

# STATE OF WEST VIRGINIA



## **RETIREE HEALTH BENEFIT TRUST FUND**

**Quarterly Report  
December 31, 2020**

**Fiscal Years 2021-2025**

*Report Date: March 2021*

***YOUR ACTUARIES FOR THE LONG-TERM!***



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Finance Board  
West Virginia Retiree Health Benefit Trust Fund  
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Ladies and Gentlemen:

I, Dave Bond, am a Fellow of the Society of Actuaries, a Member of the American Academy of Actuaries, and the Managing Partner in the firm of Continuing Care Actuaries.

During the 2006 Regular Session of the West Virginia Legislature, House Bill 4654 was enacted creating the West Virginia Retiree Health Benefit Trust Fund (“Trust Fund” or “RHBT”) for the purpose of providing for and administering retiree post-employment health care benefits, and the respective revenues and costs of those benefits as a cost sharing multiple employer plan. The Public Employees Insurance Agency (“PEIA”), on behalf of the Public Employees Insurance Agency Finance Board (“Board”), is responsible for the day-to-day operation of the Trust Fund, including all administrative functions.

Statutory provisions governing the Trust Fund require the actuary retained by the PEIA to provide technical advice regarding the operation of the Trust Fund. Using the actuarial assumptions most recently adopted by the Board, the actuary is required to develop actuarial valuations of normal cost, actuarial liability, actuarial value of assets, and related actuarial present values for the West Virginia plan for other post-employment benefits including health insurance. Consequently, the Board has requested Continuing Care Actuaries to prepare a report separating the actuarial projections for the Trust Fund from the PEIA forecast report. The West Virginia Retiree Health Benefit Trust Fund has assumed the financial liabilities of the retiree programs previously under the PEIA effective July 1, 2006.

The provisions of the Code of West Virginia (“Code”), 1931, as amended, charge the Board with the responsibility to prepare a proposed financial plan designed to generate revenues sufficient to meet all estimated program and administrative costs of the RHBT, including incurred but unreported claims, for the fiscal year for which the plan is proposed. Continuing Care Actuaries has been retained by the RHBT to review the proposed financial plan, and as supported by our work, to render an actuarial opinion stating whether the plan may be reasonably expected to generate sufficient revenues to meet estimated insurance program and administrative costs of the plan through FY 2025. Our analysis is developed on an accrued and incurred reporting basis for a projection period of five years as required by the Code.

The Code provisions also require the Board to establish and maintain a reserve fund for PEIA for the purposes of offsetting unanticipated claim losses in any fiscal year. Beginning with the Fiscal Year 2002 plan and for each succeeding fiscal year plan, the Board shall transfer ten percent of the projected total plan costs for that year into the reserve fund, which is to be certified by the actuary and included in the final, approved financial plan submitted to the Governor and Legislature in accordance with the provisions of the Code. On March 9, 2019, the provisions had effectively ended.

Continuing Care Actuaries has provided financial report for fiscal year ending June 30, 2021 (“FY 2021”), June 30, 2022 (“FY 2022”), June 30, 2023 (“FY 2023”), June 30, 2024 (“FY 2024”) and June 30, 2025 (“FY 2025”). Our opinion of plan adequacy is based on the projections through FY 2025 using updated future revenue and plan modifications provided by the Board in the plan adopted in December 2020.

Effective July 1, 2012, RHBT has contracted with Humana to provide a Medicare Advantage Plan (“Humana MAPD”) benefit to Medicare-eligible retired employees and their Medicare-eligible dependents. Under this arrangement, Humana has assumed the financial risk of providing comprehensive medical and drug coverage with limited copayments. Non-Medicare retirees will continue enrollment in PEIA's Preferred Provider Benefit or the Managed Care Option.

Current Medicare coverages are transferred from a self-insured secondary basis by RHBT to the Humana MAPD plan. However, it should be noted that new Medicare eligible retirees, who become Medicare eligible during the calendar year, will be covered on a secondary basis by the PPB Plan until the beginning of the next calendar year.

The Medicaid / RHBT Hospital Bill (“Bill”) has been extended and is anticipated to continue to provide RHBT with hospital charge savings through discounts for all retiree non-Medicare coverages. These hospital savings are assumed to increase by the medical trend assumptions in Fiscal Year 2021 and subsequently. We are assuming that the Bill will continue throughout the five year forecast period.

In reviewing the plan, Continuing Care Actuaries utilized information concerning the plan’s prior experience, covered individuals, plan revenues, plan benefits, plan administrative costs, and other expenses. This information was developed and provided by RHBT, the plan’s third party administrators and other sources. In our review, we completely relied on the accuracy of this information and did not perform any due diligence on the information. The enclosed forecasts include anticipated changes from the federal statute Patient Protection and Affordable Care Act (“PPACA”) signed into law on March 23, 2010. Additional details of the benefit enhancements and costs can be found later in this report. In addition, it is noteworthy that some current RHBT members have become eligible for the West Virginia Children Health Insurance Plan effective in Fiscal Year 2016.

In FY 2021 the Pay-Go is equivalent to \$263 per retiree per month. In future years, the Pay Go premium may increase by a maximum of 3% per retiree per year, indexed to the initial fixed subsidy determined in FY 2013. The new Pay-Go premium formula is based on the financial plan approved by the Financial Board in December 2020.

Under Senate Bill 419 amended West Virginia code section 11-21-96, effective February 26, 2016, notwithstanding any other provision of this code to the contrary, beginning in January of 2006, \$45 million from collections of the tax imposed by this article shall be deposited each calendar year to the credit of the Workers' Compensation fund created in article two-c, chapter twenty-three of this Enr. SB 419 code.

The transfers required by the section 11-21-96 ceased on February 1, 2016. Beginning Fiscal Year 2017, an annual amount of \$30 million from annual collections of the tax imposed by this article was dedicated for payment of the unfunded liability of the West Virginia Retiree Health Benefit Trust Fund. The \$30 million transferred pursuant to this subsection shall be transferred into the West Virginia Retiree Health Benefit Trust Fund by transferring \$5 million each month for the following months of each year: October, November, December, January, February and March, until the Governor certifies to the Legislature that an independent actuarial study has determined that the unfunded liability of West Virginia Retiree Health Benefit Trust Fund, as created in section two, article sixteen-d, chapter five of this code, has been provided for in its entirety or July 1, 2037, whichever date is later. RHBT started receiving the aforementioned \$30 million transfers in 2017. All employers would receive benefit of these contributions.

Based on our review, and subject to the conditions described herein, we believe the financial plan approved by the Board for FY 2021 through FY 2025 may be reasonably expected to generate sufficient revenues, when combined with the existing surplus, to meet estimated insurance program and administrative costs of the Trust Fund.

This conclusion is based on significant revenue increases in employer, employee, and retiree premiums in later fiscal years of the plan through FY 2025 as approved by the Board in December 2020.

The preparation of any estimate of future health costs requires consideration of a broad array of complex social and economic events. Changes in reimbursement methodology, the emergence of new and expensive medical procedures and prescription drugs options, and the continuing evolution and changes of the framework of MAPD plan and other managed care options impacting Non-Medicare retirees, as are contemplated in the Board's proposed plan, increase the level of uncertainty of such estimates. As such, the estimate costs of insurance program contain considerable uncertainty and variability and actual experience may not conform to the assumptions utilized in this report.

Respectfully,



Dave Bond, F.S.A., F.C.A., M.A.A.A.  
Managing Partner



Chris Borcik, F.S.A., F.C.A., M.A.A.A.  
Principal

**West Virginia Retiree Health Benefit Trust Fund**  
**Report of Independent Actuary**  
**Financial Plan for FY 2021 – FY 2025**

**OVERVIEW**

This report analyzes revenues and expenses related to funding the health insurance benefits of retired employees of the State of West Virginia and various local agencies, together with their dependents. This report is intended for the sole use of the Board, and any other use requires written approval by Continuing Care Actuaries.

This report was compiled utilizing claims data collected by RHBT's third party administrators through February 2021 for prescription drugs and medical claims. Enrollment data, administrative expenses, managed care capitations, and plan revenues were provided at special request from RHBT. Revenue assumptions are based on premium rates, assumed investment income and significant general and special revenue allocations provided by the Governor, some which have not been approved by the West Virginia Legislature. In addition, other information became available through presentations made at Board meetings, which has been used in arriving at our conclusions.

The Code of West Virginia establishes the actuarial reporting requirements for the Trust Fund on an incurred basis for medical claims, prescription drug claims and capitations, and on an accrued basis for administrative expenses and revenue for a period of five years. The Fund represents state and local agency retirees and their survivors. The Trust Fund is allocated its share of administrative costs from PEIA.

