

EXHIBITS

Exhibit A

**Estimated Impact of Medicare Part D On Retiree Prescription Drug Costs Study
Medicare Eligibles Drug Cost Continuance Table By Annual Expected Claims Range In 2006**

Average Annual Claims	Percent of Members	Allowed Per Prescription			Utilization Per 1000			Annual Cost
		Generic	Brand F	Brand NF	Generic	Brand F	Brand NF	
\$ 0 to \$99	12.650%	\$16.03	\$37.45	\$42.10	250	50	10	\$0.80
\$100 to \$199	1.380%	\$17.72	\$42.24	\$47.55	4,247	1,578	296	\$2.15
\$200 to \$299	1.540%	\$18.70	\$45.38	\$51.18	5,734	2,780	496	\$3.98
\$300 to \$399	1.370%	\$19.51	\$48.15	\$54.42	7,202	4,036	682	\$5.10
\$400 to \$499	1.420%	\$20.11	\$50.30	\$56.95	8,300	4,995	993	\$6.74
\$500 to \$599	1.280%	\$20.62	\$52.18	\$59.16	9,313	5,887	1,283	\$7.36
\$600 to \$699	1.480%	\$21.09	\$53.98	\$61.29	10,320	6,782	1,576	\$10.07
\$700 to \$799	1.570%	\$21.48	\$55.48	\$63.07	11,188	7,561	1,832	\$12.17
\$800 to \$899	1.330%	\$21.89	\$57.10	\$65.00	12,147	8,432	2,121	\$11.77
\$900 to \$999	1.470%	\$22.25	\$58.55	\$66.74	13,029	9,239	2,390	\$14.56
\$1,000 to \$1,249	3.550%	\$22.73	\$60.53	\$69.11	14,239	10,360	2,767	\$40.54
\$1,250 to \$1,499	3.250%	\$23.34	\$63.09	\$72.18	15,859	11,880	3,282	\$44.08
\$1,500 to \$1,749	5.480%	\$23.98	\$65.88	\$75.55	17,659	13,595	3,869	\$88.31
\$1,750 to \$1,999	3.140%	\$24.58	\$68.54	\$78.75	19,433	15,309	4,461	\$58.98
\$2,000 to \$2,499	8.870%	\$25.34	\$72.00	\$82.95	21,733	17,566	5,249	\$199.65
\$2,500 to \$2,999	8.910%	\$26.24	\$76.18	\$88.04	24,617	20,444	6,264	\$245.44
\$3,000 to \$3,999	13.620%	\$27.36	\$81.59	\$94.66	28,374	24,271	7,632	\$473.83
\$4,000 to \$4,999	10.950%	\$27.64	\$84.89	\$98.91	34,016	29,955	9,650	\$485.93
\$5,000 to \$5,999	6.330%	\$29.72	\$93.61	\$109.45	37,038	33,369	10,947	\$343.27
\$6,000 to \$6,999	3.320%	\$30.86	\$99.65	\$116.92	41,465	38,151	12,720	\$218.07
\$7,000 to \$7,999	2.120%	\$31.73	\$104.43	\$122.87	44,983	42,008	14,164	\$160.16
\$8,000 to \$8,999	0.880%	\$32.47	\$108.53	\$127.98	48,034	45,392	15,440	\$74.47
\$9,000 to \$9,999	1.140%	\$33.12	\$112.23	\$132.59	50,759	48,443	16,597	\$106.23
\$10,000 to \$14,999	2.000%	\$34.73	\$121.60	\$144.36	57,547	56,170	19,557	\$233.03
\$15,000 to \$19,999	0.560%	\$37.57	\$138.81	\$166.04	70,474	71,248	25,421	\$93.85
\$20,000 to \$24,999	0.120%	\$40.57	\$157.93	\$190.28	84,835	88,536	32,275	\$28.28
\$25,000 or more	0.270%	\$47.01	\$205.73	\$253.52	111,886	123,081	46,486	\$114.39
Total	100.0%	\$28.26	\$89.43	\$106.67	23,005	19,756	6,248	\$3,083.22

Exhibit B

**Estimated Impact of Medicare Part D On Retiree Prescription Drug Costs Study
Sample Calculation For Plan 6 Average Claim Level**

	<u>2006</u>	<u>2021</u>
Option A - Subsidy option		
a. Expected cost pmpm for current plan	\$185.63	\$784.20
b. Expected subsidy payment pmpm	\$54.10	\$193.14
c. Cost change (- b / a)	-29%	-25%
Option B - Current plan coordinates with Medicare, sponsor pays Part D premium		
a. Expected cost pmpm for current plan	\$185.63	\$784.20
b. Expected cost pmpm after coordination	\$95.03	\$479.12
c. Expected Part D premium pmpm	\$32.20	\$95.28
d. New cost pmpm (b + c)	\$127.23	\$574.40
e. Cost change ((d - a)/ a)	-31%	-27%
Option C - Current plan coordinates with Medicare, retiree pays Part D premium		
a. Expected cost pmpm for current plan	\$185.63	\$784.20
b. Expected cost pmpm after coordination	\$95.03	\$479.12
c. Cost change ((b - a)/ a)	-49%	-39%
Option D - Sponsor drops current plan but pays Part D premium for retiree		
a. Expected cost pmpm for current plan	\$185.63	\$784.20
b. Expected Part D premium pmpm	\$32.20	\$95.28
c. Cost change ((b - a)/ a)	-83%	-88%

Exhibit C

Estimated Impact of Medicare Part D On Retiree Prescription Drug Costs Study Sample Calculation Of Cost Change For A \$15/\$40/\$80 Copay Plan - 2006 Values

Step 1: Choose plan(s) closest to plan to be modeled. The \$15/\$40/\$80 copay plan falls between modeled plans 10 and 11.

