

PEIA Finance Board Public Hearing Handout

Plan Year 2024 Revised Plan

Implementing SB 268

March 27-29, 2023

This Evening's Agenda

- ▶ Welcome
- ▶ Introduce PEIA Finance Board Members
- ▶ SB 268 Changes
- ▶ Proposed Plans Presentation
 - ▶ Spousal Surcharge
 - ▶ Premium Only
 - ▶ Blended Approach 1 - local fund only
 - ▶ Blended Approach 2 - local fund only
- ▶ Public Comment
 - ▶ Please limit comments to 5 minutes

Senate Bill 268

- ▶ Makes three substantial changes to PEIA effective July 1, 2023:
 - ▶ Imposes the monthly spouse surcharge for active employee policyholders from state agencies, colleges, universities, and county boards of education whose spouses are offered employer-sponsored insurance coverage but who choose to get coverage through a plan offered by PEIA.
 - ▶ This change does not affect
 - ▶ non-state agencies,
 - ▶ retirees,
 - ▶ spouses who are employed by PEIA-participating agencies or are retired, or
 - ▶ spouses whose coverage is through Medicare, Medicaid, or TRICARE.
 - ▶ Increases health premiums to get the plan back to an 80/20 employer/employee premium split for state agencies, colleges, universities, and county boards of education by July 1, 2023.
 - ▶ Increasing reimbursement to providers to a minimum of 110% of Medicare's reimbursement.

Spouse Coverage

Monthly Spouse Surcharge by Plan

| | |
|--|-------|
| PPB and Health Plan - Plan A: | \$149 |
| PPB and Health Plan - Plan B: | \$139 |
| PPB Plan C: | \$141 |
| PPB - Plan D and Health Plan - Plan C: | \$147 |

- a) Any employee of a State Agency, Board of Education, College or University that:
 - Has a spouse on their PEIA plan, and
 - The spouse is eligible for their employer's health insurance,
 - Will pay a spousal surcharge starting 7/1/23 if spouse remains on PEIA plan
- b) This **does not** apply to spouses of retirees or non-State employees
- c) This **does not** apply to spouses whose employers participate in PEIA
- d) This **does not** apply to active employees whose spouse is retired or is eligible for Medicare, Medicaid or TriCare/Champus

Option 1: Premium Increases Only

▶ State Fund

- This option requires a 24.2% increase in employee premiums
 - The increase would vary based on plan, since enrollment and performance vary from plan to plan

