



STATE OF WEST VIRGINIA



RETIREE HEALTH BENEFIT TRUST FUND

Financial Plan

Fiscal Years 2020-2024

Report Date: December 2019

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 for FY 2021, 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 2024. 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. Any moneys saved in a plan year shall be transferred into the reserve fund. At the close of any fiscal year in which the balance in the reserve fund exceeds the recommended reserve amount by fifteen percent, these excess funds shall be transferred to the West Virginia Retiree Health Benefit Trust Fund.

Continuing Care Actuaries has provided financial report for fiscal year ending June 30, 2020 (“FY 2020”), June 30, 2021 (“FY 2021”), June 30, 2022 (“FY 2022”), June 30, 2023 (“FY 2023”) and June 30, 2024 (“FY 2024”). Our opinion of plan adequacy is based on the projections through FY 2024 using updated future revenue and plan modifications provided by the Board in the plan adopted in December 2019.

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 2020 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 2020 the Pay-Go is equivalent to \$267 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 2019.

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 old fund created in article two-c, chapter twenty-three of this Enr. SB 419 code.

The transfers required by the section 11-21-96 shall cease on and after February 1, 2016. For fiscal years beginning on and after July 1, 2016, an annual amount of \$30 million from annual collections of the tax imposed by this article shall be 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 2020 through FY 2024 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 2024 as approved by the Board in December 2019.

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 2020 – FY 2024

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 November 2019 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 1,400 additional retirees. We have observed a net increase of 457 retirees from June 2019 to December 2019. Continuing Care Actuaries has updated the claims analysis based on the enrollment through December 2019.

In aggregate, December 2019 enrollment has increased by 457 coverages since the end of FY 2019. Aggregate Preferred Provider Benefit (“PPB”) enrollment has increased by 484 in total over the same period, while managed care enrollment continues to cover fewer participants, with a decrease of 27 coverage. For MAPD Capitations, the average of 50,886 Medicare policyholders in FY 2020 was used to calculate the capitation cost.

The following chart summarizes the current enrollment as of the selected monthly billing dates of June 2018, June 2019 and December 2019 for purposes of comparison:

Trust Fund	Coverage	Preferred Provider Benefit*			Managed Care		
		Jun-18	Jun-19	Dec-19	Jun-18	Jun-19	Dec-19
Retirees	Medicare Single	20,901	21,319	21,630	-	-	-
	<u>Medicare Family</u>	<u>15,473</u>	<u>15,830</u>	<u>16,072</u>	-	-	-
	Medicare Total	36,374	37,149	37,702	-	-	-
	Non-Medicare Single	2,849	2,583	2,555	125	130	117
	<u>Non-Medicare Family</u>	<u>3,568</u>	<u>3,225</u>	<u>3,184</u>	141	133	119
	Non-Medicare Total	6,417	5,808	5,739	266	263	236
	Retiree Total	42,791	42,957	43,441	266	263	236
Grand Total				43,057	43,220	43,677	

* The majority of PPB is capitated through Humana. As of December 2019, there are approximately 1,779 Medicare retiree coverages under PEIA.

B. Changes in Claim Backlog

Detail of the medical claim backlog is presented in the PEIA report titled “PEIA Financial Plan Fiscal Years 2020-2024 Report”.

C. Trend Analysis

RHBT experienced a lower medical trend and a higher prescription drug trend in FY 2019, 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 FY2019 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 2020 medical claim trend is 8.0% and the prescription drug claim trend is 12.0%.

The current trend projection is shown in the following table:

Claim Type	Previous Assumption FY 2020 Trend	Updated Assumption FY 2020 Trend
Non-Medicare – Medical	8.0%	8.0%
Medicare – Medical	8.0%	8.0%
Non-Medicare – Drugs	12.0%	12.0%
Medicare – Drugs	12.0%	12.0%

In addition, we have assumed that trends will increase by 0.5% in each successive fiscal year beginning in FY 2021. 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 November 2019. 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)

<u>Fiscal Year</u>	<u>Medical Medicare</u>	<u>Medical Non-Medicare</u>	<u>Drugs Medicare</u>	<u>Drugs Non-Medicare</u>	<u>Total</u>
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	14%	8%	41%	14%	12%
2019	42%	4%	-1%	20%	10%
2020*	31%	-8%	-10%	25%	2%

* Fiscal Year 2020 results are through the first five months ending November 2019. 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 November 2019 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 2020 claims and expenses are summarized in the following chart. It should be noted that the chart reflects per policy information.

Fiscal Year 2020 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	37,797			\$ 68**	\$ 214**	\$ 237
	Non-Medicare	5,772			\$ 781	\$ 342	
	Total	43,569	\$ -	\$ 161			
	Non-Medicare Managed Care	243	\$ -	\$ 626			\$ 1,426
	Total	43,812					

*Net of rebates and subsidies.

** As of December 2019, there are approximately 1,779 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 2019.

Board Decisions – December 2019

Source	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Additional Non-Medicare Retiree Premium (Fiscal Year)	\$0	\$0	\$1,423,400	\$1,443,504	\$1,462,208
Additional Medicare Retiree Premium (Calendar Year)	\$0	\$0	\$4,865,005	\$5,207,194	\$5,565,755
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)	\$5,000,000	\$0	\$0	\$0	\$0
Benefit Reductions and Savings / (Increase) - Retiree Non-Medicare	(\$800,000)	\$0	\$0	\$0	\$0
Board Decision Benefit Reduction – Retiree Medicare	\$0	\$0	\$0	\$0	\$0
Benefit Reductions / (Increase) - Humana MAPD (Calendar Year)	\$0	\$0	\$0	\$0	\$0
Pay Go Premium Transfer	\$140,628,864	\$135,000,000	\$140,000,000	\$150,000,000	\$160,000,000
Actuarial Accrued Liability*	\$3,191,774,318	\$3,268,136,134	\$3,337,849,000	\$3,402,102,207	\$3,461,788,072
Funded Status	34.2%	36.0%	39.1%	42.2%	45.5%

*Projected Result

The \$800,000 of Retiree Non-Medicare benefit additions and costs in Fiscal Year 2020 is comprised of the following:

	<u>Benefit Cost/(Savings)</u>
Medical Claims	\$0.550 M
Drug Claims	\$0.250 M

A detailed list of the 2020 benefit additions and costs for the Non-Medicare Retirees as voted on by the Board consists of the following:

	<u>Non-Medicare Savings</u>
Plan A out of state coverage 80/20 for Contig Providers	\$0.400 M
Plan B out of state coverage 70/30 for Contig Providers	\$0.000 M
Remove facility fee max (RBP)	\$1.200 M
Remove \$25 copay from out of state services	\$0.400 M
End Healthy Tomorrows blood work	\$0.050 M
<u>UMR OOS Network Savings</u>	(<u>\$1.500 M</u>)
Total Medical Benefit Additions	\$0.550 M
<u>Third tier non-preferred drug appeals process</u>	<u>\$0.250 M</u>
Total Drugs Costs	\$0.250 M
Total Benefit Additions and Costs	\$0.800 M

In FY 2020, the additional administrative costs are \$500,000 for the Non-Medicare Retirees, RHBT will have no increase in Non-Medicare and Medicare retiree premiums, and RHBT will receive \$35,000,000 in general revenue transfers.

