

# STATE OF WEST VIRGINIA



## **RETIREE HEALTH BENEFIT TRUST FUND**

### **Financial Plan**

**Fiscal Years 2022-2026**

*Report Date: January 2022*

***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 2026. 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, 2022 (“FY 2022”), June 30, 2023 (“FY 2023”), June 30, 2024 (“FY 2024”), June 30, 2025 (“FY 2025”) and June 30, 2026 (“FY 2026”). Our opinion of plan adequacy is based on the projections through FY 2026 using updated future revenue and plan modifications provided by the Board in the plan adopted in December 2021.

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 2022 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 2022 the Pay-Go is equivalent to \$190 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 2021.

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 2022 through FY 2026 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 2026 as approved by the Board in December 2021.

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., M.A.A.A.  
Managing Partner



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

# **West Virginia Retiree Health Benefit Trust Fund**

## **Report of Independent Actuary**

### **Financial Plan for FY 2022 – FY 2026**

#### **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 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 increase of 246 policies from June 2021 to December 2021. Continuing Care Actuaries has updated the claims analysis based on the enrollment through December 2021.

In aggregate, December 2021 enrollment has increased by 246 coverages since the end of FY 2021. Aggregate Preferred Provider Benefit (“PPB”) enrollment has increased by 254 in total over the same period, while managed care enrollment continues to cover fewer participants, with a decrease of 8 coverages. For MAPD Capitations, the average of 51,664 Medicare policyholders in FY 2022 was used to calculate the capitation cost.

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

Trust Fund	Coverage	Preferred Provider Benefit*			Managed Care		
		Jun-20	Jun-21	Dec-21	Jun-20	Jun-21	Dec-21
Retirees	Medicare Single	21,594	21,636	21,863	-	-	-
	<u>Medicare Family</u>	<u>16,058</u>	<u>16,170</u>	<u>16,266</u>	-	-	-
	Medicare Total	37,652	37,806	38,129	-	-	-
	Non-Medicare Single	2,396	2,295	2,275	111	115	115
	<u>Non-Medicare Family</u>	<u>2,994</u>	<u>2,714</u>	<u>2,665</u>	<u>117</u>	<u>104</u>	<u>96</u>
	Non-Medicare Total	5,390	5,009	4,940	228	219	211
	Retiree Total	43,042	42,815	43,069	228	219	211
Grand Total				43,270	43,034	43,280	

\* The majority of PPB is capitated through Humana. As of September 2021, there are approximately 1,362 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 FY2022-2026 Report”.

### C. Trend Analysis

RHBT experienced a lower medical trend and a higher prescription drugs trend in FY 2021, 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 FY2021 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 2022 medical claim trend is 6.0%, the gross prescription drugs claim trend is 13.5% and the prescription drugs rebate trend is 15.0%.

The current trend projection is shown in the following table:

Claim Type	Previous Assumption FY 2022 Trend	Updated Assumption FY 2022 Trend
Non-Medicare – Medical	6.0%	6.0%
Medicare – Medical	6.0%	6.0%
Non-Medicare – Gross Drugs	13.5%	13.5%
Medicare – Gross Drugs	13.5%	13.5%
Prescription Drugs Rebate	15.0%	15.0%

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 2023 and in each successive fiscal year. Medical trends are assumed to increase 1.0% in FY 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 15% 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 November 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	18%	-9%	1%	12%	-1%
2021	-12%	13%	15%	7%	11%
2022*	-15%	18%	1%	12%	14%

\* Fiscal Year 2022 results are through the first five months ending November 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 November 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 2022 claims and expenses are summarized in the following chart. It should be noted that the chart reflects per policy information.

Fiscal Year 2022 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	38,292			\$ 75**	\$ 199**	\$ 139
	<u>Non-Medicare</u>	4,973			\$ 884	\$ 385	
	Total	43,265	\$ -	\$ 150			
	<u>Non-Medicare Managed Care</u>	212	\$ -	\$ 640			\$ 1,434
	Total	43,477					

\*Net of rebates and subsidies.

\*\* As of September 2021, there are approximately 1,362 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 2021.

### Board Decisions – December 2021

Source	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026
<b>Additional Non-Medicare Retiree Premium (Fiscal Year)</b>	\$1,460,251	\$0	\$1,212,680	\$ 1,221,573	\$1,228,657
<b>Additional Medicare Retiree Premium (Calendar Year)</b>	(\$4,895,656)	\$0	\$3,945,925	\$4,222,488	\$4,517,804
<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>	\$34,496,929	\$34,054,334	\$0	\$0	\$0
<b>Pay Go Premium Transfer</b>	\$75,000,000	\$60,000,000	\$20,000,000	\$30,000,000	\$40,000,000
<b>Actuarial Accrued Liability*</b>	\$1,663,727,440	\$1,686,322,024	\$1,704,800,458	\$1,715,909,460	\$1,719,565,219
<b>Funded Status</b>	100.5%	107.0%	115.3%	121.5%	128.6%

\*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 \$1,622,791 in FY 2022 to \$2,207,789 in FY 2026, based on the Board's direction and projected retiree enrollment growth in the financial plan.

In FY 2022, the ACA PCORI fee is approximately \$2.79 per person per year.

Under the new PBM contract terms effective on July 1, 2022, an estimated gross drug savings of \$9,500,000 has been allocated between PEIA and RHBT drugs claims in FY 2023. Under this contract, an estimated \$9,000,000 of drug rebates have been added to the plan in 2023 as well.

## **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 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 \$113,606,774 and incurred plan expenses of \$180,550,698 to produce a fiscal year deficit of (\$66,943,924) after the Premium Stabilization Reserve addition of \$200,000,000. The PEIA local and state agencies Pay Go premiums for FY 2022 are assumed to be \$75,000,000.

### **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 \$332,705,563 and incurred plan expenses of \$166,747,977 to produce a fiscal year surplus of \$165,957,585 after the Premium Stabilization Reserve drawdown of \$5,556,995. The PEIA local and state agencies Pay Go premiums for FY 2023 are assumed to be \$60,000,000.

### **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 \$361,530,773 and incurred plan expenses of \$183,474,096 to produce a fiscal year surplus of \$178,056,677 after the Premium Stabilization Reserve drawdown of \$57,915,800. The PEIA local and state agencies Pay Go premiums for FY 2024 are assumed to be \$20,000,000.

