

# STATE OF WEST VIRGINIA



## RETIREE HEALTH BENEFIT TRUST FUND

Quarterly Report  
March 31, 2021

Fiscal Years 2021-2025

*Report Date: July 2021*

**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 2025. 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, 2021 (“FY 2021”), June 30, 2022 (“FY 2022”), June 30, 2023 (“FY 2023”), June 30, 2024 (“FY 2024”) and June 30, 2025 (“FY 2025”). Our opinion of plan adequacy is based on the projections through FY 2025 using updated future revenue and plan modifications provided by the Board in the plan adopted in December 2020.

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 2021 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 2021 the Pay-Go is equivalent to \$263 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 2020.

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 2021 through FY 2025 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 2025 as approved by the Board in December 2020.

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., F.C.A., M.A.A.A.

Managing Partner



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

Principal

**West Virginia Retiree Health Benefit Trust Fund**  
**Report of Independent Actuary**  
**Financial Plan for FY 2021 – FY 2025**

**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 May 2021 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 decrease of 236 policies from June 2020 to June 2021. Continuing Care Actuaries has updated the claims analysis based on the enrollment through June 2021.

In aggregate, June 2021 enrollment has decreased by 236 coverages since the end of FY 2020. Aggregate Preferred Provider Benefit (“PPB”) enrollment has decreased by 227 in total over the same period, while managed care enrollment continues to cover fewer participants, with a decrease of 9 coverages. For MAPD Capitations, the average of 52,051 Medicare policyholders in FY 2021 was used to calculate the capitation cost.

The following chart summarizes the current enrollment as of the selected monthly billing dates of June 2019, June 2020, and June 2021 for purposes of comparison:

Trust Fund	Coverage	Preferred Provider Benefit*			Managed Care		
		Jun-19	Jun-20	Jun-21	Jun-19	Jun-20	Jun-21
Retirees	Medicare Single	21,319	21,594	21,636	-	-	-
	Medicare Family	15,830	16,058	16,170	-	-	-
	Medicare Total	37,149	37,652	37,806	-	-	-
	Non-Medicare Single	2,583	2,396	2,295	130	111	115
	Non-Medicare Family	3,225	2,994	2,714	133	117	104
	Non-Medicare Total	5,808	5,390	5,009	263	228	219
	Retiree Total	42,957	43,042	42,815	263	228	219
	Grand Total				43,220	43,270	43,034

\* The majority of PPB is capitated through Humana. As of May 2021, there are approximately 880 Medicare retiree coverages under PEIA.

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

Detail of the medical claim backlog is presented in the PEIA report titled “PEIA Quarterly Report March 31, 2021 Fiscal Years 2021-2025 Report”.

### C. Trend Analysis

RHBT experienced a lower medical trend and a higher prescription drugs trend in FY 2020, 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 FY2020 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 2021 medical claim trend is 5.0%, the gross prescription drugs claim trend is 13.0% and the prescription drugs rebate trend is 15.0%.

The current trend projection is shown in the following table:

Claim Type	Previous Assumption FY 2021 Trend	Updated Assumption FY 2021 Trend
Non-Medicare – Medical	8.5%	5.0%
Medicare – Medical	8.5%	5.0%
Non-Medicare – Gross Drugs	12.5%	13.0%
Medicare – Gross Drugs	12.5%	13.0%
Prescription Drugs Rebate	20.0%	15.0%

In the past, claim trends for the financial plan included a 0.5% margin in future years. CCA has assumed the drugs claim trends for the financial projection will increase by 0.5% in FY 2022 and in each successive fiscal year. Medical trends are assumed to increase 1.0% in FY 2022 and 2023, and then 0.5% thereafter. Additionally, drug rebates have been trending at approximately 30% 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 May 2021. 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	19%	-9%	1%	12%	-1%
2021*	4%	11%	15%	6%	11%

\* Fiscal Year 2021 results are through the first eleven months ending May 2021. 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 Year 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 May 2021 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 2021 claims and expenses are summarized in the following chart. It should be noted that the chart reflects per policy information.

Fiscal Year 2021 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	37,894			\$ 71**	\$ 262**	\$ 227
	Non-Medicare	5,314			\$ 781	\$ 277	
	Total	43,208	\$ -	\$ 153			
	Non-Medicare Managed Care	225	\$ -	\$ 591			\$ 1,439
	Total	43,433					

\*Net of rebates and subsidies.

\*\* As of May 2021, there are approximately 880 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 2020.

### Board Decisions – December 2020

Source	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
<b>Additional Non-Medicare Retiree Premium (Fiscal Year)</b>	\$0	\$0	\$1,258,171	\$1,269,168	\$1,278,440
<b>Additional Medicare Retiree Premium (Calendar Year)</b>	\$0	\$0	\$4,813,202	\$5,150,734	\$5,510,910
<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	\$34,752,147	\$34,180,055	\$0	\$0
<b>Pay Go Premium Transfer</b>	\$137,167,586	\$100,000,000	\$110,000,000	\$120,000,000	\$130,000,000
<b>Actuarial Accrued Liability*</b>	\$2,869,054,849	\$2,919,313,562	\$2,964,931,211	\$3,006,409,797	\$3,043,674,523
<b>Funded Status</b>	42.7%	54.4%	59.6%	66.1%	73.1%

\*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 \$1,683,425 in FY 2021 to \$2,290,280 in FY 2025, based on the Board's direction and projected retiree enrollment growth in the financial plan.

In FY 2021, the ACA PCORI fee is approximately \$2.66 per person per year.

There is a one-time added cost in FY 2021 for the delayed benefits and pent up demand due to COVID19. \$8,500,000 has been allocated between PEIA State medical and Local medical claims, and \$920,000 has been allocated between RHBT Non-Medicare medical and Medicare medical claims in FY 2021.

## **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 2021 FORECAST**

The financial forecast for FY 2021 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2021 projects accrued revenue of \$546,984,964 and incurred plan expenses of \$213,269,553 to produce a fiscal year surplus of \$333,715,410 after the Premium Stabilization Reserve addition of \$30,000,000. The PEIA local and state agencies Pay Go premiums for FY 2021 are assumed to be \$137,167,586.

### **FISCAL YEAR 2022 FORECAST**

The financial forecast for FY 2022 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2022 projects accrued revenue of \$362,267,872 and incurred plan expenses of \$184,174,975 to produce a fiscal year surplus of \$178,092,897 after the Premium Stabilization Reserve drawdown of \$0. The PEIA local and state agencies Pay Go premiums for FY 2022 are assumed to be \$100,000,000.

