



---

## STATE OF WEST VIRGINIA



### RETIREE HEALTH BENEFIT TRUST FUND

#### Financial Plan

**Fiscal Years 2026-2030**

*Report Date: December 2025*

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



415 Main Street  
Reisterstown, MD 21136-1905  
410-833-4220  
410-833-4229 (fax)  
[www.continuingcareactuaries.com](http://www.continuingcareactuaries.com)

Finance Board  
West Virginia Retiree Health Benefit Trust Fund  
601 57th St., SE, Suite 2  
Charleston, West Virginia 25304-2345

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 2030. 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.

Continuing Care Actuaries has provided financial report for fiscal year ending June 30, 2026 (“FY 2026”), June 30, 2027 (“FY 2027”), June 30, 2028 (“FY 2028”), June 30, 2029 (“FY 2029”) and June 30, 2030 (“FY 2030”). Our opinion of plan adequacy is based on the projections through FY 2030 using updated future revenue and plan modifications provided by the Board in the plan adopted in December 2025.

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.

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 2026 the Pay-Go is equivalent to \$20 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 2025.

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 the 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 2026 through FY 2030 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 2030 as approved by the Board in December 2025.

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 2026 – FY 2030**

#### **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 2025 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 229 policy from the end of FY 2025 to December 2025. Continuing Care Actuaries has updated the claims analysis based on the enrollment through December 2025.

In aggregate, December 2025 enrollment has increased by 229 coverage since the end of FY 2025. Aggregate Preferred Provider Benefit (“PPB”) enrollment has increased by 238 in total over the same period, while managed care enrollment continues to cover fewer participants, with a decrease of 9 coverages. For MAPD Capitations, the average of 52,010 Medicare policyholders in FY 2026 was used to calculate the capitation cost.

The following chart summarizes the current enrollment as of the selected monthly billing dates of June 2024, June 2025, and December 2025 for purposes of comparison:

Trust Fund	Coverage	Preferred Provider Benefit*			Managed Care		
		Jun-24	Jun-25	Sep-25	Jun-24	Jun-25	Sep-25
Retirees	Medicare Single	22,166	22,246	22,476	-	-	-
	<u>Medicare Family</u>	<u>15,891</u>	<u>15,842</u>	<u>15,887</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Medicare Total	38,057	38,088	38,363	-	-	-
	Non-Medicare Single	1,899	1,851	1,807	85	77	76
	<u>Non-Medicare Family</u>	<u>2,142</u>	<u>1,917</u>	<u>1,924</u>	<u>82</u>	<u>70</u>	<u>62</u>
	Non-Medicare Total	4,041	3,768	3,731	167	147	138
	Retiree Total	42,098	41,856	42,094	167	147	138
Grand Total					42,265	42,003	42,232

\* The majority of PPB is capitated through Humana. As of November 2025, there are approximately 1,310 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 FY2026-2030 Report”.

## C. Trend Analysis

RHBT experienced a lower medical trend and a higher prescription drugs trend in FY 2025, and over the past few years, total trends have been beneficial to the plan. Continuing Care Actuaries performed the detailed medical and prescription drugs trend analysis in the report titled, “PEIA FY2025 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 assumed FY 2026 medical claim trend is 5.5%, the gross prescription drugs claim trend is 12.0% and the prescription drugs rebate trend is 5.0%. In 2026, there were an additional rebate included in the projection to reflect the new PBM contract with ESI.

The current trend projection is shown in the following table:

Claim Type	Previous Assumption FY 2026 Trend	Updated Assumption FY 2026 Trend
Non-Medicare – Medical	8.5%	5.5%
Medicare – Medical	8.5%	5.5%
Non-Medicare – Gross Drugs	15.5%	12.0%
Medicare – Gross Drugs	15.5%	12.0%
Prescription Drugs Rebate	5.0%	5.0%

In the past, claim trends for the financial plan included a 0.5% margin for both the medical and drugs in future years. CCA has assumed the claim trends for the financial projection will increase by 0.5% for the medical and 0.75% for the drugs in FY 2027 and in each successive fiscal year. Additionally, drug rebates have been trending at approximately 9% 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 5% 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 2025. 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>Fiscal Year</b>	<b>Medical Medicare</b>	<b>Medical Non-Medicare</b>	<b>Drugs Medicare</b>	<b>Drugs Non-Medicare</b>	<b>Total</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%	8%
2018	12%	8%	41%	14%	11%
2019	41%	2%	-1%	20%	8%
2020	19%	-10%	5%	12%	-2%
2021	-9%	17%	10%	7%	13%
2022	9%	11%	-3%	17%	12%
2023	-25%	19%	-5%	9%	12%
2024	-9%	3%	13%	19%	9%
2025	81%	6%	12%	19%	13%
2026*	69%	10%	5%	6%	10%

\* Fiscal year 2026 results are through the first five months ending November 2025. 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 years 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 2025 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 2026 claims and expenses are summarized in the following chart. It should be noted that the chart reflects per policy information.

Fiscal Year 2026 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	38,498			\$ 535**	\$ 420**	\$ 177
	<u>Non-Medicare</u>	<u>3,749</u>			\$ 1,217	\$ 580	
	Total	42,247		\$0	\$135		
	<u>Non-Medicare</u>	<u>140</u>		\$0	\$712		
	<u>Managed Care</u>						\$ 2,432
	Total	42,387					

\*Net of rebates and subsidies.

\*\* As of November 2025, there are approximately 1,310 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 2025.

### Board Decisions – December 2025

Source	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030
<b>Additional Non-Medicare Retiree Premium (Fiscal Year)</b>	\$1,947,165	\$690,552	\$1,346,132	\$897,600	\$878,008
<b>Additional Medicare Retiree Premium (Calendar Year)</b>	\$4,879,169	\$4,019,627	\$5,039,690	\$4,239,612	\$4,487,856
<b>General Revenue Transfer (OPEB Funding)</b>	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000
<b>Benefit Reductions and Savings / (Increase)</b>					
- Retiree Non-Medicare Medical	\$4,300,000	\$0	\$4,520,000	\$790,000	\$990,000
<b>Benefit Reductions and Savings / (Increase)</b>					
- Retiree Non-Medicare Drugs	\$1,300,000	\$0	\$1,370,000	\$240,000	\$300,000
<b>Benefit Reductions and Savings / (Increase)</b>					
- Retiree Medicare Medical	\$260,000	\$0	\$270,000	\$50,000	\$60,000
<b>Benefit Reductions and Savings / (Increase)</b>					
- Retiree Medicare Drugs	\$320,000	\$0	\$340,000	\$60,000	\$70,000
<b>Benefit Reductions and Savings / (Increase)</b>					
- Humana MAPD (Calendar Year)	\$32,600,000	\$0	\$16,300,000	\$2,860,000	\$3,580,000
<b>Pay Go Premium Transfer</b>	\$10,188,360	\$55,000,000	\$65,000,000	\$75,000,000	\$85,000,000
<b>Actuarial Accrued Liability*</b>					
<b>(Beginning of Year)</b>	\$2,223,178,727	\$2,258,247,225	\$2,285,278,553	\$2,302,921,958	\$2,310,860,543
<b>Funded Status</b>	<b>95.8%</b>	<b>98.0%</b>	<b>102.0%</b>	<b>107.2%</b>	<b>113.3%</b>

\*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.