It is anticipated that RHBT would accrue and pay these fees through FY 2019. The total comparative effectiveness research fees for the financial projection are estimated to be \$0 in FY 2020.

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. 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 \$1,861,622 in FY 2020 to \$2,532,716 in FY 2024, based on the Board's direction and projected retiree enrollment growth in the financial plan.

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. However, beginning January 1, 2020, CMS will reinstate the ACA Health Insurance Fee. This fee will result in an increase to the existing capitations and an estimate of this increase is included in the FY 2020 capitation cost. 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 2020 FORECAST

The financial forecast for FY 2020 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2020 projects accrued revenue of \$311,575,972 and incurred plan expenses of \$226,090,821 to produce a fiscal year surplus of \$85,485,151 after the Premium Stabilization Reserve drawdown of \$0. The PEIA local and state agencies Pay Go premiums for FY 2020 are assumed to be \$140,628,864.

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 \$368,302,118 and incurred plan expenses of \$239,651,787 to produce a fiscal year surplus of \$128,650,331 after the Premium Stabilization Reserve drawdown of \$0. The PEIA local and state agencies Pay Go premiums for FY 2021 are assumed to be \$135,000,000.

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 \$388,170,787 and incurred plan expenses of \$256,585,979 to produce a fiscal year surplus of \$131,584,808 after the Premium Stabilization Reserve drawdown of \$0. The PEIA local and state agencies Pay Go premiums for FY 2022 are assumed to be \$140,000,000.

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 \$417,186,636 and incurred plan expenses of \$278,353,228 to produce a fiscal year surplus of \$138,833,408. This is a net surplus of \$136,622,229 plus the Premium Stabilization Reserve drawdown of \$2,211,180. The PEIA local and state agencies Pay Go premiums for FY 2023 are assumed to be \$150,000,000.

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 \$452,797,419 and incurred plan expenses of \$303,604,062 to produce a fiscal year surplus of \$149,193,357. This is a net surplus of \$145,600,893 plus the Premium Stabilization Reserve drawdown of \$3,592,464. The PEIA local and state agencies Pay Go premiums for FY 2024 are assumed to be \$160,000,000.

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 2024. These projections are based on significant revenue increases as contained in the Financial Plan adopted by the Board in December 2019 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 2020**

PERIOD 7/1/2019 - 6/30/2020

	7/1/2019 to 12/31/2019	1/1/2020 to 6/30/2020	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 70,314,432	\$ 70,314,432	\$ 140,628,864
Retiree Premiums - PPB	40,687,173	43,632,907	84,320,079
Retiree Premiums - MCO	900,108	926,351	1,826,459
Annual Required Contributions	-	-	-
Non Par Premiums	1,569,303	1,569,303	3,138,606
Life Insurance	12,456,201	12,456,201	24,912,402
Investment Income	10,874,781	10,874,781	21,749,562
Transfer from Premium Stabilization Reserve	-	-	-
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	2,500,000	2,500,000	5,000,000
Total Revenue	\$ 154,301,998	\$ 157,273,975	\$ 311,575,972
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 26,284,241	\$ 27,776,312	\$ 54,060,553
Non-Medicare Prescription Drug Claims	10,946,450	12,752,295	23,698,745
Medicare Medical Claims	762,321	263,738	1,026,059
Medicare Prescription Drug Claims	2,499,852	881,514	3,381,366
Non-Medicare Managed Care Capitations	2,079,607	2,079,607	4,159,213
Humana MAPD Program	51,005,750	56,347,438	107,353,188
Administration	2,764,797	2,764,797	5,529,594
Life Insurance	12,390,345	12,390,345	24,780,690
Retiree Assistance Program	930,811	930,811	1,861,622
ACA Reinsurance Contributions	-	-	-
ACA Comparative Effectiveness Research Fees	-	-	-
Computer Software Reserve	-	-	-
Director's Discretionary Fund	119,896	119,896	239,791
Total Expenses	\$ 109,784,070	\$ 116,306,751	\$ 226,090,821
Fiscal Year Results	\$ 44,517,927	\$ 40,967,224	\$ 85,485,151
Beginning Restricted Reserve			\$ 1,053,554,300
Ending Restricted Reserve			<u>\$ 1,139,039,452</u>
Beginning Premium Stabilization Reserve			\$ 38,106,504
PSR Addition/(Drawdown)			\$ -
Ending Premium Stabilization Reserve			<u>\$ 38,106,504</u>
Total Beginning Plan Reserve			1,091,660,804
Total Ending Plan Reserve			<u>\$ 1,177,145,956</u>
Accrued Actuarial Liability (AAL)			\$ 3,191,774,318
Funded Status			34.2%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 159.33	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ -	<u>Eligibility</u>	<u>Medical</u>	<u>Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 267.48	Non-Medicare	8.0%	12.0%
		Medicare	8.0%	12.0%
		Capitations		0.0%
		Administrative Expense		28.6%
Number of Net New Retirees	1,400	Pay Go Monthly Premium		-7.8%

**APPENDIX - BASELINE SCENARIO
RHBT - MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST
FINANCIAL FORECAST
FISCAL YEAR 2020**

