

Spreadsheet Model

	A	B	C	D	E	F	G	
1			Hungry Dawg Restaurants					
2								
3								
4	Initial Conditions:				Assumptions:			
5	Number of Covered Employees			18,533	Increasing	2%	per month	
6	Average Claim per Employee			\$250	Increasing	1%	per month	
7	Amount Contributed per Employee			\$125	Constant			
8								
9		Number of	Employee	Avg Claim	Total		Company	
10	Month	Employees	Contributions	per Emp.	Claims		Cost	
11	1	18,904	\$2,362,958	\$252.50	\$4,773,174		\$2,410,217	
12	2	19,282	\$2,410,217	\$255.03	\$4,917,324		\$2,507,107	
13	3	19,667	\$2,458,421	\$257.58	\$5,065,827		\$2,607,406	
14	4	20,061	\$2,507,589	\$260.15	\$5,218,815		\$2,711,226	
15	5	20,462	\$2,557,741	\$262.75	\$5,376,423		\$2,818,682	
16	6	20,871	\$2,608,896	\$265.38	\$5,538,791		\$2,929,895	
17	7	21,289	\$2,661,074	\$268.03	\$5,706,063		\$3,044,989	
18	8	21,714	\$2,714,295	\$270.71	\$5,878,386		\$3,164,091	
19	9	22,149	\$2,768,581	\$273.42	\$6,055,913		\$3,287,332	
20	10	22,592	\$2,823,953	\$276.16	\$6,238,802		\$3,414,849	
21	11	23,043	\$2,880,432	\$278.92	\$6,427,214		\$3,546,782	
22	12	23,504	\$2,938,041	\$281.71	\$6,621,315		\$3,683,275	
23					Total Company Cost		\$36,125,850	
24								

Source: Cliff Ragsdale, *Spreadsheet Modeling and Decision Analysis*