Step 2: Determine which cost level(s) to use (Average, High, or Low) from the tables.

Select Low, Average, and High Cost values from Table 5 for plans 10 and 11.

	<u>Low Cost</u>	<u>Average Cost</u>	<u>High Cost</u>
Plan 10	\$70.13	\$140.26	\$210.39
Plan 11	\$65.80	\$131.60	\$197.40
Average	\$67.97	\$135.93	\$203.90

If the expected pmpm cost for the sample plan is \$110.00, the expected cost change can be calculated using interpolation as shown in step 3.

Step 3. Calculating cost change in 2006 for the Subsidy option (Option A)

Table E.3 cost change values for Option A

	<u>Low Cost</u>	<u>Average Cost</u>
Plan 10	-37%	-36%
Plan 11	-39%	-38%
Average	-38%	-37%

The subsidy option cost change for the \$15/\$40/\$80 plan is approximately the average of the low cost and average cost (plan 10 and plan 11 average) savings, or 37.5%.

Exhibit D

Estimated Impact of Medicare Part D On Retiree Prescription Drug Costs Study Sample Calculation Of Cost Change For Selected Plan Sponsor Contribution Levels

Current Plan: \$10 Generic / \$20 Brand Formulary / \$40 Brand Non Formulary Copays
Estimated 2006 Plan Cost Pmpm: \$185.63 (Average Cost Level)

Calculate Sponsor Cost Change In 2006

Sponsor contribution as a percent of total costs	100%	70%	50%
a. Total plan cost pmpm	\$185.63	\$185.63	\$185.63
b. Sponsor cost pmpm for current plan	\$185.63	\$129.94	\$92.82
c. Carveout plan cost (sponsor portion)	\$95.03	\$66.52	\$47.52
d. Subsidy payment pmpm	\$54.10	\$54.10	\$54.10
e. Part D premium pmpm	\$32.20	\$32.20	\$32.20
Option A sponsor cost change (- d / b)	-29%	-42%	-58%
Option B cost change (c + e - b) / b	-31%	-24%	-14%
Option C cost change (c - b) / b	-49%	-49%	-49%
Option D cost change (e - b) / b	-83%	-75%	-65%

Exhibit E.1

**Estimated Impact of Medicare Part D on Retiree Prescription Drug Costs Study
Cost Change Due to the Presence of Medicare Part D**

		Employer Options - Average Cost Level				Employer Options - High Cost Level				Employer Options - Low Cost Level			
		A	B	C	D	A	B	C	D	A	B	C	D
<u>Year</u>													
Plan 1	2006	-22%	-22%	-35%	-88%	-19%	-17%	-25%	-92%	-24%	-26%	-51%	-75%
	2011	-22%	-23%	-34%	-88%	-19%	-17%	-25%	-92%	-24%	-27%	-51%	-77%
	2016	-22%	-23%	-34%	-89%	-18%	-17%	-24%	-93%	-24%	-28%	-50%	-78%
	2021	-22%	-23%	-33%	-90%	-18%	-17%	-24%	-93%	-23%	-29%	-50%	-79%
	2031	-21%	-24%	-33%	-91%	-18%	-18%	-24%	-94%	-23%	-30%	-49%	-81%
	2041	-21%	-24%	-33%	-92%	-18%	-18%	-24%	-94%	-23%	-32%	-49%	-83%
	2051	-21%	-25%	-33%	-92%	-18%	-18%	-23%	-95%	-23%	-33%	-48%	-85%
Plan 2	2006	-23%	-23%	-35%	-87%	-19%	-17%	-25%	-92%	-26%	-29%	-57%	-72%
	2011	-22%	-23%	-34%	-88%	-18%	-17%	-24%	-92%	-25%	-29%	-54%	-75%
	2016	-22%	-23%	-34%	-89%	-18%	-17%	-24%	-93%	-24%	-29%	-52%	-77%
	2021	-22%	-23%	-33%	-90%	-18%	-17%	-24%	-93%	-24%	-29%	-51%	-79%
	2031	-21%	-23%	-33%	-91%	-18%	-17%	-23%	-94%	-23%	-31%	-49%	-81%
	2041	-21%	-24%	-32%	-92%	-18%	-18%	-23%	-94%	-23%	-32%	-49%	-83%
	2051	-21%	-25%	-32%	-92%	-18%	-18%	-23%	-95%	-23%	-33%	-48%	-85%
Plan 3	2006	-24%	-25%	-39%	-86%	-21%	-19%	-29%	-91%	-26%	-28%	-56%	-72%
	2011	-24%	-24%	-37%	-87%	-20%	-19%	-27%	-91%	-25%	-29%	-54%	-74%
	2016	-23%	-24%	-36%	-88%	-20%	-18%	-26%	-92%	-25%	-29%	-53%	-76%
	2021	-23%	-24%	-35%	-89%	-19%	-18%	-25%	-93%	-24%	-30%	-52%	-78%
	2031	-22%	-24%	-34%	-90%	-18%	-18%	-24%	-94%	-24%	-31%	-50%	-81%
	2041	-22%	-25%	-33%	-91%	-18%	-18%	-24%	-94%	-23%	-32%	-50%	-83%
	2051	-21%	-25%	-33%	-92%	-18%	-19%	-24%	-95%	-23%	-34%	-49%	-85%
Plan 4	2006	-27%	-29%	-45%	-84%	-23%	-26%	-36%	-90%	-28%	-31%	-62%	-69%
	2011	-27%	-30%	-45%	-85%	-23%	-26%	-36%	-90%	-28%	-32%	-62%	-70%
	2016	-27%	-31%	-45%	-86%	-23%	-27%	-36%	-91%	-28%	-34%	-63%	-71%
	2021	-27%	-31%	-45%	-86%	-23%	-27%	-36%	-91%	-28%	-36%	-63%	-73%
	2031	-27%	-33%	-45%	-88%	-23%	-28%	-36%	-92%	-28%	-38%	-63%	-75%
	2041	-27%	-34%	-45%	-89%	-23%	-29%	-36%	-93%	-28%	-40%	-63%	-77%
	2051	-27%	-34%	-45%	-90%	-23%	-29%	-36%	-93%	-28%	-42%	-63%	-80%