West Virginia Public Employees Insurance Agency Finance Board is projecting to implement benefit reductions for Non-Medicare retirees and Medicare retirees in FY 2028 through FY 2030.

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 \$1,231,872 in FY 2026 to \$1,675,948 in FY 2030, based on the Board's direction and projected retiree enrollment growth in the financial plan.

In FY 2026, the ACA PCORI fee is approximately \$3.84 per person per year.

## **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 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 \$399,821,590 and incurred plan expenses of \$211,896,751 to produce a fiscal year surplus of \$187,924,839 after the Premium Stabilization Reserve drawdown of \$104,101,634. The PEIA local and state agencies Pay Go premiums for FY 2026 are assumed to be \$10,188,360.

### **FISCAL YEAR 2027 FORECAST**

The financial forecast for FY 2027 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2027 projects accrued revenue of \$389,607,015 and incurred plan expenses of \$236,455,248 to produce a fiscal year surplus of \$153,151,767 after the Premium Stabilization Reserve drawdown of \$35,448,298. The PEIA local and state agencies Pay Go premiums for FY 2027 are assumed to be \$55,000,000.

### **FISCAL YEAR 2028 FORECAST**

The financial forecast for FY 2028 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2028 projects accrued revenue of \$378,524,628 and incurred plan expenses of \$241,329,419 to produce a fiscal year surplus of \$137,195,208 after the Premium Stabilization Reserve drawdown of \$0. The PEIA local and state agencies Pay Go premiums for FY 2028 are assumed to be \$65,000,000.

### **FISCAL YEAR 2029 FORECAST**

The financial forecast for FY 2029 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2029 projects accrued revenue of \$404,409,038 and incurred plan expenses of \$254,219,711 to produce a fiscal year surplus of \$150,189,327 after the Premium Stabilization Reserve drawdown of \$0. The PEIA local and state agencies Pay Go premiums for FY 2029 are assumed to be \$75,000,000.

## **FISCAL YEAR 2030 FORECAST**

The financial forecast for FY 2030 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2030 projects accrued revenue of \$430,990,099 and incurred plan expenses of \$277,733,194 to produce a fiscal year surplus of \$153,256,905 after the Premium Stabilization Reserve drawdown of \$0. The PEIA local and state agencies Pay Go premiums for FY 2030 are assumed to be \$85,000,000.

## **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 2030. These projections are based on significant revenue increases as contained in the financial plan adopted by the Board in December 2025 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**  
**F I S C A L   Y E A R   2 0 2 6**

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

	7/1/2025 to 12/31/2025	1/1/2026 to 6/30/2026	TRUST Total
<b>Revenues</b>			
WV PEIA Pay Go Premiums	\$ 5,094,180	\$ 5,094,180	\$ 10,188,360
Retiree Premiums - PPB	33,353,535	34,864,444	68,217,979
Retiree Premiums - MCO	604,295	591,178	1,195,473
Non Par Premiums	1,067,721	1,067,721	2,135,442
Life Insurance	13,028,932	13,028,932	26,057,863
Investment Income	78,962,419	78,962,419	157,924,839
Transfer from Premium Stabilization Reserve	54,330,556	49,771,077	104,101,634
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 201,441,639</b>	<b>\$ 198,379,951</b>	<b>\$ 399,821,590</b>
<b>Program Expenses</b>			
Non-Medicare Medical Claims	\$ 26,588,953	\$ 28,155,906	\$ 54,744,859
Gross Non-Medicare Prescription Drug Claims	20,331,437	22,181,979	42,513,415
Non-Medicare Prescription Drug Rebates	(7,845,949)	(8,560,078)	(16,406,028)
Medicare Medical Claims	4,982,304	1,949,458	6,931,762
Gross Medicare Prescription Drug Claims	6,572,014	2,652,673	9,224,688
Medicare Prescription Drug Rebates	(2,536,156)	(1,023,673)	(3,559,829)
Non-Medicare Managed Care Capitations	2,043,282	2,043,282	4,086,564
Humana MAPD Program	35,349,683	46,518,402	81,868,085
Administration	2,493,113	2,493,113	4,986,226
Life Insurance	13,030,076	13,030,076	26,060,152
Wellness	-	-	-
Retiree Assistance Program	615,936	615,936	1,231,872
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	23,587	23,587	47,173
Director's Discretionary Fund	83,906	83,906	167,811
<b>Total Expenses</b>	<b>\$ 101,732,184</b>	<b>\$ 110,164,567</b>	<b>\$ 211,896,751</b>
<b>Fiscal Year Results</b>	<b>\$ 99,709,454</b>	<b>\$ 88,215,384</b>	<b>\$ 187,924,839</b>
Beginning Restricted Reserve			\$ 1,989,324,912
Ending Restricted Reserve			<u>\$ 2,177,249,751</u>
Beginning Premium Stabilization Reserve			\$ 139,549,931
PSR Addition/(Drawdown)			\$ (104,101,634)
Ending Premium Stabilization Reserve			<u>\$ 35,448,298</u>
Total Beginning Plan Reserve			2,128,874,843
Total Ending Plan Reserve			<u>\$ 2,212,698,048</u>
Accrued Actuarial Liability (AAL)			\$ 2,223,178,727
Funded Status			95.8%

**KEY ASSUMPTIONS**

	\$	11.41	Claim and Other Expense Trends		
			Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$ 4,170,589	5.5%	12.0%		
Additional Retiree Premiums	20.03	Medicare	5.5%	12.0%	
Pay Go PEPM Subsidy for Retirees			Prescription Drug Rebates	5.0%	
Number of Net New Retirees	1,000		Capitations	6.0%	
			Administrative Expense	2.1%	
			Pay Go Monthly Premium		-65.0%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST**  
**FINANCIAL FORECAST**  
**F I S C A L   Y E A R   2 0 2 6**

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

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<b>Revenues</b>			
WV PEIA Pay Go Premiums	\$ 3,977,778		\$ 3,977,778
Employer Premiums - PPB	4,390,162	15,229	4,405,391
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	39,337,547	2,208,194	41,545,741
Retiree Premiums - MCO	-	-	-
Non Par Premiums	1,403,245		1,403,245
Life Insurance	17,123,186		17,123,186
Investment Income	94,723,281		94,723,281
Transfer from Premium Stabilization Reserve	71,702,161		71,702,161
General Revenue Transfer (OPEB Funding)	17,579,620		17,579,620
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 250,236,979	\$ 2,223,423	\$ 252,460,402
<b>Program Expenses</b>			
Medicare Medical Claims	\$ 6,931,762	\$ -	\$ 6,931,762
Gross Medicare Prescription Drug Claims	9,224,687	-	9,224,687
Medicare Prescription Drug Rebates	(3,559,829)		(3,559,829)
Humana MAPD Program	81,868,085		81,868,085
Administration	1,840,552		1,840,552
Life Insurance	17,124,690		17,124,690
Wellness	-		-
Retiree Assistance Program	809,490		809,490
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	19,387		19,387
Director's Discretionary Fund	-		-
Total Expenses	\$ 114,258,825	\$ -	\$ 114,258,825
Fiscal Year Results	\$ 135,978,154		\$ 138,201,577
Beginning Restricted Reserve	\$ 1,175,234,839		\$ 1,175,234,839
Ending Restricted Reserve	<u>\$ 1,311,212,992</u>		<u>\$ 1,313,436,416</u>
Beginning Premium Stabilization Reserve	\$ 101,663,794		\$ 101,663,794
PSR Addition/(Drawdown)	\$ (71,702,161)		\$ (71,702,161)
Ending Premium Stabilization Reserve	<u>\$ 29,961,633</u>		<u>\$ 29,961,633</u>
Total Beginning Plan Reserve	1,276,898,633		1,276,898,633
Total Ending Plan Reserve	<u>\$ 1,341,174,626</u>		<u>\$ 1,343,398,049</u>
Accrued Actuarial Liability (AAL)	\$ 2,223,178,727		\$ 2,223,178,727
Funded Status	96.4%		96.5%

