

# STATE OF WEST VIRGINIA



## **PUBLIC EMPLOYEES INSURANCE AGENCY**

**Quarterly Report  
March 31, 2023**

**Fiscal Years 2023-2027**

*Report Date: June 2023*

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



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Finance Board  
West Virginia Public Employees Insurance Agency  
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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.

Continuing Care Actuaries has been retained by the West Virginia Public Employees Insurance Agency Finance Board (“Board”) to assist it as provided under Code of the West Virginia 1931 (“Code”), as amended. The Board has asked Continuing Care Actuaries to review the financial plan prepared and proposed by the Board in December 2022 for the fiscal year 2024 (“FY 2024”) and to provide quarterly financial reports for current FY 2023 and thereafter. Our analysis is developed on an accrued and incurred reporting basis for a projection period of five years as required by the Code.

Under the statutory Code provisions, it is the Board’s responsibility to prepare a proposed financial plan designed to generate revenues sufficient to meet all insurance program and administrative costs of the West Virginia Public Employees Insurance Agency (“PEIA”). The Board is required to provide a financing plan in which the State Fund revenue costs are financed 80% by state employers and 20% by state employees in FY 2023 and in subsequent fiscal years. In subsequent fiscal years, future transfers of employer and employee funds may be needed to obtain the 80% and 20% split between employer and employee, depending on future enrollment and coverage elections by insureds.

The Board is also charged with the responsibility to review actual costs incurred, any revised cost estimates, expenditures, and other factors affecting the fiscal stability of the plan and to make any modifications to the plan necessary to insure that the total financial requirements of PEIA are met for the projection period. We have been asked 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 PEIA through FY 2027.

The Medicaid / PEIA Hospital Bill (“Bill”) has been extended and is anticipated to continue to provide PEIA with hospital charge savings through discounts for all non-Medicare coverages. These hospital savings are assumed to increase by the medical trend assumptions in fiscal year 2023 and subsequently. We are assuming that the Bill will continue throughout the five year forecast period.

Continuing Care Actuaries has provided financial report for fiscal years ending June 30, 2023 (“FY 2023”), June 30, 2024 (“FY 2024”), June 30, 2025 (“FY 2025”), June 30, 2026 (“FY 2026”) and June 30, 2027 (“FY 2027”). Our opinion of plan adequacy is based on the projections through FY 2027 using updated future revenue and plan modifications provided by the Board in the financial plan adopted in December 2022. This forecast is prepared for the Public Employee Insurance Agency, and does not include actuarial projections for the West Virginia Retiree Health Benefit Trust Fund.

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 PEIA, 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 reductions can be found later in this report. In addition, some PEIA members became eligible for the West Virginia Children Health Insurance Plan effective in fiscal year 2016.

In FY 2023 the Pay-Go is equivalent to \$115 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 2022.

This report includes updated claim trend assumptions as recommended in the report titled, “PEIA FY2022 Detailed Medical and Prescription Drugs Claim Trend Report”. In the circumstances and subject to the conditions described herein, we believe the financial plan approved by the Board for FY 2023 through FY 2027 may be reasonably expected to generate sufficient revenues, when combined with the existing surplus, to meet estimated insurance program and administrative costs of PEIA. In addition, we are forecasting that PEIA will meet the minimum 20% employee cost share requirement for state revenue in FY 2023 based on the scheduled revenue increases of the financial plan approved and amended by the Board in December 2022.

The conclusion of long-term solvency for the program over the five-year forecast is based on significant revenue increases in employer and employee premiums in later fiscal years of the plan through FY 2027 as approved by the Board.

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 of the framework of the managed care options, as are contemplated in the Board's proposed plan, increase the level of uncertainty of such estimates. As such, the estimate of insurance program costs contains considerable uncertainty and variability, and actual experience may not conform to the assumptions used.

Respectfully,



Dave Bond, F.S.A., M.A.A.A.

Managing Partner



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

Principal

# **West Virginia Public Employees Insurance Agency**

## **Report of Independent Actuary**

### **Financial Plan for FY 2023 – FY 2027**

#### **OVERVIEW**

This report analyzes revenues and expenses related to funding the health and life insurance benefits of active employees of the State 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 PEIA's third party administrators through May 2023 for prescription drugs and medical claims. Enrollment data, administrative expenses, managed care capitations, and plan revenues were provided at special request from PEIA. Revenue assumptions are based on premium rates, assumed investment income and significant general and special revenue allocations provided by the Governor, some of which have not been approved by the West Virginia Legislature. In addition, other information became available through presentations made at the Board meetings, which has been used in arriving at our conclusions.

The Code of the State of West Virginia establishes the actuarial reporting requirements for PEIA on an incurred basis for medical claims and capitations and on an accrued basis for administrative expenses and revenue for a period not to exceed five years. At the request of the Board, the reporting basis is based upon the separation of employees into two funds: Active Local Employee Fund and State Employee Fund. The Active Local Fund represents local governmental agencies, county governmental agencies and other public entities. The State Fund represents active state employees, college and university employees and county boards of education employees. The Active Local Fund and the State Fund are allocated administrative costs based on each fund's proportionate total revenue levels.

## **KEY ASSUMPTIONS**

### **A. Enrollment Changes**

These projections include the assumption that Preferred Provider Benefit (“PPB”) and managed care enrollment will not change from June 2023 enrollment levels for the duration of these forecasts for active employees.

In aggregate, June 2023 enrollment for active employees has decreased by 1,045 coverages since the end of FY 2022. Aggregate PPB enrollment has decreased by 1,031 in total over the same period, while managed care enrollment experienced a decrease of 14 coverages.

In the State Fund, the overall active State enrollment decreased by 235 coverages from the end of FY 2022 to June 2023. And in the Local Fund, the overall active Local enrollment decreased by 810 coverages from the end of FY 2022 to June 2023.

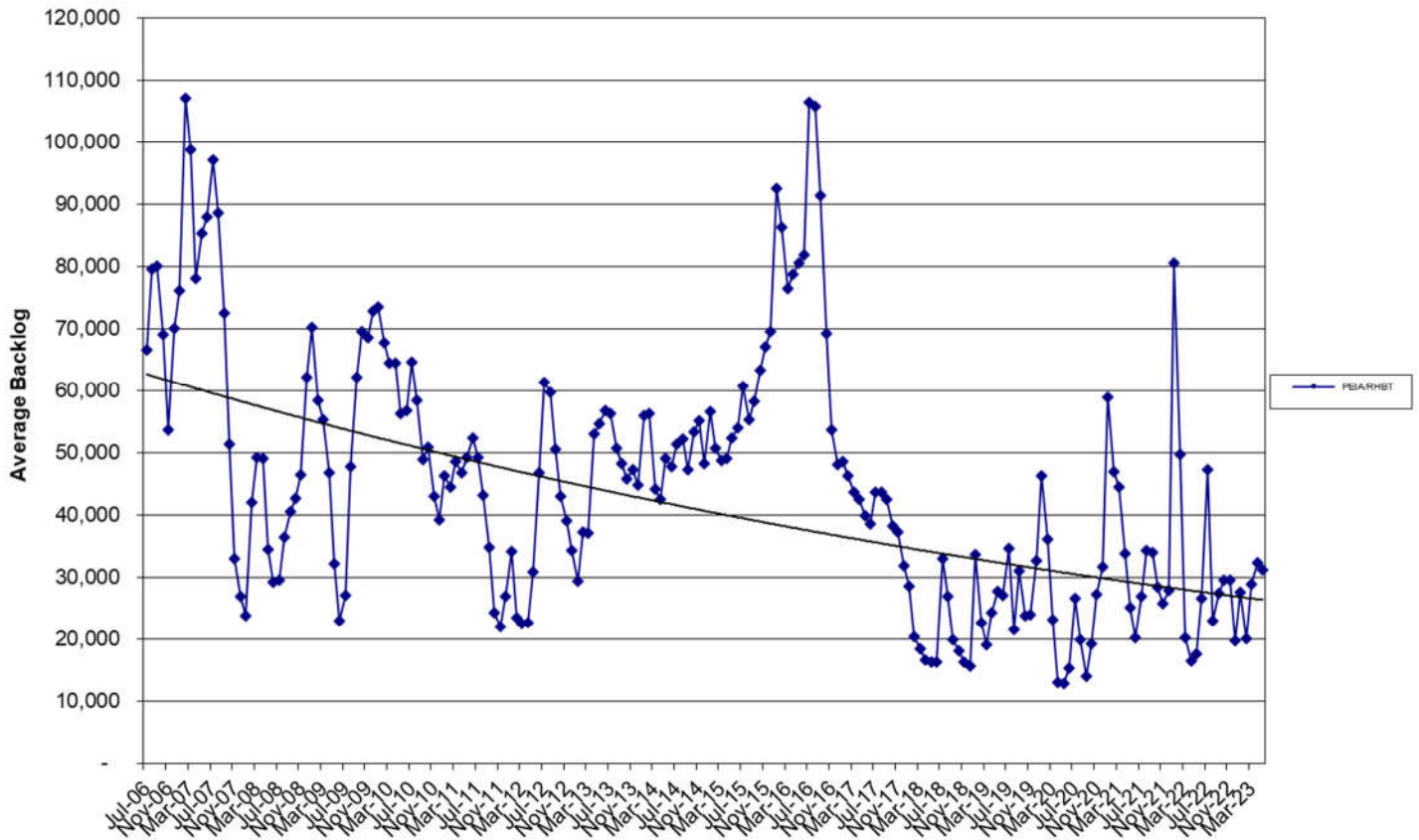
The following chart summarizes the current enrollment as of the selected monthly billing dates of June 2021, June 2022, and June 2023 for purposes of comparison:

PEIA Fund	Coverage	Preferred Provider Benefit			Managed Care		
		Jun-21	Jun-22	Jun-23	Jun-21	Jun-22	Jun-23
State Active	Single	21,489	21,269	21,381	2,465	2,435	2,444
	Children	5,918	5,821	5,845	683	685	703
	Family	26,905	26,484	26,125	2,775	2,742	2,703
	Total	54,312	53,574	53,351	5,923	5,862	5,850
Local Active	Single	6,771	6,913	6,618	452	471	476
	Children	1,304	1,355	1,276	104	105	107
	Family	6,581	6,557	6,123	213	219	210
	Total	14,656	14,825	14,017	769	795	793
Plan Total		68,968	68,399	67,368	6,692	6,657	6,643
Grand Total					75,660	75,056	74,011

## B. Changes in Claim Backlog

It should be noted that on July 1, 2006, all retirees were transferred to the RHBT. The graph below has not been adjusted to reflect the smaller risk pool for the active plan. The graph illustrates that the duration of claim payments has been gradually declining for the self-insured block of non-Medicare coverages. Backlog has shown a negative trend since July 2006, with large fluctuations. However, there has been an upward trend since the beginning of FY 2018.

WV PEIA&RHBT Claim Backlog July 2006 through May 2023



### C. Trend Analysis

PEIA experienced a low medical trend and a low prescription drugs trend in FY 2023, 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 FY2022 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 2023 medical claim trend is 7.0%, the gross prescription drugs claim trend is 14.0% and the prescription drugs rebate trend is 15.0%. In 2023, 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 2023 Trend	Updated Assumption FY 2023 Trend
Active Local – Medical	7.0%	7.0%
State – Medical	7.0%	7.0%
Active Local – Gross Drugs	14.0%	14.0%
State – Gross Drugs	14.0%	14.0%
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 medical and drugs claim trends for the financial projection will increase by 0.5% in FY 2024 and in each successive fiscal year. Additionally, drug rebates have been trending at approximately 15% 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. In order to provide information on the impact of varying trend assumptions, two alternative trend scenarios were developed. The Optimistic Scenario incorporates trend assumptions 2.0% below the Baseline Scenario and the Pessimistic Scenario incorporates trend assumptions 2.0% above the Baseline Scenario.

The following chart summarizes the trend results observed for the plan using data through May 2023. 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 the 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.



**PEIA Historical Trends (Active Local and State)**

<b>Fiscal Year</b>	<b>Active Local Medical</b>	<b>State Medical</b>	<b>Active Local Drugs</b>	<b>State Drugs</b>	<b>Total</b>
2004	-1%	12%	9%	7%	9%
2005	16%	7%	7%	20%	11%
2006	1%	2%	18%	7%	3%
2007	15%	2%	13%	8%	5%
2008	3%	8%	-5%	-1%	4%
2009	-8%	3%	5%	4%	2%
2010	10%	1%	9%	9%	4%
2011	11%	8%	16%	15%	8%
2012	5%	5%	8%	6%	5%
2013	-3%	-3%	2%	6%	-3%
2014	8%	6%	9%	7%	7%
2015	6%	10%	14%	10%	10%
2016	9%	11%	12%	13%	12%
2017	6%	1%	11%	9%	4%
2018	0%	4%	16%	15%	7%
2019	8%	8%	15%	16%	10%
2020	-7%	1%	10%	15%	4%
2021	29%	16%	16%	13%	16%
2022	5%	8%	19%	18%	11%
2023*	2%	5%	-4%	2%	4%

\* Fiscal year 2023 results are through the first eleven months ending May 2023.

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

Using PEIA paid claim data through May 2023 for medical claims and for prescription drugs claims, average annualized incurred unit claim costs were developed for the State Fund and the Local 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 2023 claims and expenses are summarized in the following chart. It should be noted that the chart reflects per policy information.

Fiscal Year 2023 Projection			Net Revenue Excluding Pay Go		Expenses		
Fund	Program	Policies	Monthly Employer Premiums	Monthly Employee Premiums	Monthly Medical Costs	Monthly Drugs Costs*	Monthly Capitation Costs
State	PPB	53,380	\$615	\$167	\$666	\$244	
	Managed Care	5,838	\$626	\$175			\$707
	Total	59,218					
Local	PPB	14,505	\$754	\$0	\$609	\$208	
	Managed Care	802	\$674	\$0			\$506
	Total	15,307					

\*Net of rebates and subsidies.

Projected plan revenues, administrative expenses, life insurance premiums, and the amount to be spent on wellness programs were provided by PEIA. Investment income is currently allocated to each fund based on average reserve levels for each fund. The following chart summarizes assumptions used in preparation of the attached forecasts. The following chart summarizes the financial plan adopted by the Board in December 2022 and modified for SB268 in March 2023.

### Board Decisions – December 2022

Source	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027
<b>Additional State Employer Revenue</b>	\$0	\$108,100,000	\$62,000,000	\$67,500,000	\$74,000,000
<b>Additional Local Agency Revenue</b>	\$7,500,000	\$22,500,000	\$30,000,000	\$28,500,000	\$13,500,000
<b>Additional Employee Premium</b>	\$0	\$28,900,000	\$15,500,000	\$16,900,000	\$18,500,000
<b>State Direct Transfers (State Budget Appropriations)</b>	\$21,000,000	\$0	\$0	\$0	\$0
<b>State Direct Transfers (PEIA Rainy Day Fund)</b>	\$31,000,000	\$0	\$0	\$0	\$0
<b>Benefit Reductions and Savings / (Increase) - Active State</b>	\$0	\$0	\$0	\$0	\$0
<b>Benefit Reductions and Savings / (Increase) - Active Local</b>	\$0	\$0	\$0	\$0	\$0
<b>Pay Go Premium Transfer</b>	\$59,394,085	\$0	\$29,000,000	\$29,000,000	\$29,000,000

Future fiscal year state revenue increases will require legislative appropriation. Additional local agency revenue represents premium increases to be charged to local agencies. Additional employee premiums represent employee premiums paid by active employees participating in the State Fund.

In FY 2023, the ACA PCORI fee is approximately \$3.00 per person per year.

West Virginia Senate Bill 268 was signed into law on March 17, 2023. The bill makes three substantial changes to PEIA effective July 1, 2023:

1. Imposes the monthly spouse surcharge for active employee policyholders from state agencies, colleges, universities, and county boards of education whose spouses are offered employer-sponsored insurance coverage but who choose to get coverage through a plan offered by PEIA. This change does not affect non-state agencies, retirees, spouses who are employed by PEIA-participating agencies or are retired, or spouses whose coverage is through Medicare, Medicaid, or TRICARE.
2. Increases health premiums to get the plan back to an 80/20 employer/employee premium split for state agencies, colleges, universities, and county boards of education by July 1, 2023. This eliminates direct and rainy day fund transfers from the state that were previously part of the financial plan.

- Increases reimbursement to providers to a minimum of 110% of Medicare's reimbursement. It is estimated that this increase to reimbursement will increase paid claims for PEIA and Non-Medicare retirees in the RHBT by \$54.4 million.

## **E. Provider Reimbursement Changes**

Beyond the extension of the Medicaid / PEIA Hospital Bill throughout the forecast, there are no assumed changes in provider reimbursement for physicians, hospitals, and pharmaceutical charges beyond the annual cost updates that PEIA has implemented historically.

### **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 \$822,173,487 and incurred plan expenses of \$874,361,583 to produce a fiscal year deficit of (\$52,188,096). The PEIA local and state agencies Pay Go premiums for FY 2023 are assumed to be \$59,394,085.

Under the Baseline Scenario, FY 2023 is projected to end with a Total Fund reserve (State and Local Reserves) of \$99,886,479 and projected plan expenditures of \$814,967,498. This represents 12.3% of projected expenditures based on the current reserve methodology. The projected reserve meets the minimum actuarial required reserve of \$99,661,019. This required reserve is comprised of 12.5% of self-insured claim expenses, and 10% of all other program expenses under the Baseline Scenario. Under the Optimistic Scenario, the ending Total Fund reserve is expected to increase to \$105,314,240 and under the Pessimistic Scenario, the ending Total Fund reserve is expected to decrease to \$94,499,319.

The State Fund in FY 2023 is projected to end with a reserve of \$80,946,757, which represents 12.2% of projected expenditures. The projected State Fund reserve meets the minimum actuarial required reserve of \$80,700,760.