### **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 \$388,368,975 and incurred plan expenses of \$201,225,090 to produce a fiscal year surplus of \$187,143,885 after the Premium Stabilization Reserve drawdown of \$59,908,401. The PEIA local and state agencies Pay Go premiums for FY 2025 are assumed to be \$30,000,000.

## **FISCAL YEAR 2026 FORECAST**

The financial forecast for FY 2026 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2026 projects accrued revenue of \$417,494,723 and incurred plan expenses of \$220,723,103 to produce a fiscal year surplus of \$196,771,620 after the Premium Stabilization Reserve drawdown of \$63,327,356. The PEIA local and state agencies Pay Go premiums for FY 2026 are assumed to be \$40,000,000.

## **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 2026. These projections are based on significant revenue increases as contained in the financial plan adopted by the Board in December 2021 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 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	\$ 37,500,000	\$ 37,500,000	\$ 75,000,000
Retiree Premiums - PPB	39,079,263	38,965,213	78,044,477
Retiree Premiums - MCO	745,097	882,221	1,627,318
Annual Required Contributions	-	-	-
Non Par Premiums	1,065,489	1,065,489	2,130,978
Life Insurance	13,402,001	13,402,001	26,804,001
Investment Income	50,000,000	50,000,000	100,000,000
Transfer from Premium Stabilization Reserve	(99,996,099)	(100,003,901)	(200,000,000)
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 56,795,751</b>	<b>\$ 56,811,023</b>	<b>\$ 113,606,774</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 25,517,556	\$ 27,252,856	\$ 52,770,412
Gross Non-Medicare Prescription Drug Claims	17,593,550	19,436,949	37,030,499
Non-Medicare Prescription Drug Rebates	(6,685,023)	(7,385,459)	(14,070,482)
Medicare Medical Claims	839,304	299,365	1,138,669
Gross Medicare Prescription Drug Claims	3,706,603	1,371,476	5,078,079
Medicare Prescription Drug Rebates	(1,408,398)	(521,120)	(1,929,518)
Non-Medicare Managed Care Capitations	1,824,451	1,824,451	3,648,901
Humana MAPD Program	43,863,204	20,089,729	63,952,933
Administration	2,049,191	2,049,191	4,098,381
Life Insurance	13,416,782	13,416,782	26,833,563
Wellness	100,000	100,000	200,000
Retiree Assistance Program	811,396	811,396	1,622,791
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	15,099	15,099	30,198
Director's Discretionary Fund	73,136	73,136	146,272
<b>Total Expenses</b>	<b>\$ 101,716,849</b>	<b>\$ 78,833,850</b>	<b>\$ 180,550,698</b>
<b>Fiscal Year Results</b>	<b>\$ (44,921,097)</b>	<b>\$ (22,022,827)</b>	<b>\$ (66,943,924)</b>
Beginning Restricted Reserve			\$ 1,603,235,821
Ending Restricted Reserve			<u>\$ 1,536,291,897</u>
Beginning Premium Stabilization Reserve			\$ 68,106,504
PSR Addition/(Drawdown)			\$ 200,000,000
Ending Premium Stabilization Reserve			<u>\$ 268,106,504</u>
Total Beginning Plan Reserve			1,671,342,325
Total Ending Plan Reserve			<u>\$ 1,804,398,401</u>
Accrued Actuarial Liability (AAL)			\$ 1,663,727,440
Funded Status			100.5%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 82.97	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ (1,306,774)	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 143.75	Non-Medicare	6.0%	13.5%
		Medicare	6.0%	13.5%
		Prescription Drug Rebates		0.0%
		Capitations		7.0%
		Administrative Expense		-8.2%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		-45.4%

**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	\$ 42,500,683		\$ 42,500,683
Employer Premiums - PPB	9,466,809	(2,438,739)	7,028,070
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	45,234,133	(328,286)	44,905,847
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,400,050		1,400,050
Life Insurance	17,610,202		17,610,202
Investment Income	55,268,165		55,268,165
Transfer from Premium Stabilization Reserve	(160,446,698)		(160,446,698)
General Revenue Transfer (OPEB Funding)	16,632,737		16,632,737
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 27,666,081</b>	<b>\$ (2,767,025)</b>	<b>\$ 24,899,056</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,138,669	\$ -	\$ 1,138,669
Gross Medicare Prescription Drug Claims	5,078,079	-	5,078,079
Medicare Prescription Drug Rebates	(1,929,518)		(1,929,518)
Humana MAPD Program	63,952,933		63,952,933
Administration	1,512,824		1,512,824
Life Insurance	17,629,625		17,629,625
Wellness	-		-
Retiree Assistance Program	1,066,172		1,066,172
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	6,011		6,011
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 88,454,795</b>	<b>\$ -</b>	<b>\$ 88,454,795</b>
<b>Fiscal Year Results</b>	<b>\$ (60,788,714)</b>		<b>\$ (63,555,739)</b>
Beginning Restricted Reserve	\$ 876,228,628		\$ 876,228,628
Ending Restricted Reserve	<u>\$ 815,439,914</u>		<u>\$ 812,672,889</u>
Beginning Premium Stabilization Reserve	\$ 47,491,606		\$ 47,491,606
PSR Addition/(Drawdown)	\$ 160,446,698		\$ 160,446,698
Ending Premium Stabilization Reserve	<u>\$ 207,938,304</u>		<u>\$ 207,938,304</u>
Total Beginning Plan Reserve	923,720,234		923,720,234
Total Ending Plan Reserve	<u>\$ 1,023,378,218</u>		<u>\$ 1,020,611,193</u>
Accrued Actuarial Liability (AAL)	\$ 1,663,727,440		\$ 1,663,727,440
Funded Status	102.5%		102.6%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 82.97	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ (2,767,025)	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 92.49	Medicare	6.0%	13.5%
		Prescription Drug Rebates		0.0%
		Capitations		7.0%
		Administrative Expense		-8.2%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		-45.4%

