

ATTACHMENT H: RENEWAL METHODOLOGY and GUARANTEE

Coverage _____

Please complete each section of the chart below. Explain as thoroughly as possible the methodology and guarantees that will apply to all renewals under the stated contract period, October 1, 2010 through September 31, 2013. Complete all items that are applicable to your pricing. Enter "N/A" in table for items that do not apply only. Assume the renewal must be completed and released by March 1st.

Summary Statement	(Please indicate the Desired Paid/Incurred Loss Ratio associated with each year's renewal.)
I. Claims Calculation	(Please indicate if using Paid or Incurred Claims information)
First Year – specify claim basis, claim lag assumption and the basis for the IBNR adjustment.	
Subsequent Years – include claim basis and a description of other adjustments.	

II. Trend Guarantees	
..... Medical
Prescription Drug	
Dental	
Vision	
III. Administrative Guarantees Include details on the calculation of administrative charges including the basis for the charge (per ee/per EOB, etc), margin, taxes, network access fees, utilization review, rx rebates or credits and other charges.	
IV. Individual Stop Loss Guarantees Detail the Stop Loss Level and the calculation for the SSL premium.	
V. Total Cost Guarantees	
VI. Additional Guarantees	