The Local Fund in FY 2023 is projected to end with a reserve of \$18,939,722, which represents 12.3% of projected expenditures. The projected Local Fund reserve meets the minimum actuarial required reserve of \$18,960,259.

### **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 \$922,866,618 and incurred plan expenses of \$921,595,981 to produce a fiscal year surplus of \$1,270,637. The PEIA local and state agencies Pay Go premiums for FY 2024 are assumed to be \$0.

Under the Baseline Scenario, FY 2024 is projected to end with a Total Fund reserve (State and Local Reserves) of \$101,157,115 and projected plan expenditures of \$921,595,981. This represents 11.0% of projected expenditures based on the current reserve methodology. The projected reserve does not meet the minimum actuarial required reserve of \$112,623,944. This required reserve is comprised of 12.5% of self-insured claim expenses, and 10% of all other program expenses under the Baseline Scenario. Under the Optimistic Scenario, the ending Total Fund reserve is expected to increase to \$129,963,780 and under the Pessimistic Scenario, the ending Total Fund reserve is expected to decrease to \$72,216,601.

The State Fund in FY 2024 is projected to end with a reserve of \$87,307,657, which represents 11.7% of projected expenditures. The projected State Fund reserve does not meet the minimum actuarial required reserve of \$91,098,737.

The Local Fund in FY 2024 is projected to end with a reserve of \$13,849,458, which represents 7.9% of projected expenditures. The projected Local Fund reserve does not meet the minimum actuarial required reserve of \$21,525,207.

### **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 \$1,031,223,165 and incurred plan expenses of \$1,035,361,164 to produce a fiscal year deficit of (\$4,137,999). The PEIA local and state agencies Pay Go premiums for FY 2025 are assumed to be \$29,000,000.

Under the Baseline Scenario, FY 2025 is projected to end with a Total Fund reserve (State and Local Reserves) of \$97,019,116 and projected plan expenditures of \$1,006,361,164. This represents 9.6% of projected expenditures based on the current reserve methodology. The projected reserve does not meet the minimum actuarial required reserve of \$123,090,733. This required reserve is comprised of 12.5% of self-insured claim expenses, and 10% of all other program expenses under the Baseline Scenario. Under the Optimistic Scenario, the ending Total Fund reserve is expected to increase to \$170,942,682 and under the Pessimistic Scenario, the ending Total Fund reserve is expected to decrease to \$21,831,651.

The State Fund in FY 2025 is projected to end with a reserve of \$80,586,211, which represents 9.9% of projected expenditures. The projected State Fund reserve does not meet the minimum actuarial required reserve of \$99,516,979.

The Local Fund in FY 2025 is projected to end with a reserve of \$16,432,905, which represents 8.6% of projected expenditures. The projected Local Fund reserve does not meet the minimum actuarial required reserve of \$23,573,754.

### **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 \$1,144,920,902 and incurred plan expenses of \$1,134,122,877 to produce a fiscal year surplus of \$10,798,025. The PEIA local and state agencies Pay Go premiums for FY 2026 are assumed to be \$29,000,000.

Under the Baseline Scenario, FY 2026 is projected to end with a Total Fund reserve (State and Local Reserves) of \$107,817,141 and projected plan expenditures of \$1,105,122,877. This represents 9.8% of projected expenditures based on the current reserve methodology. The projected reserve does not meet the minimum actuarial required reserve of \$135,300,116. This required reserve is comprised of 12.5% of self-insured claim expenses, and 10% of all other program expenses under the Baseline Scenario. Under the Optimistic Scenario, the ending Total Fund reserve is expected to increase to \$253,436,893 and under the Pessimistic Scenario, the ending Total Fund reserve is expected to decrease to (\$42,145,644).

The State Fund in FY 2026 is projected to end with a reserve of \$79,298,103, which represents 8.9% of projected expenditures. The projected State Fund reserve does not meet the minimum actuarial required reserve of \$109,327,914.

The Local Fund in FY 2026 is projected to end with a reserve of \$28,519,039, which represents 13.5% of projected expenditures. The projected Local Fund reserve meets the minimum actuarial required reserve of \$25,972,202.

### **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 \$1,252,360,053 and incurred plan expenses of \$1,249,089,560 to produce a fiscal year surplus of \$3,270,493. The PEIA local and state agencies Pay Go premiums for FY 2027 are assumed to be \$29,000,000.

Under the Baseline Scenario, FY 2027 is projected to end with a Total Fund reserve (State and Local Reserves) of \$111,087,634 and projected plan expenditures of \$1,220,089,560. This represents 9.1% of projected expenditures based on the current reserve methodology. The projected reserve does not meet the minimum actuarial required reserve of \$149,527,755. This required reserve is comprised of 12.5% of self-insured claim expenses, and 10% of all other program expenses under the Baseline Scenario. Under the Optimistic Scenario, the ending Total Fund reserve is expected to increase to \$360,938,998 and under the Pessimistic Scenario, the ending Total Fund reserve is expected to decrease to (\$149,464,241).

The State Fund in FY 2027 is projected to end with a reserve of \$78,878,289, which represents 8.0% of projected expenditures. The projected State Fund reserve does not meet the minimum actuarial required reserve of \$120,751,780.

The Local Fund in FY 2027 is projected to end with a reserve of \$32,209,346, which represents 13.8% of projected expenditures. The projected Local Fund reserve meets the minimum actuarial required reserve of \$28,775,976.

### **LITIGATION**

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

## **SUMMARY**

With projected changes to the plan as adopted by the PEIA Finance Board, we are forecasting that the plan will meet the minimum 10% reserve target set by West Virginia Statute through the projection period ending in fiscal year 2023. The plan will meet the minimum actuarial required reserve target in fiscal year 2023. We are currently projecting that the State reserve will be under the minimum actuarial reserve using the baseline assumptions in fiscal years 2024 through 2027; and the Local reserve will be under the minimum actuarial reserve using the baseline assumptions in fiscal years 2024 and 2025. These projections are based on significant revenue increases and state rainy day fund direct transfers as contained in the financial plan adopted by the Board in December 2022 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 universal health insurance initiatives 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  
PEIA - ACTIVE LOCAL AND STATE**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY  
FINANCIAL FORECAST  
FISCAL YEAR 2023**

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

	<b>Active Local Fund</b>	<b>State Fund</b>	<b>PEIA Total</b>
<u>Revenues</u>			
Employer Premiums - PPB	\$ 131,188,843	\$ 394,100,063	\$ 525,288,906
Employer Premiums - MCO	6,487,869	43,825,370	50,313,239
Employee Premiums - PPB	-	106,995,440	106,995,440
Employee Premiums - MCO	-	12,259,773	12,259,773
WV RHBT Pay Go Premiums	12,198,950	47,195,135	59,394,085
Life Insurance	398,162	1,643,350	2,041,512
Direct Transfers	-	52,000,000	52,000,000
Investment Income	1,433,044	5,524,758	6,957,802
Litigation Settlement	-	-	-
COBRA Premiums	393,015	1,631,865	2,024,880
Administrative Fees	748,826	4,149,024	4,897,850
<b>Total Revenue</b>	<b>\$ 152,848,709</b>	<b>\$ 669,324,778</b>	<b>\$ 822,173,487</b>
<u>Program Expenses</u>			
Medical Claims	\$ 106,067,280	\$ 426,580,129	\$ 532,647,408
Gross Prescription Drug Claims	58,851,411	251,698,382	310,549,793
Prescription Drug Rebates	(22,700,000)	(95,300,000)	(118,000,000)
Managed Care Capitations	4,870,058	49,560,336	54,430,394
Administration	6,146,856	25,370,173	31,517,029
Life Insurance	358,274	1,478,720	1,836,994
Wellness	25,802	106,493	132,295
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	91,521	388,479	480,000
Director's Discretionary Fund	269,374	1,104,211	1,373,585
WV RHBT Pay Go Premiums	12,198,950	47,195,135	59,394,085
<b>Total Expenses</b>	<b>\$ 166,179,525</b>	<b>\$ 708,182,058</b>	<b>\$ 874,361,583</b>
Fiscal Year Results	\$ (13,330,816)	\$ (38,857,280)	\$ (52,188,096)
Beginning Plan Reserve	32,270,538	119,804,037	152,074,575
Minimum Actuarial Reserve Required	\$ 18,960,259	\$ 80,700,760	\$ 99,661,019
<u>Ending Premium Stabilization Reserve</u>	<u>(20,538)</u>	<u>245,997</u>	<u>225,459</u>
Ending Plan Reserve	\$ 18,939,722	\$ 80,946,757	\$ 99,886,479
Reserve as a Percent of Expenses			12%

**KEY ASSUMPTIONS**

		<b>Claim and Other Expense Trends</b>		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Additional State Employer Premiums	\$ -			
Additional Local Agency Revenue	\$ 7,500,000			
Additional State Employee Premiums	\$ -	Active Local	7.0%	14.0%
Direct Transfers	\$ 52,000,000	State	7.0%	14.0%
		Prescription Drug Rebates		0.0%
		Capitations		-0.4%
		Administrative Expense		39.3%