▶ Non-State Fund

- This option requires a 15.6% increase

▶ Retiree Health Benefit Trust

- No premium increase

WV PEIA Financial Plan FY 2023 - FY 2027
Premium Only

| | <u>2023</u> | <u>2024</u> | <u>2025</u> | <u>2026</u> | <u>2027</u> |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Additional Employer Premium | \$ - | \$ 108,100,000 | \$ 62,000,000 | \$ 67,500,000 | \$ 74,000,000 |
| Increase | 0.0% | 22.3% | 10.5% | 10.3% | 10.3% |
| Local Fund Premium Increase | \$ 7,500,000 | \$ 22,500,000 | \$ 30,000,000 | \$ 28,500,000 | \$ 13,500,000 |
| Increase | 5.1% | 15.6% | 18.0% | 14.5% | 6.0% |
| Employee Premium | \$ - | \$ 28,900,000 | \$ 15,500,000 | \$ 16,900,000 | \$ 18,500,000 |
| Increase | 0.0% | 24.2% | 10.5% | 10.4% | 10.3% |
| State Direct Transfer (State Budget Appropriations) | \$ 21,000,000 | \$ - | \$ - | \$ - | \$ - |
| State Direct Transfer (PEIA Rainy Day Fund) | \$ 31,000,000 | \$ - | \$ - | \$ - | \$ - |
| Board Decision Benefit Reduce/(Add) - Active State Medical | \$ - | \$ - | \$ - | \$ - | \$ - |
| | | 0.0% | | | |
| Board Decision Benefit Reduce/(Add) - Active State Drugs | \$ - | \$ - | \$ - | \$ - | \$ - |
| | | 0.0% | | | |
| Board Decision Benefit Reduce/(Add) - Active Local Medical | \$ - | \$ - | \$ - | \$ - | \$ - |
| | | 0.0% | | | |
| Board Decision Benefit Reduce/(Add) - Active Local Drugs | \$ - | \$ - | \$ - | \$ - | \$ - |
| | | 0.0% | | | |
| Pay Go Premium Transfer | \$ 59,359,661 | \$ - | \$ 29,000,000 | \$ 29,000,000 | \$ 29,000,000 |
| Total Fund | <u>2023</u> | <u>2024</u> | <u>2025</u> | <u>2026</u> | <u>2027</u> |
| Beginning Reserve | 152,074,575 | 103,492,189 | 111,407,231 | 115,051,500 | 134,978,951 |
| Fiscal Year Results | (48,582,386) | 7,915,042 | 3,644,269 | 19,927,450 | 13,999,435 |
| Ending Reserve | <u>103,492,189</u> | <u>111,407,231</u> | <u>115,051,500</u> | <u>134,978,951</u> | <u>148,978,386</u> |
| Minimum Actuarial Reserve Required | <u>98,968,349</u> | <u>111,896,653</u> | <u>122,258,328</u> | <u>134,342,807</u> | <u>148,420,739</u> |
| PEIA Expenses | 808,707,190 | 915,036,821 | 998,938,674 | 1,096,678,036 | 1,210,423,247 |
| Reserve as a Percent of Expenses | 12.8% | 12.2% | 11.5% | 12.3% | 12.3% |
| State Fund | <u>2023</u> | <u>2024</u> | <u>2025</u> | <u>2026</u> | <u>2027</u> |
| Beginning Reserve | 119,804,037 | 84,687,747 | 98,376,230 | 100,126,554 | 108,650,570 |
| Fiscal Year Results | (35,116,290) | 13,688,484 | 1,750,324 | 8,524,015 | 10,968,936 |
| Ending Reserve | <u>84,687,747</u> | <u>98,376,230</u> | <u>100,126,554</u> | <u>108,650,570</u> | <u>119,619,506</u> |
| Minimum Actuarial Reserve Required | <u>79,919,141</u> | <u>90,255,021</u> | <u>98,570,097</u> | <u>108,259,380</u> | <u>119,538,963</u> |
| PEIA Expenses | 654,154,938 | 739,460,661 | 806,878,842 | 885,340,170 | 976,576,216 |
| Reserve as a Percent of Expenses | 12.9% | 13.3% | 12.4% | 12.3% | 12.2% |
| Local Fund | <u>2023</u> | <u>2024</u> | <u>2025</u> | <u>2026</u> | <u>2027</u> |
| Beginning Reserve | 32,270,538 | 18,804,442 | 13,031,001 | 14,924,946 | 26,328,381 |
| Fiscal Year Results | (13,466,096) | (5,773,442) | 1,893,946 | 11,403,435 | 3,030,499 |
| Ending Reserve | <u>18,804,442</u> | <u>13,031,001</u> | <u>14,924,946</u> | <u>26,328,381</u> | <u>29,358,880</u> |
| Minimum Actuarial Reserve Required | <u>19,049,209</u> | <u>21,641,632</u> | <u>23,688,231</u> | <u>26,083,427</u> | <u>28,881,776</u> |
| PEIA Expenses | 154,552,252 | 175,576,160 | 192,059,832 | 211,337,865 | 233,847,030 |
| Reserve as a Percent of Expenses | 12.2% | 7.4% | 7.8% | 12.5% | 12.6% |
| State Share | 80.3% | 80.0% | 80.0% | 80.0% | 80.0% |
| Employee Share | 19.7% | 20.0% | 20.0% | 20.0% | 20.0% |
| Growth In Program Expenses | 0.5% | 5.4% | 12.3% | 9.5% | 10.1% |