Exhibit E.2

**Estimated Impact of Medicare Part D on Retiree Prescription Drug Costs Study
Cost Change Due to the Presence of Medicare Part D**

		Employer Options - Average Cost Level				Employer Options - High Cost Level				Employer Options - Low Cost Level			
		A	B	C	D	A	B	C	D	A	B	C	D
<u>Year</u>													
Plan 5	2006	-28%	-29%	-46%	-84%	-24%	-25%	-36%	-89%	-29%	-31%	-64%	-67%
	2011	-26%	-28%	-43%	-85%	-23%	-23%	-32%	-90%	-28%	-31%	-60%	-71%
	2016	-25%	-27%	-40%	-87%	-21%	-21%	-30%	-91%	-27%	-31%	-58%	-74%
	2021	-24%	-26%	-38%	-88%	-20%	-20%	-28%	-92%	-26%	-32%	-55%	-76%
	2031	-23%	-25%	-36%	-90%	-19%	-19%	-26%	-93%	-25%	-32%	-52%	-80%
	2041	-22%	-25%	-34%	-91%	-19%	-19%	-25%	-94%	-24%	-33%	-51%	-82%
	2051	-22%	-26%	-33%	-92%	-18%	-19%	-24%	-95%	-23%	-34%	-50%	-84%
Plan 6	2006	-29%	-31%	-49%	-83%	-25%	-27%	-39%	-88%	-30%	-32%	-67%	-65%
	2011	-27%	-29%	-45%	-85%	-23%	-24%	-34%	-90%	-29%	-32%	-62%	-70%
	2016	-26%	-28%	-41%	-87%	-22%	-22%	-31%	-91%	-27%	-32%	-59%	-73%
	2021	-25%	-27%	-39%	-88%	-21%	-21%	-29%	-92%	-26%	-32%	-57%	-76%
	2031	-23%	-26%	-36%	-90%	-20%	-19%	-26%	-93%	-25%	-33%	-53%	-79%
	2041	-22%	-26%	-35%	-91%	-19%	-19%	-25%	-94%	-24%	-33%	-51%	-82%
	2051	-22%	-26%	-34%	-92%	-18%	-19%	-24%	-95%	-24%	-34%	-50%	-84%
Plan 7	2006	-31%	-36%	-55%	-81%	-27%	-31%	-44%	-88%	-35%	-37%	-79%	-58%
	2011	-30%	-36%	-54%	-82%	-26%	-31%	-43%	-89%	-33%	-37%	-75%	-63%
	2016	-30%	-36%	-53%	-84%	-26%	-32%	-42%	-89%	-32%	-38%	-72%	-66%
	2021	-30%	-37%	-52%	-85%	-25%	-32%	-42%	-90%	-31%	-39%	-71%	-68%
	2031	-29%	-37%	-51%	-86%	-25%	-32%	-41%	-91%	-31%	-41%	-69%	-72%
	2041	-29%	-38%	-51%	-88%	-25%	-33%	-41%	-92%	-30%	-43%	-68%	-75%
	2051	-29%	-39%	-50%	-89%	-25%	-33%	-41%	-93%	-30%	-45%	-68%	-77%
Plan 8	2006	-31%	-34%	-53%	-81%	-27%	-32%	-44%	-87%	-32%	-34%	-72%	-62%
	2011	-29%	-32%	-48%	-84%	-25%	-28%	-39%	-89%	-30%	-34%	-66%	-67%
	2016	-27%	-30%	-44%	-86%	-23%	-24%	-34%	-90%	-28%	-33%	-62%	-71%
	2021	-26%	-28%	-41%	-87%	-22%	-22%	-31%	-91%	-27%	-33%	-59%	-74%
	2031	-24%	-27%	-37%	-89%	-20%	-20%	-27%	-93%	-25%	-33%	-54%	-79%
	2041	-23%	-26%	-35%	-91%	-19%	-19%	-25%	-94%	-24%	-34%	-52%	-82%
	2051	-22%	-26%	-34%	-92%	-18%	-19%	-24%	-95%	-24%	-34%	-50%	-84%

