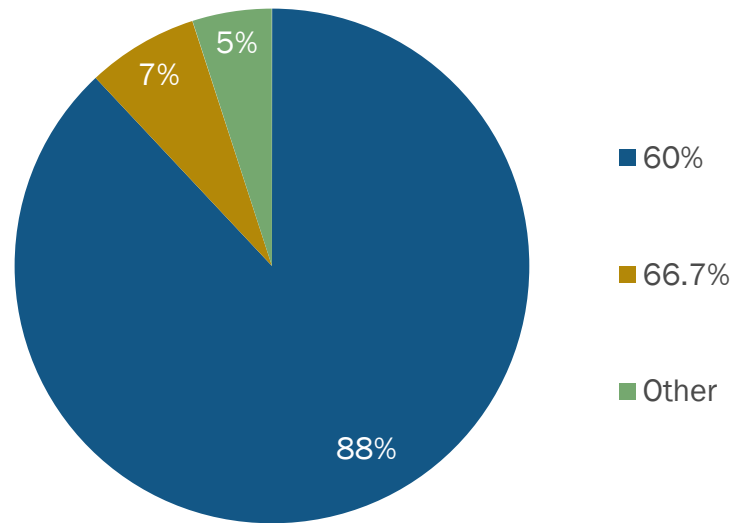


# Benchmarking | Long Term Disability Plan Design

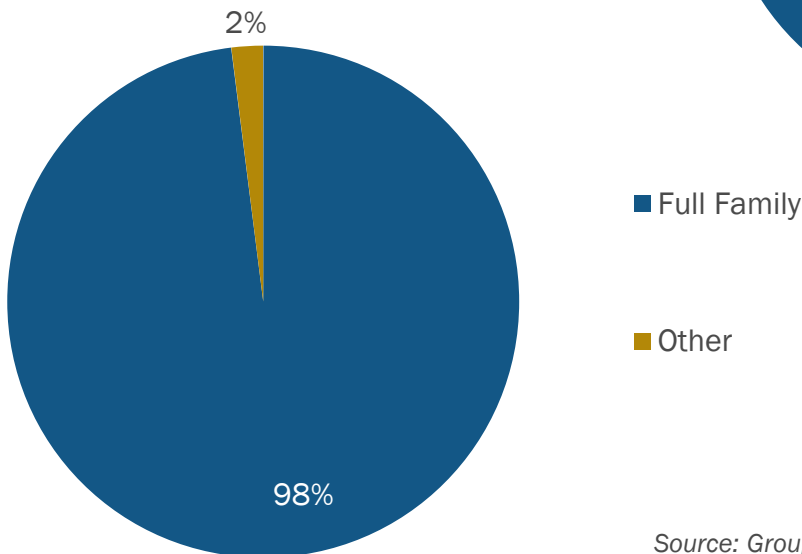
Elimination Period



Maximum Benefit Percentage



Social Security Integration

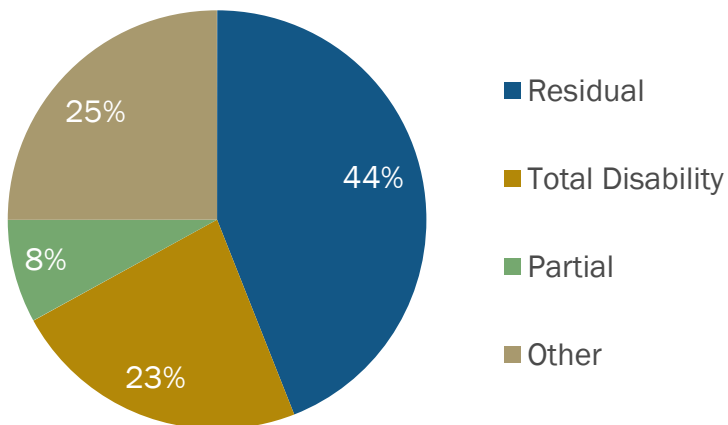


Source: Group Marketshare, LLC,  
\*Based on 31,418 cases (Industry Data including Guardian)

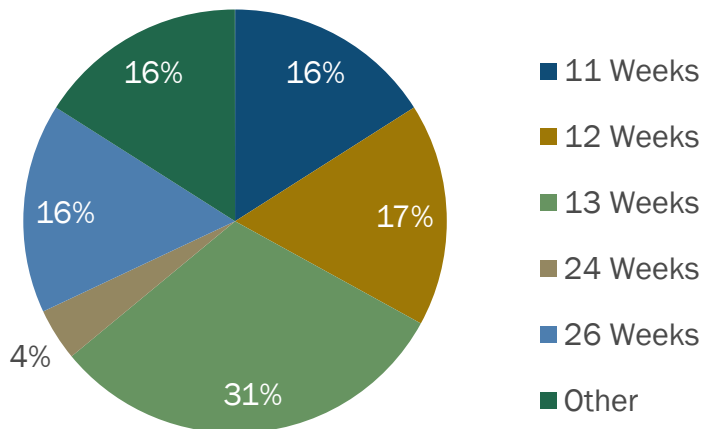


# Benchmarking | Short Term Disability Plan Design

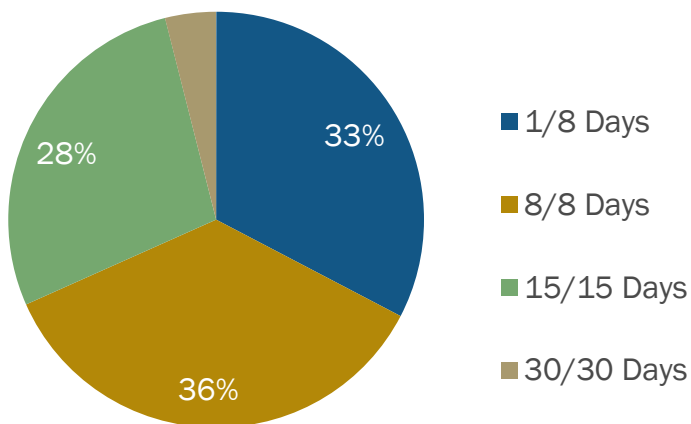
Definition of Disability



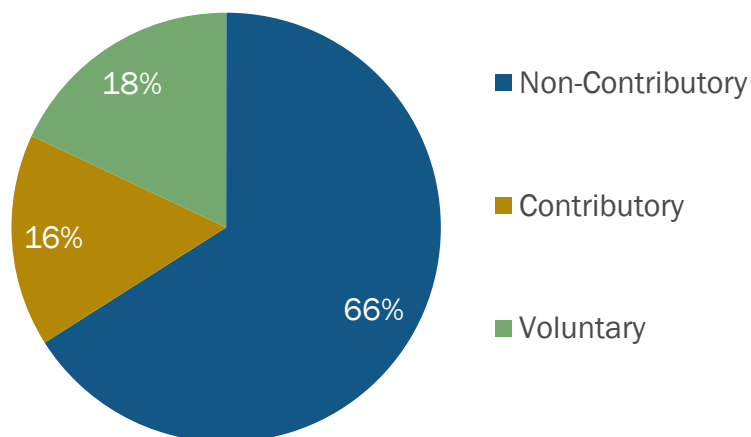
Maximum Benefit Period



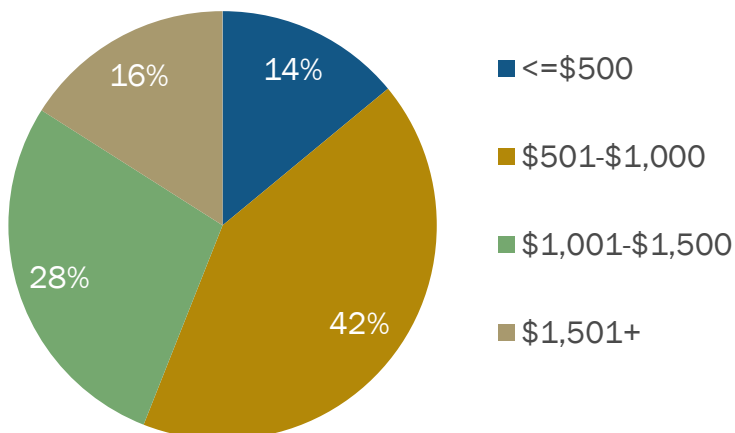
Elimination Period



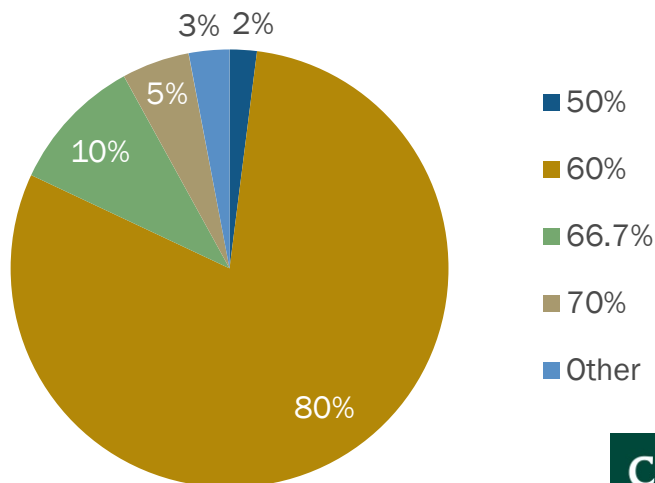
Contributory Basis



Maximum Weekly Benefit Amount



Maximum Benefit Percentage

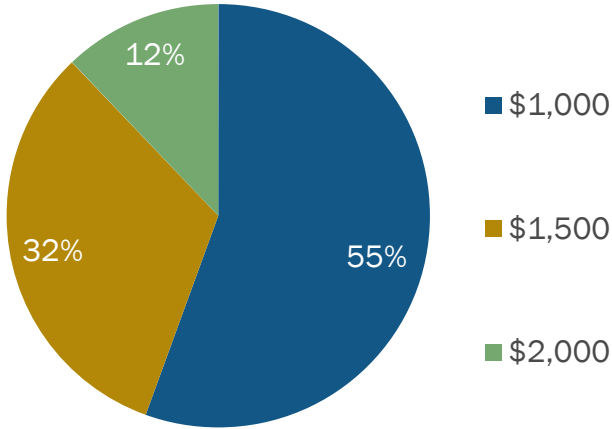


Source: Group Marketshare, LLC,  
\*Based on 31,418 cases (Industry Data including Guardian)

