

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

<b>APPLICATION OF KENTUCKY UTILITIES</b>	)	
<b>COMPANY FOR AN ADJUSTMENT OF ITS</b>	)	<b>CASE NO.</b>
<b>ELECTRIC RATES AND FOR CERTIFICATES</b>	)	<b>2016-00370</b>
<b>OF PUBLIC CONVENIENCE AND NECESSITY</b>	)	

**RESPONSE OF**  
**KENTUCKY UTILITIES COMPANY**  
**TO**  
**COMMISSION STAFF'S SIXTH REQUEST FOR INFORMATION**  
**DATED MAY 2, 2017**

**FILED: MAY 5, 2017**

VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF JEFFERSON )

The undersigned, **Gregory J. Meiman**, being duly sworn, deposes and says that he is Vice President, Human Resources for Louisville Gas and Electric Company and Kentucky Utilities Company, an employee of LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

  
Gregory J. Meiman

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 3<sup>rd</sup> day of May 2017.

 (SEAL)  
Notary Public

My Commission Expires:  
**JUDY SCHOOLER**  
**Notary Public, State at Large, KY**  
**My commission expires July 11, 2018**  
~~Notary ID # 512743~~

**KENTUCKY UTILITIES COMPANY**

**CASE NO. 2016-00370**

**Response to Commission Staff's Sixth Request for Information**

**Dated May 2, 2017**

**Question No. 1**

**Responding Witness: Gregory J. Meiman**

Q-1. Refer to KU/LG&E's response to Commission Staff's Fourth Request for Information ("Staff's Fourth Request"), Item 1, Attachment 1, page 3 of 5.

- a. For the forecasted test year, provide the amount of healthcare/medical insurance expense KU/LG&E would have incurred, assuming the total cost equals the premium for each level of coverage plus the deductible, and that for single coverage the employee would pay 21 percent of the total cost, and for all other types of coverage the employee would pay 32 percent of the total cost, compared to the amount of health/medical insurance expense included in the test year. The amount should be calculated as follows:  $\text{Total Healthcare/Medical Cost} = \text{Company paid portion of premium} + \text{Employee Contribution to premium} + \text{Employee Deductibles}$ . The response should include all parts of this equation.
- b. Using the same assumptions as in Item 1.a. above, provide the amount that KU/LG&E would have incurred in the forecasted test year, sub-totaled by employee class, i.e., Executive, Exempt, Non-Exempt, etc., if only the non-union employees were required to pay for coverage based on the percentages listed in Item a. above compared to the amount of health/medical insurance expense included in the test year.
- c. For the forecasted test year, provide the amount of dental insurance expense LG&E/KU would have incurred, assuming the total cost equals the premium for each level of coverage plus the deductible, and that for single coverage the employee would pay 21 percent of the total cost, and for all other types of coverage the employee would pay 32 percent of the total cost, compared to the amount of dental insurance expense included in the test year. The amount should be calculated as  $\text{Total Dental Cost} = \text{Company-paid portion of premium} + \text{Employee Contribution to premium} + \text{Employee Deductibles}$ . The response should include all parts of this equation.
- d. Using the same assumptions as in Item c. above, provide the amount of dental insurance expense that KU/LG&E would have incurred in the forecasted test year, sub-totaled by employee class, i.e., Executive, Exempt, Non-Exempt, etc.,

if only the non-union employees were required to pay for coverage based on the percentages listed in Item c. above compared to the amount of dental insurance expense included in the test year.

- e. For the forecasted test year, provide the amount of long-term disability expense KU/LG&E would have incurred, assuming the total cost equals the premium for each level of coverage and if employees are required to contribute to the plan cost.
- f. Provide the number of all employees with life insurance coverage over \$50,000 and the total cost of the life insurance paid by KU/LG&E for coverage above the \$50,000 threshold for all such employees.
- g. Provide the maximum level of life insurance coverage that KU/LG&E pay for its employees.
- h. Confirm that KU/LG&E does not provide company-paid life insurance coverage in excess of \$50,000 for union employees.

A-1.

- a-b. The Company cannot provide the calculation for the forecasted test year as requested, because it cannot reasonably estimate future employee costs. The Company does not know which plans employees will select nor the medical costs they will incur. Attachment 1 provides the calculation using 2016 actual medical data, which is available. Using the formula provided in Staff's question to part a, in 2016, employees paid 22% for single coverage and 26% for all other types of coverage.

Attachment 2 provides additional 2016 medical data for the Plan. This data provides a more accurate picture of the actual employee expense for that year, because it includes all amounts actually paid by employees. As illustrated in the attachment, employees paid 30% for single coverage and 28% for all other types of coverage, utilizing actual deductible, co-pays, co-insurance and other fees, averaged based on the number of participants.

As noted in PSC 4-1, the amount of medical expense included in the Companies' forecasted test period is \$38,895,930. As shown in Attachment 2, if updated for actual 2016 data, the revised estimate would have been \$39,946,724.

Based on the information above and the Mercer studies provided in Tab 60 of the Filing Requirement, Section 16(8)(g), the Company believes its medical plans represent market and will continue to annually benchmark its plans against the market.

See Attachment 3 for the medical data requested excluding union employees and using the formula provided in Staff's question to part a. In 2016, non-union employees paid 22% for single coverage and 25% for all other types of coverage.

See Attachment 4 for the medical data requested excluding union employees, utilizing actual deductible, co-pays, co-insurance and other fees, averaged based on the number of participants, consistent with Attachment 2. In 2016, non-union employees paid 29% for single coverage and 28% for all other types of coverage.

- c-d. The Company cannot provide the calculation for the forecasted test year as requested, because it cannot reasonably estimate future employee costs. The Company does not know what plans the employees will select nor the dental costs they will incur. However, Attachment 5 provides the calculation using actual 2016 dental data which is available. Using the formula provided in Staff's question to part c, in 2016, employees paid 32% for single coverage and 39% for all other types of coverage.

See Attachment 6 for the dental data requested excluding union employees and using the formula provided in Staff's question to part c. In 2016, non-union employees paid 32% for single coverage and 39% for all other types of coverage.

- e. The total employer cost included in the test year is \$1,690,998 for KU/LG&E as provided in response to PSC 4-1 Attachment 1. Employees do not contribute to the plan cost.
- f. As previously provided in response to PSC 4-1 Attachment 6, there are 3,447 employees who participated in the group life coverage during 2016. All of these employees have coverage in excess of \$50,000. For KU/LG&E, the total employer cost of providing group life insurance coverage in excess of \$50,000 included in the test year is \$1,164,272.
- g. The maximum amount of coverage is \$150,000 for LG&E bargaining unit employees and \$300,000 for all other employees. Based on Bureau of Labor Statistics<sup>1</sup>, for all workers with life insurance plans using a multiple of salary and not a flat benefit amount, the 50<sup>th</sup> percentile reflects a maximum life insurance benefit of \$250,000 and \$50,000 is reflective of the 10<sup>th</sup> percentile for those plans. While the maximum benefit is \$300,000 for certain employees, with our current workforce the median amount of coverage is \$150,000. In

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<sup>1</sup> Bureau of Labor Statistics, Life, Short-term Disability, and Long-term Disability Insurance Benefits, March 2016, Table 20. [https://www.bls.gov/ncs/ebs/benefits/2016/benefits\\_life.htm](https://www.bls.gov/ncs/ebs/benefits/2016/benefits_life.htm)

summary, fixed multiple plans are more prevalent and our maximum is below the amount reported by the Bureau of Labor Statistics in all categories.

- h. KU/LG&E does provide company paid life insurance in excess of \$50,000 for union employees.