Exhibit E.3

**Estimated Impact of Medicare Part D on Retiree Prescription Drug Costs Study
Cost Change Due to the Presence of Medicare Part D**

		Employer Options - Average Cost Level				Employer Options - High Cost Level				Employer Options - Low Cost Level			
		A	B	C	D	A	B	C	D	A	B	C	D
<u>Year</u>													
Plan 9	2006	-33%	-35%	-55%	-80%	-29%	-34%	-47%	-87%	-34%	-35%	-75%	-60%
	2011	-30%	-34%	-51%	-83%	-26%	-29%	-41%	-89%	-31%	-34%	-69%	-66%
	2016	-28%	-31%	-46%	-85%	-24%	-26%	-36%	-90%	-29%	-34%	-64%	-70%
	2021	-26%	-29%	-42%	-87%	-22%	-23%	-32%	-91%	-28%	-34%	-60%	-74%
	2031	-24%	-27%	-38%	-89%	-20%	-20%	-27%	-93%	-26%	-34%	-55%	-79%
	2041	-23%	-26%	-35%	-91%	-19%	-20%	-26%	-94%	-24%	-34%	-52%	-82%
	2051	-22%	-26%	-34%	-92%	-19%	-19%	-25%	-95%	-24%	-35%	-51%	-84%
Plan 10	2006	-36%	-39%	-62%	-77%	-32%	-41%	-56%	-85%	-37%	-34%	-80%	-54%
	2011	-33%	-36%	-55%	-81%	-29%	-34%	-47%	-87%	-34%	-37%	-75%	-62%
	2016	-30%	-35%	-51%	-84%	-26%	-30%	-41%	-89%	-31%	-36%	-69%	-67%
	2021	-28%	-31%	-46%	-86%	-24%	-26%	-36%	-91%	-29%	-35%	-64%	-72%
	2031	-25%	-28%	-40%	-89%	-21%	-22%	-29%	-92%	-26%	-35%	-57%	-77%
	2041	-23%	-27%	-36%	-91%	-20%	-20%	-26%	-94%	-25%	-35%	-53%	-81%
	2051	-22%	-26%	-35%	-92%	-19%	-20%	-25%	-95%	-24%	-35%	-51%	-84%
Plan 11	2006	-38%	-40%	-64%	-76%	-34%	-42%	-59%	-84%	-39%	-32%	-81%	-51%
	2011	-34%	-38%	-58%	-80%	-30%	-35%	-49%	-87%	-35%	-37%	-77%	-60%
	2016	-31%	-35%	-52%	-83%	-27%	-31%	-42%	-89%	-32%	-37%	-71%	-66%
	2021	-28%	-32%	-47%	-86%	-24%	-27%	-36%	-90%	-30%	-36%	-65%	-71%
	2031	-25%	-29%	-40%	-89%	-21%	-22%	-30%	-92%	-27%	-35%	-58%	-77%
	2041	-23%	-27%	-37%	-91%	-20%	-20%	-27%	-94%	-25%	-35%	-54%	-81%
	2051	-22%	-27%	-35%	-92%	-19%	-20%	-25%	-95%	-24%	-35%	-51%	-84%
Plan 12	2006	-41%	-41%	-68%	-73%	-36%	-47%	-65%	-82%	-41%	-29%	-82%	-47%
	2011	-36%	-40%	-61%	-78%	-32%	-40%	-54%	-86%	-37%	-35%	-79%	-57%
	2016	-32%	-37%	-55%	-82%	-28%	-34%	-46%	-88%	-33%	-38%	-74%	-64%
	2021	-29%	-34%	-50%	-85%	-26%	-29%	-40%	-90%	-31%	-37%	-68%	-69%
	2031	-26%	-29%	-41%	-88%	-22%	-23%	-31%	-92%	-27%	-36%	-59%	-76%
	2041	-24%	-28%	-37%	-90%	-20%	-21%	-27%	-94%	-25%	-35%	-55%	-81%
	2051	-23%	-27%	-35%	-92%	-19%	-20%	-26%	-94%	-24%	-35%	-52%	-83%

Exhibit F.1

Estimated Impact of Medicare Part D on Retiree Prescription Drug Costs Study
Estimated Monthly Costs