### **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 \$390,739,008 and incurred plan expenses of \$170,372,287 to produce a fiscal year surplus of \$220,366,720 after the Premium Stabilization Reserve drawdown of \$0. The PEIA local and state agencies Pay Go premiums for FY 2023 are assumed to be \$110,000,000.

### **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 \$424,070,687 and incurred plan expenses of \$187,317,239 to produce a fiscal year surplus of \$236,753,447 after the Premium Stabilization Reserve drawdown of \$0. The PEIA local and state agencies Pay Go premiums for FY 2024 are assumed to be \$120,000,000.

## **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 \$459,027,494 and incurred plan expenses of \$205,330,062 to produce a fiscal year surplus of \$253,697,432 after the Premium Stabilization Reserve drawdown of \$0. The PEIA local and state agencies Pay Go premiums for FY 2025 are assumed to be \$130,000,000.

## **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 2025. These projections are based on significant revenue increases as contained in the financial plan adopted by the Board in December 2020 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 2021**

PERIOD 7/1/2020 - 6/30/2021

	7/1/2020 to 12/31/2020	1/1/2021 to 6/30/2021	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 68,583,793	\$ 68,583,793	\$ 137,167,586
Retiree Premiums - PPB	39,909,296	39,380,395	79,289,691
Retiree Premiums - MCO	806,770	790,202	1,596,973
Annual Required Contributions	-	-	-
Non Par Premiums	1,103,058	1,103,058	2,206,115
Life Insurance	13,625,559	13,625,559	27,251,118
Investment Income	149,736,740	149,736,740	299,473,481
Transfer from Premium Stabilization Reserve	(15,801,281)	(14,198,719)	(30,000,000)
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 272,963,935</b>	<b>\$ 274,021,029</b>	<b>\$ 546,984,964</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 25,311,639	\$ 24,516,407	\$ 49,828,046
Gross Non-Medicare Prescription Drug Claims	15,573,219	15,650,267	31,223,486
Non-Medicare Prescription Drug Rebates	(6,748,492)	(6,781,880)	(13,530,373)
Medicare Medical Claims	756,281	318,673	1,074,954
Gross Medicare Prescription Drug Claims	5,099,856	2,233,004	7,332,860
Medicare Prescription Drug Rebates	(2,209,969)	(967,649)	(3,177,619)
Non-Medicare Managed Care Capitations	1,942,688	1,942,688	3,885,375
Humana MAPD Program	56,666,376	46,348,678	103,015,053
Administration	2,259,843	2,259,843	4,519,686
Life Insurance	13,675,755	13,675,755	27,351,509
Wellness	-	-	-
Retiree Assistance Program	841,713	841,713	1,683,425
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	7,662	7,662	15,324
Director's Discretionary Fund	23,913	23,913	47,826
<b>Total Expenses</b>	<b>\$ 113,200,481</b>	<b>\$ 100,069,072</b>	<b>\$ 213,269,553</b>
<b>Fiscal Year Results</b>	<b>\$ 159,763,453</b>	<b>\$ 173,951,956</b>	<b>\$ 333,715,410</b>
Beginning Restricted Reserve			\$ 1,186,534,840
Ending Restricted Reserve			<u>\$ 1,520,250,250</u>
Beginning Premium Stabilization Reserve			\$ 38,106,504
PSR Addition/(Drawdown)			\$ 30,000,000
Ending Premium Stabilization Reserve			<u>\$ 68,106,504</u>
Total Beginning Plan Reserve			1,224,641,344
Total Ending Plan Reserve			<u>\$ 1,588,356,754</u>
Accrued Actuarial Liability (AAL)			\$ 2,869,054,849
Funded Status			42.7%

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
		Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$ 151.18			
Additional Retiree Premiums	\$ -			
Pay Go PEPM Subsidy for Retirees	\$ 263.18	Non-Medicare	5.0%	13.0%
		Medicare	5.0%	13.0%
		Prescription Drug Rebates		0.0%
		Capitations		-19.8%
		Administrative Expense		1.1%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		-3.1%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2021**

PERIOD 7/1/2020 - 6/30/2021

<b>Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 63,472,559		\$ 63,472,559
Employer Premiums - PPB	5,820,545	-	5,820,545
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	47,321,914	-	47,321,914
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,413,817		1,413,817
Life Insurance	17,464,226		17,464,226
Investment Income	167,430,308		167,430,308
Transfer from Premium Stabilization Reserve	(26,961,153)		(26,961,153)
General Revenue Transfer (OPEB Funding)	17,891,029		17,891,029
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 293,853,246</b>	<b>\$ -</b>	<b>\$ 293,853,246</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,074,954	\$ -	\$ 1,074,954
Gross Medicare Prescription Drug Claims	7,332,860	-	7,332,860
Medicare Prescription Drug Rebates	(3,177,619)		(3,177,619)
Humana MAPD Program	103,015,053		103,015,053
Administration	1,668,339		1,668,339
Life Insurance	17,528,563		17,528,563
Wellness	-		-
Retiree Assistance Program	1,078,844		1,078,844
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	2,484		2,484
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 128,523,479</b>	<b>\$ -</b>	<b>\$ 128,523,479</b>
<b>Fiscal Year Results</b>	<b>\$ 165,329,767</b>		<b>\$ 165,329,767</b>
Beginning Restricted Reserve	\$ 664,144,788		\$ 664,144,788
Ending Restricted Reserve	<u>\$ 829,474,555</u>		<u>\$ 829,474,555</u>
Beginning Premium Stabilization Reserve	\$ 20,530,453		\$ 20,530,453
PSR Addition/(Drawdown)	\$ 26,961,153		\$ 26,961,153
Ending Premium Stabilization Reserve	<u>\$ 47,491,606</u>		<u>\$ 47,491,606</u>
<b>Total Beginning Plan Reserve</b>	<b>684,675,241</b>		<b>684,675,241</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 876,966,161</b>		<b>\$ 876,966,161</b>
Accrued Actuarial Liability (AAL)	\$ 2,869,054,849		\$ 2,869,054,849
Funded Status	48.7%		48.7%

**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	\$ 151.18			
Additional Retiree Premiums	\$ -			
Pay Go PEPM Subsidy for Retirees	\$ 139.58	Medicare	5.0%	13.0%
		Prescription Drug Rebates		0.0%
		Capitations		-19.8%
		Administrative Expense		1.1%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		-3.1%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2021**

