



# **West Virginia PEIA & RHBT Finance Board Meeting**

Thursday, December 5, 2024, 1:00pm

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

# AGENDA

- ❖ Roll Call
- ❖ Call to Order
- ❖ Approval of Minutes
- ❖ Discussion - FY26 Plan and Public Hearings
- ❖ Public Comments
- ❖ Old Business
- ❖ New Business
- ❖ Next Meeting - March 27, 2025 (pending Finance Board approval)

# Roll Call

- ❖ John McHugh, Acting Chairman
- ❖ Geoff Christian
- ❖ Amanda Meadows
- ❖ William “Bill” Milam
- ❖ Jason Myers
- ❖ Jared Robertson
- ❖ Mike Smith
- ❖ Michael Cook
- ❖ Damita Johnson
- ❖ Doug Coffman
- ❖ Hugh Murray

# Approval of Minutes

October 24, 2024



# Financial Statements YTD

# West Virginia Public Employees Insurance Agency

## Statement of Net Position

Thursday, October 31, 2024

(Dollars in Thousands)

(Unaudited-For Internal Use Only)

### Assets

#### Current assets:

	CURRENT YR	PRIOR YR	V A R I A N C E	
			\$	%
Cash and cash equivalents	\$120,116	\$22,415	\$97,701	436%
Equity position in internal investment pool	16,562	53,231	(\$36,669)	(69%)
Accounts receivable:				
Premium, less allowance for doubtful accounts	5,802	1,925	\$3,877	201%
Due From RHBT	11,953	12,870	(\$917)	(7%)
Prescription rebates, less allowance for doubtful accounts	47,400	47,931	(\$531)	(1%)
Appropriations due from State of West Virginia	-	-	\$0	0%
Other	4,855	5,072	(\$217)	(4%)
Total current assets	206,688	143,444	63,244	44%

#### Noncurrent assets:

Equity position in internal investment pools	148,937	129,085	19,852	15%
Equity position in internal investment pool – restricted	4,287	3,716	571	15%
Capital assets, net of accumulated depreciation				
Right to use	-	157	(157)	(100%)
Furniture, equipment, and other	51	39	12	31%
Postemployment Benefits- Pension & OPEB	43	(177)	220	(124%)
Total noncurrent assets	153,318	132,820	20,498	15%
<b>Total assets</b>	<b>360,006</b>	<b>276,264</b>	<b>83,742</b>	<b>30%</b>

#### Deferred outflows of resources related to pension & OPEB

	286	495	(209)	(42%)
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### Liabilities

#### Current liabilities:

Incurred but not reported reserve	110,070	99,300	10,770	11%
Current claims payable	9,955	6,464	3,491	54%
Premium deficiency reserve	661	-	661	100%
Accounts payable	9,181	5,117	4,064	79%
Unearned revenue	84,268	11,888	72,380	609%
Other accrued liabilities	2,848	2,286	562	25%
Total current liabilities	216,983	125,055	91,928	74%

#### Noncurrent liabilities:

Life Insurance premium stabilization reserve	4,153	4,165	(12)	(0%)
Long term lease liability	-	164	(164)	(100%)
<b>Total liabilities</b>	<b>221,136</b>	<b>129,384</b>	<b>91,752</b>	<b>71%</b>

#### Deferred inflows of resources related to pension & OPEB

	118	240	(122)	(51%)
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### Net position

Invested in capital assets	51	196	(145)	(74%)
Unrestricted	138,987	146,939	(7,952)	(5%)
<b>Total net position</b>	<b>139,038</b>	<b>147,135</b>	<b>(8,097)</b>	<b>(6%)</b>

West Virginia Public Employees Insurance Agency  
Statement of Changes in Plan Net Position  
For the Four Months Ending Thursday, October 31, 2024  
(Dollars in Thousands)  
(Unaudited-For Internal Use Only)