		Employer Options - Average Cost Level				Employer Options - High Cost Level				Employer Options - Low Cost Level			
		Current Plan	Carveout Plan	Subsidy Payment	Part D Premium	Current Plan	Carveout Plan	Subsidy Payment	Part D Premium	Current Plan	Carveout Plan	Subsidy Payment	Part D Premium
	Year												
Plan 1	2006	\$259.94	\$169.99	\$58.26	\$32.20	\$389.92	\$292.43	\$73.55	\$32.20	\$129.97	\$63.43	\$31.33	\$32.20
	2011	\$395.93	\$260.28	\$87.54	\$46.23	\$593.89	\$446.80	\$110.56	\$46.23	\$197.96	\$97.86	\$47.04	\$46.23
	2016	\$606.64	\$401.71	\$132.64	\$66.37	\$909.96	\$688.00	\$167.02	\$66.37	\$303.32	\$151.37	\$71.58	\$66.37
	2021	\$919.36	\$611.59	\$199.45	\$95.28	\$1,379.03	\$1,045.75	\$251.11	\$95.28	\$459.68	\$231.31	\$107.67	\$95.28
	2031	\$2,119.56	\$1,422.10	\$453.89	\$196.37	\$3,179.34	\$2,424.87	\$570.11	\$196.37	\$1,059.78	\$540.20	\$245.82	\$196.37
	2041	\$4,824.02	\$3,247.64	\$1,026.31	\$404.72	\$7,236.03	\$5,530.82	\$1,289.22	\$404.72	\$2,412.01	\$1,237.54	\$555.78	\$404.72
	2051	\$10,951.07	\$7,388.12	\$2,320.18	\$834.14	\$16,426.61	\$12,572.50	\$2,914.61	\$834.14	\$5,475.54	\$2,821.03	\$1,256.34	\$834.14
Plan 2	2006	\$253.92	\$164.17	\$57.88	\$32.20	\$393.85	\$296.36	\$73.55	\$32.20	\$114.57	\$49.64	\$30.19	\$32.20
	2011	\$394.86	\$259.21	\$87.54	\$46.23	\$607.29	\$460.02	\$110.98	\$46.23	\$184.60	\$85.68	\$46.18	\$46.23
	2016	\$608.82	\$403.89	\$132.64	\$66.37	\$923.08	\$701.11	\$167.02	\$66.37	\$289.54	\$139.33	\$70.29	\$66.37
	2021	\$925.38	\$617.61	\$199.45	\$95.28	\$1,410.06	\$1,076.37	\$252.05	\$95.28	\$448.91	\$221.85	\$106.70	\$95.28
	2031	\$2,135.68	\$1,438.23	\$453.89	\$196.37	\$3,213.64	\$2,459.16	\$570.11	\$196.37	\$1,057.81	\$538.23	\$245.82	\$196.37
	2041	\$4,854.25	\$3,277.86	\$1,026.31	\$404.72	\$7,291.48	\$5,586.28	\$1,289.22	\$404.72	\$2,417.01	\$1,242.54	\$555.78	\$404.72
	2051	\$11,000.88	\$7,437.92	\$2,320.18	\$834.14	\$16,511.43	\$12,657.31	\$2,914.61	\$834.14	\$5,490.33	\$2,835.82	\$1,256.34	\$834.14
Plan 3	2006	\$231.73	\$142.37	\$56.76	\$32.20	\$347.60	\$248.23	\$72.38	\$32.20	\$115.87	\$50.93	\$30.19	\$32.20
	2011	\$362.34	\$227.63	\$85.85	\$46.23	\$543.51	\$396.46	\$109.24	\$46.23	\$181.17	\$82.87	\$45.75	\$46.23
	2016	\$563.09	\$359.52	\$130.13	\$66.37	\$844.64	\$622.70	\$165.09	\$66.37	\$281.55	\$132.24	\$69.65	\$66.37
	2021	\$870.21	\$563.79	\$196.96	\$95.28	\$1,305.31	\$972.85	\$249.21	\$95.28	\$435.10	\$209.35	\$105.73	\$95.28
	2031	\$2,054.21	\$1,358.27	\$451.16	\$196.37	\$3,081.31	\$2,327.76	\$567.98	\$196.37	\$1,027.10	\$510.48	\$243.63	\$196.37
	2041	\$4,717.05	\$3,144.11	\$1,020.14	\$404.72	\$7,075.58	\$5,372.48	\$1,284.39	\$404.72	\$2,358.53	\$1,190.74	\$550.82	\$404.72
	2051	\$10,859.46	\$7,296.51	\$2,320.18	\$834.14	\$16,289.20	\$12,435.08	\$2,914.61	\$834.14	\$5,429.73	\$2,775.22	\$1,256.34	\$834.14
Plan 4	2006	\$206.99	\$114.47	\$55.58	\$32.20	\$310.48	\$198.99	\$71.44	\$32.20	\$103.49	\$38.85	\$29.33	\$32.20
	2011	\$307.71	\$168.75	\$82.79	\$46.23	\$466.86	\$298.73	\$107.39	\$46.23	\$153.86	\$57.74	\$43.50	\$46.23
	2016	\$462.70	\$253.22	\$124.69	\$66.37	\$701.99	\$448.68	\$161.63	\$66.37	\$231.35	\$86.26	\$65.62	\$66.37
	2021	\$703.70	\$387.93	\$189.14	\$95.28	\$1,055.84	\$675.12	\$243.01	\$95.28	\$351.85	\$131.30	\$99.89	\$95.28
	2031	\$1,592.76	\$878.71	\$427.84	\$196.37	\$2,390.42	\$1,528.58	\$549.66	\$196.37	\$795.53	\$296.55	\$226.03	\$196.37
	2041	\$3,608.29	\$1,994.37	\$967.40	\$404.72	\$5,425.73	\$3,477.76	\$1,242.95	\$404.72	\$1,800.94	\$673.00	\$511.03	\$404.72
	2051	\$8,211.53	\$4,722.72	\$2,186.97	\$834.14	\$12,427.13	\$8,619.79	\$2,810.01	\$834.14	\$4,081.85	\$1,570.24	\$1,155.15	\$834.14