PERIOD 7/1/2019 - 6/30/2020

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 81,434,058		\$ 81,434,058
Employer Premiums - PPB	8,215,589	-	8,215,589
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	47,003,719	-	47,003,719
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-		-
Non Par Premiums	1,956,151		1,956,151
Life Insurance	15,526,770		15,526,770
Investment Income	11,463,146		11,463,146
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	18,201,692		18,201,692
General Revenue Transfer (Premium Offset)	3,033,615		3,033,615
Total Revenue	\$ 186,834,740	\$ -	\$ 186,834,740
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,026,059	\$ -	\$ 1,026,059
Medicare Prescription Drug Claims	3,381,366	-	3,381,366
Humana MAPD Program	131,833,170	(24,479,982)	107,353,188
Administration	2,041,124	-	2,041,124
Life Insurance	15,444,680		15,444,680
Retiree Assistance Program	1,160,265		1,160,265
ACA Reinsurance Contributions	-		-
ACA Comparative Effectiveness Research Fees	-		-
Computer Software Reserve	-		-
Director's Discretionary Fund	-		-
Total Expenses	\$ 154,886,664	\$ (24,479,982)	\$ 130,406,682
Fiscal Year Results	\$ 31,948,076		\$ 56,428,058
Beginning Restricted Reserve	\$ 574,690,061		\$ 574,690,061
Ending Restricted Reserve	<u>\$ 606,638,137</u>		<u>\$ 631,118,119</u>
Beginning Premium Stabilization Reserve	\$ 20,530,453		\$ 20,530,453
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ 20,530,453</u>		<u>\$ 20,530,453</u>
Total Beginning Plan Reserve	595,220,514		595,220,514
Total Ending Plan Reserve	<u>\$ 627,168,590</u>		<u>\$ 651,648,572</u>
Accrued Actuarial Liability (AAL)	\$ 3,191,774,318		\$ 3,191,774,318
Funded Status	35.2%		35.1%

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		<u>Eligibility</u>	<u>Medical</u>	<u>Drugs</u>
Pay Go Monthly Premium for Actives	\$ 159.33			
Additional Retiree Premiums	\$ -			
Pay Go PEPM Subsidy for Retirees	\$ 179.54	Medicare	8.0%	12.0%
		Capitations		0.0%
		Administrative Expense		28.6%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		-7.8%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST
FINANCIAL FORECAST
FISCAL YEAR 2020**

PERIOD 7/1/2019 - 6/30/2020

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 59,194,806		\$ 59,194,806
Employer Premiums - PPB	10,239,069	-	10,239,069
Employer Premiums - MCO	967,165	-	967,165
Retiree Premiums - PPB	18,861,702	-	18,861,702
Retiree Premiums - MCO	859,293	-	859,293
Annual Required Contributions	-		-
Non Par Premiums	1,182,455		1,182,455
Life Insurance	9,385,632		9,385,632
Investment Income	10,286,417		10,286,417
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	11,798,308		11,798,308
General Revenue Transfer (Premium Offset)	1,966,385		1,966,385
Total Revenue	\$ 124,741,233	\$ -	\$ 124,741,233
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 53,510,553	\$ 550,000	\$ 54,060,553
Non-Medicare Prescription Drug Claims	23,448,745	250,000	23,698,745
Non-Medicare Managed Care Capitations	4,159,213		4,159,213
Administration	2,988,470	500,000	3,488,470
Life Insurance	9,336,010		9,336,010
Retiree Assistance Program	701,357		701,357
ACA Reinsurance Contributions	-		-
ACA Comparative Effectiveness Research Fees	-		-
Computer Software Reserve	-		-
Director's Discretionary Fund	239,791		239,791
Total Expenses	\$ 94,384,139	\$ 1,300,000	\$ 95,684,139
Fiscal Year Results	\$ 30,357,094		\$ 29,057,094
Beginning Restricted Reserve	\$ 478,864,239		\$ 478,864,239
Ending Restricted Reserve	<u>\$ 509,221,333</u>		<u>\$ 507,921,333</u>
Beginning Premium Stabilization Reserve	\$ 17,576,051		\$ 17,576,051
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ 17,576,051</u>		<u>\$ 17,576,051</u>
Total Beginning Plan Reserve	496,440,290		496,440,290
Total Ending Plan Reserve	<u>\$ 526,797,384</u>		<u>\$ 525,497,384</u>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		<u>Eligibility</u>	<u>Medical</u>	<u>Drugs</u>
Pay Go Monthly Premium for Actives	\$ 159.33			
Additional Retiree Premiums	\$ -			
Pay Go PEPM Subsidy for Retirees	\$ 820.02	Non-Medicare	8.0%	12.0%
		Capitations		0.0%
		Administrative Expense		28.6%
Number of Net New Retirees	200	Pay Go Monthly Premium		-7.8%

**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
Revenues			
WV PEIA Pay Go Premiums	\$ 67,500,000	\$ 67,500,000	\$ 135,000,000
Retiree Premiums - PPB	41,507,402	41,693,157	83,200,559
Retiree Premiums - MCO	888,656	888,656	1,777,312
Annual Required Contributions	-	-	-
Non Par Premiums	1,522,224	1,522,224	3,044,448
Life Insurance	13,079,011	13,079,011	26,158,022
Investment Income	44,560,888	44,560,888	89,121,777
Transfer from Premium Stabilization Reserve	-	-	-
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 184,058,181	\$ 184,243,936	\$ 368,302,118
Program Expenses			
Non-Medicare Medical Claims	\$ 26,755,484	\$ 28,274,307	\$ 55,029,791
Non-Medicare Prescription Drug Claims	11,557,011	13,463,579	25,020,590
Medicare Medical Claims	712,744	247,184	959,928
Medicare Prescription Drug Claims	2,423,721	856,666	3,280,387
Non-Medicare Managed Care Capitations	2,245,976	2,245,976	4,491,951
Humana MAPD Program	56,467,727	60,757,651	117,225,379
Administration	2,693,241	2,693,241	5,386,482
Life Insurance	13,009,863	13,009,863	26,019,725
Retiree Assistance Program	1,005,276	1,005,276	2,010,552
ACA Reinsurance Contributions	-	-	-
ACA Comparative Effectiveness Research Fees	-	-	-
Computer Software Reserve	-	-	-
Director's Discretionary Fund	113,501	113,501	227,002
Total Expenses	\$ 116,984,543	\$ 122,667,243	\$ 239,651,787
Fiscal Year Results	\$ 67,073,638	\$ 61,576,693	\$ 128,650,331
Beginning Restricted Reserve			\$ 1,139,039,452
Ending Restricted Reserve			\$ 1,267,689,782
Beginning Premium Stabilization Reserve			\$ 38,106,504
PSR Addition/(Drawdown)			\$ -
Ending Premium Stabilization Reserve			\$ 38,106,504
Total Beginning Plan Reserve			1,177,145,956
Total Ending Plan Reserve			\$ 1,305,796,286
Accrued Actuarial Liability (AAL)			\$ 3,268,136,134
Funded Status			36.0%

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		<u>Eligibility</u>	<u>Medical</u>	<u>Drugs</u>
Pay Go Monthly Premium for Actives	\$ 153.71			
Additional Retiree Premiums	\$ -			
Pay Go PEPM Subsidy for Retirees	\$ 251.55	Non-Medicare	8.5%	12.5%
		Medicare	8.5%	12.5%
		Capitations		3.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,400	Pay Go Monthly Premium		-4.0%

