

# STATE OF WEST VIRGINIA



## **RETIREE HEALTH BENEFIT TRUST FUND**

**Quarterly Report  
March 31, 2022**

**Fiscal Years 2022-2026**

*Report Date: July 2022*

***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 2026. 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, 2022 (“FY 2022”), June 30, 2023 (“FY 2023”), June 30, 2024 (“FY 2024”), June 30, 2025 (“FY 2025”) and June 30, 2026 (“FY 2026”). Our opinion of plan adequacy is based on the projections through FY 2026 using updated future revenue and plan modifications provided by the Board in the plan adopted in December 2021.

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 2022 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 2022 the Pay-Go is equivalent to \$145 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 2021.

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 2022 through FY 2026 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 2026 as approved by the Board in December 2021.

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 2022 – FY 2026**

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

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

## **KEY ASSUMPTIONS**

### **A. Enrollment Changes**

The Board has requested that the projection assume retiree enrollment growth consistent with the experience of the plan. These projections assume that the Trust Fund will annually have 1,000 additional policies. We have observed a net decrease of 273 policy from June 2021 to June 2022. Continuing Care Actuaries has updated the claims analysis based on the enrollment through June 2022.

In aggregate, June 2022 enrollment has decreased by 273 coverage since the end of FY 2021. Aggregate Preferred Provider Benefit (“PPB”) enrollment has decreased by 262 in total over the same period, while managed care enrollment continues to cover fewer participants, with a decrease of 11 coverages. For MAPD Capitations, the average of 52,121 Medicare policyholders in FY 2022 was used to calculate the capitation cost.

The following chart summarizes the current enrollment as of the selected monthly billing dates of June 2020, June 2021, and June 2022 for purposes of comparison:

Trust Fund	Coverage	Preferred Provider Benefit*			Managed Care		
		Jun-20	Jun-21	Jun-22	Jun-20	Jun-21	Jun-22
Retirees	Medicare Single	21,594	21,636	21,810	-	-	-
	Medicare Family	16,058	16,170	16,085	-	-	-
	Medicare Total	37,652	37,806	37,895	-	-	-
	Non-Medicare Single	2,396	2,295	2,161	111	115	109
	Non-Medicare Family	2,994	2,714	2,497	117	104	99
	Non-Medicare Total	5,390	5,009	4,658	228	219	208
	Retiree Total	43,042	42,815	42,553	228	219	208
	Grand Total				43,270	43,034	42,761

\* The majority of PPB is capitated through Humana. As of March 2022, there are approximately 409 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, 2022 Fiscal Years 2022-2026 Report”.

### C. Trend Analysis

RHBT experienced a lower medical trend and a higher prescription drugs trend in FY 2021, 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 FY2021 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 2022 medical claim trend is 6.0%, the gross prescription drugs claim trend is 13.5% and the prescription drugs rebate trend is 15.0%.

The current trend projection is shown in the following table:

Claim Type	Previous Assumption FY 2022 Trend	Updated Assumption FY 2022 Trend
Non-Medicare – Medical	6.0%	6.0%
Medicare – Medical	6.0%	6.0%
Non-Medicare – Gross Drugs	13.5%	13.5%
Medicare – Gross Drugs	13.5%	13.5%
Prescription Drugs Rebate	15.0%	15.0%

In the past, claim trends for the financial plan included a 0.5% margin in future years. CCA has assumed the drugs claim trends for the financial projection will increase by 0.5% in FY 2023 and in each successive fiscal year. Medical trends are assumed to increase 1.0% in FY 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 2022. It is important to note that these trends ***have not*** been adjusted to reflect savings as a result of the expansion of the drug rebate program or the claim savings due to changes in provider reimbursement methodologies nor changes in the benefit structure. In developing the claim cost projection, we have reflected for benefit and reimbursement changes as an adjustment to the gross trend assumption.