## **KEY ASSUMPTIONS**

### **A. Enrollment Changes**

The Board has requested that the projection assume retiree enrollment growth consistent with the experience of the plan. These projections assume that the Trust Fund will annually have 1,000 additional policies. We have observed a net decrease of 25 policies from June 2020 to March 2021. Continuing Care Actuaries has updated the claims analysis based on the enrollment through March 2021.

In aggregate, March 2021 enrollment has decreased by 25 coverages since the end of FY 2020. Aggregate Preferred Provider Benefit (“PPB”) enrollment has decreased by 19 in total over the same period, while managed care enrollment continues to cover fewer participants, with a decrease of 6 coverages. For MAPD Capitations, the average of 51,783 Medicare policyholders in FY 2021 was used to calculate the capitation cost.

The following chart summarizes the current enrollment as of the selected monthly billing dates of June 2019, June 2020, and March 2021 for purposes of comparison:

Trust Fund	Coverage	Preferred Provider Benefit*			Managed Care		
		Jun-19	Jun-20	Mar-21	Jun-19	Jun-20	Mar-21
Retirees	Medicare Single	21,319	21,594	21,642	-	-	-
	Medicare Family	15,830	16,058	16,151	-	-	-
	Medicare Total	37,149	37,652	37,793	-	-	-
	Non-Medicare Single	2,583	2,396	2,375	130	111	118
	Non-Medicare Family	3,225	2,994	2,855	133	117	104
	Non-Medicare Total	5,808	5,390	5,230	263	228	222
	Retiree Total	42,957	43,042	43,023	263	228	222
	Grand Total				43,220	43,270	43,245

\* The majority of PPB is capitated through Humana. As of February 2021, there are approximately 326 Medicare retiree coverages under PEIA.

### **B. Changes in Claim Backlog**

Detail of the medical claim backlog is presented in the PEIA report titled “PEIA Quarterly Report December 31, 2020 Fiscal Years 2021-2025 Report”.

### C. Trend Analysis

RHBT experienced a lower medical trend and a higher prescription drugs trend in FY 2020, but over the past few years, trends have been beneficial to the plan. Continuing Care Actuaries performed the detailed medical and prescription drugs trend analysis in the report titled, “PEIA FY2020 Detailed Medical and Prescription Drugs Claim Trend Report”. This report includes the detailed trend analysis of PEIA experience by medical and prescription drugs. Based on the analysis, the FY 2021 medical claim trend is 5.0%, the gross prescription drugs claim trend is 13.0% and the prescription drugs rebate trend is 20.0%.

The current trend projection is shown in the following table:

Claim Type	Previous Assumption FY 2021 Trend	Updated Assumption FY 2021 Trend
Non-Medicare – Medical	8.5%	5.0%
Medicare – Medical	8.5%	5.0%
Non-Medicare – Gross Drugs	12.5%	13.0%
Medicare – Gross Drugs	12.5%	13.0%
Prescription Drugs Rebate	20.0%	20.0%

In the past, claim trends for the financial plan included a 0.5% margin in future years. CCA has assumed the drugs claim trends for the financial projection will increase by 0.5% in FY 2022 and in each successive fiscal year. Medical trends are assumed to increase 1.0% in FY 2022 and 2023, and then 0.5% thereafter. Additionally, drug rebates have been trending at approximately 30% over the last two years. As a result, CCA has separated net drugs in the financial plan into gross drugs and drug rebate amounts. Drug rebates trends are set at 20% in the financial plan. At the Board’s request, the baseline trend assumptions have been established to reflect the most likely or expected trends.

The following chart summarizes the trend results observed for the plan using data through February 2021. It is important to note that these trends have not been adjusted to reflect savings as a result of the expansion of the drug rebate program or the claim savings due to changes in provider reimbursement methodologies nor changes in the benefit structure. In developing the claim cost projection, we have reflected for benefit and reimbursement changes as an adjustment to the gross trend assumption.

**Aggregate Trust Fund Historical Trends (Retirees)**

<b><u>Fiscal Year</u></b>	<b><u>Medical Medicare</u></b>	<b><u>Medical Non-Medicare</u></b>	<b><u>Drugs Medicare</u></b>	<b><u>Drugs Non-Medicare</u></b>	<b><u>Total</u></b>
2004	9%	2%	3%	-2%	6%
2005	6%	-2%	16%	1%	8%
2006	6%	5%	11%	17%	8%
2007	6%	1%	6%	6%	5%
2008	N/A	6%	N/A	-1%	N/A
2009	N/A	-2%	N/A	5%	N/A
2010	N/A	3%	N/A	7%	N/A
2011	N/A	12%	N/A	16%	N/A
2012	-5%	-6%	2%	8%	-2%
2013	23%	-3%	-3%	-7%	-2%
2014	N/A	7%	N/A	6%	N/A
2015	N/A	6%	N/A	5%	N/A
2016	-10%	2%	11%	9%	3%
2017	11%	0%	10%	31%	9%
2018	12%	8%	41%	14%	12%
2019	43%	2%	-1%	20%	8%
2020	22%	-9%	1%	12%	-1%
2021*	3%	-8%	28%	7%	-1%

\* Fiscal Year 2021 results are through the first eight months ending February 2021. It should be noted that Humana’s plan year starts in January 2014 in calendar year basis (not starting in July as in PEIA plan year basis) and the Medicare trends are not statistically credible in 2014 and 2015.

Effective July 1, 2007, PEIA contracted with Coventry Advantra Freedom to provide Medicare Advantage/Prescription Drug Plan (“Coventry MA and PDP”) Benefits to Medicare-eligible retired employees and dependents. Under this arrangement, Coventry Advantra Freedom had assumed the financial risk of providing comprehensive medical and prescription drug coverage with limited copayments. This arrangement expired on June 30, 2010. As a result, Fiscal Year 2008 through 2011 Medicare trends are not statistically credible. RHBT left the Coventry MA and PDP program as of June 30, 2012, and RHBT assigned Medicare eligible retirees to the Humana MAPD program starting July 1, 2012.



## D. Enrollment, Claim, Expense and Revenue Assumptions

Using aggregate PEIA and Trust Fund paid claim data through February 2021 for medical claims and for prescription drugs claims, average annualized incurred unit claim costs were developed for the Trust Fund for both self-funded and managed care coverages. Continuing Care Actuaries has developed the claim cost on an adjusted exposure basis using the respective expected claim cost for each coverage type. The adjusted exposure methodology weighs the expected claim cost under each coverage type for single, member and children, and family coverages based on observed differences in health care cost. For example, under this methodology single coverage types are given a weight of 1.0 exposure, whereas member and children coverages are given a greater weighting based on historical expected health care cost relationships. Based on this methodology, the projection of FY 2021 claims and expenses are summarized in the following chart. It should be noted that the chart reflects per policy information.

Fiscal Year 2021 Projection			Revenue		Expenses		
Fund	Program	Policies	Monthly Employer Premiums	Monthly Employee Premiums	Monthly Medical Costs	Monthly Drugs Costs*	Monthly Capitation Costs
Retiree	Medicare Humana and Express Scripts	37,947			\$ 71**	\$ 316**	\$ 235
	Non-Medicare	5,342			\$ 741	\$ 281	
	Total	43,289	\$ -	\$ 154			
	Non-Medicare Managed Care	225	\$ -	\$ 600			\$ 1,460
	Total	43,514					

\*Net of rebates and subsidies.

\*\* As of February 2021, there are approximately 326 Medicare coverages that were not capitated through Humana.

Projected plan revenues and administrative expenses were provided by RHBT. The following chart summarizes the financial plan adopted by the Board in December 2020.

### Board Decisions – December 2020

Source	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
<b>Additional Non-Medicare Retiree Premium (Fiscal Year)</b>	\$0	\$0	\$1,302,259	\$1,315,654	\$1,327,458
<b>Additional Medicare Retiree Premium (Calendar Year)</b>	\$0	\$0	\$4,834,132	\$5,172,727	\$5,533,975
<b>General Revenue Transfer (OPEB Funding)</b>	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000
<b>General Revenue Transfer (Premium Offset)</b>	\$0	\$0	\$0	\$0	\$0
<b>Benefit Reductions and Savings / (Increase) - Retiree Non-Medicare</b>	\$0	\$0	\$0	\$0	\$0
<b>Board Decision Benefit Reduction – Retiree Medicare</b>	\$0	\$0	\$0	\$0	\$0
<b>Benefit Reductions / (Increase) - Humana MAPD (Calendar Year)</b>	\$0	\$0	\$0	\$0	\$0
<b>Pay Go Premium Transfer</b>	\$137,475,032	\$100,000,000	\$110,000,000	\$120,000,000	\$130,000,000
<b>Actuarial Accrued Liability*</b>	\$2,869,054,849	\$2,919,313,562	\$2,964,931,211	\$3,006,409,797	\$3,043,674,523
<b>Funded Status</b>	42.7%	50.6%	54.4%	58.5%	62.7%

\*Projected Result

Future fiscal year State revenue increases will require legislative appropriation. Additional retiree premiums represent premiums paid by retirees either directly or through sick and annual leave conversion credits. RHBT will receive \$30,000,000 in general revenue transfers.