**APPENDIX - BASELINE SCENARIO**  
**PEIA - LOCAL FUND**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY**  
**FINANCIAL FORECAST**  
**FISCAL YEAR 2023**

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

Local Fund	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
Employer Premiums - PPB	\$ 131,188,843	\$ -	\$ 131,188,843
Employer Premiums - MCO	6,487,869	-	6,487,869
Employee Premiums - PPB	-	-	-
Employee Premiums - MCO	-	-	-
WV RHBT Pay Go Premiums	12,198,950		12,198,950
Life Insurance	398,162		398,162
Direct Transfers	-		-
Investment Income	1,433,044		1,433,044
Litigation Settlement	-		-
COBRA Premiums	393,015		393,015
Administrative Fees	748,826		748,826
Total Revenue	\$ 152,848,709	\$ -	\$ 152,848,709
<u>Program Expenses</u>			
Medical Claims	\$ 106,067,280		\$ 106,067,280
Gross Prescription Drug Claims	62,239,309	(3,387,898)	58,851,411
Prescription Drug Rebates	(22,700,000)		(22,700,000)
Managed Care Capitations	4,870,058		4,870,058
Administration	6,146,856		6,146,856
Life Insurance	358,274		358,274
Wellness	25,802		25,802
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	91,521		91,521
Director's Discretionary Fund	269,374		269,374
WV RHBT Pay Go Premiums	12,198,950		12,198,950
Total Expenses	\$ 169,567,424	\$ (3,387,898)	\$ 166,179,526
Fiscal Year Results	\$ (16,718,715)		\$ (13,330,817)
Beginning Plan Reserve	32,270,538		32,270,538
Minimum Actuarial Reserve Required	\$ 18,960,259	\$ -	\$ 18,960,259
<u>Ending Premium Stabilization Reserve</u>	<u>(3,408,436)</u>	<u>-</u>	<u>(20,538)</u>
Ending Plan Reserve	\$ 15,551,823		\$ 18,939,721
Reserve as a Percent of Expenses			12%

**KEY ASSUMPTIONS**

Additional Local Agency Revenue	\$ 7,500,000	<b>Claim and Other Expense Trends</b>	
		<u>Eligibility</u>	<u>Medical</u>
		Local	7.0%
			<u>Gross Drugs</u>
			14.0%
		Prescription Drug Rebates	0.0%
		Capitations	-0.4%
		Administrative Expense	39.3%

**APPENDIX - BASELINE SCENARIO**  
**PEIA - STATE FUND**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY**  
**FINANCIAL FORECAST**  
**FISCAL YEAR 2023**

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

State Fund	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
Employer Premiums - PPB	\$ 394,100,063	\$ -	\$ 394,100,063
Employer Premiums - MCO	43,825,370	-	43,825,370
Employee Premiums - PPB	106,995,440	-	106,995,440
Employee Premiums - MCO	12,259,773	-	12,259,773
WV RHBT Pay Go Premiums	47,195,135		47,195,135
Life Insurance	1,643,350		1,643,350
Direct Transfers	52,000,000		52,000,000
Investment Income	5,524,758		5,524,758
Litigation Settlement	-		-
COBRA Premiums	1,631,865		1,631,865
Administrative Fees	4,149,024		4,149,024
Total Revenue	\$ 669,324,778	\$ -	\$ 669,324,778
<u>Program Expenses</u>			
Medical Claims	\$ 426,580,129		\$ 426,580,129
Gross Prescription Drug Claims	265,968,293	(14,269,911)	251,698,382
Prescription Drug Rebates	(95,300,000)		(95,300,000)
Managed Care Capitations	49,560,336		49,560,336
Administration	25,370,173		25,370,173
Life Insurance	1,478,720		1,478,720
Wellness	106,493		106,493
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	388,479		388,479
Director's Discretionary Fund	1,104,211		1,104,211
WV RHBT Pay Go Premiums	47,195,135		47,195,135
Total Expenses	\$ 722,451,969	\$ (14,269,911)	\$ 708,182,058
Fiscal Year Results	\$ (53,127,191)		\$ (38,857,280)
Beginning Plan Reserve	119,804,037		119,804,037
Minimum Actuarial Reserve Required	\$ 80,700,760	\$ -	\$ 80,700,760
<u>Ending Premium Stabilization Reserve</u>	(14,023,914)	-	245,997
Ending Plan Reserve	\$ 66,676,846		\$ 80,946,757
Reserve as a Percent of Expenses			12%

**KEY ASSUMPTIONS**

Additional State Employer Premiums	\$ -	<b>Claim and Other Expense Trends</b>		
Additional State Employee Premiums	\$ -	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Direct Transfers	\$ 52,000,000	State	7.0%	14.0%
		Prescription Drug Rebates		0.0%
		Capitations		-0.4%
		Administrative Expense		39.3%

**APPENDIX - BASELINE SCENARIO  
PEIA - ACTIVE LOCAL AND STATE**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY  
FINANCIAL FORECAST  
FISCAL YEAR 2024**

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

	<b>Active Local Fund</b>	<b>State Fund</b>	<b>PEIA Total</b>
<u>Revenues</u>			
Employer Premiums - PPB	\$ 158,252,110	\$ 531,834,716	\$ 690,086,826
Employer Premiums - MCO	8,201,274	59,046,832	67,248,106
Employee Premiums - PPB	-	132,408,557	132,408,557
Employee Premiums - MCO	-	15,171,664	15,171,664
WV RHBT Pay Go Premiums	-	-	-
Life Insurance	418,070	1,725,518	2,143,588
Direct Transfers	-	-	-
Investment Income	1,603,182	6,668,885	8,272,067
Litigation Settlement	-	-	-
COBRA Premiums	475,161	2,162,799	2,637,960
Administrative Fees	748,826	4,149,024	4,897,850
<b>Total Revenue</b>	\$ 169,698,623	\$ 753,167,995	\$ 922,866,618
<u>Program Expenses</u>			
Medical Claims	\$ 120,826,878	\$ 477,554,496	\$ 598,381,375
Gross Prescription Drug Claims	64,986,439	279,809,531	344,795,970
Prescription Drug Rebates	(24,321,429)	(102,107,143)	(126,428,571)
Managed Care Capitations	6,063,222	61,702,618	67,765,840
Administration	6,331,262	26,131,278	32,462,540
Life Insurance	426,588	1,754,256	2,180,844
Wellness	26,834	110,753	137,587
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	88,230	387,101	475,331
Director's Discretionary Fund	360,862	1,464,204	1,825,066
WV RHBT Pay Go Premiums	-	-	-
<b>Total Expenses</b>	\$ 174,788,887	\$ 746,807,095	\$ 921,595,981
Fiscal Year Results	\$ (5,090,264)	\$ 6,360,900	\$ 1,270,637
Beginning Plan Reserve	18,939,722	80,946,757	99,886,479
Minimum Actuarial Reserve Required	\$ 21,525,207	\$ 91,098,737	\$ 112,623,944
<u>Ending Premium Stabilization Reserve</u>	<u>(7,675,749)</u>	<u>(3,791,079)</u>	<u>(11,466,829)</u>
Ending Plan Reserve	\$ 13,849,458	\$ 87,307,657	\$ 101,157,115
Reserve as a Percent of Expenses			11%

**KEY ASSUMPTIONS**

Additional State Employer Premiums	\$ 108,100,000	<b>Claim and Other Expense Trends</b>		
Additional Local Agency Revenue	\$ 22,500,000	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Additional State Employee Premiums	\$ 28,900,000	Active Local	7.5%	14.5%
Direct Transfers	\$ -	State	7.5%	14.5%
		Prescription Drug Rebates		7.1%
		Capitations		24.5%
		Administrative Expense		3.0%

**APPENDIX - BASELINE SCENARIO**  
**PEIA - LOCAL FUND**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY**  
**FINANCIAL FORECAST**  
**FISCAL YEAR 2024**

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

Local Fund	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
Employer Premiums - PPB	\$ 136,860,701	\$ 21,391,409	\$ 158,252,110
Employer Premiums - MCO	7,092,683	1,108,591	8,201,274
Employee Premiums - PPB	-	-	-
Employee Premiums - MCO	-	-	-
WV RHBT Pay Go Premiums	-	-	-
Life Insurance	418,070	-	418,070
Direct Transfers	-	-	-
Investment Income	1,603,182	-	1,603,182
Litigation Settlement	-	-	-
COBRA Premiums	475,161	-	475,161
Administrative Fees	748,826	-	748,826
Total Revenue	\$ 147,198,623	\$ 22,500,000	\$ 169,698,623
<u>Program Expenses</u>			
Medical Claims	\$ 120,826,879	-	\$ 120,826,879
Gross Prescription Drug Claims	64,986,439	-	64,986,439
Prescription Drug Rebates	(24,321,429)	-	(24,321,429)
Managed Care Capitations	6,063,222	-	6,063,222
Administration	6,331,262	-	6,331,262
Life Insurance	426,588	-	426,588
Wellness	26,834	-	26,834
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	88,230	-	88,230
Director's Discretionary Fund	360,862	-	360,862
WV RHBT Pay Go Premiums	-	-	-
Total Expenses	\$ 174,788,887	\$ -	\$ 174,788,887
Fiscal Year Results	\$ (27,590,264)	-	\$ (5,090,264)
Beginning Plan Reserve	18,939,722	-	18,939,722
Minimum Actuarial Reserve Required	\$ 21,525,207	\$ -	\$ 21,525,207
<u>Ending Premium Stabilization Reserve</u>	<u>(30,175,750)</u>	<u>-</u>	<u>(7,675,750)</u>
Ending Plan Reserve	\$ (8,650,542)	-	\$ 13,849,458
Reserve as a Percent of Expenses	-	-	8%

