CONTINUING CARE ACTUARIES

# STATE OF WEST VIRGINIA

## PUBLIC EMPLOYEES INSURANCE AGENCY

### Financial Plan

### Fiscal Years 2025-2029

*Report Date: January 2025*

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

CONTINUING CARE ACTUARIES

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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 2024 for the fiscal year 2026 ("FY 2026") and to provide quarterly financial reports for current FY 2025 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 2025 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 2029.

Continuing Care Actuaries has provided financial report for fiscal years ending June 30, 2025 ("FY 2025"), June 30, 2026 ("FY 2026"), June 30, 2027 ("FY 2027"), June 30, 2028 ("FY 2028") and June 30, 2029 ("FY 2029"). Our opinion of plan adequacy is based on the projections through FY 2029 using updated future revenue and plan modifications provided by the Board in the financial plan adopted in December 2024. 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 2025 the Pay-Go is equivalent to $57 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 2024.

This report includes updated claim trend assumptions as recommended in the report titled, "PEIA FY2024 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 2025 through FY 2029 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 2025 based on the scheduled revenue increases of the financial plan approved and amended by the Board in December 2024.

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 2029 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 2025 – FY 2029

## 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 November 2024 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 December 2024 enrollment levels for the duration of these forecasts for active employees.

In aggregate, December 2024 enrollment for active employees has increased by 325 coverages since the end of FY 2024. Aggregate PPB enrollment has increased by 379 in total over the same period, while managed care enrollment experienced a decrease of 54 coverages.

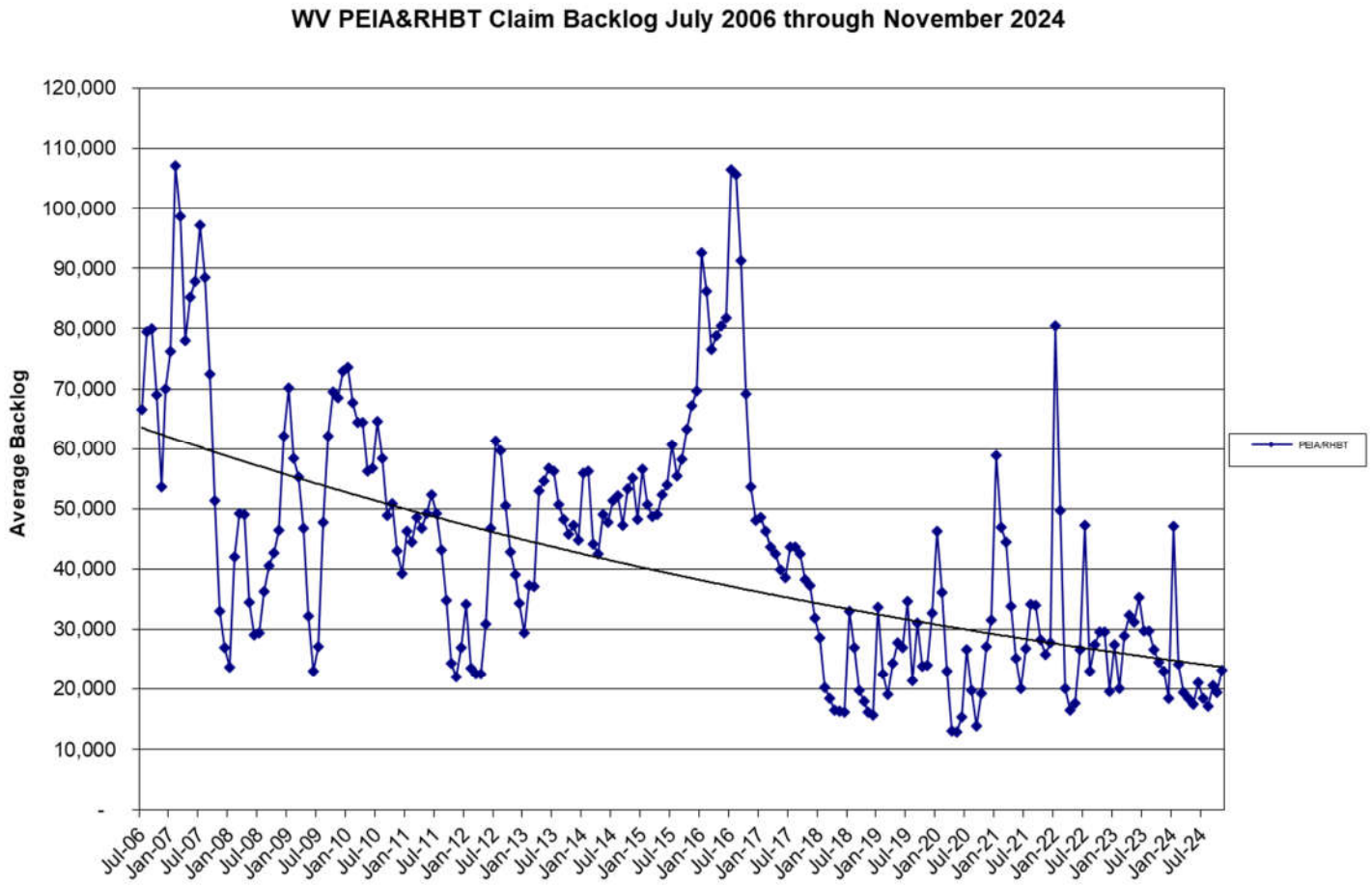
In the State Fund, the overall active State enrollment increased by 104 coverages from the end of FY 2024 to December 2024. And in the Local Fund, the overall active Local enrollment increased by 221 coverages from the end of FY 2024 to December 2024.

The following chart summarizes the current enrollment as of the selected monthly billing dates of June 2023, June 2024, and December 2024 for purposes of comparison:

| PEIA | | Preferred Provider Benefit | | | Managed Care | | |
|---|---|---|---|---|---|---|---|
| Fund | Coverage | Jun-23 | Jun-24 | Dec-24 | Jun-23 | Jun-24 | Dec-24 |
| State Active | Single | 21,381 | 23,055 | 23,482 | 2,444 | 2,681 | 2,671 |
| | Children | 5,845 | 7,357 | 7,560 | 703 | 935 | 963 |
| | Family | 26,125 | 23,161 | 22,689 | 2,703 | 2,329 | 2,257 |
| | Total | 53,351 | 53,573 | 53,731 | 5,850 | 5,945 | 5,891 |
| Local Active | Single | 6,618 | 6,977 | 7,114 | 476 | 461 | 465 |
| | Children | 1,276 | 1,312 | 1,310 | 107 | 108 | 114 |
| | Family | 6,123 | 6,020 | 6,106 | 210 | 188 | 178 |
| | Total | 14,017 | 14,309 | 14,530 | 793 | 757 | 757 |
| Plan Total | | 67,368 | 67,882 | 68,261 | 6,643 | 6,702 | 6,648 |
| Grand Total | | | | | 74,011 | 74,584 | 74,909 |

## 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.



## C. Trend Analysis

PEIA experienced a high medical trend and a high prescription drugs trend in FY 2024, 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 FY2024 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 2025 medical claim trend is 8.0%, the gross prescription drugs claim trend is 15.0% and the prescription drugs rebate trend is 5.0%. In 2025, 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 2025 Trend | Updated Assumption FY 2025 Trend |
|---|---|---|
| Active Local – Medical | 8.0% | 8.0% |
| State – Medical | 8.0% | 8.0% |
| Active Local – Gross Drugs | 15.0% | 15.0% |
| State – Gross Drugs | 15.0% | 15.0% |
| Prescription Drugs Rebate | 5.0% | 5.0% |

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 2026 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. 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 November 2024. 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)

| Fiscal Year | Active Local Medical | State Medical | Active Local Drugs | State Drugs | Total |
|---|---|---|---|---|---|
| 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 | -8% | 0% | 10% | 15% | 3% |
| 2021 | 31% | 17% | 16% | 13% | 17% |
| 2022 | 5% | 9% | 19% | 18% | 11% |
| 2023 | 1% | 5% | -1% | 5% | 4% |
| 2024 | 14% | 14% | 25% | 23% | 17% |
| 2025* | 14% | 13% | 21% | 19% | 15% |

* Fiscal year 2025 results are through the first five months ending November 2024.

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

Using PEIA paid claim data through November 2024 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 2025 claims and expenses are summarized in the following chart. It should be noted that the chart reflects per policy information.

| **Fiscal Year 2025 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 | 53,662 | $896 | $229 | $870 | $365 | |
| | Managed Care | 5,875 | $908 | $235 | | | $907 |
| | Total | 59,537 | | | | | |
| Local | PPB | 14,528 | $996 | $0 | $745 | $323 | |
| | Managed Care | 753 | $980 | $0 | | | $670 |
| | Total | 15,281 | | | | | |

*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.

