

# STATE OF WEST VIRGINIA



## **RETIREE HEALTH BENEFIT TRUST FUND**

### **Financial Plan**

**Fiscal Years 2023-2027**

*Report Date: January 2023*

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



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Ladies and Gentlemen:

I, Dave Bond, am a Fellow of the Society of Actuaries, a Member of the American Academy of Actuaries, and the Managing Partner in the firm of Continuing Care Actuaries.

During the 2006 Regular Session of the West Virginia Legislature, House Bill 4654 was enacted creating the West Virginia Retiree Health Benefit Trust Fund (“Trust Fund” or “RHBT”) for the purpose of providing for and administering retiree post-employment health care benefits, and the respective revenues and costs of those benefits as a cost sharing multiple employer plan. The Public Employees Insurance Agency (“PEIA”), on behalf of the Public Employees Insurance Agency Finance Board (“Board”), is responsible for the day-to-day operation of the Trust Fund, including all administrative functions.

Statutory provisions governing the Trust Fund require the actuary retained by the PEIA to provide technical advice regarding the operation of the Trust Fund. Using the actuarial assumptions most recently adopted by the Board, the actuary is required to develop actuarial valuations of normal cost, actuarial liability, actuarial value of assets, and related actuarial present values for the West Virginia plan for other post-employment benefits including health insurance. Consequently, the Board has requested Continuing Care Actuaries to prepare a report separating the actuarial projections for the Trust Fund from the PEIA forecast report. The West Virginia Retiree Health Benefit Trust Fund has assumed the financial liabilities of the retiree programs previously under the PEIA effective July 1, 2006.

The provisions of the Code of West Virginia (“Code”), 1931, as amended, charge the Board with the responsibility to prepare a proposed financial plan designed to generate revenues sufficient to meet all estimated program and administrative costs of the RHBT, including incurred but unreported claims, for the fiscal year for which the plan is proposed. Continuing Care Actuaries has been retained by the RHBT to review the proposed financial plan, and as supported by our work, to render an actuarial opinion stating whether the plan may be reasonably expected to generate sufficient revenues to meet estimated insurance program and administrative costs of the plan through FY 2027. Our analysis is developed on an accrued and incurred reporting basis for a projection period of five years as required by the Code.

The Code provisions also require the Board to establish and maintain a reserve fund for PEIA for the purposes of offsetting unanticipated claim losses in any fiscal year. Beginning with the fiscal year 2002 plan and for each succeeding fiscal year plan, the Board shall transfer ten percent of the projected total plan costs for that year into the reserve fund, which is to be certified by the actuary and included in the final, approved financial plan submitted to the Governor and Legislature in accordance with the provisions of the Code. On March 9, 2019, the provisions had effectively ended.

Continuing Care Actuaries has provided financial report for fiscal year ending June 30, 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 plan adopted in December 2022.

Effective July 1, 2012, RHBT has contracted with Humana to provide a Medicare Advantage Plan (“Humana MAPD”) benefit to Medicare-eligible retired employees and their Medicare-eligible dependents. Under this arrangement, Humana has assumed the financial risk of providing comprehensive medical and drug coverage with limited copayments. Non-Medicare retirees will continue enrollment in PEIA's Preferred Provider Benefit or the Managed Care Option.

Current Medicare coverages are transferred from a self-insured secondary basis by RHBT to the Humana MAPD plan. However, it should be noted that new Medicare eligible retirees, who become Medicare eligible during the calendar year, will be covered on a secondary basis by the PPB Plan until the beginning of the next calendar year.

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

In reviewing the plan, Continuing Care Actuaries utilized information concerning the plan’s prior experience, covered individuals, plan revenues, plan benefits, plan administrative costs, and other expenses. This information was developed and provided by RHBT, the plan’s third party administrators and other sources. In our review, we completely relied on the accuracy of this information and did not perform any due diligence on the information. The enclosed forecasts include anticipated changes from the federal statute Patient Protection and Affordable Care Act (“PPACA”) signed into law on March 23, 2010. Additional details of the benefit enhancements and costs can be found later in this report. In addition, it is noteworthy that some current RHBT members have become eligible for the West Virginia Children Health Insurance Plan effective in fiscal year 2016.

In FY 2023 the Pay-Go is equivalent to \$114 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.

Under Senate Bill 419 amended West Virginia code section 11-21-96, effective February 26, 2016, notwithstanding any other provision of this code to the contrary, beginning in January of 2006, \$45 million from collections of the tax imposed by this article shall be deposited each calendar year to the credit of the Workers' Compensation fund created in article two-c, chapter twenty-three of this Enr. SB 419 code.

The transfers required by the section 11-21-96 ceased on February 1, 2016. Beginning fiscal year 2017, an annual amount of \$30 million from annual collections of the tax imposed by this article was dedicated for payment of the unfunded liability of the West Virginia Retiree Health Benefit Trust Fund. The \$30 million transferred pursuant to this subsection shall be transferred into the West Virginia Retiree Health Benefit Trust Fund by transferring \$5 million each month for the following months of each year: October, November, December, January, February and March, until the Governor certifies to the Legislature that an independent actuarial study has determined that the unfunded liability of West Virginia Retiree Health Benefit Trust Fund, as created in section two, article sixteen-d, chapter five of this code, has been provided for in its entirety or July 1, 2037, whichever date is later. RHBT started receiving the aforementioned \$30 million transfers in 2017. All employers would receive benefit of these contributions.

Based on our review, and subject to the conditions described herein, we believe the financial plan approved by the Board for FY 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 the Trust Fund.

This conclusion is based on significant revenue increases in employer, employee, and retiree premiums in later fiscal years of the plan through FY 2027 as approved by the Board in December 2022.

The preparation of any estimate of future health costs requires consideration of a broad array of complex social and economic events. Changes in reimbursement methodology, the emergence of new and expensive medical procedures and prescription drugs options, and the continuing evolution and changes of the framework of MAPD plan and other managed care options impacting Non-Medicare retirees, as are contemplated in the Board's proposed plan, increase the level of uncertainty of such estimates. As such, the estimate costs of insurance program contain considerable uncertainty and variability, and actual experience may not conform to the assumptions utilized in this report.

Respectfully,



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



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

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

## **Report of Independent Actuary**

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

#### **OVERVIEW**

This report analyzes revenues and expenses related to funding the health insurance benefits of retired employees of the State of West Virginia and various local agencies, together with their dependents. This report is intended for the sole use of the Board, and any other use requires written approval by Continuing Care Actuaries.

This report was compiled utilizing claims data collected by RHBT's third party administrators through November 2022 for prescription drugs and medical claims. Enrollment data, administrative expenses, managed care capitations, and plan revenues were provided at special request from RHBT. Revenue assumptions are based on premium rates, assumed investment income and significant general and special revenue allocations provided by the Governor, some which have not been approved by the West Virginia Legislature. In addition, other information became available through presentations made at Board meetings, which has been used in arriving at our conclusions.

The Code of West Virginia establishes the actuarial reporting requirements for the Trust Fund on an incurred basis for medical claims, prescription drug claims and capitations, and on an accrued basis for administrative expenses and revenue for a period of five years. The Fund represents state and local agency retirees and their survivors. The Trust Fund is allocated its share of administrative costs from PEIA.

## **KEY ASSUMPTIONS**

### **A. Enrollment Changes**

The Board has requested that the projection assume retiree enrollment growth consistent with the experience of the plan. These projections assume that the Trust Fund will annually have 1,000 additional policies. We have observed a net increase of 315 policy from June 2022 to December 2022. Continuing Care Actuaries has updated the claims analysis based on the enrollment through December 2022.

In aggregate, December 2022 enrollment has increased by 315 coverage since the end of FY 2022. Aggregate Preferred Provider Benefit (“PPB”) enrollment has increased by 335 in total over the same period, while managed care enrollment continues to cover fewer participants, with a decrease of 20 coverages. For MAPD Capitations, the average of 51,885 Medicare policyholders in FY 2023 was used to calculate the capitation cost.