2016 Medical Enrollment  
By Benefit Plan, By Coverage Level, By Salary Administration Plan

	Benefit Plan						Annual Company Paid Portion of the Premium	Annual EE Portion of the Premium	Deductible as Defined by KPSC	Total Healthcare/Medical Costs	Annual EE Deductible and Premiums as a % of Total Healthcare/Medical Costs	PSC Scenario: Amt the Company Would Have Paid IF EE Cost of the total Healthcare/medical costs were 21% Single and 32% Other Coverage Levels	PSC Scenario - New Annual EE Portion of the Premium	Deductible as Defined by KPSC	Total Healthcare/Medical Costs	Annual EE Deductible and Premiums as a % of Total Healthcare/Medical Costs	Annual Company Paid Portion of the Premium	PSC Scenario: Amt the Company Would Have Paid IF EE Cost of the total Healthcare/medical costs were 21% Single and 32% Other Coverage Levels	Difference between Annual Company Paid Portion of Premium and PSC Scenario
	Beginning Line	Exempt	Hourly	Manager	Non-Exempt	Officer & Director													
<b>HDHP with HSA - Base Rate (HDEHL and HDHP)</b>																			
Employee (EE)		1	1				\$ 11,832	\$ 3,120	\$ 4,000	\$ 18,952	38%	\$ 14,972	\$ (20)	\$ 4,000	\$ 18,952	21%	\$ 11,832	\$ 14,972	\$ 3,140
<b>HDHP with HSA - Healthy for Life Rate (HDHPHL)</b>																			
Employee (EE)	11	74	6	7	22	1	\$ 715,836	\$ 43,560	\$ 242,000	\$ 1,001,396	29%	\$ 791,103	\$ (31,707)	\$ 242,000	\$ 1,001,396	21%	\$ 715,836	\$ 791,103	\$ 75,267
<b>EPO/HMO - Base Rate (HMO and HMOEHL)</b>																			
Employee (EE)	15	7	6	1			\$ 171,564	\$ 80,388	\$ -	\$ 251,952	32%	\$ 199,042	\$ 52,910	\$ -	\$ 251,952	21%	\$ 171,564	\$ 199,042	\$ 27,478
<b>EPO/HMO - Healthy for Life Rate (HMOHFL)</b>																			
Employee (EE)	100	135	51	4	129	3	\$ 2,496,552	\$ 663,384	\$ -	\$ 3,159,936	21%	\$ 2,496,349	\$ 663,587	\$ -	\$ 3,159,936	21%	\$ 2,496,552	\$ 2,496,349	\$ (203)
<b>PPO - 80/20 Standard - Base Rate (PPO and PPOEHL)</b>																			
Employee (EE)	2	6	6		10		\$ 141,984	\$ 48,384	\$ 14,400	\$ 204,768	31%	\$ 161,767	\$ 28,601	\$ 14,400	\$ 204,768	21%	\$ 141,984	\$ 161,767	\$ 19,783
<b>PPO - 80/20 Standard - Healthy for Life Rate (PPOHFL)</b>																			
Employee (EE)	51	111	26	12	98	1	\$ 1,768,884	\$ 243,984	\$ 179,400	\$ 2,192,268	19%	\$ 1,731,892	\$ 280,976	\$ 179,400	\$ 2,192,268	21%	\$ 1,768,884	\$ 1,731,892	\$ (36,992)
<b>PPO - 90/10 Low Deductible - Base Rate (PPOLOW and PLOEHL)</b>																			
Employee (EE)	3	1	2		3		\$ 53,244	\$ 20,736	\$ 2,700	\$ 76,680	31%	\$ 60,577	\$ 13,403	\$ 2,700	\$ 76,680	21%	\$ 53,244	\$ 60,577	\$ 7,333
<b>PPO - LOW - Healthy For Life Rate (PPOLOH)</b>																			
Employee (EE)	20	69	21	4	44	4	\$ 958,392	\$ 178,848	\$ 48,600	\$ 1,185,840	19%	\$ 936,814	\$ 200,426	\$ 48,600	\$ 1,185,840	21%	\$ 958,392	\$ 936,814	\$ (21,578)
<b>SUB-TOTAL MEDICAL - Single Coverage Levels</b>							<b>\$ 6,318,288</b>	<b>\$ 1,282,404</b>	<b>\$ 491,100</b>	<b>\$ 8,091,792</b>	<b>22%</b>	<b>\$ 6,392,516</b>	<b>\$ 1,208,176</b>	<b>\$ 491,100</b>	<b>\$ 8,091,792</b>	<b>21%</b>	<b>\$ 6,318,288</b>	<b>\$ 6,392,516</b>	<b>\$ 74,228</b>
<b>HDHP with HSA - Base Rate (HDEHL and HDHP)</b>																			
EE + Family					1		\$ 15,804	\$ 3,204	\$ 4,000	\$ 23,008	31%	\$ 15,645	\$ 3,363	\$ 4,000	\$ 23,008	32%	\$ 15,804	\$ 15,645	\$ (159)
EE + Spouse with ESP surcharge		1					\$ 11,376	\$ 4,896	\$ 4,000	\$ 20,272	44%	\$ 13,785	\$ 2,487	\$ 4,000	\$ 20,272	32%	\$ 11,376	\$ 13,785	\$ 2,409
<b>HDHP with HSA - Healthy for Life Rate (HDHPHL)</b>																			
EE + Spouse	2	4		4	1		\$ 125,136	\$ 14,256	\$ 44,000	\$ 183,392	32%	\$ 124,707	\$ 14,685	\$ 44,000	\$ 183,392	32%	\$ 125,136	\$ 124,707	\$ (429)
EE + Child(ren)	5	28	4	8	5	0	\$ 516,600	\$ 55,800	\$ 200,000	\$ 772,400	33%	\$ 525,232	\$ 47,168	\$ 200,000	\$ 772,400	32%	\$ 516,600	\$ 525,232	\$ 8,632
EE + Family	14	20	5	7	1		\$ 742,788	\$ 94,188	\$ 188,000	\$ 1,024,976	28%	\$ 696,984	\$ 139,992	\$ 188,000	\$ 1,024,976	32%	\$ 742,788	\$ 696,984	\$ (45,804)
EE + Spouse with ESP surcharge		3	1			1	\$ 56,880	\$ 18,480	\$ 20,000	\$ 95,360	40%	\$ 64,845	\$ 10,515	\$ 20,000	\$ 95,360	32%	\$ 56,880	\$ 64,845	\$ 7,965
<b>EPO/HMO - Base Rate (HMO and HMOEHL)</b>																			
EE + Spouse	12	9	6	0	7	0	\$ 386,784	\$ 168,912	\$ -	\$ 555,696	30%	\$ 377,873	\$ 177,823	\$ -	\$ 555,696	32%	\$ 386,784	\$ 377,873	\$ (8,911)
EE + Child(ren)	8	3	5		1		\$ 175,644	\$ 77,724	\$ -	\$ 253,368	31%	\$ 172,290	\$ 81,078	\$ -	\$ 253,368	32%	\$ 175,644	\$ 172,290	\$ (3,354)
EE + Family	17	9	5	0	4	0	\$ 553,140	\$ 236,460	\$ -	\$ 789,600	30%	\$ 536,928	\$ 252,672	\$ -	\$ 789,600	32%	\$ 553,140	\$ 536,928	\$ (21,612)
EE + Spouse with ESP surcharge		4	1				\$ 68,256	\$ 44,208	\$ -	\$ 112,464	39%	\$ 76,476	\$ 35,988	\$ -	\$ 112,464	32%	\$ 68,256	\$ 76,476	\$ (8,220)
EE + Family with ESP surcharge	1	1	0	1	3	0	\$ 94,824	\$ 54,936	\$ -	\$ 149,760	37%	\$ 101,837	\$ 47,923	\$ -	\$ 149,760	32%	\$ 94,824	\$ 101,837	\$ 7,013
<b>EPO/HMO - Healthy for Life Rate (HMOHFL)</b>																			
EE + Spouse	95	95	32	6	48	8	\$ 3,230,784	\$ 1,070,112	\$ -	\$ 4,300,896	25%	\$ 2,924,609	\$ 1,376,287	\$ -	\$ 4,300,896	32%	\$ 3,230,784	\$ 2,924,609	\$ (306,175)
EE + Child(ren)	81	71	46	15	48	9	\$ 2,789,640	\$ 910,440	\$ -	\$ 3,700,080	23%	\$ 2,516,054	\$ 1,184,026	\$ -	\$ 3,700,080	32%	\$ 2,789,640	\$ 2,516,054	\$ (273,586)
EE + Family	94	97	56	16	28	8	\$ 4,725,396	\$ 1,661,244	\$ -	\$ 6,386,640	26%	\$ 4,342,915	\$ 2,043,725	\$ -	\$ 6,386,640	32%	\$ 4,725,396	\$ 4,342,915	\$ (382,481)
EE + Spouse with ESP surcharge	17	15		1	2		\$ 398,160	\$ 215,880	\$ -	\$ 614,040	35%	\$ 417,547	\$ 196,493	\$ -	\$ 614,040	32%	\$ 398,160	\$ 417,547	\$ 19,387
EE + Family with ESP surcharge	7	15	6	1	3		\$ 505,728	\$ 254,592	\$ -	\$ 760,320	33%	\$ 517,018	\$ 243,302	\$ -	\$ 760,320	32%	\$ 505,728	\$ 517,018	\$ 11,290
<b>PPO - 80/20 Standard - Base Rate (PPO and PPOEHL)</b>																			
EE + Spouse	8	3	3	2	3	1	\$ 227,520	\$ 68,880	\$ 24,000	\$ 320,400	29%	\$ 217,872	\$ 78,528	\$ 24,000	\$ 320,400	32%	\$ 227,520	\$ 217,872	\$ (6,648)
EE + Child(ren)	6	3	4	1	1		\$ 154,980	\$ 47,160	\$ 18,000	\$ 220,140	30%	\$ 149,695	\$ 52,445	\$ 18,000	\$ 220,140	32%	\$ 154,980	\$ 149,695	\$ (5,285)
EE + Family	8	4	2	0	3	0	\$ 268,668	\$ 77,520	\$ 20,400	\$ 366,588	27%	\$ 249,280	\$ 96,908	\$ 20,400	\$ 366,588	32%	\$ 268,668	\$ 249,280	\$ (19,388)
EE + Spouse with ESP surcharge		1					\$ 11,376	\$ 5,844	\$ 1,200	\$ 18,420	38%	\$ 12,526	\$ 4,694	\$ 1,200	\$ 18,420	32%	\$ 11,376	\$ 12,526	\$ 1,150
EE + Family with ESP surcharge	1	0	2	0	0	0	\$ 47,412	\$ 20,880	\$ 3,600	\$ 71,892	34%	\$ 48,887	\$ 19,405	\$ 3,600	\$ 71,892	32%	\$ 47,412	\$ 48,887	\$ 1,475
<b>PPO - 80/20 Standard - Healthy for Life Rate (PPOHFL)</b>																			
EE + Spouse	9	52	21	10	32	7	\$ 1,490,256	\$ 293,964	\$ 157,200	\$ 1,941,420	23%	\$ 1,320,166	\$ 464,054	\$ 157,200	\$ 1,941,420	32%	\$ 1,490,256	\$ 1,320,166	\$ (170,090)
EE + Child(ren)	43	104	30	14	65	8	\$ 2,727,648	\$ 513,216	\$ 316,800	\$ 3,557,664	23%	\$ 2,419,212	\$ 821,652	\$ 316,800	\$ 3,557,664	32%	\$ 2,727,648	\$ 2,419,212	\$ (308,436)
EE + Family	67	97	41	30	30	9	\$ 4,330,296	\$ 920,640	\$ 328,800	\$ 5,579,736	22%	\$ 3,794,220	\$ 1,456,716	\$ 328,800	\$ 5,579,736	32%	\$ 4,330,296	\$ 3,794,220	\$ (536,076)
EE + Spouse with ESP surcharge	2	4		1	1	1	\$ 102,384	\$ 41,796	\$ 10,800	\$ 154,980	34%	\$ 105,386	\$ 38,794	\$ 10,800	\$ 154,980	32%	\$ 102,384	\$ 105,386	\$ 3,002
EE + Family with ESP surcharge	10	20	3	2	1	2	\$ 600,552	\$ 218,880	\$ 45,600	\$ 865,032	31%	\$ 588,222	\$ 231,210	\$ 45,600	\$ 865,032	32%	\$ 600,552	\$ 588,222	\$ (12,330)
<b>PPO - 90/10 Low Deductible - Base Rate (PPOLOW and PLOEHL)</b>																			
EE + Spouse	3	1	0	0	2	0	\$ 68,256	\$ 24,264	\$ 3,600	\$ 96,120	29%	\$ 65,362	\$ 27,158	\$ 3,600	\$ 96,120	32%	\$ 68,256	\$ 65,362	\$ (2,894)
EE + Child(ren)	1	1	1		1		\$ 41,328	\$ 14,880	\$ 2,400	\$ 58,608	29%	\$ 39,853	\$ 16,355	\$ 2,400	\$ 58,608	32%	\$ 41,328	\$ 39,853	\$ (1,475)
EE + Family	3	2	3	1	0	0	\$ 142,236	\$ 49,140	\$ 5,400	\$ 196,776	28%	\$ 133,808	\$ 57,568	\$ 5,400	\$ 196,776	32%	\$ 142,236	\$ 133,808	\$ (8,428)

2016 Medical Enrollment  
By Benefit Plan, By Coverage Level, By Salary Administration Plan

	Enrollment						Annual Company Paid Portion of the Premium	Annual EE Portion of the Premium	Deductible as Defined by KPSC	Total Healthcare/Medical Costs	Annual EE Deductible and Premiums as a % of Total Healthcare/Medical Costs	PSC Scenario: Amt the Company Would Have Paid IF EE Cost of the total Healthcare/medical costs were 21% Single and 32% Other Coverage Levels	PSC Scenario - New Annual EE Portion of the Premium	Deductible as Defined by KPSC	Total Healthcare/Medical Costs	Annual EE Deductible and Premiums as a % of Total Healthcare/Medical Costs	Annual Company Paid Portion of the Premium	PSC Scenario: Amt the Company Would Have Paid IF EE Cost of the total Healthcare/medical costs were 21% Single and 32% Other Coverage Levels	Difference between Annual Company Paid Portion of Premium and PSC Scenario
	Participating Unit	Exempt	Hourly	Manager	Non-Exempt	Officer & Director													
<b>PPO - LOW - Healthy For Life Rate (PPOLOH)</b>																			
EE + Spouse	10	30	9	4	20	6	\$ 898,704	\$ 224,676	\$ 47,400	\$ 1,170,780	23%	\$ 796,130	\$ 327,250	\$ 47,400	\$ 1,170,780	32%	\$ 898,704	\$ 796,130	\$ (102,574)
EE + Child(ren)	15	49	14	3	28	1	\$ 1,136,520	\$ 277,200	\$ 66,000	\$ 1,479,720	23%	\$ 1,006,210	\$ 407,510	\$ 66,000	\$ 1,479,720	32%	\$ 1,136,520	\$ 1,006,210	\$ (130,310)
EE + Family	29	40	19	12	15	4	\$ 1,880,676	\$ 506,940	\$ 71,400	\$ 2,459,016	24%	\$ 1,672,131	\$ 715,485	\$ 71,400	\$ 2,459,016	32%	\$ 1,880,676	\$ 1,672,131	\$ (208,545)
EE + Spouse with ESP surcharge	1	3			3		\$ 79,632	\$ 36,708	\$ 4,200	\$ 120,540	34%	\$ 81,967	\$ 34,373	\$ 4,200	\$ 120,540	32%	\$ 79,632	\$ 81,967	\$ 2,335
EE + Family with ESP surcharge	3	3	2	2	2		\$ 189,648	\$ 79,920	\$ 7,200	\$ 276,768	31%	\$ 188,202	\$ 81,366	\$ 7,200	\$ 276,768	32%	\$ 189,648	\$ 188,202	\$ (1,446)
<b>Add 90 LTDs using Average Cost</b>							\$ 952,154	\$ 260,055	\$ 56,541	\$ 1,268,750	25%	\$ 862,750	\$ 349,459	\$ 56,541	\$ 1,268,750	32%	\$ 952,154	\$ 862,750	\$ (89,404)
<b>SUB-TOTAL MEDICAL - Other Coverage Levels</b>							<b>\$ 29,747,186</b>	<b>\$ 8,567,895</b>	<b>\$ 1,650,541</b>	<b>\$ 39,965,622</b>	<b>26%</b>	<b>\$ 27,176,623</b>	<b>\$ 11,138,458</b>	<b>\$ 1,650,541</b>	<b>\$ 39,965,622</b>	<b>32%</b>	<b>\$ 29,747,186</b>	<b>\$ 27,176,623</b>	<b>\$ (2,570,563)</b>
<b>GRAND TOTAL MEDICAL - Single and all Other Coverage Levels</b>							<b>\$ 36,065,474</b>	<b>\$ 9,850,299</b>	<b>\$ 2,141,641</b>	<b>\$ 48,057,414</b>		<b>\$ 33,569,138</b>	<b>\$ 12,346,634</b>	<b>\$ 2,141,641</b>	<b>\$ 48,057,414</b>		<b>\$ 36,065,474</b>	<b>\$ 33,569,138</b>	<b>\$ (2,496,336)</b>

Notes:  
Enrollment numbers include full-time and part-time employees as of 1/1/2016. It includes inactive employees on LTD status. It does not include employees who waived coverage.  
Deductible as Defined by KPSC includes the participants' full share of the 2016 deductible.