Exhibit F.2

Estimated Impact of Medicare Part D on Retiree Prescription Drug Costs Study
Estimated Monthly Costs

		Average Cost Level				High Cost Level				Low Cost Level			
		Current Plan	Carveout Plan	Subsidy Payment	Part D Premium	Current Plan	Carveout Plan	Subsidy Payment	Part D Premium	Current Plan	Carveout Plan	Subsidy Payment	Part D Premium
	Year												
Plan 5	2006	\$195.26	\$105.49	\$54.61	\$32.20	\$292.89	\$187.99	\$70.64	\$32.20	\$97.63	\$34.90	\$28.63	\$32.20
	2011	\$317.64	\$181.90	\$83.52	\$46.23	\$476.47	\$321.67	\$107.39	\$46.23	\$158.82	\$63.05	\$44.02	\$46.23
	2016	\$508.84	\$306.20	\$127.57	\$66.37	\$763.25	\$536.45	\$163.05	\$66.37	\$254.42	\$107.95	\$67.71	\$66.37
	2021	\$807.09	\$501.26	\$194.41	\$95.28	\$1,210.64	\$870.84	\$247.20	\$95.28	\$403.55	\$180.56	\$103.79	\$95.28
	2031	\$1,948.97	\$1,256.08	\$445.52	\$196.37	\$2,923.45	\$2,168.88	\$563.67	\$196.37	\$974.48	\$463.77	\$239.24	\$196.37
	2041	\$4,576.99	\$3,007.49	\$1,013.90	\$404.72	\$6,865.48	\$5,164.49	\$1,279.57	\$404.72	\$2,288.49	\$1,127.39	\$545.87	\$404.72
	2051	\$10,626.61	\$7,071.45	\$2,306.23	\$834.14	\$15,939.92	\$12,090.57	\$2,903.69	\$834.14	\$5,313.31	\$2,673.91	\$1,245.13	\$834.14
Plan 6	2006	\$185.63	\$95.03	\$54.10	\$32.20	\$278.44	\$170.44	\$70.24	\$32.20	\$92.81	\$30.63	\$28.27	\$32.20
	2011	\$304.21	\$168.41	\$82.79	\$46.23	\$456.31	\$301.87	\$106.79	\$46.23	\$152.10	\$57.15	\$43.50	\$46.23
	2016	\$491.66	\$289.52	\$126.68	\$66.37	\$737.49	\$507.00	\$162.34	\$66.37	\$245.83	\$100.30	\$67.06	\$66.37
	2021	\$784.20	\$479.12	\$193.14	\$95.28	\$1,176.30	\$835.18	\$246.19	\$95.28	\$392.10	\$170.53	\$102.82	\$95.28
	2031	\$1,908.81	\$1,217.46	\$442.64	\$196.37	\$2,863.21	\$2,109.73	\$561.40	\$196.37	\$954.40	\$446.70	\$237.05	\$196.37
	2041	\$4,544.59	\$2,975.09	\$1,013.90	\$404.72	\$6,816.88	\$5,115.89	\$1,279.57	\$404.72	\$2,272.29	\$1,111.19	\$545.87	\$404.72
	2051	\$10,581.25	\$7,026.08	\$2,306.23	\$834.14	\$15,871.87	\$12,022.52	\$2,903.69	\$834.14	\$5,290.62	\$2,651.23	\$1,245.13	\$834.14
Plan 7	2006	\$168.45	\$75.08	\$52.67	\$32.20	\$261.58	\$147.34	\$69.39	\$32.20	\$76.52	\$16.09	\$26.69	\$32.20
	2011	\$262.24	\$121.02	\$79.78	\$46.23	\$404.63	\$231.74	\$104.94	\$46.23	\$123.56	\$31.27	\$40.94	\$46.23
	2016	\$405.65	\$191.85	\$121.30	\$66.37	\$615.03	\$354.55	\$157.96	\$66.37	\$194.00	\$53.59	\$62.43	\$66.37
	2021	\$616.56	\$295.43	\$182.40	\$95.28	\$943.40	\$549.78	\$238.93	\$95.28	\$298.14	\$87.08	\$93.91	\$95.28
	2031	\$1,430.11	\$699.31	\$416.47	\$196.37	\$2,154.18	\$1,262.58	\$540.43	\$196.37	\$698.88	\$216.87	\$215.22	\$196.37
	2041	\$3,263.08	\$1,611.29	\$941.68	\$404.72	\$4,921.51	\$2,906.25	\$1,222.07	\$404.72	\$1,618.80	\$519.54	\$492.74	\$404.72
	2051	\$7,575.16	\$4,109.22	\$2,148.56	\$834.14	\$11,563.84	\$7,770.51	\$2,778.65	\$834.14	\$3,694.78	\$1,246.72	\$1,113.80	\$834.14
Plan 8	2006	\$168.07	\$78.26	\$52.67	\$32.20	\$252.11	\$140.37	\$69.03	\$32.20	\$84.04	\$23.44	\$27.28	\$32.20
	2011	\$282.14	\$145.56	\$81.29	\$46.23	\$423.21	\$260.20	\$105.58	\$46.23	\$141.07	\$47.56	\$42.44	\$46.23
	2016	\$462.11	\$257.38	\$124.69	\$66.37	\$693.16	\$460.43	\$160.73	\$66.37	\$231.05	\$87.72	\$65.62	\$66.37
	2021	\$744.78	\$441.20	\$190.49	\$95.28	\$1,117.17	\$771.06	\$244.07	\$95.28	\$372.39	\$153.66	\$100.87	\$95.28
	2031	\$1,854.30	\$1,162.73	\$439.76	\$196.37	\$2,781.45	\$2,029.05	\$559.13	\$196.37	\$927.15	\$422.66	\$234.86	\$196.37
	2041	\$4,449.30	\$2,883.25	\$1,007.39	\$404.72	\$6,673.95	\$4,975.07	\$1,274.65	\$404.72	\$2,224.65	\$1,070.24	\$540.91	\$404.72
	2051	\$10,500.26	\$6,945.10	\$2,306.23	\$834.14	\$15,750.40	\$11,901.05	\$2,903.69	\$834.14	\$5,250.13	\$2,610.74	\$1,245.13	\$834.14