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

<b><u>Fiscal Year</u></b>	<b><u>Medical Medicare</u></b>	<b><u>Medical Non-Medicare</u></b>	<b><u>Drugs Medicare</u></b>	<b><u>Drugs Non-Medicare</u></b>	<b><u>Total</u></b>
2004	9%	2%	3%	-2%	6%
2005	6%	-2%	16%	1%	8%
2006	6%	5%	11%	17%	8%
2007	6%	1%	6%	6%	5%
2008	N/A	6%	N/A	-1%	N/A
2009	N/A	-2%	N/A	5%	N/A
2010	N/A	3%	N/A	7%	N/A
2011	N/A	12%	N/A	16%	N/A
2012	-5%	-6%	2%	8%	-2%
2013	23%	-3%	-3%	-7%	-2%
2014	N/A	7%	N/A	6%	N/A
2015	N/A	6%	N/A	5%	N/A
2016	-10%	2%	11%	9%	3%
2017	11%	0%	10%	31%	9%
2018	12%	8%	41%	14%	12%
2019	43%	2%	-1%	20%	8%
2020	18%	-9%	1%	12%	-2%
2021	-8%	16%	14%	7%	13%
2022*	-3%	14%	-6%	18%	13%

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

Effective July 1, 2007, PEIA contracted with Coventry Advantra Freedom to provide Medicare Advantage/Prescription Drug Plan (“Coventry MA and PDP”) Benefits to Medicare-eligible retired employees and dependents. Under this arrangement, Coventry Advantra Freedom had assumed the financial risk of providing comprehensive medical and prescription drug coverage with limited copayments. This arrangement expired on June 30, 2010. As a result, Fiscal 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 2022 for medical claims and for prescription drugs claims, average annualized incurred unit claim costs were developed for the Trust Fund for both self-funded and managed care coverages. Continuing Care Actuaries has developed the claim cost on an adjusted exposure basis using the respective expected claim cost for each coverage type. The adjusted exposure methodology weighs the expected claim cost under each coverage type for single, member and children, and family coverages based on observed differences in health care cost. For example, under this methodology single coverage types are given a weight of 1.0 exposure, whereas member and children coverages are given a greater weighting based on historical expected health care cost relationships. Based on this methodology, the projection of FY 2022 claims and expenses are summarized in the following chart. It should be noted that the chart reflects per policy information.

Fiscal Year 2022 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	38,041			\$ 74**	\$ 170**	\$ 140
	<u>Non-Medicare</u>	<u>4,940</u>			\$ 900	\$ 340	
	Total	42,981	\$0	\$143			
	<u>Non-Medicare Managed Care</u>	<u>212</u>	\$0	\$590			\$ 1,414
	Total	43,193					

\*Net of rebates and subsidies.

\*\* As of May 2022, there are approximately 326 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 2021.

### Board Decisions – December 2021

Source	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026
<b>Additional Non-Medicare Retiree Premium (Fiscal Year)</b>	\$85,201	\$0	\$1,165,585	\$1,171,730	\$1,175,904
<b>Additional Medicare Retiree Premium (Calendar Year)</b>	(\$8,095,609)	\$0	\$3,889,876	\$4,163,163	\$4,455,300
<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>	\$34,448,616	\$34,025,693	\$0	\$0	\$0
<b>Pay Go Premium Transfer</b>	\$75,000,000	\$60,000,000	\$20,000,000	\$30,000,000	\$40,000,000
<b>Actuarial Accrued Liability*</b>	\$1,663,727,440	\$1,686,322,024	\$1,704,800,458	\$1,715,909,460	\$1,719,565,219
<b>Funded Status</b>	<b>100.5%</b>	<b>98.9%</b>	<b>106.9%</b>	<b>112.7%</b>	<b>119.5%</b>

\*Projected Result

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

Additionally, RHBT management has assumed that the Retiree Premium Assistance Program will grow as a direct result from the required retiree premium increases in the financial plan. The program's cost is currently projected to grow from \$1,516,490 in FY 2022 to \$2,063,168 in FY 2026, based on the Board's direction and projected retiree enrollment growth in the financial plan.

In FY 2022, the ACA PCORI fee is approximately \$2.79 per person per year.

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

## **E. Provider Reimbursement Changes**

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

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

### **FISCAL YEAR 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 (\$25,184,481) and incurred plan expenses of \$177,607,581 to produce a fiscal year deficit of (\$202,792,062) after the Premium Stabilization Reserve addition of \$200,000,000. The PEIA local and state agencies Pay Go premiums for FY 2022 are assumed to be \$75,000,000.