2016 Medical Enrollment  
By Benefit Plan, By Coverage Level, By Salary Administration Plan

	Benefit Unit						Annual Company Paid Portion of the Premium	Annual EE Portion of the Premium	EE Expense *	Total Healthcare/ Medical Costs	Annual EE Expenses and Premiums as a % of Total Healthcare/ Medical Costs	PSC Scenario: Amt the Company Would Have Paid IF EE Cost of the total Healthcare/ Medical costs were 21% Single and 32% Other Coverage Levels	PSC Scenario - New Annual EE Portion of the Premium	EE Expense *	Total Healthcare/ Medical Costs	Annual EE Expenses and Premiums as a % of Total Healthcare/ Medical Costs	Annual Company Paid Portion of the Premium	PSC Scenario: Amt the Company Would Have Paid IF EE Cost of the total Healthcare/ Medical costs were 21% Single and 32% Other Coverage Levels	Difference between Annual Company Paid Portion of Premium and PSC Scenario
	Executive	Healthy	Manager	Non-tenured	Office & Director	LTD													
<b>HDHP with HSA - Base Rate (HDEHL and HDHP)</b>																			
Employee (EE)	1	1					\$ 11,832	\$ 3,120	\$ 2,551	\$ 17,503	32%	\$ 13,828	\$ 1,124	\$ 2,551	\$ 17,503	21%	\$ 11,832	\$ 13,828	\$ 1,996
<b>HDHP with HSA - Healthy for Life Rate (HDHPHL)</b>																			
Employee (EE)	11	74	6	7	22	1	\$ 715,836	\$ 43,560	\$ 154,354	\$ 913,750	22%	\$ 721,862	\$ 37,534	\$ 154,354	\$ 913,750	21%	\$ 715,836	\$ 721,862	\$ 6,026
<b>EPO/HMO - Base Rate (HMO and HMOEHL)</b>																			
Employee (EE)	15	7	6	1			\$ 171,564	\$ 80,388	\$ 36,994	\$ 288,946	41%	\$ 228,267	\$ 23,685	\$ 36,994	\$ 288,946	21%	\$ 171,564	\$ 228,267	\$ 56,703
<b>EPO/HMO - Healthy for Life Rate (HMOHFL)</b>																			
Employee (EE)	100	135	51	4	129	3	\$ 2,496,552	\$ 663,384	\$ 538,324	\$ 3,698,260	32%	\$ 2,921,626	\$ 238,310	\$ 538,324	\$ 3,698,260	21%	\$ 2,496,552	\$ 2,921,626	\$ 425,074
<b>PPO - 80/20 Standard - Base Rate (PPO and PPOEHL)</b>																			
Employee (EE)	2	6	6		10		\$ 141,984	\$ 48,384	\$ 30,616	\$ 220,984	36%	\$ 174,577	\$ 15,791	\$ 30,616	\$ 220,984	21%	\$ 141,984	\$ 174,577	\$ 32,593
<b>PPO - 80/20 Standard - Healthy for Life Rate (PPOHFL)</b>																			
Employee (EE)	51	111	26	12	98	1	\$ 1,768,884	\$ 243,984	\$ 381,419	\$ 2,394,287	26%	\$ 1,891,487	\$ 121,381	\$ 381,419	\$ 2,394,287	21%	\$ 1,768,884	\$ 1,891,487	\$ 122,603
<b>PPO - 90/10 Low Deductible - Base Rate (PPOLOW and PLOEHL)</b>																			
Employee (EE)	3	1	2	3			\$ 53,244	\$ 20,736	\$ 11,481	\$ 85,461	38%	\$ 67,514	\$ 6,466	\$ 11,481	\$ 85,461	21%	\$ 53,244	\$ 67,514	\$ 14,270
<b>PPO - LOW - Healthy For Life Rate (PPOLOH)</b>																			
Employee (EE)	20	69	21	4	44	4	\$ 958,392	\$ 178,848	\$ 206,655	\$ 1,343,895	29%	\$ 1,061,677	\$ 75,563	\$ 206,655	\$ 1,343,895	21%	\$ 958,392	\$ 1,061,677	\$ 103,285
<b>SUB-TOTAL MEDICAL - Single Coverage Levels</b>							<b>\$ 6,318,288</b>	<b>\$ 1,282,404</b>	<b>\$ 1,362,394</b>	<b>\$ 8,963,086</b>	<b>30%</b>	<b>\$ 7,080,838</b>	<b>\$ 519,854</b>	<b>\$ 1,362,394</b>	<b>\$ 8,963,086</b>	<b>21%</b>	<b>\$ 6,318,288</b>	<b>\$ 7,080,838</b>	<b>\$ 762,550</b>
<b>HDHP with HSA - Base Rate (HDEHL and HDHP)</b>																			
EE + Family					1		\$ 15,804	\$ 3,204	\$ 1,276	\$ 20,284	22%	\$ 13,793	\$ 5,215	\$ 1,276	\$ 20,284	32%	\$ 15,804	\$ 13,793	\$ (2,011)
EE + Spouse with ESP surcharge		1					\$ 11,376	\$ 4,896	\$ 1,276	\$ 17,548	35%	\$ 11,932	\$ 4,340	\$ 1,276	\$ 17,548	32%	\$ 11,376	\$ 11,932	\$ 556
<b>HDHP with HSA - Healthy for Life Rate (HDHPHL)</b>																			
EE + Spouse	2	4		4	1		\$ 125,136	\$ 14,256	\$ 14,032	\$ 153,424	18%	\$ 104,328	\$ 35,064	\$ 14,032	\$ 153,424	32%	\$ 125,136	\$ 104,328	\$ (20,808)
EE + Child(ren)	5	28	4	8	5	0	\$ 516,600	\$ 55,800	\$ 63,783	\$ 636,183	19%	\$ 432,604	\$ 139,796	\$ 63,783	\$ 636,183	32%	\$ 516,600	\$ 432,604	\$ (83,996)
EE + Family	14	20	5	7	1		\$ 742,788	\$ 94,188	\$ 59,956	\$ 896,932	17%	\$ 609,913	\$ 227,063	\$ 59,956	\$ 896,932	32%	\$ 742,788	\$ 609,913	\$ (132,875)
EE + Spouse with ESP surcharge	3	1				1	\$ 56,880	\$ 18,480	\$ 6,378	\$ 81,738	30%	\$ 55,582	\$ 19,778	\$ 6,378	\$ 81,738	32%	\$ 56,880	\$ 55,582	\$ (1,298)
<b>EPO/HMO - Base Rate (HMO and HMOEHL)</b>																			
EE + Spouse	12	9	6	0	7	0	\$ 386,784	\$ 168,912	\$ 43,372	\$ 599,068	35%	\$ 407,366	\$ 148,330	\$ 43,372	\$ 599,068	32%	\$ 386,784	\$ 407,366	\$ 20,582
EE + Child(ren)	8	3	5	1			\$ 175,644	\$ 77,724	\$ 21,686	\$ 275,054	36%	\$ 187,037	\$ 66,331	\$ 21,686	\$ 275,054	32%	\$ 175,644	\$ 187,037	\$ 11,393
EE + Family	17	9	5	0	4	0	\$ 553,140	\$ 236,460	\$ 44,648	\$ 834,248	34%	\$ 567,288	\$ 222,312	\$ 44,648	\$ 834,248	32%	\$ 553,140	\$ 567,288	\$ 14,148
EE + Spouse with ESP surcharge	4	1		1			\$ 68,256	\$ 44,208	\$ 7,654	\$ 120,118	43%	\$ 81,680	\$ 30,784	\$ 7,654	\$ 120,118	32%	\$ 68,256	\$ 81,680	\$ 13,424
EE + Family with ESP surcharge	1	1	0	1	3	0	\$ 94,824	\$ 54,936	\$ 7,654	\$ 157,414	40%	\$ 107,041	\$ 42,719	\$ 7,654	\$ 157,414	32%	\$ 94,824	\$ 107,041	\$ 12,217
<b>EPO/HMO - Healthy for Life Rate (HMOHFL)</b>																			
EE + Spouse	95	95	32	6	48	8	\$ 3,230,784	\$ 1,070,112	\$ 362,285	\$ 4,663,181	31%	\$ 3,170,963	\$ 1,129,933	\$ 362,285	\$ 4,663,181	32%	\$ 3,230,784	\$ 3,170,963	\$ (59,821)
EE + Child(ren)	81	71	46	15	48	9	\$ 2,789,640	\$ 910,440	\$ 344,426	\$ 4,044,506	31%	\$ 2,750,264	\$ 949,816	\$ 344,426	\$ 4,044,506	32%	\$ 2,789,640	\$ 2,750,264	\$ (39,376)
EE + Family	94	97	56	16	28	8	\$ 4,725,396	\$ 1,661,244	\$ 381,419	\$ 6,768,059	30%	\$ 4,602,280	\$ 1,784,360	\$ 381,419	\$ 6,768,059	32%	\$ 4,725,396	\$ 4,602,280	\$ (123,116)
EE + Spouse with ESP surcharge	17	15		1	2		\$ 398,160	\$ 215,880	\$ 44,648	\$ 658,688	40%	\$ 447,908	\$ 166,132	\$ 44,648	\$ 658,688	32%	\$ 398,160	\$ 447,908	\$ 49,748
EE + Family with ESP surcharge	7	15	6	1	3		\$ 505,728	\$ 254,592	\$ 40,821	\$ 801,141	37%	\$ 544,776	\$ 215,544	\$ 40,821	\$ 801,141	32%	\$ 505,728	\$ 544,776	\$ 39,048
<b>PPO - 80/20 Standard - Base Rate (PPO and PPOEHL)</b>																			
EE + Spouse	8	3	3	2	3	1	\$ 227,520	\$ 68,880	\$ 25,513	\$ 321,913	29%	\$ 218,901	\$ 77,499	\$ 25,513	\$ 321,913	32%	\$ 227,520	\$ 218,901	\$ (8,619)
EE + Child(ren)	6	3	4	1	1		\$ 154,980	\$ 47,160	\$ 19,135	\$ 221,275	30%	\$ 150,467	\$ 51,673	\$ 19,135	\$ 221,275	32%	\$ 154,980	\$ 150,467	\$ (4,513)
EE + Family	8	4	2	0	3	0	\$ 268,668	\$ 77,520	\$ 21,686	\$ 367,874	27%	\$ 250,154	\$ 96,034	\$ 21,686	\$ 367,874	32%	\$ 268,668	\$ 250,154	\$ (18,514)
EE + Spouse with ESP surcharge	7	1					\$ 11,376	\$ 5,844	\$ 1,276	\$ 18,496	38%	\$ 12,577	\$ 4,643	\$ 1,276	\$ 18,496	32%	\$ 11,376	\$ 12,577	\$ 1,201
EE + Family with ESP surcharge	1	0	2	0	0	0	\$ 47,412	\$ 20,880	\$ 3,827	\$ 72,119	34%	\$ 49,041	\$ 19,251	\$ 3,827	\$ 72,119	32%	\$ 47,412	\$ 49,041	\$ 1,629