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

Trust Fund	Coverage	Preferred Provider Benefit*			Managed Care		
		Jun-21	Jun-22	Dec-22	Jun-21	Jun-22	Dec-22
Retirees	Medicare Single	21,636	21,810	22,083	-	-	-
	<u>Medicare Family</u>	<u>16,170</u>	<u>16,085</u>	<u>16,209</u>	-	-	-
	Medicare Total	37,806	37,895	38,292	-	-	-
	Non-Medicare Single	2,295	2,161	2,152	115	109	96
	<u>Non-Medicare Family</u>	<u>2,714</u>	<u>2,497</u>	<u>2,444</u>	<u>104</u>	<u>99</u>	<u>92</u>
	Non-Medicare Total	5,009	4,658	4,596	219	208	188
	Retiree Total	42,815	42,553	42,888	219	208	188
Grand Total				43,034	42,761	43,076	

\* The majority of PPB is capitated through Humana. As of October 2022, there are approximately 1,404 Medicare retiree coverages under PEIA.

### **B. Changes in Claim Backlog**

Detail of the medical claim backlog is presented in the PEIA report titled “PEIA Financial Plan FY2023-2027 Report”.

### C. Trend Analysis

RHBT experienced a lower medical trend and a higher prescription drugs trend in FY 2022, but over the past few years, trends have been beneficial to the plan. Continuing Care Actuaries performed the detailed medical and prescription drugs trend analysis in the report titled, “PEIA 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
Non-Medicare – Medical	7.0%	7.0%
Medicare – Medical	7.0%	7.0%
Non-Medicare – Gross Drugs	14.0%	14.0%
Medicare – 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.

The following chart summarizes the trend results observed for the plan using data through November 2022. It is important to note that these trends ***have not*** been adjusted to reflect savings as a result of the expansion of the drug rebate program or the claim savings due to changes in provider reimbursement methodologies nor changes in the benefit structure. In developing the claim cost projection, we have reflected for benefit and reimbursement changes as an adjustment to the gross trend assumption.

**Aggregate Trust Fund Historical Trends (Retirees)**

<b><u>Fiscal Year</u></b>	<b><u>Medical Medicare</u></b>	<b><u>Medical Non-Medicare</u></b>	<b><u>Drugs Medicare</u></b>	<b><u>Drugs Non-Medicare</u></b>	<b><u>Total</u></b>
2004	9%	2%	3%	-2%	6%
2005	6%	-2%	16%	1%	8%
2006	6%	5%	11%	17%	8%
2007	6%	1%	6%	6%	5%
2008	N/A	6%	N/A	-1%	N/A
2009	N/A	-2%	N/A	5%	N/A
2010	N/A	3%	N/A	7%	N/A
2011	N/A	12%	N/A	16%	N/A
2012	-5%	-6%	2%	8%	-2%
2013	23%	-3%	-3%	-7%	-2%
2014	N/A	7%	N/A	6%	N/A
2015	N/A	6%	N/A	5%	N/A
2016	-10%	2%	11%	9%	3%
2017	11%	0%	10%	31%	9%
2018	12%	8%	41%	14%	12%
2019	43%	2%	-1%	20%	8%
2020	18%	-9%	1%	12%	-2%
2021	-9%	15%	14%	7%	12%
2022	8%	11%	-3%	17%	11%
2023*	20%	3%	-2%	11%	6%

\* Fiscal year 2023 results are through the five months ending November 2022. It should be noted that Humana’s plan year starts in January 2014 in calendar year basis (not starting in July as in PEIA plan year basis) and the Medicare trends are not statistically credible in 2014 and 2015.

Effective July 1, 2007, PEIA contracted with Coventry Advantra Freedom to provide Medicare Advantage/Prescription Drug Plan (“Coventry MA and PDP”) Benefits to Medicare-eligible retired employees and dependents. Under this arrangement, Coventry Advantra Freedom had assumed the financial risk of providing comprehensive medical and prescription drug coverage with limited copayments. This arrangement expired on June 30, 2010. As a result, fiscal years 2008 through 2011 Medicare trends are not statistically credible. RHBT left the Coventry MA and PDP program as of June 30, 2012, and RHBT assigned Medicare eligible retirees to the Humana MAPD program starting July 1, 2012.

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

Using aggregate PEIA and Trust Fund paid claim data through November 2022 for medical claims and for prescription drugs claims, average annualized incurred unit claim costs were developed for the Trust Fund for both self-funded and managed care coverages. Continuing Care Actuaries has developed the claim cost on an adjusted exposure basis using the respective expected claim cost for each coverage type. The adjusted exposure methodology weighs the expected claim cost under each coverage type for single, member and children, and family coverages based on observed differences in health care cost. For example, under this methodology single coverage types are given a weight of 1.0 exposure, whereas member and children coverages are given a greater weighting based on historical expected health care cost relationships. Based on this methodology, the projection of FY 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			Revenue		Expenses		
Fund	Program	Policies	Monthly Employer Premiums	Monthly Employee Premiums	Monthly Medical Costs	Monthly Drugs Costs*	Monthly Capitation Costs
Retiree	Medicare Humana and Express Scripts	38,408			\$ 78**	\$ 207**	\$ 93
	<u>Non-Medicare</u>	<u>4,604</u>			\$ 986	\$ 333	
	Total	43,012	\$0	\$134			
	<u>Non-Medicare Managed Care</u>	<u>192</u>	\$0	\$610			\$ 1,496
	Total	43,204					

\*Net of rebates and subsidies.

\*\* As of October 2022, there are approximately 1,404 Medicare coverages that were not capitated through Humana.

Projected plan revenues and administrative expenses were provided by RHBT. The following chart summarizes the financial plan adopted by the Board in December 2022.

### Board Decisions – December 2022

Source	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027
<b>Additional Non-Medicare Retiree Premium (Fiscal Year)</b>	\$0	\$0	\$2,220,681	\$2,334,266	\$2,449,191
<b>Additional Medicare Retiree Premium (Calendar Year)</b>	\$0	\$0	\$6,327,836	\$7,134,026	\$8,012,777
<b>General Revenue Transfer (OPEB Funding)</b>	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000
<b>General Revenue Transfer (Premium Offset)</b>	\$0	\$0	\$0	\$0	\$0
<b>Benefit Reductions and Savings / (Increase) - Retiree Non-Medicare</b>	\$0	\$0	\$0	\$0	\$0
<b>Board Decision Benefit Reduction – Retiree Medicare</b>	\$0	\$0	\$0	\$0	\$0
<b>Benefit Reductions / (Increase) - Humana MAPD (Calendar Year)</b>	\$0	\$0	\$0	\$0	\$0
<b>Pay Go Premium Transfer</b>	\$59,258,025	\$0	\$29,000,000	\$29,000,000	\$29,000,000
<b>Actuarial Accrued Liability*</b>	\$1,756,185,713	\$1,767,903,755	\$1,770,059,292	\$1,767,235,505	\$1,759,719,792
<b>Funded Status</b>	<b>92.5%</b>	<b>92.9%</b>	<b>97.5%</b>	<b>103.7%</b>	<b>110.3%</b>

\*Projected Result

Future fiscal year State revenue increases will require legislative appropriation. Additional retiree premiums represent premiums paid by retirees either directly or through sick and annual leave conversion credits. RHBT will receive \$30,000,000 in general revenue transfers.

Additionally, RHBT management has assumed that the Retiree Premium Assistance Program will grow as a direct result from the required retiree premium increases in the financial plan. The program's cost is currently projected to grow from \$1,390,003 in FY 2023 to \$1,891,084 in FY 2027, based on the Board's direction and projected retiree enrollment growth in the financial plan.