PERIOD 7/1/2020 - 6/30/2021

<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	\$ 73,695,027		\$ 73,695,027
Employer Premiums - PPB	7,738,477	-	7,738,477
Employer Premiums - MCO	685,561	-	685,561
Retiree Premiums - PPB	18,408,755	-	18,408,755
Retiree Premiums - MCO	911,412	-	911,412
Annual Required Contributions	-		-
Non Par Premiums	792,298		792,298
Life Insurance	9,786,892		9,786,892
Investment Income	132,043,172		132,043,172
Transfer from Premium Stabilization Reserve	(3,038,847)		(3,038,847)
General Revenue Transfer (OPEB Funding)	12,108,971		12,108,971
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 253,131,717</b>	<b>\$ -</b>	<b>\$ 253,131,717</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 49,828,046		\$ 49,828,046
Gross Non-Medicare Prescription Drug Claims	31,223,486		31,223,486
Non-Medicare Prescription Drug Rebates	(13,530,373)		(13,530,373)
Non-Medicare Managed Care Capitations	3,885,375		3,885,375
Administration	2,851,347		2,851,347
Life Insurance	9,822,946		9,822,946
Wellness	-		-
Retiree Assistance Program	604,580		604,580
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	12,840		12,840
Director's Discretionary Fund	47,825		47,825
<b>Total Expenses</b>	<b>\$ 84,746,072</b>	<b>\$ -</b>	<b>\$ 84,746,072</b>
<b>Fiscal Year Results</b>	<b>\$ 168,385,645</b>		<b>\$ 168,385,645</b>
Beginning Restricted Reserve	\$ 522,390,052		\$ 522,390,052
Ending Restricted Reserve	<u>\$ 690,775,697</u>		<u>\$ 690,775,697</u>
Beginning Premium Stabilization Reserve	\$ 17,576,051		\$ 17,576,051
PSR Addition/(Drawdown)	\$ 3,038,847		\$ 3,038,847
Ending Premium Stabilization Reserve	<u>\$ 20,614,898</u>		<u>\$ 20,614,898</u>
<b>Total Beginning Plan Reserve</b>	<b>539,966,103</b>		<b>539,966,103</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 711,390,595</b>		<b>\$ 711,390,595</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	\$ 151.18			
Additional Retiree Premiums	\$ -			
Pay Go PEPM Subsidy for Retirees	\$ 1,108.75	Non-Medicare	5.0%	13.0%
		Prescription Drug Rebates		0.0%
		Capitations		-19.8%
		Administrative Expense		1.1%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		-3.1%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2022**

PERIOD 7/1/2021 - 6/30/2022

	7/1/2021 to 12/31/2021	1/1/2022 to 6/30/2022	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 50,000,000	\$ 50,000,000	\$ 100,000,000
Retiree Premiums - PPB	39,921,214	40,106,969	80,028,183
Retiree Premiums - MCO	826,268	826,268	1,652,535
Annual Required Contributions	-	-	-
Non Par Premiums	1,069,966	1,069,966	2,139,931
Life Insurance	14,306,837	14,306,837	28,613,674
Investment Income	59,916,775	59,916,775	119,833,549
Transfer from Premium Stabilization Reserve	-	-	-
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 181,041,059</b>	<b>\$ 181,226,814</b>	<b>\$ 362,267,872</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 26,917,105	\$ 26,194,977	\$ 53,112,082
Gross Non-Medicare Prescription Drug Claims	17,796,668	17,924,142	35,720,810
Non-Medicare Prescription Drug Rebates	(7,838,374)	(7,877,154)	(15,715,528)
Medicare Medical Claims	772,657	327,191	1,099,848
Gross Medicare Prescription Drug Claims	5,598,039	2,456,799	8,054,837
Medicare Prescription Drug Rebates	(2,465,221)	(1,079,413)	(3,544,633)
Non-Medicare Managed Care Capitations	2,098,103	2,098,103	4,196,205
Humana MAPD Program	45,816,400	19,834,511	65,650,911
Administration	2,327,639	2,327,639	4,655,277
Life Insurance	14,359,542	14,359,542	28,719,084
Wellness	100,000	100,000	200,000
Retiree Assistance Program	909,049	909,049	1,818,098
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	7,391	7,391	14,781
Director's Discretionary Fund	96,601	96,601	193,202
<b>Total Expenses</b>	<b>\$ 106,495,598</b>	<b>\$ 77,679,377</b>	<b>\$ 184,174,975</b>
<b>Fiscal Year Results</b>	<b>\$ 74,545,461</b>	<b>\$ 103,547,437</b>	<b>\$ 178,092,897</b>
Beginning Restricted Reserve			\$ 1,520,250,250
Ending Restricted Reserve			<u>\$ 1,698,343,147</u>
Beginning Premium Stabilization Reserve			\$ 68,106,504
PSR Addition/(Drawdown)			\$ -
Ending Premium Stabilization Reserve			<u>\$ 68,106,504</u>
Total Beginning Plan Reserve			1,588,356,754
Total Ending Plan Reserve			<u>\$ 1,766,449,651</u>
Accrued Actuarial Liability (AAL)			\$ 2,919,313,562
Funded Status			54.4%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 110.14	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 815,683	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 191.23	Non-Medicare	6.0%	13.5%
		Medicare	6.0%	13.5%
		Prescription Drug Rebates		15.0%
		Capitations		7.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		-27.1%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2022**

PERIOD 7/1/2021 - 6/30/2022

<b>Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 56,941,665		\$ 56,941,665
Employer Premiums - PPB	9,473,754	140,981	9,614,735
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	45,339,264	674,702	46,013,966
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,371,402		1,371,402
Life Insurance	18,337,437		18,337,437
Investment Income	66,162,697		66,162,697
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	16,614,170		16,614,170
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 214,240,388</b>	<b>\$ 815,683</b>	<b>\$ 215,056,071</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,099,848	\$ -	\$ 1,099,848
Gross Medicare Prescription Drug Claims	8,054,837	-	8,054,837
Medicare Prescription Drug Rebates	(3,544,633)		(3,544,633)
Humana MAPD Program	65,650,911		65,650,911
Administration	1,718,390		1,718,390
Life Insurance	18,404,991		18,404,991
Wellness	-		-
Retiree Assistance Program	1,165,152		1,165,152
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	2,944		2,944
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 92,552,440</b>	<b>\$ -</b>	<b>\$ 92,552,440</b>
<b>Fiscal Year Results</b>	<b>\$ 121,687,949</b>		<b>\$ 122,503,631</b>
Beginning Restricted Reserve	\$ 829,474,555		\$ 829,474,555
Ending Restricted Reserve	<u>\$ 951,162,503</u>		<u>\$ 951,978,186</u>
Beginning Premium Stabilization Reserve	\$ 47,491,606		\$ 47,491,606
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ 47,491,606</u>		<u>\$ 47,491,606</u>
Total Beginning Plan Reserve	876,966,161		876,966,161
Total Ending Plan Reserve	<u>\$ 998,654,109</u>		<u>\$ 999,469,792</u>
Accrued Actuarial Liability (AAL)	\$ 2,919,313,562		\$ 2,919,313,562
Funded Status	56.3%		56.3%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 110.14	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 815,683	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 123.39	Medicare	6.0%	13.5%
		Prescription Drug Rebates		15.0%
		Capitations		7.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		-27.1%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2022**

