USG Employee Benefits - Retirees

- 95% enrolled during the enrollment period; fewer than 1% (32) retirees were non-responders
  - 79% enrolled in a Medigap plan
  - 18% enrolled in a Medicare Advantage plan
  - 3% enrolled in a stand alone Prescription Drug Program

- Resulted in significant impact to BOR's OPEB liability
  - Overall impact is 20% decrease in future liability; projected at over $1 billion in FY18
Medicare Eligible Retirees
Proposed Employer Contribution

- Recommend $2,736 annual employer contribution
- Same contribution level as 2016
- Premiums on the Exchange will increase by approximately 1-7%
- Continue to provide Catastrophic HRA to help retirees with very expensive drug costs