**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	\$ 32,499,317		\$ 32,499,317
Employer Premiums - PPB	9,501,485	(1,001,252)	8,500,233
Employer Premiums - MCO	934,180	(138,101)	796,079
Retiree Premiums - PPB	15,189,974	2,420,353	17,610,327
Retiree Premiums - MCO	651,989	179,251	831,239
Annual Required Contributions	-		-
Non Par Premiums	730,928		730,928
Life Insurance	9,193,799		9,193,799
Investment Income	44,731,835		44,731,835
Transfer from Premium Stabilization Reserve	(39,553,302)		(39,553,302)
General Revenue Transfer (OPEB Funding)	13,367,263		13,367,263
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 87,247,468</b>	<b>\$ 1,460,251</b>	<b>\$ 88,707,718</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 52,770,412	\$ -	\$ 52,770,412
Gross Non-Medicare Prescription Drug Claims	37,030,499	-	37,030,499
Non-Medicare Prescription Drug Rebates	(14,070,482)		(14,070,482)
Non-Medicare Managed Care Capitations	3,648,901		3,648,901
Administration	2,585,557		2,585,557
Life Insurance	9,203,938		9,203,938
Wellness	200,000		200,000
Retiree Assistance Program	556,619		556,619
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	24,187		24,187
Director's Discretionary Fund	146,272		146,272
<b>Total Expenses</b>	<b>\$ 92,095,903</b>	<b>\$ -</b>	<b>\$ 92,095,903</b>
<b>Fiscal Year Results</b>	<b>\$ (4,848,435)</b>		<b>\$ (3,388,185)</b>
Beginning Restricted Reserve	\$ 727,007,192		\$ 727,007,192
Ending Restricted Reserve	<u>\$ 722,158,757</u>		<u>\$ 723,619,008</u>
Beginning Premium Stabilization Reserve	\$ 20,614,898		\$ 20,614,898
PSR Addition/(Drawdown)	\$ 39,553,302		\$ 39,553,302
Ending Premium Stabilization Reserve	<u>\$ 60,168,200</u>		<u>\$ 60,168,200</u>
Total Beginning Plan Reserve	747,622,091		747,622,091
Total Ending Plan Reserve	<u>\$ 782,326,957</u>		<u>\$ 783,787,208</u>
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	\$ 82.97			
Additional Retiree Premiums	\$ 1,460,251			
Pay Go PEPM Subsidy for Retirees	\$ 522.28	Non-Medicare	6.0%	13.5%
		Prescription Drug Rebates		0.0%
		Capitations		7.0%
		Administrative Expense		-8.2%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		-45.4%

**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	\$ 30,000,000	\$ 30,000,000	\$ 60,000,000
Retiree Premiums - PPB	34,646,001	34,746,897	69,392,898
Retiree Premiums - MCO	793,417	793,417	1,586,834
Annual Required Contributions	-	-	-
Non Par Premiums	1,033,525	1,033,525	2,067,049
Life Insurance	14,072,101	14,072,101	28,144,201
Investment Income	67,978,793	67,978,793	135,957,585
Transfer from Premium Stabilization Reserve	2,772,584	2,784,412	5,556,995
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 166,296,419</b>	<b>\$ 166,409,143</b>	<b>\$ 332,705,563</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 27,393,801	\$ 29,394,091	\$ 56,787,892
Gross Non-Medicare Prescription Drug Claims	19,730,330	21,845,479	41,575,809
Non-Medicare Prescription Drug Rebates	(8,249,125)	(9,113,444)	(17,362,569)
Medicare Medical Claims	865,517	310,274	1,175,791
Gross Medicare Prescription Drug Claims	3,988,640	1,479,316	5,467,956
Medicare Prescription Drug Rebates	(1,669,094)	(617,580)	(2,286,674)
Non-Medicare Managed Care Capitations	1,970,407	1,970,407	3,940,813
Humana MAPD Program	19,732,448	23,123,954	42,856,402
Administration	2,110,666	2,110,666	4,221,332
Life Insurance	14,087,621	14,087,621	28,175,241
Wellness	107,000	107,000	214,000
Retiree Assistance Program	876,307	876,307	1,752,614
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	16,070	16,070	32,141
Director's Discretionary Fund	98,615	98,615	197,230
<b>Total Expenses</b>	<b>\$ 81,059,202</b>	<b>\$ 85,688,776</b>	<b>\$ 166,747,977</b>
<b>Fiscal Year Results</b>	<b>\$ 85,237,217</b>	<b>\$ 80,720,367</b>	<b>\$ 165,957,585</b>
Beginning Restricted Reserve			\$ 1,536,291,897
Ending Restricted Reserve			<u>\$ 1,702,249,482</u>
Beginning Premium Stabilization Reserve			\$ 268,106,504
PSR Addition/(Drawdown)			\$ (5,556,995)
Ending Premium Stabilization Reserve			<u>\$ 262,549,509</u>
Total Beginning Plan Reserve			1,804,398,401
Total Ending Plan Reserve			<u>\$ 1,964,798,991</u>
Accrued Actuarial Liability (AAL)			\$ 1,686,322,024
Funded Status			107.0%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 66.31	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ (4,117,532)	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 112.81	Non-Medicare	7.0%	14.0%
		Medicare	7.0%	14.0%
		Prescription Drug Rebates		22.2%
		Capitations		14.4%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		-20.0%



**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	\$ 21,721,615		\$ 21,721,615
Employer Premiums - PPB	8,635,636	(711,665)	7,923,971
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	41,328,219	(3,405,868)	37,922,351
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,358,049		1,358,049
Life Insurance	18,490,713		18,490,713
Investment Income	76,900,885		76,900,885
Transfer from Premium Stabilization Reserve	4,454,464		4,454,464
General Revenue Transfer (OPEB Funding)	17,846,508		17,846,508
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 190,736,088</b>	<b>\$ (4,117,532)</b>	<b>\$ 186,618,556</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,175,791	\$ -	\$ 1,175,791
Gross Medicare Prescription Drug Claims	5,602,023	(134,067)	5,467,956
Medicare Prescription Drug Rebates	(2,286,674)		(2,286,674)
Humana MAPD Program	42,856,402		42,856,402
Administration	1,558,209		1,558,209
Life Insurance	18,511,106		18,511,106
Wellness	-		-
Retiree Assistance Program	1,151,466		1,151,466
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	9,030		9,030
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 68,577,353</b>	<b>\$ (134,067)</b>	<b>\$ 68,443,286</b>
<b>Fiscal Year Results</b>	<b>\$ 122,158,735</b>		<b>\$ 118,175,270</b>
Beginning Restricted Reserve	\$ 812,672,889		\$ 812,672,889
Ending Restricted Reserve	<u>\$ 934,831,625</u>		<u>\$ 930,848,159</u>
Beginning Premium Stabilization Reserve	\$ 207,938,304		\$ 207,938,304
PSR Addition/(Drawdown)	\$ (4,454,464)		\$ (4,454,464)
Ending Premium Stabilization Reserve	<u>\$ 203,483,840</u>		<u>\$ 203,483,840</u>
Total Beginning Plan Reserve	1,020,611,193		1,020,611,193
Total Ending Plan Reserve	<u>\$ 1,138,315,465</u>		<u>\$ 1,134,331,999</u>
Accrued Actuarial Liability (AAL)	\$ 1,686,322,024		\$ 1,686,322,024
Funded Status	109.7%		109.8%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 66.31	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ (4,117,532)	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 45.97	Medicare	7.0%	14.0%
		Prescription Drug Rebates		22.2%
		Capitations		14.4%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		-20.0%

