



PEIA

PUBLIC EMPLOYEES INSURANCE AGENCY

WV PEIA & RHBT Finance Board Meeting

Thursday, October 23, 2025, 1:00pm

Canaan Valley Conference Room
601 57th Street, SE, Charleston, WV 25304

AGENDA

- ❖ Roll Call
- ❖ Call to Order
- ❖ Approval of Minutes
- ❖ Director's Notes
- ❖ Public Hearing Presentation Preview
- ❖ Public Comment
- ❖ Next Meeting - December 4, 2025

Roll Call

- ❖ Eric Householder, Chairman
- ❖ Geoff Christian
- ❖ Damita Johnson
- ❖ William “Bill” Milam
- ❖ Jason Myers
- ❖ Jared Robertson
- ❖ Mike Smith
- ❖ Michael Cook
- ❖ Doug Coffman
- ❖ Hugh Murray

Approval of Minutes

September 4, 2025



Director's Notes



Public Hearing Presentation Preview

Brent Wolfingbarger, Director (PEIA)



WV PEIA & RHBT Public Hearing Presentation

November 2025

PEIA/RHBT Finance Board Members

- ❖ Eric Householder, Chairman
- ❖ Geoff Christian
- ❖ William “Bill” Milam
- ❖ Jason Myers
- ❖ Jared Robertson
- ❖ Mike Smith
- ❖ Michael Cook
- ❖ Damita Johnson
- ❖ Doug Coffman
- ❖ Hugh Murray



PEIA

PUBLIC EMPLOYEES INSURANCE AGENCY

2025 PUBLIC HEARINGS

**NOV
3**

Wheeling

The Highlands Event Center
546 Cabela Drive
Triadelphia, WV 26059

**NOV
6**

Beckley

Beckley-Raleigh Convention Center
200 Armory Drive
Beckley, WV 25801

**NOV
10**

Martinsburg

Holiday Inn Martinsburg
301 Foxcroft Avenue
Martinsburg, WV 25401

**NOV
13**

Charleston

Culture Center
1900 Kanawha Boulevard E, Bldg. 9
Charleston, WV 25302

**NOV
17**

Morgantown

Mountainlair Student Union - Gold Ballroom
1550 University Avenue
Morgantown WV 26506

**NOV
20**

Virtual Town Hall

LINK: meet.google.com/nhs-ekrf-auu

PHONE: 1 415-855-1270

PIN: 449 094 813#

5:30pm: Hearing registration. Everyone attending the meeting must sign in and indicate if they wish to speak.

6pm: Public Hearing. The proposals will be presented and audience comments will be recognized by the board.

FY2027 Financial Plan Considerations

PEIA Cost Components

96.68% of PEIA/RHBT Expenses are Claim Payments and Capitations.

Medical Claims
60.17%

Pharmacy Claims
24.52%

Fully Insured Health
Insurance Capitations
11.99%

Pharmacy
Admin
.54%

Other Vendor
Admin
.35%

Operating
Expenses
.53%

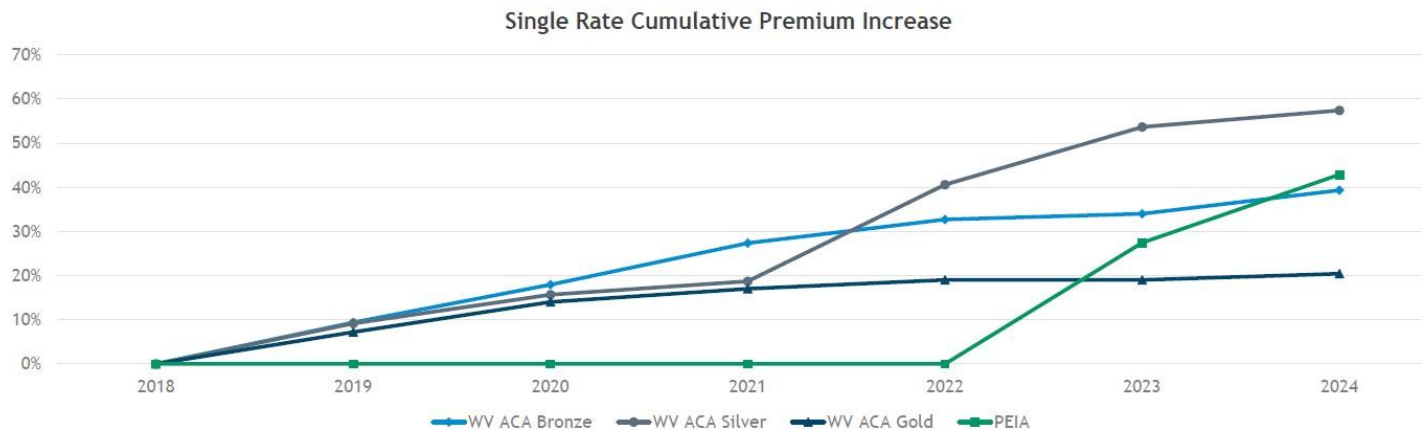
Medical Admin
1.89%

PEIA/RHBT Payroll and Fringe
Benefits are .36% of Expenses.



