

From the Response to the RFI: 6 Weeks, 60% Wage Replacement				Convert to Annual					Illustrative Employees			12 Weeks,
Carrier B				For 8,500 State Employees in One Group					Employee A	Employee B	Employee C	60%
	Per Group	PEPM	Other	One-time	On-going per year	% Wages to SocSec Max	% Total Premium	Use median salary				
Employee salary per year								\$59,500	\$40,000	\$80,000	\$132,900	\$59,500
Third Party Vendor Fees												
One-time implementation fee	\$1,500			\$1,500								
Monthly hosting fee	Min. \$200	\$0.30			\$30,600			0.0061%	\$3.60	\$3.60	\$3.60	0.0061%
Monthly documents and file interface fee			\$600 per month for the entire program		\$7,200			0.0014%	\$0.85	\$0.85	\$0.85	0.0014%
One-time history file development fee if existing PFL	\$1,000			\$1,000								
Carrier B Costs												
Internal staffing costs		\$1.50 - \$2.00			\$178,500			0.0353%	\$21.00	\$21.00	\$21.00	0.0353%
FMLI claims cost for state employees at 60% benefit												
6-week benefit			0.346% - 0.404% of covered wages			0.375%		0.375%	\$150.000	\$300.000	\$498.38	
12-week benefit			0.554% - 0.646% of covered wages			0.600%						0.60%
Total Costs before Fees								0.4178%	\$175.45	\$325.45	\$523.82	0.6428%
Fees as % of Total Premium												
Premium tax			2% of total premium					0.00000%	\$0.00	\$0.00	\$0.00	0.00000%
Risk and Contingency margin			3% - 6% of total premium				4.50%	0.01880%	\$7.90	\$14.65	\$23.57	0.0289%
Commission			Set % of total premium, if applicable (guess 1%)					0.00000%	\$0.00	\$0.00	\$0.00	0.00000%
						Pyrl tax rate		0.44%	0.46%	0.43%	0.41%	0.67%
	\$2,500					Premium (\$)		\$259.76	\$183.34	\$340.09	\$547.39	\$399.66
						Admin/Ben Admin (\$)		14.1%	18.2%	11.8%	9.0%	10.7%
								\$36.63	\$33.34	\$40.09	\$49.02	\$42.66

\$2,207,941 Approx. Cost to the State at Median Wage \$3,397,086

DM # 340044-v1