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

Under the new PBM contract terms effective on July 1, 2022, an estimated gross drug savings of \$20,000,000 has been allocated between PEIA and RHBT drugs claims in FY 2023. Under this contract, an estimated \$20,000,000 of drug rebates have been added to the plan in 2023 as well.

## **E. Provider Reimbursement Changes**

Effective July 1, 2012, RHBT has contracted with Humana to provide a Medicare Advantage Plan (“Humana MAPD”) benefit to Medicare-eligible retired employees and their Medicare-eligible dependents. Under this arrangement, Humana has assumed the financial risk of providing comprehensive medical and drug coverage with limited copayments. RHBT has had favorable renewals resulting in reduced MAPD capitations. Non-Medicare retirees will continue enrollment in PEIA's Preferred Provider Benefit or the Managed Care Option.

It should be noted that RHBT left the Coventry MA and PDP program as of June 30, 2012, and RHBT assigned Medicare eligible retirees to the Humana MAPD program starting July 1, 2012.

### **FISCAL YEAR 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 \$158,729,592 and incurred plan expenses of \$155,013,299 to produce a fiscal year surplus of \$3,716,293 after the Premium Stabilization Reserve addition of \$14,000,000. The PEIA local and state agencies Pay Go premiums for FY 2023 are assumed to be \$59,258,025.

### **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 \$324,303,126 and incurred plan expenses of \$170,225,778 to produce a fiscal year surplus of \$154,077,348 after the Premium Stabilization Reserve drawdown of \$71,764,140. The PEIA local and state agencies Pay Go premiums for FY 2024 are assumed to be \$0.

### **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 \$346,560,083 and incurred plan expenses of \$186,212,907 to produce a fiscal year surplus of \$160,347,176 after the Premium Stabilization Reserve drawdown of \$52,248,189. The PEIA local and state agencies Pay Go premiums for FY 2025 are assumed to be \$29,000,000.

### **FISCAL YEAR 2026 FORECAST**

The financial forecast for FY 2026 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2026 projects accrued revenue of \$372,216,229 and incurred plan expenses of \$203,654,695 to produce a fiscal year surplus of \$168,561,534 after the Premium Stabilization Reserve drawdown of \$60,256,304. The PEIA local and state agencies Pay Go premiums for FY 2026 are assumed to be \$29,000,000.

## **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 \$400,725,745 and incurred plan expenses of \$223,922,623 to produce a fiscal year surplus of \$176,803,123 after the Premium Stabilization Reserve drawdown of \$70,128,427. The PEIA local and state agencies Pay Go premiums for FY 2027 are assumed to be \$29,000,000.

## **LITIGATION**

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

## **SUMMARY**

It should be noted that the aggregate PEIA and Trust Fund reserves will meet or exceed the 10% of program expense requirement under the Baseline Scenario assumptions. With projected changes to the plan as adopted in the Board, we are forecasting that the plan will meet the minimum 10% reserve target set by West Virginia Statute through the projection period ending with the fiscal year 2027. These projections are based on significant revenue increases 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 Medicare and Medicaid reform. As such, actual results deviating from those amounts projected in these pages should not be unexpected. With the legislatively mandated requirement of a five-year projection, it should be assumed that constant modifications would be required.

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

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

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

	7/1/2022 to 12/31/2022	1/1/2023 to 6/30/2023	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 29,629,013	\$ 29,629,013	\$ 59,258,025
Retiree Premiums - PPB	33,598,900	35,465,279	69,064,180
Retiree Premiums - MCO	696,110	708,323	1,404,432
Annual Required Contributions	-	-	-
Non Par Premiums	1,019,411	1,019,411	2,038,821
Life Insurance	13,191,063	13,191,063	26,382,126
Investment Income	(7,708,996)	(7,708,996)	(15,417,992)
Transfer from Premium Stabilization Reserve	(7,030,318)	(6,969,682)	(14,000,000)
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 78,395,182</b>	<b>\$ 80,334,410</b>	<b>\$ 158,729,592</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 26,168,758	\$ 28,297,075	\$ 54,465,833
Gross Non-Medicare Prescription Drug Claims	17,140,069	19,124,084	36,264,152
Non-Medicare Prescription Drug Rebates	(8,454,591)	(9,433,236)	(17,887,827)
Medicare Medical Claims	854,658	302,452	1,157,109
Gross Medicare Prescription Drug Claims	4,619,321	1,690,015	6,309,336
Medicare Prescription Drug Rebates	(2,278,548)	(833,625)	(3,112,173)
Non-Medicare Managed Care Capitations	1,723,523	1,723,523	3,447,046
Humana MAPD Program	19,738,871	23,073,244	42,812,115
Administration	1,821,413	1,821,413	3,642,825
Life Insurance	13,156,499	13,156,499	26,312,997
Wellness	-	-	-
Retiree Assistance Program	695,002	695,002	1,390,003
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	14,642	14,642	29,284
Director's Discretionary Fund	91,300	91,300	182,599
<b>Total Expenses</b>	<b>\$ 75,290,914</b>	<b>\$ 79,722,385</b>	<b>\$ 155,013,299</b>
<b>Fiscal Year Results</b>	<b>\$ 3,104,268</b>	<b>\$ 612,025</b>	<b>\$ 3,716,293</b>
Beginning Restricted Reserve			\$ 1,356,864,649
Ending Restricted Reserve			<u>\$ 1,360,580,942</u>
Beginning Premium Stabilization Reserve			\$ 268,106,504
PSR Addition/(Drawdown)			\$ 14,000,000
Ending Premium Stabilization Reserve			<u>\$ 282,106,504</u>
Total Beginning Plan Reserve			1,624,971,153
Total Ending Plan Reserve			<u>\$ 1,642,687,446</u>
Accrued Actuarial Liability (AAL)			\$ 1,756,185,713
Funded Status			92.5%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 65.80	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ (2,067,891)	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 114.30	Non-Medicare	7.0%	14.0%
		Medicare	7.0%	14.0%
		Prescription Drug Rebates		0.0%
		Capitations		14.4%
		Administrative Expense		-17.1%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		-20.8%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE**

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

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

<b>Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 10,650,559		\$ 10,650,559
Employer Premiums - PPB	5,152,623	(317,849)	4,834,774
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	43,347,530	(2,534,203)	40,813,327
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,330,954		1,330,954
Life Insurance	17,222,406		17,222,406
Investment Income	(8,839,503)		(8,839,503)
Transfer from Premium Stabilization Reserve	(11,411,626)		(11,411,626)
General Revenue Transfer (OPEB Funding)	21,162,462		21,162,462
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 78,615,406</b>	<b>\$ (2,852,052)</b>	<b>\$ 75,763,354</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,157,109	\$ -	\$ 1,157,109
Gross Medicare Prescription Drug Claims	6,658,239	(348,903)	6,309,336
Medicare Prescription Drug Rebates	(3,112,173)		(3,112,173)
Humana MAPD Program	42,812,115		42,812,115
Administration	1,344,666		1,344,666
Life Insurance	17,177,278		17,177,278
Wellness	-		-
Retiree Assistance Program	907,402		907,402
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	6,353		6,353
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 66,950,990</b>	<b>\$ (348,903)</b>	<b>\$ 66,602,087</b>
<b>Fiscal Year Results</b>	<b>\$ 11,664,416</b>		<b>\$ 9,161,267</b>
Beginning Restricted Reserve	\$ 722,370,266		\$ 722,370,266
Ending Restricted Reserve	\$ 734,034,682		\$ 731,531,533
Beginning Premium Stabilization Reserve	\$ 209,264,435		\$ 209,264,435
PSR Addition/(Drawdown)	\$ 11,411,626		\$ 11,411,626
Ending Premium Stabilization Reserve	\$ 220,676,061		\$ 220,676,061
<b>Total Beginning Plan Reserve</b>	<b>931,634,700</b>		<b>931,634,700</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 954,710,743</b>		<b>\$ 952,207,593</b>
Accrued Actuarial Liability (AAL)	\$ 1,756,185,713		\$ 1,756,185,713
Funded Status	92.2%		92.4%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 65.80	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ (2,852,052)	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 23.11	Medicare	7.0%	14.0%
		Prescription Drug Rebates		0.0%
		Capitations		14.4%
		Administrative Expense		-17.1%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		-20.8%