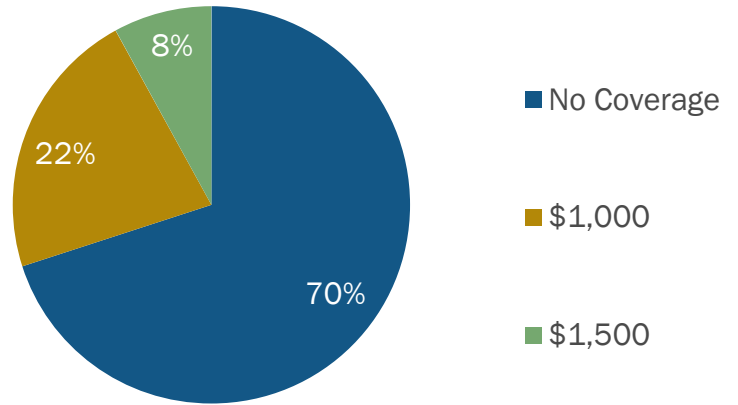


# Benchmarking | Dental Plan Design

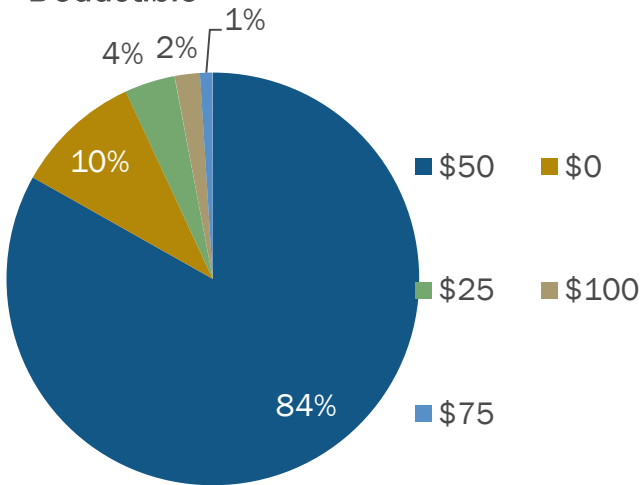
Dental Maximum



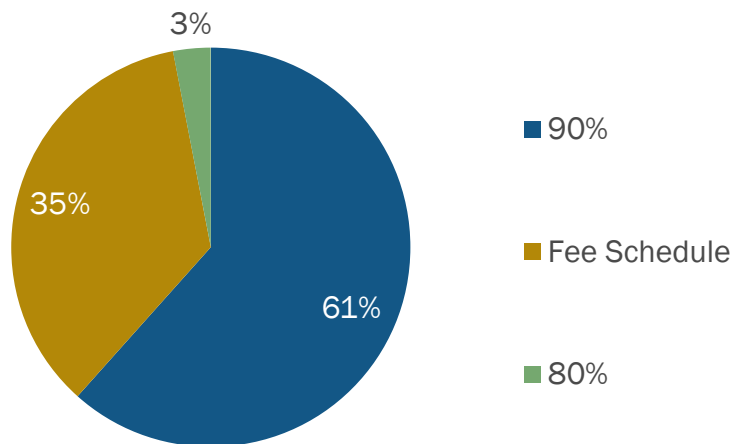
Ortho Maximum



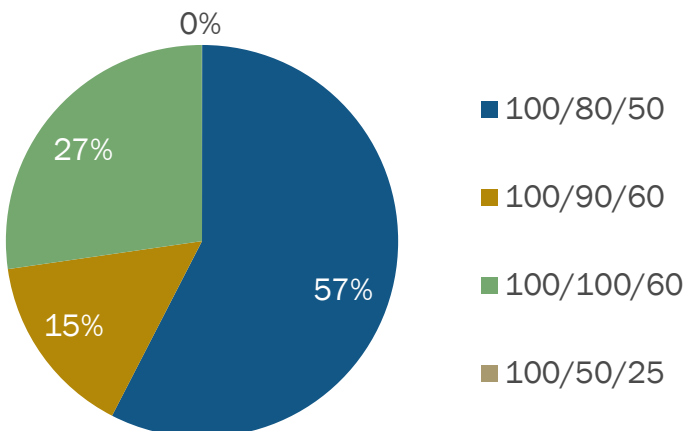
Deductible



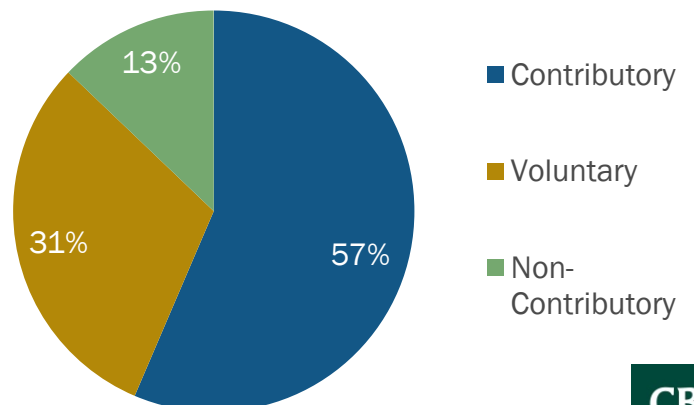
UCR



Coinsurance Combinations



Contributory Basis

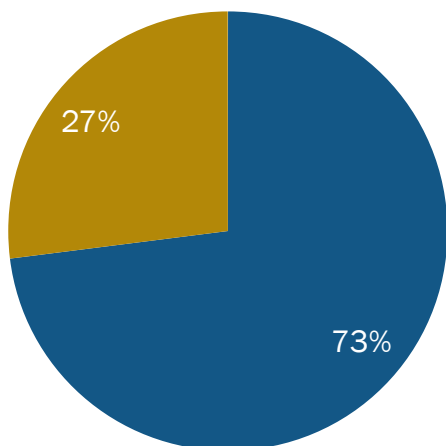


Source: June 2016 Dental GAGE Extract (Guardian Only)

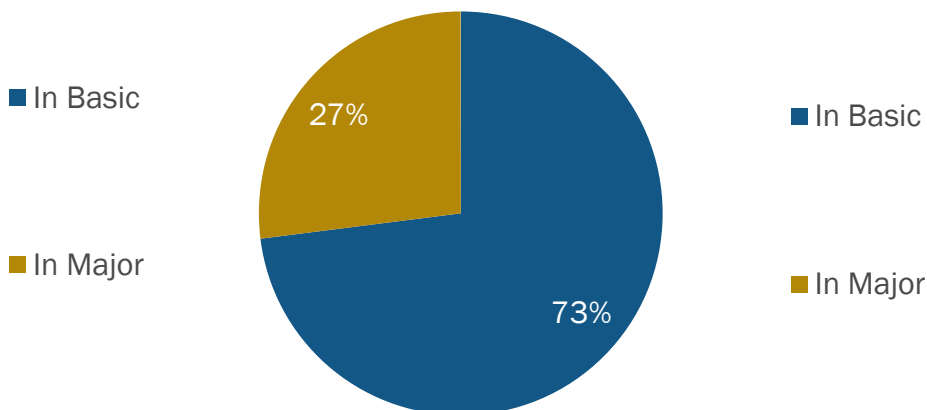


# Benchmarking | Dental Plan Design

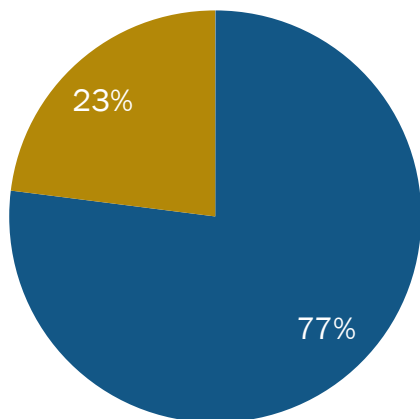
Periodontic Surgery



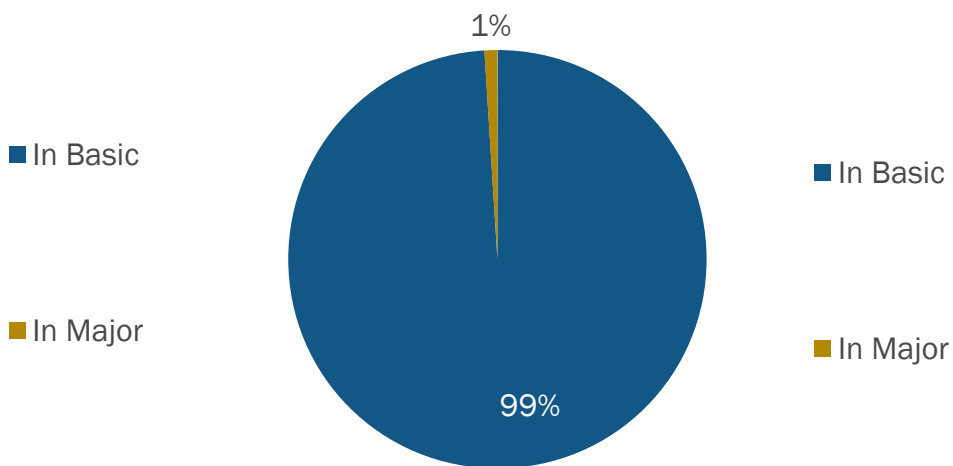
Complex Oral Surgery (Surgical Extractions and Other Oral Surgery)



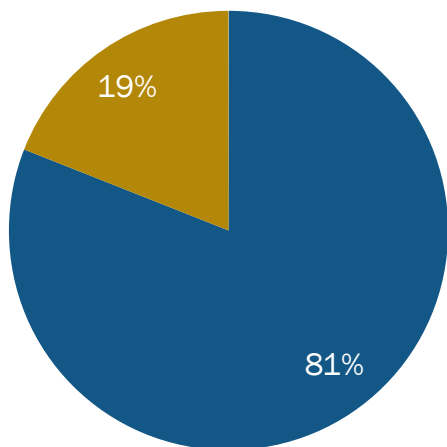
Endodontics: Molar Root Canals



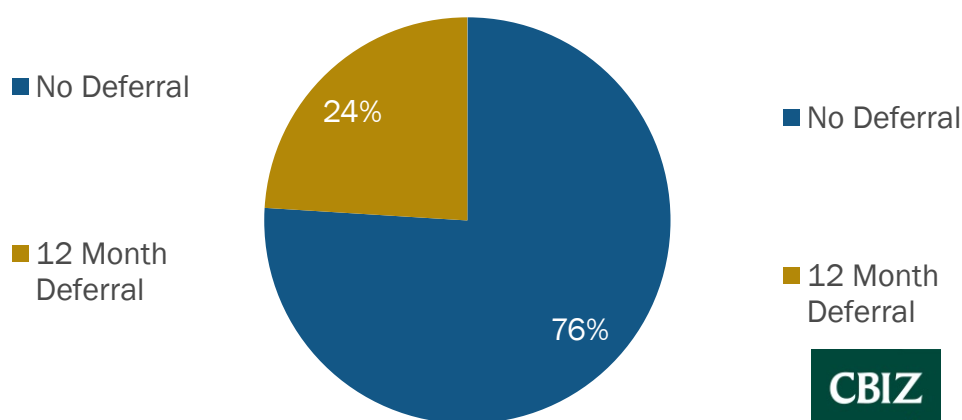
Endodontics: Non-Molar Root Canals



Deferred Perio Services



Deferred Major Services



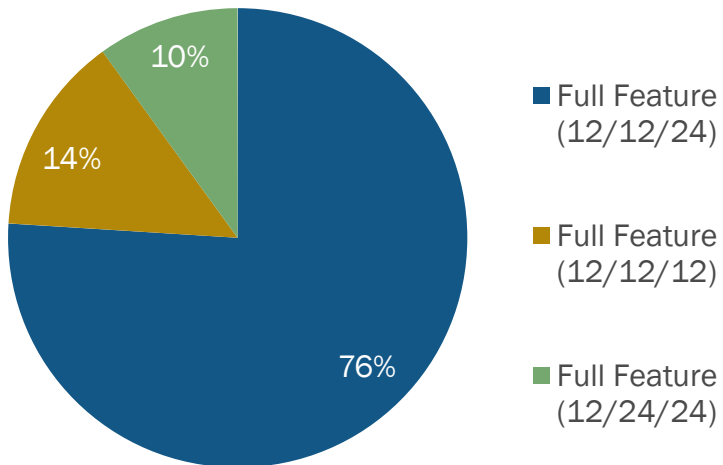
Source: June 2016 Dental GAGE Extract (Guardian Only)