**KEY ASSUMPTIONS**

Additional Local Agency Revenue	\$ 22,500,000	<b>Claim and Other Expense Trends</b>	
		<u>Eligibility</u>	<u>Medical</u>
		Local	7.5%
			<u>Gross Drugs</u>
		Prescription Drug Rebates	7.1%
		Capitations	24.5%
		Administrative Expense	3.0%

**APPENDIX - BASELINE SCENARIO**  
**PEIA - STATE FUND**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY**  
**FINANCIAL FORECAST**  
**FISCAL YEAR 2024**

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

State Fund	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
Employer Premiums - PPB	\$ 434,537,156	\$ 97,297,560	\$ 531,834,716
Employer Premiums - MCO	48,244,392	10,802,440	59,046,832
Employee Premiums - PPB	106,479,559	25,928,998	132,408,557
Employee Premiums - MCO	12,200,662	2,971,002	15,171,664
WV RHBT Pay Go Premiums	-		-
Life Insurance	1,725,518		1,725,518
Direct Transfers	-		-
Investment Income	6,668,885		6,668,885
Litigation Settlement	-		-
COBRA Premiums	2,162,799		2,162,799
Administrative Fees	4,149,024		4,149,024
<b>Total Revenue</b>	<b>\$ 616,167,995</b>	<b>\$ 137,000,000</b>	<b>\$ 753,167,995</b>
<u>Program Expenses</u>			
Medical Claims	\$ 477,554,496		\$ 477,554,496
Gross Prescription Drug Claims	279,809,531		279,809,531
Prescription Drug Rebates	(102,107,143)		(102,107,143)
Managed Care Capitations	61,702,618		61,702,618
Administration	26,131,278		26,131,278
Life Insurance	1,754,256		1,754,256
Wellness	110,753		110,753
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	387,101		387,101
Director's Discretionary Fund	1,464,204		1,464,204
WV RHBT Pay Go Premiums	-		-
<b>Total Expenses</b>	<b>\$ 746,807,095</b>	<b>\$ -</b>	<b>\$ 746,807,095</b>
Fiscal Year Results	\$ (130,639,100)		\$ 6,360,900
Beginning Plan Reserve	80,946,757		80,946,757
Minimum Actuarial Reserve Required	\$ 91,098,737	\$ -	\$ 91,098,737
<u>Ending Premium Stabilization Reserve</u>	<u>(140,791,079)</u>	<u>-</u>	<u>(3,791,079)</u>
Ending Plan Reserve	\$ (49,692,343)		\$ 87,307,657
Reserve as a Percent of Expenses			12%

**KEY ASSUMPTIONS**

Additional State Employer Premiums	\$ 108,100,000	<b>Claim and Other Expense Trends</b>		
Additional State Employee Premiums	\$ 28,900,000	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Direct Transfers	\$ -	State	7.5%	14.5%
		Prescription Drug Rebates		7.1%
		Capitations		24.5%
		Administrative Expense		3.0%

**APPENDIX - BASELINE SCENARIO  
PEIA - ACTIVE LOCAL AND STATE**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY  
FINANCIAL FORECAST  
FISCAL YEAR 2025**

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

	<b>Active Local Fund</b>	<b>State Fund</b>	<b>PEIA Total</b>
<u>Revenues</u>			
Employer Premiums - PPB	\$ 181,281,657	\$ 566,734,335	\$ 748,015,992
Employer Premiums - MCO	9,368,671	62,950,269	72,318,940
Employee Premiums - PPB	-	146,315,113	146,315,113
Employee Premiums - MCO	-	16,765,108	16,765,108
WV RHBT Pay Go Premiums	5,803,056	23,196,944	29,000,000
Life Insurance	438,974	1,811,794	2,250,768
Direct Transfers	-	-	-
Investment Income	1,493,572	7,299,747	8,793,319
Litigation Settlement	-	-	-
COBRA Premiums	544,234	2,321,841	2,866,075
Administrative Fees	748,826	4,149,024	4,897,850
<b>Total Revenue</b>	<b>\$ 199,678,990</b>	<b>\$ 831,544,175</b>	<b>\$ 1,031,223,165</b>
<u>Program Expenses</u>			
Medical Claims	\$ 130,481,228	\$ 515,048,777	\$ 645,530,005
Gross Prescription Drug Claims	74,907,692	321,316,269	396,223,961
Prescription Drug Rebates	(27,969,643)	(117,423,214)	(145,392,857)
Managed Care Capitations	6,427,016	65,404,776	71,831,792
Administration	6,521,200	26,915,216	33,436,416
Life Insurance	447,917	1,841,968	2,289,885
Wellness	27,907	115,183	143,090
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	88,230	387,101	475,331
Director's Discretionary Fund	360,939	1,462,602	1,823,541
WV RHBT Pay Go Premiums	5,803,056	23,196,944	29,000,000
<b>Total Expenses</b>	<b>\$ 197,095,543</b>	<b>\$ 838,265,621</b>	<b>\$ 1,035,361,164</b>
Fiscal Year Results	\$ 2,583,447	\$ (6,721,446)	\$ (4,137,999)
Beginning Plan Reserve	13,849,458	87,307,657	101,157,115
Minimum Actuarial Reserve Required	\$ 23,573,754	\$ 99,516,979	\$ 123,090,733
<u>Ending Premium Stabilization Reserve</u>	<u>(7,140,849)</u>	<u>(18,930,767)</u>	<u>(26,071,616)</u>
Ending Plan Reserve	\$ 16,432,905	\$ 80,586,211	\$ 97,019,116
Reserve as a Percent of Expenses			10%

**KEY ASSUMPTIONS**

Additional State Employer Premiums	\$ 62,000,000	<b>Claim and Other Expense Trends</b>		
Additional Local Agency Revenue	\$ 30,000,000	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Additional State Employee Premiums	\$ 15,500,000	Active Local	8.0%	15.0%
Direct Transfers	\$ -	State	8.0%	15.0%
		Prescription Drug Rebates		15.0%
		Capitations		6.0%
		Administrative Expense		3.0%

**APPENDIX - BASELINE SCENARIO**

**PEIA - LOCAL FUND**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY  
FINANCIAL FORECAST  
FISCAL YEAR 2025**

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

<b>Local Fund</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
Employer Premiums - PPB	\$ 152,759,778	\$ 28,521,879	\$ 181,281,657
Employer Premiums - MCO	7,890,550	1,478,121	9,368,671
Employee Premiums - PPB	-	-	-
Employee Premiums - MCO	-	-	-
WV RHBT Pay Go Premiums	5,803,056		5,803,056
Life Insurance	438,974		438,974
Direct Transfers	-		-
Investment Income	1,493,572		1,493,572
Litigation Settlement	-		-
COBRA Premiums	544,234		544,234
Administrative Fees	748,826		748,826
<b>Total Revenue</b>	<b>\$ 169,678,990</b>	<b>\$ 30,000,000</b>	<b>\$ 199,678,990</b>
<u>Program Expenses</u>			
Medical Claims	\$ 130,481,228		\$ 130,481,228
Gross Prescription Drug Claims	74,907,692		74,907,692
Prescription Drug Rebates	(27,969,643)		(27,969,643)
Managed Care Capitations	6,427,016		6,427,016
Administration	6,521,200		6,521,200
Life Insurance	447,917		447,917
Wellness	27,907		27,907
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	88,230		88,230
Director's Discretionary Fund	360,939		360,939
WV RHBT Pay Go Premiums	5,803,056		5,803,056
<b>Total Expenses</b>	<b>\$ 197,095,543</b>	<b>\$ -</b>	<b>\$ 197,095,543</b>
<b>Fiscal Year Results</b>	<b>\$ (27,416,553)</b>		<b>\$ 2,583,447</b>
Beginning Plan Reserve	13,849,458		13,849,458
Minimum Actuarial Reserve Required	\$ 23,573,754	\$ -	\$ 23,573,754
<u>Ending Premium Stabilization Reserve</u>	<u>(37,140,849)</u>	<u>-</u>	<u>(7,140,849)</u>
Ending Plan Reserve	\$ (13,567,095)		\$ 16,432,905
Reserve as a Percent of Expenses			9%

**KEY ASSUMPTIONS**

Additional Local Agency Revenue	\$ 30,000,000	<b>Claim and Other Expense Trends</b>		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
		Local	8.0%	15.0%
		Prescription Drug Rebates		15.0%
		Capitations		6.0%
		Administrative Expense		3.0%