WV RHBT Financial Plan FY 2023 - FY 2027

Premium Only

| | 2023 | 2024 | 2025 | 2026 | 2027 |
|--|---------------|---------------|---------------|---------------|---------------|
| Retiree Premium Increase- Non-Medicare (Fiscal Year) | \$ - | \$ 0 | \$ 2,177,844 | \$ 2,286,706 | \$ 2,396,351 |
| Increase | 0.0% | 0.0% | 10.0% | 10.0% | 10.0% |
| Retiree Premium Increase - Medicare (Calendar Year) | \$ - | \$ - | \$ 6,273,046 | \$ 7,051,436 | \$ 7,926,764 |
| Increase | 0.0% | 0.0% | 10.0% | 10.0% | 10.0% |
| General Revenue Transfer (OPEB Funding) | \$ 30,000,000 | \$ 30,000,000 | \$ 30,000,000 | \$ 30,000,000 | \$ 30,000,000 |
| General Revenue Transfer (Premium Offset) | \$ - | \$ - | \$ - | \$ - | \$ - |
| Board Decision Benefit Reduce/(Add) - Retiree Non-Medicare | \$ - | \$ - | \$ - | \$ - | \$ - |
| | | 0.0% | | | |
| Board Decision Benefit Reduce/(Add) - Retiree Medicare | \$ - | \$ - | \$ - | \$ - | \$ - |
| Board Decision Benefit Reduce/(Add) - Humana MAPD (Calendar Year) | \$ - | \$ - | \$ - | \$ - | \$ - |
| ACA PCORI Fees (Cost) | \$ (29,284) | \$ (30,841) | \$ (34,231) | \$ (37,623) | \$ (41,020) |
| Pay Go Premium Transfer | \$ 59,359,661 | \$ - | \$ 29,000,000 | \$ 29,000,000 | \$ 29,000,000 |

| Total RHBT Fund | 2023 | 2024 | 2025 | 2026 | 2027 |
|---|------------------|------------------|------------------|------------------|------------------|
| Beginning Reserve | \$ 1,624,971,153 | \$ 1,754,697,446 | \$ 1,845,932,392 | \$ 1,963,940,713 | \$ 2,083,207,750 |
| Fiscal Year Results | 115,726,293 | 162,478,098 | 169,417,056 | 178,374,614 | 187,438,339 |
| Ending Total Reserve | 1,754,697,446 | 1,845,932,392 | 1,963,940,713 | 2,083,207,750 | 2,202,079,950 |
| Ending Premium Stabilization Reserve | \$ 282,106,504 | \$ 210,863,352 | \$ 159,454,616 | \$ 100,347,038 | \$ 31,780,899 |
| Medicare Fund (Fiscal Year) | 2023 | 2024 | 2025 | 2026 | 2027 |
| Beginning Reserve | \$ 931,634,700 | \$ 1,011,246,318 | \$ 1,091,859,117 | \$ 1,188,654,498 | \$ 1,293,136,728 |
| Fiscal Year Results | 68,151,524 | 138,839,133 | 138,744,667 | 143,452,286 | 169,068,683 |
| Ending Total Reserve | 1,011,246,318 | 1,091,859,117 | 1,188,654,498 | 1,293,136,728 | 1,406,434,804 |
| Ending Premium Stabilization Reserve | \$ 220,724,528 | \$ 162,498,195 | \$ 120,548,908 | \$ 81,578,853 | \$ 25,808,246 |
| Non-Medicare Fund | 2023 | 2024 | 2025 | 2026 | 2027 |
| Beginning Reserve | \$ 693,336,451 | \$ 743,451,127 | \$ 754,073,276 | \$ 775,286,215 | \$ 790,071,025 |
| Fiscal Year Results | 47,574,769 | 23,638,967 | 30,672,389 | 34,922,332 | 18,369,656 |
| Ending Total Reserve | 743,451,127 | 754,073,276 | 775,286,215 | 790,071,025 | 795,645,149 |
| Ending Premium Stabilization Reserve | \$ 61,381,976 | \$ 48,365,157 | \$ 38,905,708 | \$ 18,768,185 | \$ 5,972,653 |
| *Actuarial Accrued Liability | \$ 1,756,185,713 | \$ 1,767,903,755 | \$ 1,770,059,292 | \$ 1,767,235,505 | \$ 1,759,719,792 |
| Funded Status | 92.5% | 99.3% | 104.3% | 111.1% | 118.4% |
| Growth In Program Expenses | -3.0% | 12.9% | 9.3% | 9.2% | 9.8% |
| Retiree Subsidy | \$ 77,403,060 | \$ 98,932,921 | \$ 109,482,993 | \$ 118,635,547 | \$ 129,620,508 |
| Percent Paid By Retiree | 46.3% | 39.6% | 39.0% | 39.6% | 40.0% |