2016 Medical Enrollment  
By Benefit Plan, By Coverage Level, By Salary Administration Plan

	Benefit Unit							Annual Company Paid Portion of the Premium	Annual EE Portion of the Premium	EE Expense *	Total Healthcare/ Medical Costs	Annual EE Expenses and Premiums as a % of Total Healthcare/ Medical Costs	PSC Scenario: Amt the Company Would Have Paid IF EE Cost of the total Healthcare/ Medical costs were 21% Single and 32% Other Coverage Levels	PSC Scenario - New Annual EE Portion of the Premium	EE Expense *	Total Healthcare/ Medical Costs	Annual EE Expenses and Premiums as a % of Total Healthcare/ Medical Costs	Annual Company Paid Portion of the Premium	PSC Scenario: Amt the Company Would Have Paid IF EE Cost of the total Healthcare/ Medical costs were 21% Single and 32% Other Coverage Levels	Difference between Annual Company Paid Portion of Premium and PSC Scenario	
	Barista Unit	Element	Hourly	Manager	Non-tenured	Office & Director	LTD														
<b>PPO - 80/20 Standard - Healthy for Life Rate (PPOHFL)</b>																					
EE + Spouse	9	52	21	10	32	7			\$ 1,490,256	\$ 293,964	\$ 167,110	\$ 1,951,330	24%	\$ 1,326,905	\$ 457,315	\$ 167,110	\$ 1,951,330	32%	\$ 1,490,256	\$ 1,326,905	\$ (163,351)
EE + Child(ren)	43	104	30	14	65	8			\$ 2,727,648	\$ 513,216	\$ 336,772	\$ 3,577,636	24%	\$ 2,432,792	\$ 808,072	\$ 336,772	\$ 3,577,636	32%	\$ 2,727,648	\$ 2,432,792	\$ (294,856)
EE + Family	67	97	41	30	30	9			\$ 4,330,296	\$ 920,640	\$ 349,528	\$ 5,600,464	23%	\$ 3,808,316	\$ 1,442,620	\$ 349,528	\$ 5,600,464	32%	\$ 4,330,296	\$ 3,808,316	\$ (521,980)
EE + Spouse with ESP surcharge	2	4		1	1	1			\$ 102,384	\$ 41,796	\$ 11,481	\$ 155,661	34%	\$ 105,849	\$ 38,331	\$ 11,481	\$ 155,661	32%	\$ 102,384	\$ 105,849	\$ 3,465
EE + Family with ESP surcharge	10	20	3	2	1	2			\$ 600,552	\$ 218,880	\$ 48,475	\$ 867,907	31%	\$ 590,177	\$ 229,255	\$ 48,475	\$ 867,907	32%	\$ 600,552	\$ 590,177	\$ (10,375)
<b>PPO - 90/10 Low Deductible - Base Rate (PPOLOW and PLOEHL)</b>																					
EE + Spouse	3	1	0	0	2	0			\$ 68,256	\$ 24,264	\$ 7,654	\$ 100,174	32%	\$ 68,118	\$ 24,402	\$ 7,654	\$ 100,174	32%	\$ 68,256	\$ 68,118	\$ (138)
EE + Child(ren)	1	1	1		1				\$ 41,328	\$ 14,880	\$ 5,102	\$ 61,311	33%	\$ 41,691	\$ 14,517	\$ 5,102	\$ 61,311	32%	\$ 41,328	\$ 41,691	\$ 363
EE + Family	3	2	3	1	0	0			\$ 142,236	\$ 49,140	\$ 11,481	\$ 202,857	30%	\$ 137,943	\$ 53,433	\$ 11,481	\$ 202,857	32%	\$ 142,236	\$ 137,943	\$ (4,293)
<b>PPO - LOW - Healthy For Life Rate (PPOLOH)</b>																					
EE + Spouse	10	30	9	4	20	6			\$ 898,704	\$ 224,676	\$ 100,776	\$ 1,224,156	27%	\$ 832,426	\$ 290,954	\$ 100,776	\$ 1,224,156	32%	\$ 898,704	\$ 832,426	\$ (66,278)
EE + Child(ren)	15	49	14	3	28	1			\$ 1,136,520	\$ 277,200	\$ 140,322	\$ 1,554,042	27%	\$ 1,056,748	\$ 356,972	\$ 140,322	\$ 1,554,042	32%	\$ 1,136,520	\$ 1,056,748	\$ (79,772)
EE + Family	29	40	19	12	15	4			\$ 1,880,676	\$ 506,940	\$ 151,802	\$ 2,539,418	26%	\$ 1,726,804	\$ 660,812	\$ 151,802	\$ 2,539,418	32%	\$ 1,880,676	\$ 1,726,804	\$ (153,872)
EE + Spouse with ESP surcharge	1	3			3				\$ 79,632	\$ 36,708	\$ 8,930	\$ 125,270	36%	\$ 85,183	\$ 31,157	\$ 8,930	\$ 125,270	32%	\$ 79,632	\$ 85,183	\$ 5,551
EE + Family with ESP surcharge	3	3	2	2	2				\$ 189,648	\$ 79,920	\$ 15,308	\$ 284,876	33%	\$ 193,716	\$ 75,852	\$ 15,308	\$ 284,876	32%	\$ 189,648	\$ 193,716	\$ 4,068
Add 90 LTDs using Average Cost						90			\$ 952,154	\$ 260,055	\$ 114,809	\$ 1,327,017	28%	\$ 902,372	\$ 309,837	\$ 114,809	\$ 1,327,017		\$ 952,154	\$ 902,372	\$ (49,782)
<b>SUB-TOTAL MEDICAL - Other Coverage Levels</b>								<b>\$ 29,747,186</b>	<b>\$ 8,567,895</b>	<b>\$ 2,986,297</b>	<b>\$ 41,301,377</b>	<b>28%</b>	<b>\$ 28,084,937</b>	<b>\$ 10,230,144</b>	<b>\$ 2,986,297</b>	<b>\$ 41,301,377</b>	<b>32%</b>	<b>\$ 29,747,186</b>	<b>\$ 28,084,937</b>	<b>\$ (1,662,249)</b>	
<b>2016 GRAND TOTAL MEDICAL - Single and all Other Coverage Levels</b>								<b>\$ 36,065,474</b>	<b>\$ 9,850,299</b>	<b>\$ 4,348,691</b>	<b>\$ 50,264,464</b>		<b>\$ 35,165,775</b>	<b>\$ 10,749,998</b>	<b>\$ 4,348,691</b>	<b>\$ 50,264,464</b>		<b>\$ 36,065,474</b>	<b>\$ 35,165,775</b>	<b>\$ (899,699)</b>	
<b>2016 Total Participants</b>								<b>3,409</b>													
2016 Average Employer cost per participant								\$ 10,579													
Total Employees as of 12/31/2016								3,606		95%	Percentage of participation										
2017 Average Employer cost per participant (2016 escalated by 4%)								\$ 11,003													
2018 Average Employer cost per participant (2017 escalated by 4%)								\$ 11,443													
Forecasted Test period employees								3,693													
Forecasted Test period participants								3,491		95%	Calculated percentage of participation										
Forecasted test period costs escalated based on 2016 Actual Data								\$ 39,946,724													
KU/LG&E Medical Costs Per PSC 4-1 Attachment 1 Included in Forecasted Test Period								\$ 38,895,930													
Amount not included in forecasted test period based on escalated 2016 actuals								\$ 1,050,794													

Notes:

Enrollment numbers include full-time and part-time employees as of 1/1. It includes inactive employees on LTD status. It does not include employees who waived coverage.  
\*Total EE Expense includes employees' share of the 2016 deductible, co-payments, and co-insurance. The actual employees' share is then averaged based on 3409 participants.

