



# PEIA Public Hearings for FY 2025 (July 2024 – June 2025)

November 2023

# PEIA/RHBT FINANCE BOARD MEMBERS

Chairman Mark Scott

William “Bill” Milam

Mike Smith

Geoff Christian

Damita Johnson

Hugh Murray

Amanda Meadows

Jason Myers

Jared Robertson

Michael Cook

Doug Coffman

PEIA FY 2025 PLAN  
DISCUSSION  
STATE FUND

- State Fund Employees
  - 10.5% premium increase
  - No benefit changes

PEIA FY 2025 PLAN  
DISCUSSION  
LOCAL/NON STATE  
EMPLOYER FUND

- Local/Non-State Employer Fund
  - 13% premium increase
  - Eligible spouse surcharge implementation, approximate average of \$147

PEIA FY 2025 PLAN  
DISCUSSION  
MEDICARE RETIREE  
FUND

- Medicare Retiree
  - No changes in premium
  - No changes in benefit

PEIA FY 2025 PLAN  
DISCUSSION  
NON-MEDICARE  
RETIREE FUND

- **Non-Medicare Retiree**
  - 10% Premium Increase
  - No Changes in Benefit

# PEIA FIVE-YEAR PLAN

PLAN YEARS  
2024-2028

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
<b>Additional Employer Premium</b>	\$ 108,100,000	\$ 62,700,000	\$ 67,000,000	\$ 90,500,000	\$ 93,500,000
Increase	22.4%	10.5%	10.1%	12.4%	11.4%
<b>Local Fund Premium Increase</b>	\$ 22,500,000	\$ 19,900,000	\$ 16,500,000	\$ 27,000,000	\$ 25,000,000
Increase	16.0%	13.0%	9.0%	13.5%	11.0%
<b>Employee Premium</b>	\$ 28,900,000	\$ 15,700,000	\$ 16,800,000	\$ 22,600,000	\$ 23,400,000
Increase	24.2%	10.5%	10.2%	12.4%	11.5%
<b>State Direct Transfer (State Budget Appropriations)</b>	\$ -	\$ -	\$ -	\$ -	\$ -
<b>State Direct Transfer (PEIA Rainy Day Fund)</b>	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Board Decision Benefit Reduce/(Add) - Active State Medical</b>	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Board Decision Benefit Reduce/(Add) - Active State Drugs</b>	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Board Decision Benefit Reduce/(Add) - Active Local Medical</b>	\$ -	\$ (2,600,000)	\$ -	\$ -	\$ -
		-2%			
<b>Board Decision Benefit Reduce/(Add) - Active Local Drugs</b>	\$ -	\$ (1,500,000)	\$ -	\$ -	\$ -
		-2%			
<b>ACA PCORI Fees (Cost)</b>	\$ (480,000)	\$ (480,080)	\$ (480,080)	\$ (480,080)	\$ (480,080)
<b>Pay Go Premium Transfer</b>	\$ -	\$ 29,000,000	\$ 10,000,000	\$ 10,000,000	\$ -
<b>Total Fund</b>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Beginning Reserve	124,829,933	139,407,609	133,493,803	137,049,924	152,950,564
Fiscal Year Results	14,577,676	(5,913,806)	3,556,120	15,900,640	18,587,946
Ending Reserve	<u>139,407,609</u>	<u>133,493,803</u>	<u>137,049,924</u>	<u>152,950,564</u>	<u>171,538,510</u>
Minimum Actuarial Reserve Required	<u>111,539,290</u>	<u>122,791,537</u>	<u>136,467,943</u>	<u>152,439,116</u>	<u>171,158,128</u>
PEIA Expenses	913,372,954	1,004,459,226	1,114,944,644	1,243,845,122	1,394,788,408
Reserve as a Percent of Expenses	15.3%	13.3%	12.3%	12.3%	12.3%
<b>State Fund</b>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Beginning Reserve	97,585,833	113,348,277	108,079,041	112,025,638	124,759,974
Fiscal Year Results	15,762,444	(5,269,236)	3,946,597	12,734,336	15,596,814
Ending Reserve	<u>113,348,277</u>	<u>108,079,041</u>	<u>112,025,638</u>	<u>124,759,974</u>	<u>140,356,789</u>
Minimum Actuarial Reserve Required	<u>90,945,876</u>	<u>100,515,125</u>	<u>111,679,900</u>	<u>124,714,378</u>	<u>140,009,865</u>
PEIA Expenses	745,858,725	823,352,792	913,620,866	1,018,897,490	1,142,315,980
Reserve as a Percent of Expenses	15.2%	13.1%	12.3%	12.2%	12.3%
<b>Local Fund</b>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Beginning Reserve	27,244,100	26,059,332	25,414,762	25,024,286	28,190,590
Fiscal Year Results	(1,184,767)	(644,570)	(390,477)	3,166,304	2,991,131
Ending Reserve	<u>26,059,332</u>	<u>25,414,762</u>	<u>25,024,286</u>	<u>28,190,590</u>	<u>31,181,721</u>
Minimum Actuarial Reserve Required	<u>20,593,413</u>	<u>22,276,412</u>	<u>24,788,042</u>	<u>27,724,738</u>	<u>31,148,264</u>
PEIA Expenses	167,514,228	181,106,434	201,323,778	224,947,632	252,472,429
Reserve as a Percent of Expenses	15.6%	14.0%	12.4%	12.5%	12.4%
<b>State Share</b>	80.0%	80.0%	80.0%	80.0%	80.0%
<b>Employee Share</b>	20.0%	20.0%	20.0%	20.0%	20.0%
<b>Growth In Program Expenses</b>	7.5%	13.1%	8.9%	11.5%	11.2%