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
Pay Go Monthly Premium for Actives	\$ 11.41	Eligibility	Medical	Gross Drugs
Additional Retiree Premiums	\$ 2,223,423	Medicare	5.5%	12.0%
Pay Go PEPM Subsidy for Retirees	\$ 8.61	Prescription Drug Rebates	5.0%	
Number of Net New Retirees	1,200	Capitations	6.0%	
		Administrative Expense	2.1%	
		Pay Go Monthly Premium		-65.0%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST**  
**FINANCIAL FORECAST**  
**F I S C A L   Y E A R   2 0 2 6**

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

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<b>Revenues</b>			
WV PEIA Pay Go Premiums	\$ 6,210,582		\$ 6,210,582
Employer Premiums - PPB	4,451,485	(267,176)	4,184,310
Employer Premiums - MCO	366,313	4,468	370,781
Retiree Premiums - PPB	15,957,939	2,124,599	18,082,537
Retiree Premiums - MCO	739,418	85,274	824,693
Non Par Premiums	732,197		732,197
Life Insurance	8,934,677		8,934,677
Investment Income	63,201,557		63,201,557
Transfer from Premium Stabilization Reserve	32,399,472		32,399,472
General Revenue Transfer (OPEB Funding)	12,420,380		12,420,380
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 145,414,022	\$ 1,947,165	\$ 147,361,187
<b>Program Expenses</b>			
Non-Medicare Medical Claims	\$ 54,744,859	\$ -	\$ 54,744,859
Gross Non-Medicare Prescription Drug Claims	42,513,415	-	42,513,415
Non-Medicare Prescription Drug Rebates	(16,406,028)		(16,406,028)
Non-Medicare Managed Care Capitations	4,086,564		4,086,564
Administration	3,145,674		3,145,674
Life Insurance	8,935,462		8,935,462
Wellness	-		-
Retiree Assistance Program	422,382		422,382
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	27,786		27,786
Director's Discretionary Fund	167,811		167,811
Total Expenses	\$ 97,637,926	\$ -	\$ 97,637,926
Fiscal Year Results	\$ 47,776,096		\$ 49,723,261
Beginning Restricted Reserve	\$ 814,090,073		\$ 814,090,073
Ending Restricted Reserve	<u>\$ 861,866,168</u>		<u>\$ 863,813,334</u>
Beginning Premium Stabilization Reserve	\$ 37,886,137		\$ 37,886,137
PSR Addition/(Drawdown)	\$ (32,399,472)		\$ (32,399,472)
Ending Premium Stabilization Reserve	<u>\$ 5,486,664</u>		<u>\$ 5,486,664</u>
Total Beginning Plan Reserve	851,976,210		851,976,210
Total Ending Plan Reserve	<u>\$ 867,352,833</u>		<u>\$ 869,299,998</u>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
Pay Go Monthly Premium for Actives	\$ 11.41	Eligibility	Medical	Gross Drugs
Additional Retiree Premiums	\$ 1,947,165	Non-Medicare	5.5%	12.0%
Pay Go PEPM Subsidy for Retirees	\$ 133.09	Prescription Drug Rebates		5.0%
Number of Net New Retirees	(200)	Capitations		6.0%
		Administrative Expense		2.1%
		Pay Go Monthly Premium		-65.0%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST**  
**FINANCIAL FORECAST**  
**F I S C A L   Y E A R   2 0 2 7**

PERIOD 7/1/2026 - 6/30/2027

	7/1/2026 to 12/31/2026	1/1/2027 to 6/30/2027	TRUST Total
<b>Revenues</b>			
WV PEIA Pay Go Premiums	\$ 27,500,000	\$ 27,500,000	\$ 55,000,000
Retiree Premiums - PPB	36,538,980	37,387,482	73,926,462
Retiree Premiums - MCO	628,978	628,978	1,257,957
Non Par Premiums	1,035,690	1,035,690	2,071,379
Life Insurance	13,680,378	13,680,378	27,360,756
Investment Income	82,271,082	82,271,082	164,542,163
Transfer from Premium Stabilization Reserve	18,421,973	17,026,325	35,448,298
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 195,077,081	\$ 194,529,934	\$ 389,607,015
<b>Program Expenses</b>			
Non-Medicare Medical Claims	\$ 28,370,836	\$ 30,113,640	\$ 58,484,475
Gross Non-Medicare Prescription Drug Claims	23,043,784	25,224,929	48,268,714
Non-Medicare Prescription Drug Rebates	(8,320,629)	(9,077,963)	(17,398,592)
Medicare Medical Claims	5,106,253	2,002,875	7,109,128
Gross Medicare Prescription Drug Claims	7,154,945	2,898,002	10,052,946
Medicare Prescription Drug Rebates	(2,583,075)	(1,042,611)	(3,625,686)
Non-Medicare Managed Care Capitations	2,227,178	2,227,178	4,454,355
Humana MAPD Program	45,571,320	49,487,197	95,058,516
Administration	2,567,907	2,567,907	5,135,813
Life Insurance	13,681,580	13,681,580	27,363,159
Wellness	-	-	-
Retiree Assistance Program	665,211	665,211	1,330,422
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	25,952	25,952	51,905
Director's Discretionary Fund	85,047	85,047	170,093
Total Expenses	\$ 117,596,307	\$ 118,858,942	\$ 236,455,248
Fiscal Year Results	\$ 77,480,774	\$ 75,670,993	\$ 153,151,767
Beginning Restricted Reserve			\$ 2,177,249,751
Ending Restricted Reserve			<u>\$ 2,330,401,518</u>
Beginning Premium Stabilization Reserve			\$ 35,448,298
PSR Addition/(Drawdown)			\$ (35,448,298)
Ending Premium Stabilization Reserve			<u>\$ -</u>
Total Beginning Plan Reserve			2,212,698,048
Total Ending Plan Reserve			<u>\$ 2,330,401,518</u>
Accrued Actuarial Liability (AAL)			\$ 2,258,247,225
Funded Status			98.0%

**KEY ASSUMPTIONS**

	\$	61.41	Claim and Other Expense Trends		
			Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$	61.41			
Additional Retiree Premiums	\$	5,579,088	6.0%	12.8%	
Pay Go PEPM Subsidy for Retirees	\$	105.92	Non-Medicare	6.0%	12.8%
			Medicare	6.0%	12.8%
			Prescription Drug Rebates		5.0%
			Capitations		6.5%
			Administrative Expense		3.0%
Number of Net New Retirees		1,000	Pay Go Monthly Premium		439.8%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST**  
**FINANCIAL FORECAST**  
**F I S C A L   Y E A R   2 0 2 7**