Option 2: Blended Approach 1 Local Fund

Premium increase with benefit changes

- ▶ Blended Approach 1 would require the following premium increases:
 - ▶ Local fund 12.5%
 - ▶ Retiree Health Benefit Trust no premium increase
- ▶ Benefit changes would include:
 - ▶ Medical deductible increase of 25% for Plans A, C and D
 - ▶ Plan B would be set 20% higher than plan A
 - ▶ Medical out-of-Pocket maximum increase of 25% for Plans A, C and D
 - ▶ Plan B would be set 20% higher than plan A
 - ▶ Prescription drug deductible and out-of-pocket maximum increase by 100% for Plans A, B and D
 - ▶ Plan A would increase from \$75 single/\$150 family to \$150 single/\$300 family
 - ▶ Plan C prescription deductible is combined with the medical deductible, so there would be no separate increase

Option 2: Blended Approach 1

Proposed other benefit changes

| | <u>Plans A & D</u> | <u>Plan B</u> |
|---|------------------------|---------------|
| ▶ Increase Inpatient copay* from/to | \$100/\$200 | \$100/\$200 |
| ▶ Increase Outpatient Surgery copay* from/to | \$100/\$200 | \$100/\$200 |
| ▶ Add Advanced Imaging (CT, MRI, PET, etc) copay* | \$50 | \$50 |
| ▶ Increase ER Treatment copay* from/to | \$100/\$200 | \$100/\$200 |

*These services also require deductible and coinsurance 20%

30%

WV PEIA Financial Plan FY 2023 - FY 2027
Blended Approach 1 (Local Fund Only)

| | <u>2023</u> | <u>2024</u> | <u>2025</u> | <u>2026</u> | <u>2027</u> |
|---|---------------|----------------|---------------|---------------|---------------|
| Additional Employer Premium | \$ - | \$ 108,100,000 | \$ 62,000,000 | \$ 67,500,000 | \$ 74,000,000 |
| Increase | 0.0% | 22.3% | 10.5% | 10.3% | 10.3% |
| Local Fund Premium Increase | \$ 7,500,000 | \$ 18,000,000 | \$ 30,000,000 | \$ 19,000,000 | \$ 18,200,000 |
| Increase | 5.1% | 12.5% | 18.5% | 9.9% | 8.6% |
| Employee Premium | \$ - | \$ 28,900,000 | \$ 15,500,000 | \$ 16,900,000 | \$ 18,500,000 |
| Increase | 0.0% | 24.2% | 10.5% | 10.4% | 10.3% |
| State Direct Transfer (State Budget Appropriations) | \$ 21,000,000 | \$ - | \$ - | \$ - | \$ - |
| State Direct Transfer (PEIA Rainy Day Fund) | \$ 31,000,000 | \$ - | \$ - | \$ - | \$ - |
| Board Decision Benefit Reduce/(Add) - Active State Medical | \$ - | \$ - | \$ - | \$ - | \$ - |
| | | 0.0% | | | |
| Board Decision Benefit Reduce/(Add) - Active State Drugs | \$ - | \$ - | \$ - | \$ - | \$ - |
| | | 0.0% | | | |
| Board Decision Benefit Reduce/(Add) - Active Local Medical | \$ - | \$ (4,200,000) | \$ - | \$ - | \$ - |
| | | 3.5% | | | |
| Board Decision Benefit Reduce/(Add) - Active Local Drugs | \$ - | \$ (2,300,000) | \$ - | \$ - | \$ - |
| | | 3.8% | | | |
| Pay Go Premium Transfer | \$ 59,359,661 | \$ - | \$ 29,000,000 | \$ 29,000,000 | \$ 29,000,000 |
| Total Fund | <u>2023</u> | <u>2024</u> | <u>2025</u> | <u>2026</u> | <u>2027</u> |
| Beginning Reserve | 152,074,575 | 103,492,189 | 113,395,137 | 119,793,763 | 133,861,228 |
| Fiscal Year Results | (48,582,386) | 9,902,948 | 6,398,626 | 14,067,464 | 13,557,948 |
| Ending Reserve | 103,492,189 | 113,395,137 | 119,793,763 | 133,861,228 | 147,419,175 |
| Minimum Actuarial Reserve Required | 98,968,349 | 111,083,994 | 121,359,803 | 133,343,820 | 147,304,384 |
| PEIA Expenses | 808,707,190 | 908,535,554 | 991,750,471 | 1,088,686,139 | 1,201,492,410 |
| Reserve as a Percent of Expenses | 12.8% | 12.5% | 12.1% | 12.3% | 12.3% |
| State Fund | <u>2023</u> | <u>2024</u> | <u>2025</u> | <u>2026</u> | <u>2027</u> |
| Beginning Reserve | 119,804,037 | 84,687,747 | 98,393,018 | 100,164,004 | 108,713,087 |
| Fiscal Year Results | (35,116,290) | 13,705,272 | 1,770,986 | 8,549,082 | 10,998,999 |
| Ending Reserve | 84,687,747 | 98,393,018 | 100,164,004 | 108,713,087 | 119,712,086 |
| Minimum Actuarial Reserve Required | 79,919,141 | 90,256,364 | 98,571,449 | 108,260,740 | 119,540,329 |
| PEIA Expenses | 654,154,938 | 739,471,408 | 806,889,656 | 885,351,045 | 976,587,146 |
| Reserve as a Percent of Expenses | 12.9% | 13.3% | 12.4% | 12.3% | 12.3% |
| Local Fund | <u>2023</u> | <u>2024</u> | <u>2025</u> | <u>2026</u> | <u>2027</u> |
| Beginning Reserve | 32,270,538 | 18,804,442 | 15,002,119 | 19,629,759 | 25,148,141 |
| Fiscal Year Results | (13,466,096) | (3,802,324) | 4,627,641 | 5,518,382 | 2,558,948 |
| Ending Reserve | 18,804,442 | 15,002,119 | 19,629,759 | 25,148,141 | 27,707,089 |
| Minimum Actuarial Reserve Required | 19,049,209 | 20,827,630 | 22,788,354 | 25,083,080 | 27,764,055 |
| PEIA Expenses | 154,552,252 | 169,064,146 | 184,860,815 | 203,335,093 | 224,905,264 |
| Reserve as a Percent of Expenses | 12.2% | 8.9% | 10.6% | 12.4% | 12.3% |
| State Share | 80.3% | 80.0% | 80.0% | 80.0% | 80.0% |
| Employee Share | 19.7% | 20.0% | 20.0% | 20.0% | 20.0% |
| Growth In Program Expenses | 0.5% | 4.7% | 12.4% | 9.5% | 10.1% |