ACTUAL	BUDGET	PRIOR YR
\$213,775	\$212,953	\$199,772
54,717	54,730	49,497
60,662	60,058	54,406
1,560	1,540	1,540
584	817	757
<b>331,298</b>	<b>330,098</b>	<b>305,972</b>
874	818	779
29,000	-	-
5,055	3,190	(2,291)
9,691	9,667	0
<b>44,620</b>	<b>13,675</b>	<b>(1,512)</b>
<b>375,918</b>	<b>343,773</b>	<b>304,460</b>
192,810	199,446	180,742
131,686	123,623	119,138
(49,532)	(51,379)	(48,787)
82,154	72,244	70,351
23,324	22,472	21,200
7,157	10,557	6,982
297	738	154
2,226	2,697	1,961
357	724	610
156	156	155
9,691	9,667	-
<b>318,172</b>	<b>318,701</b>	<b>282,155</b>
<b>57,746</b>	<b>25,072</b>	<b>22,305</b>
81,292	81,292	124,830
<b>\$139,038</b>	<b>\$106,364</b>	<b>\$147,135</b>

**OPERATING REVENUE**

**Premium Revenue**

Health Insurance - State Gov. - Employers
Health Insurance - State Gov. - Employees
Health Insurance - Local Gov. - All
Administrative Fees, Net of Refunds
Other Premium Revenue

**Total Operating Revenue**

**NON-OPERATING REVENUE**

Life Insurance
Direct Transfer
Interest and Investment Income
WV RHBT Pay Go Premiums

**Total Non-Operating Revenue**

**TOTAL REVENUE**

**EXPENSES**

Claims Expense - Medical

Gross Claims Expense - Drugs
Prescription Rebate
Net Claims Expense- Drugs

Payments to Managed Care Org.
Administrative Service Fees
Wellness and Disease Management
Other Operating Expenses
Life Insurance Expense
ACA Comparative Effectiveness Fee
WV RHBT Pay Go Premiums

**TOTAL EXPENSES**

**YTD Surplus (Deficit)**

Total Net Position, Beginning of Period

**Total Net Position, End of Period**

BUDGET VARIANCE		PRIOR YR VARIANCE	
\$	%	\$	%
\$822	0%	\$14,003	7%
(\$13)	(0%)	\$5,220	11%
\$604	1%	\$6,256	11%
\$20	1%	\$20	1%
(\$233)	(29%)	(\$173)	(23%)
<b>1,200</b>	<b>0%</b>	<b>25,326</b>	<b>8%</b>
56	7%	95	12%
29,000	100%	29,000	100%
1,865	58%	7,346	(321%)
24	0%	9,691	100%
<b>30,945</b>	<b>226%</b>	<b>46,132</b>	<b>(3,051%)</b>
<b>32,145</b>	<b>9%</b>	<b>71,458</b>	<b>23%</b>
6,636	3%	(12,068)	(7%)
(8,063)	(7%)	(12,548)	(11%)
(1,847)	4%	745	(2%)
(9,910)	(14%)	(11,803)	(17%)
(852)	(4%)	(2,124)	(10%)
3,400	32%	(175)	(3%)
441	60%	(143)	(93%)
471	17%	(265)	(14%)
367	51%	253	41%
0	0%	(1)	(1%)
(24)	(0%)	(9,691)	100%
<b>529</b>	<b>0%</b>	<b>(36,017)</b>	<b>(13%)</b>
<b>32,674</b>	<b>130%</b>	<b>35,441</b>	<b>159%</b>
-	0%	(43,538)	(35%)
<b>\$32,674</b>	<b>31%</b>	<b>(\$8,097)</b>	<b>(6%)</b>

**West Virginia Retiree Health Benefit Trust Fund**  
**STATEMENT OF PLAN NET POSITION**  
**Thursday, October 31, 2024**