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

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

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

<b>Non-Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 48,607,466		\$ 48,607,466
Employer Premiums - PPB	5,727,641	(104,453)	5,623,189
Employer Premiums - MCO	517,874	2,225	520,099
Retiree Premiums - PPB	16,965,988	826,902	17,792,890
Retiree Premiums - MCO	824,846	59,487	884,333
Annual Required Contributions	-		-
Non Par Premiums	707,867		707,867
Life Insurance	9,159,720		9,159,720
Investment Income	(6,578,490)		(6,578,490)
Transfer from Premium Stabilization Reserve	(2,588,374)		(2,588,374)
General Revenue Transfer (OPEB Funding)	8,837,538		8,837,538
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 82,182,075</b>	<b>\$ 784,162</b>	<b>\$ 82,966,237</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 54,465,833	\$ -	\$ 54,465,833
Gross Non-Medicare Prescription Drug Claims	38,244,480	(1,980,328)	36,264,152
Non-Medicare Prescription Drug Rebates	(17,887,827)		(17,887,827)
Non-Medicare Managed Care Capitations	3,447,046		3,447,046
Administration	2,298,159		2,298,159
Life Insurance	9,135,719		9,135,719
Wellness	-		-
Retiree Assistance Program	482,601		482,601
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	22,930		22,930
Director's Discretionary Fund	182,599		182,599
<b>Total Expenses</b>	<b>\$ 90,391,540</b>	<b>\$ (1,980,328)</b>	<b>\$ 88,411,212</b>
<b>Fiscal Year Results</b>	<b>\$ (8,209,465)</b>		<b>\$ (5,444,975)</b>
Beginning Restricted Reserve	\$ 634,494,382		\$ 634,494,382
Ending Restricted Reserve	\$ 626,284,917		\$ 629,049,407
Beginning Premium Stabilization Reserve	\$ 58,842,069		\$ 58,842,069
PSR Addition/(Drawdown)	\$ 2,588,374		\$ 2,588,374
Ending Premium Stabilization Reserve	\$ 61,430,443		\$ 61,430,443
<b>Total Beginning Plan Reserve</b>	<b>693,336,451</b>		<b>693,336,451</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 687,715,361</b>		<b>\$ 690,479,851</b>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 65.80	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 784,162	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 844.48	Non-Medicare	7.0%	14.0%
		Prescription Drug Rebates		0.0%
		Capitations		14.4%
		Administrative Expense		-17.1%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		-20.8%

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

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

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

	7/1/2023 to 12/31/2023	1/1/2024 to 6/30/2024	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ -	\$ -	\$ -
Retiree Premiums - PPB	33,671,086	33,771,565	67,442,651
Retiree Premiums - MCO	670,050	670,050	1,340,099
Annual Required Contributions	-	-	-
Non Par Premiums	988,828	988,828	1,977,656
Life Insurance	13,850,616	13,850,616	27,701,232
Investment Income	62,038,674	62,038,674	124,077,348
Transfer from Premium Stabilization Reserve	35,979,437	35,784,702	71,764,140
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 162,198,691</b>	<b>\$ 162,104,435</b>	<b>\$ 324,303,126</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 28,319,098	\$ 30,693,472	\$ 59,012,570
Gross Non-Medicare Prescription Drug Claims	19,760,420	22,095,846	41,856,266
Non-Medicare Prescription Drug Rebates	(9,820,008)	(10,956,703)	(20,776,711)
Medicare Medical Claims	888,367	315,151	1,203,519
Gross Medicare Prescription Drug Claims	5,115,198	1,875,740	6,990,938
Medicare Prescription Drug Rebates	(2,541,721)	(929,908)	(3,471,629)
Non-Medicare Managed Care Capitations	1,861,405	1,861,405	3,722,810
Humana MAPD Program	22,623,134	25,969,089	48,592,223
Administration	1,876,055	1,876,055	3,752,110
Life Insurance	13,814,324	13,814,324	27,628,647
Wellness	-	-	-
Retiree Assistance Program	750,602	750,602	1,501,203
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	16,054	16,054	32,108
Director's Discretionary Fund	90,862	90,862	181,724
<b>Total Expenses</b>	<b>\$ 82,753,790</b>	<b>\$ 87,471,988</b>	<b>\$ 170,225,778</b>
<b>Fiscal Year Results</b>	<b>\$ 79,444,900</b>	<b>\$ 74,632,448</b>	<b>\$ 154,077,348</b>
Beginning Restricted Reserve			\$ 1,360,580,942
Ending Restricted Reserve			<u>\$ 1,514,658,290</u>
Beginning Premium Stabilization Reserve			\$ 282,106,504
PSR Addition/(Drawdown)			\$ (71,764,140)
Ending Premium Stabilization Reserve			<u>\$ 210,342,364</u>
Total Beginning Plan Reserve			1,642,687,446
Total Ending Plan Reserve			<u>\$ 1,725,000,655</u>
Accrued Actuarial Liability (AAL)			\$ 1,767,903,755
Funded Status			92.9%

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
		Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$ -			
Additional Retiree Premiums	\$ 1,301,889	Non-Medicare	7.5%	14.5%
Pay Go PEPM Subsidy for Retirees	\$ -	Medicare	7.5%	14.5%
		Prescription Drug Rebates		15.0%
		Capitations		12.4%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		-100.0%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE**

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

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

<b>Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ -		\$ -
Employer Premiums - PPB	4,734,134	88,266	4,822,399
Employer Premiums - MCO	-		-
Retiree Premiums - PPB	39,708,150	1,213,624	40,921,774
Retiree Premiums - MCO	-		-
Annual Required Contributions	-		-
Non Par Premiums	1,291,026		1,291,026
Life Insurance	18,083,527		18,083,527
Investment Income	71,923,234		71,923,234
Transfer from Premium Stabilization Reserve	58,406,193		58,406,193
General Revenue Transfer (OPEB Funding)	13,875,017		13,875,017
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 208,021,281</b>	<b>\$ 1,301,889</b>	<b>\$ 209,323,170</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,203,519	\$ -	\$ 1,203,519
Gross Medicare Prescription Drug Claims	6,990,938	-	6,990,938
Medicare Prescription Drug Rebates	(3,471,629)		(3,471,629)
Humana MAPD Program	48,592,223		48,592,223
Administration	1,385,006		1,385,006
Life Insurance	18,036,142		18,036,142
Wellness	-		-
Retiree Assistance Program	979,994		979,994
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	10,190		10,190
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 73,726,383</b>	<b>\$ -</b>	<b>\$ 73,726,383</b>
<b>Fiscal Year Results</b>	<b>\$ 134,294,897</b>		<b>\$ 135,596,787</b>
Beginning Restricted Reserve	\$ 731,531,533		\$ 731,531,533
Ending Restricted Reserve	<u>\$ 865,826,430</u>		<u>\$ 867,128,319</u>
Beginning Premium Stabilization Reserve	\$ 220,676,061		\$ 220,676,061
PSR Addition/(Drawdown)	\$ (58,406,193)		\$ (58,406,193)
Ending Premium Stabilization Reserve	<u>\$ 162,269,868</u>		<u>\$ 162,269,868</u>
Total Beginning Plan Reserve	952,207,593		952,207,593
Total Ending Plan Reserve	<u>\$ 1,028,096,298</u>		<u>\$ 1,029,398,187</u>
Accrued Actuarial Liability (AAL)	\$ 1,767,903,755		\$ 1,767,903,755
Funded Status	93.2%		93.2%