**APPENDIX - BASELINE SCENARIO
RHBT - MEDICARE**

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

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

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 72,530,976		\$ 72,530,976
Employer Premiums - PPB	9,659,591	-	9,659,591
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	46,228,640	-	46,228,640
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-		-
Non Par Premiums	1,897,466		1,897,466
Life Insurance	16,303,108		16,303,108
Investment Income	46,971,792		46,971,792
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	17,962,453		17,962,453
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 211,554,026	\$ -	\$ 211,554,026
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 959,928	\$ -	\$ 959,928
Medicare Prescription Drug Claims	3,280,387	-	3,280,387
Humana MAPD Program	117,225,379		117,225,379
Administration	1,819,108		1,819,108
Life Insurance	16,216,914		16,216,914
Retiree Assistance Program	1,253,086		1,253,086
ACA Reinsurance Contributions	-		-
ACA Comparative Effectiveness Research Fees	-		-
Computer Software Reserve	-		-
Director's Discretionary Fund	-		-
Total Expenses	\$ 140,754,802	\$ -	\$ 140,754,802
Fiscal Year Results	\$ 70,799,224		\$ 70,799,224
Beginning Restricted Reserve	\$ 631,118,119		\$ 631,118,119
Ending Restricted Reserve	<u>\$ 701,917,343</u>		<u>\$ 701,917,343</u>
Beginning Premium Stabilization Reserve	\$ 20,530,453		\$ 20,530,453
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ 20,530,453</u>		<u>\$ 20,530,453</u>
Total Beginning Plan Reserve	651,648,572		651,648,572
Total Ending Plan Reserve	<u>\$ 722,447,796</u>		<u>\$ 722,447,796</u>
Accrued Actuarial Liability (AAL)	\$ 3,268,136,134		\$ 3,268,136,134
Funded Status	37.8%		37.8%

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		<u>Eligibility</u>	<u>Medical</u>	<u>Drugs</u>
Pay Go Monthly Premium for Actives	\$ 153.71			
Additional Retiree Premiums	\$ -			
Pay Go PEPM Subsidy for Retirees	\$ 155.17	Medicare	8.5%	12.5%
		Capitations		3.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		-4.0%

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

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

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

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 62,469,024		\$ 62,469,024
Employer Premiums - PPB	10,499,173	-	10,499,173
Employer Premiums - MCO	1,045,602	-	1,045,602
Retiree Premiums - PPB	16,813,155	-	16,813,155
Retiree Premiums - MCO	731,710	-	731,710
Annual Required Contributions	-		-
Non Par Premiums	1,146,982		1,146,982
Life Insurance	9,854,914		9,854,914
Investment Income	42,149,985		42,149,985
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	12,037,547		12,037,547
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 156,748,092	\$ -	\$ 156,748,092
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 55,029,791	\$ -	\$ 55,029,791
Non-Medicare Prescription Drug Claims	25,020,590	-	25,020,590
Non-Medicare Managed Care Capitations	4,491,951		4,491,951
Administration	3,567,374		3,567,374
Life Insurance	9,802,811		9,802,811
Retiree Assistance Program	757,466		757,466
ACA Reinsurance Contributions	-		-
ACA Comparative Effectiveness Research Fees	-		-
Computer Software Reserve	-		-
Director's Discretionary Fund	227,002		227,002
Total Expenses	\$ 98,896,985	\$ -	\$ 98,896,985
Fiscal Year Results	\$ 57,851,107		\$ 57,851,107
Beginning Restricted Reserve	\$ 507,921,333		\$ 507,921,333
Ending Restricted Reserve	<u>\$ 565,772,440</u>		<u>\$ 565,772,440</u>
Beginning Premium Stabilization Reserve	\$ 17,576,051		\$ 17,576,051
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ 17,576,051</u>		<u>\$ 17,576,051</u>
Total Beginning Plan Reserve	525,497,384		525,497,384
Total Ending Plan Reserve	<u>\$ 583,348,491</u>		<u>\$ 583,348,491</u>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 153.71	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ -	<u>Eligibility</u>	<u>Medical</u>	<u>Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 902.22	Non-Medicare	8.5%	12.5%
		Capitations		3.0%
		Administrative Expense		3.0%
Number of Net New Retirees	200	Pay Go Monthly Premium		-4.0%

**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	\$ 70,000,000	\$ 70,000,000	\$ 140,000,000
Retiree Premiums - PPB	42,674,904	44,316,828	86,991,732
Retiree Premiums - MCO	948,762	948,762	1,897,525
Annual Required Contributions	-	-	-
Non Par Premiums	1,476,557	1,476,557	2,953,114
Life Insurance	13,732,962	13,732,962	27,465,923
Investment Income	49,431,246	49,431,246	98,862,493
Transfer from Premium Stabilization Reserve	-	-	-
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 193,264,432	\$ 194,906,355	\$ 388,170,787
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 27,356,363	\$ 28,909,296	\$ 56,265,659
Non-Medicare Prescription Drug Claims	12,252,935	14,274,312	26,527,247
Medicare Medical Claims	774,465	269,237	1,043,702
Medicare Prescription Drug Claims	2,730,564	967,365	3,697,929
Non-Medicare Managed Care Capitations	2,425,654	2,425,654	4,851,307
Humana MAPD Program	60,887,356	68,057,465	128,944,821
Administration	2,774,038	2,774,038	5,548,076
Life Insurance	13,660,356	13,660,356	27,320,711
Retiree Assistance Program	1,085,698	1,085,698	2,171,396
ACA Reinsurance Contributions	-	-	-
ACA Comparative Effectiveness Research Fees	-	-	-
Computer Software Reserve	-	-	-
Director's Discretionary Fund	107,566	107,566	215,131
Total Expenses	\$ 124,054,994	\$ 132,530,985	\$ 256,585,979
Fiscal Year Results	\$ 69,209,438	\$ 62,375,370	\$ 131,584,808
Beginning Restricted Reserve			\$ 1,267,689,782
Ending Restricted Reserve			<u>\$ 1,399,274,590</u>
Beginning Premium Stabilization Reserve			\$ 38,106,504
PSR Addition/(Drawdown)			\$ -
Ending Premium Stabilization Reserve			<u>\$ 38,106,504</u>
Total Beginning Plan Reserve			1,305,796,286
Total Ending Plan Reserve			<u>\$ 1,437,381,094</u>
Accrued Actuarial Liability (AAL)			\$ 3,337,849,000
Funded Status			39.1%