Additionally, RHBT management has assumed that the Retiree Premium Assistance Program will grow as a direct result from the required retiree premium increases in the financial plan. The program's cost is currently projected to grow from \$1,700,909 in FY 2021 to \$2,314,067 in FY 2025, based on the Board's direction and projected retiree enrollment growth in the financial plan.

In FY 2021, the ACA PCORI fee is approximately \$2.66 per person per year.

There is a one-time added cost in FY 2021 for the delayed benefits and pent up demand due to COVID19. \$8,500,000 has been allocated between PEIA State medical and Local medical claims, and \$920,000 has been allocated between RHBT Non-Medicare medical and Medicare medical claims in FY 2021.

## **E. Provider Reimbursement Changes**

Effective July 1, 2012, RHBT has contracted with Humana to provide a Medicare Advantage Plan (“Humana MAPD”) benefit to Medicare-eligible retired employees and their Medicare-eligible dependents. Under this arrangement, Humana has assumed the financial risk of providing comprehensive medical and drug coverage with limited copayments. RHBT has had favorable renewals resulting in reduced MAPD capitations. Non-Medicare retirees will continue enrollment in PEIA's Preferred Provider Benefit or the Managed Care Option.

It should be noted that RHBT left the Coventry MA and PDP program as of June 30, 2012, and RHBT assigned Medicare eligible retirees to the Humana MAPD program starting July 1, 2012.

### **FISCAL YEAR 2021 FORECAST**

The financial forecast for FY 2021 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2021 projects accrued revenue of \$438,810,301 and incurred plan expenses of \$216,038,778 to produce a fiscal year surplus of \$222,771,523 after the Premium Stabilization Reserve addition of \$30,000,000. The PEIA local and state agencies Pay Go premiums for FY 2021 are assumed to be \$137,475,032.

### **FISCAL YEAR 2022 FORECAST**

The financial forecast for FY 2022 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2022 projects accrued revenue of \$361,054,933 and incurred plan expenses of \$219,542,176 to produce a fiscal year surplus of \$141,512,757 after the Premium Stabilization Reserve drawdown of \$5,774,583. The PEIA local and state agencies Pay Go premiums for FY 2022 are assumed to be \$100,000,000.

### **FISCAL YEAR 2023 FORECAST**

The financial forecast for FY 2023 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2023 projects accrued revenue of \$388,255,888 and incurred plan expenses of \$236,485,020 to produce a fiscal year surplus of \$151,770,868 after the Premium Stabilization Reserve drawdown of \$7,620,331. The PEIA local and state agencies Pay Go premiums for FY 2023 are assumed to be \$110,000,000.

### **FISCAL YEAR 2024 FORECAST**

The financial forecast for FY 2024 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2024 projects accrued revenue of \$418,544,665 and incurred plan expenses of \$255,876,208 to produce a fiscal year surplus of \$162,668,457 after the Premium Stabilization Reserve drawdown of \$10,219,268. The PEIA local and state agencies Pay Go premiums for FY 2024 are assumed to be \$120,000,000.

## **FISCAL YEAR 2025 FORECAST**

The financial forecast for FY 2025 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2025 projects accrued revenue of \$452,186,601 and incurred plan expenses of \$277,988,662 to produce a fiscal year surplus of \$174,197,939 after the Premium Stabilization Reserve drawdown of \$15,148,772. The PEIA local and state agencies Pay Go premiums for FY 2025 are assumed to be \$130,000,000.

## **LITIGATION**

The forecasts presented in the attached tables do not contemplate any additional revenues or expenses to be generated from litigation activities.

## **SUMMARY**

It should be noted that the aggregate PEIA and Trust Fund reserves will meet or exceed the 10% of program expense requirement under the Baseline Scenario assumptions. With projected changes to the plan as adopted in the Board, we are forecasting that the plan will meet the minimum 10% reserve target set by West Virginia Statute through the projection period ending with the Fiscal Year 2025. These projections are based on significant revenue increases as contained in the financial plan adopted by the Board in December 2020 and are contingent on legislative approval. These forecasts are based on assumptions including the estimated cost and savings of plan changes, expected trend levels and exposure levels. The continued enrollment changes of the managed care options, changes in physician, ambulatory and hospital provider reimbursement; possible changes in methodology of managed care premium calculation; and changes in the prescription drugs program, can be expected to further exacerbate the difficulty of projecting future medical and drugs claim levels and lags. These projections do not incorporate any anticipated effects of national or state health care reform, such as Medicare and Medicaid reform. As such, actual results deviating from those amounts projected in these pages should not be unexpected. With the legislatively mandated requirement of a five-year projection, it should be assumed that constant modifications would be required.

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE AND NON-MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2021**

PERIOD 7/1/2020 - 6/30/2021

	7/1/2020 to 12/31/2020	1/1/2021 to 6/30/2021	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 68,737,516	\$ 68,737,516	\$ 137,475,032
Retiree Premiums - PPB	39,918,682	39,833,196	79,751,878
Retiree Premiums - MCO	806,917	813,119	1,620,036
Annual Required Contributions	-	-	-
Non Par Premiums	1,102,267	1,102,267	2,204,534
Life Insurance	13,634,851	13,634,851	27,269,702
Investment Income	95,244,560	95,244,560	190,489,119
Transfer from Premium Stabilization Reserve	(15,698,605)	(14,301,395)	(30,000,000)
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 218,746,188</b>	<b>\$ 220,064,113</b>	<b>\$ 438,810,301</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 23,554,703	\$ 23,960,264	\$ 47,514,967
Gross Non-Medicare Prescription Drug Claims	15,176,256	16,018,837	31,195,093
Non-Medicare Prescription Drug Rebates	(6,413,853)	(6,769,948)	(13,183,802)
Medicare Medical Claims	761,468	263,800	1,025,268
Gross Medicare Prescription Drug Claims	6,057,720	2,180,130	8,237,850
Medicare Prescription Drug Rebates	(2,560,139)	(921,376)	(3,481,515)
Non-Medicare Managed Care Capitations	1,971,636	1,971,636	3,943,271
Humana MAPD Program	56,666,376	50,442,969	107,109,345
Administration	2,179,657	2,179,657	4,359,314
Life Insurance	13,729,014	13,729,014	27,458,028
Wellness	-	-	-
Retiree Assistance Program	850,455	850,455	1,700,909
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	7,602	7,602	15,205
Director's Discretionary Fund	72,423	72,423	144,845
<b>Total Expenses</b>	<b>\$ 112,053,317</b>	<b>\$ 103,985,461</b>	<b>\$ 216,038,778</b>
<b>Fiscal Year Results</b>	<b>\$ 106,692,871</b>	<b>\$ 116,078,652</b>	<b>\$ 222,771,523</b>
Beginning Restricted Reserve			\$ 1,186,534,840
Ending Restricted Reserve			<u>\$ 1,409,306,363</u>
Beginning Premium Stabilization Reserve			\$ 38,106,504
PSR Addition/(Drawdown)			\$ 30,000,000
Ending Premium Stabilization Reserve			<u>\$ 68,106,504</u>
Total Beginning Plan Reserve			1,224,641,344
Total Ending Plan Reserve			<u>\$ 1,477,412,867</u>
Accrued Actuarial Liability (AAL)			\$ 2,869,054,849
Funded Status			42.7%

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
		Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$ 151.51			
Additional Retiree Premiums	\$ -			
Pay Go PEPM Subsidy for Retirees	\$ 263.28	Non-Medicare	5.0%	13.0%
		Medicare	5.0%	13.0%
		Prescription Drug Rebates		20.0%
		Capitations		-13.3%
		Administrative Expense		-2.5%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		-2.9%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2021**

