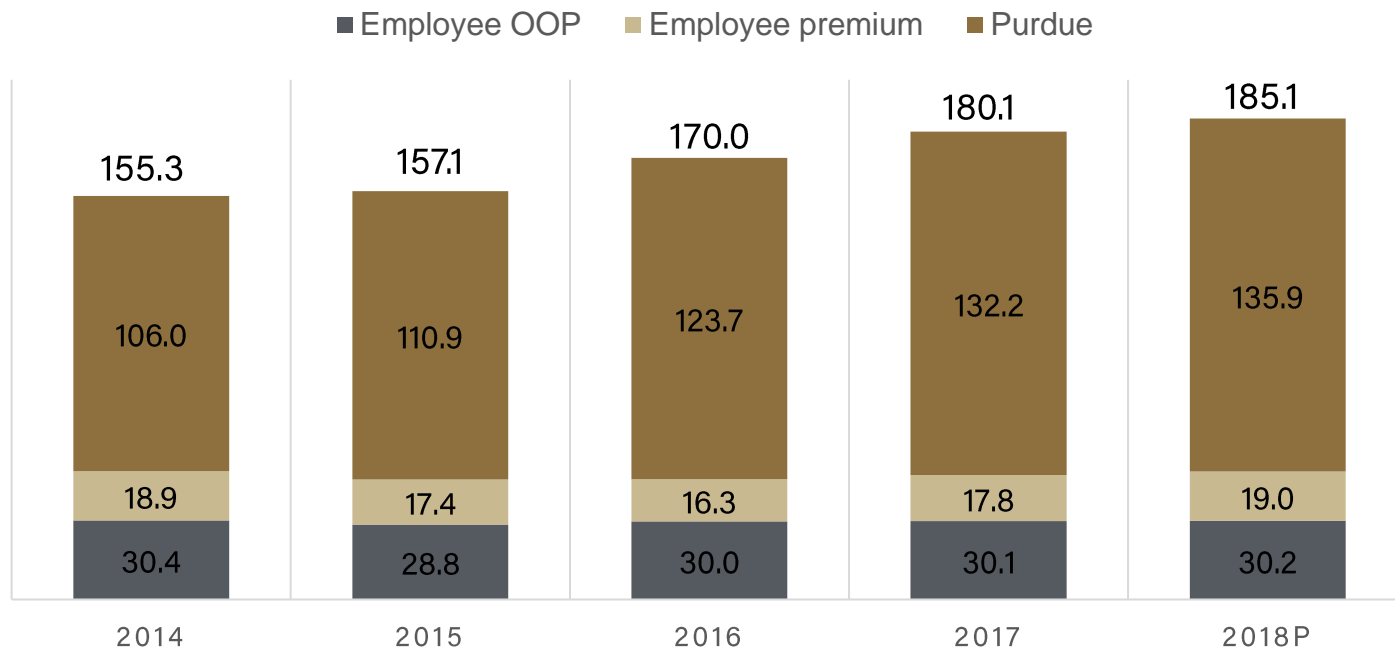


Purdue University Benefits – Medical Plan History

MEDICAL SPEND HISTORY



CY 2014 to 2018P. \$ in millions

Source: Vital Incite – 2017 Purdue Claims and Premium Data

Analysis

- Total project costs increase 28%
- Population increase of 5.8%
- Purdue's medical inflation 6-7% annually
- Purdue costs increased 29%
- Employee costs increased 4.3%

Purdue University Benefits - History of Medical Changes

2017

- **New Clinic Operator**
- **Mid-America contract for labs**
- **Imaging/radiology offered at PUSH**
- **Healthy Boiler provided additional financial incentives for wellness activities and education**
- Employee premium increase (4%)

2018

- CVS contract for pharmacy administration
- Numerous measures to reduce administrative costs
- Employee premium increase (7%)

2019

- Deductible/OOP increases
- Prescription formulary change
- Employee premium increase (6%)

2020

- No Employee premium increase
- Sunset PPO medical plan (1/1/21)
- Working spouse premium
- Tobacco surcharge increase
- **Direct provider agreements**
- **Tiered narrow network option**