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		Eligibility	Medical	Drugs
Pay Go Monthly Premium for Actives	\$ 160.60			
Additional Retiree Premiums	\$ 4,634,770			
Pay Go PEPM Subsidy for Retirees	\$ 255.15	Non-Medicare	9.0%	13.0%
		Medicare	9.0%	13.0%
		Capitations		7.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,400	Pay Go Monthly Premium		3.7%

**APPENDIX - BASELINE SCENARIO
RHBT - MEDICARE**

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

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

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 76,815,279		\$ 76,815,279
Employer Premiums - PPB	9,687,044	555,046	10,242,090
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	46,360,023	2,656,324	49,016,347
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,840,542		1,840,542
Life Insurance	17,118,264		17,118,264
Investment Income	52,105,654		52,105,654
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	17,167,339		17,167,339
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 221,094,145	\$ 3,211,370	\$ 224,305,515
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,043,702	\$ -	\$ 1,043,702
Medicare Prescription Drug Claims	3,697,929	-	3,697,929
Humana MAPD Program	128,944,821		128,944,821
Administration	1,873,681		1,873,681
Life Insurance	17,027,759		17,027,759
Retiree Assistance Program	1,353,333		1,353,333
ACA Reinsurance Contributions	-		-
ACA Comparative Effectiveness Research Fees	-		-
Computer Software Reserve	-		-
Director's Discretionary Fund	-		-
Total Expenses	\$ 153,941,225	\$ -	\$ 153,941,225
Fiscal Year Results	\$ 67,152,920		\$ 70,364,290
Beginning Restricted Reserve	\$ 701,917,343		\$ 701,917,343
Ending Restricted Reserve	<u>\$ 769,070,263</u>		<u>\$ 772,281,633</u>
Beginning Premium Stabilization Reserve	\$ 20,530,453		\$ 20,530,453
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ 20,530,453</u>		<u>\$ 20,530,453</u>
Total Beginning Plan Reserve	722,447,796		722,447,796
Total Ending Plan Reserve	<u>\$ 789,600,716</u>		<u>\$ 792,812,086</u>
Accrued Actuarial Liability (AAL)	\$ 3,337,849,000		\$ 3,337,849,000
Funded Status	40.9%		41.0%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 160.60	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 3,211,370	<u>Eligibility</u>	<u>Medical</u>	<u>Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 159.43	Medicare	9.0%	13.0%
		Capitations		7.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		3.7%

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

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

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

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 63,184,721		\$ 63,184,721
Employer Premiums - PPB	10,148,867	512,131	10,660,998
Employer Premiums - MCO	1,062,698	53,626	1,116,324
Retiree Premiums - PPB	16,252,181	820,116	17,072,297
Retiree Premiums - MCO	743,674	37,527	781,201
Annual Required Contributions	-		-
Non Par Premiums	1,112,572		1,112,572
Life Insurance	10,347,660		10,347,660
Investment Income	46,756,839		46,756,839
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	12,832,661		12,832,661
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 162,441,873	\$ 1,423,400	\$ 163,865,273
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 56,265,659	\$ -	\$ 56,265,659
Non-Medicare Prescription Drug Claims	26,527,247	-	26,527,247
Non-Medicare Managed Care Capitations	4,851,307		4,851,307
Administration	3,674,395		3,674,395
Life Insurance	10,292,951		10,292,951
Retiree Assistance Program	818,063		818,063
ACA Reinsurance Contributions	-		-
ACA Comparative Effectiveness Research Fees	-		-
Computer Software Reserve	-		-
Director's Discretionary Fund	215,131		215,131
Total Expenses	\$ 102,644,753	\$ -	\$ 102,644,753
Fiscal Year Results	\$ 59,797,120		\$ 61,220,520
Beginning Restricted Reserve	\$ 565,772,440		\$ 565,772,440
Ending Restricted Reserve	<u>\$ 625,569,560</u>		<u>\$ 626,992,960</u>
Beginning Premium Stabilization Reserve	\$ 17,576,051		\$ 17,576,051
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ 17,576,051</u>		<u>\$ 17,576,051</u>
Total Beginning Plan Reserve	583,348,491		583,348,491
Total Ending Plan Reserve	<u>\$ 643,145,611</u>		<u>\$ 644,569,011</u>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 160.60	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 1,423,400	<u>Eligibility</u>	<u>Medical</u>	<u>Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 944.78	Non-Medicare	9.0%	13.0%
		Capitations		7.0%
		Administrative Expense		3.0%
Number of Net New Retirees	200	Pay Go Monthly Premium		3.7%

**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	\$ 75,000,000	\$ 75,000,000	\$ 150,000,000
Retiree Premiums - PPB	45,320,006	47,089,772	92,409,778
Retiree Premiums - MCO	1,014,265	1,014,265	2,028,530
Annual Required Contributions	-	-	-
Non Par Premiums	1,432,261	1,432,261	2,864,521
Life Insurance	14,419,610	14,419,610	28,839,219
Investment Income	54,416,704	54,416,704	108,833,408
Transfer from Premium Stabilization Reserve	1,091,019	1,120,161	2,211,180
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 207,693,864	\$ 209,492,772	\$ 417,186,636
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 28,099,359	\$ 29,694,469	\$ 57,793,828
Non-Medicare Prescription Drug Claims	13,048,384	15,200,985	28,249,369
Medicare Medical Claims	845,403	294,605	1,140,008
Medicare Prescription Drug Claims	3,089,906	1,097,208	4,187,114
Non-Medicare Managed Care Capitations	2,619,706	2,619,706	5,239,411
Humana MAPD Program	68,202,753	76,590,560	144,793,312
Administration	2,857,260	2,857,260	5,714,519
Life Insurance	14,343,373	14,343,373	28,686,746
Retiree Assistance Program	1,172,554	1,172,554	2,345,108
ACA Reinsurance Contributions	-	-	-
ACA Comparative Effectiveness Research Fees	-	-	-
Computer Software Reserve	-	-	-
Director's Discretionary Fund	101,907	101,907	203,813
Total Expenses	\$ 134,380,604	\$ 143,972,625	\$ 278,353,228
Fiscal Year Results	\$ 73,313,260	\$ 65,520,148	\$ 138,833,408
Beginning Restricted Reserve			\$ 1,399,274,590
Ending Restricted Reserve			\$ 1,538,107,998
Beginning Premium Stabilization Reserve			\$ 38,106,504
PSR Addition/(Drawdown)			\$ (2,211,180)
Ending Premium Stabilization Reserve			\$ 35,895,324
Total Beginning Plan Reserve			1,437,381,094
Total Ending Plan Reserve			\$ 1,574,003,323
Accrued Actuarial Liability (AAL)			\$ 3,402,102,207
Funded Status			42.2%