**APPENDIX - BASELINE SCENARIO**  
**PEIA - STATE FUND**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY**  
**FINANCIAL FORECAST**  
**FISCAL YEAR 2025**

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

State Fund	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
Employer Premiums - PPB	\$ 510,929,999	\$ 55,804,336	\$ 566,734,335
Employer Premiums - MCO	56,754,605	6,195,664	62,950,269
Employee Premiums - PPB	132,408,557	13,906,556	146,315,113
Employee Premiums - MCO	15,171,664	1,593,444	16,765,108
WV RHBT Pay Go Premiums	23,196,944		23,196,944
Life Insurance	1,811,794		1,811,794
Direct Transfers	-		-
Investment Income	7,299,747		7,299,747
Litigation Settlement	-		-
COBRA Premiums	2,321,841		2,321,841
Administrative Fees	4,149,024		4,149,024
<b>Total Revenue</b>	<b>\$ 754,044,175</b>	<b>\$ 77,500,000</b>	<b>\$ 831,544,175</b>
<u>Program Expenses</u>			
Medical Claims	\$ 515,048,777		\$ 515,048,777
Gross Prescription Drug Claims	321,316,269		321,316,269
Prescription Drug Rebates	(117,423,214)		(117,423,214)
Managed Care Capitations	65,404,776		65,404,776
Administration	26,915,216		26,915,216
Life Insurance	1,841,968		1,841,968
Wellness	115,183		115,183
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	387,101		387,101
Director's Discretionary Fund	1,462,602		1,462,602
WV RHBT Pay Go Premiums	23,196,944		23,196,944
<b>Total Expenses</b>	<b>\$ 838,265,621</b>	<b>\$ -</b>	<b>\$ 838,265,621</b>
<b>Fiscal Year Results</b>	<b>\$ (84,221,446)</b>		<b>\$ (6,721,446)</b>
Beginning Plan Reserve	87,307,657		87,307,657
Minimum Actuarial Reserve Required	\$ 99,516,979	\$ -	\$ 99,516,979
<u>Ending Premium Stabilization Reserve</u>	<u>(96,430,768)</u>	<u>-</u>	<u>(18,930,768)</u>
Ending Plan Reserve	\$ 3,086,211		\$ 80,586,211
Reserve as a Percent of Expenses			10%

**KEY ASSUMPTIONS**

Additional State Employer Premiums	\$ 62,000,000	<b>Claim and Other Expense Trends</b>		
Additional State Employee Premiums	\$ 15,500,000	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Direct Transfers	\$ -	State	8.0%	15.0%
		Prescription Drug Rebates		15.0%
		Capitations		6.0%
		Administrative Expense		3.0%



**APPENDIX - BASELINE SCENARIO  
PEIA - ACTIVE LOCAL AND STATE**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY  
FINANCIAL FORECAST  
FISCAL YEAR 2026**

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

	<b>Active Local Fund</b>	<b>State Fund</b>	<b>PEIA Total</b>
<u>Revenues</u>			
Employer Premiums - PPB	\$ 208,377,442	\$ 627,489,056	\$ 835,866,498
Employer Premiums - MCO	10,772,885	69,695,548	80,468,433
Employee Premiums - PPB	-	161,477,745	161,477,745
Employee Premiums - MCO	-	18,502,476	18,502,476
WV RHBT Pay Go Premiums	5,803,056	23,196,944	29,000,000
Life Insurance	460,922	1,902,383	2,363,305
Direct Transfers	-	-	-
Investment Income	1,701,493	7,448,480	9,149,973
Litigation Settlement	-	-	-
COBRA Premiums	625,591	2,569,031	3,194,622
Administrative Fees	748,826	4,149,024	4,897,850
Total Revenue	\$ 228,490,215	\$ 916,430,687	\$ 1,144,920,902
<u>Program Expenses</u>			
Medical Claims	\$ 141,575,476	\$ 558,024,627	\$ 699,600,103
Gross Prescription Drug Claims	86,712,547	370,580,310	457,292,857
Prescription Drug Rebates	(32,165,089)	(135,036,696)	(167,201,786)
Managed Care Capitations	6,812,637	69,329,062	76,141,699
Administration	6,716,836	27,722,673	34,439,509
Life Insurance	470,313	1,934,067	2,404,380
Wellness	29,024	119,790	148,814
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	88,230	387,101	475,331
Director's Discretionary Fund	361,052	1,460,918	1,821,970
WV RHBT Pay Go Premiums	5,803,056	23,196,944	29,000,000
Total Expenses	\$ 216,404,082	\$ 917,718,795	\$ 1,134,122,877
Fiscal Year Results	\$ 12,086,133	\$ (1,288,108)	\$ 10,798,025
Beginning Plan Reserve	16,432,905	80,586,211	97,019,116
Minimum Actuarial Reserve Required	\$ 25,972,202	\$ 109,327,914	\$ 135,300,116
<u>Ending Premium Stabilization Reserve</u>	<u>2,546,836</u>	<u>(30,029,812)</u>	<u>(27,482,975)</u>
Ending Plan Reserve	\$ 28,519,039	\$ 79,298,103	\$ 107,817,141
Reserve as a Percent of Expenses			10%

**KEY ASSUMPTIONS**

Additional State Employer Premiums	\$ 67,500,000	<b>Claim and Other Expense Trends</b>		
Additional Local Agency Revenue	\$ 28,500,000	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Additional State Employee Premiums	\$ 16,900,000	Active Local	8.5%	15.5%
Direct Transfers	\$ -	State	8.5%	15.5%
		Prescription Drug Rebates		15.0%
		Capitations		6.0%
		Administrative Expense		3.0%

**APPENDIX - BASELINE SCENARIO  
PEIA - LOCAL FUND**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY  
FINANCIAL FORECAST  
FISCAL YEAR 2026**

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

<b>Local Fund</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
Employer Premiums - PPB	\$ 181,281,657	\$ 27,095,785	\$ 208,377,442
Employer Premiums - MCO	9,368,670	1,404,215	10,772,885
Employee Premiums - PPB	-	-	-
Employee Premiums - MCO	-	-	-
WV RHBT Pay Go Premiums	5,803,056		5,803,056
Life Insurance	460,922		460,922
Direct Transfers	-		-
Investment Income	1,701,493		1,701,493
Litigation Settlement	-		-
COBRA Premiums	625,591		625,591
Administrative Fees	748,826		748,826
<b>Total Revenue</b>	<b>\$ 199,990,215</b>	<b>\$ 28,500,000</b>	<b>\$ 228,490,215</b>
<u>Program Expenses</u>			
Medical Claims	\$ 141,575,476		\$ 141,575,476
Gross Prescription Drug Claims	86,712,547		86,712,547
Prescription Drug Rebates	(32,165,089)		(32,165,089)
Managed Care Capitations	6,812,637		6,812,637
Administration	6,716,836		6,716,836
Life Insurance	470,313		470,313
Wellness	29,024		29,024
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	88,230		88,230
Director's Discretionary Fund	361,052		361,052
WV RHBT Pay Go Premiums	5,803,056		5,803,056
<b>Total Expenses</b>	<b>\$ 216,404,082</b>	<b>\$ -</b>	<b>\$ 216,404,082</b>
Fiscal Year Results	\$ (16,413,867)		\$ 12,086,133
Beginning Plan Reserve	16,432,905		16,432,905
Minimum Actuarial Reserve Required	\$ 25,972,202	\$ -	\$ 25,972,202
<u>Ending Premium Stabilization Reserve</u>	<u>(25,953,164)</u>	<u>-</u>	<u>2,546,836</u>
Ending Plan Reserve	\$ 19,038		\$ 28,519,038
Reserve as a Percent of Expenses			14%

**KEY ASSUMPTIONS**

Additional Local Agency Revenue	\$ 28,500,000	<b>Claim and Other Expense Trends</b>		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
		Local	8.5%	15.5%
		Prescription Drug Rebates		15.0%
		Capitations		6.0%
		Administrative Expense		3.0%

**APPENDIX - BASELINE SCENARIO**  
**PEIA - STATE FUND**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY**  
**FINANCIAL FORECAST**  
**FISCAL YEAR 2026**