**Board Decisions – December 2024**

| Source | Fiscal Year 2025 | Fiscal Year 2026 | Fiscal Year 2027 | Fiscal Year 2028 | Fiscal Year 2029 |
|---|---|---|---|---|---|
| **Additional State Employer Revenue** | $62,700,000 | $92,900,000 | $70,000,000 | $82,000,000 | $135,000,000 |
| **Additional Local Agency Revenue** | $22,800,000 | $29,900,000 | $27,000,000 | $27,000,000 | $24,000,000 |
| **Additional Employee Premium** | $15,700,000 | $38,700,000 | $9,500,000 | $16,500,000 | $33,800,000 |
| **State Direct Transfers (State Budget Appropriations)** | $87,000,000 | $0 | $0 | $0 | $0 |
| **Benefit Reductions and Savings / (Increase) - Active State Medical** | $0 | $35,500,000 | $0 | $0 | $0 |
| **Benefit Reductions and Savings / (Increase) - Active State Drugs** | $0 | $13,700,000 | $0 | $0 | $0 |
| **Benefit Reductions and Savings / (Increase) - Active Local Medical** | $0 | $7,900,000 | $0 | $0 | $0 |
| **Benefit Reductions and Savings / (Increase) - Active Local Drugs** | $0 | $3,300,000 | $0 | $0 | $0 |
| **Pay Go Premium Transfer** | $29,074,458 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 |

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.

West Virginia Public Employees Insurance Agency Finance Board has implemented approximately $49.2M benefit reductions for the active state employees and $11.2M benefit reductions for the active local employees in FY 2026. Below is the summary of the benefit changes.

| FY 2026 Benefit Reductions (in millions) | State | Local |
|---|---|---|
| Increase DED/MOOP 40% Plan A,B,C,&D | $23.70 | $6.32 |
| Inpatient Services Copays/Coinsurance | 1.29 | 0.32 |
| Hospital Outpatient Services Copays/Coinsurance | 4.22 | 1.06 |
| Outpatient Therapies Copays/Coinsurance | 2.97 | 0.74 |
| ER Treatment - Non Emergency Copay | 0.40 | 0.10 |
| RX 2x Copays and 2x Deductibles | 11.30 | 2.70 |
| Spouse Surcharge Med Claims Savings | 3.17 | 0.00 |
| Spouse Surcharge Rx Claims Savings | 2.12 | 0.00 |
| Total | $49.16 | $11.24 |

In FY 2025, the ACA PCORI fee is approximately $3.47 per person per year.

### E. Provider Reimbursement Changes

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 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 $1,120,851,223 and incurred plan expenses of $1,114,524,286 to produce a fiscal year surplus of $6,326,937. The PEIA local and state agencies Pay Go premiums for FY 2025 are assumed to be $29,074,458.

Under the Baseline Scenario, FY 2025 is projected to end with a Total Fund reserve (State and Local Reserves) of $88,280,338 and projected plan expenditures of $1,085,449,828. This represents 8.1% of projected expenditures based on the current reserve methodology. The projected reserve does not meet the minimum actuarial required reserve of $133,121,611. This required reserve is comprised of 12.5% of self-insured claim expenses, and 10% of all other program expenses under the Baseline Scenario.

The State Fund in FY 2025 is projected to end with a reserve of $84,997,251, which represents 9.6% of projected expenditures. The projected State Fund reserve does not meet the minimum actuarial required reserve of $108,617,079.

The Local Fund in FY 2025 is projected to end with a reserve of $3,283,086, which represents 1.7% of projected expenditures. The projected Local Fund reserve does not meet the minimum actuarial required reserve of $24,504,532.

## 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 $1,196,604,174 and incurred plan expenses of $1,142,853,588 to produce a fiscal year surplus of $53,750,586. The PEIA local and state agencies Pay Go premiums for FY 2026 are assumed to be $10,000,000.

Under the Baseline Scenario, FY 2026 is projected to end with a Total Fund reserve (State and Local Reserves) of $142,030,923 and projected plan expenditures of $1,132,853,588. This represents 12.5% of projected expenditures based on the current reserve methodology. The projected reserve meets the minimum actuarial required reserve of $138,869,105. 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 $185,958,151 and under the Pessimistic Scenario, the ending Total Fund reserve is expected to decrease to $97,811,500.

The State Fund in FY 2026 is projected to end with a reserve of $126,951,149, which represents 13.7% of projected expenditures. The projected State Fund reserve meets the minimum actuarial required reserve of $113,285,669.

The Local Fund in FY 2026 is projected to end with a reserve of $15,079,774, which represents 7.3% of projected expenditures. The projected Local Fund reserve does not meet the minimum actuarial required reserve of $25,583,436.

## 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 $1,306,188,979 and incurred plan expenses of $1,275,477,108 to produce a fiscal year surplus of $30,711,870. The PEIA local and state agencies Pay Go premiums for FY 2027 are assumed to be $10,000,000.

Under the Baseline Scenario, FY 2027 is projected to end with a Total Fund reserve (State and Local Reserves) of $172,742,794 and projected plan expenditures of $1,265,477,108. This represents 13.7% of projected expenditures based on the current reserve methodology. The projected reserve meets the minimum actuarial required reserve of $155,306,956. 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 $277,074,602 and under the Pessimistic Scenario, the ending Total Fund reserve is expected to decrease to $66,410,799.

The State Fund in FY 2027 is projected to end with a reserve of $142,942,188, which represents 13.8% of projected expenditures. The projected State Fund reserve meets the minimum actuarial required reserve of $126,646,487.

The Local Fund in FY 2027 is projected to end with a reserve of $29,800,605, which represents 12.8% of projected expenditures. The projected Local Fund reserve meets the minimum actuarial required reserve of $28,660,469.

## 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 $1,433,959,994 and incurred plan expenses of $1,431,362,952 to produce a fiscal year surplus of $2,597,042. The PEIA local and state agencies Pay Go premiums for FY 2028 are assumed to be $10,000,000.

Under the Baseline Scenario, FY 2028 is projected to end with a Total Fund reserve (State and Local Reserves) of $175,339,835 and projected plan expenditures of $1,421,362,952. This represents 12.3% of projected expenditures based on the current reserve methodology. The projected reserve meets the minimum actuarial required reserve of $174,644,931. 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 $374,311,568 and under the Pessimistic Scenario, the ending Total Fund reserve is expected to decrease to ($29,991,482).

The State Fund in FY 2028 is projected to end with a reserve of $132,156,537, which represents 11.4% of projected expenditures. The projected State Fund reserve does not meet the minimum actuarial required reserve of $142,359,034.

The Local Fund in FY 2028 is projected to end with a reserve of $43,183,298, which represents 16.5% of projected expenditures. The projected Local Fund reserve meets the minimum actuarial required reserve of $32,285,897.

## 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 $1,628,108,365 and incurred plan expenses of $1,615,114,651 to produce a fiscal year surplus of $12,993,715. The PEIA local and state agencies Pay Go premiums for FY 2029 are assumed to be $10,000,000.

Under the Baseline Scenario, FY 2029 is projected to end with a Total Fund reserve (State and Local Reserves) of $188,333,550 and projected plan expenditures of $1,605,114,651. This represents 11.7% of projected expenditures based on the current reserve methodology. The projected reserve does not meet the minimum actuarial required reserve of $197,458,033. 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 $524,439,969 and under the Pessimistic Scenario, the ending Total Fund reserve is expected to decrease to ($162,908,354).

The State Fund in FY 2029 is projected to end with a reserve of $141,415,955, which represents 10.8% of projected expenditures. The projected State Fund reserve does not meet the minimum actuarial required reserve of $160,889,134.

The Local Fund in FY 2029 is projected to end with a reserve of $46,917,595, which represents 15.9% of projected expenditures. The projected Local Fund reserve meets the minimum actuarial required reserve of $36,568,899.

## 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 not meet the minimum 10% reserve target set by West Virginia Statute in fiscal year 2025. Additionally, the plan will not meet the minimum actuarial required reserve target in fiscal year 2025. We are currently projecting that the State reserve will be under the minimum actuarial reserve using the baseline assumptions in fiscal years 2025, 2028 and 2029; and the Local reserve will be under the minimum actuarial reserve using the baseline assumptions in fiscal years 2025 and 2026. These projections are based on significant revenue increases as contained in the financial plan adopted by the Board in December 2024 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
## F I S C A L  Y E A R  2 0 2 5

