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**From:** Curley, Bryan  
**Sent:** Friday, October 02, 2009 9:47 AM  
**To:** Shea, David A.; Oatman, James E.  
**Cc:** Le, Chau  
**Subject:** RE: Benefit Changes

Chau (and perhaps Jim),

Perhaps you can give me your thoughts on my comments below.

My assumption would be that we need something that would average a 6-10% reduction on these four product families – Smart Sense, PPO Share, Tonik, Right Plan to bring the rate action from 25%-27% to 20%. (Tonik actually needs about 35% and I'm capping at 27%)

The only choices seem to be:

Smart Sense raise deductibles. I don't think we can change the coinsurance. The OOP max doesn't give us enough.  
PPO Share raise deductibles. Same logic as Smart Sense  
Tonik. Perhaps we add 25% coinsurance up to a \$2500 oop limit. Currently these are 0% coinsurance plans.  
Right Plan – introduce deductibles. These plans don't have a deductible.

I don't think we should touch Lumenos maternity because it is closed and that could get prickly with CDI.  
The other products – Lumenos non-maternity and 3500 deductible plans should have rate actions that are at or under 20% so I don't know that we want benefit reductions on those plans.

Bryan

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