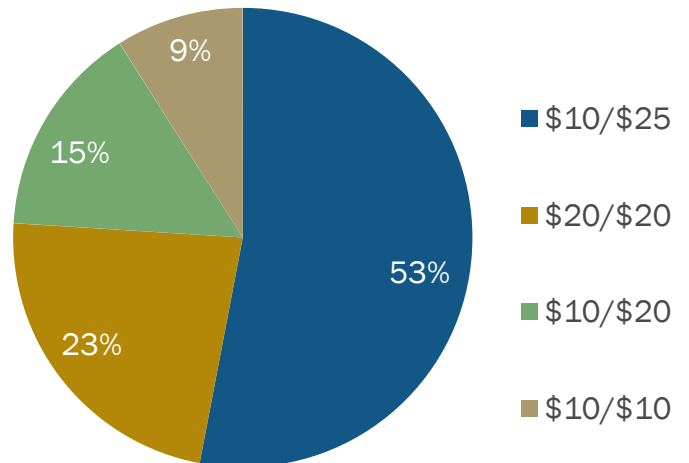


# Benchmarking | Vision Plan Design

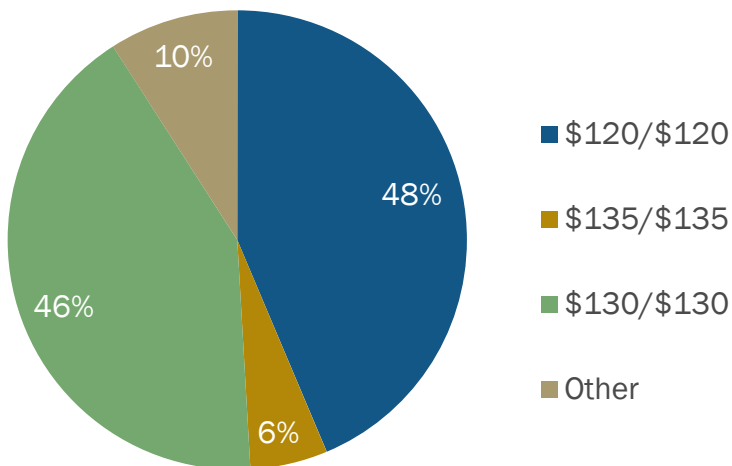
Plan Design



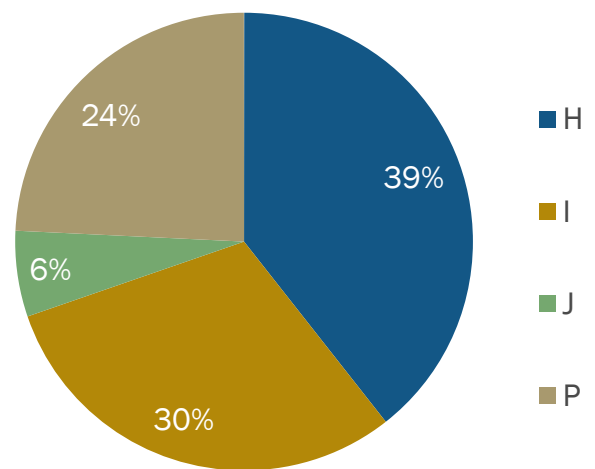
Split Copays



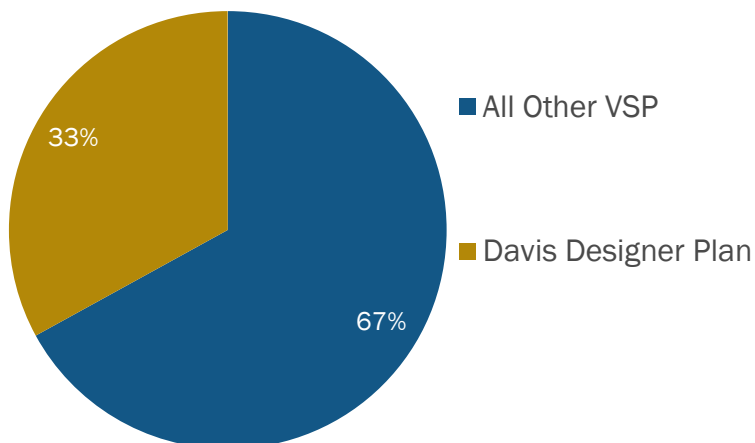
Contacts/Frame Allowances



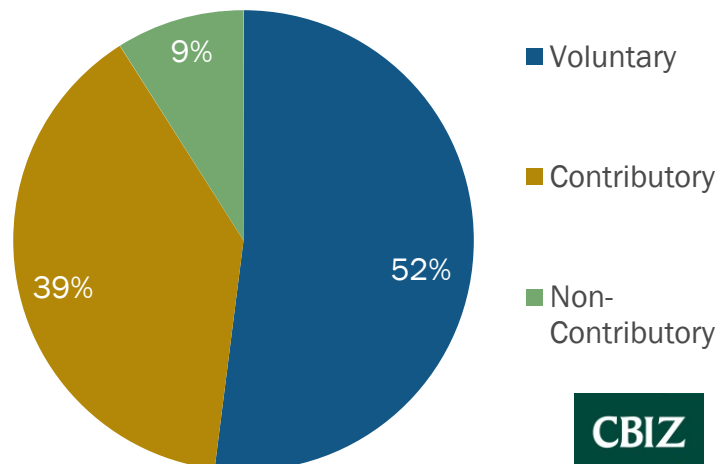
OON Schedule

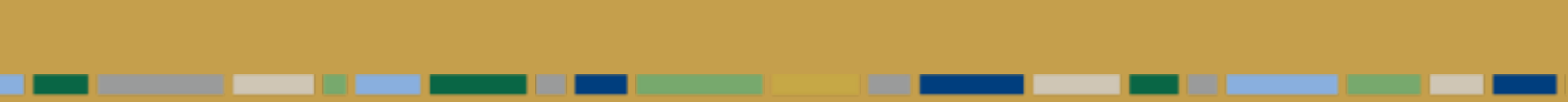


VSP or Davis



Contributory Basis

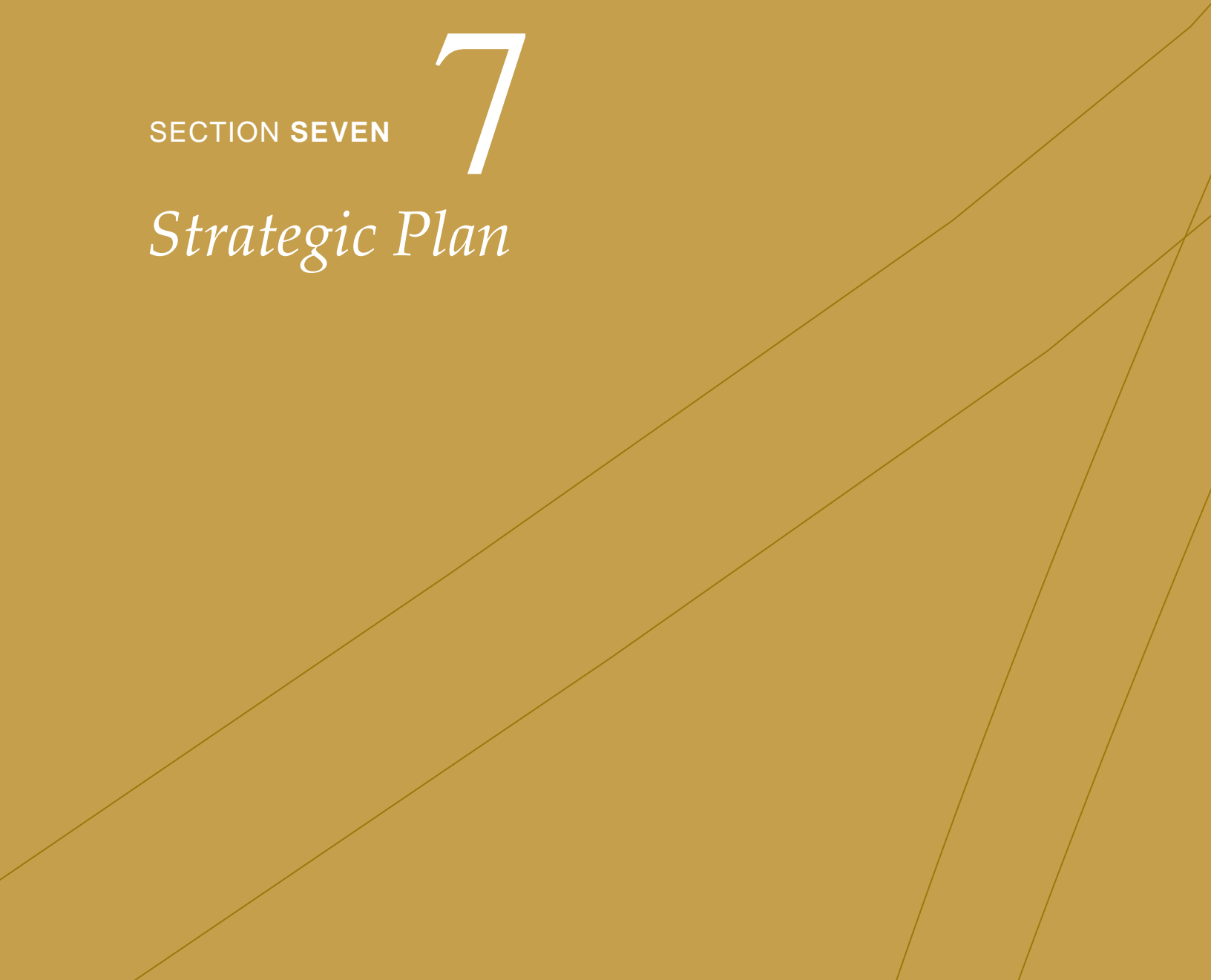




SECTION SEVEN

# 7

## *Strategic Plan*



# Innovations and Considerations

## Centers of Excellence

providing coverage for certain procedures only when doctors and facilities with **exceptional performance** records perform the service



## High Performance Networks

normally smaller networks of providers with proven efficiencies

Result in lower premiums and better outcomes



## Pharmacy Innovations

CBIZ' Pharmacy Consultants analyze the feasibility of achieving savings by contracting with purchasing coalitions



**IMPROVE  
PRICE  
TRANSPARENCY**

## Referenced Based Pricing

outside of a traditional hospital network, high cost claims are negotiated by a cost management firm resulting in **substantial savings**



## Decision-Support Technology

interactive "decision tree" responses to help participants narrow their choices based on their personal preferences



## Healthcare and Hospital Collaborations

special provider contracting that exchanges deeper discounts for partnership with a high-quality hospital provider