PERIOD 7/1/2021 - 6/30/2022

<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	\$ 43,058,335		\$ 43,058,335
Employer Premiums - PPB	9,379,442	-	9,379,442
Employer Premiums - MCO	972,195	-	972,195
Retiree Premiums - PPB	15,020,040	-	15,020,040
Retiree Premiums - MCO	680,340	-	680,340
Annual Required Contributions	-		-
Non Par Premiums	768,529		768,529
Life Insurance	10,276,237		10,276,237
Investment Income	53,670,852		53,670,852
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	13,385,830		13,385,830
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 147,211,801</b>	<b>\$ -</b>	<b>\$ 147,211,801</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 53,112,082	\$ -	\$ 53,112,082
Gross Non-Medicare Prescription Drug Claims	35,720,810	-	35,720,810
Non-Medicare Prescription Drug Rebates	(15,715,528)		(15,715,528)
Non-Medicare Managed Care Capitations	4,196,205		4,196,205
Administration	2,936,887		2,936,887
Life Insurance	10,314,093		10,314,093
Wellness	200,000		200,000
Retiree Assistance Program	652,947		652,947
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	11,838		11,838
Director's Discretionary Fund	193,201		193,201
<b>Total Expenses</b>	<b>\$ 91,622,535</b>	<b>\$ -</b>	<b>\$ 91,622,535</b>
<b>Fiscal Year Results</b>	<b>\$ 55,589,266</b>		<b>\$ 55,589,266</b>
Beginning Restricted Reserve	\$ 690,775,697		\$ 690,775,697
Ending Restricted Reserve	<u>\$ 746,364,963</u>		<u>\$ 746,364,963</u>
Beginning Premium Stabilization Reserve	\$ 20,614,898		\$ 20,614,898
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ 20,614,898</u>		<u>\$ 20,614,898</u>
<b>Total Beginning Plan Reserve</b>	<b>711,390,595</b>		<b>711,390,595</b>
<b>Total Ending Plan Reserve</b>	<b><u>\$ 766,979,861</u></b>		<b><u>\$ 766,979,861</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	\$ 110.14			
Additional Retiree Premiums	\$ -			
Pay Go PEPM Subsidy for Retirees	\$ 700.64	Non-Medicare	6.0%	13.5%
		Prescription Drug Rebates		15.0%
		Capitations		7.0%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		-27.1%

**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	\$ 55,000,000	\$ 55,000,000	\$ 110,000,000
Retiree Premiums - PPB	40,989,087	42,613,002	83,602,089
Retiree Premiums - MCO	874,282	874,282	1,748,564
Annual Required Contributions	-	-	-
Non Par Premiums	1,037,867	1,037,867	2,075,733
Life Insurance	15,022,179	15,022,179	30,044,358
Investment Income	66,634,132	66,634,132	133,268,264
Transfer from Premium Stabilization Reserve	-	-	-
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 194,557,546</b>	<b>\$ 196,181,462</b>	<b>\$ 390,739,008</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 28,896,319	\$ 28,253,095	\$ 57,149,415
Gross Non-Medicare Prescription Drug Claims	20,427,449	20,618,920	41,046,369
Non-Medicare Prescription Drug Rebates	(9,104,271)	(9,149,314)	(18,253,585)
Medicare Medical Claims	796,884	339,111	1,135,995
Gross Medicare Prescription Drug Claims	6,172,040	2,714,938	8,886,978
Medicare Prescription Drug Rebates	(2,749,954)	(1,204,085)	(3,954,039)
Non-Medicare Managed Care Capitations	2,265,951	2,265,951	4,531,901
Humana MAPD Program	19,606,727	22,884,354	42,491,081
Administration	2,397,468	2,397,468	4,794,935
Life Insurance	15,077,519	15,077,519	30,155,038
Wellness	107,000	107,000	214,000
Retiree Assistance Program	981,773	981,773	1,963,546
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	7,948	7,948	15,897
Director's Discretionary Fund	97,379	97,379	194,757
<b>Total Expenses</b>	<b>\$ 84,980,231</b>	<b>\$ 85,392,057</b>	<b>\$ 170,372,287</b>
<b>Fiscal Year Results</b>	<b>\$ 109,577,315</b>	<b>\$ 110,789,405</b>	<b>\$ 220,366,720</b>
Beginning Restricted Reserve			\$ 1,698,343,147
Ending Restricted Reserve			<u>\$ 1,918,709,868</u>
Beginning Premium Stabilization Reserve			\$ 68,106,504
PSR Addition/(Drawdown)			\$ -
Ending Premium Stabilization Reserve			<u>\$ 68,106,504</u>
Total Beginning Plan Reserve			1,766,449,651
Total Ending Plan Reserve			<u>\$ 1,986,816,372</u>
Accrued Actuarial Liability (AAL)			\$ 2,964,931,211
Funded Status			59.6%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 121.16	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 4,451,533	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 205.63	Non-Medicare	7.0%	14.0%
		Medicare	7.0%	14.0%
		Prescription Drug Rebates		15.0%
		Capitations		14.4%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		10.0%