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

State Fund	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
Employer Premiums - PPB	\$ 566,734,335	\$ 60,754,721	\$ 627,489,056
Employer Premiums - MCO	62,950,269	6,745,279	69,695,548
Employee Premiums - PPB	146,315,113	15,162,632	161,477,745
Employee Premiums - MCO	16,765,108	1,737,368	18,502,476
WV RHBT Pay Go Premiums	23,196,944		23,196,944
Life Insurance	1,902,383		1,902,383
Direct Transfers	-		-
Investment Income	7,448,480		7,448,480
Litigation Settlement	-		-
COBRA Premiums	2,569,031		2,569,031
Administrative Fees	4,149,024		4,149,024
<b>Total Revenue</b>	<b>\$ 832,030,687</b>	<b>\$ 84,400,000</b>	<b>\$ 916,430,687</b>
<u>Program Expenses</u>			
Medical Claims	\$ 558,024,627		\$ 558,024,627
Gross Prescription Drug Claims	370,580,310		370,580,310
Prescription Drug Rebates	(135,036,696)		(135,036,696)
Managed Care Capitations	69,329,062		69,329,062
Administration	27,722,673		27,722,673
Life Insurance	1,934,067		1,934,067
Wellness	119,790		119,790
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	387,101		387,101
Director's Discretionary Fund	1,460,918		1,460,918
WV RHBT Pay Go Premiums	23,196,944		23,196,944
<b>Total Expenses</b>	<b>\$ 917,718,795</b>	<b>\$ -</b>	<b>\$ 917,718,795</b>
<b>Fiscal Year Results</b>	<b>\$ (85,688,108)</b>		<b>\$ (1,288,108)</b>
Beginning Plan Reserve	80,586,211		80,586,211
Minimum Actuarial Reserve Required	\$ 109,327,914	\$ -	\$ 109,327,914
<u>Ending Premium Stabilization Reserve</u>	<u>(114,429,811)</u>	<u>-</u>	<u>(30,029,811)</u>
Ending Plan Reserve	\$ (5,101,897)		\$ 79,298,103
Reserve as a Percent of Expenses			9%

**KEY ASSUMPTIONS**

Additional State Employer Premiums	\$ 67,500,000	<b>Claim and Other Expense Trends</b>		
Additional State Employee Premiums	\$ 16,900,000	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Direct Transfers	\$ -	State	8.5%	15.5%
		Prescription Drug Rebates		15.0%
		Capitations		6.0%
		Administrative Expense		3.0%

**APPENDIX - BASELINE SCENARIO  
PEIA - ACTIVE LOCAL AND STATE**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY  
FINANCIAL FORECAST  
FISCAL YEAR 2027**

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

	<b>Active Local Fund</b>	<b>State Fund</b>	<b>PEIA Total</b>
<u>Revenues</u>			
Employer Premiums - PPB	\$ 221,212,288	\$ 694,094,231	\$ 915,306,519
Employer Premiums - MCO	11,438,040	77,090,373	88,528,413
Employee Premiums - PPB	-	178,075,893	178,075,893
Employee Premiums - MCO	-	20,404,328	20,404,328
WV RHBT Pay Go Premiums	5,803,056	23,196,944	29,000,000
Life Insurance	483,968	1,997,503	2,481,471
Direct Transfers	-	-	-
Investment Income	2,301,258	7,860,249	10,161,507
Litigation Settlement	-	-	-
COBRA Premiums	664,128	2,839,944	3,504,072
Administrative Fees	748,826	4,149,024	4,897,850
<b>Total Revenue</b>	<b>\$ 242,651,564</b>	<b>\$ 1,009,708,489</b>	<b>\$ 1,252,360,053</b>
<u>Program Expenses</u>			
Medical Claims	\$ 154,233,178	\$ 606,937,154	\$ 761,170,332
Gross Prescription Drug Claims	100,801,712	429,241,639	530,043,351
Prescription Drug Rebates	(36,989,853)	(155,292,201)	(192,282,054)
Managed Care Capitations	7,221,395	73,488,806	80,710,201
Administration	6,918,341	28,554,353	35,472,694
Life Insurance	493,829	2,030,770	2,524,599
Wellness	30,185	124,582	154,767
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	88,230	387,101	475,331
Director's Discretionary Fund	361,183	1,459,155	1,820,338
WV RHBT Pay Go Premiums	5,803,056	23,196,944	29,000,000
<b>Total Expenses</b>	<b>\$ 238,961,257</b>	<b>\$ 1,010,128,303</b>	<b>\$ 1,249,089,560</b>
Fiscal Year Results	\$ 3,690,307	\$ (419,814)	\$ 3,270,493
Beginning Plan Reserve	28,519,039	79,298,103	107,817,141
Minimum Actuarial Reserve Required	\$ 28,775,976	\$ 120,751,780	\$ 149,527,755
<u>Ending Premium Stabilization Reserve</u>	<u>3,433,370</u>	<u>(41,873,491)</u>	<u>(38,440,121)</u>
Ending Plan Reserve	\$ 32,209,346	\$ 78,878,289	\$ 111,087,634
Reserve as a Percent of Expenses			9%

**KEY ASSUMPTIONS**

Additional State Employer Premiums	\$ 74,000,000	<b>Claim and Other Expense Trends</b>		
Additional Local Agency Revenue	\$ 13,500,000	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Additional State Employee Premiums	\$ 18,500,000	Active Local	9.0%	16.0%
Direct Transfers	\$ -	State	9.0%	16.0%
		Prescription Drug Rebates		15.0%
		Capitations		6.0%
		Administrative Expense		3.0%

**APPENDIX - BASELINE SCENARIO**  
**PEIA - LOCAL FUND**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY**  
**FINANCIAL FORECAST**  
**FISCAL YEAR 2027**

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

<b>Local Fund</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
Employer Premiums - PPB	\$ 208,377,442	\$ 12,834,846	\$ 221,212,288
Employer Premiums - MCO	10,772,886	665,154	11,438,040
Employee Premiums - PPB	-	-	-
Employee Premiums - MCO	-	-	-
WV RHBT Pay Go Premiums	5,803,056		5,803,056
Life Insurance	483,968		483,968
Direct Transfers	-		-
Investment Income	2,301,258		2,301,258
Litigation Settlement	-		-
COBRA Premiums	664,128		664,128
Administrative Fees	748,826		748,826
<b>Total Revenue</b>	<b>\$ 229,151,564</b>	<b>\$ 13,500,000</b>	<b>\$ 242,651,564</b>
<u>Program Expenses</u>			
Medical Claims	\$ 154,233,178		\$ 154,233,178
Gross Prescription Drug Claims	100,801,712		100,801,712
Prescription Drug Rebates	(36,989,853)		(36,989,853)
Managed Care Capitations	7,221,395		7,221,395
Administration	6,918,341		6,918,341
Life Insurance	493,829		493,829
Wellness	30,185		30,185
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	88,230		88,230
Director's Discretionary Fund	361,183		361,183
WV RHBT Pay Go Premiums	5,803,056		5,803,056
<b>Total Expenses</b>	<b>\$ 238,961,257</b>	<b>\$ -</b>	<b>\$ 238,961,257</b>
Fiscal Year Results	\$ (9,809,693)		\$ 3,690,307
Beginning Plan Reserve	28,519,039		28,519,039
Minimum Actuarial Reserve Required	\$ 28,775,976	\$ -	\$ 28,775,976
<u>Ending Premium Stabilization Reserve</u>	<u>(10,066,629)</u>	<u>-</u>	<u>3,433,371</u>
Ending Plan Reserve	\$ 18,709,346		\$ 32,209,346
Reserve as a Percent of Expenses			14%

**KEY ASSUMPTIONS**

Additional Local Agency Revenue	\$ 13,500,000	<b>Claim and Other Expense Trends</b>		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
		Local	9.0%	16.0%
		Prescription Drug Rebates		15.0%
		Capitations		6.0%
		Administrative Expense		3.0%

**APPENDIX - BASELINE SCENARIO**  
**PEIA - STATE FUND**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY**  
**FINANCIAL FORECAST**  
**FISCAL YEAR 2027**

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

State Fund	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
Employer Premiums - PPB	\$ 627,489,056	\$ 66,605,175	\$ 694,094,231
Employer Premiums - MCO	69,695,548	7,394,825	77,090,373
Employee Premiums - PPB	161,477,745	16,598,148	178,075,893
Employee Premiums - MCO	18,502,476	1,901,852	20,404,328
WV RHBT Pay Go Premiums	23,196,944		23,196,944
Life Insurance	1,997,503		1,997,503
Direct Transfers	-		-
Investment Income	7,860,249		7,860,249
Litigation Settlement	-		-
COBRA Premiums	2,839,944		2,839,944
Administrative Fees	4,149,024		4,149,024
Total Revenue	\$ 917,208,489	\$ 92,500,000	\$ 1,009,708,489
<u>Program Expenses</u>			
Medical Claims	\$ 606,937,154		\$ 606,937,154
Gross Prescription Drug Claims	429,241,639		429,241,639
Prescription Drug Rebates	(155,292,201)		(155,292,201)
Managed Care Capitations	73,488,806		73,488,806
Administration	28,554,353		28,554,353
Life Insurance	2,030,770		2,030,770
Wellness	124,582		124,582
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	387,101		387,101
Director's Discretionary Fund	1,459,155		1,459,155
WV RHBT Pay Go Premiums	23,196,944		23,196,944
Total Expenses	\$ 1,010,128,303	\$ -	\$ 1,010,128,303
Fiscal Year Results	\$ (92,919,814)		\$ (419,814)
Beginning Plan Reserve	79,298,103		79,298,103
Minimum Actuarial Reserve Required	\$ 120,751,780	\$ -	\$ 120,751,780
<u>Ending Premium Stabilization Reserve</u>	<u>(134,373,490)</u>	<u>-</u>	<u>(41,873,490)</u>
Ending Plan Reserve	\$ (13,621,711)		\$ 78,878,289
Reserve as a Percent of Expenses			8%