**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	\$ 38,278,385		\$ 38,278,385
Employer Premiums - PPB	9,051,575	-	9,051,575
Employer Premiums - MCO	933,543	-	933,543
Retiree Premiums - PPB	14,495,001	-	14,495,001
Retiree Premiums - MCO	653,291	-	653,291
Annual Required Contributions	-		-
Non Par Premiums	709,000		709,000
Life Insurance	9,653,488		9,653,488
Investment Income	59,056,701		59,056,701
Transfer from Premium Stabilization Reserve	1,102,532		1,102,532
General Revenue Transfer (OPEB Funding)	12,153,492		12,153,492
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 146,087,008</b>	<b>\$ -</b>	<b>\$ 146,087,008</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 56,787,892	\$ -	\$ 56,787,892
Gross Non-Medicare Prescription Drug Claims	42,553,452	(977,643)	41,575,809
Non-Medicare Prescription Drug Rebates	(17,362,569)		(17,362,569)
Non-Medicare Managed Care Capitations	3,940,813		3,940,813
Administration	2,663,123		2,663,123
Life Insurance	9,664,135		9,664,135
Wellness	214,000		214,000
Retiree Assistance Program	601,148		601,148
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	23,111		23,111
Director's Discretionary Fund	197,230		197,230
<b>Total Expenses</b>	<b>\$ 99,282,335</b>	<b>\$ (977,643)</b>	<b>\$ 98,304,692</b>
<b>Fiscal Year Results</b>	<b>\$ 46,804,672</b>		<b>\$ 47,782,315</b>
Beginning Restricted Reserve	\$ 723,619,008		\$ 723,619,008
Ending Restricted Reserve	<u>\$ 770,423,680</u>		<u>\$ 771,401,323</u>
Beginning Premium Stabilization Reserve	\$ 60,168,200		\$ 60,168,200
PSR Addition/(Drawdown)	\$ (1,102,532)		\$ (1,102,532)
Ending Premium Stabilization Reserve	<u>\$ 59,065,669</u>		<u>\$ 59,065,669</u>
<b>Total Beginning Plan Reserve</b>	<b>783,787,208</b>		<b>783,787,208</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 829,489,349</b>		<b>\$ 830,466,992</b>
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	\$ 66.31			
Additional Retiree Premiums	\$ -			
Pay Go PEPM Subsidy for Retirees	\$ 645.25	Non-Medicare	7.0%	14.0%
		Prescription Drug Rebates		22.2%
		Capitations		14.4%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		-20.0%

**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	\$ 10,000,000	\$ 10,000,000	\$ 20,000,000
Retiree Premiums - PPB	35,519,190	36,802,678	72,321,868
Retiree Premiums - MCO	839,990	839,990	1,679,980
Annual Required Contributions	-	-	-
Non Par Premiums	1,002,519	1,002,519	2,005,037
Life Insurance	14,775,706	14,775,706	29,551,411
Investment Income	74,028,338	74,028,338	148,056,677
Transfer from Premium Stabilization Reserve	28,844,839	29,070,961	57,915,800
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 180,010,582</b>	<b>\$ 181,520,191</b>	<b>\$ 361,530,773</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 29,644,666	\$ 31,883,397	\$ 61,528,063
Gross Non-Medicare Prescription Drug Claims	22,746,577	25,240,134	47,986,711
Non-Medicare Prescription Drug Rebates	(9,581,359)	(10,585,265)	(20,166,624)
Medicare Medical Claims	899,634	323,313	1,222,947
Gross Medicare Prescription Drug Claims	4,416,721	1,641,934	6,058,655
Medicare Prescription Drug Rebates	(1,861,875)	(688,910)	(2,550,785)
Non-Medicare Managed Care Capitations	2,128,039	2,128,039	4,256,078
Humana MAPD Program	22,712,712	26,137,721	48,850,433
Administration	2,173,986	2,173,986	4,347,972
Life Insurance	14,792,002	14,792,002	29,584,003
Wellness	115,025	115,025	230,050
Retiree Assistance Program	946,412	946,412	1,892,823
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	17,356	17,356	34,713
Director's Discretionary Fund	99,528	99,528	199,056
<b>Total Expenses</b>	<b>\$ 89,249,424</b>	<b>\$ 94,224,671</b>	<b>\$ 183,474,096</b>
<b>Fiscal Year Results</b>	<b>\$ 90,761,158</b>	<b>\$ 87,295,520</b>	<b>\$ 178,056,677</b>
Beginning Restricted Reserve			\$ 1,702,249,482
Ending Restricted Reserve			<u>\$ 1,880,306,159</u>
Beginning Premium Stabilization Reserve			\$ 262,549,509
PSR Addition/(Drawdown)			\$ (57,915,800)
Ending Premium Stabilization Reserve			<u>\$ 204,633,709</u>
Total Beginning Plan Reserve			1,964,798,991
Total Ending Plan Reserve			<u>\$ 2,084,939,868</u>
Accrued Actuarial Liability (AAL)			\$ 1,704,800,458
Funded Status			115.3%

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
		Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$ 22.10			
Additional Retiree Premiums	\$ 3,811,036	Non-Medicare	7.5%	14.5%
Pay Go PEPM Subsidy for Retirees	\$ 36.77	Medicare	7.5%	14.5%
		Prescription Drug Rebates		15.0%
		Capitations		12.4%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		-66.7%