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

| | Active Local Fund | State Fund | PEIA Total |
|---|---|---|---|
| Revenues | | | |
| Employer Premiums - PPB | $ 173,605,499 | $ 576,818,400 | $ 750,423,900 |
| Employer Premiums - MCO | 8,850,251 | 64,034,362 | 72,884,613 |
| Employee Premiums - PPB | - | 147,555,174 | 147,555,174 |
| Employee Premiums - MCO | - | 16,596,903 | 16,596,903 |
| WV RHBT Pay Go Premiums | 5,938,067 | 23,136,391 | 29,074,458 |
| Life Insurance | 471,219 | 2,152,164 | 2,623,383 |
| Direct Transfers | - | 87,000,000 | 87,000,000 |
| Investment Income | 1,591,336 | 6,669,600 | 8,260,936 |
| Litigation Settlement | - | - | - |
| COBRA Premiums | 314,933 | 1,438,372 | 1,753,305 |
| Administrative Fees | 715,298 | 3,963,253 | 4,678,551 |
| Total Revenue | $ 191,486,604 | $ 929,364,619 | $ 1,120,851,223 |
| Program Expenses | | | |
| Medical Claims | $ 129,860,658 | $ 560,255,992 | $ 690,116,650 |
| Gross Prescription Drug Claims | 81,201,162 | 343,744,359 | 424,945,521 |
| Prescription Drug Rebates | (24,875,758) | (108,946,623) | (133,822,380) |
| Managed Care Capitations | 6,050,837 | 63,922,591 | 69,973,428 |
| Administration | 4,623,624 | 21,117,128 | 25,740,752 |
| Life Insurance | 639,528 | 2,920,869 | 3,560,397 |
| Wellness | 474,713 | 2,168,119 | 2,642,832 |
| ACA Reinsurance Contributions | - | - | - |
| ACA PCORI Fees | 91,103 | 376,168 | 467,271 |
| Director's Discretionary Fund | 346,354 | 1,479,003 | 1,825,356 |
| WV RHBT Pay Go Premiums | 5,938,067 | 23,136,391 | 29,074,458 |
| Total Expenses | $ 204,350,287 | $ 910,173,999 | $ 1,114,524,286 |
| Fiscal Year Results | $ (12,863,684) | $ 19,190,621 | $ 6,326,937 |
| Beginning Plan Reserve | 16,146,770 | 65,806,630 | 81,953,400 |
| Minimum Actuarial Reserve Required | $ 24,504,532 | $ 108,617,079 | $ 133,121,611 |
| Ending Premium Stabilization Reserve | (21,221,446) | (23,619,828) | (44,841,274) |
| Ending Plan Reserve | $ 3,283,086 | $ 84,997,251 | $ 88,280,338 |
| Reserve as a Percent of Expenses | | | 8% |

**KEY ASSUMPTIONS**

| | |
|---|---|
| Additional State Employer Premiums | $ 62,700,000 |
| Additional Local Agency Revenue | $ 22,800,000 |
| Additional State Employee Premiums | $ 15,700,000 |
| Direct Transfers | $ 87,000,000 |

**Claim and Other Expense Trends**

| Eligibility | Medical | Gross Drugs |
|---|---|---|
| Active Local | 8.0% | 15.0% |
| State | 8.0% | 15.0% |
| Prescription Drug Rebates | | 5.0% |
| Capitations | | 8.9% |
| Administrative Expense | | -6.0% |

# APPENDIX - BASELINE SCENARIO
## PEIA - LOCAL FUND

## WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
## FINANCIAL FORECAST
## F I S C A L  Y E A R  2 0 2 5

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

| Local Fund | Baseline Projection | Board Decision | Ending Projection |
|---|---|---|---|
| Revenues | | | |
| Employer Premiums - PPB | $ 151,928,101 | $ 21,677,398 | $ 173,605,499 |
| Employer Premiums - MCO | 7,727,649 | 1,122,602 | 8,850,251 |
| Employee Premiums - PPB | - | - | - |
| Employee Premiums - MCO | - | - | - |
| WV RHBT Pay Go Premiums | 5,938,067 | | 5,938,067 |
| Life Insurance | 471,219 | | 471,219 |
| Direct Transfers | - | | - |
| Investment Income | 1,591,336 | | 1,591,336 |
| Litigation Settlement | - | | - |
| COBRA Premiums | 314,933 | | 314,933 |
| Administrative Fees | 715,298 | | 715,298 |
| Total Revenue | $ 168,686,604 | $ 22,800,000 | $ 191,486,604 |
| Program Expenses | | | |
| Medical Claims | $ 129,860,658 | $ - | $ 129,860,658 |
| Gross Prescription Drug Claims | 81,201,162 | $ - | 81,201,162 |
| Prescription Drug Rebates | (24,875,758) | | (24,875,758) |
| Managed Care Capitations | 6,050,837 | | 6,050,837 |
| Administration | 4,623,624 | | 4,623,624 |
| Life Insurance | 639,528 | | 639,528 |
| Wellness | 474,713 | | 474,713 |
| ACA Reinsurance Contributions | - | | - |
| ACA PCORI Fees | 91,103 | | 91,103 |
| Director's Discretionary Fund | 346,354 | | 346,354 |
| WV RHBT Pay Go Premiums | 5,938,067 | | 5,938,067 |
| Total Expenses | $ 204,350,287 | $ - | $ 204,350,287 |
| Fiscal Year Results | $ (35,663,684) | | $ (12,863,684) |
| Beginning Plan Reserve | 16,146,770 | | 16,146,770 |
| Minimum Actuarial Reserve Required | $ 24,504,532 | $ - | $ 24,504,532 |
| Ending Premium Stabilization Reserve | (44,021,446) | - | (21,221,446) |
| Ending Plan Reserve | $ (19,516,914) | | $ 3,283,086 |
| Reserve as a Percent of Expenses | | | 2% |

**KEY ASSUMPTIONS**

| | | |
|---|---|---|
| Additional Local Agency Revenue | $ | 22,800,000 |
| Direct Transfers | $ | - |

**Claim and Other Expense Trends**

| Eligibility | Medical | Gross Drugs |
|---|---|---|
| Local | 8.0% | 15.0% |

| | |
|---|---|
| Prescription Drug Rebates | 5.0% |
| Capitations | 8.9% |
| Administrative Expense | -6.0% |

# APPENDIX - BASELINE SCENARIO
## PEIA - STATE FUND

## WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
## FINANCIAL FORECAST
## F I S C A L  Y E A R  2 0 2 5

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

| State Fund | Baseline Projection | Board Decision | Ending Projection |
|---|---|---|---|
| Revenues | | | |
| Employer Premiums - PPB | $ 520,456,957 | $ 56,361,444 | $ 576,818,400 |
| Employer Premiums - MCO | 57,695,806 | 6,338,556 | 64,034,362 |
| Employee Premiums - PPB | 133,452,409 | 14,102,765 | 147,555,174 |
| Employee Premiums - MCO | 14,999,668 | 1,597,235 | 16,596,903 |
| WV RHBT Pay Go Premiums | 23,136,391 | | 23,136,391 |
| Life Insurance | 2,152,164 | | 2,152,164 |
| Direct Transfers | 87,000,000 | | 87,000,000 |
| Investment Income | 6,669,600 | | 6,669,600 |
| Litigation Settlement | - | | - |
| COBRA Premiums | 1,438,372 | | 1,438,372 |
| Administrative Fees | 3,963,253 | | 3,963,253 |
| Total Revenue | $ 850,964,619 | $ 78,400,000 | $ 929,364,619 |
| Program Expenses | | | |
| Medical Claims | $ 560,255,992 | $ - | $ 560,255,992 |
| Gross Prescription Drug Claims | 343,744,359 | $ - | 343,744,359 |
| Prescription Drug Rebates | (108,946,623) | | (108,946,623) |
| Managed Care Capitations | 63,922,591 | | 63,922,591 |
| Administration | 21,117,128 | | 21,117,128 |
| Life Insurance | 2,920,869 | | 2,920,869 |
| Wellness | 2,168,119 | | 2,168,119 |
| ACA Reinsurance Contributions | - | | - |
| ACA PCORI Fees | 376,168 | | 376,168 |
| Director's Discretionary Fund | 1,479,003 | | 1,479,003 |
| WV RHBT Pay Go Premiums | 23,136,391 | | 23,136,391 |
| Total Expenses | $ 910,173,999 | $ - | $ 910,173,999 |
| Fiscal Year Results | $ (59,209,379) | | $ 19,190,621 |
| Beginning Plan Reserve | 65,806,630 | | 65,806,630 |
| Minimum Actuarial Reserve Required | $ 108,617,079 | $ - | $ 108,617,079 |
| Ending Premium Stabilization Reserve | (102,019,828) | - | (23,619,828) |
| Ending Plan Reserve | $ 6,597,251 | | $ 84,997,251 |
| Reserve as a Percent of Expenses | | | 10% |

**KEY ASSUMPTIONS**

| | |
|---|---|
| Additional State Employer Premiums | $ 62,700,000 |
| Additional State Employee Premiums | $ 15,700,000 |
| Direct Transfers | $ 87,000,000 |

**Claim and Other Expense Trends**

| Eligibility | Medical | Gross Drugs |
|---|---|---|
| State | 8.0% | 15.0% |

| | |
|---|---|
| Prescription Drug Rebates | 5.0% |
| Capitations | 8.9% |
| Administrative Expense | -6.0% |