**KEY ASSUMPTIONS**

		<b>Claim and Other Expense Trends</b>		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go Monthly Premium for Actives	\$ -			
Additional Retiree Premiums	\$ 1,301,889			
Pay Go PEPM Subsidy for Retirees	\$ -	Medicare	7.5%	14.5%
		Prescription Drug Rebates		15.0%
		Capitations		12.4%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		-100.0%

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

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

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

<b>Non-Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ -		\$ -
Employer Premiums - PPB	5,184,585	-	5,184,585
Employer Premiums - MCO	496,100	-	496,100
Retiree Premiums - PPB	16,513,892	-	16,513,892
Retiree Premiums - MCO	843,999	-	843,999
Annual Required Contributions	-		-
Non Par Premiums	686,631		686,631
Life Insurance	9,617,706		9,617,706
Investment Income	52,154,114		52,154,114
Transfer from Premium Stabilization Reserve	13,357,947		13,357,947
General Revenue Transfer (OPEB Funding)	16,124,983		16,124,983
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 114,979,958</b>	<b>\$ -</b>	<b>\$ 114,979,958</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 59,012,570	\$ -	\$ 59,012,570
Gross Non-Medicare Prescription Drug Claims	41,856,266	-	41,856,266
Non-Medicare Prescription Drug Rebates	(20,776,711)		(20,776,711)
Non-Medicare Managed Care Capitations	3,722,810		3,722,810
Administration	2,367,104		2,367,104
Life Insurance	9,592,504		9,592,504
Wellness	-		-
Retiree Assistance Program	521,209		521,209
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	21,918		21,918
Director's Discretionary Fund	181,723		181,723
<b>Total Expenses</b>	<b>\$ 96,499,392</b>	<b>\$ -</b>	<b>\$ 96,499,392</b>
<b>Fiscal Year Results</b>	<b>\$ 18,480,565</b>		<b>\$ 18,480,565</b>
Beginning Restricted Reserve	\$ 629,049,407		\$ 629,049,407
Ending Restricted Reserve	<u>\$ 647,529,972</u>		<u>\$ 647,529,972</u>
Beginning Premium Stabilization Reserve	\$ 61,430,443		\$ 61,430,443
PSR Addition/(Drawdown)	\$ (13,357,947)		\$ (13,357,947)
Ending Premium Stabilization Reserve	<u>\$ 48,072,497</u>		<u>\$ 48,072,497</u>
<b>Total Beginning Plan Reserve</b>	<b>690,479,851</b>		<b>690,479,851</b>
<b>Total Ending Plan Reserve</b>	<b><u>\$ 695,602,469</u></b>		<b><u>\$ 695,602,469</u></b>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

		<b>Claim and Other Expense Trends</b>		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go Monthly Premium for Actives	\$ -			
Additional Retiree Premiums	\$ -			
Pay Go PEPM Subsidy for Retirees	\$ -	Non-Medicare	7.5%	14.5%
		Prescription Drug Rebates		15.0%
		Capitations		12.4%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		-100.0%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2025**

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

	7/1/2024 to 12/31/2024	1/1/2025 to 6/30/2025	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 14,500,000	\$ 14,500,000	\$ 29,000,000
Retiree Premiums - PPB	35,005,553	37,471,551	72,477,105
Retiree Premiums - MCO	741,496	741,496	1,482,992
Annual Required Contributions	-	-	-
Non Par Premiums	959,164	959,164	1,918,327
Life Insurance	14,543,147	14,543,147	29,086,294
Investment Income	65,173,588	65,173,588	130,347,176
Transfer from Premium Stabilization Reserve	26,150,233	26,097,956	52,248,189
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 172,073,181</b>	<b>\$ 174,486,902</b>	<b>\$ 346,560,083</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 30,789,161	\$ 33,447,831	\$ 64,236,991
Gross Non-Medicare Prescription Drug Claims	22,881,166	25,640,996	48,522,162
Non-Medicare Prescription Drug Rebates	(11,405,939)	(12,726,211)	(24,132,150)
Medicare Medical Claims	927,715	329,913	1,257,629
Gross Medicare Prescription Drug Claims	5,689,118	2,090,973	7,780,091
Medicare Prescription Drug Rebates	(2,835,289)	(1,037,313)	(3,872,602)
Non-Medicare Managed Care Capitations	2,010,317	2,010,317	4,020,634
Humana MAPD Program	25,462,488	28,223,217	53,685,705
Administration	1,932,337	1,932,337	3,864,673
Life Insurance	14,505,040	14,505,040	29,010,079
Wellness	-	-	-
Retiree Assistance Program	810,650	810,650	1,621,299
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	17,669	17,669	35,338
Director's Discretionary Fund	91,529	91,529	183,058
<b>Total Expenses</b>	<b>\$ 90,875,960</b>	<b>\$ 95,336,947</b>	<b>\$ 186,212,907</b>
<b>Fiscal Year Results</b>	<b>\$ 81,197,221</b>	<b>\$ 79,149,955</b>	<b>\$ 160,347,176</b>
Beginning Restricted Reserve			\$ 1,514,658,290
Ending Restricted Reserve			<u>\$ 1,675,005,466</u>
Beginning Premium Stabilization Reserve			\$ 210,342,364
PSR Addition/(Drawdown)			\$ (52,248,189)
Ending Premium Stabilization Reserve			<u>\$ 158,094,175</u>
Total Beginning Plan Reserve			1,725,000,655
Total Ending Plan Reserve			<u>\$ 1,833,099,641</u>
Accrued Actuarial Liability (AAL)			\$ 1,770,059,292
Funded Status			97.5%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 32.15	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 6,008,934	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 53.56	Non-Medicare	8.0%	15.0%
		Medicare	8.0%	15.0%
		Prescription Drug Rebates		15.0%
		Capitations		8.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		0.0%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2025**

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

<b>Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 7,999,407		\$ 7,999,407
Employer Premiums - PPB	4,833,397	399,362	5,232,759
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	41,015,104	3,388,892	44,403,995
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,252,295		1,252,295
Life Insurance	18,987,703		18,987,703
Investment Income	77,784,983		77,784,983
Transfer from Premium Stabilization Reserve	42,457,074		42,457,074
General Revenue Transfer (OPEB Funding)	18,474,331		18,474,331
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 212,804,294</b>	<b>\$ 3,788,253</b>	<b>\$ 216,592,547</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,257,629	\$ -	\$ 1,257,629
Gross Medicare Prescription Drug Claims	7,780,091	-	7,780,091
Medicare Prescription Drug Rebates	(3,872,602)		(3,872,602)
Humana MAPD Program	53,685,705		53,685,705
Administration	1,426,556		1,426,556
Life Insurance	18,937,950		18,937,950
Wellness	-		-
Retiree Assistance Program	1,058,394		1,058,394
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	14,307		14,307
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 80,288,029</b>	<b>\$ -</b>	<b>\$ 80,288,029</b>
<b>Fiscal Year Results</b>	<b>\$ 132,516,265</b>		<b>\$ 136,304,518</b>
Beginning Restricted Reserve	\$ 867,128,319		\$ 867,128,319
Ending Restricted Reserve	<u>\$ 999,644,584</u>		<u>\$ 1,003,432,837</u>
Beginning Premium Stabilization Reserve	\$ 162,269,868		\$ 162,269,868
PSR Addition/(Drawdown)	\$ (42,457,074)		\$ (42,457,074)
Ending Premium Stabilization Reserve	<u>\$ 119,812,794</u>		<u>\$ 119,812,794</u>
Total Beginning Plan Reserve	1,029,398,187		1,029,398,187
Total Ending Plan Reserve	<u>\$ 1,119,457,378</u>		<u>\$ 1,123,245,632</u>
Accrued Actuarial Liability (AAL)	\$ 1,770,059,292		\$ 1,770,059,292
Funded Status	98.1%		98.3%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 32.15	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 3,788,253	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 16.36	Medicare	8.0%	15.0%
		Prescription Drug Rebates		15.0%
		Capitations		8.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		0.0%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2025**