**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	\$ 4,719,093		\$ 4,719,093
Employer Premiums - PPB	7,946,343	449,094	8,395,437
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	38,029,419	2,149,262	40,178,681
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,317,307		1,317,307
Life Insurance	19,415,248		19,415,248
Investment Income	85,477,154		85,477,154
Transfer from Premium Stabilization Reserve	46,388,028		46,388,028
General Revenue Transfer (OPEB Funding)	16,589,437		16,589,437
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 219,882,029</b>	<b>\$ 2,598,356</b>	<b>\$ 222,480,385</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,222,947	\$ -	\$ 1,222,947
Gross Medicare Prescription Drug Claims	6,058,655	-	6,058,655
Medicare Prescription Drug Rebates	(2,550,785)		(2,550,785)
Humana MAPD Program	48,850,433		48,850,433
Administration	1,604,955		1,604,955
Life Insurance	19,436,661		19,436,661
Wellness	-		-
Retiree Assistance Program	1,243,583		1,243,583
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	12,460		12,460
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 75,878,909</b>	<b>\$ -</b>	<b>\$ 75,878,909</b>
<b>Fiscal Year Results</b>	<b>\$ 144,003,120</b>		<b>\$ 146,601,476</b>
Beginning Restricted Reserve	\$ 930,848,159		\$ 930,848,159
Ending Restricted Reserve	<u>\$ 1,074,851,279</u>		<u>\$ 1,077,449,635</u>
Beginning Premium Stabilization Reserve	\$ 203,483,840		\$ 203,483,840
PSR Addition/(Drawdown)	\$ (46,388,028)		\$ (46,388,028)
Ending Premium Stabilization Reserve	<u>\$ 157,095,812</u>		<u>\$ 157,095,812</u>
Total Beginning Plan Reserve	1,134,331,999		1,134,331,999
Total Ending Plan Reserve	<u>\$ 1,231,947,092</u>		<u>\$ 1,234,545,448</u>
Accrued Actuarial Liability (AAL)	\$ 1,704,800,458		\$ 1,704,800,458
Funded Status	116.3%		116.4%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 22.10	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 2,598,356	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 9.69	Medicare	7.5%	14.5%
		Prescription Drug Rebates		15.0%
		Capitations		12.4%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		-66.7%

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

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

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

<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	\$ 15,280,907		\$ 15,280,907
Employer Premiums - PPB	8,693,539	435,369	9,128,908
Employer Premiums - MCO	941,206	47,135	988,341
Retiree Premiums - PPB	13,921,650	697,191	14,618,841
Retiree Premiums - MCO	658,654	32,985	691,639
Annual Required Contributions	-		-
Non Par Premiums	687,730		687,730
Life Insurance	10,136,163		10,136,163
Investment Income	62,579,523		62,579,523
Transfer from Premium Stabilization Reserve	11,527,772		11,527,772
General Revenue Transfer (OPEB Funding)	13,410,563		13,410,563
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 137,837,708</b>	<b>\$ 1,212,680</b>	<b>\$ 139,050,388</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 61,528,063	\$ -	\$ 61,528,063
Gross Non-Medicare Prescription Drug Claims	47,986,711	-	47,986,711
Non-Medicare Prescription Drug Rebates	(20,166,624)		(20,166,624)
Non-Medicare Managed Care Capitations	4,256,078		4,256,078
Administration	2,743,017		2,743,017
Life Insurance	10,147,342		10,147,342
Wellness	230,050		230,050
Retiree Assistance Program	649,240		649,240
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	22,253		22,253
Director's Discretionary Fund	199,056		199,056
<b>Total Expenses</b>	<b>\$ 107,595,186</b>	<b>\$ -</b>	<b>\$ 107,595,186</b>
<b>Fiscal Year Results</b>	<b>\$ 30,242,521</b>		<b>\$ 31,455,202</b>
Beginning Restricted Reserve	\$ 771,401,323		\$ 771,401,323
Ending Restricted Reserve	<u>\$ 801,643,844</u>		<u>\$ 802,856,525</u>
Beginning Premium Stabilization Reserve	\$ 59,065,669		\$ 59,065,669
PSR Addition/(Drawdown)	\$ (11,527,772)		\$ (11,527,772)
Ending Premium Stabilization Reserve	<u>\$ 47,537,897</u>		<u>\$ 47,537,897</u>
<b>Total Beginning Plan Reserve</b>	<b>830,466,992</b>		<b>830,466,992</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 849,181,741</b>		<b>\$ 850,394,421</b>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 22.10	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 1,212,680	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 268.38	Non-Medicare	7.5%	14.5%
		Prescription Drug Rebates		15.0%
		Capitations		12.4%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		-66.7%

**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	\$ 15,000,000	\$ 15,000,000	\$ 30,000,000
Retiree Premiums - PPB	37,586,914	38,971,411	76,558,325
Retiree Premiums - MCO	892,248	892,248	1,784,496
Annual Required Contributions	-	-	-
Non Par Premiums	972,443	972,443	1,944,886
Life Insurance	15,514,491	15,514,491	31,028,982
Investment Income	78,571,943	78,571,943	157,143,885
Transfer from Premium Stabilization Reserve	29,781,936	30,126,465	59,908,401
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 193,319,974</b>	<b>\$ 195,049,001</b>	<b>\$ 388,368,975</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 32,230,199	\$ 34,744,543	\$ 66,974,741
Gross Non-Medicare Prescription Drug Claims	26,338,809	29,289,773	55,628,582
Non-Medicare Prescription Drug Rebates	(11,128,748)	(12,294,785)	(23,423,534)
Medicare Medical Claims	939,461	338,467	1,277,928
Gross Medicare Prescription Drug Claims	4,912,169	1,830,392	6,742,561
Medicare Prescription Drug Rebates	(2,076,921)	(768,479)	(2,845,400)
Non-Medicare Managed Care Capitations	2,298,282	2,298,282	4,596,564
Humana MAPD Program	25,672,881	28,528,247	54,201,127
Administration	2,239,206	2,239,206	4,478,412
Life Insurance	15,531,602	15,531,602	31,063,203
Wellness	124,227	124,227	248,454
Retiree Assistance Program	1,022,125	1,022,125	2,044,249
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	18,642	18,642	37,283
Director's Discretionary Fund	100,460	100,460	200,920
<b>Total Expenses</b>	<b>\$ 98,222,391</b>	<b>\$ 103,002,700</b>	<b>\$ 201,225,090</b>
<b>Fiscal Year Results</b>	<b>\$ 95,097,584</b>	<b>\$ 92,046,301</b>	<b>\$ 187,143,885</b>
Beginning Restricted Reserve			\$ 1,880,306,159
Ending Restricted Reserve			<u>\$ 2,067,450,045</u>
Beginning Premium Stabilization Reserve			\$ 204,633,709
PSR Addition/(Drawdown)			\$ (59,908,401)
Ending Premium Stabilization Reserve			<u>\$ 144,725,308</u>
Total Beginning Plan Reserve			2,084,939,868
Total Ending Plan Reserve			<u>\$ 2,212,175,353</u>
Accrued Actuarial Liability (AAL)			\$ 1,715,909,460
Funded Status			121.5%