# Proposed Vectrus 3 Year Strategic Plan

Strategy	2016	2017	2018
<b>PLAN DESIGN AND BENEFITS</b>	<ul style="list-style-type: none"> <li>✓ STD marketing</li> <li>✓ Consider Value Based Benefit Provisions</li> <li>✓ Evaluate LTC options</li> <li>✓ Minimum Value plan</li> <li>• Consider grand rounds</li> <li>• Convert to 4-tier rates for remaining plans</li> <li>✓ Subs removed from Vectrus plans</li> </ul>	<ul style="list-style-type: none"> <li>• 35% Domestic Engagement in consumer driven plan</li> <li>• Evaluate high efficiency medical networks</li> <li>• Consider enhanced employee cost-sharing</li> <li>• Consider more efficient/limited drug formulary</li> <li>• Market domestic medical</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluate consumer driven plans as sole plan options</li> <li>• 40% Domestic Engagement in High Deductible Health Plan</li> <li>• Increase HDHP deductibles to preserve embedded status</li> </ul>
<b>ENGAGEMENT &amp; INCENTIVES</b>	<ul style="list-style-type: none"> <li>• Incorporate Wellbeing in the Highlight brochures</li> <li>✓ Create program/brand awareness</li> <li>✓ Drive traffic to the Wellbeing portal</li> <li>✓ Offer Fitbit incentive, raffle prizes for challenges &amp; introduce rewards through HBC:                             <ul style="list-style-type: none"> <li>○ HRA and biometrics</li> <li>○ Coaching</li> <li>○ Education programs &amp; challenges</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Expand wellbeing program offerings and reach through incentives and wellbeing coordinator involvement</li> <li>• Evaluate Benefit Differential for health plan members</li> <li>• Continue Fitbit incentive &amp; modify rewards through HBC based on need and budget:                             <ul style="list-style-type: none"> <li>○ Add preventative exam(s)</li> <li>○ Tools for financial wellbeing</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Personalize wellbeing program experience</li> <li>• Revisit Benefit Differential and/or consider wellness program incentive for high deductible plan members to drive traffic</li> <li>• Continue Fitbit incentive &amp; modify rewards through HBC based on need and budget:                             <ul style="list-style-type: none"> <li>○ Encourage Patient Centered Medical Home (PCMH)</li> <li>○ Shift some \$ to healthy results and improvement/progress</li> <li>○ Spouse Preventive Exam</li> </ul> </li> </ul>
<b>POPULATION HEALTH STATUS</b>	<ul style="list-style-type: none"> <li>✓ Monitor participation in wellbeing programs</li> <li>• Implement NavMD</li> </ul>	<ul style="list-style-type: none"> <li>• Identify metrics for scorecard development (value on investment)</li> <li>• Implement Verscend Data Analytics</li> <li>• Review claims for top risks and survey data for priority needs and interests</li> </ul>	<ul style="list-style-type: none"> <li>• Present scorecard</li> <li>• Establish goals for population health improvement, wellbeing and engagement</li> <li>• Hone in on gaps in care using Verscend data</li> </ul>
<b>WELLNESS/ WELLBEING</b>	<ul style="list-style-type: none"> <li>✓ Gain senior leadership support, organizational commitment and funding (Budget was increased)</li> <li>✓ Develop strategic plan and create action plan for tracking</li> <li>✓ Consider food and vending policies</li> <li>✓ Create Tobacco Policy</li> <li>✓ Implement Cerner Portal for domestic population</li> <li>✓ Evaluate feasibility of staff wellness coordinator</li> </ul>	<ul style="list-style-type: none"> <li>• Action plan and budget tracking</li> <li>• Develop a Calendar of Events based on needs and interests</li> <li>• Add wellness challenges</li> <li>• Promote EAP and mental health resources</li> <li>• Evaluate Health Coaching benefit and modify Cerner contract</li> <li>• Adjust and track incentives</li> <li>• Create network of wellbeing champions</li> <li>• Explore resources &amp; opportunities for international population</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluate Tobacco Surcharge</li> <li>• Consider other modifications to incentives that are tied to improvement</li> <li>• Revisit coaching benefit and resources through partners</li> <li>• Continue to enhance culture to help sustain healthy habits</li> <li>• Empower managers to create a culture of wellbeing</li> <li>• Expand reach to international population and spouses</li> </ul>
<b>COMMUNICATION AND BENEFITS ENROLLMENT</b>	<ul style="list-style-type: none"> <li>• Participation requirements</li> <li>• 2017 coming requirements</li> <li>✓ Annual Enrollment</li> <li>✓ Enhanced Brainshark videos for OE</li> <li>✓ Evaluate web portal for domestic HB</li> </ul>	<ul style="list-style-type: none"> <li>• Price transparency tools – mobile devices</li> <li>• Advanced notice on improvement based rewards for 2018</li> <li>• Call center support for new contracts and new hires, annual enrollment</li> <li>• Active enrollment for domestic</li> </ul>	<ul style="list-style-type: none"> <li>• Communicate outcomes and progress</li> <li>• Success stories</li> <li>• Active enrollment for international employees</li> </ul>
<b>HEALTH CARE REFORM</b>	<ul style="list-style-type: none"> <li>✓ Review process for Data for 1095 reporting</li> <li>✓ Review Cadillac Tax Analysis</li> <li>✓ Include dependents in eligibility for all plans</li> </ul>	<ul style="list-style-type: none"> <li>• Offer telemedicine only to health plan participants</li> <li>• Affordability test includes wellness incentive (except for tobacco status)</li> <li>• Provide Notice of Privacy in Wellness Programs</li> </ul>	<ul style="list-style-type: none"> <li>• Prepare for Cadillac Tax</li> <li>• Amend plans as necessary to avoid/reduce Cadillac Tax in 2020</li> </ul>



## Summary of 2018 Strategic Plan

### ACTION ITEMS

Plan Design

Financial/Pricing

Contributions

Wellness

Other

Technology

Client Structure



# Domestic Plan Design Considerations for 2018:

- Pharmacy Considerations
  - Mandatory Mail Order for Maintenance Drugs
  - Alternative, More Efficient Formulary (Value PDL)
  - Enhanced Clinical Edits
  - Member Pay Difference when “DAW”
  - Evaluate Specialty Pharmacy Options
  
- Diabetes in Top 4 of Specialty Med Spend – Consider 3rd Party Preventive Program, such as Omada Health
- Introduce CIGNA One Guide to Support Plan Elections – Enhance Understanding of HDHPs
- Increase \$2,600 HDHP to \$2,700, so Benefits Begin for Individual After Deductible Satisfied
- Evaluate Exclusive Offering of HDHPs

# Timeline

VECTRUS TIMELINE ACTIVITIES 2017		
MONTH	ACTIVITIES / DELIVERABLES	RESPONSIBLE
January	<ul style="list-style-type: none"> <li>- Quarterly Claims Dashboard</li> <li>- Monthly Compliance Updates</li> </ul>	CBIZ CBIZ
February	<ul style="list-style-type: none"> <li>- Review and Posting of SPD's/COC's</li> <li>- Library Clean up</li> <li>- Monthly Compliance Updates</li> <li>- Quarterly Claims Dashboard</li> </ul>	CBIZ/Client CBIZ CBIZ CBIZ
March	<ul style="list-style-type: none"> <li>- 1094 and 1095-C preparation</li> <li>- Claims Utilization Meeting With Vectrus/Carriers</li> <li>- Monthly Compliance Updates</li> </ul>	CBIZ/Client CBIZ/Client/Carriers CBIZ
April	<ul style="list-style-type: none"> <li>- Annual Stewardship Report/Meeting</li> <li>- Monthly Compliance Updates</li> </ul>	CBIZ/Client CBIZ
May	<ul style="list-style-type: none"> <li>- Follow-Up Items From Annual Stewardship Report</li> <li>- 5500 Preparation</li> <li>- Call Center for Maxwell and ACE IT</li> <li>- Monthly Compliance Updates</li> </ul>	CBIZ/Client CBIZ/Client CBIZ CBIZ
June	<ul style="list-style-type: none"> <li>- Receive Renewal From Carriers/negotiations</li> <li>- Develop RFP for Domestic Medical</li> <li>- 2017 Contract Reviews</li> <li>- Monthly Compliance Updates</li> </ul>	CBIZ/Carriers CBIZ CBIZ/Client CBIZ
July	<ul style="list-style-type: none"> <li>- Renewal Presentation/RFP Results</li> <li>- Renewal Option Follow-Ups/Claims Updates</li> <li>- 5500 Filing Deadline</li> <li>- Quarterly Claims Dashboard</li> <li>- Monthly Compliance Updates</li> </ul>	CBIZ CBIZ CBIZ CBIZ CBIZ
August	<ul style="list-style-type: none"> <li>- Renewal options/additional evaluation</li> <li>- Final decisions from Vectrus for 2018</li> <li>- Contribution Strategies and Calculations</li> <li>- Update Contribution and Deduction Files</li> <li>- Highlight Brochure updates/approvals process begins</li> <li>- Gather vendor marketing collaterals for Employee OE packets</li> <li>- OE Logistics, Travel Planning</li> <li>- Monthly Compliance Updates</li> </ul>	CBIZ/ Client CBIZ/Client CBIZ/Client CBIZ/Client CBIZ CBIZ/Client CBIZ/Client CBIZ



# Timeline, cont.

VECTRUS TIMELINE ACTIVITIES 2017		
MONTH	ACTIVITIES / DELIVERABLES	RESPONSIBLE
September	<ul style="list-style-type: none"> <li>- Renewal Decisions Finalized</li> <li>- Open Enrollment Communication Drafts</li> <li>- Update OE Presentations for On-site Meetings</li> <li>- Begin Print/Ship process with Third Party Vendor</li> <li>- Deliver Final Plan Design and Plan Documents to Custom</li> <li>- Vectrus Documentation Sign-off and Updates for Custom Portal</li> <li>- Monthly Compliance Updates</li> </ul>	CBIZ/Client CBIZ/Client CBIZ CBIZ CBIZ/Client CBIZ/Client CBIZ
October	<ul style="list-style-type: none"> <li>- Custom Solutions Website Programming and Testing</li> <li>- Open Enrollment Meetings/Travel</li> <li>- Communication Strategy Implementation</li> <li>- OE Meetings and Webinars</li> <li>- Quarterly Claims Dashboard</li> <li>- Monthly Compliance Updates</li> </ul>	CBIZ/Client CBIZ/Client CBIZ/Client CBIZ/Client CBIZ CBIZ
November	<ul style="list-style-type: none"> <li>- Website Portal set to "Go Live"</li> <li>- Open Enrollment begins</li> <li>- Enrollment Feeds to Carriers/Administrators</li> <li>- Monthly Compliance Updates</li> </ul>	CBIZ CBIZ/Client CBIZ CBIZ
December	<ul style="list-style-type: none"> <li>- Custom Sends First Production Files</li> <li>- Post Open Enrollment Review</li> <li>- Advise Carriers of Late Pay for January Billing Due to Internal Audit</li> <li>- Monthly Compliance Updates</li> <li>- Monthly Financial/Utilization Updates</li> </ul>	CBIZ CBIZ/Client CBIZ CBIZ CBIZ
As Needed/ Ongoing	<ul style="list-style-type: none"> <li>- Time Sensitive Communication "At Issue"</li> <li>- Client Service Support</li> <li>- Claim Resolution Support</li> <li>- Billing &amp; Eligibility Errors</li> <li>- Wellness Newsletters</li> </ul>	CBIZ





SECTION EIGHT

# 8

*Exhibits*



# CIGNA OAP 500

	CIGNA OAP 500	
Employee Pays	In-Network	Out-of-Network
Deductible*		
Individual	\$500	\$1,000***
Family	\$1,500	\$3,000 ***
Maximum Out of Pocket (OOP)**		
Individual	\$3,000	\$6,000***
Family	\$6,000	\$12,000***
Lifetime Maximum	Unlimited	
Office Visits		
Primary Care Provider	\$40 Co-pay	30% After Deductible
Preventive Care		
Child Services (up to age 13)	0% (Not subject to Deductible)	30% After Deductible
Adults' Services	0% (Not subject to Deductible)	
Inpatient Services****	10% After Deductible	30% After Deductible
Outpatient Services****		
Surgery / Therapeutic	10% After Deductible	30% After Deductible
Lab / X-rays	10% After Deductible	30% After Deductible
Emergency Care	10% After Deductible	10% After Deductible
Urgent Care	\$40 Co-pay per visit	\$40 Copay per visit
Ambulance	10% After In Network Deductible	10% After In Network Deductible
Skilled Nursing Facility (100 Days per calendar year in- and out-of-network combined)	10% After Deductible	30% After Deductible
Home Health Care (100 Days per calendar year)	10% After Deductible	30% After Deductible
Durable Medical Equipment	10% After Deductible	30% After Deductible
Vision	Not Covered	Not Covered
Substance Abuse Service		
Inpatient	10% After Deductible	30% After Deductible
Outpatient Office/Facility	\$40 Co-pay/10% After Deductible	30% After Deductible
Mental Health		
Inpatient	10% After Deductible	30% After Deductible
Outpatient Office/Facility	\$40 Copay/10% After Deductible	30% After Deductible
Prescription Drugs***		
Tier 1 (Generic)	\$15	
Tier 2 (Preferred Brand)	You pay 30%, max of \$50	
Tier 3 (Non-Preferred Brand)	You pay 55%, max of \$50	Not Covered
Mail Order – Tier 1 - 3	T1 \$38 / T2 30% / T3 55% - Max of \$125	



# CIGNA HDHP 1500 (HSA Option)

	CIGNA HDHP 1500 (plan with option for an HSA)	
Employee Pays	In-Network	Out-of-Network
Deductible*		
Individual	\$1,500	\$1,500**
Family	\$3,000	\$3,000**
Maximum Out of Pocket (OOP)***		
Individual	\$3,000	\$6,000**
Family	\$6,000*	\$12,000**
Lifetime Maximum	Unlimited	
Office Visits		
Primary Care Provider	20% After Deductible	40% After Deductible
Preventive Care		
Child Services (up to age 13)	0% (Not Subject to Deductible)	40% After Deductible
Adults' Services	0% (Not Subject to Deductible)	
Inpatient Services****	20% After Deductible	40% After Deductible
Outpatient Services****		
Surgery / Therapeutic	20% After Deductible	40% After Deductible
Lab / X-rays	20% After Deductible	40% After Deductible
Emergency Care	20% After In Network Deductible	
Urgent Care	20% After In Network Deductible	
Ambulance	20% After In Network Deductible	
Skilled Nursing Facility (100 Days per calendar year in- and out-of-network combined)	20% After Deductible	40% After Deductible
Home Health Care (100 Days per calendar year)	20% After Deductible	40% After Deductible
Durable Medical Equipment	20% After Deductible	40% After Deductible
Vision	Not Covered	Not Covered
Substance Abuse Service		
Inpatient	20% After Deductible	40% After Deductible
Outpatient Office/Facility	20% After Deductible	40% After Deductible
Mental Health		
Inpatient	20% After Deductible	40% After Deductible
Outpatient Office/Facility	20% After Deductible	40% After Deductible
Prescription Drugs***		
Tier 1 (Generic)	20% After Deductible	Retail 40% After Deductible
Tier 2 (Preferred Brand)		
Tier 3 (Non-Preferred Brand)		
Mail Order – Tier 1 - 3		Mail Order Not Covered