Option 3: Blended Approach 2 (Local Fund)

Premium increase with benefit changes

- ▶ Blended approach 2 would require a 9.7% premium increase
- ▶ Benefit changes would include:
 - ▶ Medical deductible increase of 35% for Plans A, C and D
 - ▶ Plan B would be set 30% higher than plan A
 - ▶ Medical out-of-Pocket maximum increase of 35% for Plans A, C and D
 - ▶ Plan B would be set 30% higher than plan A
 - ▶ Prescription drug deductible and out-of-pocket maximum increase by 100% for Plans A, B and D
 - ▶ Plan A would increase from \$75 single/\$150 family to \$150 single/\$300 family
 - ▶ Plan C prescription deductible is combined with the medical deductible, so there would be no separate increase
 - ▶ Prescription drug copays increase by 100% and change Specialty cost sharing from \$100/\$150 copay to 30% coinsurance

Option 3: Blended Approach 2 -- Local Fund

Proposed other benefit changes

| | <u>Plans A & D</u> | <u>Plan B</u> |
|--|------------------------|-----------------------|
| ▶ Increase PCP copay from/to | \$20/\$25 | \$20/\$25 |
| ▶ Increase Specialist copay from/to | \$40/\$50 | \$40/\$50 |
| ▶ Increase Inpatient copay* from/to | \$100/\$200 | \$100/\$200 |
| ▶ Increase Outpatient Surgery copay* from/to | \$100/\$200 | \$100/\$200 |
| ▶ Add Advanced Imaging (CT, MRI, PET, etc.) copay* | \$50 | \$50 |
| ▶ Increase Chiropractic cost-sharing | | |
| ▶ Visits 1-20 from/ to | \$20/\$25 | \$20/\$25 |
| ▶ Visits 21+ copay + coinsurance from/ to | \$25 + 20%/\$30 + 20% | \$25 + 30%/\$30 + 30% |
| ▶ Increase Therapy cost-sharing | | |
| ▶ Visits 1-20 from/ to | \$20/\$25 | \$20/\$25 |
| ▶ Visits 21+ copay + coinsurance from/ to | \$25 + 20%/\$25 + 30% | \$20 + 30%/\$25 + 30% |
| ▶ Increase Massage Therapy cost-sharing | | |
| ▶ Visits 1-20 from/ to | \$10+20%/\$25+30% | \$10+30%/\$25+30% |
| ▶ Visits 21+ copay + coinsurance from/ to | \$25 + 20%/\$25 + 30% | \$25+30%/\$30+30% |
| ▶ Increase ER Treatment copay* from/to | \$100/\$200 | \$100/\$200 |
| * These services also require deductible and coinsurance | 20% | 30% |