# RHBT FIVE-YEAR PLAN

PLAN YEARS  
2024-2028

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
<b>Retiree Premium Increase- Non-Medicare (Fiscal Year)</b>	\$ -	\$ 2,225,000	\$ 2,337,464	\$ 2,450,956	\$ -
Increase	0.0%	10.0%	10.0%	10.0%	0.0%
<b>Retiree Premium Increase - Medicare (Calendar Year)</b>	\$ -	\$ -	\$ 6,331,263	\$ 7,111,035	\$ -
Increase	0.0%	0.0%	10.0%	10.0%	0.0%
<b>General Revenue Transfer (OPEB Funding)</b>	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000
<b>Board Decision Benefit Reduce/(Add) - Retiree Non-Medicare</b>	\$ -	\$ -	\$ -	\$ -	
<b>Board Decision Benefit Reduce/(Add) - Retiree Medicare</b>	\$ -	\$ -	\$ -	\$ -	
<b>Board Decision Benefit Reduce/(Add) - Humana MAPD (Calendar Year)</b>	\$ -	\$ -	\$ -	\$ -	
<b>Pay Go Premium Transfer</b>	\$ -	\$ 29,000,000	\$ 10,000,000	\$ 10,000,000	\$ -

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
<b>Total RHBT Fund</b>					
Beginning Reserve	\$ 1,795,665,986	\$ 1,881,552,730	\$ 1,988,211,638	\$ 2,071,461,774	\$ 2,150,116,922
Fiscal Year Results	160,089,908	166,479,376	174,784,467	135,203,689	55,449,202
Ending Total Reserve	1,881,552,730	1,988,211,638	2,071,461,774	2,150,116,922	2,205,566,124
Ending Premium Stabilization Reserve	\$ 207,903,339	\$ 148,082,871	\$ 56,548,541	\$ -	\$ -
<b>Medicare Fund (Fiscal Year)</b>					
Beginning Reserve	\$ 1,034,340,027	\$ 1,112,842,962	\$ 1,203,286,272	\$ 1,292,399,256	\$ 1,389,925,495
Fiscal Year Results	139,573,321	139,599,338	153,338,807	143,846,497	99,903,745
Ending Total Reserve	1,112,842,962	1,203,286,272	1,292,399,256	1,389,925,495	1,489,829,240
Ending Premium Stabilization Reserve	\$ 159,702,111	\$ 110,546,082	\$ 46,320,259	\$ -	\$ -
<b>Non-Medicare Fund</b>					
Beginning Reserve	\$ 761,325,958	\$ 768,709,766	\$ 784,925,364	\$ 779,062,519	\$ 760,191,429
Fiscal Year Results	20,516,588	26,880,037	21,445,661	(8,642,807)	(44,454,541)
Ending Total Reserve	768,709,766	784,925,364	779,062,519	760,191,429	715,736,888
Ending Premium Stabilization Reserve	\$ 48,201,229	\$ 37,536,789	\$ 10,228,282	\$ -	\$ -
<b>*Actuarial Accrued Liability (BOY)</b>	\$ 1,637,416,883	\$ 1,664,331,633	\$ 1,684,759,827	\$ 1,697,694,682	\$ 1,701,970,701
Funded Status	<b>109.7%</b>	<b>113.1%</b>	<b>118.0%</b>	<b>122.0%</b>	<b>126.3%</b>
<b>*Present Value of Benefits (BOY)</b>	\$ 1,779,124,948	\$ 1,794,543,770	\$ 1,802,918,932	\$ 1,803,207,989	\$ 1,794,216,395
Funded Status	<b>100.9%</b>	<b>104.8%</b>	<b>110.3%</b>	<b>114.9%</b>	<b>119.8%</b>
<b>Growth In Program Expenses</b>	11.7%	10.2%	10.2%	10.7%	11.3%
Retiree Subsidy	\$ 100,613,857	\$ 116,551,695	\$ 130,652,118	\$ 145,026,375	\$ 167,967,814
Percent Paid By Retiree	39.6%	36.7%	35.8%	35.7%	33.3%



# PUBLIC COMMENTS

Please limit your comments to 5 minutes.