

STATE OF WEST VIRGINIA



RETIREE HEALTH BENEFIT TRUST FUND

Financial Plan

Fiscal Years 2024-2028

Report Date: December 2023

YOUR ACTUARIES FOR THE LONG-TERM!



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Finance Board
West Virginia Retiree Health Benefit Trust Fund
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Ladies and Gentlemen:

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

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

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

The provisions of the Code of West Virginia (“Code”), 1931, as amended, charge the Board with the responsibility to prepare a proposed financial plan designed to generate revenues sufficient to meet all estimated program and administrative costs of the RHBT, including incurred but unreported claims, for the fiscal year for which the plan is proposed. Continuing Care Actuaries has been retained by the RHBT to review the proposed financial plan, and as supported by our work, to render an actuarial opinion stating whether the plan may be reasonably expected to generate sufficient revenues to meet estimated insurance program and administrative costs of the plan through FY 2028. 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, 2024 (“FY 2024”), June 30, 2025 (“FY 2025”), June 30, 2026 (“FY 2026”), June 30, 2027 (“FY 2027”) and June 30, 2028 (“FY 2028”). Our opinion of plan adequacy is based on the projections through FY 2028 using updated future revenue and plan modifications provided by the Board in the plan adopted in December 2023.

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 2024 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 2024 the Pay-Go is equivalent to \$0 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 2023.

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

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

Based on our review, and subject to the conditions described herein, we believe the financial plan approved by the Board for FY 2024 through FY 2028 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 2028 as approved by the Board in December 2023.

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 2024 – FY 2028

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 October 2023 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 the end of FY 2023 to December 2023. Continuing Care Actuaries has updated the claims analysis based on the enrollment through December 2023.

In aggregate, December 2023 enrollment has increased by 315 coverage since the end of FY 2023. Aggregate Preferred Provider Benefit (“PPB”) enrollment has increased by 319 in total over the same period, while managed care enrollment continues to cover fewer participants, with a decrease of 4 coverages. For MAPD Capitations, the average of 52,087 Medicare policyholders in FY 2024 was used to calculate the capitation cost.

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

Trust Fund	Coverage	Preferred Provider Benefit*			Managed Care		
		Jun-22	Jun-23	Dec-23	Jun-22	Jun-23	Dec-23
Retirees	Medicare Single	21,810	21,993		-	-	-
	Medicare Family	16,085	16,042	22,229	-	-	-
	Medicare Total	37,895	38,035	16,108	-	-	-
				38,337			
	Non-Medicare Single	2,161	1,991		109	87	86
	Non-Medicare Family	2,497	2,303	2,000	99	89	86
	Non-Medicare Total	4,658	4,294	2,311	208	176	172
			4,311				
	Retiree Total	42,553	42,329		208	176	172
	Grand Total				42,761	42,505	42,820

* The majority of PPB is capitated through Humana. As of November 2023, there are approximately 1,347 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 FY2024-2028 Report”.

C. Trend Analysis

RHBT experienced a lower medical trend and a lower prescription drugs trend in FY 2023, and over the past few years, total trends have been beneficial to the plan. Continuing Care Actuaries performed the detailed medical and prescription drugs trend analysis in the report titled, “PEIA FY2023 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 2024 medical claim trend is 7.5%, the gross prescription drugs claim trend is 14.5% and the prescription drugs rebate trend is 5.0%. In 2024, 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 2024 Trend	Updated Assumption FY 2024 Trend
Non-Medicare – Medical	7.5%	7.5%
Medicare – Medical	7.5%	7.5%
Non-Medicare – Gross Drugs	14.5%	14.5%
Medicare – Gross Drugs	14.5%	14.5%
Prescription Drugs Rebate	15.0%	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 2025 and in each successive fiscal year. Additionally, drug rebates have been trending at approximately 9% over the last two years. As a result, CCA has separated net drugs in the financial plan into gross drugs and drug rebate amounts. Drug rebates trends are set at 5% in the financial plan. At the Board’s request, the baseline trend assumptions have been established to reflect the most likely or expected trends.

The following chart summarizes the trend results observed for the plan using data through October 2023. It is important to note that these trends ***have not*** been adjusted to reflect savings as a result of the expansion of the drug rebate program or the claim savings due to changes in provider reimbursement methodologies nor 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)

<u>Fiscal Year</u>	<u>Medical Medicare</u>	<u>Medical Non-Medicare</u>	<u>Drugs Medicare</u>	<u>Drugs Non-Medicare</u>	<u>Total</u>
2004	9%	2%	3%	-2%	6%
2005	6%	-2%	16%	1%	8%
2006	6%	5%	11%	17%	8%
2007	6%	1%	6%	6%	5%
2008	N/A	6%	N/A	-1%	N/A
2009	N/A	-2%	N/A	5%	N/A
2010	N/A	3%	N/A	7%	N/A
2011	N/A	12%	N/A	16%	N/A
2012	-5%	-6%	2%	8%	-2%
2013	23%	-3%	-3%	-7%	-2%
2014	N/A	7%	N/A	6%	N/A
2015	N/A	6%	N/A	5%	N/A
2016	-10%	2%	11%	9%	3%
2017	11%	0%	10%	31%	8%
2018	12%	8%	41%	14%	11%
2019	41%	2%	-1%	20%	8%
2020	19%	-10%	5%	12%	-2%
2021	-9%	17%	10%	7%	13%
2022	11%	12%	-3%	17%	12%
2023	-23%	5%	-11%	3%	2%
2024*	-28%	6%	0%	7%	5%

* Fiscal year 2024 results are through the four months ending October 2023. 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 October 2023 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 2024 claims and expenses are summarized in the following chart. It should be noted that the chart reflects per policy information.

Fiscal Year 2024 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	38,472			\$ 294**	\$ 229**	\$ 101
	<u>Non-Medicare</u>	<u>4,325</u>			\$ 1,033	\$ 363	
	Total	42,797	\$0	\$130			
	<u>Non-Medicare Managed Care</u>	<u>173</u>	\$0	\$614			\$ 1,810
	Total	42,970					

*Net of rebates and subsidies.