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
		Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$ 33.15			
Additional Retiree Premiums	\$ 5,164,229	Non-Medicare	8.0%	15.0%
Pay Go PEPM Subsidy for Retirees	\$ 53.97	Medicare	8.0%	15.0%
		Prescription Drug Rebates		15.0%
		Capitations		8.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		50.0%

**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	\$ 7,482,661		\$ 7,482,661
Employer Premiums - PPB	8,419,711	681,439	9,101,150
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	40,294,849	3,261,217	43,556,066
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,277,788		1,277,788
Life Insurance	20,386,011		20,386,011
Investment Income	93,048,855		93,048,855
Transfer from Premium Stabilization Reserve	47,945,619		47,945,619
General Revenue Transfer (OPEB Funding)	17,488,398		17,488,398
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 236,343,893</b>	<b>\$ 3,942,656</b>	<b>\$ 240,286,549</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,277,928	\$ -	\$ 1,277,928
Gross Medicare Prescription Drug Claims	6,742,561	-	6,742,561
Medicare Prescription Drug Rebates	(2,845,400)		(2,845,400)
Humana MAPD Program	54,201,127		54,201,127
Administration	1,653,104		1,653,104
Life Insurance	20,408,494		20,408,494
Wellness	-		-
Retiree Assistance Program	1,343,070		1,343,070
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	15,885		15,885
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 82,796,769</b>	<b>\$ -</b>	<b>\$ 82,796,769</b>
<b>Fiscal Year Results</b>	<b>\$ 153,547,124</b>		<b>\$ 157,489,780</b>
Beginning Restricted Reserve	\$ 1,077,449,635		\$ 1,077,449,635
Ending Restricted Reserve	<u>\$ 1,230,996,759</u>		<u>\$ 1,234,939,415</u>
Beginning Premium Stabilization Reserve	\$ 157,095,812		\$ 157,095,812
PSR Addition/(Drawdown)	\$ (47,945,619)		\$ (47,945,619)
Ending Premium Stabilization Reserve	<u>\$ 109,150,193</u>		<u>\$ 109,150,193</u>
<b>Total Beginning Plan Reserve</b>	<b>1,234,545,448</b>		<b>1,234,545,448</b>
<b>Total Ending Plan Reserve</b>	<b><u>\$ 1,340,146,952</u></b>		<b><u>\$ 1,344,089,608</u></b>
Accrued Actuarial Liability (AAL)	\$ 1,715,909,460		\$ 1,715,909,460
<b>Funded Status</b>	<b>122.5%</b>		<b>122.5%</b>

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 33.15	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 3,942,656	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 14.93	Medicare	8.0%	15.0%
		Prescription Drug Rebates		15.0%
		Capitations		8.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		50.0%

**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	\$ 22,517,339		\$ 22,517,339
Employer Premiums - PPB	8,750,899	436,962	9,187,862
Employer Premiums - MCO	999,900	49,928	1,049,828
Retiree Premiums - PPB	14,013,505	699,742	14,713,248
Retiree Premiums - MCO	699,728	34,940	734,668
Annual Required Contributions	-		-
Non Par Premiums	667,098		667,098
Life Insurance	10,642,971		10,642,971
Investment Income	64,095,030		64,095,030
Transfer from Premium Stabilization Reserve	11,962,781		11,962,781
General Revenue Transfer (OPEB Funding)	12,511,602		12,511,602
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 146,860,853</b>	<b>\$ 1,221,573</b>	<b>\$ 148,082,426</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 66,974,741	\$ -	\$ 66,974,741
Gross Non-Medicare Prescription Drug Claims	55,628,582	-	55,628,582
Non-Medicare Prescription Drug Rebates	(23,423,534)		(23,423,534)
Non-Medicare Managed Care Capitations	4,596,564		4,596,564
Administration	2,825,308		2,825,308
Life Insurance	10,654,709		10,654,709
Wellness	248,454		248,454
Retiree Assistance Program	701,180		701,180
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	21,398		21,398
Director's Discretionary Fund	200,920		200,920
<b>Total Expenses</b>	<b>\$ 118,428,322</b>	<b>\$ -</b>	<b>\$ 118,428,322</b>
<b>Fiscal Year Results</b>	<b>\$ 28,432,531</b>		<b>\$ 29,654,104</b>
Beginning Restricted Reserve	\$ 802,856,525		\$ 802,856,525
Ending Restricted Reserve	<u>\$ 831,289,056</u>		<u>\$ 832,510,629</u>
Beginning Premium Stabilization Reserve	\$ 47,537,897		\$ 47,537,897
PSR Addition/(Drawdown)	\$ (11,962,781)		\$ (11,962,781)
Ending Premium Stabilization Reserve	<u>\$ 35,575,116</u>		<u>\$ 35,575,116</u>
<b>Total Beginning Plan Reserve</b>	<b>850,394,421</b>		<b>850,394,421</b>
<b>Total Ending Plan Reserve</b>	<b><u>\$ 866,864,171</u></b>		<b><u>\$ 868,085,744</u></b>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 33.15	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 1,221,573	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 412.71	Non-Medicare	8.0%	15.0%
		Prescription Drug Rebates		15.0%
		Capitations		8.5%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		50.0%



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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2026**