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

## WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
## FINANCIAL FORECAST
## F I S C A L  Y E A R  2 0 2 6

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

| | Active Local Fund | State Fund | PEIA Total |
|---|---|---|---|
| Revenues | | | |
| Employer Premiums - PPB | $ 205,760,230 | $ 674,120,331 | $ 879,880,562 |
| Employer Premiums - MCO | 10,492,844 | 74,809,565 | 85,302,409 |
| Employee Premiums - PPB | - | 182,342,338 | 182,342,338 |
| Employee Premiums - MCO | - | 20,509,739 | 20,509,739 |
| WV RHBT Pay Go Premiums | 2,040,743 | 7,959,257 | 10,000,000 |
| Life Insurance | 494,780 | 2,259,772 | 2,754,552 |
| Direct Transfers | - | - | - |
| Investment Income | 1,182,266 | 7,879,855 | 9,062,122 |
| Litigation Settlement | - | - | - |
| COBRA Premiums | 373,270 | 1,700,631 | 2,073,901 |
| Administrative Fees | 715,298 | 3,963,253 | 4,678,551 |
| Total Revenue | $ 221,059,432 | $ 975,544,742 | $ 1,196,604,174 |
| Program Expenses | | | |
| Medical Claims | $ 132,705,646 | $ 571,109,361 | $ 703,815,007 |
| Gross Prescription Drug Claims | 87,514,931 | 370,699,742 | 458,214,673 |
| Prescription Drug Rebates | (26,119,545) | (114,393,954) | (140,513,499) |
| Managed Care Capitations | 6,413,887 | 67,757,947 | 74,171,834 |
| Administration | 5,052,004 | 23,073,636 | 28,125,639 |
| Life Insurance | 721,905 | 3,268,512 | 3,990,417 |
| Wellness | 493,701 | 2,254,844 | 2,748,545 |
| ACA Reinsurance Contributions | - | - | - |
| ACA PCORI Fees | 91,053 | 376,252 | 467,306 |
| Director's Discretionary Fund | 348,420 | 1,485,247 | 1,833,667 |
| WV RHBT Pay Go Premiums | 2,040,743 | 7,959,257 | 10,000,000 |
| Total Expenses | $ 209,262,744 | $ 933,590,844 | $ 1,142,853,588 |
| Fiscal Year Results | $ 11,796,688 | $ 41,953,898 | $ 53,750,586 |
| Beginning Plan Reserve | 3,283,086 | 84,997,251 | 88,280,338 |
| Minimum Actuarial Reserve Required | $ 25,583,436 | $ 113,285,669 | $ 138,869,105 |
| Ending Premium Stabilization Reserve | (10,503,662) | 13,665,480 | 3,161,818 |
| Ending Plan Reserve | $ 15,079,774 | $ 126,951,149 | $ 142,030,923 |
| Reserve as a Percent of Expenses | | | 13% |

**KEY ASSUMPTIONS**

| | | |
|---|---|---|
| Additional State Employer Premiums | $ | 92,900,000 |
| Additional Local Agency Revenue | $ | 29,900,000 |
| Additional State Employee Premiums | $ | 38,700,000 |
| Direct Transfers | $ | - |

| Claim and Other Expense Trends | | |
|---|---|---|
| Eligibility | Medical | Gross Drugs |
| Active Local | 8.5% | 15.5% |
| State | 8.5% | 15.5% |
| Prescription Drug Rebates | | 5.0% |
| Capitations | | 6.0% |
| Administrative Expense | | 3.0% |

# APPENDIX - BASELINE SCENARIO
## PEIA - LOCAL FUND

## WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
## FINANCIAL FORECAST
## F I S C A L  Y E A R  2 0 2 6

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

| Local Fund | Baseline Projection | Board Decision | Ending Projection |
|---|---|---|---|
| Revenues | | | |
| Employer Premiums - PPB | $ 177,311,291 | $ 28,448,939 | $ 205,760,230 |
| Employer Premiums - MCO | 9,041,783 | 1,451,061 | 10,492,844 |
| Employee Premiums - PPB | - | - | - |
| Employee Premiums - MCO | - | - | - |
| WV RHBT Pay Go Premiums | 2,040,743 | | 2,040,743 |
| Life Insurance | 494,780 | | 494,780 |
| Direct Transfers | - | | - |
| Investment Income | 1,182,266 | | 1,182,266 |
| Litigation Settlement | - | | - |
| COBRA Premiums | 373,270 | | 373,270 |
| Administrative Fees | 715,298 | | 715,298 |
| Total Revenue | $ 191,159,432 | $ 29,900,000 | $ 221,059,432 |
| Program Expenses | | | |
| Medical Claims | $ 140,605,646 | $ (7,900,000) | $ 132,705,646 |
| Gross Prescription Drug Claims | 90,814,931 | $ (3,300,000) | 87,514,931 |
| Prescription Drug Rebates | (26,119,545) | | (26,119,545) |
| Managed Care Capitations | 6,413,887 | | 6,413,887 |
| Administration | 5,052,004 | | 5,052,004 |
| Life Insurance | 721,905 | | 721,905 |
| Wellness | 493,701 | | 493,701 |
| ACA Reinsurance Contributions | - | | - |
| ACA PCORI Fees | 91,053 | | 91,053 |
| Director's Discretionary Fund | 348,420 | | 348,420 |
| WV RHBT Pay Go Premiums | 2,040,743 | | 2,040,743 |
| Total Expenses | $ 220,462,744 | $ (11,200,000) | $ 209,262,744 |
| Fiscal Year Results | $ (29,303,312) | | $ 11,796,688 |
| Beginning Plan Reserve | 3,283,086 | | 3,283,086 |
| Minimum Actuarial Reserve Required | $ 25,583,436 | $ - | $ 25,583,436 |
| Ending Premium Stabilization Reserve | (51,603,662) | - | (10,503,662) |
| Ending Plan Reserve | $ (26,020,226) | | $ 15,079,774 |
| Reserve as a Percent of Expenses | | | 7% |

**KEY ASSUMPTIONS**

| | |
|---|---|
| Additional Local Agency Revenue | $ 29,900,000 |

| Claim and Other Expense Trends | | |
|---|---|---|
| Eligibility | Medical | Gross Drugs |
| Local | 8.5% | 15.5% |
| Prescription Drug Rebates | | 5.0% |
| Capitations | | 6.0% |
| Administrative Expense | | 3.0% |

# APPENDIX - BASELINE SCENARIO
## PEIA - STATE FUND

## WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
## FINANCIAL FORECAST
## F I S C A L  Y E A R  2 0 2 6

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

| State Fund | Baseline Projection | Board Decision | Ending Projection |
|---|---|---|---|
| Revenues | | | |
| Employer Premiums - PPB | $ 590,498,925 | $ 83,621,406 | $ 674,120,331 |
| Employer Premiums - MCO | 65,530,971 | 9,278,594 | 74,809,565 |
| Employee Premiums - PPB | 147,555,174 | 34,787,164 | 182,342,338 |
| Employee Premiums - MCO | 16,596,903 | 3,912,836 | 20,509,739 |
| WV RHBT Pay Go Premiums | 7,959,257 | | 7,959,257 |
| Life Insurance | 2,259,772 | | 2,259,772 |
| Direct Transfers | - | | - |
| Investment Income | 7,879,855 | | 7,879,855 |
| Litigation Settlement | - | | - |
| COBRA Premiums | 1,700,631 | | 1,700,631 |
| Administrative Fees | 3,963,253 | | 3,963,253 |
| Total Revenue | $ 843,944,742 | $ 131,600,000 | $ 975,544,742 |
| Program Expenses | | | |
| Medical Claims | $ 606,609,361 | $ (35,500,000) | $ 571,109,361 |
| Gross Prescription Drug Claims | 384,399,742 | $ (13,700,000) | 370,699,742 |
| Prescription Drug Rebates | (114,393,954) | | (114,393,954) |
| Managed Care Capitations | 67,757,947 | | 67,757,947 |
| Administration | 23,073,636 | | 23,073,636 |
| Life Insurance | 3,268,512 | | 3,268,512 |
| Wellness | 2,254,844 | | 2,254,844 |
| ACA Reinsurance Contributions | - | | - |
| ACA PCORI Fees | 376,252 | | 376,252 |
| Director's Discretionary Fund | 1,485,247 | | 1,485,247 |
| WV RHBT Pay Go Premiums | 7,959,257 | | 7,959,257 |
| Total Expenses | $ 982,790,844 | $ (49,200,000) | $ 933,590,844 |
| Fiscal Year Results | $ (138,846,102) | | $ 41,953,898 |
| Beginning Plan Reserve | 84,997,251 | | 84,997,251 |
| Minimum Actuarial Reserve Required | $ 113,285,669 | $ - | $ 113,285,669 |
| Ending Premium Stabilization Reserve | (167,134,520) | - | 13,665,480 |
| Ending Plan Reserve | $ (53,848,851) | | $ 126,951,149 |
| Reserve as a Percent of Expenses | | | 14% |

**KEY ASSUMPTIONS**

| | | |
|---|---|---|
| Additional State Employer Premiums | $ | 92,900,000 |
| Additional State Employee Premiums | $ | 38,700,000 |
| Direct Transfers | $ | - |