**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	\$ 39,627,696		\$ 39,627,696
Employer Premiums - PPB	9,639,222	551,933	10,191,156
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	46,131,160	2,641,428	48,772,588
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,330,260		1,330,260
Life Insurance	19,254,309		19,254,309
Investment Income	75,404,133		75,404,133
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	17,917,041		17,917,041
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 209,303,821</b>	<b>\$ 3,193,362</b>	<b>\$ 212,497,183</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,135,995	\$ -	\$ 1,135,995
Gross Medicare Prescription Drug Claims	8,886,978	-	8,886,978
Medicare Prescription Drug Rebates	(3,954,039)		(3,954,039)
Humana MAPD Program	42,491,081		42,491,081
Administration	1,769,941		1,769,941
Life Insurance	19,325,240		19,325,240
Wellness	-		-
Retiree Assistance Program	1,258,364		1,258,364
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	4,483		4,483
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 70,918,044</b>	<b>\$ -</b>	<b>\$ 70,918,044</b>
<b>Fiscal Year Results</b>	<b>\$ 138,385,778</b>		<b>\$ 141,579,139</b>
Beginning Restricted Reserve	\$ 951,978,186		\$ 951,978,186
Ending Restricted Reserve	<u>\$ 1,090,363,964</u>		<u>\$ 1,093,557,325</u>
Beginning Premium Stabilization Reserve	\$ 47,491,606		\$ 47,491,606
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ 47,491,606</u>		<u>\$ 47,491,606</u>
<b>Total Beginning Plan Reserve</b>	<b>999,469,792</b>		<b>999,469,792</b>
<b>Total Ending Plan Reserve</b>	<b><u>\$ 1,137,855,570</u></b>		<b><u>\$ 1,141,048,931</u></b>
Accrued Actuarial Liability (AAL)	\$ 2,964,931,211		\$ 2,964,931,211
Funded Status	62.2%		62.2%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 121.16	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 3,193,362	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 83.27	Medicare	7.0%	14.0%
		Prescription Drug Rebates		15.0%
		Capitations		14.4%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		10.0%

**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	\$ 70,372,304		\$ 70,372,304
Employer Premiums - PPB	9,019,658	451,605	9,471,264
Employer Premiums - MCO	979,640	49,050	1,028,689
Retiree Premiums - PPB	14,443,890	723,191	15,167,082
Retiree Premiums - MCO	685,550	34,325	719,875
Annual Required Contributions	-		-
Non Par Premiums	745,473		745,473
Life Insurance	10,790,049		10,790,049
Investment Income	57,864,131		57,864,131
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	12,082,959		12,082,959
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 176,983,654</b>	<b>\$ 1,258,171</b>	<b>\$ 178,241,825</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 57,149,415	\$ -	\$ 57,149,415
Gross Non-Medicare Prescription Drug Claims	41,046,369	-	41,046,369
Non-Medicare Prescription Drug Rebates	(18,253,585)		(18,253,585)
Non-Medicare Managed Care Capitations	4,531,901		4,531,901
Administration	3,024,994		3,024,994
Life Insurance	10,829,798		10,829,798
Wellness	214,000		214,000
Retiree Assistance Program	705,183		705,183
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	11,414		11,414
Director's Discretionary Fund	194,757		194,757
<b>Total Expenses</b>	<b>\$ 99,454,246</b>	<b>\$ -</b>	<b>\$ 99,454,246</b>
<b>Fiscal Year Results</b>	<b>\$ 77,529,408</b>		<b>\$ 78,787,580</b>
Beginning Restricted Reserve	\$ 746,364,963		\$ 746,364,963
Ending Restricted Reserve	<u>\$ 823,894,371</u>		<u>\$ 825,152,542</u>
Beginning Premium Stabilization Reserve	\$ 20,614,898		\$ 20,614,898
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ 20,614,898</u>		<u>\$ 20,614,898</u>
<b>Total Beginning Plan Reserve</b>	<b>766,979,861</b>		<b>766,979,861</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 844,509,269</b>		<b>\$ 845,767,440</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	\$ 121.16			
Additional Retiree Premiums	\$ 1,258,171			
Pay Go PEPM Subsidy for Retirees	\$ 1,191.35	Non-Medicare	7.0%	14.0%
		Prescription Drug Rebates		15.0%
		Capitations		14.4%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		10.0%

**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	\$ 60,000,000	\$ 60,000,000	\$ 120,000,000
Retiree Premiums - PPB	43,512,565	45,263,423	88,775,988
Retiree Premiums - MCO	926,298	926,298	1,852,596
Annual Required Contributions	-	-	-
Non Par Premiums	1,006,731	1,006,731	2,013,461
Life Insurance	15,773,288	15,773,288	31,546,575
Investment Income	74,941,033	74,941,033	149,882,067
Transfer from Premium Stabilization Reserve	-	-	-
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	\$ 211,159,915	\$ 212,910,772	\$ 424,070,687
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 31,270,677	\$ 30,645,774	\$ 61,916,451
Gross Non-Medicare Prescription Drug Claims	23,550,291	23,822,976	47,373,267
Non-Medicare Prescription Drug Rebates	(10,574,611)	(10,626,928)	(21,201,539)
Medicare Medical Claims	828,345	353,359	1,181,705
Gross Medicare Prescription Drug Claims	6,834,834	3,013,369	9,848,203
Medicare Prescription Drug Rebates	(3,067,574)	(1,343,157)	(4,410,730)
Non-Medicare Managed Care Capitations	2,447,227	2,447,227	4,894,453
Humana MAPD Program	22,621,545	25,928,263	48,549,808
Administration	2,469,392	2,469,392	4,938,783
Life Insurance	15,831,395	15,831,395	31,662,790
Wellness	115,025	115,025	230,050
Retiree Assistance Program	1,060,315	1,060,315	2,120,630
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	8,504	8,504	17,008
Director's Discretionary Fund	98,181	98,181	196,361
<b>Total Expenses</b>	\$ 93,493,545	\$ 93,823,694	\$ 187,317,239
<b>Fiscal Year Results</b>	\$ 117,666,369	\$ 119,087,078	\$ 236,753,447
Beginning Restricted Reserve			\$ 1,918,709,868
Ending Restricted Reserve			\$ 2,155,463,315
Beginning Premium Stabilization Reserve			\$ 68,106,504
PSR Addition/(Drawdown)			\$ -
Ending Premium Stabilization Reserve			\$ 68,106,504
Total Beginning Plan Reserve			1,986,816,372
Total Ending Plan Reserve			\$ 2,223,569,819
Accrued Actuarial Liability (AAL)			\$ 3,006,409,797
Funded Status			66.1%

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
		Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$ 132.17			
Additional Retiree Premiums	\$ 6,096,816	Non-Medicare	7.5%	14.5%
Pay Go PEPM Subsidy for Retirees	\$ 219.40	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		9.1%