### **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 \$317,632,879 and incurred plan expenses of \$161,863,904 to produce a fiscal year surplus of \$155,768,975 after the Premium Stabilization Reserve drawdown of \$2,732,417. The PEIA local and state agencies Pay Go premiums for FY 2023 are assumed to be \$60,000,000.

### **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 \$344,993,077 and incurred plan expenses of \$177,677,313 to produce a fiscal year surplus of \$167,315,764 after the Premium Stabilization Reserve drawdown of \$54,268,410. The PEIA local and state agencies Pay Go premiums for FY 2024 are assumed to be \$20,000,000.

### **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 \$370,224,389 and incurred plan expenses of \$194,353,430 to produce a fiscal year surplus of \$175,870,959 after the Premium Stabilization Reserve drawdown of \$55,305,573. The PEIA local and state agencies Pay Go premiums for FY 2025 are assumed to be \$30,000,000.

## **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 \$397,589,195 and incurred plan expenses of \$212,590,759 to produce a fiscal year surplus of \$184,998,436 after the Premium Stabilization Reserve drawdown of \$57,590,069. The PEIA local and state agencies Pay Go premiums for FY 2026 are assumed to be \$40,000,000.

## **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 2026. These projections are based on significant revenue increases as contained in the financial plan adopted by the Board in December 2021 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 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	\$ 37,500,000	\$ 37,500,000	\$ 75,000,000
Retiree Premiums - PPB	39,033,091	34,822,287	73,855,378
Retiree Premiums - MCO	744,286	757,749	1,502,035
Annual Required Contributions	-	-	-
Non Par Premiums	1,059,322	1,059,322	2,118,644
Life Insurance	13,385,336	13,385,336	26,770,672
Investment Income	(17,215,605)	(17,215,605)	(34,431,210)
Transfer from Premium Stabilization Reserve	(104,328,332)	(95,671,668)	(200,000,000)
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ (14,821,903)</b>	<b>\$ (10,362,579)</b>	<b>\$ (25,184,481)</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 26,999,383	\$ 26,340,813	\$ 53,340,196
Gross Non-Medicare Prescription Drug Claims	18,055,963	18,230,078	36,286,041
Non-Medicare Prescription Drug Rebates	(8,025,170)	(8,102,557)	(16,127,726)
Medicare Medical Claims	852,908	298,055	1,150,963
Gross Medicare Prescription Drug Claims	3,653,627	1,323,804	4,977,432
Medicare Prescription Drug Rebates	(1,623,894)	(588,379)	(2,212,274)
Non-Medicare Managed Care Capitations	1,798,938	1,798,938	3,597,875
Humana MAPD Program	43,814,891	20,138,043	63,952,933
Administration	2,101,455	2,101,455	4,202,909
Life Insurance	13,423,232	13,423,232	26,846,464
Wellness	-	-	-
Retiree Assistance Program	758,245	758,245	1,516,490
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	15,108	15,108	30,216
Director's Discretionary Fund	23,031	23,031	46,062
<b>Total Expenses</b>	<b>\$ 101,847,716</b>	<b>\$ 75,759,866</b>	<b>\$ 177,607,581</b>
<b>Fiscal Year Results</b>	<b>\$ (116,669,618)</b>	<b>\$ (86,122,444)</b>	<b>\$ (202,792,062)</b>
Beginning Restricted Reserve			\$ 1,603,235,821
Ending Restricted Reserve			<u>\$ 1,400,443,759</u>
Beginning Premium Stabilization Reserve			\$ 68,106,504
PSR Addition/(Drawdown)			\$ 200,000,000
Ending Premium Stabilization Reserve			<u>\$ 268,106,504</u>
Total Beginning Plan Reserve			1,671,342,325
Total Ending Plan Reserve			<u>\$ 1,668,550,263</u>
Accrued Actuarial Liability (AAL)			\$ 1,663,727,440
Funded Status			100.5%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 83.05	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ (5,360,151)	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 144.70	Non-Medicare	6.0%	13.5%
		Medicare	6.0%	13.5%
		Prescription Drug Rebates		0.0%
		Capitations		7.0%
		Administrative Expense		-5.8%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		-45.4%