PERIOD 7/1/2026 - 6/30/2027

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<b>Revenues</b>			
WV PEIA Pay Go Premiums	\$ 26,367,463		\$ 26,367,463
Employer Premiums - PPB	4,697,592	490,499	5,188,092
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	42,120,727	4,398,037	46,518,763
Retiree Premiums - MCO	-	-	-
Non Par Premiums	1,361,148		1,361,148
Life Insurance	17,979,345		17,979,345
Investment Income	99,898,683		99,898,683
Transfer from Premium Stabilization Reserve	29,961,633		29,961,633
General Revenue Transfer (OPEB Funding)	18,423,000		18,423,000
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 240,809,590	\$ 4,888,536	\$ 245,698,126
<b>Program Expenses</b>			
Medicare Medical Claims	\$ 7,109,128	\$ -	\$ 7,109,128
Gross Medicare Prescription Drug Claims	10,052,946	-	10,052,946
Medicare Prescription Drug Rebates	(3,625,686)		(3,625,686)
Humana MAPD Program	95,058,516		95,058,516
Administration	1,895,769		1,895,769
Life Insurance	17,980,924		17,980,924
Wellness	-		-
Retiree Assistance Program	874,249		874,249
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	25,675		25,675
Director's Discretionary Fund	-		-
Total Expenses	\$ 129,371,522	\$ -	\$ 129,371,522
Fiscal Year Results	\$ 111,438,068		\$ 116,326,604
Beginning Restricted Reserve	\$ 1,313,436,416		\$ 1,313,436,416
Ending Restricted Reserve	<u>\$ 1,424,874,484</u>		<u>\$ 1,429,763,020</u>
Beginning Premium Stabilization Reserve	\$ 29,961,633		\$ 29,961,633
PSR Addition/(Drawdown)	\$ (29,961,633)		\$ (29,961,633)
Ending Premium Stabilization Reserve	<u>\$ 0</u>		<u>\$ 0</u>
Total Beginning Plan Reserve	1,343,398,049		1,343,398,049
Total Ending Plan Reserve	<u>\$ 1,424,874,485</u>		<u>\$ 1,429,763,020</u>
Accrued Actuarial Liability (AAL)	\$ 2,258,247,225		\$ 2,258,247,225
Funded Status	99.3%		99.4%

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
Pay Go Monthly Premium for Actives	\$ 61.41	Eligibility	Medical	Gross Drugs
Additional Retiree Premiums	\$ 4,888,536	Medicare	6.0%	12.8%
Pay Go PEPM Subsidy for Retirees	\$ 55.47	Prescription Drug Rebates		5.0%
Number of Net New Retirees	1,200	Capitations		6.5%
		Administrative Expense		3.0%
		Pay Go Monthly Premium		439.8%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST**  
**FINANCIAL FORECAST**  
**F I S C A L   Y E A R   2 0 2 7**

PERIOD 7/1/2026 - 6/30/2027

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 28,632,537		\$ 28,632,537
Employer Premiums - PPB	4,694,640	142,269	4,836,909
Employer Premiums - MCO	404,127	12,247	416,374
Retiree Premiums - PPB	16,871,417	511,282	17,382,699
Retiree Premiums - MCO	816,829	24,754	841,583
Non Par Premiums	710,231		710,231
Life Insurance	9,381,411		9,381,411
Investment Income	64,643,480		64,643,480
Transfer from Premium Stabilization Reserve	5,486,665		5,486,665
General Revenue Transfer (OPEB Funding)	11,577,000		11,577,000
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 143,218,337	\$ 690,552	\$ 143,908,889
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 58,484,475	\$ -	\$ 58,484,475
Gross Non-Medicare Prescription Drug Claims	48,268,714	-	48,268,714
Non-Medicare Prescription Drug Rebates	(17,398,592)		(17,398,592)
Non-Medicare Managed Care Capitations	4,454,355		4,454,355
Administration	3,240,044		3,240,044
Life Insurance	9,382,235		9,382,235
Wellness	-		-
Retiree Assistance Program	456,173		456,173
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	26,229		26,229
Director's Discretionary Fund	170,093		170,093
Total Expenses	\$ 107,083,725	\$ -	\$ 107,083,725
Fiscal Year Results	\$ 36,134,611		\$ 36,825,163
Beginning Restricted Reserve	\$ 863,813,334		\$ 863,813,334
Ending Restricted Reserve	<u>\$ 899,947,945</u>		<u>\$ 900,638,497</u>
Beginning Premium Stabilization Reserve	\$ 5,486,664		\$ 5,486,664
PSR Addition/(Drawdown)	\$ (5,486,665)		\$ (5,486,665)
Ending Premium Stabilization Reserve	<u>\$ (0)</u>		<u>\$ (0)</u>
Total Beginning Plan Reserve	869,299,998		869,299,998
Total Ending Plan Reserve	<u>\$ 899,947,945</u>		<u>\$ 900,638,496</u>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
Pay Go Monthly Premium for Actives	\$ 61.41	Eligibility	Medical	Gross Drugs
Additional Retiree Premiums	\$ 690,552	Non-Medicare	6.0%	12.8%
Pay Go PEPM Subsidy for Retirees	\$ 651.93	Prescription Drug Rebates	5.0%	
Number of Net New Retirees	(200)	Capitations	6.5%	
		Administrative Expense	3.0%	
		Pay Go Monthly Premium		439.8%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST**  
**FINANCIAL FORECAST**  
**F I S C A L   Y E A R   2 0 2 8**

PERIOD 7/1/2027 - 6/30/2028

	7/1/2027 to 12/31/2027	1/1/2028 to 6/30/2028	TRUST Total
<b>Revenues</b>			
WV PEIA Pay Go Premiums	\$ 32,500,000	\$ 32,500,000	\$ 65,000,000
Retiree Premiums - PPB	38,197,642	39,910,945	78,108,588
Retiree Premiums - MCO	668,757	668,757	1,337,513
Non Par Premiums	1,004,619	1,004,619	2,009,237
Life Insurance	14,364,397	14,364,397	28,728,794
Investment Income	86,670,248	86,670,248	173,340,496
Transfer from Premium Stabilization Reserve	-	-	-
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 188,405,662</b>	<b>\$ 190,118,965</b>	<b>\$ 378,524,628</b>
<b>Program Expenses</b>			
Non-Medicare Medical Claims	\$ 28,225,413	\$ 30,029,594	\$ 58,255,007
Gross Non-Medicare Prescription Drug Claims	25,639,640	28,159,338	53,798,978
Non-Medicare Prescription Drug Rebates	(8,824,028)	(9,627,180)	(18,451,207)
Medicare Medical Claims	5,064,255	1,991,269	7,055,524
Gross Medicare Prescription Drug Claims	7,599,894	3,088,850	10,688,744
Medicare Prescription Drug Rebates	(2,630,862)	(1,061,899)	(3,692,761)
Non-Medicare Managed Care Capitations	2,427,624	2,427,624	4,855,247
Humana MAPD Program	48,479,672	44,658,803	93,138,475
Administration	2,644,944	2,644,944	5,289,888
Life Insurance	14,365,659	14,365,659	28,731,317
Wellness	-	-	-
Retiree Assistance Program	718,428	718,428	1,436,856
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	28,690	28,690	57,380
Director's Discretionary Fund	82,986	82,986	165,971
<b>Total Expenses</b>	<b>\$ 123,822,314</b>	<b>\$ 117,507,105</b>	<b>\$ 241,329,419</b>
<b>Fiscal Year Results</b>	<b>\$ 64,583,348</b>	<b>\$ 72,611,861</b>	<b>\$ 137,195,208</b>
Beginning Restricted Reserve			\$ 2,330,401,518
Ending Restricted Reserve			<u>\$ 2,467,596,726</u>
Beginning Premium Stabilization Reserve			\$ -
PSR Addition/(Drawdown)			\$ -
Ending Premium Stabilization Reserve			<u>\$ -</u>
Total Beginning Plan Reserve			2,330,401,518
Total Ending Plan Reserve			<u>\$ 2,467,596,726</u>
Accrued Actuarial Liability (AAL)			\$ 2,285,278,553
Funded Status			102.0%