Exhibit F.3

Estimated Impact of Medicare Part D on Retiree Prescription Drug Costs Study
Estimated Monthly Costs

		Average Cost Level				High Cost Level				Low Cost Level			
		Current Plan	Carveout Plan	Subsidy Payment	Part D Premium	Current Plan	Carveout Plan	Subsidy Payment	Part D Premium	Current Plan	Carveout Plan	Subsidy Payment	Part D Premium
	Year												
Plan 9	2006	\$159.34	\$71.32	\$52.25	\$32.20	\$239.01	\$125.62	\$68.67	\$32.20	\$79.67	\$19.55	\$26.98	\$32.20
	2011	\$269.33	\$131.91	\$80.54	\$46.23	\$403.99	\$240.19	\$104.94	\$46.23	\$134.66	\$41.99	\$41.91	\$46.23
	2016	\$444.70	\$240.68	\$123.57	\$66.37	\$667.05	\$428.67	\$159.83	\$66.37	\$222.35	\$79.97	\$64.83	\$66.37
	2021	\$729.43	\$421.30	\$190.49	\$95.28	\$1,094.15	\$743.21	\$244.07	\$95.28	\$364.72	\$145.99	\$100.87	\$95.28
	2031	\$1,831.57	\$1,140.01	\$439.76	\$196.37	\$2,747.35	\$1,994.96	\$559.13	\$196.37	\$915.78	\$411.30	\$234.86	\$196.37
	2041	\$4,417.19	\$2,851.13	\$1,007.39	\$404.72	\$6,625.78	\$4,920.35	\$1,274.65	\$404.72	\$2,208.59	\$1,054.18	\$540.91	\$404.72
	2051	\$10,364.09	\$6,816.70	\$2,292.12	\$834.14	\$15,546.13	\$11,701.55	\$2,892.78	\$834.14	\$5,182.04	\$2,557.76	\$1,233.92	\$834.14
Plan 10	2006	\$140.26	\$53.87	\$50.96	\$32.20	\$210.39	\$92.84	\$67.53	\$32.20	\$70.13	\$14.18	\$26.09	\$32.20
	2011	\$240.19	\$107.25	\$78.50	\$46.23	\$360.29	\$191.85	\$103.21	\$46.23	\$120.10	\$29.70	\$40.50	\$46.23
	2016	\$406.32	\$199.17	\$121.30	\$66.37	\$609.48	\$362.48	\$157.96	\$66.37	\$203.16	\$63.26	\$63.23	\$66.37
	2021	\$670.38	\$363.96	\$185.82	\$95.28	\$1,005.56	\$647.58	\$240.30	\$95.28	\$335.19	\$121.17	\$97.51	\$95.28
	2031	\$1,740.78	\$1,052.61	\$433.94	\$196.37	\$2,611.18	\$1,841.17	\$554.47	\$196.37	\$870.39	\$372.34	\$230.46	\$196.37
	2041	\$4,291.84	\$2,729.26	\$1,000.87	\$404.72	\$6,437.76	\$4,734.77	\$1,269.51	\$404.72	\$2,145.92	\$998.27	\$535.95	\$404.72
	2051	\$10,240.49	\$6,693.11	\$2,292.12	\$834.14	\$15,360.74	\$11,516.15	\$2,892.78	\$834.14	\$5,120.25	\$2,495.96	\$1,233.92	\$834.14
Plan 11	2006	\$131.60	\$47.23	\$50.08	\$32.20	\$197.40	\$81.49	\$66.74	\$32.20	\$65.80	\$12.60	\$25.50	\$32.20
	2011	\$229.99	\$97.19	\$77.86	\$46.23	\$344.99	\$176.39	\$102.66	\$46.23	\$115.00	\$26.48	\$40.05	\$46.23
	2016	\$391.55	\$186.20	\$120.15	\$66.37	\$587.32	\$340.10	\$157.00	\$66.37	\$195.77	\$57.17	\$62.43	\$66.37
	2021	\$658.12	\$351.70	\$185.82	\$95.28	\$987.17	\$629.19	\$240.30	\$95.28	\$329.06	\$115.04	\$97.51	\$95.28
	2031	\$1,720.64	\$1,032.47	\$433.94	\$196.37	\$2,580.96	\$1,810.95	\$554.47	\$196.37	\$860.32	\$362.26	\$230.46	\$196.37
	2041	\$4,260.75	\$2,698.17	\$1,000.87	\$404.72	\$6,391.13	\$4,688.14	\$1,269.51	\$404.72	\$2,130.38	\$982.73	\$535.95	\$404.72
	2051	\$10,197.48	\$6,650.10	\$2,292.12	\$834.14	\$15,296.22	\$11,451.64	\$2,892.78	\$834.14	\$5,098.74	\$2,474.46	\$1,233.92	\$834.14
Plan 12	2006	\$121.45	\$38.88	\$49.63	\$32.20	\$182.17	\$63.64	\$66.34	\$32.20	\$60.72	\$10.74	\$25.20	\$32.20
	2011	\$213.25	\$82.52	\$76.55	\$46.23	\$319.87	\$145.64	\$101.50	\$46.23	\$106.62	\$22.64	\$39.16	\$46.23
	2016	\$366.83	\$165.65	\$118.23	\$66.37	\$550.24	\$299.25	\$155.36	\$66.37	\$183.41	\$46.94	\$61.10	\$66.37
	2021	\$618.52	\$310.42	\$182.40	\$95.28	\$927.78	\$560.68	\$237.49	\$95.28	\$309.26	\$98.95	\$95.11	\$95.28
	2031	\$1,667.92	\$981.45	\$430.89	\$196.37	\$2,501.88	\$1,719.34	\$552.07	\$196.37	\$833.96	\$339.11	\$228.24	\$196.37
	2041	\$4,170.39	\$2,607.32	\$994.36	\$404.72	\$6,255.58	\$4,555.06	\$1,264.38	\$404.72	\$2,085.19	\$944.83	\$530.99	\$404.72
	2051	\$10,030.95	\$6,491.35	\$2,277.39	\$834.14	\$15,046.42	\$11,206.60	\$2,881.67	\$834.14	\$5,015.47	\$2,406.31	\$1,222.70	\$834.14