WV PEIA Financial Plan FY 2023 - FY 2027
Blended Approach 2 (Local Fund Only)

| | <u>2023</u> | <u>2024</u> | <u>2025</u> | <u>2026</u> | <u>2027</u> |
|---|---------------|----------------|---------------|---------------|---------------|
| Additional Employer Premium | \$ - | \$ 108,100,000 | \$ 62,000,000 | \$ 67,500,000 | \$ 74,000,000 |
| Increase | 0.0% | 22.3% | 10.5% | 10.3% | 10.3% |
| Local Fund Premium Increase | \$ 7,500,000 | \$ 14,000,000 | \$ 30,000,000 | \$ 15,000,000 | \$ 19,500,000 |
| Increase | 5.1% | 9.7% | 19.0% | 8.0% | 9.6% |
| Employee Premium | \$ - | \$ 28,900,000 | \$ 15,500,000 | \$ 16,900,000 | \$ 18,500,000 |
| Increase | 0.0% | 24.2% | 10.5% | 10.4% | 10.3% |
| State Direct Transfer (State Budget Appropriations) | \$ 21,000,000 | \$ - | \$ - | \$ - | \$ - |
| State Direct Transfer (PEIA Rainy Day Fund) | \$ 31,000,000 | \$ - | \$ - | \$ - | \$ - |
| Board Decision Benefit Reduce/(Add) - Active State Medical | \$ - | \$ 0 | \$ - | \$ - | \$ - |
| | | 0.0% | | | |
| Board Decision Benefit Reduce/(Add) - Active State Drugs | \$ - | \$ - | \$ - | \$ - | \$ - |
| | | 0.0% | | | |
| Board Decision Benefit Reduce/(Add) - Active Local Medical | \$ - | \$ (6,200,000) | \$ - | \$ - | \$ - |
| | | 5.3% | | | |
| Board Decision Benefit Reduce/(Add) - Active Local Drugs | \$ - | \$ (4,900,000) | \$ - | \$ - | \$ - |
| | | 8.4% | | | |
| Pay Go Premium Transfer | \$ 59,359,661 | \$ - | \$ 29,000,000 | \$ 29,000,000 | \$ 29,000,000 |
| Total Fund | 2023 | 2024 | 2025 | 2026 | 2027 |
| Beginning Reserve | 152,074,575 | 103,492,189 | 113,984,166 | 121,552,285 | 133,480,276 |
| Fiscal Year Results | (48,582,386) | 10,491,977 | 7,568,119 | 11,927,991 | 13,410,198 |
| Ending Reserve | 103,492,189 | 113,984,166 | 121,552,285 | 133,480,276 | 146,890,474 |
| Minimum Actuarial Reserve Required | 98,968,349 | 110,508,881 | 120,715,077 | 132,617,078 | 146,480,961 |
| PEIA Expenses | 808,707,190 | 903,934,647 | 986,592,662 | 1,082,872,198 | 1,194,905,025 |
| Reserve as a Percent of Expenses | 12.8% | 12.6% | 12.3% | 12.3% | 12.3% |
| State Fund | 2023 | 2024 | 2025 | 2026 | 2027 |
| Beginning Reserve | 119,804,037 | 84,687,747 | 98,405,071 | 100,191,093 | 108,758,659 |
| Fiscal Year Results | (35,116,290) | 13,717,325 | 1,786,022 | 8,567,565 | 11,021,456 |
| Ending Reserve | 84,687,747 | 98,405,071 | 100,191,093 | 108,758,659 | 119,780,115 |
| Minimum Actuarial Reserve Required | 79,919,141 | 90,257,327 | 98,572,431 | 108,261,742 | 119,541,350 |
| PEIA Expenses | 654,154,938 | 739,479,110 | 806,897,515 | 885,359,059 | 976,595,313 |
| Reserve as a Percent of Expenses | 12.9% | 13.3% | 12.4% | 12.3% | 12.3% |
| Local Fund | 2023 | 2024 | 2025 | 2026 | 2027 |
| Beginning Reserve | 32,270,538 | 18,804,442 | 15,579,095 | 21,361,192 | 24,721,617 |
| Fiscal Year Results | (13,466,096) | (3,225,348) | 5,782,097 | 3,360,425 | 2,388,742 |
| Ending Reserve | 18,804,442 | 15,579,095 | 21,361,192 | 24,721,617 | 27,110,359 |
| Minimum Actuarial Reserve Required | 19,049,209 | 20,251,554 | 22,142,646 | 24,355,336 | 26,939,611 |
| PEIA Expenses | 154,552,252 | 164,455,537 | 179,695,147 | 197,513,139 | 218,309,711 |
| Reserve as a Percent of Expenses | 12.2% | 9.5% | 11.9% | 12.5% | 12.4% |
| State Share | 80.3% | 80.0% | 80.0% | 80.0% | 80.0% |
| Employee Share | 19.7% | 20.0% | 20.0% | 20.0% | 20.0% |
| Growth In Program Expenses | 0.5% | 4.1% | 12.4% | 9.5% | 10.1% |