**Claim and Other Expense Trends**

| Eligibility | Medical | Gross Drugs |
|---|---|---|
| State | 8.5% | 15.5% |

| | |
|---|---|
| Prescription Drug Rebates | 5.0% |
| Capitations | 6.0% |
| Administrative Expense | 3.0% |

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

## WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
## FINANCIAL FORECAST
## F I S C A L  Y E A R  2 0 2 7

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

| | Active Local Fund | State Fund | PEIA Total |
|---|---|---|---|
| Revenues | | | |
| Employer Premiums - PPB | $ 231,449,908 | $ 737,128,926 | $ 968,578,834 |
| Employer Premiums - MCO | 11,803,166 | 81,800,971 | 93,604,137 |
| Employee Premiums - PPB | - | 190,881,823 | 190,881,823 |
| Employee Premiums - MCO | - | 21,470,254 | 21,470,254 |
| WV RHBT Pay Go Premiums | 2,040,743 | 7,959,257 | 10,000,000 |
| Life Insurance | 519,519 | 2,372,761 | 2,892,280 |
| Direct Transfers | - | - | - |
| Investment Income | 1,769,775 | 10,050,770 | 11,820,545 |
| Litigation Settlement | - | - | - |
| COBRA Premiums | 419,875 | 1,842,680 | 2,262,555 |
| Administrative Fees | 715,298 | 3,963,253 | 4,678,551 |
| Total Revenue | $ 248,718,284 | $ 1,057,470,695 | $ 1,306,188,979 |
| Program Expenses | | | |
| Medical Claims | $ 144,348,218 | $ 621,221,969 | $ 765,570,186 |
| Gross Prescription Drug Claims | 101,321,136 | 429,185,796 | 530,506,933 |
| Prescription Drug Rebates | (27,425,523) | (120,113,651) | (147,539,174) |
| Managed Care Capitations | 6,798,720 | 71,823,423 | 78,622,144 |
| Administration | 5,203,564 | 23,765,845 | 28,969,409 |
| Life Insurance | 758,000 | 3,431,938 | 4,189,938 |
| Wellness | 513,449 | 2,345,038 | 2,858,487 |
| ACA Reinsurance Contributions | - | - | - |
| ACA PCORI Fees | 91,053 | 376,252 | 467,306 |
| Director's Discretionary Fund | 348,092 | 1,483,789 | 1,831,881 |
| WV RHBT Pay Go Premiums | 2,040,743 | 7,959,257 | 10,000,000 |
| Total Expenses | $ 233,997,453 | $ 1,041,479,656 | $ 1,275,477,108 |
| Fiscal Year Results | $ 14,720,831 | $ 15,991,039 | $ 30,711,870 |
| Beginning Plan Reserve | 15,079,774 | 126,951,149 | 142,030,923 |
| Minimum Actuarial Reserve Required | $ 28,660,469 | $ 126,646,487 | $ 155,306,956 |
| Ending Premium Stabilization Reserve | 1,140,136 | 16,295,701 | 17,435,837 |
| Ending Plan Reserve | $ 29,800,605 | $ 142,942,188 | $ 172,742,794 |
| Reserve as a Percent of Expenses | | | 14% |

**KEY ASSUMPTIONS**

| | | |
|---|---|---|
| Additional State Employer Premiums | $ | 70,000,000 |
| Additional Local Agency Revenue | $ | 27,000,000 |
| Additional State Employee Premiums | $ | 9,500,000 |
| Direct Transfers | $ | - |

| Claim and Other Expense Trends | | |
|---|---|---|
| Eligibility | Medical | Gross Drugs |
| Active Local | 9.0% | 16.0% |
| State | 9.0% | 16.0% |
| Prescription Drug Rebates | | 5.0% |
| Capitations | | 6.0% |
| Administrative Expense | | 3.0% |

# APPENDIX - BASELINE SCENARIO
## PEIA - LOCAL FUND

## WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
## FINANCIAL FORECAST
## F I S C A L  Y E A R  2 0 2 7

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

| Local Fund | Baseline Projection | Board Decision | Ending Projection |
|---|---|---|---|
| Revenues | | | |
| Employer Premiums - PPB | $ 205,760,230 | $ 25,689,678 | $ 231,449,908 |
| Employer Premiums - MCO | 10,492,844 | 1,310,322 | 11,803,166 |
| Employee Premiums - PPB | - | - | - |
| Employee Premiums - MCO | - | - | - |
| WV RHBT Pay Go Premiums | 2,040,743 | | 2,040,743 |
| Life Insurance | 519,519 | | 519,519 |
| Direct Transfers | - | | - |
| Investment Income | 1,769,775 | | 1,769,775 |
| Litigation Settlement | - | | - |
| COBRA Premiums | 419,875 | | 419,875 |
| Administrative Fees | 715,298 | | 715,298 |
| Total Revenue | $ 221,718,284 | $ 27,000,000 | $ 248,718,284 |
| Program Expenses | | | |
| Medical Claims | $ 144,348,218 | $ - | $ 144,348,218 |
| Gross Prescription Drug Claims | 101,321,136 | $ - | 101,321,136 |
| Prescription Drug Rebates | (27,425,523) | | (27,425,523) |
| Managed Care Capitations | 6,798,720 | | 6,798,720 |
| Administration | 5,203,564 | | 5,203,564 |
| Life Insurance | 758,000 | | 758,000 |
| Wellness | 513,449 | | 513,449 |
| ACA Reinsurance Contributions | - | | - |
| ACA PCORI Fees | 91,053 | | 91,053 |
| Director's Discretionary Fund | 348,092 | | 348,092 |
| WV RHBT Pay Go Premiums | 2,040,743 | | 2,040,743 |
| Total Expenses | $ 233,997,453 | $ - | $ 233,997,453 |
| Fiscal Year Results | $ (12,279,169) | | $ 14,720,831 |
| Beginning Plan Reserve | 15,079,774 | | 15,079,774 |
| Minimum Actuarial Reserve Required | $ 28,660,469 | $ - | $ 28,660,469 |
| Ending Premium Stabilization Reserve | (25,859,864) | - | 1,140,136 |
| Ending Plan Reserve | $ 2,800,605 | | $ 29,800,605 |
| Reserve as a Percent of Expenses | | | 13% |

**KEY ASSUMPTIONS**

| | | | |
|---|---|---|---|
| Additional Local Agency Revenue | $ 27,000,000 | **Claim and Other Expense Trends** | |
| | | Eligibility | Medical / Gross Drugs |
| | | Local | 9.0% / 16.0% |
| | | Prescription Drug Rebates | 5.0% |
| | | Capitations | 6.0% |
| | | Administrative Expense | 3.0% |

# APPENDIX - BASELINE SCENARIO
## PEIA - STATE FUND

## WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
## FINANCIAL FORECAST
## F I S C A L  Y E A R  2 0 2 7

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

| State Fund | Baseline Projection | Board Decision | Ending Projection |
|---|---|---|---|
| Revenues | | | |
| Employer Premiums - PPB | $ 674,120,331 | $ 63,008,594 | $ 737,128,926 |
| Employer Premiums - MCO | 74,809,565 | 6,991,406 | 81,800,971 |
| Employee Premiums - PPB | 182,342,338 | 8,539,485 | 190,881,823 |
| Employee Premiums - MCO | 20,509,739 | 960,515 | 21,470,254 |
| WV RHBT Pay Go Premiums | 7,959,257 | | 7,959,257 |
| Life Insurance | 2,372,761 | | 2,372,761 |
| Direct Transfers | - | | - |
| Investment Income | 10,050,770 | | 10,050,770 |
| Litigation Settlement | - | | - |
| COBRA Premiums | 1,842,680 | | 1,842,680 |
| Administrative Fees | 3,963,253 | | 3,963,253 |
| Total Revenue | $ 977,970,695 | $ 79,500,000 | $ 1,057,470,695 |
| Program Expenses | | | |
| Medical Claims | $ 621,221,969 | $ - | $ 621,221,969 |
| Gross Prescription Drug Claims | 429,185,796 | $ - | 429,185,796 |
| Prescription Drug Rebates | (120,113,651) | | (120,113,651) |
| Managed Care Capitations | 71,823,423 | | 71,823,423 |
| Administration | 23,765,845 | | 23,765,845 |
| Life Insurance | 3,431,938 | | 3,431,938 |
| Wellness | 2,345,038 | | 2,345,038 |
| ACA Reinsurance Contributions | - | | - |
| ACA PCORI Fees | 376,252 | | 376,252 |
| Director's Discretionary Fund | 1,483,789 | | 1,483,789 |
| WV RHBT Pay Go Premiums | 7,959,257 | | 7,959,257 |
| Total Expenses | $ 1,041,479,656 | $ - | $ 1,041,479,656 |
| Fiscal Year Results | $ (63,508,961) | | $ 15,991,039 |
| Beginning Plan Reserve | 126,951,149 | | 126,951,149 |
| Minimum Actuarial Reserve Required | $ 126,646,487 | $ - | $ 126,646,487 |
| Ending Premium Stabilization Reserve | (63,204,299) | - | 16,295,701 |
| Ending Plan Reserve | $ 63,442,188 | | $ 142,942,188 |
| Reserve as a Percent of Expenses | | | 14% |