2016 Medical Enrollment Non-Union Only  
By Benefit Plan, By Coverage Level, By Salary Administration Plan

	Example					Annual Company Paid Portion of the Premium	Annual EE Portion of the Premium	Deductible as Defined by KPSC	Total Healthcare/Medical Costs	Annual EE Deductible and Premiums as a % of Total Healthcare/Medical Costs	PSC Scenario: Amt the Company Would Have Paid IF EE Cost of the total Healthcare/medical costs were 21% Single and 32% Other Coverage Levels	PSC Scenario - New Annual EE Portion of the Premium	Deductible as Defined by KPSC	Total Healthcare/Medical Costs	Annual EE Deductible and Premiums as a % of Total Healthcare/Medical Costs	Annual Company Paid Portion of the Premium	PSC Scenario: Amt the Company Would Have Paid IF EE Cost of the total Healthcare/medical costs were 21% Single and 32% Other Coverage Levels	Difference between Annual Company Paid Portion of Premium and PSC Scenario	
	Example	Hourly	Manager	Non-union	Office & Director														
<b>HDHP with HSA - Base Rate (HDEHL and HDHP)</b>																			
Employee (EE)	1	1				\$ 11,832	\$ 3,120	\$ 4,000	\$ 18,952	38%	\$ 14,972	\$ (20)	\$ 4,000	\$ 18,952	21%	\$ 11,832	\$ 14,972	\$ 3,140	
<b>HDHP with HSA - Healthy for Life Rate (HDHPL)</b>																			
Employee (EE)	74	6	7	22	1	\$ 650,760	\$ 39,600	\$ 220,000	\$ 910,360	29%	\$ 719,184	\$ (28,824)	\$ 220,000	\$ 910,360	21%	\$ 650,760	\$ 719,184	\$ 68,424	
<b>EPO/HMO - Base Rate (HMO and HMOEHL)</b>																			
Employee (EE)	7	6	1			\$ 82,824	\$ 38,808	\$ -	\$ 121,632	32%	\$ 96,089	\$ 25,543	\$ -	\$ 121,632	21%	\$ 82,824	\$ 96,089	\$ 13,265	
<b>EPO/HMO - Healthy for Life Rate (HMOHFL)</b>																			
Employee (EE)	135	51	4	129	3	\$ 1,904,952	\$ 506,184	\$ -	\$ 2,411,136	21%	\$ 1,904,797	\$ 506,339	\$ -	\$ 2,411,136	21%	\$ 1,904,952	\$ 1,904,797	\$ (155)	
<b>PPO - 80/20 Standard - Base Rate (PPO and PPOEHL)</b>																			
Employee (EE)	6	6		10		\$ 130,152	\$ 44,352	\$ 13,200	\$ 187,704	31%	\$ 148,286	\$ 26,218	\$ 13,200	\$ 187,704	21%	\$ 130,152	\$ 148,286	\$ 18,134	
<b>PPO - 80/20 Standard - Healthy for Life Rate (PPOHFL)</b>																			
Employee (EE)	111	26	12	98	1	\$ 1,467,168	\$ 202,368	\$ 148,800	\$ 1,818,336	19%	\$ 1,436,485	\$ 233,051	\$ 148,800	\$ 1,818,336	21%	\$ 1,467,168	\$ 1,436,485	\$ (30,683)	
<b>PPO - 90/10 Low Deductible - Base Rate (PPOLOW and PLOEHL)</b>																			
Employee (EE)	1	2		3		\$ 35,496	\$ 13,824	\$ 1,800	\$ 51,120	31%	\$ 40,385	\$ 8,935	\$ 1,800	\$ 51,120	21%	\$ 35,496	\$ 40,385	\$ 4,889	
<b>PPO - LOW - Healthy For Life Rate (PPOLOH)</b>																			
Employee (EE)	69	21	4	44	4	\$ 840,072	\$ 156,768	\$ 42,600	\$ 1,039,440	19%	\$ 821,158	\$ 175,682	\$ 42,600	\$ 1,039,440	21%	\$ 840,072	\$ 821,158	\$ (18,914)	
<b>SUB-TOTAL MEDICAL - Single Coverage Levels</b>						<b>\$ 5,123,256</b>	<b>\$ 1,005,024</b>	<b>\$ 430,400</b>	<b>\$ 6,558,680</b>	<b>22%</b>	<b>\$ 5,181,357</b>	<b>\$ 946,923</b>	<b>\$ 430,400</b>	<b>\$ 6,558,680</b>	<b>21%</b>	<b>\$ 5,123,256</b>	<b>\$ 5,181,357</b>	<b>\$ 58,101</b>	
<b>HDHP with HSA - Base Rate (HDEHL and HDHP)</b>																			
EE + Family				1		\$ 15,804	\$ 3,204	\$ 4,000	\$ 23,008	31%	\$ 15,645	\$ 3,363	\$ 4,000	\$ 23,008	32%	\$ 15,804	\$ 15,645	\$ (159)	
EE + Spouse with ESP surcharge	1					\$ 11,376	\$ 4,896	\$ 4,000	\$ 20,272	44%	\$ 13,785	\$ 2,487	\$ 4,000	\$ 20,272	32%	\$ 11,376	\$ 13,785	\$ 2,409	
<b>HDHP with HSA - Healthy for Life Rate (HDHPL)</b>																			
EE + Spouse	4		4	1		\$ 102,384	\$ 11,664	\$ 36,000	\$ 150,048	32%	\$ 102,033	\$ 12,015	\$ 36,000	\$ 150,048	32%	\$ 102,384	\$ 102,033	\$ (351)	
EE + Child(ren)	28	4	8	5	0	\$ 464,940	\$ 50,220	\$ 180,000	\$ 695,160	33%	\$ 472,709	\$ 42,451	\$ 180,000	\$ 695,160	32%	\$ 464,940	\$ 472,709	\$ 7,769	
EE + Family	20	5	7	1		\$ 521,532	\$ 66,132	\$ 132,000	\$ 719,664	28%	\$ 489,372	\$ 98,292	\$ 132,000	\$ 719,664	32%	\$ 521,532	\$ 489,372	\$ (32,160)	
EE + Spouse with ESP surcharge	3	1			1	\$ 56,880	\$ 18,480	\$ 20,000	\$ 95,360	40%	\$ 64,845	\$ 18,480	\$ 20,000	\$ 95,360	32%	\$ 56,880	\$ 64,845	\$ 7,965	
<b>EPO/HMO - Base Rate (HMO and HMOEHL)</b>																			
EE + Spouse	9	6	0	7	0	\$ 250,272	\$ 109,296	\$ -	\$ 359,568	30%	\$ 244,506	\$ 115,062	\$ -	\$ 359,568	32%	\$ 250,272	\$ 244,506	\$ (5,766)	
EE + Child(ren)	3	5		1		\$ 92,988	\$ 41,148	\$ -	\$ 134,136	31%	\$ 91,212	\$ 42,924	\$ -	\$ 134,136	32%	\$ 92,988	\$ 91,212	\$ (1,776)	
EE + Family	9	5	0	4	0	\$ 284,472	\$ 121,608	\$ -	\$ 406,080	30%	\$ 276,134	\$ 129,946	\$ -	\$ 406,080	32%	\$ 284,472	\$ 276,134	\$ (8,338)	
EE + Spouse with ESP surcharge	1		1			\$ 22,752	\$ 14,736	\$ -	\$ 37,488	39%	\$ 25,492	\$ 11,996	\$ -	\$ 37,488	32%	\$ 22,752	\$ 25,492	\$ 2,740	
EE + Family with ESP surcharge	1	0	1	3	0	\$ 79,020	\$ 45,780	\$ -	\$ 124,800	37%	\$ 84,864	\$ 39,936	\$ -	\$ 124,800	32%	\$ 79,020	\$ 84,864	\$ 5,844	
<b>EPO/HMO - Healthy for Life Rate (HMOHFL)</b>																			
EE + Spouse	95	32	6	48	8	\$ 2,150,064	\$ 712,152	\$ -	\$ 2,862,216	25%	\$ 1,946,307	\$ 915,909	\$ -	\$ 2,862,216	32%	\$ 2,150,064	\$ 1,946,307	\$ (203,757)	
EE + Child(ren)	71	46	15	48	9	\$ 1,952,748	\$ 637,308	\$ -	\$ 2,590,056	25%	\$ 1,761,238	\$ 828,818	\$ -	\$ 2,590,056	32%	\$ 1,952,748	\$ 1,761,238	\$ (191,510)	
EE + Family	97	56	16	28	8	\$ 3,239,820	\$ 1,138,980	\$ -	\$ 4,378,800	26%	\$ 2,977,584	\$ 1,401,216	\$ -	\$ 4,378,800	32%	\$ 3,239,820	\$ 2,977,584	\$ (262,236)	
EE + Spouse with ESP surcharge	15		1	2		\$ 204,768	\$ 111,024	\$ -	\$ 315,792	35%	\$ 214,739	\$ 101,053	\$ -	\$ 315,792	32%	\$ 204,768	\$ 214,739	\$ 9,971	
EE + Family with ESP surcharge	15	6	1	3		\$ 395,100	\$ 198,900	\$ -	\$ 594,000	33%	\$ 403,920	\$ 190,080	\$ -	\$ 594,000	32%	\$ 395,100	\$ 403,920	\$ 8,820	
<b>PPO - 80/20 Standard - Base Rate (PPO and PPOEHL)</b>																			
EE + Spouse	3	3	2	3	1	\$ 136,512	\$ 41,328	\$ 14,400	\$ 192,240	29%	\$ 130,723	\$ 47,117	\$ 14,400	\$ 192,240	32%	\$ 136,512	\$ 130,723	\$ (5,789)	
EE + Child(ren)	3	4	1	1		\$ 92,988	\$ 28,296	\$ 10,800	\$ 132,084	30%	\$ 89,817	\$ 31,467	\$ 10,800	\$ 132,084	32%	\$ 92,988	\$ 89,817	\$ (3,171)	
EE + Family	4	2	0	3	0	\$ 142,236	\$ 41,040	\$ 10,800	\$ 194,076	27%	\$ 131,972	\$ 51,304	\$ 10,800	\$ 194,076	32%	\$ 142,236	\$ 131,972	\$ (10,264)	
EE + Spouse with ESP surcharge	1					\$ 11,376	\$ 5,844	\$ 1,200	\$ 18,420	38%	\$ 12,526	\$ 4,694	\$ 1,200	\$ 18,420	32%	\$ 11,376	\$ 12,526	\$ 1,150	
EE + Family with ESP surcharge	0	2	0	0	0	\$ 31,608	\$ 13,920	\$ 2,400	\$ 47,928	34%	\$ 32,591	\$ 12,937	\$ 2,400	\$ 47,928	32%	\$ 31,608	\$ 32,591	\$ 983	
<b>PPO - 80/20 Standard - Healthy for Life Rate (PPOHFL)</b>																			
EE + Spouse	52	21	10	32	7	\$ 1,387,872	\$ 273,768	\$ 146,400	\$ 1,808,040	23%	\$ 1,229,467	\$ 432,173	\$ 146,400	\$ 1,808,040	32%	\$ 1,387,872	\$ 1,229,467	\$ (158,405)	
EE + Child(ren)	104	30	14	65	8	\$ 2,283,372	\$ 429,624	\$ 265,200	\$ 2,978,196	23%	\$ 2,025,173	\$ 687,823	\$ 265,200	\$ 2,978,196	32%	\$ 2,283,372	\$ 2,025,173	\$ (258,199)	
EE + Family	97	41	30	30	9	\$ 3,271,428	\$ 695,520	\$ 248,400	\$ 4,215,348	22%	\$ 2,866,437	\$ 1,100,511	\$ 248,400	\$ 4,215,348	32%	\$ 3,271,428	\$ 2,866,437	\$ (404,991)	
EE + Spouse with ESP surcharge	4		1	1	1	\$ 79,632	\$ 32,508	\$ 8,400	\$ 120,540	34%	\$ 81,967	\$ 30,173	\$ 8,400	\$ 120,540	32%	\$ 79,632	\$ 81,967	\$ 2,335	
EE + Family with ESP surcharge	20	3	2	1	2	\$ 442,512	\$ 161,280	\$ 33,600	\$ 637,392	31%	\$ 433,427	\$ 170,365	\$ 33,600	\$ 637,392	32%	\$ 442,512	\$ 433,427	\$ (9,085)	
<b>PPO - 90/10 Low Deductible - Base Rate (PPOLOW and PLOEHL)</b>																			
EE + Spouse	1	0	0	2	0	\$ 34,128	\$ 12,132	\$ 1,800	\$ 48,060	29%	\$ 32,681	\$ 13,579	\$ 1,800	\$ 48,060	32%	\$ 34,128	\$ 32,681	\$ (1,447)	
EE + Child(ren)	1	1		1		\$ 30,996	\$ 11,160	\$ 1,800	\$ 43,956	29%	\$ 29,890	\$ 12,266	\$ 1,800	\$ 43,956	32%	\$ 30,996	\$ 29,890	\$ (1,106)	
EE + Family	2	3	1	0	0	\$ 94,824	\$ 32,760	\$ 3,600	\$ 131,184	28%	\$ 89,205	\$ 38,379	\$ 3,600	\$ 131,184	32%	\$ 94,824	\$ 89,205	\$ (5,619)	

2016 Medical Enrollment Non-Union Only  
By Benefit Plan, By Coverage Level, By Salary Administration Plan

	Salary Administration Plan					Annual Company Paid Portion of the Premium	Annual EE Portion of the Premium	Deductible as Defined by KPSC	Total Healthcare/Medical Costs	Annual EE Deductible and Premiums as a % of Total Healthcare/Medical Costs
	Executive	Hourly	Manager	Non-union	Office & Director					
<b>PPO - LOW - Healthy For Life Rate (PPOLOH)</b>										
EE + Spouse	30	9	4	20	6	\$ 784,944	\$ 196,236	\$ 41,400	\$ 1,022,580	23%
EE + Child(ren)	49	14	3	28	1	\$ 981,540	\$ 239,400	\$ 57,000	\$ 1,277,940	23%
EE + Family	40	19	12	15	4	\$ 1,422,360	\$ 383,400	\$ 54,000	\$ 1,859,760	24%
EE + Spouse with ESP surcharge	3			3		\$ 68,256	\$ 31,464	\$ 3,600	\$ 103,320	34%
EE + Family with ESP surcharge	3	2	2	2		\$ 142,236	\$ 59,940	\$ 5,400	\$ 207,576	31%
<b>Add 90 LTDs using Average Cost</b>						\$ 952,154	\$ 260,055	\$ 56,541	\$ 1,268,750	25%
<b>SUB-TOTAL MEDICAL - Other Coverage Levels</b>						\$ 22,235,894	\$ 6,235,203	\$ 1,342,741	\$ 29,813,838	25%
<b>GRAND TOTAL MEDICAL - Single and all Other Coverage Levels</b>						\$ 27,359,150	\$ 7,240,227	\$ 1,773,141	\$ 36,372,518	