** As of November 2023, there are approximately 1,347 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 2023.

Board Decisions – December 2023

Source	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
Additional Non-Medicare Retiree Premium (Fiscal Year)	\$0	\$2,184,551	\$2,292,776	\$2,401,574	\$0
Additional Medicare Retiree Premium (Calendar Year)	\$0	\$0	\$6,309,261	\$7,091,568	\$0
General Revenue Transfer (OPEB Funding)	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000
General Revenue Transfer (Premium Offset)	\$0	\$0	\$0	\$0	\$0
Benefit Reductions and Savings / (Increase) - Retiree Non-Medicare	\$0	\$0	\$0	\$0	\$0
Board Decision Benefit Reduction – Retiree Medicare	\$0	\$0	\$0	\$0	\$0
Benefit Reductions / (Increase) - Humana MAPD (Calendar Year)	\$0	\$0	\$0	\$0	\$0
Pay Go Premium Transfer	\$0	\$29,000,000	\$10,000,000	\$10,000,000	\$0
Actuarial Accrued Liability* (Beginning of Year)	\$1,637,416,883	\$1,664,331,633	\$1,684,759,827	\$1,697,694,682	\$1,701,970,701
Funded Status	109.7%	109.6%	115.0%	119.4%	124.0%

*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 \$1,398,970 in FY 2024 to \$1,903,283 in FY 2028, based on the Board’s direction and projected retiree enrollment growth in the financial plan.

In FY 2024, the ACA PCORI fee is approximately \$3.22 per person per year.

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

1. Imposes the monthly spouse surcharge for active employee policyholders from state agencies, colleges, universities, and county boards of education whose spouses are offered employer-sponsored insurance coverage but who choose to get coverage through a plan offered by PEIA. This change does not affect non-state agencies, retirees, spouses who are employed by PEIA-participating agencies or are retired, or spouses whose coverage is through Medicare, Medicaid, or TRICARE.
2. Increases health premiums to get the plan back to an 80/20 employer/employee premium split for state agencies, colleges, universities, and county boards of education by July 1, 2023. This eliminates direct and rainy day fund transfers from the state that were previously part of the financial plan.
3. Increases reimbursement to providers to a minimum of 110% of Medicare's reimbursement. It is estimated that this increase to reimbursement will increase paid claims for PEIA and Non-Medicare retirees in the RHBT by \$54.4 million.

E. Provider Reimbursement Changes

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 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 \$261,242,608 and incurred plan expenses of \$164,435,556 to produce a fiscal year surplus of \$96,807,051 after the Premium Stabilization Reserve drawdown of \$67,868,858. 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 \$347,229,428 and incurred plan expenses of \$181,393,069 to produce a fiscal year surplus of \$165,836,359 after the Premium Stabilization Reserve drawdown of \$53,222,949. 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 \$374,322,022 and incurred plan expenses of \$200,062,549 to produce a fiscal year surplus of \$174,259,473 after the Premium Stabilization Reserve drawdown of \$84,421,377. The PEIA local and state agencies Pay Go premiums for FY 2026 are assumed to be \$10,000,000.

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 \$382,598,813 and incurred plan expenses of \$221,801,177 to produce a fiscal year surplus of \$160,797,636 after the Premium Stabilization Reserve drawdown of \$76,593,320. The PEIA local and state agencies Pay Go premiums for FY 2027 are assumed to be \$10,000,000.

FISCAL YEAR 2028 FORECAST

The financial forecast for FY 2028 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2028 projects accrued revenue of \$307,042,741 and incurred plan expenses of \$247,196,048 to produce a fiscal year surplus of \$59,846,692 after the Premium Stabilization Reserve drawdown of \$0. The PEIA local and state agencies Pay Go premiums for FY 2028 are assumed to be \$0.

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 2028. These projections are based on significant revenue increases as contained in the financial plan adopted by the Board in December 2023 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 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	32,880,169	33,983,091	66,863,260
Retiree Premiums - MCO	630,076	643,736	1,273,812
Non Par Premiums	1,009,274	1,009,274	2,018,547
Life Insurance	13,205,540	13,205,540	26,411,079
Investment Income	33,403,526	33,403,526	66,807,051
Transfer from Premium Stabilization Reserve	34,640,773	33,228,085	67,868,858
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 130,769,357	\$ 130,473,251	\$ 261,242,608
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 26,113,445	\$ 27,516,219	\$ 53,629,664
Gross Non-Medicare Prescription Drug Claims	16,769,064	18,237,523	35,006,587
Non-Medicare Prescription Drug Rebates	(7,754,245)	(8,433,280)	(16,187,525)
Medicare Medical Claims	2,958,998	1,357,839	4,316,837
Gross Medicare Prescription Drug Claims	4,423,934	2,099,243	6,523,176
Medicare Prescription Drug Rebates	(2,045,687)	(970,719)	(3,016,406)
Non-Medicare Managed Care Capitations	1,878,564	1,878,564	3,757,128
Humana MAPD Program	21,672,894	24,806,928	46,479,823
Administration	2,979,898	2,979,898	5,959,795
Life Insurance	13,186,827	13,186,827	26,373,654
Wellness	-	-	-
Retiree Assistance Program	699,485	699,485	1,398,970
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	14,357	14,357	28,715
Director's Discretionary Fund	82,570	82,570	165,139
Total Expenses	\$ 80,980,102	\$ 83,455,454	\$ 164,435,556
Fiscal Year Results	\$ 49,789,254	\$ 47,017,798	\$ 96,807,051
Beginning Restricted Reserve			\$ 1,513,559,482
Ending Restricted Reserve			<u>\$ 1,610,366,534</u>
Beginning Premium Stabilization Reserve			\$ 282,106,504
PSR Addition/(Drawdown)			\$ (67,868,858)
Ending Premium Stabilization Reserve			<u>\$ 214,237,646</u>
Total Beginning Plan Reserve			1,795,665,986
Total Ending Plan Reserve			<u>\$ 1,824,604,179</u>
Accrued Actuarial Liability (AAL)			\$ 1,637,416,883
Funded Status			109.7%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ -	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 1,602,948	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ -	Non-Medicare	7.5%	14.5%
		Medicare	7.5%	14.5%
		Prescription Drug Rebates		0.0%
		Capitations		12.4%
		Administrative Expense		26.1%
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