	<b>VARIANCE</b>			
	<b>CURRENT YR</b>	<b>PRIOR YR</b>	<b>\$</b>	<b>%</b>
<b>ASSETS</b>				
Cash - Operating Fund	\$17,687	\$13,975	\$3,712	27%
<b>INVESTMENTS</b>				
WV Board of Treasury Investments	4,147	47,690	(43,543)	(91%)
WV Investment Management Board	1,996,241	1,689,937	306,304	18%
Total Investments	2,000,388	1,737,627	262,761	15%
Due From / (To) WV PEIA	(11,953)	(12,870)	917	(7%)
<b>PREMIUM ACCOUNTS RECEIVABLE</b>				
Premium Accounts Receivable	962	647	315	49%
Less: Allowance for Doubtful Accounts	(46)	(548)	502	(92%)
Net - Premium Accounts Receivable	916	99	817	825%
Other Receivables	12,267	11,734	533	5%
<b>TOTAL ASSETS</b>	<b>2,019,305</b>	<b>1,750,565</b>	<b>268,740</b>	<b>15%</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Outflows of Resources Related to Pension	147	218	(71)	(33%)
Deferred Outflows of Resources Related to OPEB	6	45	(39)	(87%)
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>153</b>	<b>263</b>	<b>(110)</b>	<b>(42%)</b>
<b>LIABILITIES</b>				
Claims payable	10,560	10,620	60	1%
Accounts payable	49	5	(44)	(880%)
Accrued Liabilities	17,114	7,347	(9,767)	(133%)
<b>TOTAL LIABILITIES</b>	<b>27,723</b>	<b>17,972</b>	<b>(9,751)</b>	<b>(54%)</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Inflows of Resources Related to Pension	2	2	-	0%
Deferred Inflows of Resources Related to OPEB	61	128	67	52%
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>63</b>	<b>130</b>	<b>67</b>	<b>52%</b>
Net Position- PSR	201,345	201,345	-	0%
Net Position- Restricted	1,790,327	1,531,381	258,946	17%
<b>NET POSITION RESTRICTED</b>				
<b>FOR POST EMPLOYMENT BENEFITS</b>	<b>\$1,991,672</b>	<b>\$1,732,726</b>	<b>\$258,946</b>	<b>15%</b>



**West Virginia Retiree Health Benefit Trust Fund**  
**STATEMENT OF CHANGES IN PLAN NET POSITION**  
**For Four Months Ending Thursday, October 31, 2024**

ACTUAL	BUDGET	PRIOR YR		BUDGET VARIANCE		PRIOR YR VARIANCE	
				\$	%	\$	%
			<b>ADDITIONS</b>				
			<b>Employer Premiums:</b>				
\$695	\$653	\$673	Health premiums - Non Par	\$42	6%	\$22	3%
2,441	2,187	2,646	Health Premiums - RLC Health, Life	254	12%	(205)	(8%)
9,691	9,667	-	Pay Go Premiums	24	0%	9,691	100%
10,000	10,000	10,000	State appropriation - OPEB	-	0%	-	0%
<b>22,827</b>	<b>22,507</b>	<b>13,319</b>	<b>Total Employer Premiums</b>	<b>320</b>	<b>1%</b>	<b>9,508</b>	<b>71%</b>
			<b>Other Additions:</b>				
167	167	167	Retiree Drug Subsidy	-	0%	-	0%
53,956	45,279	(51,963)	Investment Income	8,677	19%	105,919	(204%)
<b>76,950</b>	<b>67,953</b>	<b>(38,477)</b>	<b>TOTAL ADDITIONS</b>	<b>8,997</b>	<b>13%</b>	<b>115,427</b>	<b>(300%)</b>
			<b>DEDUCTIONS</b>				
18,807	18,454	16,746	Payments to Managed Care Org.	(353)	(2%)	(2,061)	(12%)
8,609	9,231	8,791	Life Insurance Expense	622	7%	182	2%
19,309	19,788	15,845	Medical Claims Expense	479	2%	(3,464)	(22%)
11,207	10,099	9,322	Pharmacy Claims Expense	(1,108)	(11%)	(1,885)	(20%)
423	331	1,053	Administrative Service Fees (External)	(92)	(28%)	630	60%
(19,847)	(20,470)	(19,433)	Member Health premiums	(623)	3%	414	(2%)
(8,745)	(9,244)	(8,804)	Member Life Insurance Premiums	(499)	5%	(59)	1%
1,032	1,382	943	Other Operating Expenses	350	25%	(89)	(9%)
<b>30,795</b>	<b>29,571</b>	<b>24,463</b>	<b>TOTAL DEDUCTIONS</b>	<b>(1,224)</b>	<b>(4%)</b>	<b>(6,332)</b>	<b>(26%)</b>
<b>46,155</b>	<b>38,382</b>	<b>(62,940)</b>	<b>NET POSITION INCREASE (DECREASE)</b>	<b>7,773</b>	<b>20%</b>	<b>109,095</b>	<b>(173%)</b>
			<b>Net Position Restricted for</b>				
			<b>Post Employment Benefits</b>				
1,945,517	1,945,517	1,795,666	Beginning of Period Total Net Position	-	0%	149,851	8%
1,790,327	1,782,554	1,531,381	End of Period Net Position - Restricted	7,773	0%	258,946	17%
201,345	201,345	201,345	End of Period Net Position - PSR	-	0%	-	0%
<b>\$1,991,672</b>	<b>\$1,983,899</b>	<b>\$1,732,726</b>	<b>End of Period Total Net Position</b>	<b>\$7,773</b>	<b>0%</b>	<b>\$258,946</b>	<b>15%</b>