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		Eligibility	Medical	Drugs
Pay Go Monthly Premium for Actives	\$ 173.16			
Additional Retiree Premiums	\$ 6,308,069			
Pay Go PEPM Subsidy for Retirees	\$ 267.50	Non-Medicare	9.5%	13.5%
		Medicare	9.5%	13.5%
		Capitations		7.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,400	Pay Go Monthly Premium		7.1%

**APPENDIX - BASELINE SCENARIO
RHBT - MEDICARE**

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

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

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 90,193,810		\$ 90,193,810
Employer Premiums - PPB	10,271,046	840,780	11,111,826
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	49,154,927	4,023,785	53,178,712
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-		-
Non Par Premiums	1,785,326		1,785,326
Life Insurance	17,974,177		17,974,177
Investment Income	57,360,842		57,360,842
Transfer from Premium Stabilization Reserve	1,835,229		1,835,229
General Revenue Transfer (OPEB Funding)	17,349,671		17,349,671
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 245,925,028	\$ 4,864,565	\$ 250,789,593
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,140,008	\$ -	\$ 1,140,008
Medicare Prescription Drug Claims	4,187,114	-	4,187,114
Humana MAPD Program	144,793,312		144,793,312
Administration	1,929,891		1,929,891
Life Insurance	17,879,147		17,879,147
Retiree Assistance Program	1,461,599		1,461,599
ACA Reinsurance Contributions	-		-
ACA Comparative Effectiveness Research Fees	-		-
Computer Software Reserve	-		-
Director's Discretionary Fund	-		-
Total Expenses	\$ 171,391,071	\$ -	\$ 171,391,071
Fiscal Year Results	\$ 74,533,957		\$ 79,398,522
Beginning Restricted Reserve	\$ 772,281,633		\$ 772,281,633
Ending Restricted Reserve	<u>\$ 846,815,590</u>		<u>\$ 851,680,155</u>
Beginning Premium Stabilization Reserve	\$ 20,530,453		\$ 20,530,453
PSR Addition/(Drawdown)	\$ (1,835,229)		\$ (1,835,229)
Ending Premium Stabilization Reserve	<u>\$ 18,695,225</u>		<u>\$ 18,695,225</u>
Total Beginning Plan Reserve	792,812,086		792,812,086
Total Ending Plan Reserve	<u>\$ 865,510,814</u>		<u>\$ 870,375,379</u>
Accrued Actuarial Liability (AAL)	\$ 3,402,102,207		\$ 3,402,102,207
Funded Status	43.9%		44.0%

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		<u>Eligibility</u>	<u>Medical</u>	<u>Drugs</u>
Pay Go Monthly Premium for Actives	\$ 173.16			
Additional Retiree Premiums	\$ 4,864,565			
Pay Go PEPM Subsidy for Retirees	\$ 181.76	Medicare	9.5%	13.5%
		Capitations		7.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		7.1%

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

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

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

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 59,806,190		\$ 59,806,190
Employer Premiums - PPB	10,291,797	517,562	10,809,360
Employer Premiums - MCO	1,136,254	57,141	1,193,395
Retiree Premiums - PPB	16,481,067	828,814	17,309,880
Retiree Premiums - MCO	795,148	39,987	835,135
Annual Required Contributions	-		-
Non Par Premiums	1,079,195		1,079,195
Life Insurance	10,865,043		10,865,043
Investment Income	51,472,566		51,472,566
Transfer from Premium Stabilization Reserve	375,951		375,951
General Revenue Transfer (OPEB Funding)	12,650,329		12,650,329
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 164,953,540	\$ 1,443,504	\$ 166,397,044
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 57,793,828	\$ -	\$ 57,793,828
Non-Medicare Prescription Drug Claims	28,249,369	-	28,249,369
Non-Medicare Managed Care Capitations	5,239,411		5,239,411
Administration	3,784,627		3,784,627
Life Insurance	10,807,599		10,807,599
Retiree Assistance Program	883,508		883,508
ACA Reinsurance Contributions	-		-
ACA Comparative Effectiveness Research Fees	-		-
Computer Software Reserve	-		-
Director's Discretionary Fund	203,813		203,813
Total Expenses	\$ 106,962,155	\$ -	\$ 106,962,155
Fiscal Year Results	\$ 57,991,385		\$ 59,434,889
Beginning Restricted Reserve	\$ 626,992,960		\$ 626,992,960
Ending Restricted Reserve	<u>\$ 684,984,345</u>		<u>\$ 686,427,849</u>
Beginning Premium Stabilization Reserve	\$ 17,576,051		\$ 17,576,051
PSR Addition/(Drawdown)	\$ (375,951)		\$ (375,951)
Ending Premium Stabilization Reserve	<u>\$ 17,200,100</u>		<u>\$ 17,200,100</u>
Total Beginning Plan Reserve	644,569,011		644,569,011
Total Ending Plan Reserve	<u>\$ 702,184,445</u>		<u>\$ 703,627,949</u>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		<u>Eligibility</u>	<u>Medical</u>	<u>Drugs</u>
Pay Go Monthly Premium for Actives	\$ 173.16			
Additional Retiree Premiums	\$ 1,443,504			
Pay Go PEPM Subsidy for Retirees	\$ 926.93	Non-Medicare	9.5%	13.5%
		Capitations		7.5%
		Administrative Expense		3.0%
Number of Net New Retirees	200	Pay Go Monthly Premium		7.1%