PERIOD 7/1/2020 - 6/30/2021

<b>Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 63,614,825		\$ 63,614,825
Employer Premiums - PPB	6,764,105	-	6,764,105
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	46,713,644	-	46,713,644
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,412,803		1,412,803
Life Insurance	17,476,136		17,476,136
Investment Income	106,499,086		106,499,086
Transfer from Premium Stabilization Reserve	(26,858,097)		(26,858,097)
General Revenue Transfer (OPEB Funding)	17,891,029		17,891,029
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 233,513,533</b>	<b>\$ -</b>	<b>\$ 233,513,533</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,025,268	\$ -	\$ 1,025,268
Gross Medicare Prescription Drug Claims	8,237,850	-	8,237,850
Medicare Prescription Drug Rebates	(3,481,515)		(3,481,515)
Humana MAPD Program	107,109,345		107,109,345
Administration	1,609,142		1,609,142
Life Insurance	17,596,827		17,596,827
Wellness	-		-
Retiree Assistance Program	1,090,049		1,090,049
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	2,355		2,355
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 133,189,321</b>	<b>\$ -</b>	<b>\$ 133,189,321</b>
<b>Fiscal Year Results</b>	<b>\$ 100,324,212</b>		<b>\$ 100,324,212</b>
Beginning Restricted Reserve	\$ 664,144,788		\$ 664,144,788
Ending Restricted Reserve	<u>\$ 764,469,000</u>		<u>\$ 764,469,000</u>
Beginning Premium Stabilization Reserve	\$ 20,530,453		\$ 20,530,453
PSR Addition/(Drawdown)	\$ 26,858,097		\$ 26,858,097
Ending Premium Stabilization Reserve	<u>\$ 47,388,550</u>		<u>\$ 47,388,550</u>
Total Beginning Plan Reserve	684,675,241		684,675,241
Total Ending Plan Reserve	<u>\$ 811,857,549</u>		<u>\$ 811,857,549</u>
Accrued Actuarial Liability (AAL)	\$ 2,869,054,849		\$ 2,869,054,849
Funded Status	47.1%		47.1%

**KEY ASSUMPTIONS**

		<b>Claim and Other Expense Trends</b>		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go Monthly Premium for Actives	\$ 151.51			
Additional Retiree Premiums	\$ -			
Pay Go PEPM Subsidy for Retirees	\$ 139.70	Medicare	5.0%	13.0%
		Prescription Drug Rebates		20.0%
		Capitations		-13.3%
		Administrative Expense		-2.5%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		-2.9%

**APPENDIX - BASELINE SCENARIO  
RHBT - NON-MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2021**

PERIOD 7/1/2020 - 6/30/2021

<b>Non-Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 73,860,207		\$ 73,860,207
Employer Premiums - PPB	8,407,971	-	8,407,971
Employer Premiums - MCO	765,609	-	765,609
Retiree Premiums - PPB	17,866,157	-	17,866,157
Retiree Premiums - MCO	854,427	-	854,427
Annual Required Contributions	-		-
Non Par Premiums	791,730		791,730
Life Insurance	9,793,566		9,793,566
Investment Income	83,990,033		83,990,033
Transfer from Premium Stabilization Reserve	(3,141,903)		(3,141,903)
General Revenue Transfer (OPEB Funding)	12,108,971		12,108,971
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 205,296,767</b>	<b>\$ -</b>	<b>\$ 205,296,767</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 47,514,967		\$ 47,514,967
Gross Non-Medicare Prescription Drug Claims	31,195,093		31,195,093
Non-Medicare Prescription Drug Rebates	(13,183,802)		(13,183,802)
Non-Medicare Managed Care Capitations	3,943,271		3,943,271
Administration	2,750,172		2,750,172
Life Insurance	9,861,201		9,861,201
Wellness	-		-
Retiree Assistance Program	610,860		610,860
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	12,850		12,850
Director's Discretionary Fund	144,845		144,845
<b>Total Expenses</b>	<b>\$ 82,849,457</b>	<b>\$ -</b>	<b>\$ 82,849,457</b>
<b>Fiscal Year Results</b>	<b>\$ 122,447,310</b>		<b>\$ 122,447,310</b>
Beginning Restricted Reserve	\$ 522,390,052		\$ 522,390,052
Ending Restricted Reserve	<u>\$ 644,837,362</u>		<u>\$ 644,837,362</u>
Beginning Premium Stabilization Reserve	\$ 17,576,051		\$ 17,576,051
PSR Addition/(Drawdown)	\$ 3,141,903		\$ 3,141,903
Ending Premium Stabilization Reserve	<u>\$ 20,717,954</u>		<u>\$ 20,717,954</u>
Total Beginning Plan Reserve	539,966,103		539,966,103
Total Ending Plan Reserve	<u>\$ 665,555,316</u>		<u>\$ 665,555,316</u>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

		<b>Claim and Other Expense Trends</b>		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go Monthly Premium for Actives	\$ 151.51			
Additional Retiree Premiums	\$ -			
Pay Go PEPM Subsidy for Retirees	\$ 1,105.63	Non-Medicare	5.0%	13.0%
		Prescription Drug Rebates		20.0%
		Capitations		-13.3%
		Administrative Expense		-2.5%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		-2.9%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE AND NON-MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2022**

PERIOD 7/1/2021 - 6/30/2022

	7/1/2021 to 12/31/2021	1/1/2022 to 6/30/2022	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 50,000,000	\$ 50,000,000	\$ 100,000,000
Retiree Premiums - PPB	40,566,974	40,752,729	81,319,703
Retiree Premiums - MCO	838,152	838,152	1,676,305
Annual Required Contributions	-	-	-
Non Par Premiums	1,069,199	1,069,199	2,138,398
Life Insurance	14,316,594	14,316,594	28,633,187
Investment Income	55,756,379	55,756,379	111,512,757
Transfer from Premium Stabilization Reserve	3,019,268	2,755,315	5,774,583
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 180,566,566</b>	<b>\$ 180,488,367</b>	<b>\$ 361,054,933</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 24,574,273	\$ 25,117,295	\$ 49,691,568
Gross Non-Medicare Prescription Drug Claims	17,343,029	18,346,753	35,689,783
Non-Medicare Prescription Drug Rebates	(7,773,590)	(8,205,177)	(15,978,767)
Medicare Medical Claims	762,781	265,558	1,028,338
Gross Medicare Prescription Drug Claims	6,649,473	2,398,586	9,048,059
Medicare Prescription Drug Rebates	(2,980,002)	(1,072,481)	(4,052,483)
Non-Medicare Managed Care Capitations	2,129,367	2,129,367	4,258,733
Humana MAPD Program	49,703,812	54,586,658	104,290,470
Administration	2,245,047	2,245,047	4,490,093
Life Insurance	14,415,465	14,415,465	28,830,929
Wellness	100,000	100,000	200,000
Retiree Assistance Program	918,491	918,491	1,836,981
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	7,619	7,619	15,238
Director's Discretionary Fund	96,617	96,617	193,234
<b>Total Expenses</b>	<b>\$ 108,192,380</b>	<b>\$ 111,349,797</b>	<b>\$ 219,542,176</b>
<b>Fiscal Year Results</b>	<b>\$ 72,374,186</b>	<b>\$ 69,138,571</b>	<b>\$ 141,512,757</b>
Beginning Restricted Reserve			\$ 1,409,306,363
Ending Restricted Reserve			<u>\$ 1,550,819,120</u>
Beginning Premium Stabilization Reserve			\$ 68,106,504
PSR Addition/(Drawdown)			\$ (5,774,583)
Ending Premium Stabilization Reserve			<u>\$ 62,331,921</u>
Total Beginning Plan Reserve			1,477,412,867
Total Ending Plan Reserve			<u>\$ 1,613,151,041</u>
Accrued Actuarial Liability (AAL)			\$ 2,919,313,562
Funded Status			50.6%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 110.15	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 1,155,873	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 189.23	Non-Medicare	6.0%	13.5%
		Medicare	6.0%	13.5%
		Prescription Drug Rebates		20.0%
		Capitations		7.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		-27.3%



**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2022**

PERIOD 7/1/2021 - 6/30/2022

<b>Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 59,191,674		\$ 59,191,674
Employer Premiums - PPB	9,489,688	199,778	9,689,467
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	45,415,523	956,095	46,371,618
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,370,419		1,370,419
Life Insurance	18,349,942		18,349,942
Investment Income	61,277,708		61,277,708
Transfer from Premium Stabilization Reserve	4,574,375		4,574,375
General Revenue Transfer (OPEB Funding)	16,577,592		16,577,592
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 216,246,922</b>	<b>\$ 1,155,873</b>	<b>\$ 217,402,795</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,028,338	\$ -	\$ 1,028,338
Gross Medicare Prescription Drug Claims	9,048,059	-	9,048,059
Medicare Prescription Drug Rebates	(4,052,483)		(4,052,483)
Humana MAPD Program	104,290,470		104,290,470
Administration	1,657,416		1,657,416
Life Insurance	18,476,668		18,476,668
Wellness	-		-
Retiree Assistance Program	1,177,253		1,177,253
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	3,011		3,011
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 131,628,732</b>	<b>\$ -</b>	<b>\$ 131,628,732</b>
<b>Fiscal Year Results</b>	<b>\$ 84,618,190</b>		<b>\$ 85,774,063</b>
Beginning Restricted Reserve	\$ 764,469,000		\$ 764,469,000
Ending Restricted Reserve	<u>\$ 849,087,190</u>		<u>\$ 850,243,063</u>
Beginning Premium Stabilization Reserve	\$ 47,388,550		\$ 47,388,550
PSR Addition/(Drawdown)	\$ (4,574,375)		\$ (4,574,375)
Ending Premium Stabilization Reserve	<u>\$ 42,814,175</u>		<u>\$ 42,814,175</u>
Total Beginning Plan Reserve	811,857,549		811,857,549
Total Ending Plan Reserve	<u>\$ 891,901,364</u>		<u>\$ 893,057,238</u>
Accrued Actuarial Liability (AAL)	\$ 2,919,313,562		\$ 2,919,313,562
Funded Status	52.5%		52.5%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 110.15	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 1,155,873	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 127.32	Medicare	6.0%	13.5%
		Prescription Drug Rebates		20.0%
		Capitations		7.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		-27.3%