**KEY ASSUMPTIONS**

	\$	72.58	Claim and Other Expense Trends		
			Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$ 5,366,520	122.35	Non-Medicare	6.5%	13.5%
Additional Retiree Premiums			Medicare	6.5%	13.5%
Pay Go PEPM Subsidy for Retirees			Prescription Drug Rebates	5.0%	
			Capitations	7.0%	
			Administrative Expense	3.0%	
Number of Net New Retirees	1,000		Pay Go Monthly Premium		18.2%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST**  
**FINANCIAL FORECAST**  
**F I S C A L   Y E A R   2 0 2 8**

PERIOD 7/1/2027 - 6/30/2028

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<b>Revenues</b>			
WV PEIA Pay Go Premiums	\$ 31,302,644		\$ 31,302,644
Employer Premiums - PPB	5,198,859	403,392	5,602,251
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	46,615,308	3,616,996	50,232,304
Retiree Premiums - MCO	-	-	-
Non Par Premiums	1,320,313		1,320,313
Life Insurance	18,878,312		18,878,312
Investment Income	106,348,983		106,348,983
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	18,260,823		18,260,823
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 227,925,242	\$ 4,020,388	\$ 231,945,630
<b>Program Expenses</b>			
Medicare Medical Claims	\$ 7,325,524	\$ (270,000)	\$ 7,055,524
Gross Medicare Prescription Drug Claims	11,028,744	(340,000)	10,688,744
Medicare Prescription Drug Rebates	(3,692,761)		(3,692,761)
Humana MAPD Program	93,138,475		93,138,475
Administration	1,952,642		1,952,642
Life Insurance	18,879,970		18,879,970
Wellness	-		-
Retiree Assistance Program	944,189		944,189
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	32,500		32,500
Director's Discretionary Fund	-		-
Total Expenses	\$ 129,609,283	\$ (610,000)	\$ 128,999,283
Fiscal Year Results	\$ 98,315,959		\$ 102,946,347
Beginning Restricted Reserve	\$ 1,429,763,020		\$ 1,429,763,020
Ending Restricted Reserve	<u>\$ 1,528,078,979</u>		<u>\$ 1,532,709,367</u>
Beginning Premium Stabilization Reserve	\$ 0		\$ 0
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ 0</u>		<u>\$ 0</u>
Total Beginning Plan Reserve	1,429,763,020		1,429,763,020
Total Ending Plan Reserve	<u>\$ 1,528,078,979</u>		<u>\$ 1,532,709,367</u>
Accrued Actuarial Liability (AAL)	\$ 2,285,278,553		\$ 2,285,278,553
Funded Status	103.2%		103.5%

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
Pay Go Monthly Premium for Actives	\$ 72.58	Eligibility	Medical	Gross Drugs
Additional Retiree Premiums	\$ 4,020,388	Medicare	6.5%	13.5%
Pay Go PEPM Subsidy for Retirees	\$ 63.91	Prescription Drug Rebates		5.0%
Number of Net New Retirees	1,200	Capitations		7.0%
		Administrative Expense		3.0%
		Pay Go Monthly Premium		18.2%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST**  
**FINANCIAL FORECAST**  
**F I S C A L   Y E A R   2 0 2 8**

PERIOD 7/1/2027 - 6/30/2028

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 33,697,356		\$ 33,697,356
Employer Premiums - PPB	4,572,321	276,435	4,848,757
Employer Premiums - MCO	417,467	25,239	442,706
Retiree Premiums - PPB	16,431,833	993,443	17,425,276
Retiree Premiums - MCO	843,792	51,014	894,807
Non Par Premiums	688,924		688,924
Life Insurance	9,850,482		9,850,482
Investment Income	66,991,513		66,991,513
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	11,739,177		11,739,177
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 145,232,866	\$ 1,346,132	\$ 146,578,998
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 62,775,007	\$ (4,520,000)	\$ 58,255,007
Gross Non-Medicare Prescription Drug Claims	55,168,978	(1,370,000)	53,798,978
Non-Medicare Prescription Drug Rebates	(18,451,207)		(18,451,207)
Non-Medicare Managed Care Capitations	4,855,247		4,855,247
Administration	3,337,246		3,337,246
Life Insurance	9,851,347		9,851,347
Wellness	-		-
Retiree Assistance Program	492,667		492,667
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	24,880		24,880
Director's Discretionary Fund	165,971		165,971
Total Expenses	\$ 118,220,137	\$ (5,890,000)	\$ 112,330,137
Fiscal Year Results	\$ 27,012,730		\$ 34,248,861
Beginning Restricted Reserve	\$ 900,638,497		\$ 900,638,497
Ending Restricted Reserve	<u>\$ 927,651,226</u>		<u>\$ 934,887,358</u>
Beginning Premium Stabilization Reserve	\$ (0)		\$ (0)
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ (0)</u>		<u>\$ (0)</u>
Total Beginning Plan Reserve	900,638,496		900,638,496
Total Ending Plan Reserve	<u>\$ 927,651,226</u>		<u>\$ 934,887,358</u>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
Pay Go Monthly Premium for Actives	\$ 72.58	Eligibility	Medical	Gross Drugs
Additional Retiree Premiums	\$ 1,346,132	Non-Medicare	6.5%	13.5%
Pay Go PEPM Subsidy for Retirees	\$ 811.58	Prescription Drug Rebates		5.0%
Number of Net New Retirees	(200)	Capitations		7.0%
		Administrative Expense		3.0%
		Pay Go Monthly Premium		18.2%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST**  
**FINANCIAL FORECAST**  
**F I S C A L   Y E A R   2 0 2 9**