**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

Need Update for Premiums

	7/1/2023 to 12/31/2023	1/1/2024 to 6/30/2024	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 80,000,000	\$ 80,000,000	\$ 160,000,000
Retiree Premiums - PPB	52,139,260	52,691,201	104,830,461
Retiree Premiums - MCO	1,060,686	1,060,686	2,121,372
Annual Required Contributions	-	-	-
Non Par Premiums	1,389,293	1,389,293	2,778,585
Life Insurance	15,140,590	15,140,590	30,281,180
Investment Income	59,596,678	59,596,678	119,193,357
Transfer from Premium Stabilization Reserve	1,775,937	1,816,527	3,592,464
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 226,102,444	\$ 226,694,975	\$ 452,797,419
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 28,994,649	\$ 30,640,581	\$ 59,635,230
Non-Medicare Prescription Drug Claims	13,956,829	16,259,298	30,216,127
Medicare Medical Claims	927,067	323,835	1,250,902
Medicare Prescription Drug Claims	3,511,990	1,249,963	4,761,953
Non-Medicare Managed Care Capitations	2,829,282	2,829,282	5,658,564
Humana MAPD Program	76,754,064	86,594,440	163,348,504
Administration	2,942,977	2,942,977	5,885,954
Life Insurance	15,060,542	15,060,542	30,121,084
Retiree Assistance Program	1,266,358	1,266,358	2,532,716
ACA Reinsurance Contributions	-	-	-
ACA Comparative Effectiveness Research Fees	-	-	-
Computer Software Reserve	-	-	-
Director's Discretionary Fund	96,514	96,514	193,028
Total Expenses	\$ 146,340,271	\$ 157,263,791	\$ 303,604,062
Fiscal Year Results	\$ 79,762,172	\$ 69,431,184	\$ 149,193,357
Beginning Restricted Reserve			\$ 1,538,107,998
Ending Restricted Reserve			\$ 1,687,301,355
Beginning Premium Stabilization Reserve			\$ 35,895,324
PSR Addition/(Drawdown)			\$ (3,592,464)
Ending Premium Stabilization Reserve			\$ 32,302,860
Total Beginning Plan Reserve			1,574,003,323
Total Ending Plan Reserve			\$ 1,719,604,215
Accrued Actuarial Liability (AAL)			\$ 3,461,788,072
Funded Status			45.5%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 185.23	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 7,027,962	<u>Eligibility</u>	<u>Medical</u>	<u>Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 279.33	Non-Medicare	10.0%	14.0%
		Medicare	10.0%	14.0%
		Capitations		8.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,400	Pay Go Monthly Premium		6.7%

**APPENDIX - BASELINE SCENARIO
RHBT - MEDICARE**

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

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

Need Update for Premiums

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 96,206,731		\$ 96,206,731
Employer Premiums - PPB	8,443,542		8,443,542
Employer Premiums - MCO	-		-
Retiree Premiums - PPB	56,221,880	4,946,626	61,168,506
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-		-
Non Par Premiums	1,731,766		1,731,766
Life Insurance	18,872,886		18,872,886
Investment Income	62,821,072		62,821,072
Transfer from Premium Stabilization Reserve	3,034,335		3,034,335
General Revenue Transfer (OPEB Funding)	18,048,270		18,048,270
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 265,380,482	\$ 4,946,626	\$ 270,327,108
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,250,902	\$ -	\$ 1,250,902
Medicare Prescription Drug Claims	4,761,953	-	4,761,953
Humana MAPD Program	163,348,504		163,348,504
Administration	1,987,788		1,987,788
Life Insurance	18,773,105		18,773,105
Retiree Assistance Program	1,578,527		1,578,527
ACA Reinsurance Contributions	-		-
ACA Comparative Effectiveness Research Fees	-		-
Computer Software Reserve	-		-
Director's Discretionary Fund	-		-
Total Expenses	\$ 191,700,779	\$ -	\$ 191,700,779
Fiscal Year Results	\$ 73,679,703		\$ 78,626,329
Beginning Restricted Reserve	\$ 851,680,155		\$ 851,680,155
Ending Restricted Reserve	<u>\$ 925,359,857</u>		<u>\$ 930,306,483</u>
Beginning Premium Stabilization Reserve	\$ 18,695,225		\$ 18,695,225
PSR Addition/(Drawdown)	\$ (3,034,335)		\$ (3,034,335)
Ending Premium Stabilization Reserve	<u>\$ 15,660,889</u>		<u>\$ 15,660,889</u>
Total Beginning Plan Reserve	870,375,379		870,375,379
Total Ending Plan Reserve	<u>\$ 941,020,747</u>		<u>\$ 945,967,373</u>
Accrued Actuarial Liability (AAL)	\$ 3,461,788,072		\$ 3,461,788,072
Funded Status	47.4%		47.5%

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		<u>Eligibility</u>	<u>Medical</u>	<u>Drugs</u>
Pay Go Monthly Premium for Actives	\$ 185.23			
Additional Retiree Premiums	\$ 4,946,626			
Pay Go PEPM Subsidy for Retirees	\$ 188.41	Medicare	10.0%	14.0%
		Capitations		8.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		6.7%

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

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

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

Need Update for Premiums

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 63,793,269		\$ 63,793,269
Employer Premiums - PPB	10,570,519		10,570,519
Employer Premiums - MCO	998,474		998,474
Retiree Premiums - PPB	22,657,247	1,990,647	24,647,894
Retiree Premiums - MCO	1,032,209	90,689	1,122,898
Annual Required Contributions	-		-
Non Par Premiums	1,046,819		1,046,819
Life Insurance	11,408,295		11,408,295
Investment Income	56,372,285		56,372,285
Transfer from Premium Stabilization Reserve	558,129		558,129
General Revenue Transfer (OPEB Funding)	11,951,731		11,951,731
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 180,388,976	\$ 2,081,336	\$ 182,470,312
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 59,635,230	\$ -	\$ 59,635,230
Non-Medicare Prescription Drug Claims	30,216,127	-	30,216,127
Non-Medicare Managed Care Capitations	5,658,564		5,658,564
Administration	3,898,166		3,898,166
Life Insurance	11,347,979		11,347,979
Retiree Assistance Program	954,189		954,189
ACA Reinsurance Contributions	-		-
ACA Comparative Effectiveness Research Fees	-		-
Computer Software Reserve	-		-
Director's Discretionary Fund	193,028		193,028
Total Expenses	\$ 111,903,283	\$ -	\$ 111,903,283
Fiscal Year Results	\$ 68,485,693		\$ 70,567,029
Beginning Restricted Reserve	\$ 686,427,849		\$ 686,427,849
Ending Restricted Reserve	<u>\$ 754,913,543</u>		<u>\$ 756,994,879</u>
Beginning Premium Stabilization Reserve	\$ 17,200,100		\$ 17,200,100
PSR Addition/(Drawdown)	\$ (558,129)		\$ (558,129)
Ending Premium Stabilization Reserve	<u>\$ 16,641,971</u>		<u>\$ 16,641,971</u>
Total Beginning Plan Reserve	703,627,949		703,627,949
Total Ending Plan Reserve	<u>\$ 771,555,514</u>		<u>\$ 773,636,850</u>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 185.23	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 2,081,336	<u>Eligibility</u>	<u>Medical</u>	<u>Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 1,026.14	Non-Medicare	10.0%	14.0%
		Capitations		8.0%
		Administrative Expense		3.0%
Number of Net New Retirees	200	Pay Go Monthly Premium		6.7%