| Proposed Options Comparison | | | | |
|---|------------------|------------|----------------------------|----------------------------|
| Plan Change | State Fund | Local Fund | | |
| | Premium Increase | Option 1 | Option 2 | Option 3 |
| Premium Increase | 24.2% | 15.6% | 12.5% | 9.7% |
| Increase Medical deductible for Plans A, C and D, and make Plan B deductible higher than Plan A | No | No | 25% Plan B 20% > Plan A | 35% Plan B 30% > Plan A |
| Increase Medical out-of-pocket maximum for Plans A, C and D, and make Plan B out-of-pocket maximum higher than Plan A | No | No | 25% Plan B 20% > Plan A | 35% Plan B 30% > Plan A |
| Increase prescription drug deductible by 100% for Plans A, B and D | No | No | Yes | Yes |
| Increase prescription drug out-of-pocket maximum by 100% for Plans A, B and D | No | No | Yes | Yes |
| Increase prescription drug copays by 100% | No | No | No | Yes |
| Change Specialty Drug cost-sharing from \$100/\$150 copay to 30% coinsurance | No | No | No | Yes |
| Increase PCP Copay from \$20 to \$25per visit | No | No | No | Yes |
| Increase Specialist copay from \$40 to \$50 per visit | No | No | No | Yes |
| Increase inpatient copay from \$100 to \$200 per stay | No | No | Yes | Yes |
| Increase outpatient/ambulatory surgery copay from \$100 to \$200 | No | No | Yes | Yes |

| Proposed Options Comparison | | | | |
|---|----|----|-----|-----|
| Add Advanced Imaging (CT, MRI, PET, etc.) copay of \$50 per test | No | No | Yes | Yes |
| Increase Chiropractic Copay from \$20 to \$25 per visit for first 20 visits, and from \$25 to \$30 + 20% coinsurance for visits 21+ | No | No | No | Yes |
| Increase Therapy Copay from \$20 to \$25 per visit for first 20 visits, and from \$25 to \$30 + 30% coinsurance for visits 21+ | No | No | No | Yes |
| Increase Massage Therapy copay from \$10 to \$25 per visit for first 20 visits, and from \$25 to \$30 + 30% coinsurance for visits 21+ | No | No | No | Yes |
| Increase ER Treatment copay from \$100 to \$200 per visit | No | No | Yes | Yes |

Public Comments

Please limit your comments to 5 minutes

Thank You for Attending This Hearing

The Finance Board will meet on March 30 at 1 p.m. to discuss the feedback they've received at these hearings and to adopt the new Plan Year 2024 Plan details will be published on PEIA's website and in the 2024 Shopper's Guide