**APPENDIX - BASELINE SCENARIO  
RHBT - NON-MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2022**

PERIOD 7/1/2021 - 6/30/2022

<b>Non-Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 40,808,326		\$ 40,808,326
Employer Premiums - PPB	9,709,704	-	9,709,704
Employer Premiums - MCO	986,179	-	986,179
Retiree Premiums - PPB	15,548,915	-	15,548,915
Retiree Premiums - MCO	690,126	-	690,126
Annual Required Contributions	-		-
Non Par Premiums	767,978		767,978
Life Insurance	10,283,244		10,283,244
Investment Income	50,235,050		50,235,050
Transfer from Premium Stabilization Reserve	1,200,208		1,200,208
General Revenue Transfer (OPEB Funding)	13,422,408		13,422,408
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 143,652,137</b>	<b>\$ -</b>	<b>\$ 143,652,137</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 49,691,568	\$ -	\$ 49,691,568
Gross Non-Medicare Prescription Drug Claims	35,689,783	-	35,689,783
Non-Medicare Prescription Drug Rebates	(15,978,767)		(15,978,767)
Non-Medicare Managed Care Capitations	4,258,733		4,258,733
Administration	2,832,677		2,832,677
Life Insurance	10,354,261		10,354,261
Wellness	200,000		200,000
Retiree Assistance Program	659,728		659,728
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	12,228		12,228
Director's Discretionary Fund	193,235		193,235
<b>Total Expenses</b>	<b>\$ 87,913,445</b>	<b>\$ -</b>	<b>\$ 87,913,445</b>
<b>Fiscal Year Results</b>	<b>\$ 55,738,692</b>		<b>\$ 55,738,692</b>
Beginning Restricted Reserve	\$ 644,837,362		\$ 644,837,362
Ending Restricted Reserve	<u>\$ 700,576,054</u>		<u>\$ 700,576,054</u>
Beginning Premium Stabilization Reserve	\$ 20,717,954		\$ 20,717,954
PSR Addition/(Drawdown)	\$ (1,200,208)		\$ (1,200,208)
Ending Premium Stabilization Reserve	<u>\$ 19,517,747</u>		<u>\$ 19,517,747</u>
<b>Total Beginning Plan Reserve</b>	<b>665,555,316</b>		<b>665,555,316</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 720,093,801</b>		<b>\$ 720,093,801</b>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

		<b>Claim and Other Expense Trends</b>		
		<b>Eligibility</b>	<b>Medical</b>	<b>Gross Drugs</b>
Pay Go Monthly Premium for Actives	\$ 110.15			
Additional Retiree Premiums	\$ -			
Pay Go PEPM Subsidy for Retirees	\$ 642.20	Non-Medicare	6.0%	13.5%
		Prescription Drug Rebates		20.0%
		Capitations		7.0%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		-27.3%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE AND NON-MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2023**

PERIOD 7/1/2022 - 6/30/2023

	7/1/2022 to 12/31/2022	1/1/2023 to 6/30/2023	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 55,000,000	\$ 55,000,000	\$ 110,000,000
Retiree Premiums - PPB	41,656,936	43,291,271	84,948,207
Retiree Premiums - MCO	888,695	888,695	1,777,391
Annual Required Contributions	-	-	-
Non Par Premiums	1,037,123	1,037,123	2,074,246
Life Insurance	15,032,423	15,032,423	30,064,846
Investment Income	60,885,434	60,885,434	121,770,868
Transfer from Premium Stabilization Reserve	3,978,438	3,641,893	7,620,331
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 193,479,048</b>	<b>\$ 194,776,840</b>	<b>\$ 388,255,888</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 26,381,219	\$ 27,092,295	\$ 53,473,513
Gross Non-Medicare Prescription Drug Claims	19,906,751	21,105,631	41,012,382
Non-Medicare Prescription Drug Rebates	(9,421,591)	(9,944,675)	(19,366,266)
Medicare Medical Claims	786,698	275,222	1,061,920
Gross Medicare Prescription Drug Claims	7,331,284	2,650,567	9,981,852
Medicare Prescription Drug Rebates	(3,468,722)	(1,248,368)	(4,717,091)
Non-Medicare Managed Care Capitations	2,299,716	2,299,716	4,599,432
Humana MAPD Program	53,786,782	59,346,766	113,133,548
Administration	2,312,398	2,312,398	4,624,796
Life Insurance	15,136,238	15,136,238	30,272,476
Wellness	107,000	107,000	214,000
Retiree Assistance Program	991,970	991,970	1,983,940
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	8,075	8,075	16,149
Director's Discretionary Fund	97,185	97,185	194,369
<b>Total Expenses</b>	<b>\$ 116,255,001</b>	<b>\$ 120,230,019</b>	<b>\$ 236,485,020</b>
<b>Fiscal Year Results</b>	<b>\$ 77,224,047</b>	<b>\$ 74,546,820</b>	<b>\$ 151,770,868</b>
Beginning Restricted Reserve			\$ 1,550,819,120
Ending Restricted Reserve			<u>\$ 1,702,589,988</u>
Beginning Premium Stabilization Reserve			\$ 62,331,921
PSR Addition/(Drawdown)			\$ (7,620,331)
Ending Premium Stabilization Reserve			<u>\$ 54,711,590</u>
Total Beginning Plan Reserve			1,613,151,041
Total Ending Plan Reserve			<u>\$ 1,757,301,578</u>
Accrued Actuarial Liability (AAL)			\$ 2,964,931,211
Funded Status			54.4%

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
		Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$ 121.17			
Additional Retiree Premiums	\$ 4,506,041	Non-Medicare	7.0%	14.0%
Pay Go PEPM Subsidy for Retirees	\$ 203.52	Medicare	7.0%	14.0%
		Prescription Drug Rebates		20.0%
		Capitations		7.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		10.0%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2023**

PERIOD 7/1/2022 - 6/30/2023

<b>Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 60,876,415		\$ 60,876,415
Employer Premiums - PPB	9,713,964	553,734	10,267,699
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	46,488,859	2,650,047	49,138,906
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,329,307		1,329,307
Life Insurance	19,267,439		19,267,439
Investment Income	67,413,622		67,413,622
Transfer from Premium Stabilization Reserve	6,038,174		6,038,174
General Revenue Transfer (OPEB Funding)	18,099,848		18,099,848
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 229,227,627</b>	<b>\$ 3,203,782</b>	<b>\$ 232,431,409</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,061,920	\$ -	\$ 1,061,920
Gross Medicare Prescription Drug Claims	9,981,852	-	9,981,852
Medicare Prescription Drug Rebates	(4,717,091)		(4,717,091)
Humana MAPD Program	113,133,548		113,133,548
Administration	1,707,138		1,707,138
Life Insurance	19,400,502		19,400,502
Wellness	-		-
Retiree Assistance Program	1,271,433		1,271,433
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	4,342		4,342
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 141,843,644</b>	<b>\$ -</b>	<b>\$ 141,843,644</b>
<b>Fiscal Year Results</b>	<b>\$ 87,383,983</b>		<b>\$ 90,587,764</b>
Beginning Restricted Reserve	\$ 850,243,063		\$ 850,243,063
Ending Restricted Reserve	<u>\$ 937,627,046</u>		<u>\$ 940,830,827</u>
Beginning Premium Stabilization Reserve	\$ 42,814,175		\$ 42,814,175
PSR Addition/(Drawdown)	\$ (6,038,174)		\$ (6,038,174)
Ending Premium Stabilization Reserve	<u>\$ 36,776,001</u>		<u>\$ 36,776,001</u>
Total Beginning Plan Reserve	893,057,238		893,057,238
Total Ending Plan Reserve	<u>\$ 974,403,047</u>		<u>\$ 977,606,828</u>
Accrued Actuarial Liability (AAL)	\$ 2,964,931,211		\$ 2,964,931,211
Funded Status	56.4%		56.4%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 121.17	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 3,203,782	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 127.01	Medicare	7.0%	14.0%
		Prescription Drug Rebates		20.0%
		Capitations		7.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		10.0%