PERIOD 7/1/2028 - 6/30/2029

	7/1/2028 to 12/31/2028	1/1/2029 to 6/30/2029	TRUST Total
<b>Revenues</b>			
WV PEIA Pay Go Premiums	\$ 37,500,000	\$ 37,500,000	\$ 75,000,000
Retiree Premiums - PPB	40,513,229	41,787,231	82,300,460
Retiree Premiums - MCO	701,728	701,728	1,403,457
Non Par Premiums	974,480	974,480	1,948,960
Life Insurance	15,082,617	15,082,617	30,165,234
Investment Income	91,795,464	91,795,464	183,590,927
Transfer from Premium Stabilization Reserve	-	-	-
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 201,567,518</b>	<b>\$ 202,841,520</b>	<b>\$ 404,409,038</b>
<b>Program Expenses</b>			
Non-Medicare Medical Claims	\$ 30,019,763	\$ 32,013,243	\$ 62,033,006
Gross Non-Medicare Prescription Drug Claims	29,334,448	32,323,126	61,657,574
Non-Medicare Prescription Drug Rebates	(9,357,881)	(10,209,624)	(19,567,505)
Medicare Medical Claims	5,203,507	2,051,012	7,254,519
Gross Medicare Prescription Drug Claims	8,341,971	3,402,084	11,744,056
Medicare Prescription Drug Rebates	(2,679,532)	(1,081,544)	(3,761,077)
Non-Medicare Managed Care Capitations	2,646,110	2,646,110	5,292,219
Humana MAPD Program	43,749,581	48,416,486	92,166,067
Administration	2,724,292	2,724,292	5,448,584
Life Insurance	15,083,942	15,083,942	30,167,883
Wellness	-	-	-
Retiree Assistance Program	775,902	775,902	1,551,804
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	31,430	31,430	62,861
Director's Discretionary Fund	84,860	84,860	169,720
<b>Total Expenses</b>	<b>\$ 125,958,392</b>	<b>\$ 128,261,318</b>	<b>\$ 254,219,711</b>
<b>Fiscal Year Results</b>	<b>\$ 75,609,126</b>	<b>\$ 74,580,201</b>	<b>\$ 150,189,327</b>
Beginning Restricted Reserve			\$ 2,467,596,726
Ending Restricted Reserve			<u>\$ 2,617,786,053</u>
Beginning Premium Stabilization Reserve			\$ -
PSR Addition/(Drawdown)			\$ -
Ending Premium Stabilization Reserve			<u>\$ -</u>
Total Beginning Plan Reserve			2,467,596,726
Total Ending Plan Reserve			<u>\$ 2,617,786,053</u>
Accrued Actuarial Liability (AAL)			\$ 2,302,921,958
Funded Status			107.2%

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
		Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$ 83.75			
Additional Retiree Premiums	\$ 5,424,251	7.0%	14.3%	
Pay Go PEPM Subsidy for Retirees	\$ 138.05	Non-Medicare	7.0%	14.3%
		Medicare	7.0%	14.3%
		Prescription Drug Rebates		5.0%
		Capitations		7.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		15.4%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST**  
**FINANCIAL FORECAST**  
**F I S C A L   Y E A R   2 0 2 9**

PERIOD 7/1/2028 - 6/30/2029

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<b>Revenues</b>			
WV PEIA Pay Go Premiums	\$ 33,896,974		\$ 33,896,974
Employer Premiums - PPB	5,613,822	454,189	6,068,011
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	50,336,054	4,072,462	54,408,516
Retiree Premiums - MCO	-	-	-
Non Par Premiums	1,280,704		1,280,704
Life Insurance	19,822,228		19,822,228
Investment Income	114,034,652		114,034,652
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	18,393,375		18,393,375
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 243,377,809	\$ 4,526,651	\$ 247,904,460
<b>Program Expenses</b>			
Medicare Medical Claims	\$ 7,304,519	\$ (50,000)	\$ 7,254,519
Gross Medicare Prescription Drug Claims	11,804,056	(60,000)	11,744,056
Medicare Prescription Drug Rebates	(3,761,077)		(3,761,077)
Humana MAPD Program	92,166,067		92,166,067
Administration	2,011,221		2,011,221
Life Insurance	19,823,969		19,823,969
Wellness	-		-
Retiree Assistance Program	1,019,724		1,019,724
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	39,324		39,324
Director's Discretionary Fund	-		-
Total Expenses	\$ 130,407,803	\$ (110,000)	\$ 130,297,803
Fiscal Year Results	\$ 112,970,006		\$ 117,606,658
Beginning Restricted Reserve	\$ 1,532,709,367		\$ 1,532,709,367
Ending Restricted Reserve	<u>\$ 1,645,679,373</u>		<u>\$ 1,650,316,024</u>
Beginning Premium Stabilization Reserve	\$ 0		\$ 0
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ 0</u>		<u>\$ 0</u>
Total Beginning Plan Reserve	1,532,709,367		1,532,709,367
Total Ending Plan Reserve	<u>\$ 1,645,679,373</u>		<u>\$ 1,650,316,025</u>
Accrued Actuarial Liability (AAL)	\$ 2,302,921,958		\$ 2,302,921,958
Funded Status	108.5%		108.6%

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
Pay Go Monthly Premium for Actives	\$ 83.75	Eligibility	Medical	Gross Drugs
Additional Retiree Premiums	\$ 4,526,651	Medicare	7.0%	14.3%
Pay Go PEPM Subsidy for Retirees	\$ 67.24	Prescription Drug Rebates		5.0%
Number of Net New Retirees	1,200	Capitations		7.5%
		Administrative Expense		3.0%
		Pay Go Monthly Premium		15.4%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST**  
**FINANCIAL FORECAST**  
**F I S C A L   Y E A R   2 0 2 9**

PERIOD 7/1/2028 - 6/30/2029

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 41,103,026		\$ 41,103,026
Employer Premiums - PPB	4,567,187	183,589	4,750,776
Employer Premiums - MCO	446,582	17,951	464,533
Retiree Premiums - PPB	16,413,381	659,776	17,073,157
Retiree Premiums - MCO	902,640	36,284	938,923
Non Par Premiums	668,256		668,256
Life Insurance	10,343,006		10,343,006
Investment Income	69,556,275		69,556,275
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	11,606,625		11,606,625
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 155,606,977	\$ 897,600	\$ 156,504,577
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 62,823,006	\$ (790,000)	\$ 62,033,006
Gross Non-Medicare Prescription Drug Claims	61,897,574	(240,000)	61,657,574
Non-Medicare Prescription Drug Rebates	(19,567,505)		(19,567,505)
Non-Medicare Managed Care Capitations	5,292,219		5,292,219
Administration	3,437,363		3,437,363
Life Insurance	10,343,914		10,343,914
Wellness	-		-
Retiree Assistance Program	532,080		532,080
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	23,537		23,537
Director's Discretionary Fund	169,720		169,720
Total Expenses	\$ 124,951,908	\$ (1,030,000)	\$ 123,921,908
Fiscal Year Results	\$ 30,655,069		\$ 32,582,669
Beginning Restricted Reserve	\$ 934,887,358		\$ 934,887,358
Ending Restricted Reserve	<u>\$ 965,542,427</u>		<u>\$ 967,470,027</u>
Beginning Premium Stabilization Reserve	\$ (0)		\$ (0)
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ (0)</u>		<u>\$ (0)</u>
Total Beginning Plan Reserve	934,887,358		934,887,358
Total Ending Plan Reserve	<u>\$ 965,542,427</u>		<u>\$ 967,470,027</u>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
Pay Go Monthly Premium for Actives	\$ 83.75	Eligibility	Medical	Gross Drugs
Additional Retiree Premiums	\$ 897,600	Non-Medicare	7.0%	14.3%
Pay Go PEPM Subsidy for Retirees	\$ 1,050.39	Prescription Drug Rebates	5.0%	
Number of Net New Retirees	(200)	Capitations	7.5%	
		Administrative Expense	3.0%	
		Pay Go Monthly Premium		15.4%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST**  
**FINANCIAL FORECAST**  
**F I S C A L   Y E A R   2 0 3 0**