BDO Report Observations

PEIA Premium Increases



Observations

- By holding premium levels flat from 2018 through 2022 the PEIA failed to keep pace with rising premium levels with other state plans
- This resulted in the need for higher increases in 2023 and 2024 in an effort to right size premium levels rather than having steady increases over that period

Spousal Surcharge – Statutory Requirement

§5-16-13. Payment of costs by employer and employee; spouse and dependent coverage...

(a) Cost-sharing. — The director shall provide plans that shall be paid by the employer and employee.

(b) Spouse and dependent coverage. —

(1) An employee is entitled to have his or her spouse and dependents included in any plan to which the employee is entitled to participate.

(2) The spouse and dependent coverage is limited to excess or secondary coverage for each spouse and dependent who has primary coverage from any other source. **If an employee's spouse has health insurance available through an employer not defined in §5-16-2 of this code, then the employer may not cover any portion of premiums for the employee's spouse coverage, unless the employee adds his or her spouse to his or her coverage by paying the cost of the actuarial value of the plan:** *Provided*, That this does not apply to spouses of retired employees or employers subject to §5-16-22 of this code. **For purposes of this subsection, "actuarial value" means the value as recommended by healthcare actuaries under §5-16-5 of this code.**

RHBT Concerns

- RHBT is showing financial pressures in the future with assumed increases in the Medicare Advantage Prescription Drug (MAPD) capitations. Unless changes are made, the retiree Premium Stabilization Reserve (PSR) will be depleted in FY 2027 and Other Post-Employment Benefits (OPEB) liability funding status will be at 92%.
- Under this proposed FY2027 Financial Plan, the PSR is projected to extend into FY 2028 and the OPEB liability funding status is projected to rise from 95.4% at Year End 2026 to 113.9% at Year End 2030.
- By increasing the PayGo premium payments from PEIA to RHBT, the FY2027 Financial Plan would reduce the premium increases that otherwise would have to be imposed on retirees to cover the RHBT's projected higher costs.

Proposed Board Decisions

State Fund

- 3% Aggregate Premium Increase for both Employees and Employers
- Average Family Tier Spousal Surcharge Increase of \$200
- Plan D will be converted into a lower actuarial value plan to broaden the variety of options available to PEIA members
 - Premiums will decrease 34%
 - Coinsurance will go from 80% to 75%
 - Deductible will increase 425%
 - MOOP will increase 55%
- Employer Administrative Fee Increase of \$2.50

State Fund

- PEIA Self Insured PPB Plans will be renamed:
 - PPB Plan A will be named **PPB Gold**
 - PPB Plan C will be named **PPB Gold High Deductible Plan**
 - PPB Plan B will be named **PPB Silver**
 - PPB Plan D will be named **PPB WV Bronze High Deductible Plan**

State Fund

- \$500 Employer Funded Health Savings Account (HSA) or Health Reimbursement Arrangement (HRA)
 - WV Bronze High Deductible enrollees will receive a one-time \$500 contribution to either an HSA or HRA from their employer.
 - Employees can make additional pre-tax contributions into their HSA during the fiscal year to offset their out-of-pocket expenses if they choose to do so

Non State Fund

- 3% Aggregate Premium Increase for both Employees and Employers
- Average Family Spousal Surcharge Tier Increase of \$200
- Plan D will be converted into a lower actuarial value plan to broaden the variety of options available to PEIA members
 - Premiums will decrease 34%
 - Coinsurance will go from 80% to 75%
 - Deductible will increase 425%
 - MOOP will increase 55%
- Employer Administrative Fee Increase of \$2.50

Non State Fund

- 50% Participation Standard
 - All participating employers must have 50% of their employees enrolled in a PEIA health plan
- Increase Plan C premiums, deductibles and maximum out of pocket 5%
- Adjust Non-State coverage tiers deductibles and maximum out of pocket and/or premiums by 5%
 - Employee/Child(ren) tier will decrease approximately 5%
 - Family tier will increase approximately 5% to cover higher claim costs

Retiree Fund

- Non-Medicare Premium Increase, 3%
- Medicare Premium Increase, 3%
- Increase Retiree Paygo from \$10 million to \$55 million
- Designating \$30 Million of fiscal year 2025 investment gain as retiree premium stabilization reserve