PSC Scenario: Amt the Company Would Have Paid IF EE Cost of the total Healthcare/medical costs were 21% Single and 32% Other Coverage Levels	PSC Scenario - New Annual EE Portion of the Premium	Deductible as Defined by KPSC	Total Healthcare/Medical Costs	Annual EE Deductible and Premiums as a % of Total Healthcare/Medical Costs	Annual Company Paid Portion of the Premium	PSC Scenario: Amt the Company Would Have Paid IF EE Cost of the total Healthcare/medical costs were 21% Single and 32% Other Coverage Levels	Difference between Annual Company Paid Portion of Premium and PSC Scenario
\$ 695,354	\$ 285,826	\$ 41,400	\$ 1,022,580	32%	\$ 784,944	\$ 695,354	\$ (89,590)
\$ 868,999	\$ 351,941	\$ 57,000	\$ 1,277,940	32%	\$ 981,540	\$ 868,999	\$ (112,541)
\$ 1,264,637	\$ 541,123	\$ 54,000	\$ 1,859,760	32%	\$ 1,422,360	\$ 1,264,637	\$ (157,723)
\$ 70,258	\$ 29,462	\$ 3,600	\$ 103,320	32%	\$ 68,256	\$ 70,258	\$ 2,002
\$ 141,152	\$ 61,024	\$ 5,400	\$ 207,576	32%	\$ 142,236	\$ 141,152	\$ (1,084)
\$ 862,750	\$ 349,459	\$ 56,541	\$ 1,268,750		\$ 952,154	\$ 862,750	\$ (89,404)
<b>\$ 20,273,410</b>	<b>\$ 8,197,687</b>	<b>\$ 1,342,741</b>	<b>\$ 29,813,838</b>	<b>32%</b>	<b>\$ 22,235,894</b>	<b>\$ 20,273,410</b>	<b>\$ (1,962,484)</b>
<b>\$ 25,454,767</b>	<b>\$ 9,144,610</b>	<b>\$ 1,773,141</b>	<b>\$ 36,372,518</b>		<b>\$ 27,359,150</b>	<b>\$ 25,454,767</b>	<b>\$ (1,904,383)</b>

**Notes:**  
Enrollment numbers include full-time and part-time employees as of 1/1. It includes inactive employees on LTD status. It does not include employees who waived coverage.  
Deductible as Defined by KPSC includes the participants' full share of the 2016 deductible.

2016 Medical Enrollment Non Union Only  
By Benefit Plan, By Coverage Level, By Salary Administration Plan

	Example						Annual Company Paid Portion of the Premium	Annual EE Portion of the Premium	EE Expense *	Total Healthcare/ Medical Costs	Annual EE Expenses and Premiums as a % of Total Healthcare/ Medical Costs	PSC Scenario: Amt the Company Would Have Paid IF EE Cost of the total Healthcare/Medical costs were 21% Single and 32% Other Coverage Levels				Annual EE Expenses and Premiums as a % of Total Healthcare/ Medical Costs	PSC Scenario: Amt the Company Would Have Paid IF EE Healthcare/Medical costs were 21% Single and 32% Other Coverage Levels			Difference between Annual Company Paid Portion of Premium and PSC Scenario
	Exempt	Hourly	Manager	Non-union	Officer & Director	LTD						Annual Company Paid Portion of the Premium	Annual EE Portion of the Premium	EE Expense *	Total Healthcare/ Medical Costs		Annual EE Expenses and Premiums as a % of Total Healthcare/ Medical Costs	Annual Company Paid Portion of the Premium	Annual EE Portion of the Premium	
<b>HDHP with HSA - Base Rate (HDEHL and HDHP)</b>	Employee (EE)	1	1				\$ 11,832	\$ 3,120	\$ 2,551	\$ 17,503	32%	\$ 13,828	\$ 1,124	\$ 2,551	\$ 17,503	21%	\$ 11,832	\$ 13,828	\$ 1,996	
<b>HDHP with HSA - Healthy for Life Rate (HDHPHL)</b>	Employee (EE)	74	6	7	22	1	\$ 650,760	\$ 39,600	\$ 140,322	\$ 830,682	22%	\$ 656,238	\$ 34,122	\$ 140,322	\$ 830,682	21%	\$ 650,760	\$ 656,238	\$ 5,478	
<b>EPO/HMO - Base Rate (HMO and HMOEHL)</b>	Employee (EE)	7	6	1			\$ 82,824	\$ 38,808	\$ 17,859	\$ 139,491	41%	\$ 110,198	\$ 11,434	\$ 17,859	\$ 139,491	21%	\$ 82,824	\$ 110,198	\$ 27,374	
<b>EPO/HMO - Healthy for Life Rate (HMOHFL)</b>	Employee (EE)	135	51	4	129	3	\$ 1,904,952	\$ 506,184	\$ 410,759	\$ 2,821,895	32%	\$ 2,229,297	\$ 181,839	\$ 410,759	\$ 2,821,895	21%	\$ 1,904,952	\$ 2,229,297	\$ 324,345	
<b>PPO - 80/20 Standard - Base Rate (PPO and PPOEHL)</b>	Employee (EE)	6	6		10		\$ 130,152	\$ 44,352	\$ 28,064	\$ 202,568	36%	\$ 160,029	\$ 14,475	\$ 28,064	\$ 202,568	21%	\$ 130,152	\$ 160,029	\$ 29,877	
<b>PPO - 80/20 Standard - Healthy for Life Rate (PPOHFL)</b>	Employee (EE)	111	26	12	98	1	\$ 1,467,168	\$ 202,368	\$ 316,361	\$ 1,985,897	26%	\$ 1,568,859	\$ 100,677	\$ 316,361	\$ 1,985,897	21%	\$ 1,467,168	\$ 1,568,859	\$ 101,691	
<b>PPO - 90/10 Low Deductible - Base Rate (PPOLOW and PLOEHL)</b>	Employee (EE)	1	2		3		\$ 35,496	\$ 13,824	\$ 7,654	\$ 56,974	38%	\$ 45,009	\$ 4,311	\$ 7,654	\$ 56,974	21%	\$ 35,496	\$ 45,009	\$ 9,513	
<b>PPO - LOW - Healthy For Life Rate (PPOLOH)</b>	Employee (EE)	69	21	4	44	4	\$ 840,072	\$ 156,768	\$ 181,142	\$ 1,177,982	29%	\$ 930,606	\$ 66,234	\$ 181,142	\$ 1,177,982	21%	\$ 840,072	\$ 930,606	\$ 90,534	
<b>SUB-TOTAL MEDICAL - Single Coverage Levels</b>							\$ 5,123,256	\$ 1,005,024	\$ 1,104,713	\$ 7,232,993	29%	\$ 5,714,064	\$ 414,216	\$ 1,104,713	\$ 7,232,993	21%	\$ 5,123,256	\$ 5,714,064	\$ 590,808	
<b>HDHP with HSA - Base Rate (HDEHL and HDHP)</b>	EE + Family					1	\$ 15,804	\$ 3,204	\$ 1,276	\$ 20,284	22%	\$ 13,793	\$ 5,215	\$ 1,276	\$ 20,284	32%	\$ 15,804	\$ 13,793	\$ (2,011)	
	EE + Spouse with ESP surcharge	1					\$ 11,376	\$ 4,896	\$ 1,276	\$ 17,548	35%	\$ 11,932	\$ 4,340	\$ 1,276	\$ 17,548	32%	\$ 11,376	\$ 11,932	\$ 556	
<b>HDHP with HSA - Healthy for Life Rate (HDHPHL)</b>	EE + Spouse	4		4	1		\$ 102,384	\$ 11,664	\$ 11,481	\$ 125,529	18%	\$ 85,360	\$ 28,688	\$ 11,481	\$ 125,529	32%	\$ 102,384	\$ 85,360	\$ (17,024)	
	EE + Child(ren)	28	4	8	5	0	\$ 464,940	\$ 50,220	\$ 57,404	\$ 572,564	19%	\$ 389,344	\$ 125,816	\$ 57,404	\$ 572,564	32%	\$ 464,940	\$ 389,344	\$ (75,596)	
	EE + Family	20	5	7	1		\$ 521,532	\$ 66,132	\$ 42,096	\$ 629,760	17%	\$ 428,237	\$ 159,427	\$ 42,096	\$ 629,760	32%	\$ 521,532	\$ 428,237	\$ (93,295)	
	EE + Spouse with ESP surcharge	3	1			1	\$ 56,880	\$ 18,480	\$ 6,378	\$ 81,738	30%	\$ 55,582	\$ 19,778	\$ 6,378	\$ 81,738	32%	\$ 56,880	\$ 55,582	\$ (1,298)	
<b>EPO/HMO - Base Rate (HMO and HMOEHL)</b>	EE + Spouse	9	6	0	7	0	\$ 250,272	\$ 109,296	\$ 28,064	\$ 387,632	35%	\$ 263,590	\$ 95,978	\$ 28,064	\$ 387,632	32%	\$ 250,272	\$ 263,590	\$ 13,318	
	EE + Child(ren)	3	5	1			\$ 92,988	\$ 41,148	\$ 11,481	\$ 145,617	36%	\$ 99,019	\$ 35,117	\$ 11,481	\$ 145,617	32%	\$ 92,988	\$ 99,019	\$ 6,031	
	EE + Family	9	5	0	4	0	\$ 284,472	\$ 121,608	\$ 22,962	\$ 429,042	34%	\$ 291,748	\$ 114,332	\$ 22,962	\$ 429,042	32%	\$ 284,472	\$ 291,748	\$ 7,276	
	EE + Spouse with ESP surcharge	1		1			\$ 22,752	\$ 14,736	\$ 2,551	\$ 40,039	43%	\$ 27,227	\$ 10,261	\$ 2,551	\$ 40,039	32%	\$ 22,752	\$ 27,227	\$ 4,475	
	EE + Family with ESP surcharge	1	0	1	3	0	\$ 79,020	\$ 45,780	\$ 6,378	\$ 131,178	40%	\$ 89,201	\$ 35,599	\$ 6,378	\$ 131,178	32%	\$ 79,020	\$ 89,201	\$ 10,181	
<b>EPO/HMO - Healthy for Life Rate (HMOHFL)</b>	EE + Spouse	95	32	6	48	8	\$ 2,150,064	\$ 712,152	\$ 241,098	\$ 3,103,314	31%	\$ 2,110,253	\$ 751,963	\$ 241,098	\$ 3,103,314	32%	\$ 2,150,064	\$ 2,110,253	\$ (39,811)	
	EE + Child(ren)	71	46	15	48	9	\$ 1,952,748	\$ 637,308	\$ 241,098	\$ 2,831,154	31%	\$ 1,925,185	\$ 664,871	\$ 241,098	\$ 2,831,154	32%	\$ 1,952,748	\$ 1,925,185	\$ (27,563)	
	EE + Family	97	56	16	28	8	\$ 3,239,820	\$ 1,138,980	\$ 261,508	\$ 4,640,308	30%	\$ 3,155,410	\$ 1,223,390	\$ 261,508	\$ 4,640,308	32%	\$ 3,239,820	\$ 3,155,410	\$ (84,410)	
	EE + Spouse with ESP surcharge	15		1	2		\$ 204,768	\$ 111,024	\$ 22,962	\$ 338,754	40%	\$ 230,353	\$ 85,439	\$ 22,962	\$ 338,754	32%	\$ 204,768	\$ 230,353	\$ 25,585	
	EE + Family with ESP surcharge	15	6	1	3		\$ 395,100	\$ 198,900	\$ 31,891	\$ 625,891	37%	\$ 425,606	\$ 168,394	\$ 31,891	\$ 625,891	32%	\$ 395,100	\$ 425,606	\$ 30,506	
<b>PPO - 80/20 Standard - Base Rate (PPO and PPOEHL)</b>	EE + Spouse	3	3	2	3	1	\$ 136,512	\$ 41,328	\$ 15,308	\$ 193,148	29%	\$ 131,341	\$ 46,499	\$ 15,308	\$ 193,148	32%	\$ 136,512	\$ 131,341	\$ (5,171)	
	EE + Child(ren)	3	4	1	1		\$ 92,988	\$ 28,296	\$ 11,481	\$ 132,765	30%	\$ 90,280	\$ 31,004	\$ 11,481	\$ 132,765	32%	\$ 92,988	\$ 90,280	\$ (2,708)	
	EE + Family	4	2	0	3	0	\$ 142,236	\$ 41,040	\$ 11,481	\$ 194,757	27%	\$ 132,435	\$ 50,841	\$ 11,481	\$ 194,757	32%	\$ 142,236	\$ 132,435	\$ (9,801)	
	EE + Spouse with ESP surcharge	1					\$ 11,376	\$ 5,844	\$ 1,276	\$ 18,496	38%	\$ 12,577	\$ 4,643	\$ 1,276	\$ 18,496	32%	\$ 11,376	\$ 12,577	\$ 1,201	
	EE + Family with ESP surcharge	0	2	0	0	0	\$ 31,608	\$ 13,920	\$ 2,551	\$ 48,079	34%	\$ 32,694	\$ 12,834	\$ 2,551	\$ 48,079	32%	\$ 31,608	\$ 32,694	\$ 1,086	
<b>PPO - 80/20 Standard - Healthy for Life Rate (PPOHFL)</b>	EE + Spouse	52	21	10	32	7	\$ 1,387,872	\$ 273,768	\$ 155,629	\$ 1,817,269	24%	\$ 1,235,743	\$ 425,897	\$ 155,629	\$ 1,817,269	32%	\$ 1,387,872	\$ 1,235,743	\$ (152,129)	
	EE + Child(ren)	104	30	14	65	8	\$ 2,283,372	\$ 429,624	\$ 281,919	\$ 2,994,915	24%	\$ 2,036,542	\$ 676,454	\$ 281,919	\$ 2,994,915	32%	\$ 2,283,372	\$ 2,036,542	\$ (246,830)	
	EE + Family	97	41	30	30	9	\$ 3,271,428	\$ 695,520	\$ 264,060	\$ 4,231,008	23%	\$ 2,877,085	\$ 1,089,863	\$ 264,060	\$ 4,231,008	32%	\$ 3,271,428	\$ 2,877,085	\$ (394,343)	
	EE + Spouse with ESP surcharge	4		1	1	1	\$ 79,632	\$ 32,508	\$ 8,930	\$ 121,070	34%	\$ 82,327	\$ 29,813	\$ 8,930	\$ 121,070	32%	\$ 79,632	\$ 82,327	\$ 2,695	
	EE + Family with ESP surcharge	20	3	2	1	2	\$ 442,512	\$ 161,280	\$ 35,718	\$ 639,510	31%	\$ 434,867	\$ 168,925	\$ 35,718	\$ 639,510	32%	\$ 442,512	\$ 434,867	\$ (7,645)	
<b>PPO - 90/10 Low Deductible - Base Rate (PPOLOW and PLOEHL)</b>	EE + Spouse	1	0	0	2	0	\$ 34,128	\$ 12,132	\$ 3,827	\$ 50,087	32%	\$ 34,059	\$ 12,201	\$ 3,827	\$ 50,087	32%	\$ 34,128	\$ 34,059	\$ (69)	
	EE + Child(ren)	1	1		1		\$ 30,996	\$ 11,160	\$ 3,827	\$ 45,983	33%	\$ 31,268	\$ 10,888	\$ 3,827	\$ 45,983	32%	\$ 30,996	\$ 31,268	\$ 272	
	EE + Family	2	3	1	0	0	\$ 94,824	\$ 32,760	\$ 7,654	\$ 135,238	30%	\$ 91,962	\$ 35,622	\$ 7,654	\$ 135,238	32%	\$ 94,824	\$ 91,962	\$ (2,862)	
<b>PPO - LOW - Healthy For Life Rate (PPOLOH)</b>	EE + Spouse	30	9	4	20	6	\$ 784,944	\$ 196,236	\$ 88,020	\$ 1,069,200	27%	\$ 727,056	\$ 254,124	\$ 88,020	\$ 1,069,200	32%	\$ 784,944	\$ 727,056	\$ (57,888)	
	EE + Child(ren)	49	14	3	28	1	\$ 981,540	\$ 239,400	\$ 121,187	\$ 1,342,127	27%	\$ 912,646	\$ 308,294	\$ 121,187	\$ 1,342,127	32%	\$ 981,540	\$ 912,646	\$ (68,894)	