PERIOD 7/1/2029 - 6/30/2030

	7/1/2029 to 12/31/2029	1/1/2030 to 6/30/2030	TRUST Total
<b>Revenues</b>			
WV PEIA Pay Go Premiums	\$ 42,500,000	\$ 42,500,000	\$ 85,000,000
Retiree Premiums - PPB	42,385,739	43,746,087	86,131,826
Retiree Premiums - MCO	740,292	740,292	1,480,584
Non Par Premiums	945,246	945,246	1,890,491
Life Insurance	15,836,748	15,836,748	31,673,495
Investment Income	97,406,851	97,406,851	194,813,702
Transfer from Premium Stabilization Reserve	-	-	-
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 214,814,875</b>	<b>\$ 216,175,224</b>	<b>\$ 430,990,099</b>
<b>Program Expenses</b>			
Non-Medicare Medical Claims	\$ 32,007,890	\$ 34,212,751	\$ 66,220,641
Gross Non-Medicare Prescription Drug Claims	33,772,088	37,334,381	71,106,469
Non-Medicare Prescription Drug Rebates	(9,924,033)	(10,827,306)	(20,751,339)
Medicare Medical Claims	5,365,670	2,120,064	7,485,734
Gross Medicare Prescription Drug Claims	9,214,311	3,770,653	12,984,964
Medicare Prescription Drug Rebates	(2,729,104)	(1,101,553)	(3,830,657)
Non-Medicare Managed Care Capitations	2,884,260	2,884,260	5,768,519
Humana MAPD Program	47,430,760	52,112,335	99,543,094
Administration	2,806,021	2,806,021	5,612,042
Life Insurance	15,838,139	15,838,139	31,676,277
Wellness	-	-	-
Retiree Assistance Program	837,974	837,974	1,675,948
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	34,173	34,173	68,346
Director's Discretionary Fund	86,578	86,578	173,156
<b>Total Expenses</b>	<b>\$ 137,624,726</b>	<b>\$ 140,108,468</b>	<b>\$ 277,733,194</b>
<b>Fiscal Year Results</b>	<b>\$ 77,190,149</b>	<b>\$ 76,066,756</b>	<b>\$ 153,256,905</b>
Beginning Restricted Reserve			\$ 2,617,786,053
Ending Restricted Reserve			<u>\$ 2,771,042,958</u>
Beginning Premium Stabilization Reserve			\$ -
PSR Addition/(Drawdown)			\$ -
Ending Premium Stabilization Reserve			<u>\$ -</u>
Total Beginning Plan Reserve			2,617,786,053
Total Ending Plan Reserve			<u>\$ 2,771,042,958</u>
Accrued Actuarial Liability (AAL)			\$ 2,310,860,543
Funded Status			113.3%

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
		Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$ 94.91	Non-Medicare	7.5%	15.0%
Additional Retiree Premiums	\$ 5,113,279	Medicare	7.5%	15.0%
Pay Go PEPM Subsidy for Retirees	\$ 153.07	Prescription Drug Rebates	5.0%	
		Capitations	8.0%	
		Administrative Expense	3.0%	
Number of Net New Retirees	1,000	Pay Go Monthly Premium		13.3%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST**  
**FINANCIAL FORECAST**  
**F I S C A L   Y E A R   2 0 3 0**

PERIOD 7/1/2029 - 6/30/2030

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 34,805,036		\$ 34,805,036
Employer Premiums - PPB	6,080,871	424,953	6,505,824
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	54,523,825	3,810,318	58,334,143
Retiree Premiums - MCO	-	-	-
Non Par Premiums	1,242,283		1,242,283
Life Insurance	20,813,339		20,813,339
Investment Income	122,815,298		122,815,298
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	18,389,867		18,389,867
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 258,670,520	\$ 4,235,271	\$ 262,905,791
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 7,545,734	\$ (60,000)	\$ 7,485,734
Gross Medicare Prescription Drug Claims	13,054,964	(70,000)	12,984,964
Medicare Prescription Drug Rebates	(3,830,657)		(3,830,657)
Humana MAPD Program	99,543,094		99,543,094
Administration	2,071,558		2,071,558
Life Insurance	20,815,167		20,815,167
Wellness	-		-
Retiree Assistance Program	1,101,302		1,101,302
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	46,147		46,147
Director's Discretionary Fund	-		-
Total Expenses	\$ 140,347,309	\$ (130,000)	\$ 140,217,309
Fiscal Year Results	\$ 118,323,211		\$ 122,688,482
Beginning Restricted Reserve	\$ 1,650,316,024		\$ 1,650,316,024
Ending Restricted Reserve	<u>\$ 1,768,639,235</u>		<u>\$ 1,773,004,506</u>
Beginning Premium Stabilization Reserve	\$ 0		\$ 0
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ 0</u>		<u>\$ 0</u>
Total Beginning Plan Reserve	1,650,316,025		1,650,316,025
Total Ending Plan Reserve	<u>\$ 1,768,639,235</u>		<u>\$ 1,773,004,506</u>
Accrued Actuarial Liability (AAL)	\$ 2,310,860,543		\$ 2,310,860,543
Funded Status	114.5%		114.6%

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
Pay Go Monthly Premium for Actives	\$ 94.91	Eligibility	Medical	Gross Drugs
Additional Retiree Premiums	\$ 4,235,271	Medicare	7.5%	15.0%
Pay Go PEPM Subsidy for Retirees	\$ 67.12	Prescription Drug Rebates		5.0%
Number of Net New Retirees	1,200	Capitations		8.0%
		Administrative Expense		3.0%
		Pay Go Monthly Premium		13.3%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST**  
**FINANCIAL FORECAST**  
**F I S C A L   Y E A R   2 0 3 0**

PERIOD 7/1/2029 - 6/30/2030

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 50,194,964		\$ 50,194,964
Employer Premiums - PPB	4,456,247	178,704	4,634,951
Employer Premiums - MCO	471,167	18,895	490,062
Retiree Premiums - PPB	16,014,689	642,219	16,656,908
Retiree Premiums - MCO	952,332	38,190	990,522
Non Par Premiums	648,209		648,209
Life Insurance	10,860,156		10,860,156
Investment Income	71,998,404		71,998,404
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	11,610,133		11,610,133
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 167,206,301	\$ 878,008	\$ 168,084,309
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 67,210,641	\$ (990,000)	\$ 66,220,641
Gross Non-Medicare Prescription Drug Claims	71,406,469	(300,000)	71,106,469
Non-Medicare Prescription Drug Rebates	(20,751,339)		(20,751,339)
Non-Medicare Managed Care Capitations	5,768,519		5,768,519
Administration	3,540,484		3,540,484
Life Insurance	10,861,110		10,861,110
Wellness	-		-
Retiree Assistance Program	574,646		574,646
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	22,199		22,199
Director's Discretionary Fund	173,156		173,156
Total Expenses	\$ 138,805,885	\$ (1,290,000)	\$ 137,515,885
Fiscal Year Results	\$ 28,400,415		\$ 30,568,423
Beginning Restricted Reserve	\$ 967,470,027		\$ 967,470,027
Ending Restricted Reserve	<u>\$ 995,870,443</u>		<u>\$ 998,038,451</u>
Beginning Premium Stabilization Reserve	\$ (0)		\$ (0)
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ (0)</u>		<u>\$ (0)</u>
Total Beginning Plan Reserve	967,470,027		967,470,027
Total Ending Plan Reserve	<u>\$ 995,870,442</u>		<u>\$ 998,038,450</u>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
Pay Go Monthly Premium for Actives	\$ 94.91	Eligibility	Medical	Gross Drugs
Additional Retiree Premiums	\$ 878,008	Non-Medicare	7.5%	15.0%
Pay Go PEPM Subsidy for Retirees	\$ 1,365.80	Prescription Drug Rebates		5.0%
Number of Net New Retirees	(200)	Capitations		8.0%
		Administrative Expense		3.0%
		Pay Go Monthly Premium		13.3%