**KEY ASSUMPTIONS**

| | | |
|---|---|---|
| Additional State Employer Premiums | $ | 70,000,000 |
| Additional State Employee Premiums | $ | 9,500,000 |
| Direct Transfers | $ | - |

**Claim and Other Expense Trends**

| Eligibility | Medical | Gross Drugs |
|---|---|---|
| State | 9.0% | 16.0% |

| | |
|---|---|
| Prescription Drug Rebates | 5.0% |
| Capitations | 6.0% |
| Administrative Expense | 3.0% |

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

## WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
## FINANCIAL FORECAST
## F I S C A L  Y E A R  2 0 2 8

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

| | Active Local Fund | State Fund | PEIA Total |
|---|---|---|---|
| Revenues | | | |
| Employer Premiums - PPB | $ 257,139,585 | $ 810,938,994 | $ 1,068,078,579 |
| Employer Premiums - MCO | 13,113,489 | 89,990,903 | 103,104,392 |
| Employee Premiums - PPB | - | 205,713,560 | 205,713,560 |
| Employee Premiums - MCO | - | 23,138,517 | 23,138,517 |
| WV RHBT Pay Go Premiums | 2,040,743 | 7,959,257 | 10,000,000 |
| Life Insurance | 545,495 | 2,491,399 | 3,036,894 |
| Direct Transfers | - | - | - |
| Investment Income | 2,486,971 | 11,237,373 | 13,724,343 |
| Litigation Settlement | - | - | - |
| COBRA Premiums | 466,479 | 2,018,679 | 2,485,158 |
| Administrative Fees | 715,298 | 3,963,253 | 4,678,551 |
| Total Revenue | $ 276,508,060 | $ 1,157,451,934 | $ 1,433,959,994 |
| Program Expenses | | | |
| Medical Claims | $ 157,734,236 | $ 678,839,057 | $ 836,573,294 |
| Gross Prescription Drug Claims | 117,812,173 | 499,046,012 | 616,858,185 |
| Prescription Drug Rebates | (28,796,799) | (126,119,334) | (154,916,133) |
| Managed Care Capitations | 7,206,643 | 76,132,829 | 83,339,472 |
| Administration | 5,359,671 | 24,478,820 | 29,838,491 |
| Life Insurance | 795,900 | 3,603,535 | 4,399,435 |
| Wellness | 533,987 | 2,438,839 | 2,972,827 |
| ACA Reinsurance Contributions | - | - | - |
| ACA PCORI Fees | 91,053 | 376,252 | 467,306 |
| Director's Discretionary Fund | 347,759 | 1,482,317 | 1,830,077 |
| WV RHBT Pay Go Premiums | 2,040,743 | 7,959,257 | 10,000,000 |
| Total Expenses | $ 263,125,367 | $ 1,168,237,585 | $ 1,431,362,952 |
| Fiscal Year Results | $ 13,382,693 | $ (10,785,651) | $ 2,597,042 |
| Beginning Plan Reserve | 29,800,605 | 142,942,188 | 172,742,794 |
| Minimum Actuarial Reserve Required | $ 32,285,897 | $ 142,359,034 | $ 174,644,931 |
| Ending Premium Stabilization Reserve | 10,897,402 | (10,202,497) | 694,905 |
| Ending Plan Reserve | $ 43,183,298 | $ 132,156,537 | $ 175,339,835 |
| Reserve as a Percent of Expenses | | | 12% |

**KEY ASSUMPTIONS**

| | | |
|---|---|---|
| Additional State Employer Premiums | $ | 82,000,000 |
| Additional Local Agency Revenue | $ | 27,000,000 |
| Additional State Employee Premiums | $ | 16,500,000 |
| Direct Transfers | $ | - |

| Claim and Other Expense Trends | | |
|---|---|---|
| Eligibility | Medical | Gross Drugs |
| Active Local | 9.5% | 16.5% |
| State | 9.5% | 16.5% |
| Prescription Drug Rebates | | 5.0% |
| Capitations | | 6.0% |
| Administrative Expense | | 3.0% |

# APPENDIX - BASELINE SCENARIO
## PEIA - LOCAL FUND

## WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
## FINANCIAL FORECAST
## F I S C A L  Y E A R  2 0 2 8

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

| Local Fund | Baseline Projection | Board Decision | Ending Projection |
|---|---|---|---|
| Revenues | | | |
| Employer Premiums - PPB | $ 231,449,908 | $ 25,689,678 | $ 257,139,585 |
| Employer Premiums - MCO | 11,803,166 | 1,310,322 | 13,113,489 |
| Employee Premiums - PPB | - | - | - |
| Employee Premiums - MCO | - | - | - |
| WV RHBT Pay Go Premiums | 2,040,743 | | 2,040,743 |
| Life Insurance | 545,495 | | 545,495 |
| Direct Transfers | - | | - |
| Investment Income | 2,486,971 | | 2,486,971 |
| Litigation Settlement | - | | - |
| COBRA Premiums | 466,479 | | 466,479 |
| Administrative Fees | 715,298 | | 715,298 |
| Total Revenue | $ 249,508,060 | $ 27,000,000 | $ 276,508,060 |
| Program Expenses | | | |
| Medical Claims | $ 157,734,236 | $ - | $ 157,734,236 |
| Gross Prescription Drug Claims | 117,812,173 | $ - | 117,812,173 |
| Prescription Drug Rebates | (28,796,799) | | (28,796,799) |
| Managed Care Capitations | 7,206,643 | | 7,206,643 |
| Administration | 5,359,671 | | 5,359,671 |
| Life Insurance | 795,900 | | 795,900 |
| Wellness | 533,987 | | 533,987 |
| ACA Reinsurance Contributions | - | | - |
| ACA PCORI Fees | 91,053 | | 91,053 |
| Director's Discretionary Fund | 347,759 | | 347,759 |
| WV RHBT Pay Go Premiums | 2,040,743 | | 2,040,743 |
| Total Expenses | $ 263,125,367 | $ - | $ 263,125,367 |
| Fiscal Year Results | $ (13,617,307) | | $ 13,382,693 |
| Beginning Plan Reserve | 29,800,605 | | 29,800,605 |
| Minimum Actuarial Reserve Required | $ 32,285,897 | $ - | $ 32,285,897 |
| Ending Premium Stabilization Reserve | (16,102,598) | - | 10,897,402 |
| Ending Plan Reserve | $ 16,183,298 | | $ 43,183,298 |
| Reserve as a Percent of Expenses | | | 17% |

**KEY ASSUMPTIONS**

| | | | | |
|---|---|---|---|---|
| Additional Local Agency Revenue | $ 27,000,000 | **Claim and Other Expense Trends** | | |
| | | Eligibility | Medical | Gross Drugs |
| | | Local | 9.5% | 16.5% |
| | | Prescription Drug Rebates | | 5.0% |
| | | Capitations | | 6.0% |
| | | Administrative Expense | | 3.0% |

# APPENDIX - BASELINE SCENARIO
## PEIA - STATE FUND

## WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
## FINANCIAL FORECAST
## F I S C A L  Y E A R  2 0 2 8

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

| State Fund | Baseline Projection | Board Decision | Ending Projection |
|---|---|---|---|
| Revenues | | | |
| Employer Premiums - PPB | $ 737,128,926 | $ 73,810,068 | $ 810,938,994 |
| Employer Premiums - MCO | 81,800,971 | 8,189,932 | 89,990,903 |
| Employee Premiums - PPB | 190,881,823 | 14,831,737 | 205,713,560 |
| Employee Premiums - MCO | 21,470,254 | 1,668,263 | 23,138,517 |
| WV RHBT Pay Go Premiums | 7,959,257 | | 7,959,257 |
| Life Insurance | 2,491,399 | | 2,491,399 |
| Direct Transfers | - | | - |
| Investment Income | 11,237,373 | | 11,237,373 |
| Litigation Settlement | - | | - |
| COBRA Premiums | 2,018,679 | | 2,018,679 |
| Administrative Fees | 3,963,253 | | 3,963,253 |
| Total Revenue | $ 1,058,951,934 | $ 98,500,000 | $ 1,157,451,934 |
| Program Expenses | | | |
| Medical Claims | $ 678,839,057 | $ - | $ 678,839,057 |
| Gross Prescription Drug Claims | 499,046,012 | $ - | 499,046,012 |
| Prescription Drug Rebates | (126,119,334) | | (126,119,334) |
| Managed Care Capitations | 76,132,829 | | 76,132,829 |
| Administration | 24,478,820 | | 24,478,820 |
| Life Insurance | 3,603,535 | | 3,603,535 |
| Wellness | 2,438,839 | | 2,438,839 |
| ACA Reinsurance Contributions | - | | - |
| ACA PCORI Fees | 376,252 | | 376,252 |
| Director's Discretionary Fund | 1,482,317 | | 1,482,317 |
| WV RHBT Pay Go Premiums | 7,959,257 | | 7,959,257 |
| Total Expenses | $ 1,168,237,585 | $ - | $ 1,168,237,585 |
| Fiscal Year Results | $ (109,285,651) | | $ (10,785,651) |
| Beginning Plan Reserve | 142,942,188 | | 142,942,188 |
| Minimum Actuarial Reserve Required | $ 142,359,034 | $ - | $ 142,359,034 |
| Ending Premium Stabilization Reserve | (108,702,497) | - | (10,202,497) |
| Ending Plan Reserve | $ 33,656,537 | | $ 132,156,537 |
| Reserve as a Percent of Expenses | | | 11% |