# CIGNA HDHP 2600 (HSA Option)

CIGNA HDHP 2600 (plan with option for an HSA)		
Employee Pays	In-Network	Out-of-Network
Deductible*		
Individual	\$2,600	\$2,600**
Family	\$5,200	\$5,200**
Maximum Out of Pocket (OOP) ***	Includes Deductible and Coinsurance	Includes Deductible and Coinsurance
Individual	\$5,000	\$10,000**
Family	\$10,000*	\$20,000**
Lifetime Maximum	Unlimited	
Office Visits		
Primary Care Provider	20% After Deductible	40% After Deductible
Specialist	20% After Deductible	40% After Deductible
Preventive Care		
Child Services (up to age 13)	0% (Not Subject to Deductible)	40% After Deductible
Adult Service	0% (Not Subject to Deductible)	
Inpatient Services****	20% After Deductible	40% After Deductible
Outpatient Services****		
Surgery / Therapeutic	20% After Deductible	40% After Deductible
Lab / X-rays	20% After Deductible	40% After Deductible
Emergency Care	20% After In Network Deductible	
Urgent Care	20% After Deductible	
Ambulance	20% After In Network Deductible	
Skilled Nursing Facility (100 Days Per Calendar Year In and out-of-network combined)	20% After Deductible	40% After Deductible
Home Health Care (100 Visits Per Calendar Year)	20% After Deductible	40% After Deductible
Durable Medical Equipment	20% After Deductible	40% After Deductible
Vision	Not Covered	Not covered
Substance Abuse Service		
Inpatient	20% After Deductible	40% After Deductible
Outpatient	20% After Deductible	40% After Deductible
Mental Health		
Inpatient and Intermediate Care	20% After Deductible	40% After Deductible
Outpatient Care	20% After Deductible	40% After Deductible
Prescription Drugs**		
Retail Pharmacy Drugs	20% After Deductible	Retail 40% After Deductible
Mail Order		Mail Order Not Covered



# CIGNA GLOBAL OPEN ACCESS PLUS (OAP) GLOBAL PLAN

Employee Pays	Services Outside of the United States	Services Received in the United States	
		In-Network	Out-of-Network
Deductible			
Individual	\$0	\$1,500	\$3,000
Family	\$0	\$3,000	\$6,000
Maximum Out of Pocket			
Individual	\$0	\$4,000	\$ 8,000
Family	\$0	\$8,000	\$16,000
Lifetime Maximum	Unlimited	Unlimited	
Physician Service	100% Covered	\$50 Copay	40% After Deductible
Inpatient Services	100% Covered	20% After Deductible	40% After Deductible
Outpatient Services	100% Covered	20% After Deductible	40% After Deductible
Precertification Penalty	N/A outside U.S.	\$300 Penalty for failure to Precertify And benefits reduced by 50%	
Urgent Care	100% Covered	\$50 Copay	\$50 Copay
Hospital Emergency Room	100% Covered	20% After Ded. + \$250 Copay	20% After Ded. + \$250 Copay
Preventive Care Wellness Care Routine Physical Exams Gynecological Exams PSA & DRE Mammograms	100% Covered	100% Covered	40% Deductible Waived
Home Health Care (120 days per calendar year)	100% Covered	20% After Deductible	40% After Deductible
Chiropractic Treatment	100% Covered	20%	40% After Deductible
Alcoholism, Drug Abuse and Mental Disorder			
Inpatient	100% Covered	20% After Deductible	40% After Deductible
Outpatient	100% Covered	\$40 Copay	40% After Deductible
Emergency Medical Evacuation	100% Covered	100% Covered – Not subject to deductible	
Prescription Drugs			
Tier 1 (Generic)	100% Covered	\$15 per RX	40% Deductible Waived
Tier 2 (Preferred)	100% Covered	\$50 per RX	40% Deductible Waived
Tier 3 (Non-Preferred Brand)	100% Covered	\$90 per RX	40% Deductible Waived
Vision	100% Covered Once every 24 months.	100% Covered Once every 24 months.	40% (Not subject to deductible) Once every 24 months



# CIGNA GLOBAL OPEN ACCESS PLUS (OAP) CATASTROPHIC PLAN

Employee Pays	Services Received Outside of the United States	Services Received in the United States	
		In-Network	Out-of-Network
Deductible Individual	\$10,000 per calendar year	\$10,000 per calendar year	\$15,000 per calendar year
Maximum Out of Pocket Individual Family – No Coverage	\$2,000 None	\$2,000 None	\$2,000 None
Lifetime Maximum	Unlimited	Unlimited	
Physician Service	30% After Deductible	\$30 Copay	50% After Deductible
Inpatient Services	30% After Deductible	30% After Deductible	50% After Deductible
Outpatient Services	30% After Deductible	30% After Deductible	50% After Deductible
Precertification Penalty	N/A outside U.S.	\$300 Penalty for failure to Precertify And benefits reduced by 50%	
Preventive Care Wellness Care Routine Physical Exams Gynecological Exams PSA & DRE Mammograms	100% Covered	100% Covered	50% Not subject to plan deductible
Home Health Care (120 visits per calendar year)	30% After Deductible	30% After Deductible	50% After Deductible
Chiropractic Treatment	30% After Deductible	25%	50% After Deductible
Alcoholism, Drug Abuse and Mental Disorder Inpatient	30% After Deductible	30% After Deductible	50% After Deductible
Outpatient	30% After Deductible	\$30 Copay	50% After Deductible
Emergency Medical Evacuation	100% Covered – Not subject to deductible	100% Covered – Not subject to deductible	
Prescription Drugs Tier 1 (Generic) Tier 2 (Brand)	30% Deductible Waived 30% Deductible Waived	30% Deductible Waived 30% Deductible Waived	50% Deductible Waived 50% Deductible Waived



# CIGNA GLOBAL SHORT TERM ABROAD (STA) PLAN

Employee Pays	INTERNATIONAL COVERAGE ONLY Services received in home country or the United States are not covered
Deductible Individual Family – No Coverage	\$250 per calendar year None
Maximum Out of Pocket Individual Family – No Coverage	\$1,000 None
Lifetime Maximum	Unlimited
Office Visit	20% After Deductible
Specialist	20% After Deductible
Preventive Care Wellness Care Routine Physical Exams Gynecological Exams PSA & DRE Mammograms	100% Covered
Emergency Health Services	20% After Deductible
Ambulance Services	20% After Deductible
Urgent Care	20% After Deductible
Hospital Inpatient  Outpatient	20% After Deductible  20% After Deductible
Maternity	20% After Deductible
Mental Health Inpatient  Outpatient	20% After Deductible  20% After Deductible
Emergency Medical Evacuation	100% Covered – Not subject to deductible
Prescription Drugs	20% After Deductible



# CIGNA GLOBAL OCN GLOBAL PLAN

Employee Pays	Services Received Outside of the United States
Deductible Individual	\$1,000
Maximum Out of Pocket Individual	\$2,000
Lifetime Maximum	Unlimited
Physician Office Visit General / Specialist	Employee pays 20% After Deductible is met
Preventive Care Wellness Care Routine Physical Exams Gynecological Exams PSA & DRE Mammograms	100% Covered
Inpatient Hospital Services	Employee pays 20% After Deductible is met
Inpatient Hospital Services Room and Board	Employee pays 20% After Deductible is met
Hospital Emergency Room	Employee pays 20% After Deductible is met
Short Term Rehabilitation (60 day maximum per calendar year for all therapies combined) Office Visit Outpatient	Employee pays 20% After Deductible is met
Mental Illness and Substance Abuse Office Visit Inpatient Outpatient	Employee pays 20% After Deductible is met
Smoking Cessation	Employee pays 20% After Deductible is met
Medical Evacuation	Included
Employee Assistance Program	Included
Care within the United States	Excluded

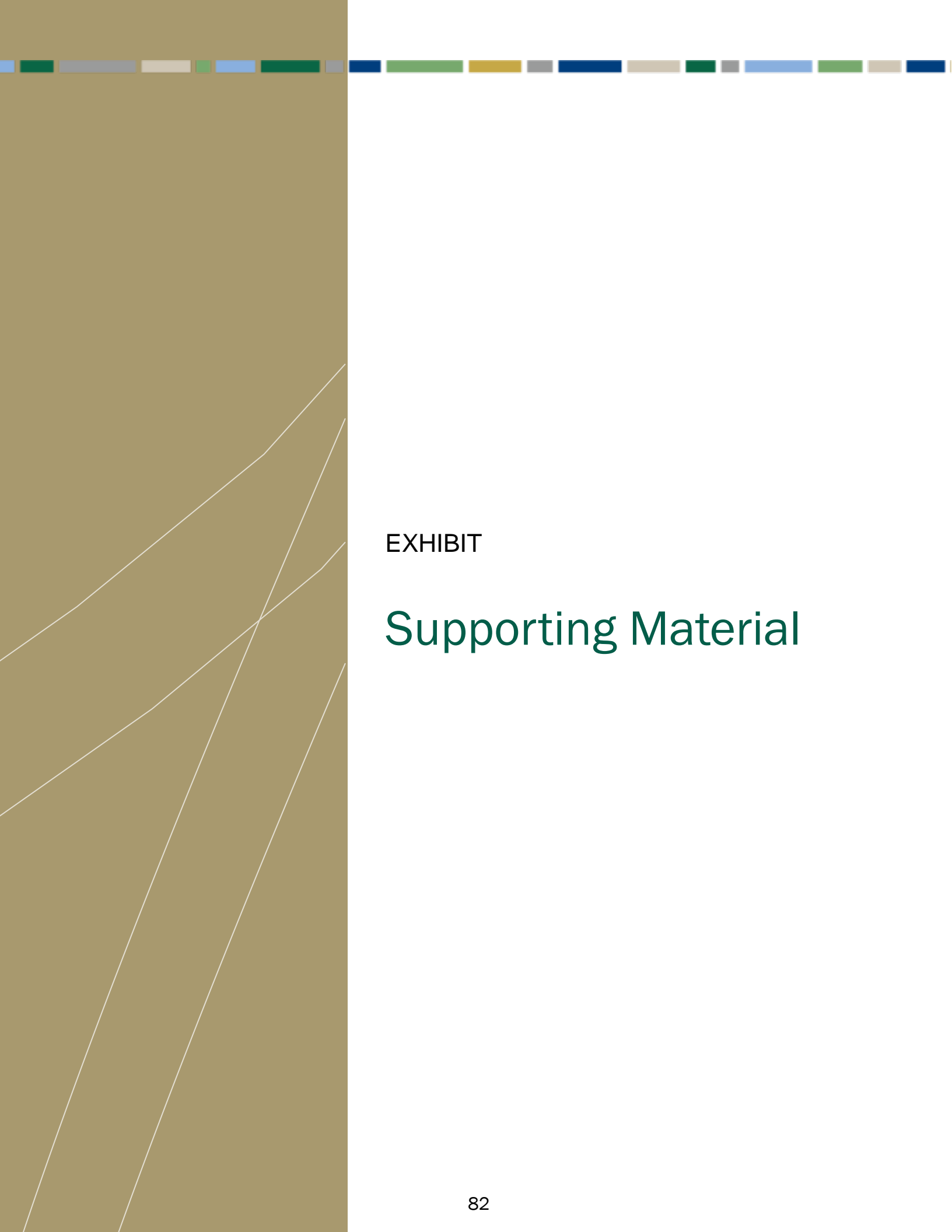




# CIGNA GLOBAL OCN CATASTOPHIC PLAN

Employee Pays	Services Received Outside of the United States
Deductible Individual	\$10,000
Maximum Out of Pocket (excludes deductible) Individual	\$2,000
Lifetime Maximum	Unlimited
Physician Office Visit General / Specialist	Employee pays 30% After Deductible is met
Preventive Care Wellness Care Routine Physical Exams Gynecological Exams PSA & DRE Mammograms	100% Covered
Inpatient Hospital Services	Employee pays 30% After Deductible is met
Inpatient Hospital Services Room and Board	Employee pays 30% After Deductible is met
Hospital Emergency Room	Employee pays 30% After Deductible is met
Short Term Rehabilitation (60 day maximum per calendar year for all therapies combined) Office Visit Outpatient	Employee pays 30% After Deductible is met
Mental Illness and Substance Abuse Office Visit Inpatient Outpatient	Employee pays 30% After Deductible is met
Smoking Cessation	Employee pays 30% After Deductible is met
Medical Evacuation	Included
Employee Assistance Program	Included
Care within the United States	Excluded