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

<b>Non-Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 21,000,593		\$ 21,000,593
Employer Premiums - PPB	4,959,168	498,254	5,457,422
Employer Premiums - MCO	498,876	50,123	548,999
Retiree Premiums - PPB	15,795,896	1,587,033	17,382,928
Retiree Premiums - MCO	848,721	85,272	933,993
Annual Required Contributions	-		-
Non Par Premiums	666,032		666,032
Life Insurance	10,098,591		10,098,591
Investment Income	52,562,193		52,562,193
Transfer from Premium Stabilization Reserve	9,791,116		9,791,116
General Revenue Transfer (OPEB Funding)	11,525,670		11,525,670
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 127,746,855</b>	<b>\$ 2,220,681</b>	<b>\$ 129,967,536</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 64,236,991	\$ -	\$ 64,236,991
Gross Non-Medicare Prescription Drug Claims	48,522,162	-	48,522,162
Non-Medicare Prescription Drug Rebates	(24,132,150)		(24,132,150)
Non-Medicare Managed Care Capitations	4,020,634		4,020,634
Administration	2,438,117		2,438,117
Life Insurance	10,072,130		10,072,130
Wellness	-		-
Retiree Assistance Program	562,906		562,906
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	21,032		21,032
Director's Discretionary Fund	183,058		183,058
<b>Total Expenses</b>	<b>\$ 105,924,880</b>	<b>\$ -</b>	<b>\$ 105,924,880</b>
<b>Fiscal Year Results</b>	<b>\$ 21,821,975</b>		<b>\$ 24,042,656</b>
Beginning Restricted Reserve	\$ 647,529,972		\$ 647,529,972
Ending Restricted Reserve	\$ 669,351,947		\$ 671,572,629
Beginning Premium Stabilization Reserve	\$ 48,072,497		\$ 48,072,497
PSR Addition/(Drawdown)	\$ (9,791,116)		\$ (9,791,116)
Ending Premium Stabilization Reserve	\$ 38,281,381		\$ 38,281,381
<b>Total Beginning Plan Reserve</b>	<b>695,602,469</b>		<b>695,602,469</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 707,633,329</b>		<b>\$ 709,854,010</b>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 32.15	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 2,220,681	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 399.89	Non-Medicare	8.0%	15.0%
		Prescription Drug Rebates		15.0%
		Capitations		8.5%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		0.0%

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

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

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

	7/1/2025 to 12/31/2025	1/1/2026 to 6/30/2026	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 14,500,000	\$ 14,500,000	\$ 29,000,000
Retiree Premiums - PPB	38,780,043	41,569,522	80,349,564
Retiree Premiums - MCO	823,720	823,720	1,647,441
Annual Required Contributions	-	-	-
Non Par Premiums	930,389	930,389	1,860,777
Life Insurance	15,270,305	15,270,305	30,540,609
Investment Income	69,280,767	69,280,767	138,561,534
Transfer from Premium Stabilization Reserve	30,103,653	30,152,651	60,256,304
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 184,688,876</b>	<b>\$ 187,527,354</b>	<b>\$ 372,216,229</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 33,630,169	\$ 36,618,286	\$ 70,248,455
Gross Non-Medicare Prescription Drug Claims	26,610,329	29,884,444	56,494,773
Non-Medicare Prescription Drug Rebates	(13,247,998)	(14,781,494)	(28,029,493)
Medicare Medical Claims	973,306	346,967	1,320,273
Gross Medicare Prescription Drug Claims	6,355,025	2,341,045	8,696,070
Medicare Prescription Drug Rebates	(3,162,765)	(1,157,122)	(4,319,888)
Non-Medicare Managed Care Capitations	2,171,143	2,171,143	4,342,285
Humana MAPD Program	27,672,643	30,814,355	58,486,998
Administration	1,990,307	1,990,307	3,980,613
Life Insurance	15,230,292	15,230,292	30,460,583
Wellness	-	-	-
Retiree Assistance Program	875,502	875,502	1,751,003
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	19,286	19,286	38,572
Director's Discretionary Fund	92,226	92,226	184,451
<b>Total Expenses</b>	<b>\$ 99,209,462</b>	<b>\$ 104,445,233</b>	<b>\$ 203,654,695</b>
<b>Fiscal Year Results</b>	<b>\$ 85,479,413</b>	<b>\$ 83,082,121</b>	<b>\$ 168,561,534</b>
Beginning Restricted Reserve			\$ 1,675,005,466
Ending Restricted Reserve			<u>\$ 1,843,567,000</u>
Beginning Premium Stabilization Reserve			\$ 158,094,175
PSR Addition/(Drawdown)			\$ (60,256,304)
Ending Premium Stabilization Reserve			<u>\$ 97,837,871</u>
Total Beginning Plan Reserve			1,833,099,641
Total Ending Plan Reserve			<u>\$ 1,941,404,872</u>
Accrued Actuarial Liability (AAL)			\$ 1,767,235,505
Funded Status			103.7%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 32.15	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 8,933,697	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 52.40	Non-Medicare	8.5%	15.5%
		Medicare	8.5%	15.5%
		Prescription Drug Rebates		15.0%
		Capitations		9.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		0.0%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE**

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

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

<b>Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 7,918,616		\$ 7,918,616
Employer Premiums - PPB	5,245,843	695,719	5,941,562
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	44,515,024	5,903,711	50,418,736
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,214,726		1,214,726
Life Insurance	19,937,088		19,937,088
Investment Income	84,904,625		84,904,625
Transfer from Premium Stabilization Reserve	40,593,189		40,593,189
General Revenue Transfer (OPEB Funding)	17,667,893		17,667,893
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 221,997,005</b>	<b>\$ 6,599,430</b>	<b>\$ 228,596,436</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,320,273	\$ -	\$ 1,320,273
Gross Medicare Prescription Drug Claims	8,696,070	-	8,696,070
Medicare Prescription Drug Rebates	(4,319,888)		(4,319,888)
Humana MAPD Program	58,486,998		58,486,998
Administration	1,469,353		1,469,353
Life Insurance	19,884,847		19,884,847
Wellness	-		-
Retiree Assistance Program	1,143,065		1,143,065
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	18,422		18,422
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 86,699,141</b>	<b>\$ -</b>	<b>\$ 86,699,141</b>
<b>Fiscal Year Results</b>	<b>\$ 135,297,865</b>		<b>\$ 141,897,295</b>
Beginning Restricted Reserve	\$ 1,003,432,837		\$ 1,003,432,837
Ending Restricted Reserve	<u>\$ 1,138,730,702</u>		<u>\$ 1,145,330,132</u>
Beginning Premium Stabilization Reserve	\$ 119,812,794		\$ 119,812,794
PSR Addition/(Drawdown)	\$ (40,593,189)		\$ (40,593,189)
Ending Premium Stabilization Reserve	<u>\$ 79,219,605</u>		<u>\$ 79,219,605</u>
Total Beginning Plan Reserve	1,123,245,632		1,123,245,632
Total Ending Plan Reserve	<u>\$ 1,217,950,307</u>		<u>\$ 1,224,549,737</u>
Accrued Actuarial Liability (AAL)	\$ 1,767,235,505		\$ 1,767,235,505
Funded Status	104.0%		104.1%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 32.15	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 6,599,430	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 15.73	Medicare	8.5%	15.5%
		Prescription Drug Rebates		15.0%
		Capitations		9.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		0.0%