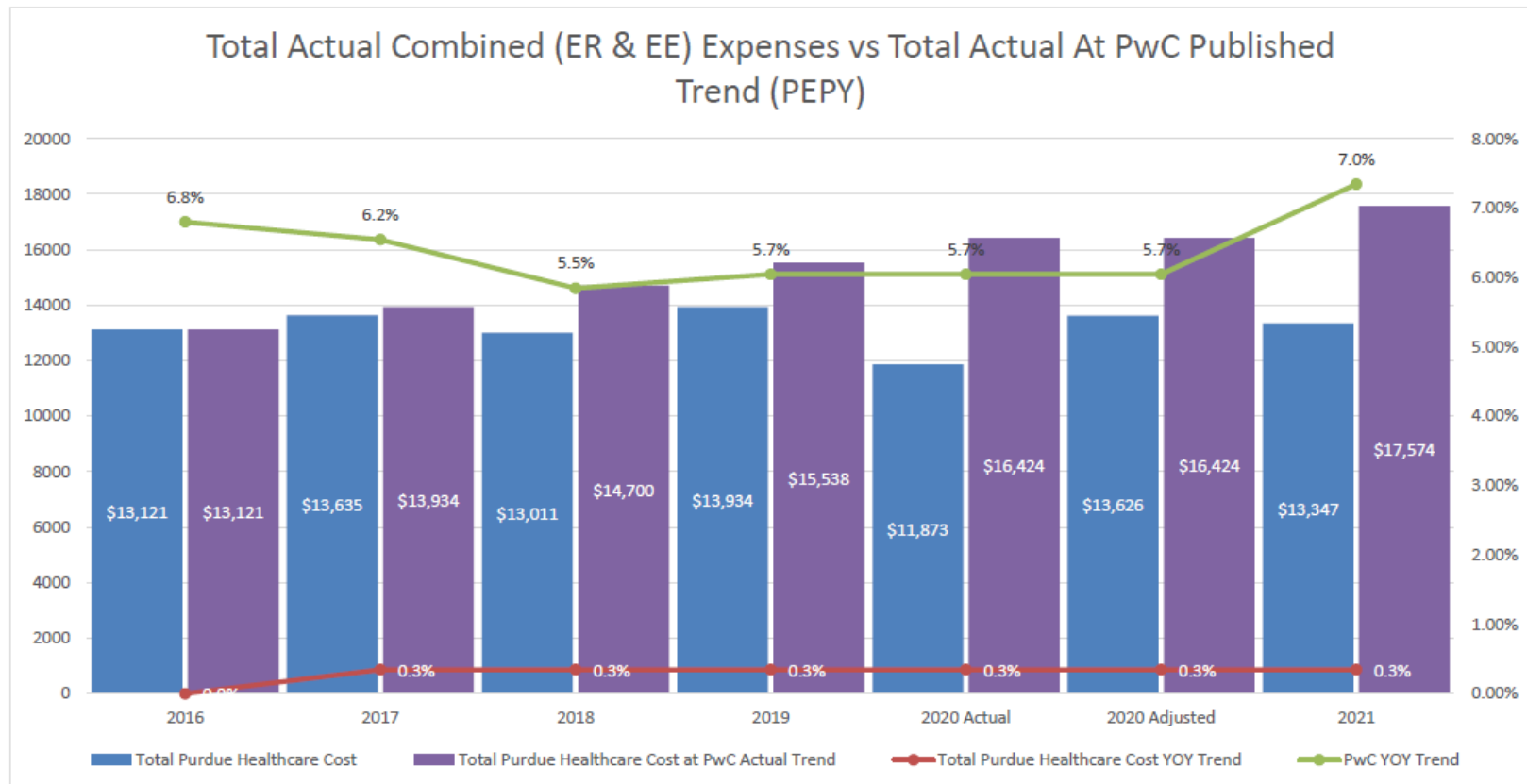
2021

- No Employee premium increase
- 100% CDHP (3 Plans)
- **Specialty Prescription Carve Out**
- Retiree premium increase (5%)
- Additional direct provider agreements
- Vision separated from Medical elections

2022

- Expanding Clinic services
- Additional direct agreements
- New wellness portal

Purdue University Health Plan Expenditures



Total expenses represent total net expenses by plan and plan members