EXHIBIT

# Supporting Material

# VECTRUS SYSTEMS CORPORATION

## GC MONTHLY HEALTHCARE DETAIL EXPERIENCE REPORT

January 2014 thru February 2017

FAT : TRADITIONAL

RAT : FULLY INSURED NON-PARTICIPATING

Reported Premium: Billed Premium without fees

YTD/MONTH	ACCOUNT	PRODUCT GROUP	FIXED CHARGES	IN NETWORK	OUT OF NETWORK	DRUG	TOTAL CLAIMS	BILLED PREMIUM	TOTAL SUBS	TOTAL MBRs
Jan-14	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$0	\$0	\$0	\$20,118	\$20,118	\$275,455	363	590
Feb-14	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$9,120	\$113,290	\$3,716	\$26,137	\$162,264	\$272,210	365	592
Mar-14	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$9,212	\$179,356	\$221	\$33,419	\$222,209	\$271,692	366	592
Apr-14	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$8,794	\$121,368	\$9,444	\$41,169	\$180,775	\$284,730	361	590
May-14	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$8,981	\$191,345	\$3,835	\$54,676	\$258,838	\$271,313	366	595
Jun-14	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$9,127	\$195,177	\$7,758	\$36,603	\$248,666	\$266,682	364	589
Jul-14	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$9,925	\$176,300	\$5,702	\$46,902	\$238,829	\$274,148	363	580
Aug-14	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$9,899	\$139,724	\$11,709	\$39,070	\$200,402	\$263,100	358	573
Sep-14	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$7,489	\$115,262	\$10,017	\$39,740	\$172,508	\$270,585	357	580
Oct-14	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$8,818	\$125,175	\$16,018	\$49,020	\$199,031	\$272,478	362	584
Nov-14	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$8,756	\$109,098	\$14,169	\$29,958	\$161,981	\$271,380	362	581
Dec-14	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$8,834	\$112,434	\$14,870	\$36,611	\$172,750	\$269,731	358	580
Jan-15	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$9,412	\$79,668	\$6,699	\$37,322	\$133,101	\$335,957	369	714
Feb-15	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$10,111	\$114,439	\$8,351	\$45,119	\$178,020	\$371,977	385	744
Mar-15	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$12,410	\$96,932	\$6,425	\$47,556	\$163,322	\$346,336	392	757
Apr-15	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$12,567	\$287,739	\$9,605	\$53,580	\$363,491	\$373,928	407	794
May-15	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$12,381	\$313,499	\$9,056	\$82,067	\$417,003	\$439,603	480	927
Jun-15	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$13,546	\$286,020	\$8,126	\$142,479	\$450,171	\$498,263	513	979
Jul-15	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$15,978	\$317,485	\$8,936	\$115,108	\$457,507	\$506,270	537	1,044
Aug-15	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$16,847	\$353,838	\$12,556	\$126,137	\$509,378	\$541,983	577	1,110
Sep-15	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$17,124	\$371,753	\$22,371	\$79,703	\$490,951	\$491,665	506	1,021
Oct-15	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$19,182	\$344,290	\$18,947	\$101,320	\$483,740	\$502,421	516	1,035
Nov-15	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$14,860	\$415,699	\$7,361	\$111,585	\$549,505	\$507,340	514	1,067
Dec-15	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$16,541	\$357,385	\$6,376	\$116,136	\$496,438	\$506,054	508	1,061
Jan-16	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$16,522	\$422,099	\$22,028	\$62,688	\$523,337	\$533,507	532	1,084
Feb-16	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$18,295	\$366,080	\$21,298	\$106,297	\$511,971	\$508,897	536	1,095
Mar-16	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$19,285	\$436,917	\$24,597	\$73,478	\$554,277	\$538,489	544	1,119
Apr-16	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$21,521	\$636,580	(\$808)	\$104,421	\$761,714	\$537,370	545	1,122
May-16	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$20,855	\$973,662	\$5,516	\$125,910	\$1,125,943	\$526,495	537	1,105
Jun-16	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$17,967	\$497,331	\$5,787	\$121,747	\$642,832	\$530,888	538	1,097
Jul-16	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$22,651	\$324,014	\$14,011	\$118,310	\$478,985	\$530,704	537	1,092
Aug-16	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$18,829	\$445,308	\$1,761	\$180,489	\$646,386	\$525,181	543	1,107
Sep-16	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$19,280	\$554,918	\$13,574	\$142,068	\$729,840	\$524,752	544	1,115
Oct-16	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$19,952	\$627,628	\$8,306	\$133,036	\$788,923	\$542,754	545	1,113
Nov-16	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$19,811	\$445,549	\$8,677	\$138,176	\$612,212	\$503,886	522	1,071
Dec-16	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$19,163	\$541,353	\$9,033	\$141,389	\$710,938	\$508,066	513	1,055
Jan-17	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$18,920	\$267,271	\$12,045	\$105,156	\$403,392	\$520,339	537	1,056
Feb-17	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$18,198	\$256,973	(\$20)	\$106,553	\$381,704	\$550,758	534	1,051
Mar-17	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$17,468	\$613,466	\$2,551	\$102,477	\$735,962	\$544,301	532	1,035
Apr-17	3337473-VECTRUS SYSTEMS CORPORATION	MED	\$17,007	\$577,878	\$5,790	\$121,439	\$722,113	\$540,068	533	1,036
<b>Grand Total</b>			<b>\$575,639</b>	<b>\$12,904,303</b>	<b>\$376,417</b>	<b>\$3,395,167</b>	<b>\$17,251,526</b>	<b>\$17,151,754</b>	<b>18,621</b>	<b>35,632</b>



# VECTRUS SYSTEMS CORPORATION

## DE-IDENTIFIED CLAIMS EXCEEDING REPORT

May 2016 thru April 2017

Incurred Date : All

RAT : FULLY INSURED NON-PARTICIPATING

Claims Exceeding : \$25,000.00

Reported Claims: InNet, OutNet, Drug

Note: Diagnosis is based on the largest medical claim amount

FAT	RAT	MEMBER ID	REL	GENDER	AGE BAND	ICD CODE	ICD DESCRIPTION	ICD VERSION	LAST DATE OF SERVICE	DRUG CLAIMS	PAID CLAIMS	CLAIMANT TOTAL
1	P	1	SP	F	50-59	E785	HYPERLIPIDEMIA, UNSPECIFIED	10	5/25/2016	\$1,347	\$1,044	\$2,391
1	P	1	SP	F	60-64	S52542A	SMITH'S FRACTURE OF LEFT RADIUS, INIT FOR CLOS FX	10	3/30/2017	\$15,494	\$30,297	\$45,791
<b>MEMBER ID Total</b>										<b>\$16,841</b>	<b>\$31,341</b>	<b>\$48,183</b>
1	P	2	SP	M	50-59	C160	MALIGNANT NEOPLASM OF CARDIA	10	4/14/2017	\$4,488	\$226,186	\$230,673
1	P	3	EE	F	60-64	R42	DIZZINESS AND GIDDINESS	10	4/14/2017	\$625	\$28,645	\$29,269
1	P	4	EE	M	30-39	D329	BENIGN NEOPLASM OF MENINGES, UNSPECIFIED	10	4/10/2017	\$101	\$72,748	\$72,849
1	P	5	EE	M	40-49	G35	MULTIPLE SCLEROSIS	10	10/11/2016	\$72,081	\$97	\$72,178
1	P	6	EE	M	50-59	D110	BENIGN NEOPLASM OF PAROTID GLAND	10	3/22/2017	\$16,775	\$34,957	\$51,731
1	P	7	EE	M	30-39	M25511	PAIN IN RIGHT SHOULDER	10	3/9/2017	\$40	\$27,662	\$27,701
1	P	8	CH	F	1-17	C717	MALIGNANT NEOPLASM OF BRAIN STEM	10	4/21/2017	\$967	\$362,690	\$363,658
1	P	9	EE	M	50-59	I25110	ATHSCL HEART DISEASE OF NATIVE COR ART W UNSTABLE ANG PCTRS	10	12/19/2016	\$264	\$60,341	\$60,605
1	P	10	SP	M	50-59	K353	ACUTE APPENDICITIS WITH LOCALIZED PERITONITIS	10	3/2/2017	\$32	\$30,029	\$30,060
1	P	10	SP	M	60-64	PH	PHARMACY	*	4/24/2017	\$31	\$0	\$31
<b>MEMBER ID Total</b>										<b>\$62</b>	<b>\$30,029</b>	<b>\$30,091</b>
1	P	11	EE	M	50-59	M25551	PAIN IN RIGHT HIP	10	3/29/2017	\$47,056	\$7,113	\$54,170
1	P	12	EE	M	50-59	F341	DYSTHYMIC DISORDER	10	4/12/2017	\$44,484	\$7,544	\$52,028
1	P	13	EE	M	50-59	L4050	ARTHROPATHIC PSORIASIS, UNSPECIFIED	10	12/28/2016	\$39,044	\$1,125	\$40,169
1	P	14	CH	M	18-29	S14119A	COMPLETE LESION AT UNSP LEVEL OF CERVICAL SPINAL CORD, INIT	10	8/31/2016	\$1,760	\$537,868	\$539,628
1	P	15	EE	M	50-59	Z510	ENCOUNTER FOR ANTINEOPLASTIC RADIATION THERAPY	10	4/10/2017	\$19,795	\$123,026	\$142,820
1	P	16	EE	M	30-39	J320	CHRONIC MAXILLARY SINUSITIS	10	12/4/2016	\$2,207	\$42,611	\$44,817
1	P	17	EE	M	30-39	K5190	ULCERATIVE COLITIS, UNSPECIFIED, WITHOUT COMPLICATIONS	10	2/23/2017	\$703	\$82,187	\$82,890
1	P	18	SP	F	50-59	I25110	ATHSCL HEART DISEASE OF NATIVE COR ART W UNSTABLE ANG PCTRS	10	4/17/2017	\$458	\$44,972	\$45,430
1	P	19	SP	M	60-64	K432	INCISIONAL HERNIA WITHOUT OBSTRUCTION OR GANGRENE	10	4/5/2017	\$1,564	\$32,834	\$34,398
1	P	19	SP	M	65+	PH	PHARMACY	*	4/24/2017	\$1,392	\$0	\$1,392
<b>MEMBER ID Total</b>										<b>\$2,956</b>	<b>\$32,834</b>	<b>\$35,790</b>
1	P	20	EE	M	50-59	M50122	CERVICAL DISC DISORDER AT C5-C6 LEVEL WITH RADICULOPATHY	10	12/9/2016	\$370	\$48,673	\$49,043
1	P	20	EE	M	60-64	K5900	CONSTIPATION, UNSPECIFIED	10	12/27/2016	\$127	\$599	\$727
<b>MEMBER ID Total</b>										<b>\$497</b>	<b>\$49,273</b>	<b>\$49,770</b>
1	P	21	SP	M	40-49	G35	MULTIPLE SCLEROSIS	10	4/18/2017	\$37,845	\$14,351	\$52,195