**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	\$ 42,500,683		\$ 42,500,683
Employer Premiums - PPB	9,469,702	(4,221,716)	5,247,987
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	45,169,410	(1,223,637)	43,945,774
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,391,947		1,391,947
Life Insurance	17,588,305		17,588,305
Investment Income	(19,029,498)		(19,029,498)
Transfer from Premium Stabilization Reserve	(161,772,829)		(161,772,829)
General Revenue Transfer (OPEB Funding)	16,632,737		16,632,737
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ (48,049,542)</b>	<b>\$ (5,445,353)</b>	<b>\$ (53,494,895)</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,150,963	\$ -	\$ 1,150,963
Gross Medicare Prescription Drug Claims	4,977,432	-	4,977,432
Medicare Prescription Drug Rebates	(2,212,274)		(2,212,274)
Humana MAPD Program	63,952,933		63,952,933
Administration	1,551,408		1,551,408
Life Insurance	17,638,100		17,638,100
Wellness	-		-
Retiree Assistance Program	996,332		996,332
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	5,479		5,479
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 88,060,372</b>	<b>\$ -</b>	<b>\$ 88,060,372</b>
<b>Fiscal Year Results</b>	<b>\$ (136,109,915)</b>		<b>\$ (141,555,267)</b>
Beginning Restricted Reserve	\$ 876,228,628		\$ 876,228,628
Ending Restricted Reserve	\$ 740,118,714		\$ 734,673,361
Beginning Premium Stabilization Reserve	\$ 47,491,606		\$ 47,491,606
PSR Addition/(Drawdown)	\$ 161,772,829		\$ 161,772,829
Ending Premium Stabilization Reserve	\$ 209,264,435		\$ 209,264,435
Total Beginning Plan Reserve	923,720,234		923,720,234
Total Ending Plan Reserve	\$ 949,383,148		\$ 943,937,796
Accrued Actuarial Liability (AAL)	\$ 1,663,727,440		\$ 1,663,727,440
Funded Status	99.1%		99.1%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 83.05	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ (5,445,353)	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 93.10	Medicare	6.0%	13.5%
		Prescription Drug Rebates		0.0%
		Capitations		7.0%
		Administrative Expense		-5.8%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		-45.4%

**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	\$ 32,499,317		\$ 32,499,317
Employer Premiums - PPB	9,440,755	(2,970,651)	6,470,104
Employer Premiums - MCO	933,180	(357,125)	576,055
Retiree Premiums - PPB	15,055,656	3,135,857	18,191,514
Retiree Premiums - MCO	648,860	277,120	925,979
Annual Required Contributions	-		-
Non Par Premiums	726,697		726,697
Life Insurance	9,182,366		9,182,366
Investment Income	(15,401,712)		(15,401,712)
Transfer from Premium Stabilization Reserve	(38,227,171)		(38,227,171)
General Revenue Transfer (OPEB Funding)	13,367,263		13,367,263
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 28,225,212</b>	<b>\$ 85,201</b>	<b>\$ 28,310,413</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 53,340,196	\$ -	\$ 53,340,196
Gross Non-Medicare Prescription Drug Claims	36,286,041	-	36,286,041
Non-Medicare Prescription Drug Rebates	(16,127,726)		(16,127,726)
Non-Medicare Managed Care Capitations	3,597,875		3,597,875
Administration	2,651,500		2,651,500
Life Insurance	9,208,363		9,208,363
Wellness	-		-
Retiree Assistance Program	520,158		520,158
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	24,738		24,738
Director's Discretionary Fund	46,062		46,062
<b>Total Expenses</b>	<b>\$ 89,547,207</b>	<b>\$ -</b>	<b>\$ 89,547,207</b>
<b>Fiscal Year Results</b>	<b>\$ (61,321,995)</b>		<b>\$ (61,236,794)</b>
Beginning Restricted Reserve	\$ 727,007,192		\$ 727,007,192
Ending Restricted Reserve	<u>\$ 665,685,197</u>		<u>\$ 665,770,398</u>
Beginning Premium Stabilization Reserve	\$ 20,614,898		\$ 20,614,898
PSR Addition/(Drawdown)	\$ 38,227,171		\$ 38,227,171
Ending Premium Stabilization Reserve	<u>\$ 58,842,069</u>		<u>\$ 58,842,069</u>
<b>Total Beginning Plan Reserve</b>	<b>747,622,091</b>		<b>747,622,091</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 724,527,267</b>		<b>\$ 724,612,468</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	\$ 83.05			
Additional Retiree Premiums	\$ 85,201			
Pay Go PEPM Subsidy for Retirees	\$ 525.65	Non-Medicare	6.0%	13.5%
		Prescription Drug Rebates		0.0%
		Capitations		7.0%
		Administrative Expense		-5.8%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		-45.4%