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

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

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

<b>Non-Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 21,081,384		\$ 21,081,384
Employer Premiums - PPB	5,210,038	521,903	5,731,941
Employer Premiums - MCO	554,347	55,530	609,877
Retiree Premiums - PPB	16,594,964	1,662,361	18,257,325
Retiree Premiums - MCO	943,092	94,472	1,037,564
Annual Required Contributions	-		-
Non Par Premiums	646,051		646,051
Life Insurance	10,603,521		10,603,521
Investment Income	53,656,909		53,656,909
Transfer from Premium Stabilization Reserve	19,663,115		19,663,115
General Revenue Transfer (OPEB Funding)	12,332,107		12,332,107
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 141,285,527</b>	<b>\$ 2,334,266</b>	<b>\$ 143,619,793</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 70,248,455	\$ -	\$ 70,248,455
Gross Non-Medicare Prescription Drug Claims	56,494,773	-	56,494,773
Non-Medicare Prescription Drug Rebates	(28,029,493)		(28,029,493)
Non-Medicare Managed Care Capitations	4,342,285		4,342,285
Administration	2,511,260		2,511,260
Life Insurance	10,575,736		10,575,736
Wellness	-		-
Retiree Assistance Program	607,938		607,938
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	20,149		20,149
Director's Discretionary Fund	184,451		184,451
<b>Total Expenses</b>	<b>\$ 116,955,554</b>	<b>\$ -</b>	<b>\$ 116,955,554</b>
<b>Fiscal Year Results</b>	<b>\$ 24,329,973</b>		<b>\$ 26,664,239</b>
Beginning Restricted Reserve	\$ 671,572,629		\$ 671,572,629
Ending Restricted Reserve	<u>\$ 695,902,601</u>		<u>\$ 698,236,868</u>
Beginning Premium Stabilization Reserve	\$ 38,281,381		\$ 38,281,381
PSR Addition/(Drawdown)	\$ (19,663,115)		\$ (19,663,115)
Ending Premium Stabilization Reserve	<u>\$ 18,618,266</u>		<u>\$ 18,618,266</u>
<b>Total Beginning Plan Reserve</b>	<b>709,854,010</b>		<b>709,854,010</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 714,520,868</b>		<b>\$ 716,855,134</b>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 32.15	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 2,334,266	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 420.51	Non-Medicare	8.5%	15.5%
		Prescription Drug Rebates		15.0%
		Capitations		9.0%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		0.0%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2027**

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

	7/1/2026 to 12/31/2026	1/1/2027 to 6/30/2027	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 14,500,000	\$ 14,500,000	\$ 29,000,000
Retiree Premiums - PPB	42,964,642	46,117,638	89,082,280
Retiree Premiums - MCO	919,662	919,662	1,839,323
Annual Required Contributions	-	-	-
Non Par Premiums	902,477	902,477	1,804,954
Life Insurance	16,033,820	16,033,820	32,067,639
Investment Income	73,401,561	73,401,561	146,803,123
Transfer from Premium Stabilization Reserve	34,968,464	35,159,963	70,128,427
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	\$ 198,690,625	\$ 202,035,121	\$ 400,725,745
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 36,903,174	\$ 40,274,203	\$ 77,177,377
Gross Non-Medicare Prescription Drug Claims	31,081,663	34,981,089	66,062,752
Non-Medicare Prescription Drug Rebates	(15,387,550)	(17,168,705)	(32,556,256)
Medicare Medical Claims	1,025,859	366,584	1,392,443
Gross Medicare Prescription Drug Claims	7,129,701	2,632,380	9,762,081
Medicare Prescription Drug Rebates	(3,528,065)	(1,290,770)	(4,818,835)
Non-Medicare Managed Care Capitations	2,344,834	2,344,834	4,689,668
Humana MAPD Program	30,213,233	33,797,709	64,010,943
Administration	2,050,016	2,050,016	4,100,032
Life Insurance	15,991,806	15,991,806	31,983,612
Wellness	-	-	-
Retiree Assistance Program	945,542	945,542	1,891,084
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	20,905	20,905	41,809
Director's Discretionary Fund	92,956	92,956	185,912
<b>Total Expenses</b>	\$ 108,884,074	\$ 115,038,548	\$ 223,922,623
<b>Fiscal Year Results</b>	\$ 89,806,551	\$ 86,996,573	\$ 176,803,123
Beginning Restricted Reserve			\$ 1,843,567,000
Ending Restricted Reserve			\$ 2,020,370,123
Beginning Premium Stabilization Reserve			\$ 97,837,871
PSR Addition/(Drawdown)			\$ (70,128,427)
Ending Premium Stabilization Reserve			\$ 27,709,445
Total Beginning Plan Reserve			1,941,404,872
Total Ending Plan Reserve			\$ 2,048,079,568
Accrued Actuarial Liability (AAL)			\$ 1,759,719,792
Funded Status			110.3%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 32.15	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 9,870,015	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 51.29	Non-Medicare	9.0%	16.0%
		Medicare	9.0%	16.0%
		Prescription Drug Rebates		15.0%
		Capitations		9.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		0.0%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2027**

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

<b>Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 7,231,984		\$ 7,231,984
Employer Premiums - PPB	5,959,110	782,311	6,741,422
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	50,567,647	6,638,512	57,206,159
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,178,284		1,178,284
Life Insurance	20,933,942		20,933,942
Investment Income	92,596,721		92,596,721
Transfer from Premium Stabilization Reserve	56,808,594		56,808,594
General Revenue Transfer (OPEB Funding)	18,123,358		18,123,358
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 253,399,640</b>	<b>\$ 7,420,823</b>	<b>\$ 260,820,463</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,392,443	\$ -	\$ 1,392,443
Gross Medicare Prescription Drug Claims	9,762,081	-	9,762,081
Medicare Prescription Drug Rebates	(4,818,835)		(4,818,835)
Humana MAPD Program	64,010,943		64,010,943
Administration	1,513,434		1,513,434
Life Insurance	20,879,089		20,879,089
Wellness	-		-
Retiree Assistance Program	1,234,511		1,234,511
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	22,538		22,538
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 93,996,204</b>	<b>\$ -</b>	<b>\$ 93,996,204</b>
<b>Fiscal Year Results</b>	<b>\$ 159,403,436</b>		<b>\$ 166,824,259</b>
Beginning Restricted Reserve	\$ 1,145,330,132		\$ 1,145,330,132
Ending Restricted Reserve	<u>\$ 1,304,733,568</u>		<u>\$ 1,312,154,392</u>
Beginning Premium Stabilization Reserve	\$ 79,219,605		\$ 79,219,605
PSR Addition/(Drawdown)	\$ (56,808,594)		\$ (56,808,594)
Ending Premium Stabilization Reserve	<u>\$ 22,411,011</u>		<u>\$ 22,411,011</u>
Total Beginning Plan Reserve	1,224,549,737		1,224,549,737
Total Ending Plan Reserve	<u>\$ 1,327,144,579</u>		<u>\$ 1,334,565,403</u>
Accrued Actuarial Liability (AAL)	\$ 1,759,719,792		\$ 1,759,719,792
Funded Status	110.0%		110.1%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 32.15	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 7,420,823	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 13.97	Medicare	9.0%	16.0%
		Prescription Drug Rebates		15.0%
		Capitations		9.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		0.0%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2027**