**KEY ASSUMPTIONS**

| | | |
|---|---|---|
| Additional State Employer Premiums | $ | 82,000,000 |
| Additional State Employee Premiums | $ | 16,500,000 |
| Direct Transfers | $ | - |

| Claim and Other Expense Trends | | |
|---|---|---|
| Eligibility | Medical | Gross Drugs |
| State | 9.5% | 16.5% |
| Prescription Drug Rebates | | 5.0% |
| Capitations | | 6.0% |
| Administrative Expense | | 3.0% |

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

## WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
## FINANCIAL FORECAST
## F I S C A L  Y E A R  2 0 2 9

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

| | Active Local Fund | State Fund | PEIA Total |
|---|---|---|---|
| Revenues | | | |
| Employer Premiums - PPB | $ 279,974,854 | $ 932,455,569 | $ 1,212,430,423 |
| Employer Premiums - MCO | 14,278,220 | 103,474,328 | 117,752,548 |
| Employee Premiums - PPB | - | 236,096,148 | 236,096,148 |
| Employee Premiums - MCO | - | 26,555,929 | 26,555,929 |
| WV RHBT Pay Go Premiums | 2,040,743 | 7,959,257 | 10,000,000 |
| Life Insurance | 572,770 | 2,615,969 | 3,188,738 |
| Direct Transfers | - | - | - |
| Investment Income | 3,164,763 | 11,413,072 | 14,577,835 |
| Litigation Settlement | - | - | - |
| COBRA Premiums | 507,905 | 2,320,288 | 2,828,193 |
| Administrative Fees | 715,298 | 3,963,253 | 4,678,551 |
| Total Revenue | $ 301,254,553 | $ 1,326,853,813 | $ 1,628,108,365 |
| Program Expenses | | | |
| Medical Claims | $ 173,150,568 | $ 745,195,501 | $ 918,346,069 |
| Gross Prescription Drug Claims | 137,576,562 | 582,773,764 | 720,350,326 |
| Prescription Drug Rebates | (30,236,639) | (132,425,301) | (162,661,939) |
| Managed Care Capitations | 7,639,042 | 80,700,799 | 88,339,841 |
| Administration | 5,520,461 | 25,213,185 | 30,733,646 |
| Life Insurance | 835,695 | 3,783,712 | 4,619,406 |
| Wellness | 555,347 | 2,536,393 | 3,091,740 |
| ACA Reinsurance Contributions | - | - | - |
| ACA PCORI Fees | 91,053 | 376,252 | 467,306 |
| Director's Discretionary Fund | 347,423 | 1,480,834 | 1,828,257 |
| WV RHBT Pay Go Premiums | 2,040,743 | 7,959,257 | 10,000,000 |
| Total Expenses | $ 297,520,256 | $ 1,317,594,395 | $ 1,615,114,651 |
| Fiscal Year Results | $ 3,734,297 | $ 9,259,417 | $ 12,993,715 |
| Beginning Plan Reserve | 43,183,298 | 132,156,537 | 175,339,835 |
| Minimum Actuarial Reserve Required | $ 36,568,899 | $ 160,889,134 | $ 197,458,033 |
| Ending Premium Stabilization Reserve | 10,348,696 | (19,473,179) | (9,124,483) |
| Ending Plan Reserve | $ 46,917,595 | $ 141,415,955 | $ 188,333,550 |
| Reserve as a Percent of Expenses | | | 12% |

**KEY ASSUMPTIONS**

| | |
|---|---|
| Additional State Employer Premiums | $ 135,000,000 |
| Additional Local Agency Revenue | $ 24,000,000 |
| Additional State Employee Premiums | $ 33,800,000 |
| Direct Transfers | $ - |

| Claim and Other Expense Trends | | |
|---|---|---|
| Eligibility | Medical | Gross Drugs |
| Active Local | 10.0% | 17.0% |
| State | 10.0% | 17.0% |
| Prescription Drug Rebates | | 5.0% |
| Capitations | | 6.0% |
| Administrative Expense | | 3.0% |

# APPENDIX - BASELINE SCENARIO
## PEIA - LOCAL FUND

## WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
## FINANCIAL FORECAST
## F I S C A L  Y E A R  2 0 2 9

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

| Local Fund | Baseline Projection | Board Decision | Ending Projection |
|---|---|---|---|
| Revenues | | | |
| Employer Premiums - PPB | $ 257,139,585 | $ 22,835,269 | $ 279,974,854 |
| Employer Premiums - MCO | 13,113,489 | 1,164,731 | 14,278,220 |
| Employee Premiums - PPB | - | - | - |
| Employee Premiums - MCO | - | - | - |
| WV RHBT Pay Go Premiums | 2,040,743 | | 2,040,743 |
| Life Insurance | 572,770 | | 572,770 |
| Direct Transfers | - | | - |
| Investment Income | 3,164,763 | | 3,164,763 |
| Litigation Settlement | - | | - |
| COBRA Premiums | 507,905 | | 507,905 |
| Administrative Fees | 715,298 | | 715,298 |
| Total Revenue | $ 277,254,553 | $ 24,000,000 | $ 301,254,553 |
| Program Expenses | | | |
| Medical Claims | $ 173,150,568 | $ - | $ 173,150,568 |
| Gross Prescription Drug Claims | 137,576,562 | $ - | 137,576,562 |
| Prescription Drug Rebates | (30,236,639) | | (30,236,639) |
| Managed Care Capitations | 7,639,042 | | 7,639,042 |
| Administration | 5,520,461 | | 5,520,461 |
| Life Insurance | 835,695 | | 835,695 |
| Wellness | 555,347 | | 555,347 |
| ACA Reinsurance Contributions | - | | - |
| ACA PCORI Fees | 91,053 | | 91,053 |
| Director's Discretionary Fund | 347,423 | | 347,423 |
| WV RHBT Pay Go Premiums | 2,040,743 | | 2,040,743 |
| Total Expenses | $ 297,520,256 | $ - | $ 297,520,256 |
| Fiscal Year Results | $ (20,265,703) | | $ 3,734,297 |
| Beginning Plan Reserve | 43,183,298 | | 43,183,298 |
| Minimum Actuarial Reserve Required | $ 36,568,899 | $ - | $ 36,568,899 |
| Ending Premium Stabilization Reserve | (13,651,304) | - | 10,348,696 |
| Ending Plan Reserve | $ 22,917,595 | | $ 46,917,595 |
| Reserve as a Percent of Expenses | | | 16% |

**KEY ASSUMPTIONS**

| | |
|---|---|
| Additional Local Agency Revenue | $ 24,000,000 |

| Claim and Other Expense Trends | | |
|---|---|---|
| Eligibility | Medical | Gross Drugs |
| Local | 10.0% | 17.0% |
| Prescription Drug Rebates | | 5.0% |
| Capitations | | 6.0% |
| Administrative Expense | | 3.0% |

# APPENDIX - BASELINE SCENARIO
## PEIA - STATE FUND

## WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
## FINANCIAL FORECAST
## F I S C A L  Y E A R  2 0 2 9

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

| State Fund | Baseline Projection | Board Decision | Ending Projection |
|---|---|---|---|
| Revenues | | | |
| Employer Premiums - PPB | $ 810,938,994 | $ 121,516,575 | $ 932,455,569 |
| Employer Premiums - MCO | 89,990,903 | 13,483,425 | 103,474,328 |
| Employee Premiums - PPB | 205,713,560 | 30,382,588 | 236,096,148 |
| Employee Premiums - MCO | 23,138,517 | 3,417,412 | 26,555,929 |
| WV RHBT Pay Go Premiums | 7,959,257 | | 7,959,257 |
| Life Insurance | 2,615,969 | | 2,615,969 |
| Direct Transfers | - | | - |
| Investment Income | 11,413,072 | | 11,413,072 |
| Litigation Settlement | - | | - |
| COBRA Premiums | 2,320,288 | | 2,320,288 |
| Administrative Fees | 3,963,253 | | 3,963,253 |
| Total Revenue | $ 1,158,053,813 | $ 168,800,000 | $ 1,326,853,813 |
| Program Expenses | | | |
| Medical Claims | $ 745,195,501 | $ - | $ 745,195,501 |
| Gross Prescription Drug Claims | 582,773,764 | $ - | 582,773,764 |
| Prescription Drug Rebates | (132,425,301) | | (132,425,301) |
| Managed Care Capitations | 80,700,799 | | 80,700,799 |
| Administration | 25,213,185 | | 25,213,185 |
| Life Insurance | 3,783,712 | | 3,783,712 |
| Wellness | 2,536,393 | | 2,536,393 |
| ACA Reinsurance Contributions | - | | - |
| ACA PCORI Fees | 376,252 | | 376,252 |
| Director's Discretionary Fund | 1,480,834 | | 1,480,834 |
| WV RHBT Pay Go Premiums | 7,959,257 | | 7,959,257 |
| Total Expenses | $ 1,317,594,395 | $ - | $ 1,317,594,395 |
| Fiscal Year Results | $ (159,540,583) | | $ 9,259,417 |
| Beginning Plan Reserve | 132,156,537 | | 132,156,537 |
| Minimum Actuarial Reserve Required | $ 160,889,134 | $ - | $ 160,889,134 |
| Ending Premium Stabilization Reserve | (188,273,179) | - | (19,473,179) |
| Ending Plan Reserve | $ (27,384,045) | | $ 141,415,955 |
| Reserve as a Percent of Expenses | | | 11% |