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ -		\$ -
Employer Premiums - PPB	4,589,941	(90,470)	4,499,471
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	39,320,690	1,155,804	40,476,494
Retiree Premiums - MCO	-	-	-
Non Par Premiums	1,308,588		1,308,588
Life Insurance	17,121,837		17,121,837
Investment Income	38,482,217		38,482,217
Transfer from Premium Stabilization Reserve	56,024,193		56,024,193
General Revenue Transfer (OPEB Funding)	15,570,843		15,570,843
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 172,418,310	\$ 1,065,334	\$ 173,483,643
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 4,316,837	\$ -	\$ 4,316,837
Gross Medicare Prescription Drug Claims	6,523,176	-	6,523,176
Medicare Prescription Drug Rebates	(3,016,406)		(3,016,406)
Humana MAPD Program	46,479,823		46,479,823
Administration	2,199,923		2,199,923
Life Insurance	17,097,575		17,097,575
Wellness	-		-
Retiree Assistance Program	906,928		906,928
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	6,029		6,029
Director's Discretionary Fund	-		-
Total Expenses	\$ 74,513,885	\$ -	\$ 74,513,885
Fiscal Year Results	\$ 97,904,424		\$ 98,969,758
Beginning Restricted Reserve	\$ 813,567,531		\$ 813,567,531
Ending Restricted Reserve	\$ 911,471,955		\$ 912,537,289
Beginning Premium Stabilization Reserve	\$ 220,772,496		\$ 220,772,496
PSR Addition/(Drawdown)	\$ (56,024,193)		\$ (56,024,193)
Ending Premium Stabilization Reserve	\$ 164,748,303		\$ 164,748,303
Total Beginning Plan Reserve	1,034,340,027		1,034,340,027
Total Ending Plan Reserve	\$ 1,076,220,258		\$ 1,077,285,592
Accrued Actuarial Liability (AAL)	\$ 1,637,416,883		\$ 1,637,416,883
Funded Status	108.8%		108.8%

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go Monthly Premium for Actives	\$ -			
Additional Retiree Premiums	\$ 1,065,334			
Pay Go PEPM Subsidy for Retirees	\$ -	Medicare	7.5%	14.5%
		Prescription Drug Rebates		0.0%
		Capitations		12.4%
		Administrative Expense		26.1%
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

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ -		\$ -
Employer Premiums - PPB	4,792,668	(70,396)	4,722,272
Employer Premiums - MCO	442,436	(22,741)	419,695
Retiree Premiums - PPB	16,558,566	606,457	17,165,023
Retiree Premiums - MCO	829,822	24,294	854,117
Non Par Premiums	709,959		709,959
Life Insurance	9,289,242		9,289,242
Investment Income	28,324,835		28,324,835
Transfer from Premium Stabilization Reserve	11,844,665		11,844,665
General Revenue Transfer (OPEB Funding)	14,429,157		14,429,157
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 87,221,351	\$ 537,614	\$ 87,758,965
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 53,629,664	\$ -	\$ 53,629,664
Gross Non-Medicare Prescription Drug Claims	35,006,587	-	35,006,587
Non-Medicare Prescription Drug Rebates	(16,187,525)		(16,187,525)
Non-Medicare Managed Care Capitations	3,757,128		3,757,128
Administration	3,759,872		3,759,872
Life Insurance	9,276,079		9,276,079
Wellness	-		-
Retiree Assistance Program	492,042		492,042
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	22,686		22,686
Director's Discretionary Fund	165,139		165,139
Total Expenses	\$ 89,921,672	\$ -	\$ 89,921,672
Fiscal Year Results	\$ (2,700,321)		\$ (2,162,707)
Beginning Restricted Reserve	\$ 699,991,950		\$ 699,991,950
Ending Restricted Reserve	<u>\$ 697,291,629</u>		<u>\$ 697,829,243</u>
Beginning Premium Stabilization Reserve	\$ 61,334,008		\$ 61,334,008
PSR Addition/(Drawdown)	\$ (11,844,665)		\$ (11,844,665)
Ending Premium Stabilization Reserve	<u>\$ 49,489,343</u>		<u>\$ 49,489,343</u>
Total Beginning Plan Reserve	761,325,958		761,325,958
Total Ending Plan Reserve	<u>\$ 746,780,972</u>		<u>\$ 747,318,586</u>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go Monthly Premium for Actives	\$ -			
Additional Retiree Premiums	\$ 537,614			
Pay Go PEPM Subsidy for Retirees	\$ -	Non-Medicare	7.5%	14.5%
		Prescription Drug Rebates		0.0%
		Capitations		12.4%
		Administrative Expense		26.1%
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	34,020,489	34,092,230	68,112,719
Retiree Premiums - MCO	683,889	683,889	1,367,777
Non Par Premiums	978,996	978,996	1,957,991
Life Insurance	13,865,817	13,865,817	27,731,633
Investment Income	67,918,180	67,918,180	135,836,359
Transfer from Premium Stabilization Reserve	27,074,572	26,148,376	53,222,949
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 174,041,942	\$ 173,187,486	\$ 347,229,428
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 28,391,071	\$ 29,985,466	\$ 58,376,537
Gross Non-Medicare Prescription Drug Claims	19,417,353	21,163,631	40,580,984
Non-Medicare Prescription Drug Rebates	(8,223,377)	(8,943,494)	(17,166,870)
Medicare Medical Claims	3,090,109	1,421,503	4,511,612
Gross Medicare Prescription Drug Claims	4,920,367	2,340,219	7,260,585
Medicare Prescription Drug Rebates	(2,083,533)	(988,677)	(3,072,210)
Non-Medicare Managed Care Capitations	2,028,850	2,028,850	4,057,699
Humana MAPD Program	24,369,611	26,934,344	51,303,955
Administration	3,069,295	3,069,295	6,138,589
Life Insurance	13,846,169	13,846,169	27,692,337
Wellness	-	-	-
Retiree Assistance Program	755,444	755,444	1,510,888
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	15,863	15,863	31,726
Director's Discretionary Fund	83,618	83,618	167,236
Total Expenses	\$ 89,680,839	\$ 91,712,230	\$ 181,393,069
Fiscal Year Results	\$ 84,361,103	\$ 81,475,257	\$ 165,836,359
Beginning Restricted Reserve			\$ 1,610,366,534
Ending Restricted Reserve			<u>\$ 1,776,202,893</u>
Beginning Premium Stabilization Reserve			\$ 214,237,646
PSR Addition/(Drawdown)			\$ (53,222,949)
Ending Premium Stabilization Reserve			<u>\$ 161,014,697</u>
Total Beginning Plan Reserve			1,824,604,179
Total Ending Plan Reserve			<u>\$ 1,937,217,590</u>
Accrued Actuarial Liability (AAL)			\$ 1,664,331,633
Funded Status			109.6%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 32.45	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 3,499,378	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 55.10	Non-Medicare	8.0%	15.0%
		Medicare	8.0%	15.0%
		Prescription Drug Rebates		5.0%
		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