1	P	22	SP	F	40-49	E43	UNSPECIFIED SEVERE PROTEIN-CALORIE MALNUTRITION	10	1/30/2017	\$0	\$21,401	\$21,401
1	P	22	SP	F	50-59	K7290	HEPATIC FAILURE, UNSPECIFIED WITHOUT COMA	10	3/31/2017	\$21,786	\$5,107	\$26,893
<b>MEMBER ID Total</b>										<b>\$21,786</b>	<b>\$26,508</b>	<b>\$48,293</b>
1	P	23	SP	M	65+	G610	GULLLAIN-BARRE SYNDROME	10	4/20/2017	\$3,868	\$81,725	\$85,592
1	P	24	SP	M	50-59	J9809	OTHER DISEASES OF BRONCHUS, NOT ELSEWHERE CLASSIFIED	10	4/5/2017	\$17,648	\$74,003	\$91,651
1	P	25	EE	F	30-39	N390	URINARY TRACT INFECTION, SITE NOT SPECIFIED	10	12/5/2016	\$81,493	\$3,399	\$84,893
1	P	26	EE	M	50-59	S82232A	DISPLACED OBLIQUE FRACTURE OF SHAFT OF LEFT TIBIA, INIT	10	4/10/2017	\$0	\$35,849	\$35,849
1	P	27	CH	M	18-29	PH	PHARMACY	*	12/30/2016	\$28,937	\$0	\$28,937
1	P	28	EE	M	65+	K420	UMBILICAL HERNIA WITH OBSTRUCTION, WITHOUT GANGRENE	10	10/14/2016	\$1,602	\$35,979	\$37,580
1	P	29	EE	M	40-49	M069	RHEUMATOID ARTHRITIS, UNSPECIFIED	10	4/4/2017	\$151	\$31,394	\$31,545
1	P	30	SP	F	40-49	K859	ACUTE PANCREATITIS, UNSPECIFIED	10	9/12/2016	\$104	\$198,086	\$198,190
1	P	31	EE	M	50-59	M50323	OTHER CERVICAL DISC DEGENERATION AT C6-C7 LEVEL	10	1/30/2017	\$117,797	\$3,424	\$121,221
1	P	32	EE	M	30-39	M87851	OTHER OSTEONECROSIS, RIGHT FEMUR	10	4/7/2017	\$0	\$40,318	\$40,318
1	P	33	EE	M	30-39	M50223	OTHER CERVICAL DISC DISPLACEMENT AT C6-C7 LEVEL	10	3/31/2017	\$2,448	\$38,718	\$41,165
1	P	34	EE	M	50-59	K429	UMBILICAL HERNIA WITHOUT OBSTRUCTION OR GANGRENE	10	3/1/2017	\$6,847	\$52,908	\$59,755
1	P	35	EE	M	40-49	*	UNSPECIFIED	*	9/6/2016	\$0	(\$130)	(\$130)
1	P	35	EE	M	40-49	K222	ESOPHAGEAL OBSTRUCTION	10	4/12/2017	\$871	\$28,370	\$29,241
<b>MEMBER ID Total</b>										<b>\$871</b>	<b>\$28,240</b>	<b>\$29,111</b>
1	P	36	SP	F	50-59	G44319	ACUTE POST-TRAUMATIC HEADACHE, NOT INTRACTABLE	10	4/27/2017	\$3,236	\$24,824	\$28,059
1	P	37	EE	M	40-49	Z5189	ENCOUNTER FOR OTHER SPECIFIED AFTERCARE	10	4/12/2017	\$188	\$75,877	\$76,065
1	P	38	EE	M	30-39	N186	END STAGE RENAL DISEASE	10	4/7/2017	\$4,530	\$437,496	\$442,026
1	P	39	EE	M	50-59	L409	PSORIASIS, UNSPECIFIED	10	10/19/2016	\$63,325	\$232	\$63,558
1	P	40	SP	M	50-59	I5042	CHRONIC COMBINED SYSTOLIC AND DIASTOLIC HRT FAIL	10	4/7/2017	\$21,471	\$484,065	\$505,536
1	P	41	SP	F	40-49	M0689	OTHER SPECIFIED RHEUMATOID ARTHRITIS, MULTIPLE SITES	10	4/6/2017	\$19,252	\$39,005	\$58,257
1	P	42	EE	F	40-49	C73	MALIGNANT NEOPLASM OF THYROID GLAND	10	4/25/2017	\$217	\$34,940	\$35,157
1	P	43	EE	F	40-49	S42352A	DISPLACED COMMUNUTED FX SHAFT OF HUMERUS, LEFT ARM, INIT	10	4/7/2017	\$6,651	\$65,247	\$71,898
1	P	44	EE	F	60-64	R935	ABN FINDINGS ON DX IMAGING OF ABD REGIONS, INC RETROPERITON	10	4/6/2017	\$17,715	\$16,479	\$34,193
1	P	45	SP	F	50-59	Z5112	ENCOUNTER FOR ANTINEOPLASTIC IMMUNOTHERAPY	10	4/18/2017	\$609	\$235,535	\$236,144



1	P	46	SP	F	40-49	R079	CHEST PAIN, UNSPECIFIED	10	3/8/2017	\$53,287	\$10,868	\$64,155
1	P	47	CH	M	1-17	K219	GASTRO-ESOPHAGEAL REFLUX DISEASE WITHOUT ESOPHAGITIS	10	12/29/2016	\$6,316	\$35,388	\$41,703
1	P	48	EE	F	50-59	M1611	UNILATERAL PRIMARY OSTEOARTHRITIS, RIGHT HIP	10	12/15/2016	\$150	\$28,575	\$28,726
1	P	49	EE	M	50-59	K353	ACUTE APPENDICITIS WITH LOCALIZED PERITONITIS	10	2/13/2017	\$0	\$44,515	\$44,515
1	P	50	EE	F	50-59	K529	NONINFECTIVE GASTROENTERITIS AND COLITIS, UNSPECIFIED	10	4/10/2017	\$1,674	\$23,115	\$24,788
1	P	50	EE	F	60-64	PH	PHARMACY	*	4/17/2017	\$496	\$0	\$496
<b>MEMBER ID Total</b>										<b>\$2,169</b>	<b>\$23,115</b>	<b>\$25,284</b>
1	P	51	SP	M	50-59	I639	CEREBRAL INFARCTION, UNSPECIFIED	10	4/18/2017	\$3,020	\$93,910	\$96,930
1	P	52	SP	F	40-49	K599	FUNCTIONAL INTESTINAL DISORDER, UNSPECIFIED	10	4/6/2017	\$47,975	\$219,187	\$267,162
1	P	53	CH	M	18-29	K352	ACUTE APPENDICITIS WITH GENERALIZED PERITONITIS	10	3/3/2017	\$254	\$37,993	\$38,247
1	P	54	SP	F	50-59	H539	UNSPECIFIED VISUAL DISTURBANCE	10	4/20/2017	\$17,490	\$65,075	\$82,565
<b>Grand Total</b>										<b>\$860,451</b>	<b>\$4,440,476</b>	<b>\$5,300,927</b>

## Vectrus Lives, Premium & Claims

4/25/2017

Paid Claims							
	500	720	760	770	790	797	Total
Month	Life	Vision	Evacuation	Dental	Medical	Rx	Med/Vis/Rx
2014-01		\$28,712	\$35,810	\$77,459	\$1,126,404	\$90,485	\$1,245,600.38
2014-02		\$19,478	\$83,022	\$99,206	\$923,060	\$90,931	\$1,033,469.41
2014-03		\$18,001-		\$87,602	\$1,209,580	\$85,212	\$1,312,792.57
2014-04		\$19,190	\$1,018	\$99,283	\$1,641,751	\$78,702	\$1,739,643.33
2014-05		\$17,716-		\$89,391	\$1,235,180	\$115,124	\$1,368,019.52
2014-06		\$12,330	\$1,446	\$76,029	\$1,582,651	\$107,602	\$1,702,582.41
2014-07		\$13,553	\$67,593	\$71,998	\$1,517,272	\$113,784	\$1,644,609.65
2014-08		\$13,473	\$174,112	\$78,673	\$1,151,921	\$97,370	\$1,262,763.82
2014-09		\$14,142	\$18,900	\$64,216	\$1,176,055	\$104,674	\$1,294,871.72
2014-10		\$12,350	\$1,099	\$63,074	\$1,051,655	\$95,248	\$1,159,253.07
2014-11		\$13,262	\$72,450	\$54,212	\$1,353,592	\$101,247	\$1,468,100.97
2014-12		\$11,174	\$7,825	\$55,766	\$1,530,975	\$91,383	\$1,633,532.94
2015-01		\$13,830	\$10,073	\$71,041	\$967,085	\$100,705	\$1,081,620.19
2015-02		\$7,495	\$3,359	\$68,326	\$1,180,156	\$90,914	\$1,278,564.55
2015-03		\$18,806	\$19,093	\$61,156	\$1,103,671	\$84,332	\$1,206,809.63
2015-04		\$15,649	\$2,031	\$85,232	\$854,783	\$76,664	\$947,096.50
2015-05		\$14,722	-\$75,090	\$53,284	\$904,422	\$66,345	\$985,489.18
2015-06		\$16,869-		\$65,260	\$1,224,204	\$94,397	\$1,335,469.86
2015-07		\$12,989-		\$75,621	\$767,359	\$72,913	\$853,261.37
2015-08		\$16,276	\$58,755	\$58,035	\$948,793	\$83,604	\$1,048,671.70
2015-09		\$12,598	\$6,224	\$53,849	\$1,051,269	\$83,903	\$1,147,770.25
2015-10		\$15,188	\$54,484	\$70,506	\$724,974	\$61,074	\$801,235.55
2015-11		\$13,451	\$74,742	\$43,511	\$1,225,753	\$94,136	\$1,333,340.36
2015-12		\$12,507	\$70,592	\$64,328	\$989,900	\$149,542	\$1,151,948.95
2016-01		\$21,579-		\$76,753	\$997,141	\$61,812	\$1,080,531.34
2016-02		\$12,433	\$44,101	\$65,225	\$1,047,528	\$71,194	\$1,131,155.01
2016-03		\$14,613	\$16,956	\$65,214	\$947,042	\$91,891	\$1,053,546.73
2016-04		\$11,561	\$122,003	\$69,347	\$683,836	\$64,624	\$760,022.01
2016-05		\$11,742-		\$57,160	\$847,719	\$45,198	\$904,660.06
2016-06		\$17,996-		\$60,452	\$765,330	\$85,862	\$869,187.98
2016-07		\$13,109-		\$61,624	\$1,096,528	\$59,832	\$1,169,469.61
2016-08		\$9,763-		\$50,378	\$1,010,097	\$36,171	\$1,056,030.42
2016-09		\$11,901-		\$47,455	\$1,007,347	\$13,785	\$1,033,032.71
2016-10	-	\$5,574-		\$41,240	\$1,040,739	\$51,529	\$1,097,842.16
2016-11	-	\$15,826-		\$45,584	\$1,260,182	\$34,995	\$1,311,002.25
2016-12	-	\$8,371-		\$42,979	\$938,046	\$65,662	\$1,012,078.33
2017-01	-	\$10,577-		\$63,101	\$765,026	\$43,067	\$818,669.92
2017-02	-	\$12,172	\$74,527	\$49,562	\$607,324	\$39,091	\$658,586.91
2017-03	-	\$10,504-		\$49,814	\$942,152	\$65,924	\$1,018,579.80