**Attachment - Trust Fund
Historical Monthly Medical and Drug Trends
FY 2019 to FY 2020**

Fiscal Year 2019

Exposure

	<u>Jul-18</u>	<u>Aug-18</u>	<u>Sep-18</u>	<u>Oct-18</u>	<u>Nov-18</u>	<u>Dec-18</u>	<u>Jan-19</u>	<u>Feb-19</u>	<u>Mar-19</u>	<u>Apr-19</u>	<u>May-19</u>	<u>Jun-19</u>
NonMed_NonDrug	15,984	16,420	16,066	15,867	15,659	15,446	15,321	15,159	14,960	14,793	14,654	14,516
Med_NonDrug	1,691	1,968	2,166	2,365	2,563	2,791	336	510	654	808	957	1,104
NonMed_Drug	14,810	15,213	14,884	14,703	14,509	14,311	14,196	14,046	13,862	13,707	13,580	13,451
Med_Drug	1,761	2,050	2,256	2,463	2,670	2,907	350	531	681	842	997	1,150

	<u>Jul-18</u>	<u>Aug-18</u>	<u>Sep-18</u>	<u>Oct-18</u>	<u>Nov-18</u>	<u>Dec-18</u>	<u>Jan-19</u>	<u>Feb-19</u>	<u>Mar-19</u>	<u>Apr-19</u>	<u>May-19</u>	<u>Jun-19</u>
NonMed_NonDrug	\$227.21	\$338.86	\$255.07	\$335.84	\$257.40	\$203.75	\$289.67	\$322.83	\$278.62	\$336.46	\$325.10	\$322.31
Med_NonDrug	184.90	197.04	251.27	199.83	205.17	248.40	750.86	379.17	393.86	354.42	363.16	240.57
NonMed_Drug	156.08	155.56	149.41	187.47	164.77	167.11	202.34	177.27	195.11	215.94	206.44	198.94
Med_Drug	<u>391.78</u>	<u>428.51</u>	<u>358.30</u>	<u>423.32</u>	<u>383.58</u>	<u>379.17</u>	<u>588.06</u>	<u>368.31</u>	<u>416.43</u>	<u>410.98</u>	<u>370.07</u>	<u>369.89</u>
Total	\$959.97	\$1,119.98	\$1,014.05	\$1,146.46	\$1,010.92	\$998.43	\$1,830.93	\$1,247.58	\$1,284.03	\$1,317.80	\$1,264.77	\$1,131.71

Change From Prior Year - Month to Month Analysis

NonMed_NonDrug	24.1%	42.0%	13.7%	32.0%	-3.7%	-3.5%	-16.4%	18.2%	-9.5%	-4.4%	-6.3%	-5.1%
Med_NonDrug	4.1%	21.2%	77.7%	15.4%	40.2%	66.5%	83.3%	54.2%	16.4%	67.9%	97.8%	-22.7%
NonMed_Drug	-18.2%	9.1%	28.8%	0.5%	22.6%	29.3%	18.9%	45.9%	39.9%	35.9%	28.3%	20.5%
Med_Drug	<u>1.9%</u>	<u>14.7%</u>	<u>8.4%</u>	<u>18.0%</u>	<u>25.7%</u>	<u>25.4%</u>	<u>-4.4%</u>	<u>-31.0%</u>	<u>-6.0%</u>	<u>-12.5%</u>	<u>-6.9%</u>	<u>-14.0%</u>
Total	2.6%	22.1%	24.9%	17.9%	18.5%	26.1%	18.8%	6.2%	4.5%	10.6%	16.2%	-9.2%

Change From Prior Year - Quarter to Quarter Analysis

NonMed_NonDrug			27.1%			8.8%			-3.9%			-5.3%
Med_NonDrug			31.5%			39.4%			53.3%			35.7%
NonMed_Drug			2.6%			15.4%			33.3%			28.1%
Med_Drug			8.3%			<u>22.8%</u>			<u>-13.8%</u>			<u>-11.3%</u>
Total			16.1%			20.6%			10.6%			5.3%

Change From Prior Year - Year to Year Analysis

NonMed_NonDrug			13.0%			14.5%			12.5%			4.4%
Med_NonDrug			17.7%			22.6%			44.0%			42.2%
NonMed_Drug			2.3%			4.2%			13.2%			19.9%
Med_Drug			<u>32.1%</u>			<u>34.8%</u>			<u>8.2%</u>			<u>-1.1%</u>
Total			18.9%			21.6%			17.3%			12.3%

**Attachment - Trust Fund
Historical Monthly Medical and Drug Trends
FY 2019 to FY 2020**

Fiscal Year 2020

Exposure

	<u>Jul-19</u>	<u>Aug-19</u>	<u>Sep-19</u>	<u>Oct-19</u>	<u>Nov-19</u>
NonMed_NonDrug	14,745	14,846	14,782	14,697	14,478
Med_NonDrug	1,366	1,595	1,801	2,008	2,185
NonMed_Drug	13,665	13,757	13,698	13,619	13,417
Med_Drug	1,422	1,661	1,876	2,092	2,276

	<u>Jul-19</u>	<u>Aug-19</u>	<u>Sep-19</u>	<u>Oct-19</u>	<u>Nov-19</u>
NonMed_NonDrug	\$208.03	\$214.25	\$234.42	\$285.98	\$285.17
Med_NonDrug	164.90	198.22	212.69	241.20	239.22
NonMed_Drug	191.91	197.19	176.79	201.88	187.64
Med_Drug	<u>334.86</u>	<u>358.88</u>	<u>346.04</u>	<u>375.89</u>	<u>354.38</u>
Total	\$899.69	\$968.53	\$969.94	\$1,104.94	\$1,066.41

Change From Prior Year - Month to Month Analysis

NonMed_NonDrug	-8.4%	-36.8%	-8.1%	-14.8%	10.8%
Med_NonDrug	-10.8%	0.6%	-15.4%	20.7%	16.6%
NonMed_Drug	23.0%	26.8%	18.3%	7.7%	13.9%
Med_Drug	<u>-14.5%</u>	<u>-16.3%</u>	<u>-3.4%</u>	<u>-11.2%</u>	<u>-7.6%</u>
Total	-6.3%	-13.5%	-4.3%	-3.6%	5.5%

Change From Prior Year - Quarter to Quarter Analysis

NonMed_NonDrug	-20.0%
Med_NonDrug	-9.1%
NonMed_Drug	22.7%
Med_Drug	<u>-11.8%</u>
Total	-8.3%

Change From Prior Year - Year to Year Analysis

NonMed_NonDrug	-5.4%
Med_NonDrug	32.5%
NonMed_Drug	24.8%
Med_Drug	<u>-5.7%</u>
Total	6.7%