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 8,895,256		\$ 8,895,256
Employer Premiums - PPB	4,465,774	109,985	4,575,760
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	39,823,480	1,204,841	41,028,321
Retiree Premiums - MCO	-	-	-
Non Par Premiums	1,269,331		1,269,331
Life Insurance	17,977,929		17,977,929
Investment Income	80,200,711		80,200,711
Transfer from Premium Stabilization Reserve	43,863,182		43,863,182
General Revenue Transfer (OPEB Funding)	18,709,604		18,709,604
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 215,205,268	\$ 1,314,827	\$ 216,520,095
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 4,511,612	\$ -	\$ 4,511,612
Gross Medicare Prescription Drug Claims	7,260,585	-	7,260,585
Medicare Prescription Drug Rebates	(3,072,210)		(3,072,210)
Humana MAPD Program	51,303,955		51,303,955
Administration	2,265,921		2,265,921
Life Insurance	17,952,454		17,952,454
Wellness	-		-
Retiree Assistance Program	979,482		979,482
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	10,119		10,119
Director's Discretionary Fund	-		-
Total Expenses	\$ 81,211,919	\$ -	\$ 81,211,919
Fiscal Year Results	\$ 133,993,349		\$ 135,308,176
Beginning Restricted Reserve	\$ 912,537,289		\$ 912,537,289
Ending Restricted Reserve	<u>\$ 1,046,530,638</u>		<u>\$ 1,047,845,465</u>
Beginning Premium Stabilization Reserve	\$ 164,748,303		\$ 164,748,303
PSR Addition/(Drawdown)	\$ (43,863,182)		\$ (43,863,182)
Ending Premium Stabilization Reserve	<u>\$ 120,885,120</u>		<u>\$ 120,885,120</u>
Total Beginning Plan Reserve	1,077,285,592		1,077,285,592
Total Ending Plan Reserve	<u>\$ 1,167,415,758</u>		<u>\$ 1,168,730,585</u>
Accrued Actuarial Liability (AAL)	\$ 1,664,331,633		\$ 1,664,331,633
Funded Status	110.8%		110.9%

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go Monthly Premium for Actives	\$ 32.45			
Additional Retiree Premiums	\$ 1,314,827			
Pay Go PEPM Subsidy for Retirees	\$ 18.73	Medicare	8.0%	15.0%
		Prescription Drug Rebates		5.0%
		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

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 20,104,744		\$ 20,104,744
Employer Premiums - PPB	4,451,522	448,305	4,899,827
Employer Premiums - MCO	411,302	41,422	452,724
Retiree Premiums - PPB	15,997,709	1,611,102	17,608,811
Retiree Premiums - MCO	831,332	83,722	915,054
Non Par Premiums	688,660		688,660
Life Insurance	9,753,704		9,753,704
Investment Income	55,635,648		55,635,648
Transfer from Premium Stabilization Reserve	9,359,766		9,359,766
General Revenue Transfer (OPEB Funding)	11,290,396		11,290,396
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 128,524,783	\$ 2,184,551	\$ 130,709,333
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 58,376,537	\$ -	\$ 58,376,537
Gross Non-Medicare Prescription Drug Claims	40,580,984	-	40,580,984
Non-Medicare Prescription Drug Rebates	(17,166,870)		(17,166,870)
Non-Medicare Managed Care Capitations	4,057,699		4,057,699
Administration	3,872,668		3,872,668
Life Insurance	9,739,882		9,739,882
Wellness	-		-
Retiree Assistance Program	531,406		531,406
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	21,607		21,607
Director's Discretionary Fund	167,236		167,236
Total Expenses	\$ 100,181,149	\$ -	\$ 100,181,149
Fiscal Year Results	\$ 28,343,633		\$ 30,528,184
Beginning Restricted Reserve	\$ 697,829,243		\$ 697,829,243
Ending Restricted Reserve	<u>\$ 726,172,877</u>		<u>\$ 728,357,427</u>
Beginning Premium Stabilization Reserve	\$ 49,489,343		\$ 49,489,343
PSR Addition/(Drawdown)	\$ (9,359,766)		\$ (9,359,766)
Ending Premium Stabilization Reserve	<u>\$ 40,129,577</u>		<u>\$ 40,129,577</u>
Total Beginning Plan Reserve	747,318,586		747,318,586
Total Ending Plan Reserve	<u>\$ 766,302,453</u>		<u>\$ 768,487,004</u>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 32.45	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 2,184,551	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 391.97	Non-Medicare	8.0%	15.0%
		Prescription Drug Rebates		5.0%
		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	\$ 5,000,000	\$ 5,000,000	\$ 10,000,000
Retiree Premiums - PPB	35,343,345	37,769,310	73,112,654
Retiree Premiums - MCO	755,526	755,526	1,511,052
Non Par Premiums	949,626	949,626	1,899,251
Life Insurance	14,559,108	14,559,108	29,118,215
Investment Income	72,129,737	72,129,737	144,259,473
Transfer from Premium Stabilization Reserve	42,803,786	41,617,591	84,421,377
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 186,541,126	\$ 187,780,896	\$ 374,322,022
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 31,010,742	\$ 32,827,738	\$ 63,838,480
Gross Non-Medicare Prescription Drug Claims	22,581,945	24,666,103	47,248,048
Non-Medicare Prescription Drug Rebates	(8,720,891)	(9,484,575)	(18,205,466)
Medicare Medical Claims	3,242,018	1,495,048	4,737,065
Gross Medicare Prescription Drug Claims	5,496,374	2,620,207	8,116,581
Medicare Prescription Drug Rebates	(2,122,078)	(1,006,967)	(3,129,045)
Non-Medicare Managed Care Capitations	2,191,158	2,191,158	4,382,315
Humana MAPD Program	26,459,523	29,378,971	55,838,494
Administration	3,161,374	3,161,374	6,322,747
Life Insurance	14,538,477	14,538,477	29,076,954
Wellness	-	-	-
Retiree Assistance Program	815,880	815,880	1,631,759
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	17,627	17,627	35,255
Director's Discretionary Fund	84,682	84,682	169,363
Total Expenses	\$ 98,756,828	\$ 101,305,721	\$ 200,062,549
Fiscal Year Results	\$ 87,784,298	\$ 86,475,175	\$ 174,259,473
Beginning Restricted Reserve			\$ 1,776,202,893
Ending Restricted Reserve			<u>\$ 1,950,462,366</u>
Beginning Premium Stabilization Reserve			\$ 161,014,697
PSR Addition/(Drawdown)			\$ (84,421,377)
Ending Premium Stabilization Reserve			<u>\$ 76,593,320</u>
Total Beginning Plan Reserve			1,937,217,590
Total Ending Plan Reserve			<u>\$ 2,027,055,686</u>
Accrued Actuarial Liability (AAL)			\$ 1,684,759,827
Funded Status			115.0%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 11.19	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 6,065,900	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 18.58	Non-Medicare	8.5%	15.5%
		Medicare	8.5%	15.5%
		Prescription Drug Rebates		5.0%
		Capitations		9.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		-65.5%

