

# Enrollment Sensitivity Analysis

## Background

- Purpose of the analysis is to determine the impact of different levels of OE4 enrollment on cash flows
- The sensitivity analysis will provide insights into the necessary expense reductions in order to achieve sustainability under each of the scenarios
- Three scenarios are included in the initial analysis.
  - Budget – based on enrollment and expenditures as approved in the budget
  - Flat – assumes no growth in enrollment from OE4 nor increases in PMPM premiums
  - Moderate – assumes 10% growth in enrollment from OE4 and 5% PMPM premium growth
- Enrollment impact from OE4 to be assessed end of December 2016 to provide enough time for necessary expense adjustments

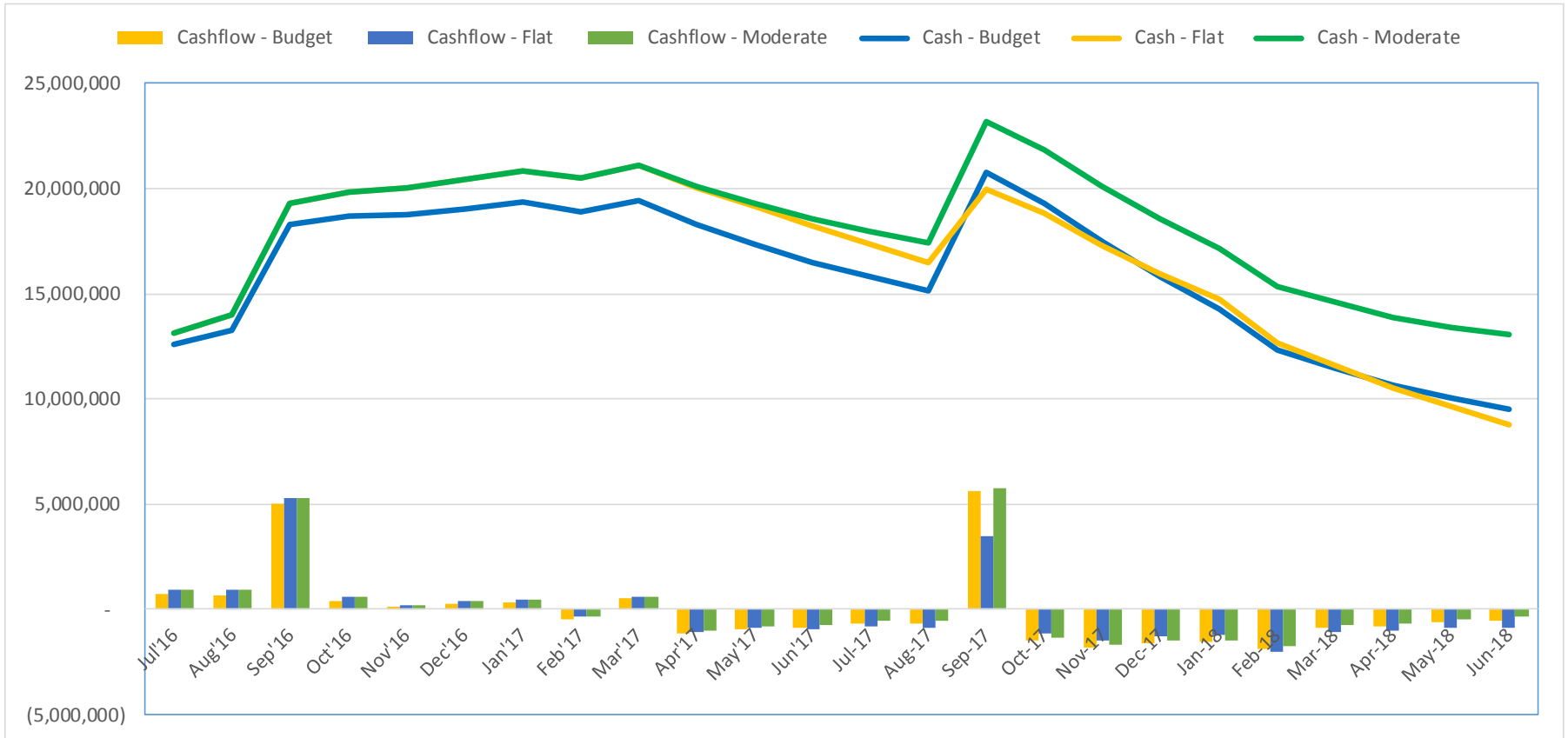
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## Scenario Assumptions