**APPENDIX - BASELINE SCENARIO  
RHBT - NON-MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2023**

PERIOD 7/1/2022 - 6/30/2023

<b>Non-Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 49,123,585		\$ 49,123,585
Employer Premiums - PPB	9,350,452	468,034	9,818,486
Employer Premiums - MCO	995,804	49,845	1,045,648
Retiree Premiums - PPB	14,973,617	749,499	15,723,116
Retiree Premiums - MCO	696,861	34,881	731,743
Annual Required Contributions	-		-
Non Par Premiums	744,939		744,939
Life Insurance	10,797,407		10,797,407
Investment Income	54,357,245		54,357,245
Transfer from Premium Stabilization Reserve	1,582,157		1,582,157
General Revenue Transfer (OPEB Funding)	11,900,152		11,900,152
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 154,522,220</b>	<b>\$ 1,302,259</b>	<b>\$ 155,824,479</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 53,473,513	\$ -	\$ 53,473,513
Gross Non-Medicare Prescription Drug Claims	41,012,382	-	41,012,382
Non-Medicare Prescription Drug Rebates	(19,366,266)		(19,366,266)
Non-Medicare Managed Care Capitations	4,599,432		4,599,432
Administration	2,917,658		2,917,658
Life Insurance	10,871,974		10,871,974
Wellness	214,000		214,000
Retiree Assistance Program	712,507		712,507
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	11,807		11,807
Director's Discretionary Fund	194,369		194,369
<b>Total Expenses</b>	<b>\$ 94,641,376</b>	<b>\$ -</b>	<b>\$ 94,641,376</b>
<b>Fiscal Year Results</b>	<b>\$ 59,880,844</b>		<b>\$ 61,183,103</b>
Beginning Restricted Reserve	\$ 700,576,054		\$ 700,576,054
Ending Restricted Reserve	<u>\$ 760,456,898</u>		<u>\$ 761,759,157</u>
Beginning Premium Stabilization Reserve	\$ 19,517,747		\$ 19,517,747
PSR Addition/(Drawdown)	\$ (1,582,157)		\$ (1,582,157)
Ending Premium Stabilization Reserve	<u>\$ 17,935,590</u>		<u>\$ 17,935,590</u>
<b>Total Beginning Plan Reserve</b>	<b>720,093,801</b>		<b>720,093,801</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 778,392,488</b>		<b>\$ 779,694,747</b>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 121.17	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 1,302,259	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 803.14	Non-Medicare	7.0%	14.0%
		Prescription Drug Rebates		20.0%
		Capitations		7.5%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		10.0%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE AND NON-MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2024**

PERIOD 7/1/2023 - 6/30/2024

	7/1/2023 to 12/31/2023	1/1/2024 to 6/30/2024	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 60,000,000	\$ 60,000,000	\$ 120,000,000
Retiree Premiums - PPB	44,214,045	45,975,843	90,189,888
Retiree Premiums - MCO	943,473	943,473	1,886,946
Annual Required Contributions	-	-	-
Non Par Premiums	1,006,009	1,006,009	2,012,018
Life Insurance	15,784,044	15,784,044	31,568,088
Investment Income	66,334,229	66,334,229	132,668,457
Transfer from Premium Stabilization Reserve	5,330,793	4,888,475	10,219,268
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 208,612,592</b>	<b>\$ 209,932,073</b>	<b>\$ 418,544,665</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 28,548,915	\$ 29,387,504	\$ 57,936,420
Gross Non-Medicare Prescription Drug Claims	22,949,991	24,385,965	47,335,957
Non-Medicare Prescription Drug Rebates	(11,418,969)	(12,052,946)	(23,471,915)
Medicare Medical Claims	817,757	286,781	1,104,538
Gross Medicare Prescription Drug Claims	8,118,565	2,941,876	11,060,441
Medicare Prescription Drug Rebates	(4,037,593)	(1,453,100)	(5,490,693)
Non-Medicare Managed Care Capitations	2,483,693	2,483,693	4,967,386
Humana MAPD Program	58,477,139	64,822,071	123,299,209
Administration	2,381,770	2,381,770	4,763,540
Life Insurance	15,893,050	15,893,050	31,786,100
Wellness	115,025	115,025	230,050
Retiree Assistance Program	1,071,328	1,071,328	2,142,655
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	8,527	8,527	17,053
Director's Discretionary Fund	97,734	97,734	195,467
<b>Total Expenses</b>	<b>\$ 125,506,931</b>	<b>\$ 130,369,277</b>	<b>\$ 255,876,208</b>
<b>Fiscal Year Results</b>	<b>\$ 83,105,661</b>	<b>\$ 79,562,796</b>	<b>\$ 162,668,457</b>
Beginning Restricted Reserve			\$ 1,702,589,988
Ending Restricted Reserve			<u>\$ 1,865,258,445</u>
Beginning Premium Stabilization Reserve			\$ 54,711,590
PSR Addition/(Drawdown)			\$ (10,219,268)
Ending Premium Stabilization Reserve			<u>\$ 44,492,322</u>
Total Beginning Plan Reserve			1,757,301,578
Total Ending Plan Reserve			<u>\$ 1,909,750,767</u>
Accrued Actuarial Liability (AAL)			\$ 3,006,409,797
Funded Status			58.5%

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
		Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$ 132.18			
Additional Retiree Premiums	\$ 6,164,663	Non-Medicare	7.5%	14.5%
Pay Go PEPM Subsidy for Retirees	\$ 217.19	Medicare	7.5%	14.5%
		Prescription Drug Rebates		20.0%
		Capitations		8.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		9.1%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2024**

PERIOD 7/1/2023 - 6/30/2024

<b>Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 66,055,575		\$ 66,055,575
Employer Premiums - PPB	10,294,184	838,091	11,132,276
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	49,265,661	4,010,918	53,276,579
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,289,428		1,289,428
Life Insurance	20,230,811		20,230,811
Investment Income	73,804,970		73,804,970
Transfer from Premium Stabilization Reserve	8,099,759		8,099,759
General Revenue Transfer (OPEB Funding)	17,821,357		17,821,357
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 246,861,746</b>	<b>\$ 4,849,009</b>	<b>\$ 251,710,756</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,104,538	\$ -	\$ 1,104,538
Gross Medicare Prescription Drug Claims	11,060,441	-	11,060,441
Medicare Prescription Drug Rebates	(5,490,693)		(5,490,693)
Humana MAPD Program	123,299,209		123,299,209
Administration	1,758,353		1,758,353
Life Insurance	20,370,527		20,370,527
Wellness	-		-
Retiree Assistance Program	1,373,148		1,373,148
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	5,666		5,666
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 153,481,189</b>	<b>\$ -</b>	<b>\$ 153,481,189</b>
<b>Fiscal Year Results</b>	<b>\$ 93,380,557</b>		<b>\$ 98,229,567</b>
Beginning Restricted Reserve	\$ 940,830,827		\$ 940,830,827
Ending Restricted Reserve	\$ 1,034,211,385		\$ 1,039,060,394
Beginning Premium Stabilization Reserve	\$ 36,776,001		\$ 36,776,001
PSR Addition/(Drawdown)	\$ (8,099,759)		\$ (8,099,759)
Ending Premium Stabilization Reserve	\$ 28,676,242		\$ 28,676,242
Total Beginning Plan Reserve	977,606,828		977,606,828
Total Ending Plan Reserve	\$ 1,062,887,627		\$ 1,067,736,636
Accrued Actuarial Liability (AAL)	\$ 3,006,409,797		\$ 3,006,409,797
Funded Status	60.5%		60.5%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 132.18	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 4,849,009	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 133.79	Medicare	7.5%	14.5%
		Prescription Drug Rebates		20.0%
		Capitations		8.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		9.1%