**KEY ASSUMPTIONS**

| | | |
|---|---|---|
| Additional State Employer Premiums | $ | 135,000,000 |
| Additional State Employee Premiums | $ | 33,800,000 |
| Direct Transfers | $ | - |

| Claim and Other Expense Trends | | |
|---|---|---|
| Eligibility | Medical | Gross Drugs |
| State | 10.0% | 17.0% |
| Prescription Drug Rebates | | 5.0% |
| Capitations | | 6.0% |
| Administrative Expense | | 3.0% |

# Attachment - PEIA
# Historical Monthly Medical and Drug Trends
# FY 2024 to FY 2025

| Fiscal Year 2024 | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Exposure** | | | | | | | | | | | | |
| | **Jul-23** | **Aug-23** | **Sep-23** | **Oct-23** | **Nov-23** | **Dec-23** | **Jan-24** | **Feb-24** | **Mar-24** | **Apr-24** | **May-24** | **Jun-24** |
| **Local Medical** | 28,408 | 28,455 | 28,485 | 28,555 | 28,542 | 28,666 | 28,686 | 28,667 | 28,682 | 28,686 | 28,663 | 28,648 |
| **State Medical** | 110,217 | 109,819 | 110,078 | 110,315 | 110,325 | 110,418 | 110,197 | 109,974 | 109,884 | 109,752 | 109,719 | 109,550 |
| **Local Drugs** | 28,408 | 28,455 | 28,485 | 28,555 | 28,542 | 28,666 | 28,686 | 28,667 | 28,682 | 28,686 | 28,663 | 28,648 |
| **State Drugs** | 110,217 | 109,819 | 110,078 | 110,315 | 110,325 | 110,418 | 110,197 | 109,974 | 109,884 | 109,752 | 109,719 | 109,550 |
| | **Jul-23** | **Aug-23** | **Sep-23** | **Oct-23** | **Nov-23** | **Dec-23** | **Jan-24** | **Feb-24** | **Mar-24** | **Apr-24** | **May-24** | **Jun-24** |
| **Local Medical** | $270.85 | $342.04 | $326.68 | $341.71 | $350.51 | $334.44 | $394.67 | $363.02 | $376.58 | $407.22 | $405.07 | $352.28 |
| **State Medical** | 326.98 | 374.00 | 333.88 | 370.71 | 356.85 | 347.63 | 414.64 | 367.27 | 416.34 | 417.83 | 421.59 | 428.57 |
| **Local Drugs** | 156.55 | 195.86 | 175.45 | 195.84 | 202.38 | 195.51 | 204.24 | 198.50 | 203.21 | 227.20 | 247.68 | 218.92 |
| **State Drugs** | 186.40 | 218.38 | 204.04 | 217.89 | 219.84 | 213.94 | 220.86 | 211.19 | 220.12 | 248.08 | 257.41 | 243.73 |
| **Total** | $940.78 | $1,130.28 | $1,040.05 | $1,126.15 | $1,129.58 | $1,091.54 | $1,234.40 | $1,139.99 | $1,216.25 | $1,300.32 | $1,331.75 | $1,243.50 |
| **Change From Prior Year - Month to Month Analysis** | | | | | | | | | | | | |
| **Local Medical** | 15.4% | 32.8% | 24.6% | 22.4% | 23.5% | 21.3% | 30.6% | 26.3% | 11.8% | 43.1% | 27.1% | 13.0% |
| **State Medical** | 37.7% | 26.3% | 15.4% | 25.2% | 15.6% | 20.5% | 30.7% | 24.1% | 19.9% | 34.5% | 21.7% | 19.3% |
| **Local Drugs** | 18.9% | 20.6% | 12.1% | 34.4% | 40.7% | 24.8% | 19.2% | 30.2% | 10.5% | 43.6% | 37.4% | 13.3% |
| **State Drugs** | 32.5% | 19.0% | 11.0% | 38.8% | 31.4% | 21.0% | 20.4% | 21.9% | 10.7% | 37.3% | 24.0% | 13.6% |
| **Total** | 26.4% | 25.6% | 16.6% | 28.3% | 25.0% | 21.6% | 26.7% | 25.4% | 14.0% | 39.2% | 26.5% | 15.3% |
| **Change From Prior Year - Quarter to Quarter Analysis** | | | | | | | | | | | | |
| **Local Medical** | | | 24.5% | | | 22.4% | | | 22.4% | | | 27.3% |
| **State Medical** | | | 25.7% | | | 20.4% | | | 24.7% | | | 24.8% |
| **Local Drugs** | | | 17.1% | | | 33.0% | | | 19.4% | | | 30.5% |
| **State Drugs** | | | 19.8% | | | 30.1% | | | 17.4% | | | 24.3% |
| **Total** | | | 22.7% | | | 24.9% | | | 21.7% | | | 26.4% |
| **Change From Prior Year - Year to Year Analysis** | | | | | | | | | | | | |
| **Local Medical** | | | 8.4% | | | 13.6% | | | 18.7% | | | 24.2% |
| **State Medical** | | | 11.9% | | | 16.6% | | | 20.8% | | | 23.9% |
| **Local Drugs** | | | -2.0% | | | 8.1% | | | 14.1% | | | 25.1% |
| **State Drugs** | | | 3.2% | | | 11.6% | | | 16.5% | | | 22.8% |
| **Total** | | | 6.6% | | | 13.2% | | | 18.1% | | | 24.0% |

# Attachment - PEIA
# Historical Monthly Medical and Drug Trends
# FY 2024 to FY 2025

| Fiscal Year 2025 | | | | | |
|---|---|---|---|---|---|
| **Exposure** | | | | | |
| | **Jul-24** | **Aug-24** | **Sep-24** | **Oct-24** | **Nov-24** |
| **Local Medical** | 29,016 | 29,069 | 29,014 | 29,049 | 29,000 |
| **State Medical** | 109,011 | 108,582 | 108,493 | 108,605 | 108,597 |
| **Local Drugs** | 29,016 | 29,069 | 29,014 | 29,049 | 29,000 |
| **State Drugs** | 109,011 | 108,582 | 108,493 | 108,605 | 108,597 |
| | | | | | |
| | **Jul-24** | **Aug-24** | **Sep-24** | **Oct-24** | **Nov-24** |
| **Local Medical** | $328.84 | $341.55 | $347.50 | $414.50 | $401.71 |
| **State Medical** | 352.19 | 359.84 | 366.78 | 438.02 | 425.78 |
| **Local Drugs** | 221.59 | 207.57 | 203.22 | 225.30 | 215.19 |
| **State Drugs** | 243.66 | 239.46 | 234.86 | 261.26 | 244.97 |
| **Total** | $1,146.27 | $1,148.43 | $1,152.36 | $1,339.07 | $1,287.65 |
| | | | | | |
| **Change From Prior Year - Month to Month Analysis** | | | | | |
| **Local Medical** | 21.4% | -0.1% | 6.4% | 21.3% | 14.6% |
| **State Medical** | 7.7% | -3.8% | 9.9% | 18.2% | 19.3% |
| **Local Drugs** | 41.5% | 6.0% | 15.8% | 15.0% | 6.3% |
| **State Drugs** | 30.7% | 9.7% | 15.1% | 19.9% | 11.4% |
| **Total** | 21.8% | 1.6% | 10.8% | 18.9% | 14.0% |
| **Change From Prior Year - Quarter to Quarter Analysis** | | | | | |
| **Local Medical** | | | 8.3% | | |
| **State Medical** | | | 4.2% | | |
| **Local Drugs** | | | 19.8% | | |
| **State Drugs** | | | 17.9% | | |
| **Total** | | | 10.8% | | |
| **Change From Prior Year - Year to Year Analysis** | | | | | |
| **Local Medical** | | | 20.0% | | |
| **State Medical** | | | 18.3% | | |
| **Local Drugs** | | | 25.5% | | |
| **State Drugs** | | | 22.2% | | |
| **Total** | | | 20.8% | | |