2016 Medical and Dental Enrollment Non Union Only  
By Benefit Plan, By Coverage Level, By Salary Administration Plan

	Enrollment					Annual Company Paid Portion of the Premium	Annual EE Portion of the Premium	EE Expense *	Total Healthcare/ Medical Costs	Annual EE Expenses and Premiums as a % of Total Healthcare/ Medical Costs	PSC Scenario: Amt the Company Would Have Paid IF EE Cost of the total Healthcare/Medical costs were 21% Single and 32% Other Coverage Levels	PSC Scenario - New Annual EE Portion of the Premium	EE Expense *	Total Healthcare/ Medical Costs	Annual EE Expenses and Premiums as a % of Total Healthcare/ Medical Costs	Annual Company Paid Portion of the Premium	PSC Scenario: Amt the Company Would Have Paid IF EE Cost of the total Healthcare/Medical costs were 21% Single and 32% Other Coverage Levels	Difference between Annual Company Paid Portion of Premium and PSC Scenario
	Exempt	Hourly	Manager	Non-union/ Officer & Director	LTD													
EE + Family	40	19	12	15	4	\$ 1,422,360	\$ 383,400	\$ 114,809	\$ 1,920,569	26%	\$ 1,305,987	\$ 499,773	\$ 114,809	\$ 1,920,569	32%	\$ 1,422,360	\$ 1,305,987	\$ (116,373)
EE + Spouse with ESP surcharge	3			3		\$ 68,256	\$ 31,464	\$ 7,654	\$ 107,374	36%	\$ 73,014	\$ 26,706	\$ 7,654	\$ 107,374	32%	\$ 68,256	\$ 73,014	\$ 4,758
EE + Family with ESP surcharge	3	2	2	2		\$ 142,236	\$ 59,940	\$ 11,481	\$ 213,657	33%	\$ 145,287	\$ 56,889	\$ 11,481	\$ 213,657	32%	\$ 142,236	\$ 145,287	\$ 3,051
<b>Add 90 LTDs using Average Cost</b>					90	\$ 952,154	\$ 260,055	\$ 114,809	\$ 1,327,017	28%	\$ 902,372	\$ 309,837	\$ 114,809	\$ 1,327,017	32%	\$ 952,154	\$ 902,372	\$ (49,782)
<b>SUB-TOTAL MEDICAL - Other Coverage Levels</b>						<b>\$ 22,235,894</b>	<b>\$ 6,235,203</b>	<b>\$ 2,251,522</b>	<b>\$ 30,722,619</b>	<b>28%</b>	<b>\$ 20,891,381</b>	<b>\$ 7,579,716</b>	<b>\$ 2,251,522</b>	<b>\$ 30,722,619</b>	<b>32%</b>	<b>\$ 22,235,894</b>	<b>\$ 20,891,381</b>	<b>\$ (1,344,513)</b>
<b>2016 GRAND TOTAL MEDICAL - Single and all Other Coverage Levels</b>						<b>\$ 27,359,150</b>	<b>\$ 7,240,227</b>	<b>\$ 3,356,235</b>	<b>\$ 37,955,612</b>		<b>\$ 26,605,445</b>	<b>\$ 7,993,931</b>	<b>\$ 3,356,235</b>	<b>\$ 37,955,612</b>		<b>\$ 27,359,150</b>	<b>\$ 26,605,445</b>	<b>\$ (753,705)</b>

Notes:  
Enrollment numbers include full-time and part-time employees as of 1/1. It includes inactive employees on LTD status. It does not include employees who waived coverage.  
\*Total EE Expense includes employees' share of the 2016 deductible, co-payments, and co-insurance. The actual employees' share is then averaged based on 3409 participants.

2016 Dental Enrollment  
By Benefit Plan, By Coverage Level, By Salary Administration Plan

	Salary Administration Plan						Annual Company Paid Portion of the Premium	Annual EE Portion of the Premium	Deductible as Defined by KPSC	Total Healthcare/Dental Costs	Annual EE Deductible and Premiums as a % of Total Healthcare/Dental Costs	PSC Scenario: Amt the Company Would Have Paid IF EE Cost of the total Healthcare/Dental costs were 21% Single and 32% Other Coverage Levels	PSC Scenario - New Annual EE Portion of the Premium	Deductible as Defined by KPSC	Total Healthcare/Dental Costs	Annual EE Deductible and Premiums as a % of Total Healthcare/Dental Costs	Annual Company Paid Portion of the Premium	PSC Scenario: Amt the Company Would Have Paid IF EE Cost of the total Healthcare/Dental costs were 21% Single and 32% Other Coverage Levels	Difference between Annual Company Paid Portion of Premium and PSC Scenario		
	Bargaining Unit	Exempt	Hourly	Manager	Non-tenure	Office & Director															
<b>Delta Dental - Basic</b>																					
Employee (EE)	22	79	16	4	43		\$ 33,456	\$ -	\$ 8,200	\$ 41,656	20%	\$ 32,908	\$ 548	\$ 8,200	\$ 41,656	21%	\$ 33,456	\$ 32,908	\$ (548)		
<b>Delta Dental - High</b>																					
Employee (EE)	155	255	76	19	233	9	\$ 197,208	\$ 62,748	\$ 37,350	\$ 297,306	34%	\$ 234,872	\$ 25,084	\$ 37,350	\$ 297,306	21%	\$ 197,208	\$ 234,872	\$ 37,664		
<b>SUB-TOTAL DENTAL - Single Coverage Level</b>							<b>\$ 230,664</b>	<b>\$ 62,748</b>	<b>\$ 45,550</b>	<b>\$ 338,962</b>	<b>32%</b>	<b>\$ 267,780</b>	<b>\$ 25,632</b>	<b>\$ 45,550</b>	<b>\$ 338,962</b>	<b>21%</b>	<b>\$ 230,664</b>	<b>\$ 267,780</b>	<b>\$ 37,116</b>		
<b>Delta Dental - Basic</b>																					
EE + Spouse	10	34	11	8	20	3	\$ 36,120	\$ -	\$ 8,600	\$ 44,720	19%	\$ 30,410	\$ 5,710	\$ 8,600	\$ 44,720	32%	\$ 36,120	\$ 30,410	\$ (5,710)		
EE + Child(ren)	8	21	5	3	20		\$ 23,940	\$ -	\$ 8,550	\$ 32,490	26%	\$ 22,093	\$ 1,847	\$ 8,550	\$ 32,490	32%	\$ 23,940	\$ 22,093	\$ (1,847)		
EE + Family	34	91	18	8	12	1	\$ 104,304	\$ -	\$ 32,800	\$ 137,104	24%	\$ 93,231	\$ 11,073	\$ 32,800	\$ 137,104	32%	\$ 104,304	\$ 93,231	\$ (11,073)		
<b>Delta Dental - High</b>																					
EE + Spouse	187	244	83	27	127	19	\$ 338,004	\$ 140,148	\$ 68,700	\$ 546,852	38%	\$ 371,859	\$ 106,293	\$ 68,700	\$ 546,852	32%	\$ 338,004	\$ 371,859	\$ 33,855		
EE + Child(ren)	92	138	45	19	110	10	\$ 203,688	\$ 84,456	\$ 62,100	\$ 350,244	42%	\$ 238,166	\$ 49,978	\$ 62,100	\$ 350,244	32%	\$ 203,688	\$ 238,166	\$ 34,478		
EE + Family	282	351	191	86	120	32	\$ 790,128	\$ 344,088	\$ 212,400	\$ 1,346,616	41%	\$ 915,699	\$ 218,517	\$ 212,400	\$ 1,346,616	32%	\$ 790,128	\$ 915,699	\$ 125,571		
<b>Add 90 LTDs using Average Cost</b>																					
						90	\$ 45,968	\$ 16,809	\$ 11,678	\$ 74,454	38%	\$ 50,629	\$ 12,147	\$ 11,678	\$ 74,454	32%	\$ 45,968	\$ 50,629	\$ 4,661		
<b>SUB-TOTAL DENTAL - Other Coverage Levels</b>							<b>\$ 1,542,152</b>	<b>\$ 585,501</b>	<b>\$ 404,828</b>	<b>\$ 2,532,480</b>	<b>39%</b>	<b>\$ 1,722,086</b>	<b>\$ 405,566</b>	<b>\$ 404,828</b>	<b>\$ 2,532,480</b>	<b>32%</b>	<b>\$ 1,542,152</b>	<b>\$ 1,722,086</b>	<b>\$ 179,935</b>		
<b>GRAND TOTAL DENTAL - Single and all Other Coverage Levels</b>							<b>\$ 1,772,816</b>	<b>\$ 648,249</b>	<b>\$ 450,378</b>	<b>\$ 2,871,442</b>		<b>\$ 1,989,866</b>	<b>\$ 431,198</b>	<b>\$ 450,378</b>	<b>\$ 2,871,442</b>		<b>\$ 1,772,816</b>	<b>\$ 1,989,866</b>	<b>\$ 217,051</b>		
2016 Total Participants							3,471														
2016 Average Employer cost per participant							\$ 511														
Total Employees as of 12/31/2016							3,606														
2017 Average Employer cost per participant (2016 escalated by 4%)							\$ 531														
2018 Average Employer cost per participant (2017 escalated by 4%)							\$ 552														
Forecasted Test period employees							3,693														
Forecasted Test period participants							3,554.74														
Forecasted test period costs escalated based on 2016 Actual Data							\$ 1,963,739														
KU/LG&E Medical Costs Per PSC 4-1 Attachment 1 included in Forecasted Test Period							\$ 1,980,153														
Amount not included in forecasted test period based on escalated 2016 actuals							\$ (16,414)														

