

**EXHIBIT NO. ___(TMH-5C)
DOCKETS UE-17___/UG-17___
2017 PSE GENERAL RATE CASE
WITNESS: THOMAS M. HUNT**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

Docket UE-17___

Docket UG-17___

**FOURTH EXHIBIT (CONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

THOMAS M. HUNT

ON BEHALF OF PUGET SOUND ENERGY

**REDACTED
VERSION**

JANUARY 13, 2017

**Puget Sound Energy
Health Benefit Plans History (2012-2016)
Monthly Flex Credits and Medical Plan Costs**

	2016	2015	2014	2013	2012	4 yr. chg	CAGR
FLEX CREDITS ONLY							
EE Only						-6.45%	-1.65%
EE Only						-2.42%	-0.61%
EE Only						-5.30%	-1.35%
Non-Rep						2.22%	0.55%
IBEW						1.23%	0.31%
UA						6.07%	1.48%

	2016	2015	2014	2013	2012	4 yr. chg	CAGR
COMBINED FLEX & WELLNESS							
EE Only						-1.61%	-0.41%
EE Only						2.70%	0.67%
EE Only						-0.42%	-0.11%
Non-Rep						6.82%	1.66%
IBEW						5.85%	1.43%
UA						10.89%	2.62%

	2016	2015	2014	2013	2012	4 yr. chg	CAGR
MEDICAL PLAN COSTS							
EE Only						16.64%	3.92%
EE Only						45.22%	9.78%
EE Only						25.12%	5.76%
EE Only						16.21%	3.83%
Family						16.75%	3.95%
Family						45.06%	9.74%
Family						25.00%	5.74%
Family						16.37%	3.86%

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**Puget Sound Energy
Health Benefit Plans History (2012-2016)
Medical Plan Costs**

MARKET INFORMATION

Kaiser Survey Data- Total Premium Cost

	2016 1 yr chg	2015 1 yr chg	2014 1 yr chg	2013 1 yr chg	2012 1 yr chg	2011	4-yr Chg	CAGR
EE Only	\$6,435	\$6,251	\$6,025	\$5,884	\$5,615	\$5,429	11.33%	2.72%
Family	\$18,142	\$17,545	\$16,834	\$16,351	\$15,745	\$15,073	11.43%	2.74%
Family	\$18,395	\$17,938	\$17,265	\$16,715	\$15,980	\$15,520	12.25%	2.93%

Willis Towers Watson 2016 Emerging Trends in Health Care
Trend 6.0%
After Benefit Changes 4.0%

Towers Watson 2015 Emerging Trends in Health Care
Trend 6.0%
After Benefit Changes 4.2%

6.0%
4.5%

6.8%
5.5%