**Attachment - Trust Fund**  
**Historical Monthly Medical and Drug Trends**  
**FY 2025 to FY 2026**

<b>Fiscal Year 2025</b>												
<b>Exposure</b>	<b>Jul-24</b>	<b>Aug-24</b>	<b>Sep-24</b>	<b>Oct-24</b>	<b>Nov-24</b>	<b>Dec-24</b>	<b>Jan-25</b>	<b>Feb-25</b>	<b>Mar-25</b>	<b>Apr-25</b>	<b>May-25</b>	<b>Jun-25</b>
<b>NonMed_NonDrug</b>	10,056	10,133	10,049	9,951	9,810	9,622	9,678	9,589	9,381	9,268	9,099	8,944
<b>Med_NonDrug</b>	1,210	1,370	1,509	1,657	1,829	2,002	311	475	579	674	773	871
<b>NonMed_Drug</b>	9,334	9,405	9,328	9,236	9,107	8,933	8,986	8,907	8,716	8,611	8,455	8,311
<b>Med_Drug</b>	1,260	1,427	1,572	1,726	1,906	2,085	323	494	603	702	805	907
<b>NonMed_NonDrug</b>	<b>Jul-24</b>	<b>Aug-24</b>	<b>Sep-24</b>	<b>Oct-24</b>	<b>Nov-24</b>	<b>Dec-24</b>	<b>Jan-25</b>	<b>Feb-25</b>	<b>Mar-25</b>	<b>Apr-25</b>	<b>May-25</b>	<b>Jun-25</b>
<b>NonMed_NonDrug</b>	\$385.55	\$424.05	\$428.76	\$515.10	\$410.71	\$506.35	\$505.65	\$490.21	\$498.80	\$507.73	\$536.84	\$540.62
<b>Med_NonDrug</b>	215.97	319.31	307.07	312.76	313.53	252.45	861.81	757.48	546.45	788.92	486.83	278.84
<b>NonMed_Drug</b>	368.73	364.48	349.87	403.19	366.66	349.59	358.06	329.00	364.16	367.34	374.90	400.81
<b>Med_Drug</b>	594.36	546.54	549.13	665.35	597.21	702.45	374.16	274.26	429.70	462.96	360.42	423.68
<b>Total</b>	\$1,564.61	\$1,654.38	\$1,634.82	\$1,896.40	\$1,688.11	\$1,810.84	\$2,099.67	\$1,850.95	\$1,839.11	\$2,126.95	\$1,758.98	\$1,643.94
<b>Change From Prior Year - Month to Month Analysis</b>												
<b>NonMed_NonDrug</b>	2.8%	10.7%	-20.1%	11.6%	-12.8%	18.4%	8.5%	14.9%	2.9%	14.6%	0.5%	24.6%
<b>Med_NonDrug</b>	-24.7%	13.2%	55.3%	20.4%	50.3%	32.0%	73.6%	201.4%	155.0%	308.5%	87.6%	70.3%
<b>NonMed_Drug</b>	48.4%	22.7%	26.0%	29.4%	18.6%	16.7%	13.3%	13.8%	21.1%	5.1%	5.5%	14.6%
<b>Med_Drug</b>	26.0%	7.1%	15.7%	30.7%	19.7%	46.1%	-41.0%	0.7%	42.3%	11.4%	-16.9%	29.5%
<b>Total</b>	13.2%	12.3%	10.0%	23.0%	13.5%	29.4%	9.8%	49.3%	41.3%	51.8%	11.2%	29.0%
<b>Change From Prior Year - Quarter to Quarter Analysis</b>												
<b>NonMed_NonDrug</b>		-4.4%				5.3%			8.5%			12.4%
<b>Med_NonDrug</b>		9.9%				33.2%			125.1%			152.2%
<b>NonMed_Drug</b>		31.6%				21.6%			16.0%			8.4%
<b>Med_Drug</b>		16.0%				32.0%			-10.8%			6.0%
<b>Total</b>		11.8%				21.8%			30.0%			29.9%
<b>Change From Prior Year - Year to Year Analysis</b>												
<b>NonMed_NonDrug</b>		5.4%				-1.7%			-4.0%			5.6%
<b>Med_NonDrug</b>		-5.6%				4.5%			55.7%			81.1%
<b>NonMed_Drug</b>		24.6%				23.3%			22.5%			18.7%
<b>Med_Drug</b>		11.4%				11.8%			12.0%			12.2%
<b>Total</b>		8.7%				8.4%			16.0%			23.4%

**Attachment - Trust Fund**  
**Historical Monthly Medical and Drug Trends**  
**FY 2025 to FY 2026**

<b>Fiscal Year 2026</b>					
<b>Exposure</b>	<b>Jul-25</b>	<b>Aug-25</b>	<b>Sep-25</b>	<b>Oct-25</b>	<b>Nov-25</b>
<b>NonMed_NonDrug</b>	9,276	9,277	9,219	9,109	9,008
<b>Med_NonDrug</b>	1,214	1,329	1,490	1,634	1,776
<b>NonMed_Drug</b>	8,618	8,618	8,564	8,462	8,368
<b>Med_Drug</b>	1,264	1,384	1,552	1,702	1,850
	<b>Jul-25</b>	<b>Aug-25</b>	<b>Sep-25</b>	<b>Oct-25</b>	<b>Nov-25</b>
<b>NonMed_NonDrug</b>	\$445.38	\$417.85	\$458.49	\$412.79	\$420.32
<b>Med_NonDrug</b>	372.86	323.66	243.89	325.49	325.22
<b>NonMed_Drug</b>	328.42	346.73	358.85	371.72	350.04
<b>Med_Drug</b>	515.32	559.48	594.52	686.74	613.09
<b>Total</b>	\$1,661.97	\$1,647.72	\$1,655.75	\$1,796.74	\$1,708.66
<b>Change From Prior Year - Month to Month Analysis</b>					
<b>NonMed_NonDrug</b>	15.5%	-1.5%	6.9%	-19.9%	2.3%
<b>Med_NonDrug</b>	72.6%	1.4%	-20.6%	4.1%	3.7%
<b>NonMed_Drug</b>	-10.9%	-4.9%	2.6%	-7.8%	-4.5%
<b>Med_Drug</b>	-13.3%	2.4%	8.3%	3.2%	2.7%
<b>Total</b>	6.2%	-0.4%	1.3%	-5.3%	1.2%
<b>Change From Prior Year - Quarter to Quarter Analysis</b>					
<b>NonMed_NonDrug</b>	6.7%				
<b>Med_NonDrug</b>	11.6%				
<b>NonMed_Drug</b>	-4.5%				
<b>Med_Drug</b>	-1.2%				
<b>Total</b>	2.3%				
<b>Change From Prior Year - Year to Year Analysis</b>					
<b>NonMed_NonDrug</b>	8.3%				
<b>Med_NonDrug</b>	79.8%				
<b>NonMed_Drug</b>	9.7%				
<b>Med_Drug</b>	7.1%				
<b>Total</b>	20.5%				