PERIOD 7/1/2025 - 6/30/2026

	7/1/2025 to 12/31/2025	1/1/2026 to 6/30/2026	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 20,000,000	\$ 20,000,000	\$ 40,000,000
Retiree Premiums - PPB	39,767,144	41,259,544	81,026,688
Retiree Premiums - MCO	951,044	951,044	1,902,088
Annual Required Contributions	-	-	-
Non Par Premiums	943,270	943,270	1,886,540
Life Insurance	16,290,216	16,290,216	32,580,431
Investment Income	83,385,810	83,385,810	166,771,620
Transfer from Premium Stabilization Reserve	31,420,813	31,906,543	63,327,356
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 207,758,297</b>	<b>\$ 209,736,426</b>	<b>\$ 417,494,723</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 35,204,013	\$ 38,037,918	\$ 73,241,930
Gross Non-Medicare Prescription Drug Claims	30,631,363	34,137,080	64,768,443
Non-Medicare Prescription Drug Rebates	(12,926,041)	(14,280,393)	(27,206,434)
Medicare Medical Claims	985,607	355,974	1,341,580
Gross Medicare Prescription Drug Claims	5,487,020	2,049,359	7,536,379
Medicare Prescription Drug Rebates	(2,316,805)	(857,239)	(3,174,044)
Non-Medicare Managed Care Capitations	2,482,145	2,482,145	4,964,289
Humana MAPD Program	28,020,893	31,280,897	59,301,790
Administration	2,306,382	2,306,382	4,612,764
Life Insurance	16,308,182	16,308,182	32,616,364
Wellness	134,787	134,787	269,573
Retiree Assistance Program	1,103,895	1,103,895	2,207,789
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	19,926	19,926	39,853
Director's Discretionary Fund	101,414	101,414	202,827
<b>Total Expenses</b>	<b>\$ 107,542,778</b>	<b>\$ 113,180,325</b>	<b>\$ 220,723,103</b>
<b>Fiscal Year Results</b>	<b>\$ 100,215,520</b>	<b>\$ 96,556,101</b>	<b>\$ 196,771,620</b>
Beginning Restricted Reserve			\$ 2,067,450,045
Ending Restricted Reserve			<u>\$ 2,264,221,665</u>
Beginning Premium Stabilization Reserve			\$ 144,725,308
PSR Addition/(Drawdown)			\$ (63,327,356)
Ending Premium Stabilization Reserve			<u>\$ 81,397,952</u>
Total Beginning Plan Reserve			2,212,175,353
Total Ending Plan Reserve			<u>\$ 2,345,619,617</u>
Accrued Actuarial Liability (AAL)			\$ 1,719,565,219
Funded Status			128.6%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 44.20	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 5,443,959	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 70.43	Non-Medicare	8.5%	15.5%
		Medicare	8.5%	15.5%
		Prescription Drug Rebates		15.0%
		Capitations		9.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		33.3%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2026**

PERIOD 7/1/2025 - 6/30/2026

<b>Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 9,810,871		\$ 9,810,871
Employer Premiums - PPB	9,127,788	728,563	9,856,351
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	43,683,551	3,486,739	47,170,291
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,239,455		1,239,455
Life Insurance	21,405,311		21,405,311
Investment Income	101,328,315		101,328,315
Transfer from Premium Stabilization Reserve	50,641,179		50,641,179
General Revenue Transfer (OPEB Funding)	17,575,440		17,575,440
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 254,811,911</b>	<b>\$ 4,215,302</b>	<b>\$ 259,027,213</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,341,580	\$ -	\$ 1,341,580
Gross Medicare Prescription Drug Claims	7,536,379	-	7,536,379
Medicare Prescription Drug Rebates	(3,174,044)		(3,174,044)
Humana MAPD Program	59,301,790		59,301,790
Administration	1,702,697		1,702,697
Life Insurance	21,428,919		21,428,919
Wellness	-		-
Retiree Assistance Program	1,450,515		1,450,515
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	19,306		19,306
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 89,607,142</b>	<b>\$ -</b>	<b>\$ 89,607,142</b>
<b>Fiscal Year Results</b>	<b>\$ 165,204,769</b>		<b>\$ 169,420,072</b>
Beginning Restricted Reserve	\$ 1,234,939,415		\$ 1,234,939,415
Ending Restricted Reserve	<u>\$ 1,400,144,185</u>		<u>\$ 1,404,359,487</u>
Beginning Premium Stabilization Reserve	\$ 109,150,193		\$ 109,150,193
PSR Addition/(Drawdown)	\$ (50,641,179)		\$ (50,641,179)
Ending Premium Stabilization Reserve	<u>\$ 58,509,014</u>		<u>\$ 58,509,014</u>
Total Beginning Plan Reserve	1,344,089,608		1,344,089,608
Total Ending Plan Reserve	<u>\$ 1,458,653,199</u>		<u>\$ 1,462,868,501</u>
Accrued Actuarial Liability (AAL)	\$ 1,719,565,219		\$ 1,719,565,219
Funded Status	129.4%		129.5%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 44.20	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 4,215,302	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 19.02	Medicare	8.5%	15.5%
		Prescription Drug Rebates		15.0%
		Capitations		9.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		33.3%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2026**

PERIOD 7/1/2025 - 6/30/2026

<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	\$ 30,189,129		\$ 30,189,129
Employer Premiums - PPB	8,788,268	437,626	9,225,894
Employer Premiums - MCO	1,065,929	53,080	1,119,008
Retiree Premiums - PPB	14,073,346	700,806	14,774,152
Retiree Premiums - MCO	745,935	37,145	783,080
Annual Required Contributions	-		-
Non Par Premiums	647,085		647,085
Life Insurance	11,175,120		11,175,120
Investment Income	65,443,305		65,443,305
Transfer from Premium Stabilization Reserve	12,686,177		12,686,177
General Revenue Transfer (OPEB Funding)	12,424,560		12,424,560
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 157,238,853</b>	<b>\$ 1,228,657</b>	<b>\$ 158,467,510</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 73,241,930	\$ -	\$ 73,241,930
Gross Non-Medicare Prescription Drug Claims	64,768,443	-	64,768,443
Non-Medicare Prescription Drug Rebates	(27,206,434)		(27,206,434)
Non-Medicare Managed Care Capitations	4,964,289		4,964,289
Administration	2,910,067		2,910,067
Life Insurance	11,187,445		11,187,445
Wellness	269,573		269,573
Retiree Assistance Program	757,274		757,274
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	20,547		20,547
Director's Discretionary Fund	202,827		202,827
<b>Total Expenses</b>	<b>\$ 131,115,961</b>	<b>\$ -</b>	<b>\$ 131,115,961</b>
<b>Fiscal Year Results</b>	<b>\$ 26,122,892</b>		<b>\$ 27,351,549</b>
Beginning Restricted Reserve	\$ 832,510,629		\$ 832,510,629
Ending Restricted Reserve	\$ 858,633,521		\$ 859,862,178
Beginning Premium Stabilization Reserve	\$ 35,575,116		\$ 35,575,116
PSR Addition/(Drawdown)	\$ (12,686,177)		\$ (12,686,177)
Ending Premium Stabilization Reserve	\$ 22,888,938		\$ 22,888,938
<b>Total Beginning Plan Reserve</b>	<b>868,085,744</b>		<b>868,085,744</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 881,522,459</b>		<b>\$ 882,751,116</b>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 44.20	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 1,228,657	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 578.42	Non-Medicare	8.5%	15.5%
		Prescription Drug Rebates		15.0%
		Capitations		9.0%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		33.3%