**APPENDIX - BASELINE SCENARIO
RHBT - MEDICARE**

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

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

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 3,181,755		\$ 3,181,755
Employer Premiums - PPB	4,587,404	378,583	4,965,986
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	41,132,726	3,394,541	44,527,267
Retiree Premiums - MCO	-	-	-
Non Par Premiums	1,231,251		1,231,251
Life Insurance	18,876,826		18,876,826
Investment Income	87,032,277		87,032,277
Transfer from Premium Stabilization Reserve	57,968,094		57,968,094
General Revenue Transfer (OPEB Funding)	17,493,583		17,493,583
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 231,503,916	\$ 3,773,124	\$ 235,277,040
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 4,737,065	\$ -	\$ 4,737,065
Gross Medicare Prescription Drug Claims	8,116,581	-	8,116,581
Medicare Prescription Drug Rebates	(3,129,045)		(3,129,045)
Humana MAPD Program	55,838,494		55,838,494
Administration	2,333,898		2,333,898
Life Insurance	18,850,077		18,850,077
Wellness	-		-
Retiree Assistance Program	1,057,840		1,057,840
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	14,580		14,580
Director's Discretionary Fund	-		-
Total Expenses	\$ 87,819,489	\$ -	\$ 87,819,489
Fiscal Year Results	\$ 143,684,426		\$ 147,457,550
Beginning Restricted Reserve	\$ 1,047,845,465		\$ 1,047,845,465
Ending Restricted Reserve	<u>\$ 1,191,529,891</u>		<u>\$ 1,195,303,015</u>
Beginning Premium Stabilization Reserve	\$ 120,885,120		\$ 120,885,120
PSR Addition/(Drawdown)	\$ (57,968,094)		\$ (57,968,094)
Ending Premium Stabilization Reserve	<u>\$ 62,917,026</u>		<u>\$ 62,917,026</u>
Total Beginning Plan Reserve	1,168,730,585		1,168,730,585
Total Ending Plan Reserve	<u>\$ 1,254,446,917</u>		<u>\$ 1,258,220,041</u>
Accrued Actuarial Liability (AAL)	\$ 1,684,759,827		\$ 1,684,759,827
Funded Status	114.9%		115.0%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 11.19	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 3,773,124	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 6.50	Medicare	8.5%	15.5%
		Prescription Drug Rebates		5.0%
		Capitations		9.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		-65.5%

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

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

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

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 6,818,245		\$ 6,818,245
Employer Premiums - PPB	4,672,529	469,096	5,141,625
Employer Premiums - MCO	454,516	45,631	500,146
Retiree Premiums - PPB	16,791,956	1,685,819	18,477,775
Retiree Premiums - MCO	918,676	92,230	1,010,906
Non Par Premiums	668,000		668,000
Life Insurance	10,241,389		10,241,389
Investment Income	57,227,196		57,227,196
Transfer from Premium Stabilization Reserve	26,453,283		26,453,283
General Revenue Transfer (OPEB Funding)	12,506,417		12,506,417
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 136,752,206	\$ 2,292,776	\$ 139,044,982
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 63,838,480	\$ -	\$ 63,838,480
Gross Non-Medicare Prescription Drug Claims	47,248,048	-	47,248,048
Non-Medicare Prescription Drug Rebates	(18,205,466)		(18,205,466)
Non-Medicare Managed Care Capitations	4,382,315		4,382,315
Administration	3,988,848		3,988,848
Life Insurance	10,226,877		10,226,877
Wellness	-		-
Retiree Assistance Program	573,918		573,918
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	20,675		20,675
Director's Discretionary Fund	169,363		169,363
Total Expenses	\$ 112,243,057	\$ -	\$ 112,243,057
Fiscal Year Results	\$ 24,509,149		\$ 26,801,925
Beginning Restricted Reserve	\$ 728,357,427		\$ 728,357,427
Ending Restricted Reserve	<u>\$ 752,866,577</u>		<u>\$ 755,159,352</u>
Beginning Premium Stabilization Reserve	\$ 40,129,577		\$ 40,129,577
PSR Addition/(Drawdown)	\$ (26,453,283)		\$ (26,453,283)
Ending Premium Stabilization Reserve	<u>\$ 13,676,294</u>		<u>\$ 13,676,294</u>
Total Beginning Plan Reserve	768,487,004		768,487,004
Total Ending Plan Reserve	<u>\$ 766,542,871</u>		<u>\$ 768,835,646</u>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go Monthly Premium for Actives	\$ 11.19			
Additional Retiree Premiums	\$ 2,292,776			
Pay Go PEPM Subsidy for Retirees	\$ 139.45		8.5%	15.5%
				5.0%
				9.0%
				3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		-65.5%

