

Table 1: Projected Medical, Prescription Drug, Dental & Vision Trends: 2006 & 2007

	2006 Projected		2007 Projected	
	(without Rx)	(with Rx)*	(without Rx)	(with Rx)*
Medical (Actives & Retirees < Age 65)				
Fee-for-Service (FFS)/Indemnity Plans	14.4%	14.3%	13.7%	13.3%
Preferred Provider Organizations (PPOs)	12.4%	12.7%	11.6%	11.7%
Point-of-Service (POS) Plans	11.8%	12.2%	11.0%	11.1%
Health Maintenance Organizations (HMOs)	11.6%	12.0%	11.1%	11.3%
High-Deductible PPOs**	12.6%	12.8%	12.0%	12.0%
Medical (Retirees Age 65+)				
Medicare Advantage (MA)*** FFS Plans	9.5%	11.2%	8.7%	9.8%
MA HMOs	8.8%	10.7%	8.6%	9.8%
Prescription Drug (Rx) Carve-Out (Actives & Retirees < Age 65)				
Retail Network		13.8%		11.9%
Mail Order		14.5%		11.5%
Rx Carve-Out (Retirees Age 65+)				
Retail Network		14.2%		12.0%
Mail Order		14.3%		11.1%
Dental				
Scheduled Plans		****		5.0%
FFS/Indemnity Plans		7.0%		7.5%
Dental Provider Organizations (DPOs)		6.3%		6.2%
Dental Maintenance Organizations (DMOs)		5.2%		5.2%
Vision				
Scheduled Plans		****		5.1%
Reasonable & Customary (R&C) Plans		****		5.5%

* Trend projections were derived by proportionally blending medical plan trends and freestanding prescription drug trends.

** High-deductible plans are defined as those where the deductible is at least the minimum health savings account (HSA) level required by the Internal Revenue Service (\$1,050 for participant-only coverage and \$2,100 for family coverage in 2006).

*** MA plans, part of the Medicare program, can be FFS plans, HMOs, PPOs or special needs plans.

**** 2006 projected rates for dental scheduled plans and vision plans are not available because this data was not collected in last year's survey.

Source: 2007 Segal Health Plan Cost Trend Survey