**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	\$ 16,872,364		\$ 16,872,364
Employer Premiums - PPB	10,217,620	834,399	11,052,020
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	48,899,242	3,993,249	52,892,491
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,290,352		1,290,352
Life Insurance	20,217,025		20,217,025
Investment Income	86,078,802		86,078,802
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	16,181,794		16,181,794
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 199,757,199</b>	<b>\$ 4,827,649</b>	<b>\$ 204,584,847</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,181,705	\$ -	\$ 1,181,705
Gross Medicare Prescription Drug Claims	9,848,203	-	9,848,203
Medicare Prescription Drug Rebates	(4,410,730)		(4,410,730)
Humana MAPD Program	48,549,808		48,549,808
Administration	1,823,040		1,823,040
Life Insurance	20,291,502		20,291,502
Wellness	-		-
Retiree Assistance Program	1,359,033		1,359,033
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	6,017		6,017
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 78,648,579</b>	<b>\$ -</b>	<b>\$ 78,648,579</b>
<b>Fiscal Year Results</b>	<b>\$ 121,108,620</b>		<b>\$ 125,936,269</b>
Beginning Restricted Reserve	\$ 1,093,557,325		\$ 1,093,557,325
Ending Restricted Reserve	<u>\$ 1,214,665,945</u>		<u>\$ 1,219,493,594</u>
Beginning Premium Stabilization Reserve	\$ 47,491,606		\$ 47,491,606
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ 47,491,606</u>		<u>\$ 47,491,606</u>
<b>Total Beginning Plan Reserve</b>	<b>1,141,048,931</b>		<b>1,141,048,931</b>
<b>Total Ending Plan Reserve</b>	<b><u>\$ 1,262,157,551</u></b>		<b><u>\$ 1,266,985,200</u></b>
Accrued Actuarial Liability (AAL)	\$ 3,006,409,797		\$ 3,006,409,797
Funded Status	69.7%		69.8%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 132.17	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 4,827,649	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 34.41	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		9.1%

**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	\$ 103,127,636		\$ 103,127,636
Employer Premiums - PPB	9,091,496	454,010	9,545,506
Employer Premiums - MCO	1,038,053	51,838	1,089,892
Retiree Premiums - PPB	14,558,929	727,043	15,285,972
Retiree Premiums - MCO	726,428	36,276	762,704
Annual Required Contributions	-		-
Non Par Premiums	723,109		723,109
Life Insurance	11,329,551		11,329,551
Investment Income	63,803,265		63,803,265
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	13,818,206		13,818,206
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 218,216,673</b>	<b>\$ 1,269,168</b>	<b>\$ 219,485,840</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 61,916,451	\$ -	\$ 61,916,451
Gross Non-Medicare Prescription Drug Claims	47,373,267	-	47,373,267
Non-Medicare Prescription Drug Rebates	(21,201,539)		(21,201,539)
Non-Medicare Managed Care Capitations	4,894,453		4,894,453
Administration	3,115,743		3,115,743
Life Insurance	11,371,288		11,371,288
Wellness	230,050		230,050
Retiree Assistance Program	761,597		761,597
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	10,991		10,991
Director's Discretionary Fund	196,362		196,362
<b>Total Expenses</b>	<b>\$ 108,668,662</b>	<b>\$ -</b>	<b>\$ 108,668,662</b>
<b>Fiscal Year Results</b>	<b>\$ 109,548,011</b>		<b>\$ 110,817,178</b>
Beginning Restricted Reserve	\$ 825,152,542		\$ 825,152,542
Ending Restricted Reserve	<u>\$ 934,700,553</u>		<u>\$ 935,969,720</u>
Beginning Premium Stabilization Reserve	\$ 20,614,898		\$ 20,614,898
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ 20,614,898</u>		<u>\$ 20,614,898</u>
<b>Total Beginning Plan Reserve</b>	<b>845,767,440</b>		<b>845,767,440</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 955,315,451</b>		<b>\$ 956,584,619</b>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 132.17	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 1,269,168	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 1,819.26	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		9.1%

**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	\$ 65,000,000	\$ 65,000,000	\$ 130,000,000
Retiree Premiums - PPB	46,180,276	48,066,710	94,246,986
Retiree Premiums - MCO	984,589	984,589	1,969,179
Annual Required Contributions	-	-	-
Non Par Premiums	976,529	976,529	1,953,058
Life Insurance	16,561,952	16,561,952	33,123,904
Investment Income	83,867,184	83,867,184	167,734,368
Transfer from Premium Stabilization Reserve	-	-	-
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 228,570,530</b>	<b>\$ 230,456,964</b>	<b>\$ 459,027,494</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 33,998,064	\$ 33,395,857	\$ 67,393,921
Gross Non-Medicare Prescription Drug Claims	27,269,476	27,645,240	54,914,716
Non-Medicare Prescription Drug Rebates	(12,282,411)	(12,343,177)	(24,625,588)
Medicare Medical Claims	865,067	369,920	1,234,987
Gross Medicare Prescription Drug Claims	7,601,955	3,359,220	10,961,175
Medicare Prescription Drug Rebates	(3,421,878)	(1,498,291)	(4,920,169)
Non-Medicare Managed Care Capitations	2,643,005	2,643,005	5,286,009
Humana MAPD Program	25,630,497	28,366,772	53,997,269
Administration	2,543,473	2,543,473	5,086,946
Life Insurance	16,622,965	16,622,965	33,245,930
Wellness	124,227	124,227	248,454
Retiree Assistance Program	1,145,140	1,145,140	2,290,280
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	9,058	9,058	18,117
Director's Discretionary Fund	99,008	99,008	198,015
<b>Total Expenses</b>	<b>\$ 102,847,645</b>	<b>\$ 102,482,417</b>	<b>\$ 205,330,062</b>
<b>Fiscal Year Results</b>	<b>\$ 125,722,886</b>	<b>\$ 127,974,547</b>	<b>\$ 253,697,432</b>
Beginning Restricted Reserve			\$ 2,155,463,315
Ending Restricted Reserve			<u>\$ 2,409,160,747</u>
Beginning Premium Stabilization Reserve			\$ 68,106,504
PSR Addition/(Drawdown)			\$ -
Ending Premium Stabilization Reserve			<u>\$ 68,106,504</u>
Total Beginning Plan Reserve			2,223,569,819
Total Ending Plan Reserve			<u>\$ 2,477,267,251</u>
Accrued Actuarial Liability (AAL)			\$ 3,043,674,523
Funded Status			73.1%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 143.18	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 6,441,250	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 232.56	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		8.3%