**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	\$ 30,000,000	\$ 30,000,000	\$ 60,000,000
Retiree Premiums - PPB	33,653,292	33,754,188	67,407,480
Retiree Premiums - MCO	779,859	779,859	1,559,717
Annual Required Contributions	-	-	-
Non Par Premiums	1,027,543	1,027,543	2,055,085
Life Insurance	14,054,603	14,054,603	28,109,205
Investment Income	62,884,487	62,884,487	125,768,975
Transfer from Premium Stabilization Reserve	1,422,619	1,309,798	2,732,417
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 158,822,402</b>	<b>\$ 158,810,477</b>	<b>\$ 317,632,879</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 28,984,582	\$ 28,410,379	\$ 57,394,962
Gross Non-Medicare Prescription Drug Claims	19,715,757	19,949,582	39,665,339
Non-Medicare Prescription Drug Rebates	(9,995,092)	(10,091,476)	(20,086,568)
Medicare Medical Claims	879,569	308,903	1,188,472
Gross Medicare Prescription Drug Claims	3,823,752	1,388,669	5,212,421
Medicare Prescription Drug Rebates	(1,942,409)	(703,785)	(2,646,195)
Non-Medicare Managed Care Capitations	1,942,853	1,942,853	3,885,705
Humana MAPD Program	19,761,089	23,116,714	42,877,803
Administration	2,164,498	2,164,498	4,328,996
Life Insurance	14,094,394	14,094,394	28,188,787
Wellness	-	-	-
Retiree Assistance Program	818,905	818,905	1,637,809
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	14,769	14,769	29,537
Director's Discretionary Fund	93,418	93,418	186,836
<b>Total Expenses</b>	<b>\$ 80,356,082</b>	<b>\$ 81,507,821</b>	<b>\$ 161,863,904</b>
<b>Fiscal Year Results</b>	<b>\$ 78,466,320</b>	<b>\$ 77,302,656</b>	<b>\$ 155,768,975</b>
Beginning Restricted Reserve			\$ 1,400,443,759
Ending Restricted Reserve			<u>\$ 1,556,212,733</u>
Beginning Premium Stabilization Reserve			\$ 268,106,504
PSR Addition/(Drawdown)			\$ (2,732,417)
Ending Premium Stabilization Reserve			<u>\$ 265,374,087</u>
Total Beginning Plan Reserve			1,668,550,263
Total Ending Plan Reserve			<u>\$ 1,821,586,820</u>
Accrued Actuarial Liability (AAL)			\$ 1,686,322,024
Funded Status			98.9%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 66.62	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ (4,799,189)	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 115.46	Non-Medicare	7.0%	14.0%
		Medicare	7.0%	14.0%
		Prescription Drug Rebates		23.3%
		Capitations		14.4%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		-20.0%