Notes:

Enrollment numbers include full-time and part-time employees as of 1/1. It includes inactive employees on LTD status. It does not include employees who waived coverage. Deductible as Defined by KPSC includes the participants' full share of the 2016 deductible.

2016 Dental Enrollment Non-Union Only  
By Benefit Plan, By Coverage Level, By Salary Administration Plan

	Enrollment						Annual Company Paid Portion of the Premium	Annual EE Portion of the Premium	Deductible as Defined by KPSC	Total Healthcare/ Dental Costs	Annual EE Deductible and Premiums as a % of Total Healthcare/ Dental Costs	PSC Scenario: Amt the Company Would Have Paid IF EE Cost of the total Healthcare/Dental costs were 21% Single and 32% Other Coverage Levels	PSC Scenario - New Annual EE Portion of the Premium	Deductible as Defined by KPSC	Total Healthcare/ Dental Costs	Annual EE Deductible and Premiums as a % of Total Healthcare/ Dental Costs	Annual Company Paid Portion of the Premium	PSC Scenario: Amt the Company Would Have Paid IF EE Cost of the total Healthcare/Dental costs were 21% Single and 32% Other Coverage Levels	Difference between Annual Company Paid Portion of Premium and PSC Scenario	
	Exempt	Hourly	Manager	Non-union	Officer & Director															
<b>Delta Dental - Basic</b>																				
Employee (EE)	79	16	4	43			\$ 28,968	\$ -	\$ 7,100	\$ 36,068	20%	\$ 28,494	\$ 474	\$ 7,100	\$ 36,068	21%	\$ 28,968	\$ 28,494	\$ (474)	
<b>Delta Dental - High</b>																				
Employee (EE)	255	76	19	233	9		\$ 156,288	\$ 49,728	\$ 29,600	\$ 235,616	34%	\$ 186,137	\$ 19,879	\$ 29,600	\$ 235,616	21%	\$ 156,288	\$ 186,137	\$ 29,849	
<b>SUB-TOTAL DENTAL - Single Coverage Level</b>							<b>\$ 185,256</b>	<b>\$ 49,728</b>	<b>\$ 36,700</b>	<b>\$ 271,684</b>	<b>32%</b>	<b>\$ 214,630</b>	<b>\$ 20,354</b>	<b>\$ 36,700</b>	<b>\$ 271,684</b>	<b>21%</b>	<b>\$ 185,256</b>	<b>\$ 214,630</b>	<b>\$ 29,374</b>	
<b>Delta Dental - Basic</b>																				
EE + Spouse	34	11	8	20	3		\$ 31,920	\$ -	\$ 7,600	\$ 39,520	19%	\$ 26,874	\$ 5,046	\$ 7,600	\$ 39,520	32%	\$ 31,920	\$ 26,874	\$ (5,046)	
EE + Child(ren)	21	5	3	20			\$ 20,580	\$ -	\$ 7,350	\$ 27,930	26%	\$ 18,992	\$ 1,588	\$ 7,350	\$ 27,930	32%	\$ 20,580	\$ 18,992	\$ (1,588)	
EE + Family	91	18	8	12	1		\$ 82,680	\$ -	\$ 26,000	\$ 108,680	24%	\$ 73,902	\$ 8,778	\$ 26,000	\$ 108,680	32%	\$ 82,680	\$ 73,902	\$ (8,778)	
<b>Delta Dental - High</b>																				
EE + Spouse	244	83	27	127	19		\$ 246,000	\$ 102,000	\$ 50,000	\$ 398,000	38%	\$ 270,640	\$ 77,360	\$ 50,000	\$ 398,000	32%	\$ 246,000	\$ 270,640	\$ 24,640	
EE + Child(ren)	138	45	19	110	10		\$ 158,424	\$ 65,688	\$ 48,300	\$ 272,412	42%	\$ 185,240	\$ 38,872	\$ 48,300	\$ 272,412	32%	\$ 158,424	\$ 185,240	\$ 26,816	
EE + Family	351	191	86	120	32		\$ 580,320	\$ 252,720	\$ 156,000	\$ 989,040	41%	\$ 672,547	\$ 160,493	\$ 156,000	\$ 989,040	32%	\$ 580,320	\$ 672,547	\$ 92,227	
<b>Add 90 LTDs using Average Cost</b>																				
					90		\$ 45,968	\$ 16,809	\$ 11,678	\$ 74,454	38%	\$ 50,629	\$ 12,147	\$ 11,678	\$ 74,454	32%	\$ 45,968	\$ 50,629	\$ 4,661	
<b>SUB-TOTAL DENTAL - Other Coverage Levels</b>							<b>\$ 1,165,892</b>	<b>\$ 437,217</b>	<b>\$ 306,928</b>	<b>\$ 1,910,036</b>	<b>39%</b>	<b>\$ 1,298,824</b>	<b>\$ 304,284</b>	<b>\$ 306,928</b>	<b>\$ 1,910,036</b>	<b>32%</b>	<b>\$ 1,165,892</b>	<b>\$ 1,298,824</b>	<b>\$ 132,933</b>	
<b>GRAND TOTAL DENTAL - Single and all Other Coverage Levels</b>							<b>\$ 1,351,148</b>	<b>\$ 486,945</b>	<b>\$ 343,628</b>	<b>\$ 2,181,720</b>		<b>\$ 1,513,455</b>	<b>\$ 324,637</b>	<b>\$ 343,628</b>	<b>\$ 2,181,720</b>		<b>\$ 1,351,148</b>	<b>\$ 1,513,455</b>	<b>\$ 162,307</b>	

Notes:  
Enrollment numbers include full-time and part-time employees as of 1/1. It includes inactive employees on LTD status. It does not include employees who waived coverage.  
Deductible as Defined by KPSC includes the participants' full share of the 2016 deductible.



**KENTUCKY UTILITIES COMPANY**

**CASE NO. 2016-00370**

**Response to Commission Staff's Sixth Request for Information  
Dated May 2, 2017**

**Question No. 2**

**Responding Witness: Gregory J. Meiman**

Q-2. Refer to KU/LG&E's response to Staff's Fourth Request, Item 1, Attachment 3, page 1.

- a. State whether the amounts listed under Incentive/Bonus are recorded as an expense on the books of KU/LG&E and included for ratemaking purposes, or are paid by shareholders.
- b. Explain how the Incentive/Bonus is determined.

A-2.

- a. No, the amounts are not recorded as an expense on the books of KU/LG&E and are not included for ratemaking purposes. Also, see Tab 60 of the Filing Requirements, Section 16(8)(g) related to officer compensation and the response to PSC 1-37.
- b. The Incentive/Bonus amounts reflect payments for cash based short-term and stock based long-term incentives. The short-term amounts are determined based on achievement of individual and financial goals. The long-term amounts are determined based on achievement of financial goals. As stated in part a, these amounts are not included on the books of LG&E and KU and are not included in the cost of service for the purposes of recovery through base rates.

**KENTUCKY UTILITIES COMPANY**

**CASE NO. 2016-00370**

**Response to Commission Staff's Sixth Request for Information**

**Dated May 2, 2017**

**Question No. 3**

**Responding Witness: Gregory J. Meiman**

- Q-3. Refer to KU/LG&E's response to Staffs Fourth Request, Item 6.
- a. State whether there are employees who participate in both the *Retirement Plan - eligible if hired prior to 1/ 1/06* - and the *401 (k) Savings Plan Company Match*.
  - b. If the answer to Item 3.a. above is affirmative, state which employee classes are participating, i.e., Executive, Exempt, Non-Exempt, Union, Wage, etc., and the number of employees participating.
  - c. If the answer to Item 3.a. above is affirmative, provide the total amount and sub-total amounts by employee grouping that were paid by KU/LG&E under the 401 (k) Savings Plan Company Match for those identified employees.
  - d. State whether employees can participate in both the *Savings Plan Retirement Income Account (RIA) - eligible if hired or rehired after 1/ 1/06* and the 401 (k) Savings Plan Company Match.
  - e. If the answer to Item 3.d. above is affirmative, state which employee classes are participating, i.e., Executive, Exempt, Non-Exempt, Union, Wage, etc., and the number of employees participating.
  - f. If the answer to Item 3.d. above is affirmative, provide the total amount and sub-total amounts by employee grouping that were paid by KU/LG&E under the 401 (k) Savings Plan Company Match for those identified employees.
- A-3.
- a. Yes, there are employees who participate in both the Retirement Plan and the 401(k) Savings Plan Company Match.
  - b. All employees hired prior to January 1, 2006, are eligible for participation in both the Retirement Plan and the 401(k) Savings Plan Company Match. See attached for the number of employees participating in both.

- c. See attachment to response to b.
- d. Yes, employees can participate in both the Savings Plan Retirement Income Account and the 401(k) Savings Plan Company Match.
- e. See attachment to response to b.
- f. See attachment to response to b.

b & c **Employees who participate in both the Retirement Plan - eligible if hired prior to 1/1/06 and the Savings Plan Company Match**

	<b>Bargaining Unit</b>	<b>Exempt</b>	<b>Hourly</b>	<b>Manager</b>	<b>Non-exempt</b>	<b>Officer &amp; Director</b>
Number of employees	431	662	259	137	313	73
401(k) Company Match	\$ 1,626,216.08	\$ 2,795,976.82	\$ 1,025,869.90	\$ 793,243.78	\$ 850,385.56	\$ 626,496.07

e & f **Employees who participate in both the Retirement Income Account (RIA) - eligible if hired or rehired after 1/1/06 and the Savings Plan Company Match**

	<b>Bargaining Unit</b>	<b>Exempt</b>	<b>Hourly</b>	<b>Manager</b>	<b>Non-exempt</b>	<b>Officer &amp; Director</b>
Number of employees	380	623	176	47	481	8
401(k) Company Match	\$ 1,149,615.27	\$ 1,903,860.21	\$ 565,977.53	\$ 269,692.01	\$ 572,243.69	\$ 51,236.78

This reflects 2016 data and includes LGE/KU/LKS employees.