**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	\$ 5,000,000	\$ 5,000,000	\$ 10,000,000
Retiree Premiums - PPB	39,079,737	41,824,819	80,904,556
Retiree Premiums - MCO	838,728	838,728	1,677,456
Non Par Premiums	921,137	921,137	1,842,273
Life Insurance	15,287,063	15,287,063	30,574,125
Investment Income	75,503,542	75,503,542	151,007,083
Transfer from Premium Stabilization Reserve	38,709,149	37,884,171	76,593,320
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 190,339,355	\$ 192,259,459	\$ 382,598,813
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 34,028,751	\$ 36,105,220	\$ 70,133,972
Gross Non-Medicare Prescription Drug Claims	26,376,343	28,872,791	55,249,133
Non-Medicare Prescription Drug Rebates	(9,248,505)	(10,058,392)	(19,306,897)
Medicare Medical Claims	3,417,120	1,579,648	4,996,768
Gross Medicare Prescription Drug Claims	6,166,471	2,946,403	9,112,874
Medicare Prescription Drug Rebates	(2,161,336)	(1,025,596)	(3,186,933)
Non-Medicare Managed Care Capitations	2,366,450	2,366,450	4,732,900
Humana MAPD Program	28,861,053	32,192,476	61,053,529
Administration	3,256,215	3,256,215	6,512,429
Life Insurance	15,265,401	15,265,401	30,530,801
Wellness	-	-	-
Retiree Assistance Program	881,150	881,150	1,762,299
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	19,394	19,394	38,788
Director's Discretionary Fund	85,757	85,757	171,514
Total Expenses	\$ 109,314,262	\$ 112,486,915	\$ 221,801,177
Fiscal Year Results	\$ 81,025,093	\$ 79,772,543	\$ 160,797,636
Beginning Restricted Reserve			\$ 1,950,462,366
Ending Restricted Reserve			<u>\$ 2,111,260,003</u>
Beginning Premium Stabilization Reserve			\$ 76,593,320
PSR Addition/(Drawdown)			\$ (76,593,320)
Ending Premium Stabilization Reserve			<u>\$ -</u>
Total Beginning Plan Reserve			2,027,055,686
Total Ending Plan Reserve			<u>\$ 2,111,260,003</u>
Accrued Actuarial Liability (AAL)			\$ 1,697,694,682
Funded Status			119.4%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 11.19	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 8,975,582	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 18.17	Non-Medicare	9.0%	16.0%
		Medicare	9.0%	16.0%
		Prescription Drug Rebates		5.0%
		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

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 3,055,372		\$ 3,055,372
Employer Premiums - PPB	4,978,327	659,614	5,637,941
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	44,637,921	5,914,394	50,552,316
Retiree Premiums - MCO	-	-	-
Non Par Premiums	1,194,313		1,194,313
Life Insurance	19,820,667		19,820,667
Investment Income	93,732,077		93,732,077
Transfer from Premium Stabilization Reserve	62,917,026		62,917,026
General Revenue Transfer (OPEB Funding)	18,447,283		18,447,283
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 248,782,987	\$ 6,574,008	\$ 255,356,995
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 4,996,768	\$ -	\$ 4,996,768
Gross Medicare Prescription Drug Claims	9,112,874	-	9,112,874
Medicare Prescription Drug Rebates	(3,186,933)		(3,186,933)
Humana MAPD Program	61,053,529		61,053,529
Administration	2,403,915		2,403,915
Life Insurance	19,792,581		19,792,581
Wellness	-		-
Retiree Assistance Program	1,142,468		1,142,468
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	19,041		19,041
Director's Discretionary Fund	-		-
Total Expenses	\$ 95,334,243	\$ -	\$ 95,334,243
Fiscal Year Results	\$ 153,448,744		\$ 160,022,752
Beginning Restricted Reserve	\$ 1,195,303,015		\$ 1,195,303,015
Ending Restricted Reserve	<u>\$ 1,348,751,759</u>		<u>\$ 1,355,325,767</u>
Beginning Premium Stabilization Reserve	\$ 62,917,026		\$ 62,917,026
PSR Addition/(Drawdown)	\$ (62,917,026)		\$ (62,917,026)
Ending Premium Stabilization Reserve	<u>\$ 0</u>		<u>\$ 0</u>
Total Beginning Plan Reserve	1,258,220,041		1,258,220,041
Total Ending Plan Reserve	<u>\$ 1,348,751,759</u>		<u>\$ 1,355,325,767</u>
Accrued Actuarial Liability (AAL)	\$ 1,697,694,682		\$ 1,697,694,682
Funded Status	118.5%		118.6%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 11.19	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 6,574,008	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 6.06	Medicare	9.0%	16.0%
		Prescription Drug Rebates		5.0%
		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

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 6,944,628		\$ 6,944,628
Employer Premiums - PPB	4,890,408	489,562	5,379,970
Employer Premiums - MCO	504,701	50,524	555,225
Retiree Premiums - PPB	17,574,961	1,759,368	19,334,330
Retiree Premiums - MCO	1,020,111	102,120	1,122,231
Non Par Premiums	647,960		647,960
Life Insurance	10,753,458		10,753,458
Investment Income	57,275,007		57,275,007
Transfer from Premium Stabilization Reserve	13,676,295		13,676,295
General Revenue Transfer (OPEB Funding)	11,552,717		11,552,717
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 124,840,245	\$ 2,401,574	\$ 127,241,819
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 70,133,972	\$ -	\$ 70,133,972
Gross Non-Medicare Prescription Drug Claims	55,249,133	-	55,249,133
Non-Medicare Prescription Drug Rebates	(19,306,897)		(19,306,897)
Non-Medicare Managed Care Capitations	4,732,900		4,732,900
Administration	4,108,514		4,108,514
Life Insurance	10,738,220		10,738,220
Wellness	-		-
Retiree Assistance Program	619,832		619,832
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	19,746		19,746
Director's Discretionary Fund	171,514		171,514
Total Expenses	\$ 126,466,935	\$ -	\$ 126,466,935
Fiscal Year Results	\$ (1,626,690)		\$ 774,884
Beginning Restricted Reserve	\$ 755,159,352		\$ 755,159,352
Ending Restricted Reserve	<u>\$ 753,532,662</u>		<u>\$ 755,934,236</u>
Beginning Premium Stabilization Reserve	\$ 13,676,294		\$ 13,676,294
PSR Addition/(Drawdown)	\$ (13,676,295)		\$ (13,676,295)
Ending Premium Stabilization Reserve	<u>\$ (0)</u>		<u>\$ (0)</u>
Total Beginning Plan Reserve	768,835,646		768,835,646
Total Ending Plan Reserve	<u>\$ 753,532,662</u>		<u>\$ 755,934,236</u>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 11.19	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 2,401,574	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 149.32	Non-Medicare	9.0%	16.0%
		Prescription Drug Rebates		5.0%
		Capitations		9.5%
		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 2028**