APPENDICES

Appendix A

**Estimated Impact of Medicare Part D on Retiree Prescription Drug Costs Study
Ratio of Employer Plan Net Costs to Gross Costs**

Plan 1	<u>Year</u>		Plan 4	<u>Year</u>		Plan 7	<u>Year</u>		Plan 10	<u>Year</u>	
	2006	94%		2006	80%		2006	70%		2006	60%
	2011	96%		2011	80%		2011	71%		2011	67%
	2016	96%		2016	80%		2016	73%		2016	73%
	2021	97%		2021	80%		2021	73%		2021	78%
	2031	98%		2031	80%		2031	74%		2031	86%
	2041	99%		2041	80%		2041	75%		2041	91%
	2051	99%		2051	80%		2051	75%		2051	95%
Plan 2	2006	93%	Plan 5	2006	77%	Plan 8	2006	70%	Plan 11	2006	58%
	2011	95%		2011	82%		2011	75%		2011	65%
	2016	97%		2016	85%		2016	80%		2016	71%
	2021	98%		2021	88%		2021	84%		2021	77%
	2031	99%		2031	93%		2031	90%		2031	85%
	2041	100%		2041	96%		2041	94%		2041	91%
	2051	100%		2051	97%		2051	96%		2051	94%
Plan 3	2006	87%	Plan 6	2006	74%	Plan 9	2006	67%	Plan 12	2006	54%
	2011	90%		2011	79%		2011	73%		2011	61%
	2016	92%		2016	83%		2016	78%		2016	68%
	2021	94%		2021	87%		2021	82%		2021	74%
	2031	96%		2031	92%		2031	89%		2031	83%
	2041	98%		2041	95%		2041	93%		2041	89%
	2051	99%		2051	97%		2051	96%		2051	93%

Plan	Plan Description
1	\$2 Generic / \$5 Brand Formulary / \$5 Brand Non-Formulary Copays
2	\$250 deductible, 100% coinsurance
3	\$5 Generic / \$10 Brand Formulary / \$15 Brand Non-Formulary Copays
4	\$0 deductible, 80% plan coinsurance
5	\$5 Generic / \$20 Brand Formulary / \$40 Brand Non-Formulary Copays
6	\$10 Generic / \$20 Brand Formulary / \$40 Brand Non-Formulary Copays
7	\$250 deductible, 75% plan coinsurance
8	\$5 Generic / \$30 Brand Formulary / \$60 Brand Non-Formulary Copays
9	\$10 Generic / \$30 Brand Formulary / \$60 Brand Non-Formulary Copays
10	\$10 Generic / \$40 Brand Formulary / \$80 Brand Non-Formulary Copays
11	\$20 Generic / \$40 Brand Formulary / \$60 Brand Non-Formulary Copays
12	\$15 Generic / \$50 Brand Formulary / \$100 Brand Non-Formulary Copays

Appendix B

**Estimated Impact of Medicare Part D on Retiree Prescription Drug Costs Study
Part D Standard Plan Estimated Costs**

<u>Year</u>	Cost Level		
	Average	High	Low
2006	\$112	\$171	\$60
2011	\$175	\$270	\$95
2016	\$271	\$422	\$147
2021	\$419	\$660	\$228
2031	\$1,000	\$1,607	\$543
2041	\$2,348	\$3,813	\$1,269
2051	\$5,409	\$8,828	\$2,915