	Scenarios		
	Budget	Flat	Moderate Growth
Enrollment Growth	10% growth in OE4 from a base of 125,000	0% growth in OE4 from a base of 135,000*	10% growth in OE4 from a base of 135,000*
Premium Growth	5% growth in average premium per member in OE4	0% growth in average premium per member in OE4	5% growth in average premium per member in OE4
Expenditures	As approved in Budget	Budget + \$400,000	Budget + \$400,000
* 135,000 effectuated enrollment based on actual OE3 results			

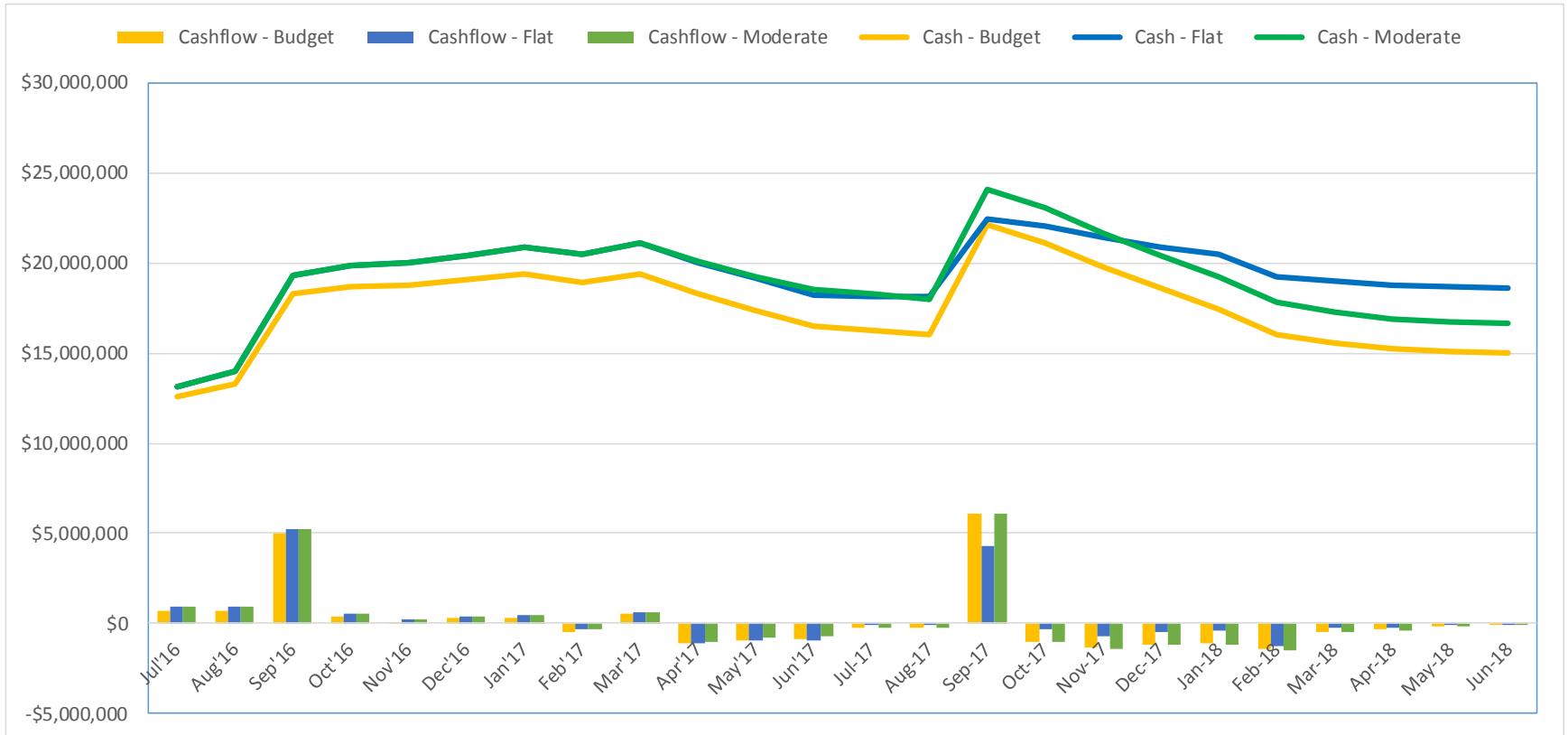
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## Cash Impact – No Expense Reductions



# Enrollment Sensitivity Analysis

## Cash Impact – With Expense Reductions



FY 2018 % Expense reductions needed to get to sustainability by June 2018:

Budget (14%), Flat (24%), Moderate (9%)