**APPENDIX - BASELINE SCENARIO  
RHBT - NON-MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2024**

PERIOD 7/1/2023 - 6/30/2024

<b>Non-Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 53,944,425		\$ 53,944,425
Employer Premiums - PPB	9,439,266	471,260	9,910,526
Employer Premiums - MCO	1,057,313	52,787	1,110,100
Retiree Premiums - PPB	15,115,841	754,666	15,870,507
Retiree Premiums - MCO	739,906	36,940	776,846
Annual Required Contributions	-		-
Non Par Premiums	722,591		722,591
Life Insurance	11,337,277		11,337,277
Investment Income	58,863,487		58,863,487
Transfer from Premium Stabilization Reserve	2,119,509		2,119,509
General Revenue Transfer (OPEB Funding)	12,178,642		12,178,642
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 165,518,257</b>	<b>\$ 1,315,654</b>	<b>\$ 166,833,910</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 57,936,420	\$ -	\$ 57,936,420
Gross Non-Medicare Prescription Drug Claims	47,335,957	-	47,335,957
Non-Medicare Prescription Drug Rebates	(23,471,915)		(23,471,915)
Non-Medicare Managed Care Capitations	4,967,386		4,967,386
Administration	3,005,187		3,005,187
Life Insurance	11,415,573		11,415,573
Wellness	230,050		230,050
Retiree Assistance Program	769,507		769,507
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	11,387		11,387
Director's Discretionary Fund	195,467		195,467
<b>Total Expenses</b>	<b>\$ 102,395,019</b>	<b>\$ -</b>	<b>\$ 102,395,019</b>
<b>Fiscal Year Results</b>	<b>\$ 63,123,238</b>		<b>\$ 64,438,891</b>
Beginning Restricted Reserve	\$ 761,759,157		\$ 761,759,157
Ending Restricted Reserve	<u>\$ 824,882,395</u>		<u>\$ 826,198,049</u>
Beginning Premium Stabilization Reserve	\$ 17,935,590		\$ 17,935,590
PSR Addition/(Drawdown)	\$ (2,119,509)		\$ (2,119,509)
Ending Premium Stabilization Reserve	<u>\$ 15,816,080</u>		<u>\$ 15,816,080</u>
<b>Total Beginning Plan Reserve</b>	<b>779,694,747</b>		<b>779,694,747</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 840,698,475</b>		<b>\$ 842,014,129</b>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 132.18	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 1,315,654	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 917.62	Non-Medicare	7.5%	14.5%
		Prescription Drug Rebates		20.0%
		Capitations		8.0%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		9.1%



**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE AND NON-MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2025**

PERIOD 7/1/2024 - 6/30/2025

	7/1/2024 to 12/31/2024	1/1/2025 to 6/30/2025	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 65,000,000	\$ 65,000,000	\$ 130,000,000
Retiree Premiums - PPB	46,917,083	48,815,004	95,732,087
Retiree Premiums - MCO	1,004,826	1,004,826	2,009,652
Annual Required Contributions	-	-	-
Non Par Premiums	975,829	975,829	1,951,658
Life Insurance	16,573,247	16,573,247	33,146,493
Investment Income	72,098,969	72,098,969	144,197,939
Transfer from Premium Stabilization Reserve	7,895,219	7,253,553	15,148,772
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 225,465,173</b>	<b>\$ 226,721,428</b>	<b>\$ 452,186,601</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 31,038,913	\$ 32,025,581	\$ 63,064,495
Gross Non-Medicare Prescription Drug Claims	26,574,374	28,299,305	54,873,679
Non-Medicare Prescription Drug Rebates	(13,839,790)	(14,608,170)	(28,447,961)
Medicare Medical Claims	854,009	300,217	1,154,226
Gross Medicare Prescription Drug Claims	9,029,768	3,279,470	12,309,238
Medicare Prescription Drug Rebates	(4,699,758)	(1,691,409)	(6,391,167)
Non-Medicare Managed Care Capitations	2,682,389	2,682,389	5,364,777
Humana MAPD Program	63,872,212	71,130,314	135,002,525
Administration	2,453,223	2,453,223	4,906,446
Life Insurance	16,687,703	16,687,703	33,375,405
Wellness	124,227	124,227	248,454
Retiree Assistance Program	1,157,034	1,157,034	2,314,067
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	8,975	8,975	17,950
Director's Discretionary Fund	98,264	98,264	196,528
<b>Total Expenses</b>	<b>\$ 136,041,542</b>	<b>\$ 141,947,121</b>	<b>\$ 277,988,662</b>
<b>Fiscal Year Results</b>	<b>\$ 89,423,631</b>	<b>\$ 84,774,308</b>	<b>\$ 174,197,939</b>
Beginning Restricted Reserve			\$ 1,865,258,445
Ending Restricted Reserve			<u>\$ 2,039,456,384</u>
Beginning Premium Stabilization Reserve			\$ 44,492,322
PSR Addition/(Drawdown)			\$ (15,148,772)
Ending Premium Stabilization Reserve			<u>\$ 29,343,550</u>
Total Beginning Plan Reserve			1,909,750,767
Total Ending Plan Reserve			<u>\$ 2,068,799,934</u>
Accrued Actuarial Liability (AAL)			\$ 3,043,674,523
Funded Status			62.7%

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
		Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$ 143.20			
Additional Retiree Premiums	\$ 6,512,697	Non-Medicare	8.0%	15.0%
Pay Go PEPM Subsidy for Retirees	\$ 230.28	Medicare	8.0%	15.0%
		Prescription Drug Rebates		20.0%
		Capitations		8.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		8.3%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2025**

PERIOD 7/1/2024 - 6/30/2025

<b>Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 70,692,598		\$ 70,692,598
Employer Premiums - PPB	11,161,188	896,205	12,057,393
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	53,414,948	4,289,035	57,703,982
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,250,745		1,250,745
Life Insurance	21,242,352		21,242,352
Investment Income	80,620,689		80,620,689
Transfer from Premium Stabilization Reserve	12,010,196		12,010,196
General Revenue Transfer (OPEB Funding)	17,904,400		17,904,400
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 268,297,116</b>	<b>\$ 5,185,239</b>	<b>\$ 273,482,356</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,154,226	\$ -	\$ 1,154,226
Gross Medicare Prescription Drug Claims	12,309,238	-	12,309,238
Medicare Prescription Drug Rebates	(6,391,167)		(6,391,167)
Humana MAPD Program	135,002,525		135,002,525
Administration	1,811,103		1,811,103
Life Insurance	21,389,053		21,389,053
Wellness	-		-
Retiree Assistance Program	1,483,000		1,483,000
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	6,981		6,981
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 166,764,959</b>	<b>\$ -</b>	<b>\$ 166,764,959</b>
<b>Fiscal Year Results</b>	<b>\$ 101,532,157</b>		<b>\$ 106,717,396</b>
Beginning Restricted Reserve	\$ 1,039,060,394		\$ 1,039,060,394
Ending Restricted Reserve	<u>\$ 1,140,592,551</u>		<u>\$ 1,145,777,790</u>
Beginning Premium Stabilization Reserve	\$ 28,676,242		\$ 28,676,242
PSR Addition/(Drawdown)	\$ (12,010,196)		\$ (12,010,196)
Ending Premium Stabilization Reserve	<u>\$ 16,666,046</u>		<u>\$ 16,666,046</u>
Total Beginning Plan Reserve	1,067,736,636		1,067,736,636
Total Ending Plan Reserve	<u>\$ 1,157,258,597</u>		<u>\$ 1,162,443,836</u>
Accrued Actuarial Liability (AAL)	\$ 3,043,674,523		\$ 3,043,674,523
Funded Status	64.8%		64.9%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 143.20	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 5,185,239	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 139.13	Medicare	8.0%	15.0%
		Prescription Drug Rebates		20.0%
		Capitations		8.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		8.3%

**APPENDIX - BASELINE SCENARIO  
RHBT - NON-MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2025**

PERIOD 7/1/2024 - 6/30/2025

<b>Non-Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 59,307,402		\$ 59,307,402
Employer Premiums - PPB	9,509,802	473,639	9,983,441
Employer Premiums - MCO	1,126,198	56,091	1,182,289
Retiree Premiums - PPB	15,228,795	758,476	15,987,271
Retiree Premiums - MCO	788,111	39,252	827,363
Annual Required Contributions	-		-
Non Par Premiums	700,913		700,913
Life Insurance	11,904,141		11,904,141
Investment Income	63,577,250		63,577,250
Transfer from Premium Stabilization Reserve	3,138,576		3,138,576
General Revenue Transfer (OPEB Funding)	12,095,600		12,095,600
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 177,376,788</b>	<b>\$ 1,327,458</b>	<b>\$ 178,704,246</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 63,064,495	\$ -	\$ 63,064,495
Gross Non-Medicare Prescription Drug Claims	54,873,679	-	54,873,679
Non-Medicare Prescription Drug Rebates	(28,447,961)		(28,447,961)
Non-Medicare Managed Care Capitations	5,364,777		5,364,777
Administration	3,095,343		3,095,343
Life Insurance	11,986,352		11,986,352
Wellness	248,454		248,454
Retiree Assistance Program	831,068		831,068
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	10,969		10,969
Director's Discretionary Fund	196,529		196,529
<b>Total Expenses</b>	<b>\$ 111,223,705</b>	<b>\$ -</b>	<b>\$ 111,223,705</b>
<b>Fiscal Year Results</b>	<b>\$ 66,153,083</b>		<b>\$ 67,480,541</b>
Beginning Restricted Reserve	\$ 826,198,049		\$ 826,198,049
Ending Restricted Reserve	\$ 892,351,131		\$ 893,678,589
Beginning Premium Stabilization Reserve	\$ 15,816,080		\$ 15,816,080
PSR Addition/(Drawdown)	\$ (3,138,576)		\$ (3,138,576)
Ending Premium Stabilization Reserve	\$ 12,677,504		\$ 12,677,504
<b>Total Beginning Plan Reserve</b>	<b>842,014,129</b>		<b>842,014,129</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 905,028,635</b>		<b>\$ 906,356,093</b>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 143.20	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 1,327,458	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 1,051.17	Non-Medicare	8.0%	15.0%
		Prescription Drug Rebates		20.0%
		Capitations		8.5%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		8.3%