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

<b>Non-Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 21,768,016		\$ 21,768,016
Employer Premiums - PPB	5,460,328	545,300	6,005,628
Employer Premiums - MCO	619,086	61,826	680,912
Retiree Premiums - PPB	17,392,186	1,736,884	19,129,071
Retiree Premiums - MCO	1,053,230	105,182	1,158,412
Annual Required Contributions	-		-
Non Par Premiums	626,669		626,669
Life Insurance	11,133,697		11,133,697
Investment Income	54,206,402		54,206,402
Transfer from Premium Stabilization Reserve	13,319,833		13,319,833
General Revenue Transfer (OPEB Funding)	11,876,642		11,876,642
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 137,456,090</b>	<b>\$ 2,449,191</b>	<b>\$ 139,905,281</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 77,177,377	\$ -	\$ 77,177,377
Gross Non-Medicare Prescription Drug Claims	66,062,752	-	66,062,752
Non-Medicare Prescription Drug Rebates	(32,556,256)		(32,556,256)
Non-Medicare Managed Care Capitations	4,689,668		4,689,668
Administration	2,586,598		2,586,598
Life Insurance	11,104,523		11,104,523
Wellness	-		-
Retiree Assistance Program	656,573		656,573
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	19,271		19,271
Director's Discretionary Fund	185,912		185,912
<b>Total Expenses</b>	<b>\$ 129,926,419</b>	<b>\$ -</b>	<b>\$ 129,926,419</b>
<b>Fiscal Year Results</b>	<b>\$ 7,529,671</b>		<b>\$ 9,978,863</b>
Beginning Restricted Reserve	\$ 698,236,868		\$ 698,236,868
Ending Restricted Reserve	<u>\$ 705,766,539</u>		<u>\$ 708,215,730</u>
Beginning Premium Stabilization Reserve	\$ 18,618,266		\$ 18,618,266
PSR Addition/(Drawdown)	\$ (13,319,833)		\$ (13,319,833)
Ending Premium Stabilization Reserve	<u>\$ 5,298,434</u>		<u>\$ 5,298,434</u>
<b>Total Beginning Plan Reserve</b>	<b>716,855,134</b>		<b>716,855,134</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 711,064,973</b>		<b>\$ 713,514,164</b>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 32.15	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 2,449,191	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 455.78	Non-Medicare	9.0%	16.0%
		Prescription Drug Rebates		15.0%
		Capitations		9.5%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		0.0%

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

**Fiscal Year 2022**

**Exposure**

	<u>Jul-21</u>	<u>Aug-21</u>	<u>Sep-21</u>	<u>Oct-21</u>	<u>Nov-21</u>	<u>Dec-21</u>	<u>Jan-22</u>	<u>Feb-22</u>	<u>Mar-22</u>	<u>Apr-22</u>	<u>May-22</u>	<u>Jun-22</u>
<b>NonMed_NonDrug</b>	12,630	12,670	12,602	12,396	12,302	12,136	12,176	12,048	11,868	11,746	11,586	11,400
<b>Med_NonDrug</b>	1,458	1,672	1,847	2,071	2,250	2,384	324	442	555	728	850	990
<b>NonMed_Drug</b>	11,713	11,750	11,687	11,498	11,411	11,256	11,293	11,176	11,010	10,895	10,748	10,576
<b>Med_Drug</b>	1,518	1,742	1,924	2,157	2,343	2,483	338	460	578	759	886	1,031

	<u>Jul-21</u>	<u>Aug-21</u>	<u>Sep-21</u>	<u>Oct-21</u>	<u>Nov-21</u>	<u>Dec-21</u>	<u>Jan-22</u>	<u>Feb-22</u>	<u>Mar-22</u>	<u>Apr-22</u>	<u>May-22</u>	<u>Jun-22</u>
<b>NonMed_NonDrug</b>	\$294.29	\$335.86	\$312.86	\$318.53	\$309.74	\$286.24	\$315.88	\$313.16	\$396.25	\$366.16	\$390.89	\$346.79
<b>Med_NonDrug</b>	225.41	252.69	261.79	216.89	180.52	179.16	778.81	443.21	510.86	313.33	508.11	393.39
<b>NonMed_Drug</b>	212.48	249.35	243.73	246.48	246.98	262.44	258.05	235.15	277.63	247.99	267.83	292.98
<b>Med_Drug</b>	<u>413.40</u>	<u>401.09</u>	<u>407.82</u>	<u>414.40</u>	<u>399.73</u>	<u>472.81</u>	<u>396.14</u>	<u>424.50</u>	<u>525.43</u>	<u>427.75</u>	<u>502.89</u>	<u>465.35</u>
<b>Total</b>	\$1,145.59	\$1,238.99	\$1,226.20	\$1,196.30	\$1,136.97	\$1,200.65	\$1,748.87	\$1,416.02	\$1,710.17	\$1,355.24	\$1,669.72	\$1,498.51

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

<b>NonMed_NonDrug</b>	9.7%	19.3%	18.2%	10.9%	18.5%	19.2%	10.6%	-4.1%	21.5%	7.5%	11.4%	-7.3%
<b>Med_NonDrug</b>	-28.3%	-6.2%	16.9%	-26.6%	-5.0%	-27.5%	-7.6%	34.2%	34.8%	9.9%	62.7%	51.7%
<b>NonMed_Drug</b>	7.9%	29.6%	20.5%	14.5%	21.8%	17.3%	18.1%	18.9%	15.8%	8.0%	20.6%	13.8%
<b>Med_Drug</b>	<u>-11.7%</u>	<u>-3.0%</u>	<u>-7.0%</u>	<u>-11.9%</u>	<u>-10.8%</u>	<u>-5.9%</u>	<u>-18.5%</u>	<u>-0.9%</u>	<u>24.4%</u>	<u>-1.6%</u>	<u>9.9%</u>	<u>-0.3%</u>
<b>Total</b>	-8.2%	7.1%	8.6%	-5.7%	3.1%	-1.1%	-4.6%	10.4%	25.1%	5.0%	24.4%	10.4%

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

<b>NonMed_NonDrug</b>		15.8%				15.9%			9.3%			3.6%
<b>Med_NonDrug</b>		-8.4%				-21.3%			11.7%			41.8%
<b>NonMed_Drug</b>			19.3%			17.8%			17.5%			14.0%
<b>Med_Drug</b>			<u>-7.4%</u>			<u>-9.5%</u>			<u>0.7%</u>			<u>2.7%</u>
<b>Total</b>			2.2%			-1.4%			8.8%			13.4%

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

<b>NonMed_NonDrug</b>		19.1%				23.5%			21.2%			10.5%
<b>Med_NonDrug</b>		-12.0%				-16.7%			-2.4%			8.0%
<b>NonMed_Drug</b>			10.5%			12.8%			16.6%			17.0%
<b>Med_Drug</b>			<u>2.8%</u>			<u>-5.6%</u>			<u>-4.9%</u>			<u>-3.4%</u>
<b>Total</b>			3.1%			0.0%			4.9%			6.1%

**Attachment - Trust Fund  
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>
NonMed_NonDrug	11,452	11,475	11,535	11,426	11,335
Med_NonDrug	1,381	1,547	1,720	1,904	2,182
NonMed_Drug	10,624	10,646	10,702	10,603	10,518
Med_Drug	1,438	1,612	1,791	1,983	2,273

	<u>Jul-22</u>	<u>Aug-22</u>	<u>Sep-22</u>	<u>Oct-22</u>	<u>Nov-22</u>
NonMed_NonDrug	\$246.43	\$302.10	\$302.05	\$342.82	\$329.02
Med_NonDrug	300.98	322.58	297.77	277.81	227.86
NonMed_Drug	218.83	268.76	268.87	222.63	269.48
Med_Drug	<u>365.40</u>	<u>389.82</u>	<u>389.26</u>	<u>349.16</u>	<u>399.48</u>
<b>Total</b>	\$1,131.65	\$1,283.27	\$1,257.96	\$1,192.43	\$1,225.84

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

NonMed_NonDrug	-16.3%	-10.1%	-3.5%	7.6%	6.2%
Med_NonDrug	33.5%	27.7%	13.7%	28.1%	26.2%
NonMed_Drug	3.0%	7.8%	10.3%	-9.7%	9.1%
Med_Drug	<u>-11.6%</u>	<u>-2.8%</u>	<u>-4.6%</u>	<u>-15.7%</u>	<u>-0.1%</u>
<b>Total</b>	-1.2%	3.6%	2.6%	-0.3%	7.8%

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

NonMed_NonDrug	-9.8%
Med_NonDrug	24.5%
NonMed_Drug	7.2%
Med_Drug	<u>-6.4%</u>
<b>Total</b>	1.7%

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

NonMed_NonDrug	4.3%
Med_NonDrug	14.5%
NonMed_Drug	14.0%
Med_Drug	<u>-3.1%</u>
<b>Total</b>	6.0%