**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	\$ 19,769,939		\$ 19,769,939
Employer Premiums - PPB	11,080,915	892,328	11,973,243
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	53,030,777	4,270,482	57,301,259
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,251,642		1,251,642
Life Insurance	21,227,876		21,227,876
Investment Income	95,574,674		95,574,674
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	14,342,837		14,342,837
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 216,278,660</b>	<b>\$ 5,162,810</b>	<b>\$ 221,441,470</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,234,987	\$ -	\$ 1,234,987
Gross Medicare Prescription Drug Claims	10,961,175	-	10,961,175
Medicare Prescription Drug Rebates	(4,920,169)		(4,920,169)
Humana MAPD Program	53,997,269		53,997,269
Administration	1,877,731		1,877,731
Life Insurance	21,306,077		21,306,077
Wellness	-		-
Retiree Assistance Program	1,467,755		1,467,755
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	7,547		7,547
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 85,932,372</b>	<b>\$ -</b>	<b>\$ 85,932,372</b>
<b>Fiscal Year Results</b>	<b>\$ 130,346,287</b>		<b>\$ 135,509,098</b>
Beginning Restricted Reserve	\$ 1,219,493,594		\$ 1,219,493,594
Ending Restricted Reserve	<u>\$ 1,349,839,881</u>		<u>\$ 1,355,002,692</u>
Beginning Premium Stabilization Reserve	\$ 47,491,606		\$ 47,491,606
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ 47,491,606</u>		<u>\$ 47,491,606</u>
Total Beginning Plan Reserve	1,266,985,200		1,266,985,200
Total Ending Plan Reserve	<u>\$ 1,397,331,487</u>		<u>\$ 1,402,494,298</u>
Accrued Actuarial Liability (AAL)	\$ 3,043,674,523		\$ 3,043,674,523
Funded Status	76.9%		76.9%

**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	\$ 143.18			
Additional Retiree Premiums	\$ 5,162,810			
Pay Go PEPM Subsidy for Retirees	\$ 39.17	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		8.3%

**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	\$ 110,230,061		\$ 110,230,061
Employer Premiums - PPB	9,144,184	455,527	9,599,710
Employer Premiums - MCO	1,103,506	54,972	1,158,478
Retiree Premiums - PPB	14,643,302	729,471	15,372,774
Retiree Premiums - MCO	772,231	38,469	810,701
Annual Required Contributions	-		-
Non Par Premiums	701,416		701,416
Life Insurance	11,896,028		11,896,028
Investment Income	72,159,693		72,159,693
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	15,657,163		15,657,163
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 236,307,583</b>	<b>\$ 1,278,440</b>	<b>\$ 237,586,023</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 67,393,921	\$ -	\$ 67,393,921
Gross Non-Medicare Prescription Drug Claims	54,914,716	-	54,914,716
Non-Medicare Prescription Drug Rebates	(24,625,588)		(24,625,588)
Non-Medicare Managed Care Capitations	5,286,009		5,286,009
Administration	3,209,216		3,209,216
Life Insurance	11,939,852		11,939,852
Wellness	248,454		248,454
Retiree Assistance Program	822,525		822,525
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	10,569		10,569
Director's Discretionary Fund	198,015		198,015
<b>Total Expenses</b>	<b>\$ 119,397,689</b>	<b>\$ -</b>	<b>\$ 119,397,689</b>
<b>Fiscal Year Results</b>	<b>\$ 116,909,894</b>		<b>\$ 118,188,334</b>
Beginning Restricted Reserve	\$ 935,969,720		\$ 935,969,720
Ending Restricted Reserve	<u>\$ 1,052,879,615</u>		<u>\$ 1,054,158,055</u>
Beginning Premium Stabilization Reserve	\$ 20,614,898		\$ 20,614,898
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ 20,614,898</u>		<u>\$ 20,614,898</u>
Total Beginning Plan Reserve	956,584,619		956,584,619
Total Ending Plan Reserve	<u>\$ 1,073,494,513</u>		<u>\$ 1,074,772,953</u>
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	\$ 143.18			
Additional Retiree Premiums	\$ 1,278,440			
Pay Go PEPM Subsidy for Retirees	\$ 2,029.52	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		8.3%

**Attachment - Trust Fund  
Historical Monthly Medical and Drug Trends  
FY 2020 to FY 2021**

**Fiscal Year 2020**

<b>Exposure</b>	<u>Jul-19</u>	<u>Aug-19</u>	<u>Sep-19</u>	<u>Oct-19</u>	<u>Nov-19</u>	<u>Dec-19</u>	<u>Jan-20</u>	<u>Feb-20</u>	<u>Mar-20</u>	<u>Apr-20</u>	<u>May-20</u>	<u>Jun-20</u>
<b>NonMed_NonDrug</b>	14,745	14,846	14,782	14,697	14,478	14,336	14,177	14,203	14,029	13,876	13,698	13,474
<b>Med_NonDrug</b>	1,366	1,595	1,801	2,008	2,185	2,412	214	381	537	677	808	928
<b>NonMed_Drug</b>	13,665	13,757	13,698	13,619	13,417	13,285	13,139	13,164	13,002	12,860	12,694	12,486
<b>Med_Drug</b>	1,422	1,661	1,876	2,092	2,276	2,513	223	397	559	705	842	966

	<u>Jul-19</u>	<u>Aug-19</u>	<u>Sep-19</u>	<u>Oct-19</u>	<u>Nov-19</u>	<u>Dec-19</u>	<u>Jan-20</u>	<u>Feb-20</u>	<u>Mar-20</u>	<u>Apr-20</u>	<u>May-20</u>	<u>Jun-20</u>
<b>NonMed_NonDrug</b>	\$247.91	\$262.40	\$260.65	\$281.73	\$257.25	\$257.49	\$299.38	\$268.29	\$238.48	\$176.59	\$248.30	\$308.50
<b>Med_NonDrug</b>	291.46	228.78	237.38	230.03	253.38	212.48	1044.55	523.72	502.99	343.17	263.28	340.51
<b>NonMed_Drug</b>	191.87	197.18	176.83	201.90	187.09	200.25	208.67	198.46	231.55	213.93	201.31	217.96
<b>Med_Drug</b>	<u>334.93</u>	<u>358.08</u>	<u>362.70</u>	<u>383.26</u>	<u>345.81</u>	<u>372.48</u>	<u>399.24</u>	<u>419.57</u>	<u>546.06</u>	<u>468.09</u>	<u>379.23</u>	<u>555.85</u>
<b>Total</b>	\$1,066.18	\$1,046.44	\$1,037.56	\$1,096.92	\$1,043.53	\$1,042.70	\$1,951.83	\$1,410.04	\$1,519.09	\$1,201.78	\$1,092.12	\$1,422.83