PEIA Five Year Plan

WV PEIA Financial Plan FY 2026 - FY 2030
3% Premium Increase \$55M Pay-Go

	2026	2027	2028	2029	2030
Additional Employer Premium	\$ 92,900,000	\$ 22,300,000	\$ 25,000,000	\$ 50,000,000	\$ 60,000,000
Increase	14.0%	3.0%	3.3%	6.3%	7.1%
Local Fund Premium Increase	\$ 29,900,000	\$ 6,200,000	\$ 30,000,000	\$ 20,000,000	\$ 20,000,000
Increase	15.9%	3.0%	14.0%	8.2%	7.6%
Employee Premium	\$ 38,700,000	\$ 5,600,000	\$ 6,300,000	\$ 12,500,000	\$ 15,000,000
Increase	+14.0%	3.0%	3.3%	6.3%	7.1%
State Direct Transfer (Budget Appropriations)	\$ -	\$ -	\$ -	\$ -	\$ -
Local Direct Transfer (Budget Appropriations)	\$ -	\$ -	\$ -	\$ -	\$ -
Board Decision Benefit Reduce/(Add) - Active State Medical	\$ 35,500,000	\$ -	\$ 11,750,000	\$ 11,750,000	\$ 11,750,000
	7%		2%	2%	2%
Board Decision Benefit Reduce/(Add) - Active State Drugs	\$ 13,700,000	\$ -	\$ 4,540,000	\$ 4,540,000	\$ 4,540,000
	4%		2%	1%	1%
Board Decision Benefit Reduce/(Add) - Active Local Medical	\$ 7,900,000	\$ -	\$ 2,620,000	\$ 2,620,000	\$ 2,620,000
	6%		2%	2%	2%
Board Decision Benefit Reduce/(Add) - Active Local Drugs	\$ 3,300,000	\$ -	\$ 1,090,000	\$ 1,090,000	\$ 1,090,000
	4%		2%	1%	1%
ACA PCORI Fees (Cost)	\$ (572,423)	\$ (600,857)	\$ (630,900)	\$ (662,445)	\$ (695,567)
Pay Go Premium Transfer	\$ 10,000,000	\$ 55,000,000	\$ 65,000,000	\$ 75,000,000	\$ 85,000,000
Total Fund	2026	2027	2028	2029	2030
Beginning Reserve	210,543,125	349,508,376	393,914,229	405,530,455	386,041,236
Fiscal Year Results	138,965,251	44,405,853	11,616,226	(19,489,219)	(61,182,021)
Ending Reserve	349,508,376	393,914,229	405,530,455	386,041,236	324,859,215
Minimum Actuarial Reserve Required	123,373,012	134,395,778	144,982,056	157,809,409	173,321,012
PEIA Expenses	1,010,832,233	1,100,769,605	1,187,547,042	1,292,651,749	1,419,713,592
Reserve as a Percent of Expenses	34.6%	35.8%	34.1%	29.9%	22.9%
State Fund	2026	2027	2028	2029	2030
Beginning Reserve	191,585,413	313,045,070	358,973,482	360,235,044	331,416,953
Fiscal Year Results	121,459,657	45,928,411	1,261,563	(28,818,091)	(65,425,540)
Ending Reserve	313,045,070	358,973,482	360,235,044	331,416,953	265,991,413
Minimum Actuarial Reserve Required	99,736,479	108,678,664	117,262,853	127,670,639	140,263,518
PEIA Expenses	819,044,917	892,165,463	962,724,633	1,048,236,065	1,151,668,873
Reserve as a Percent of Expenses	38.2%	40.2%	37.4%	31.6%	23.1%
Local Fund	2026	2027	2028	2029	2030
Beginning Reserve	18,957,712	36,463,306	34,940,748	45,295,411	54,624,283
Fiscal Year Results	17,505,594	(1,522,558)	10,354,663	9,328,872	4,243,519
Ending Reserve	36,463,306	34,940,748	45,295,411	54,624,283	58,867,802
Minimum Actuarial Reserve Required	23,636,533	25,717,115	27,719,203	30,138,770	33,057,494
PEIA Expenses	191,787,315	208,604,142	224,822,409	244,415,684	268,044,720
Reserve as a Percent of Expenses	19.0%	16.7%	20.1%	22.3%	22.0%
State Share	80.0%	80.0%	80.0%	80.0%	80.0%
Employee Share	20.0%	20.0%	20.0%	20.0%	20.0%
Growth In Program Expenses	2.1%	13.2%	8.4%	9.2%	10.0%