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

	7/1/2027 to 12/31/2027	1/1/2028 to 6/30/2028	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ -	\$ -	\$ -
Retiree Premiums - PPB	42,007,786	42,094,592	84,102,377
Retiree Premiums - MCO	850,889	850,889	1,701,777
Non Par Premiums	893,503	893,503	1,787,005
Life Insurance	16,051,416	16,051,416	32,102,832
Investment Income	78,674,374	78,674,374	157,348,749
Transfer from Premium Stabilization Reserve	-	-	-
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 153,477,967	\$ 153,564,773	\$ 307,042,741
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 37,512,339	\$ 39,892,271	\$ 77,404,611
Gross Non-Medicare Prescription Drug Claims	30,941,518	33,942,730	64,884,248
Non-Medicare Prescription Drug Rebates	(9,808,039)	(10,666,925)	(20,474,964)
Medicare Medical Claims	3,618,253	1,676,698	5,294,952
Gross Medicare Prescription Drug Claims	6,948,173	3,327,499	10,275,672
Medicare Prescription Drug Rebates	(2,201,321)	(1,044,570)	(3,245,891)
Non-Medicare Managed Care Capitations	2,555,766	2,555,766	5,111,532
Humana MAPD Program	31,624,959	35,436,493	67,061,453
Administration	3,353,901	3,353,901	6,707,802
Life Insurance	16,028,671	16,028,671	32,057,341
Wellness	-	-	-
Retiree Assistance Program	951,642	951,642	1,903,283
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	21,163	21,163	42,325
Director's Discretionary Fund	86,843	86,843	173,685
Total Expenses	\$ 121,633,867	\$ 125,562,181	\$ 247,196,048
Fiscal Year Results	\$ 31,844,101	\$ 28,002,592	\$ 59,846,692
Beginning Restricted Reserve			\$ 2,111,260,003
Ending Restricted Reserve			<u>\$ 2,171,106,695</u>
Beginning Premium Stabilization Reserve			\$ -
PSR Addition/(Drawdown)			\$ -
Ending Premium Stabilization Reserve			<u>\$ -</u>
Total Beginning Plan Reserve			2,111,260,003
Total Ending Plan Reserve			<u>\$ 2,171,106,695</u>
Accrued Actuarial Liability (AAL)			\$ 1,701,970,701
Funded Status			124.0%

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$ -			
Additional Retiree Premiums	\$ 4,341,739			
Pay Go PEPM Subsidy for Retirees	\$ -			
		Non-Medicare	9.5%	16.5%
		Medicare	9.5%	16.5%
		Prescription Drug Rebates		5.0%
		Capitations		10.0%
		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 2028**

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

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ -		\$ -
Employer Premiums - PPB	5,651,650	435,635	6,087,285
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	50,675,238	3,906,104	54,581,341
Retiree Premiums - MCO	-	-	-
Non Par Premiums	1,158,484		1,158,484
Life Insurance	20,811,700		20,811,700
Investment Income	101,010,209		101,010,209
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	18,911,872		18,911,872
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 198,219,153	\$ 4,341,739	\$ 202,560,892
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 5,294,952	\$ -	\$ 5,294,952
Gross Medicare Prescription Drug Claims	10,275,672	-	10,275,672
Medicare Prescription Drug Rebates	(3,245,891)		(3,245,891)
Humana MAPD Program	67,061,453		67,061,453
Administration	2,476,033		2,476,033
Life Insurance	20,782,210		20,782,210
Wellness	-		-
Retiree Assistance Program	1,233,865		1,233,865
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	23,502		23,502
Director's Discretionary Fund	-		-
Total Expenses	\$ 103,901,797	\$ -	\$ 103,901,797
Fiscal Year Results	\$ 94,317,356		\$ 98,659,095
Beginning Restricted Reserve	\$ 1,355,325,767		\$ 1,355,325,767
Ending Restricted Reserve	<u>\$ 1,449,643,123</u>		<u>\$ 1,453,984,862</u>
Beginning Premium Stabilization Reserve	\$ 0		\$ 0
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ 0</u>		<u>\$ 0</u>
Total Beginning Plan Reserve	1,355,325,767		1,355,325,767
Total Ending Plan Reserve	<u>\$ 1,449,643,123</u>		<u>\$ 1,453,984,862</u>
Accrued Actuarial Liability (AAL)	\$ 1,701,970,701		\$ 1,701,970,701
Funded Status	121.8%		121.8%

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go Monthly Premium for Actives	\$ -			
Additional Retiree Premiums	\$ 4,341,739			
Pay Go PEPM Subsidy for Retirees	\$ -	Medicare	9.5%	16.5%
		Prescription Drug Rebates		5.0%
		Capitations		10.0%
		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 2028**

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

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ -		\$ -
Employer Premiums - PPB	5,101,212	-	5,101,212
Employer Premiums - MCO	563,275	-	563,275
Retiree Premiums - PPB	18,332,539	-	18,332,539
Retiree Premiums - MCO	1,138,502	-	1,138,502
Non Par Premiums	628,521	-	628,521
Life Insurance	11,291,131	-	11,291,131
Investment Income	56,338,540	-	56,338,540
Transfer from Premium Stabilization Reserve	-	-	-
General Revenue Transfer (OPEB Funding)	11,088,128	-	11,088,128
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 104,481,848	\$ -	\$ 104,481,848
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 77,404,611	\$ -	\$ 77,404,611
Gross Non-Medicare Prescription Drug Claims	64,884,248	-	64,884,248
Non-Medicare Prescription Drug Rebates	(20,474,964)	-	(20,474,964)
Non-Medicare Managed Care Capitations	5,111,532	-	5,111,532
Administration	4,231,769	-	4,231,769
Life Insurance	11,275,131	-	11,275,131
Wellness	-	-	-
Retiree Assistance Program	669,418	-	669,418
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	18,823	-	18,823
Director's Discretionary Fund	173,685	-	173,685
Total Expenses	\$ 143,294,253	\$ -	\$ 143,294,253
Fiscal Year Results	\$ (38,812,404)		\$ (38,812,404)
Beginning Restricted Reserve	\$ 755,934,236		\$ 755,934,236
Ending Restricted Reserve	<u>\$ 717,121,832</u>		<u>\$ 717,121,832</u>
Beginning Premium Stabilization Reserve	\$ (0)		\$ (0)
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ (0)</u>		<u>\$ (0)</u>
Total Beginning Plan Reserve	755,934,236		755,934,236
Total Ending Plan Reserve	<u>\$ 717,121,831</u>		<u>\$ 717,121,831</u>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		<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	9.5%	16.5%
		Prescription Drug Rebates		5.0%
		Capitations		10.0%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		-100.0%