**Attachment - Trust Fund  
Historical Monthly Medical and Drug Trends  
FY 2020 to FY 2021**

**Fiscal Year 2020**

<b>Exposure</b>	<u>Jul-19</u>	<u>Aug-19</u>	<u>Sep-19</u>	<u>Oct-19</u>	<u>Nov-19</u>	<u>Dec-19</u>	<u>Jan-20</u>	<u>Feb-20</u>	<u>Mar-20</u>	<u>Apr-20</u>	<u>May-20</u>	<u>Jun-20</u>
<b>NonMed_NonDrug</b>	14,745	14,846	14,782	14,697	14,478	14,336	14,177	14,203	14,029	13,876	13,698	13,474
<b>Med_NonDrug</b>	1,366	1,595	1,801	2,008	2,185	2,412	214	381	537	677	808	928
<b>NonMed_Drug</b>	13,665	13,757	13,698	13,619	13,417	13,285	13,139	13,164	13,002	12,860	12,694	12,486
<b>Med_Drug</b>	1,422	1,661	1,876	2,092	2,276	2,513	223	397	559	705	842	966

	<u>Jul-19</u>	<u>Aug-19</u>	<u>Sep-19</u>	<u>Oct-19</u>	<u>Nov-19</u>	<u>Dec-19</u>	<u>Jan-20</u>	<u>Feb-20</u>	<u>Mar-20</u>	<u>Apr-20</u>	<u>May-20</u>	<u>Jun-20</u>
<b>NonMed_NonDrug</b>	\$247.64	\$262.07	\$260.46	\$282.89	\$257.58	\$256.86	\$300.98	\$269.25	\$239.05	\$177.84	\$250.09	\$312.00
<b>Med_NonDrug</b>	298.59	232.24	239.88	231.33	254.37	228.28	1048.04	539.50	508.96	351.22	281.29	359.75
<b>NonMed_Drug</b>	191.87	197.18	176.83	201.90	187.09	200.28	208.70	198.48	231.60	213.96	201.33	217.98
<b>Med_Drug</b>	<u>334.93</u>	<u>358.08</u>	<u>362.70</u>	<u>383.26</u>	<u>345.81</u>	<u>372.48</u>	<u>399.24</u>	<u>419.57</u>	<u>546.06</u>	<u>468.09</u>	<u>379.23</u>	<u>555.85</u>
<b>Total</b>	\$1,073.03	\$1,049.57	\$1,039.87	\$1,099.37	\$1,044.85	\$1,057.91	\$1,956.96	\$1,426.80	\$1,525.66	\$1,211.12	\$1,111.94	\$1,445.58

**Change From Prior Year - Month to Month Analysis**

<b>NonMed_NonDrug</b>	8.7%	-22.8%	1.8%	-14.2%	0.4%	28.0%	6.3%	-11.0%	-13.4%	-44.7%	-19.8%	2.2%
<b>Med_NonDrug</b>	65.2%	25.4%	1.4%	23.0%	31.4%	-2.2%	34.5%	35.5%	25.2%	-0.3%	-25.4%	65.5%
<b>NonMed_Drug</b>	22.9%	26.8%	18.3%	7.7%	13.6%	19.8%	3.1%	12.0%	18.7%	-0.9%	-2.5%	9.7%
<b>Med_Drug</b>	<u>-14.5%</u>	<u>-16.4%</u>	<u>1.2%</u>	<u>-9.5%</u>	<u>-9.8%</u>	<u>-1.8%</u>	<u>-32.1%</u>	<u>13.9%</u>	<u>31.1%</u>	<u>13.9%</u>	<u>2.5%</u>	<u>50.3%</u>
<b>Total</b>	12.2%	-5.3%	4.0%	-2.6%	4.7%	7.9%	5.6%	14.5%	17.9%	-6.9%	-12.1%	32.4%

**Change From Prior Year - Quarter to Quarter Analysis**

<b>NonMed_NonDrug</b>			-6.4%			1.3%			-6.1%			-21.2%
<b>Med_NonDrug</b>			27.9%			16.1%			32.4%			4.9%
<b>NonMed_Drug</b>			22.7%			13.5%			11.1%			2.0%
<b>Med_Drug</b>			<u>-10.4%</u>			<u>-7.1%</u>			<u>-0.6%</u>			<u>21.9%</u>
<b>Total</b>			3.2%			3.1%			11.8%			3.0%

**Change From Prior Year - Year to Year Analysis**

<b>NonMed_NonDrug</b>			-4.8%			-5.9%			-5.6%			-8.6%
<b>Med_NonDrug</b>			43.0%			39.3%			30.8%			22.0%
<b>NonMed_Drug</b>			24.8%			24.0%			18.4%			11.5%
<b>Med_Drug</b>			<u>-5.3%</u>			<u>-10.9%</u>			<u>-7.2%</u>			<u>0.8%</u>
<b>Total</b>			9.1%			5.9%			6.3%			5.8%

**Attachment - Trust Fund  
Historical Monthly Medical and Drug Trends  
FY 2020 to FY 2021**

**Fiscal Year 2021**

**Exposure**

	<u>Jul-20</u>	<u>Aug-20</u>	<u>Sep-20</u>	<u>Oct-20</u>	<u>Nov-20</u>	<u>Dec-20</u>	<u>Jan-21</u>	<u>Feb-21</u>
<b>NonMed_NonDrug</b>	13,587	13,827	13,736	13,521	13,340	13,194	13,136	13,061
<b>Med_NonDrug</b>	1,132	1,436	1,715	1,961	2,183	2,368	255	442
<b>NonMed_Drug</b>	12,593	12,817	12,733	12,535	12,368	12,231	12,179	12,108
<b>Med_Drug</b>	1,179	1,496	1,787	2,043	2,274	2,466	266	460

	<u>Jul-20</u>	<u>Aug-20</u>	<u>Sep-20</u>	<u>Oct-20</u>	<u>Nov-20</u>	<u>Dec-20</u>	<u>Jan-21</u>	<u>Feb-21</u>
<b>NonMed_NonDrug</b>	\$266.78	\$279.48	\$253.82	\$281.25	\$255.34	\$246.00	\$263.44	\$289.51
<b>Med_NonDrug</b>	353.24	302.48	241.97	334.43	240.71	239.68	816.95	513.94
<b>NonMed_Drug</b>	197.24	192.77	202.74	218.03	205.08	224.72	219.35	220.79
<b>Med_Drug</b>	<u>468.49</u>	<u>413.56</u>	<u>438.56</u>	<u>477.61</u>	<u>455.52</u>	<u>502.94</u>	<u>476.92</u>	<u>488.01</u>
<b>Total</b>	\$1,285.75	\$1,188.29	\$1,137.08	\$1,311.31	\$1,156.65	\$1,213.33	\$1,776.67	\$1,512.25

**Change From Prior Year - Month to Month Analysis**

<b>NonMed_NonDrug</b>	7.7%	6.6%	-2.5%	-0.6%	-0.9%	-4.2%	-12.5%	7.5%
<b>Med_NonDrug</b>	18.3%	30.2%	0.9%	44.6%	-5.4%	5.0%	-22.0%	-4.7%
<b>NonMed_Drug</b>	2.8%	-2.2%	14.6%	8.0%	9.6%	12.2%	5.1%	11.2%
<b>Med_Drug</b>	<u>39.9%</u>	<u>15.5%</u>	<u>20.9%</u>	<u>24.6%</u>	<u>31.7%</u>	<u>35.0%</u>	<u>19.5%</u>	<u>16.3%</u>
<b>Total</b>	19.8%	13.2%	9.3%	19.3%	10.7%	14.7%	-9.2%	6.0%

**Change From Prior Year - Quarter to Quarter Analysis**

<b>NonMed_NonDrug</b>	3.9%	-1.8%
<b>Med_NonDrug</b>	16.5%	14.1%
<b>NonMed_Drug</b>	4.7%	9.9%
<b>Med_Drug</b>	<u>25.1%</u>	<u>30.4%</u>
<b>Total</b>	14.2%	15.0%

**Change From Prior Year - Year to Year Analysis**

<b>NonMed_NonDrug</b>	-6.3%	-7.0%
<b>Med_NonDrug</b>	20.0%	19.6%
<b>NonMed_Drug</b>	7.6%	6.9%
<b>Med_Drug</b>	<u>8.9%</u>	<u>18.0%</u>
<b>Total</b>	8.2%	10.8%