Paid Premium					
Month	Life	AD&D	Medical	Dental	Evacuation
2014-01	\$1,834	\$525	\$1,697,450	\$127,941	\$55,081
2014-02	\$1,820	\$522	\$1,686,492	\$126,819	\$51,518
2014-03	\$1,817	\$521	\$1,673,393	\$126,578	\$51,412
2014-04	\$1,845	\$529	\$1,645,583	\$123,984	\$44,957
2014-05	\$1,810	\$517	\$1,632,955	\$123,782	\$50,316
2014-06	\$1,803	\$515	\$1,626,279	\$123,042	\$51,223
2014-07	\$1,785	\$510	\$1,592,857	\$120,781	\$48,796
2014-08	\$1,757	\$502	\$1,561,782	\$117,642	\$48,676
2014-09	\$1,726	\$493	\$1,531,444	\$114,984	\$47,843
2014-10	\$1,719	\$491	\$1,482,152	\$111,785	\$46,428
2014-11	\$1,684	\$481	\$1,405,741	\$106,168	\$44,470
2014-12	\$1,694	\$484	\$1,364,059	\$103,290	\$43,274
2015-01	\$1,719	\$491	\$1,529,508	\$104,226	\$44,540
2015-02	\$1,701	\$486	\$1,613,353	\$108,219	\$46,720
2015-03	\$1,680	\$480	\$1,389,306	\$94,910	\$39,508
2015-04	\$1,684	\$481	\$1,504,388	\$102,171	\$44,320
2015-05	\$1,691	\$483	\$1,487,352	\$102,984	\$45,239
2015-06	\$1,694	\$484	\$1,502,649	\$102,135	\$44,707
2015-07	\$1,687	\$482	\$1,459,216	\$98,731	\$43,557
2015-08	\$1,659	\$474	\$1,434,730	\$97,367	\$42,808
2015-09	\$1,684	\$481	\$1,405,023	\$96,263	\$41,738
2015-10	\$1,682	\$485	\$1,447,774	\$99,227	\$42,426
2015-11	\$1,698	\$485	\$1,453,450	\$98,381	\$43,573
2015-12	\$1,694	\$484	\$1,430,066	\$97,102	\$43,475
2016-01	\$1,663	\$475	\$1,617,963	\$93,960	\$41,621
2016-02	\$1,698	\$485	\$1,639,218	\$94,748	\$41,972
2016-03	\$1,680	\$480	\$1,635,016	\$94,514	\$42,157
2016-04	\$1,694	\$484	\$1,615,609	\$94,610	\$42,370
2016-05	\$1,677	\$479	\$1,574,698	\$92,316	\$41,163
2016-06	\$1,684	\$481	\$1,600,987	\$94,153	\$41,825
2016-07	\$1,649	\$471	\$1,362,756	\$78,570	\$0
2016-08	\$1,635	\$467	\$1,308,023	\$77,366	\$35,931
2016-09	\$1,656	\$473	\$1,297,565	\$77,144	\$35,580
2016-10	\$1,684	\$481	\$1,311,412	\$76,996	\$35,788
2016-11	\$1,698	\$485	\$1,310,364	\$77,222	\$36,097
2016-12	\$1,708	\$488	\$1,306,175	\$76,623	\$36,136
2017-01	\$1,740	\$497	\$1,312,781	\$74,930	\$27,646
2017-02	\$1,782	\$509	\$1,345,269	\$76,705	\$27,136
2017-03	\$1,764	\$504	\$1,292,594	\$73,644	\$23,322





	Medical					Dental				
	EE	ES	EC	ESC	Total	EE	ES	EC	ESC	Total
2014-01	2,769	367	241	648	4,025	1,956	360	236	644	3,196
2014-02	2,737	361	239	639	3,976	1,936	354	235	635	3,160
2014-03	2,700	358	232	636	3,926	1,906	350	228	632	3,116
2014-04	2,655	358	225	617	3,855	1,877	349	221	613	3,060
2014-05	2,650	364	230	613	3,857	1,873	353	226	612	3,064
2014-06	2,628	364	223	612	3,827	1,860	356	219	610	3,045
2014-07	2,571	360	217	601	3,749	1,814	351	213	600	2,978
2014-08	2,535	354	211	585	3,685	1,798	342	207	584	2,931
2014-09	2,496	341	208	568	3,613	1,760	328	203	567	2,858
2014-10	2,447	331	201	552	3,531	1,716	318	197	552	2,783
2014-11	2,362	323	191	510	3,386	1,650	313	189	513	2,665
2014-12	2,327	313	186	504	3,330	1,617	303	183	506	2,609
2015-01	2,348	319	185	545	3,397	1,667	310	185	541	2,703
2015-02	2,364	312	184	543	3,403	1,677	304	183	540	2,704
2015-03	2,346	307	183	530	3,366	1,656	299	182	529	2,666
2015-04	2,382	299	184	515	3,380	1,649	292	183	517	2,641
2015-05	2,372	293	185	518	3,368	1,639	287	184	520	2,630
2015-06	2,381	288	181	516	3,366	1,637	283	180	517	2,617
2015-07	2,344	283	170	506	3,303	1,600	278	169	506	2,553
2015-08	2,333	272	162	505	3,272	1,589	269	161	505	2,524
2015-09	2,340	269	162	493	3,264	1,592	268	162	495	2,517
2015-10	2,352	275	168	492	3,287	1,591	273	167	495	2,526
2015-11	2,383	279	166	497	3,325	1,615	277	165	501	2,558
2015-12	2,381	280	164	494	3,319	1,610	277	162	497	2,546
2016-01	2,422	292	158	484	3,356	1,665	294	159	493	2,611
2016-02	2,467	295	157	493	3,412	1,691	294	157	501	2,643
2016-03	2,483	294	153	491	3,421	1,707	296	154	499	2,656
2016-04	2,469	289	151	483	3,392	1,702	291	153	493	2,639
2016-05	2,461	290	159	484	3,394	1,698	292	160	490	2,640
2016-06	2,507	282	161	469	3,419	1,725	285	162	477	2,649
2016-07	2,266	244	139	381	3,030	1,519	248	139	387	2,293
2016-08	2,239	245	139	369	2,992	1,489	249	139	375	2,252
2016-09	2,241	242	138	356	2,977	1,477	246	138	362	2,223
2016-10	2,314	243	152	349	3,058	1,525	248	152	354	2,279
2016-11	2,325	234	151	351	3,061	1,515	239	152	356	2,262
2016-12	2,332	237	146	356	3,071	1,517	241	147	360	2,265
2017-01	2,292	242	157	336	3,027	1,489	248	159	342	2,238
2017-02	2,289	239	150	330	3,008	1,480	243	151	336	2,210
2017-03	2,269	231	153	322	2,975	1,465	235	153	327	2,180

**VECTRUS SYSTEMS CORPORATION**  
**MEDICAL: CATASTROPHIC CLAIMANT ACTIVITY**

Period: From Apr 1, 2016 To Mar 31, 2017

SPECIFIC STOP LOSS AMOUNT: \$50,000

Relationship of Participant	Age	Paid Claims
DEPENDENT	0	\$335,376.33
MEMBER	74	\$324,615.11
DEPENDENT	23	\$218,693.60
DEPENDENT	43	\$159,101.57
DEPENDENT	14	\$148,190.09
DEPENDENT	35	\$141,626.04
MEMBER	50	\$122,971.83
DEPENDENT	62	\$116,284.23
MEMBER	70	\$100,580.17
MEMBER	52	\$99,568.26
DEPENDENT	33	\$92,158.40
DEPENDENT	55	\$91,972.84
DEPENDENT	6	\$89,469.35
DEPENDENT	21	\$70,846.41
DEPENDENT	34	\$70,329.29
DEPENDENT	59	\$64,946.43
MEMBER	48	\$64,919.93
DEPENDENT	61	\$63,677.51
DEPENDENT	13	\$59,503.10
DEPENDENT	35	\$58,392.56
DEPENDENT	60	\$57,806.53
DEPENDENT	22	\$57,783.66
MEMBER	52	\$54,428.87
DEPENDENT	29	\$51,992.19
MEMBER	35	\$51,853.66
MEMBER	32	\$51,487.45
<b>Total Amount</b>		<b>\$2,818,575.41</b>

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VECTRUS SYSTEMS CORPORATION

**MEDICAL: CATASTROPHIC CLAIMANT ACTIVITY**

Period: From Mar 1, 2015 To Feb 29, 2016

SPECIFIC STOP LOSS AMOUNT: 50000

<b>Relationship of Participant</b>	<b>Age</b>	<b>Paid Claims</b>
DEPENDENT	20	\$52,341.79
DEPENDENT	39	\$52,660.14
MEMBER	60	\$63,572.15
DEPENDENT	49	\$114,436.92
DEPENDENT	55	\$129,953.08
DEPENDENT	61	\$67,367.36
MEMBER	64	\$128,657.25
MEMBER	31	\$61,092.29
MEMBER	52	\$53,721.88
MEMBER	56	\$79,221.32
DEPENDENT	68	\$161,926.37
DEPENDENT	50	\$274,111.59
MEMBER	40	\$167,239.50
DEPENDENT	60	\$96,058.33
MEMBER	54	\$59,026.59
MEMBER	32	\$262,315.14
DEPENDENT	40	\$77,167.09
DEPENDENT	57	\$104,621.65
MEMBER	43	\$80,420.48
DEPENDENT	53	\$89,298.63
MEMBER	35	\$67,787.14
<b>Total Amount</b>		<b>\$2,242,996.69</b>

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VECTRUS SYSTEMS CORPORATION

**MEDICAL: CATASTROPHIC CLAIMANT ACTIVITY**

Period: From Jan 1, 2015 To Dec 31, 2015

SPECIFIC STOP LOSS AMOUNT: 50000

Relationship of Participant	Age	Paid Claims
DEPENDENT	50	\$314,583.01
MEMBER	32	\$279,860.49
MEMBER	40	\$264,190.00
MEMBER	63	\$198,810.09
DEPENDENT	18	\$151,404.24
MEMBER	64	\$134,994.14
DEPENDENT	55	\$129,953.08
DEPENDENT	49	\$115,373.75
MEMBER	54	\$108,164.29
DEPENDENT	57	\$104,926.49
DEPENDENT	40	\$83,704.65
MEMBER	43	\$80,485.08
MEMBER	34	\$67,240.16
DEPENDENT	61	\$66,592.57
MEMBER	60	\$64,501.03
DEPENDENT	1	\$63,980.48
MEMBER	34	\$57,398.79
MEMBER	30	\$53,399.47
MEMBER	52	\$52,230.12
DEPENDENT	20	\$51,727.96
DEPENDENT	60	\$51,653.59
<b>Total Amount</b>		<b>\$2,495,173.48</b>

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VECTRUS SYSTEMS CORPORATION

**MEDICAL: CATASTROPHIC CLAIMANT ACTIVITY**

Period: From Jan 1, 2014 To Dec 31, 2014

SPECIFIC STOP LOSS AMOUNT: 50000.00

Relationship of Participant	Age	Paid Claims
DEPENDENT	50	\$295,019.23
DEPENDENT	0	\$291,980.55
MEMBER	63	\$205,079.94
DEPENDENT	51	\$202,342.45
MEMBER	50	\$200,288.05
MEMBER	52	\$181,608.81
DEPENDENT	52	\$178,156.38
MEMBER	46	\$162,895.78
MEMBER	27	\$162,580.05
DEPENDENT	45	\$145,250.17
DEPENDENT	9	\$134,993.34
DEPENDENT	0	\$125,553.58
MEMBER	36	\$119,936.48
MEMBER	62	\$115,321.00
DEPENDENT	2	\$113,102.77
DEPENDENT	21	\$108,258.67
MEMBER	54	\$105,148.56
MEMBER	63	\$94,563.36
DEPENDENT	49	\$88,155.85
DEPENDENT	45	\$86,472.01
MEMBER	52	\$84,939.80
DEPENDENT	58	\$82,188.25
MEMBER	42	\$78,552.60
DEPENDENT	39	\$74,147.31
MEMBER	63	\$68,286.38
DEPENDENT	55	\$67,383.76
MEMBER	57	\$67,100.52
MEMBER	45	\$66,410.68
DEPENDENT	19	\$66,129.24
DEPENDENT	25	\$63,224.48
MEMBER	53	\$56,422.17
MEMBER	60	\$52,354.27
DEPENDENT	17	\$50,721.95