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

<b>NonMed_NonDrug</b>	8.8%	-22.7%	1.9%	-14.5%	0.3%	28.3%	5.7%	-11.3%	-13.7%	-45.1%	-20.3%	1.0%
<b>Med_NonDrug</b>	61.2%	23.5%	0.3%	22.3%	30.9%	-8.9%	34.1%	31.6%	23.7%	-2.5%	-30.1%	57.0%
<b>NonMed_Drug</b>	22.9%	26.8%	18.3%	7.7%	13.6%	19.8%	3.1%	12.0%	18.7%	-0.9%	-2.5%	9.7%
<b>Med_Drug</b>	<u>-14.5%</u>	<u>-16.4%</u>	<u>1.2%</u>	<u>-9.5%</u>	<u>-9.8%</u>	<u>-1.8%</u>	<u>-32.1%</u>	<u>13.9%</u>	<u>31.1%</u>	<u>13.9%</u>	<u>2.5%</u>	<u>50.3%</u>
<b>Total</b>	11.5%	-5.6%	3.8%	-2.8%	4.5%	6.4%	5.4%	13.2%	17.4%	-7.6%	-13.6%	30.4%

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

<b>NonMed_NonDrug</b>			-6.3%			1.2%			-6.4%			-21.9%
<b>Med_NonDrug</b>			25.7%			13.1%			30.8%			0.1%
<b>NonMed_Drug</b>			22.7%			13.5%			11.1%			2.0%
<b>Med_Drug</b>			<u>-10.4%</u>			<u>-7.1%</u>			<u>-0.6%</u>			<u>21.9%</u>
<b>Total</b>			2.8%			2.4%			11.1%			1.7%

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

<b>NonMed_NonDrug</b>			-4.8%			-5.9%			-5.7%			-8.9%
<b>Med_NonDrug</b>			42.5%			38.2%			29.1%			19.3%
<b>NonMed_Drug</b>			24.8%			24.0%			18.4%			11.5%
<b>Med_Drug</b>			<u>-5.3%</u>			<u>-10.9%</u>			<u>-7.2%</u>			<u>0.8%</u>
<b>Total</b>			9.0%			5.7%			5.8%			5.0%

**Attachment - Trust Fund  
Historical Monthly Medical and Drug Trends  
FY 2020 to FY 2021**

**Fiscal Year 2021**

**Exposure**

	<u>Jul-20</u>	<u>Aug-20</u>	<u>Sep-20</u>	<u>Oct-20</u>	<u>Nov-20</u>	<u>Dec-20</u>	<u>Jan-21</u>	<u>Feb-21</u>	<u>Mar-21</u>	<u>Apr-21</u>	<u>May-21</u>
<b>NonMed_NonDrug</b>	13,587	13,827	13,736	13,521	13,340	13,194	13,136	13,061	12,939	12,760	12,531
<b>Med_NonDrug</b>	1,132	1,436	1,715	1,961	2,183	2,368	255	442	609	1,008	1,193
<b>NonMed_Drug</b>	12,593	12,817	12,733	12,535	12,368	12,231	12,179	12,108	11,996	11,831	11,622
<b>Med_Drug</b>	1,179	1,496	1,787	2,043	2,274	2,466	266	460	634	1,050	1,243

	<u>Jul-20</u>	<u>Aug-20</u>	<u>Sep-20</u>	<u>Oct-20</u>	<u>Nov-20</u>	<u>Dec-20</u>	<u>Jan-21</u>	<u>Feb-21</u>	<u>Mar-21</u>	<u>Apr-21</u>	<u>May-21</u>
<b>NonMed_NonDrug</b>	\$267.46	\$278.42	\$255.41	\$282.51	\$254.72	\$236.01	\$286.61	\$321.63	\$343.86	\$328.14	\$303.93
<b>Med_NonDrug</b>	335.76	290.47	232.55	322.28	214.95	282.25	840.53	388.38	532.32	369.32	355.54
<b>NonMed_Drug</b>	197.22	192.76	202.72	218.00	204.88	224.69	219.00	199.10	240.41	230.54	206.44
<b>Med_Drug</b>	<u>468.68</u>	<u>413.92</u>	<u>438.93</u>	<u>478.90</u>	<u>457.16</u>	<u>504.66</u>	<u>478.65</u>	<u>428.84</u>	<u>422.43</u>	<u>326.61</u>	<u>314.40</u>
<b>Total</b>	\$1,269.13	\$1,175.56	\$1,129.61	\$1,301.69	\$1,131.70	\$1,247.61	\$1,824.79	\$1,337.95	\$1,539.02	\$1,254.60	\$1,180.31

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

<b>NonMed_NonDrug</b>	7.9%	6.1%	-2.0%	0.3%	-1.0%	-8.3%	-4.3%	19.9%	44.2%	85.8%	22.4%
<b>Med_NonDrug</b>	15.2%	27.0%	-2.0%	40.1%	-15.2%	32.8%	-19.5%	-25.8%	5.8%	7.6%	35.0%
<b>NonMed_Drug</b>	2.8%	-2.2%	14.6%	8.0%	9.5%	12.2%	4.9%	0.3%	3.8%	7.8%	2.5%
<b>Med_Drug</b>	<u>39.9%</u>	<u>15.6%</u>	<u>21.0%</u>	<u>25.0%</u>	<u>32.2%</u>	<u>35.5%</u>	<u>19.9%</u>	<u>2.2%</u>	<u>-22.6%</u>	<u>-30.2%</u>	<u>-17.1%</u>
<b>Total</b>	19.0%	12.3%	8.9%	18.7%	8.4%	19.7%	-6.5%	-5.1%	1.3%	4.4%	8.1%

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

<b>NonMed_NonDrug</b>			3.9%			-2.9%			18.1%		
<b>Med_NonDrug</b>			13.4%			17.8%			-15.0%		
<b>NonMed_Drug</b>			4.7%			9.9%			3.1%		
<b>Med_Drug</b>			<u>25.2%</u>			<u>30.8%</u>			<u>-2.6%</u>		
<b>Total</b>			13.5%			15.6%			-3.7%		

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

<b>NonMed_NonDrug</b>			-6.6%			-7.5%			-1.6%		
<b>Med_NonDrug</b>			17.2%			17.9%			-1.9%		
<b>NonMed_Drug</b>			7.6%			6.9%			4.8%		
<b>Med_Drug</b>			<u>8.9%</u>			<u>18.1%</u>			<u>17.6%</u>		
<b>Total</b>			7.3%			10.2%			5.4%		