**Attachment - Trust Fund
Historical Monthly Medical and Drug Trends
FY 2023 to FY 2024**

Fiscal Year 2023

Exposure

	<u>Jul-22</u>	<u>Aug-22</u>	<u>Sep-22</u>	<u>Oct-22</u>	<u>Nov-22</u>	<u>Dec-22</u>	<u>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>
NonMed_NonDrug	11,452	11,475	11,535	11,426	11,335	11,195	11,157	11,135	10,911	10,765	10,634	10,512
Med_NonDrug	1,381	1,547	1,720	1,904	2,094	2,247	332	464	578	951	1,082	1,227
NonMed_Drug	10,624	10,646	10,702	10,603	10,518	10,388	10,352	10,330	10,124	9,988	9,865	9,752
Med_Drug	1,438	1,612	1,791	1,983	2,181	2,341	346	483	602	990	1,127	1,278

	<u>Jul-22</u>	<u>Aug-22</u>	<u>Sep-22</u>	<u>Oct-22</u>	<u>Nov-22</u>	<u>Dec-22</u>	<u>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>
NonMed_NonDrug	\$285.01	\$330.04	\$336.03	\$330.35	\$298.67	\$294.77	\$367.83	\$352.19	\$409.62	\$380.88	\$414.87	\$402.53
Med_NonDrug	278.81	286.00	306.66	303.23	254.40	284.38	495.64	400.89	335.01	150.82	154.05	195.56
NonMed_Drug	218.90	268.76	268.90	222.64	236.67	266.33	258.56	240.59	265.46	251.51	303.34	313.97
Med_Drug	<u>370.45</u>	<u>395.15</u>	<u>394.50</u>	<u>353.94</u>	<u>358.42</u>	<u>369.87</u>	<u>393.33</u>	<u>463.85</u>	<u>474.89</u>	<u>388.23</u>	<u>363.38</u>	<u>371.50</u>
Total	\$1,153.17	\$1,279.96	\$1,306.08	\$1,210.15	\$1,148.15	\$1,215.34	\$1,515.36	\$1,457.51	\$1,484.97	\$1,171.44	\$1,235.64	\$1,283.56

Change From Prior Year - Month to Month Analysis

NonMed_NonDrug	-3.2%	-3.6%	8.0%	3.8%	-3.1%	4.0%	11.6%	11.6%	2.6%	1.6%	6.7%	12.6%
Med_NonDrug	19.4%	6.4%	5.5%	35.7%	29.2%	50.3%	-41.8%	-14.1%	-40.9%	-52.3%	-67.8%	-51.6%
NonMed_Drug	3.0%	7.8%	10.3%	-9.7%	-4.2%	1.5%	0.2%	2.3%	-4.4%	1.4%	13.3%	7.2%
Med_Drug	<u>-10.4%</u>	<u>-1.5%</u>	<u>-3.3%</u>	<u>-14.6%</u>	<u>-10.3%</u>	<u>-21.8%</u>	<u>-0.7%</u>	<u>9.3%</u>	<u>-9.6%</u>	<u>-9.2%</u>	<u>-27.7%</u>	<u>-20.2%</u>
Total	-0.1%	1.5%	4.2%	0.6%	-0.3%	0.6%	-17.4%	1.1%	-16.1%	-14.3%	-24.5%	-15.5%

Change From Prior Year - Quarter to Quarter Analysis

NonMed_NonDrug			0.3%			1.5%			8.2%			6.9%
Med_NonDrug			9.9%			38.1%			-34.7%			-58.2%
NonMed_Drug			7.2%			-4.0%			-0.8%			7.4%
Med_Drug			<u>-5.1%</u>			<u>-15.9%</u>			<u>-1.0%</u>			<u>-19.5%</u>
Total			1.9%			0.3%			-11.7%			-18.4%

Change From Prior Year - Year to Year Analysis

NonMed_NonDrug			7.7%			4.6%			4.0%			4.5%
Med_NonDrug			14.2%			24.3%			-0.4%			-23.2%
NonMed_Drug			14.0%			8.3%			3.9%			2.5%
Med_Drug			<u>-2.8%</u>			<u>-4.2%</u>			<u>-4.7%</u>			<u>-10.5%</u>
Total			6.9%			7.2%			0.1%			-8.0%

**Attachment - Trust Fund
Historical Monthly Medical and Drug Trends
FY 2023 to FY 2024**

Fiscal Year 2024

Exposure

	<u>Jul-23</u>	<u>Aug-23</u>	<u>Sep-23</u>	<u>Oct-23</u>
NonMed_NonDrug	10,830	10,970	10,898	10,754
Med_NonDrug	1,238	1,353	1,668	1,847
NonMed_Drug	10,045	10,176	10,108	9,976
Med_Drug	1,290	1,410	1,737	1,924

	<u>Jul-23</u>	<u>Aug-23</u>	<u>Sep-23</u>	<u>Oct-23</u>
NonMed_NonDrug	\$322.23	\$371.11	\$376.11	\$408.07
Med_NonDrug	317.69	269.40	244.84	244.87
NonMed_Drug	248.24	296.93	277.30	267.95
Med_Drug	<u>471.50</u>	<u>510.40</u>	<u>434.50</u>	<u>441.22</u>
Total	\$1,359.66	\$1,447.85	\$1,332.75	\$1,362.10

Change From Prior Year - Month to Month Analysis

NonMed_NonDrug	13.1%	12.4%	11.9%	23.5%
Med_NonDrug	13.9%	-5.8%	-20.2%	-19.2%
NonMed_Drug	13.4%	10.5%	3.1%	20.4%
Med_Drug	<u>27.3%</u>	<u>29.2%</u>	<u>10.1%</u>	<u>24.7%</u>
Total	17.9%	13.1%	2.0%	12.6%

Change From Prior Year - Quarter to Quarter Analysis

NonMed_NonDrug	12.4%
Med_NonDrug	-4.5%
NonMed_Drug	8.7%
Med_Drug	<u>22.1%</u>
Total	10.7%

Change From Prior Year - Year to Year Analysis

NonMed_NonDrug	7.3%
Med_NonDrug	-25.4%
NonMed_Drug	2.9%
Med_Drug	<u>-4.5%</u>
Total	-6.0%