# Proposed FY26 Plan

# Premium Increases:

\*Average state employee premium increase -  
\$31.50/month

	Proposed	vs 5 year plan	Value (\$M)
State Fund	14%*	10.7%	\$27.3
Local Fund	16%	11.0%	\$9.3
			<b>\$36.6</b>

	Proposed	vs 5 year plan
Non-Medicare	12%	10.0%
Medicare	12%	10.0%

# Employer Administrative Fee Increase:

The State and Local fund employer administrative fee will increase by \$2.50

# Deductible & Out of Pocket Maximum (OOPM) Increases:

\*Will impact Non-Medicare retirees as well

# Plan C deductible increase on average \$990

	Proposed Increase*	Avg Ded Increase	Avg MOOP Increase	Value (\$M)
State Fund	40%	\$355	\$1,610	\$23.7
Local Fund	40%	\$310#	\$1,545	\$6.3
				<b>\$30.0</b>

# Inpatient Services Copays:

\*Will impact Non-Medicare retirees as well

	Proposed Inpatient OOS HLOB Copay*	Current Inpatient OOS HLOB Copay	Proposed Semi-Private Room (In State) Copay*	Current Semi-Private Room (In State) Copay	Value (\$M)
<b>State Fund</b>	\$250	\$100	\$250	\$100	\$1.3
<b>Local Fund</b>	\$250	\$100	\$250	\$100	\$0.3
					<b>\$1.6</b>

# Outpatient Copays:

\*Will impact Non-Medicare retirees as well

# Plan C deductible increases \$990

	Proposed Outpatient Surgery Copay*	Current Outpatient Surgery Copay	Proposed Advance Imaging Copay	Current Advanced Imaging Copay	Value (\$M)
<b>State Fund</b>	\$250	\$100	\$100	\$0	\$4.2
<b>Local Fund</b>	\$250	\$100	\$100	\$0	\$1.1
					<b>\$5.3</b>

# Therapy Copays and Coinsurances:

\*Deductible and coinsurance also apply.

#Will impact Non-Medicare Retirees as well

	Proposed Outpatient Massage Therapy Copay#	Current Outpatient Massage Therapy Copay	Value (\$M)
State Fund	\$30/\$35	\$10/\$25	\$3.0
Local Fund	\$30/\$35	\$10/\$25	\$0.7
			<b>\$3.7</b>

# Emergency Room Copays:

\*Will impact Non-Medicare Retirees as well

	Proposed ER Non-Emergency Copay*	Current ER Non-Emergency Copay	Value (\$M)
State Fund	\$200	\$100	\$0.4
Local Fund	\$200	\$100	\$0.1
			<b>\$0.5</b>

# Rx Copays:

\* Will impact Non-Medicare retirees as well

	Proposed Increase* #	Proposed Copay (generic/brand)	Current Copay (generic/brand)	Value (\$M)
State Fund	2x	\$20/\$50	\$10/\$25	\$11.3
Local Fund	2x	\$20/\$50	\$10/\$25	\$2.7
				<b>\$14.0</b>

# Spousal Surcharge:

#SB268 requires policyholder to pay the actuarial value of the cost of adding the spouse to the plan

\*Average.