**Attachment - Trust Fund  
Historical Monthly Medical and Drug Trends  
FY 2021 to FY 2022**

**Fiscal Year 2021**

<b>Exposure</b>	<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>	<u>Mar-21</u>	<u>Apr-21</u>	<u>May-21</u>	<u>Jun-21</u>
<b>NonMed_NonDrug</b>	13,587	13,827	13,736	13,521	13,340	13,194	13,136	13,061	12,939	12,760	12,531	12,337
<b>Med_NonDrug</b>	1,132	1,436	1,715	1,961	2,183	2,368	255	442	609	757	903	1,059
<b>NonMed_Drug</b>	12,593	12,817	12,733	12,535	12,368	12,231	12,179	12,108	11,996	11,831	11,622	11,441
<b>Med_Drug</b>	1,179	1,496	1,787	2,043	2,274	2,466	266	460	634	788	941	1,103

	<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>	<u>Mar-21</u>	<u>Apr-21</u>	<u>May-21</u>	<u>Jun-21</u>
<b>NonMed_NonDrug</b>	\$267.25	\$278.24	\$255.59	\$281.55	\$257.35	\$238.18	\$282.96	\$318.50	\$325.62	\$341.16	\$342.49	\$358.80
<b>Med_NonDrug</b>	322.42	267.87	225.90	295.71	189.63	245.07	826.53	312.74	369.73	285.61	301.35	264.65
<b>NonMed_Drug</b>	197.80	193.04	202.89	215.84	203.06	224.04	218.81	198.22	240.11	229.32	221.48	256.53
<b>Med_Drug</b>	<u>469.25</u>	<u>414.18</u>	<u>438.97</u>	<u>471.16</u>	<u>448.76</u>	<u>503.68</u>	<u>488.71</u>	<u>430.12</u>	<u>423.52</u>	<u>434.77</u>	<u>455.73</u>	<u>464.38</u>
<b>Total</b>	\$1,256.73	\$1,153.32	\$1,123.35	\$1,264.26	\$1,098.79	\$1,210.98	\$1,817.02	\$1,259.58	\$1,358.98	\$1,290.86	\$1,321.04	\$1,344.36

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

<b>NonMed_NonDrug</b>	8.2%	5.8%	-2.2%	-0.4%	-0.1%	-7.7%	-5.9%	17.9%	36.5%	106.0%	41.1%	16.4%
<b>Med_NonDrug</b>	10.1%	17.1%	-4.5%	29.1%	-24.9%	19.8%	-20.7%	-40.4%	-26.0%	-16.2%	15.9%	-19.2%
<b>NonMed_Drug</b>	2.7%	-2.3%	14.6%	6.7%	8.3%	11.6%	4.5%	-0.3%	3.5%	6.9%	9.9%	17.6%
<b>Med_Drug</b>	<u>39.9%</u>	<u>15.5%</u>	<u>20.9%</u>	<u>22.9%</u>	<u>29.7%</u>	<u>35.0%</u>	<u>22.1%</u>	<u>2.2%</u>	<u>-22.5%</u>	<u>-7.3%</u>	<u>20.0%</u>	<u>-16.7%</u>
<b>Total</b>	17.7%	10.1%	8.2%	15.2%	5.3%	16.9%	-6.9%	-11.0%	-10.4%	8.5%	21.8%	-4.8%

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

<b>NonMed_NonDrug</b>		3.9%				-2.7%			14.5%			45.5%
<b>Med_NonDrug</b>		7.6%				6.4%			-27.0%			-8.3%
<b>NonMed_Drug</b>		4.7%				8.9%			2.6%			11.5%
<b>Med_Drug</b>			<u>25.1%</u>			<u>29.2%</u>			<u>-1.9%</u>			<u>-3.7%</u>
<b>Total</b>			12.0%			12.5%			-9.2%			7.3%

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

<b>NonMed_NonDrug</b>			-7.0%			-8.0%			-3.1%			14.6%
<b>Med_NonDrug</b>			15.1%			14.1%			-10.6%			-12.0%
<b>NonMed_Drug</b>			7.7%			6.7%			4.5%			7.0%
<b>Med_Drug</b>			<u>9.1%</u>			<u>17.9%</u>			<u>17.5%</u>			<u>10.3%</u>
<b>Total</b>			6.7%			8.9%			2.4%			4.0%

**Attachment - Trust Fund  
Historical Monthly Medical and Drug Trends  
FY 2021 to FY 2022**

**Fiscal Year 2022**

**Exposure**

	<u>Jul-21</u>	<u>Aug-21</u>	<u>Sep-21</u>	<u>Oct-21</u>	<u>Nov-21</u>
NonMed_NonDrug	12,630	12,670	12,602	12,396	12,302
Med_NonDrug	1,458	1,672	1,847	1,902	2,118
NonMed_Drug	11,713	11,750	11,687	11,498	11,411
Med_Drug	1,518	1,742	1,924	1,981	2,206

	<u>Jul-21</u>	<u>Aug-21</u>	<u>Sep-21</u>	<u>Oct-21</u>	<u>Nov-21</u>
NonMed_NonDrug	\$292.94	\$327.31	\$277.93	\$299.17	\$292.23
Med_NonDrug	227.33	264.89	248.18	247.39	220.89
NonMed_Drug	211.64	248.21	242.37	244.93	257.53
Med_Drug	<u>412.73</u>	<u>400.55</u>	<u>406.89</u>	<u>449.77</u>	<u>480.01</u>
<b>Total</b>	\$1,144.64	\$1,240.96	\$1,175.37	\$1,241.25	\$1,250.66

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

NonMed_NonDrug	9.6%	17.6%	8.7%	6.3%	13.6%
Med_NonDrug	-29.5%	-1.1%	9.9%	-16.3%	16.5%
NonMed_Drug	7.0%	28.6%	19.5%	13.5%	26.8%
Med_Drug	<u>-12.0%</u>	<u>-3.3%</u>	<u>-7.3%</u>	<u>-4.5%</u>	<u>7.0%</u>
<b>Total</b>	-8.9%	7.6%	4.6%	-1.8%	13.8%

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

NonMed_NonDrug	12.1%
Med_NonDrug	-9.3%
NonMed_Drug	18.3%
Med_Drug	<u>-7.7%</u>
<b>Total</b>	0.8%

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

NonMed_NonDrug	16.6%
Med_NonDrug	-14.8%
NonMed_Drug	10.2%
Med_Drug	<u>2.7%</u>
<b>Total</b>	1.6%