**KEY ASSUMPTIONS**

Additional State Employer Premiums	\$ 74,000,000	<b>Claim and Other Expense Trends</b>		
Additional State Employee Premiums	\$ 18,500,000	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Direct Transfers	\$ -	State	9.0%	16.0%
		Prescription Drug Rebates		15.0%
		Capitations		6.0%
		Administrative Expense		3.0%

**Attachment - PEIA  
Historical Monthly Medical and Drug Trends  
FY 2022 to FY 2023**

<b>Fiscal Year 2022</b>												
<b>Exposure</b>	<u><b>Jul-21</b></u>	<u><b>Aug-21</b></u>	<u><b>Sep-21</b></u>	<u><b>Oct-21</b></u>	<u><b>Nov-21</b></u>	<u><b>Dec-21</b></u>	<u><b>Jan-22</b></u>	<u><b>Feb-22</b></u>	<u><b>Mar-22</b></u>	<u><b>Apr-22</b></u>	<u><b>May-22</b></u>	<u><b>Jun-22</b></u>
<b>Local Medical</b>	30,423	30,325	30,377	30,323	30,325	30,428	30,559	30,580	30,514	30,542	30,433	30,405
<b>State Medical</b>	116,699	116,202	116,480	116,547	116,497	116,564	116,384	116,180	116,078	115,864	115,675	115,523
<b>Local Drugs</b>	30,423	30,325	30,377	30,323	30,325	30,428	30,559	30,580	30,514	30,542	30,433	30,405
<b>State Drugs</b>	116,699	116,202	116,480	116,547	116,497	116,564	116,384	116,180	116,078	115,864	115,675	115,523
	<u><b>Jul-21</b></u>	<u><b>Aug-21</b></u>	<u><b>Sep-21</b></u>	<u><b>Oct-21</b></u>	<u><b>Nov-21</b></u>	<u><b>Dec-21</b></u>	<u><b>Jan-22</b></u>	<u><b>Feb-22</b></u>	<u><b>Mar-22</b></u>	<u><b>Apr-22</b></u>	<u><b>May-22</b></u>	<u><b>Jun-22</b></u>
<b>Local Medical</b>	\$239.69	\$281.17	\$312.79	\$264.83	\$265.52	\$290.14	\$279.31	\$296.54	\$320.49	\$291.24	\$293.63	\$274.95
<b>State Medical</b>	273.20	276.06	294.48	284.68	294.69	296.73	273.11	293.69	309.41	288.42	289.11	318.71
<b>Local Drugs</b>	147.25	156.88	153.38	160.92	163.69	176.19	169.47	168.07	189.10	179.57	192.55	204.07
<b>State Drugs</b>	<u>155.56</u>	<u>170.57</u>	<u>167.73</u>	<u>171.93</u>	<u>176.71</u>	<u>182.94</u>	<u>188.44</u>	<u>178.89</u>	<u>194.97</u>	<u>185.38</u>	<u>199.44</u>	<u>210.20</u>
<b>Total</b>	\$815.71	\$884.68	\$928.38	\$882.37	\$900.61	\$946.01	\$910.32	\$937.19	\$1,013.97	\$944.61	\$974.73	\$1,007.93
<b>Change From Prior Year - Month to Month Analysis</b>												
<b>Local Medical</b>	21.9%	8.9%	35.3%	-10.6%	1.6%	14.3%	11.5%	18.9%	3.7%	-0.1%	-3.8%	-19.0%
<b>State Medical</b>	14.5%	8.8%	27.8%	10.8%	23.5%	15.6%	-3.8%	19.8%	1.4%	-0.3%	-0.6%	-3.7%
<b>Local Drugs</b>	27.3%	32.7%	19.0%	21.7%	23.6%	11.2%	20.5%	22.0%	13.2%	8.1%	21.3%	16.2%
<b>State Drugs</b>	<u>17.6%</u>	<u>24.0%</u>	<u>18.3%</u>	<u>17.8%</u>	<u>24.2%</u>	<u>15.6%</u>	<u>22.0%</u>	<u>22.9%</u>	<u>8.7%</u>	<u>10.1%</u>	<u>20.5%</u>	<u>14.0%</u>
<b>Total</b>	19.4%	15.2%	26.8%	6.1%	16.3%	14.3%	9.7%	20.5%	5.6%	3.2%	5.9%	-2.2%
<b>Change From Prior Year - Quarter to Quarter Analysis</b>												
<b>Local Medical</b>			21.5%			1.1%			10.8%			-8.2%
<b>State Medical</b>			16.8%			16.5%			5.0%			-1.6%
<b>Local Drugs</b>			26.1%			18.4%			18.2%			15.1%
<b>State Drugs</b>			<u>20.0%</u>			<u>19.0%</u>			<u>17.3%</u>			<u>14.8%</u>
<b>Total</b>			20.4%			12.1%			11.4%			2.1%
<b>Change From Prior Year - Year to Year Analysis</b>												
<b>Local Medical</b>			31.5%			23.3%			20.7%			5.2%
<b>State Medical</b>			18.6%			23.5%			19.1%			8.4%
<b>Local Drugs</b>			19.5%			19.5%			21.8%			19.0%
<b>State Drugs</b>			<u>13.9%</u>			<u>15.1%</u>			<u>17.9%</u>			<u>17.6%</u>
<b>Total</b>			21.7%			21.1%			19.8%			10.9%

**Attachment - PEIA  
Historical Monthly Medical and Drug Trends  
FY 2022 to FY 2023**

Fiscal Year 2023											
Exposure	<u>Jul-22</u>	<u>Aug-22</u>	<u>Sep-22</u>	<u>Oct-22</u>	<u>Nov-22</u>	<u>Dec-22</u>	<u>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>
Local Medical	30,671	30,695	30,675	30,644	30,654	30,737	28,679	28,736	28,681	28,687	28,617
State Medical	115,258	114,654	114,878	114,996	115,029	115,191	115,105	115,000	114,981	114,770	114,572
Local Drugs	30,671	30,695	30,675	30,644	30,654	30,737	28,679	28,736	28,681	28,687	28,617
State Drugs	115,258	114,654	114,878	114,996	115,029	115,191	115,105	115,000	114,981	114,770	114,572
	<u>Jul-22</u>	<u>Aug-22</u>	<u>Sep-22</u>	<u>Oct-22</u>	<u>Nov-22</u>	<u>Dec-22</u>	<u>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>
Local Medical	\$230.45	\$257.06	\$261.92	\$287.45	\$288.86	\$288.72	\$312.31	\$304.01	\$363.85	\$329.43	\$340.84
State Medical	232.56	293.77	282.73	292.28	302.53	284.72	324.46	314.68	366.90	330.74	339.71
Local Drugs	131.45	162.14	156.25	145.58	143.75	156.58	170.93	152.12	183.78	157.80	196.65
State Drugs	<u>140.64</u>	<u>183.33</u>	<u>183.65</u>	<u>156.84</u>	<u>167.12</u>	<u>176.73</u>	<u>183.44</u>	<u>173.11</u>	<u>198.86</u>	<u>180.63</u>	<u>234.87</u>
Total	\$735.10	\$896.31	\$884.55	\$882.15	\$902.26	\$906.75	\$991.14	\$943.92	\$1,113.38	\$998.59	\$1,112.08
<b>Change From Prior Year - Month to Month Analysis</b>											
Local Medical	-3.9%	-8.6%	-16.3%	8.5%	8.8%	-0.5%	11.8%	2.5%	13.5%	13.1%	16.1%
State Medical	-14.9%	6.4%	-4.0%	2.7%	2.7%	-4.0%	18.8%	7.1%	18.6%	14.7%	17.5%
Local Drugs	-10.7%	3.4%	1.9%	-9.5%	-12.2%	-11.1%	0.9%	-9.5%	-2.8%	-12.1%	2.1%
State Drugs	<u>-9.6%</u>	<u>7.5%</u>	<u>9.5%</u>	<u>-8.8%</u>	<u>-5.4%</u>	<u>-3.4%</u>	<u>-2.6%</u>	<u>-3.2%</u>	<u>2.0%</u>	<u>-2.6%</u>	<u>17.8%</u>
Total	-9.9%	1.3%	-4.7%	0.0%	0.2%	-4.1%	8.9%	0.7%	9.8%	5.7%	14.1%
<b>Change From Prior Year - Quarter to Quarter Analysis</b>											
Local Medical			-10.1%			5.4%			9.4%		
State Medical			-4.1%			0.4%			14.8%		
Local Drugs			-1.7%			-11.0%			-3.8%		
State Drugs			<u>2.8%</u>			<u>-5.8%</u>			<u>-1.2%</u>		
Total			-4.3%			-1.4%			6.5%		
<b>Change From Prior Year - Year to Year Analysis</b>											
Local Medical			-1.9%			-0.8%			-0.9%		
State Medical			3.5%			-0.1%			2.4%		
Local Drugs			12.4%			5.0%			-0.3%		
State Drugs			<u>13.3%</u>			<u>7.0%</u>			<u>2.5%</u>		
Total			5.1%			1.9%			0.9%		