	Proposed Spousal Surcharge*#	Current Spousal Surcharge*	Value (\$M)
State Fund	\$350	\$147	<b>\$21.2</b>

## MA-PD Plan 1 & Special Medicare Plan

<b>Benefit</b>	<b>Current</b>	<b>Proposed</b>
Medical MOOP	\$ 1,350	\$ 1,900
Medical Deductible	\$ 150	\$ 300
Inpatient	\$ 100	\$ 200
Outpatient	\$ 100	\$ 200
ER	\$ 50	\$ 100
Part B rx	\$ -	\$ 20
Specialist therapies	\$ -	\$ 20
Rx deductible	\$ 75	\$ 150
Rx Generic copay	\$ 5	\$ 10
Rx Brand copay	\$ 15	\$ 30

## MA-PD Plan 2

<b>Benefit</b>	<b>Current</b>	<b>Proposed</b>
Medical MOOP	\$ 2,325	\$ 2,650
Medical Deductible	\$ 375	\$ 525
Inpatient	\$ 150	\$ 250
Outpatient	\$ 115	\$ 215
ER	\$ 65	\$ 115
Part B rx	\$ -	\$ 30
Specialist therapies	\$ -	\$ 30
Rx deductible	\$ 150	\$ 225
Rx Generic copay	\$ 5	\$ 10
Rx Brand copay	\$ 20	\$ 35



## Benefit Assistance

Benefit	Current	Proposed
Assistance Medical Deductible	\$ 50	\$ 100
Assistance OOP	\$ 600	\$ 900
Assistance Rx Generic copay	\$ 5	\$ 10
Assistance Rx Brand copay	\$ 15	\$ 30

### Current 10 Salary Index Codes

Employee Salary			Number of Policies				
			<u>Plan A</u>	<u>Plan B</u>	<u>Plan C</u>	<u>Plan D</u>	<u>HMHP</u>
\$	-	\$ 30,400	4,033	862	880	145	552
\$	30,401	\$ 40,400	8,130	1,688		269	1,142
\$	40,401	\$ 46,400	4,869	1,375		185	708
\$	46,401	\$ 52,400	6,368	1,888		229	1,030
\$	52,401	\$ 60,400	6,965	2,014		175	1,019
\$	60,401	\$ 72,900	6,058	1,559		119	837
\$	72,901	\$ 85,400	2,102	659		48	280
\$	85,401	\$ 110,400	1,428	583		27	165
\$	110,401	\$ 135,400	355	182		3	48
\$	135,401	+	262	139		2	49

### Proposed 5 Salary Index Codes

Employee Salary			Number of Policies				
			<u>Plan A</u>	<u>Plan B</u>	<u>Plan C</u>	<u>Plan D</u>	<u>HMHP</u>
\$	-	\$ 40,400	12,163	2,550	880	414	1,694
\$	40,401	\$ 52,400	11,237	3,263		414	1,738
\$	52,401	\$ 72,900	13,023	3,573		294	1,856
\$	72,901	\$ 110,400	3,530	1,242		75	445
\$	110,401	+	617	321		5	97

# Discussion

## FY26 Plan and Public Hearings

# Changes to Proposed Plan and Plan Approval

## Amendments to the proposed PY26 changes:

- Remove salary tiers from 10 tiers to 5
- Proposed changes to benefit assistance program were not approved

\*\* The board passed the FY 26 plan as amended. \*\*

# Public Comments



# Old Business

# New Business



# **Proposed 2025 Finance Board Meeting Dates**

**March 27, 2025**

**June 5, 2025**

**September 4, 2025**

**October 23, 2025**

**December 4, 2025**

# Next Meeting

**March 27, 2025**  
(pending Finance Board approval)



# Adjourn

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

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