RHBT Five Year Plan

WV RHBT Financial Plan FY 2025 - FY 2030
3% Premium Increase \$55M Pay-Go

	2026	2027	2028	2029	2030
Retiree Premium Increase- Non-Medicare (Fiscal Year)	\$ 2,585,006	\$ 708,682	\$ 1,383,624	\$ 924,213	\$ 905,825
Increase	12.0%	3.0%	6.0%	4.0%	4.0%
Retiree Premium Increase - Medicare (Calendar Year)	\$ 6,036,124	\$ 3,233,923	\$ 5,062,415	\$ 4,255,604	\$ 4,502,271
Increase	12.0%	3.0%	6.0%	4.0%	4.0%
General Revenue Transfer (OPEB Funding)	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000
Board Decision Benefit Reduce/(Add) - Retiree Non-Medicare Medical	\$ 4,300,000	\$ -	\$ 4,520,000	\$ 790,000	\$ 990,000
8%			8%	1%	1%
Board Decision Benefit Reduce/(Add) - Retiree Non-Medicare Drugs	\$ 1,300,000	\$ -	\$ 1,370,000	\$ 240,000	\$ 300,000
3%			3%	1%	1%
Board Decision Benefit Reduce/(Add) - Retiree Medicare Medical	\$ 260,000	\$ -	\$ 270,000	\$ 50,000	\$ 60,000
8%			8%	1%	2%
Board Decision Benefit Reduce/(Add) - Retiree Medicare Drugs	\$ 320,000	\$ -	\$ 340,000	\$ 60,000	\$ 70,000
4%			3%	1%	1%
Board Decision Benefit Reduce/(Add) - Humana MAPD (Calendar Year)	\$ 32,600,000	\$ -	\$ 16,300,000	\$ 2,860,000	\$ 3,580,000
17%			17%	3%	4%
Reinsurance Contributions (Cost)	\$ -	\$ -	\$ -	\$ -	\$ -
ACA PCORI Fees (Cost)	\$ (34,142)	\$ (39,016)	\$ (43,906)	\$ (48,801)	\$ (53,700)
Pay Go Premium Transfer	\$ 10,000,000	\$ 55,000,000	\$ 65,000,000	\$ 75,000,000	\$ 85,000,000

Total RHBT Fund	2026	2027	2028	2029	2030
Beginning Reserve	\$ 2,121,088,045	\$ 2,210,848,173	\$ 2,333,630,991	\$ 2,476,556,217	\$ 2,633,239,985
Fiscal Year Results	187,924,839	194,673,164	144,055,289	156,683,768	160,617,104
Ending Total Reserve	2,210,848,173	2,333,630,991	2,476,556,217	2,633,239,985	2,793,857,089
Ending Premium Stabilization Reserve	\$ 73,020,409	\$ 1,130,063	\$ -	\$ -	\$ -
Medicare Fund (Fiscal Year)	2026	2027	2028	2029	2030
Beginning Reserve	\$ 1,271,658,548	\$ 1,343,076,473	\$ 1,433,059,907	\$ 1,540,089,079	\$ 1,662,162,531
Fiscal Year Results	138,301,505	150,448,900	107,977,967	122,073,452	127,548,340
Ending Total Reserve	1,343,076,473	1,433,059,907	1,540,089,079	1,662,162,531	1,789,710,871
Ending Premium Stabilization Reserve	\$ 61,414,262	\$ 948,796	\$ -	\$ -	\$ -
Non-Medicare Fund	2026	2027	2028	2029	2030
Beginning Reserve	\$ 849,429,495	\$ 867,771,700	\$ 900,571,083	\$ 936,467,135	\$ 971,077,451
Fiscal Year Results	49,623,335	44,224,263	36,077,320	34,610,316	33,068,764
Ending Total Reserve	867,771,700	900,571,083	936,467,135	971,077,451	1,004,146,215
Ending Premium Stabilization Reserve	\$ 11,606,147	\$ 181,267	\$ -	\$ -	\$ -
*Actuarial Accrued Liability (BOY)	\$ 2,223,178,727	\$ 2,258,247,225	\$ 2,285,278,553	\$ 2,302,921,958	\$ 2,310,860,543
Funded Status	95.4%	97.9%	102.1%	107.5%	114.0%
*Present Value of Benefits (BOY)	\$ 2,373,184,946	\$ 2,405,943,388	\$ 2,431,404,071	\$ 2,448,324,333	\$ 2,456,483,472
Funded Status	89.4%	91.9%	96.0%	101.2%	107.2%
Growth In Program Expenses	13.1%	11.8%	2.0%	5.3%	9.3%
Retiree Subsidy	\$ 135,621,999	\$ 155,720,499	\$ 156,223,270	\$ 164,685,474	\$ 184,081,071
Percent Paid By Retiree	33.9%	32.2%	33.4%	33.4%	31.9%

Public Comment

Please limit your comments to 5 minutes.

If you would like to request a copy of today's meeting materials or
if you have any questions, please contact:

Email:

PEIAComments@wv.gov



Public Comment



Next Meeting

December 4, 2025



Adjourn

If you would like to request a copy of today's meeting materials or if you have any questions, please contact:

Erika Smith
(304) 957-2620
erika.m.smith@wv.gov

OR

Kathy Lester
(304) 352-0284
kathy.lester@wv.gov