**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	\$ 22,806,777		\$ 22,806,777
Employer Premiums - PPB	8,573,139	(829,481)	7,743,658
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	41,029,123	(3,969,709)	37,059,414
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,350,189		1,350,189
Life Insurance	18,467,720		18,467,720
Investment Income	71,150,442		71,150,442
Transfer from Premium Stabilization Reserve	2,207,305		2,207,305
General Revenue Transfer (OPEB Funding)	18,985,230		18,985,230
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 184,569,925</b>	<b>\$ (4,799,189)</b>	<b>\$ 179,770,735</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,188,472	\$ -	\$ 1,188,472
Gross Medicare Prescription Drug Claims	5,490,958	(278,536)	5,212,422
Medicare Prescription Drug Rebates	(2,646,195)		(2,646,195)
Humana MAPD Program	42,877,803		42,877,803
Administration	1,597,951		1,597,951
Life Insurance	18,520,005		18,520,005
Wellness	-		-
Retiree Assistance Program	1,076,039		1,076,039
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	6,698		6,698
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 68,111,731</b>	<b>\$ (278,536)</b>	<b>\$ 67,833,195</b>
<b>Fiscal Year Results</b>	<b>\$ 116,458,193</b>		<b>\$ 111,937,540</b>
Beginning Restricted Reserve	\$ 734,673,361		\$ 734,673,361
Ending Restricted Reserve	<u>\$ 851,131,555</u>		<u>\$ 846,610,901</u>
Beginning Premium Stabilization Reserve	\$ 209,264,435		\$ 209,264,435
PSR Addition/(Drawdown)	\$ (2,207,305)		\$ (2,207,305)
Ending Premium Stabilization Reserve	<u>\$ 207,057,129</u>		<u>\$ 207,057,129</u>
Total Beginning Plan Reserve	943,937,796		943,937,796
Total Ending Plan Reserve	<u>\$ 1,058,188,684</u>		<u>\$ 1,053,668,031</u>
Accrued Actuarial Liability (AAL)	\$ 1,686,322,024		\$ 1,686,322,024
Funded Status	101.4%		101.5%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 66.62	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ (4,799,189)	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 49.31	Medicare	7.0%	14.0%
		Prescription Drug Rebates		23.3%
		Capitations		14.4%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		-20.0%

**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	\$ 37,193,223		\$ 37,193,223
Employer Premiums - PPB	8,689,394	-	8,689,394
Employer Premiums - MCO	917,590	-	917,590
Retiree Premiums - PPB	13,915,013	-	13,915,013
Retiree Premiums - MCO	642,128	-	642,128
Annual Required Contributions	-		-
Non Par Premiums	704,896		704,896
Life Insurance	9,641,485		9,641,485
Investment Income	54,618,533		54,618,533
Transfer from Premium Stabilization Reserve	525,112		525,112
General Revenue Transfer (OPEB Funding)	11,014,770		11,014,770
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 137,862,143</b>	<b>\$ -</b>	<b>\$ 137,862,143</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 57,394,962	\$ -	\$ 57,394,962
Gross Non-Medicare Prescription Drug Claims	41,695,900	(2,030,562)	39,665,338
Non-Medicare Prescription Drug Rebates	(20,086,568)		(20,086,568)
Non-Medicare Managed Care Capitations	3,885,705		3,885,705
Administration	2,731,046		2,731,046
Life Insurance	9,668,781		9,668,781
Wellness	-		-
Retiree Assistance Program	561,770		561,770
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	22,839		22,839
Director's Discretionary Fund	186,835		186,835
<b>Total Expenses</b>	<b>\$ 96,061,270</b>	<b>\$ (2,030,562)</b>	<b>\$ 94,030,708</b>
<b>Fiscal Year Results</b>	<b>\$ 41,800,873</b>		<b>\$ 43,831,435</b>
Beginning Restricted Reserve	\$ 665,770,398		\$ 665,770,398
Ending Restricted Reserve	\$ 707,571,272		\$ 709,601,834
Beginning Premium Stabilization Reserve	\$ 58,842,069		\$ 58,842,069
PSR Addition/(Drawdown)	\$ (525,112)		\$ (525,112)
Ending Premium Stabilization Reserve	\$ 58,316,957		\$ 58,316,957
<b>Total Beginning Plan Reserve</b>	<b>724,612,468</b>		<b>724,612,468</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 765,888,229</b>		<b>\$ 767,918,791</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	\$ 66.62			
Additional Retiree Premiums	\$ -			
Pay Go PEPM Subsidy for Retirees	\$ 651.37	Non-Medicare	7.0%	14.0%
		Prescription Drug Rebates		23.3%
		Capitations		14.4%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		-20.0%

**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	\$ 10,000,000	\$ 10,000,000	\$ 20,000,000
Retiree Premiums - PPB	34,499,056	35,758,161	70,257,217
Retiree Premiums - MCO	821,794	821,794	1,643,588
Annual Required Contributions	-	-	-
Non Par Premiums	996,717	996,717	1,993,433
Life Insurance	14,757,333	14,757,333	29,514,665
Investment Income	68,657,882	68,657,882	137,315,764
Transfer from Premium Stabilization Reserve	28,208,157	26,060,253	54,268,410
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 172,940,938</b>	<b>\$ 172,052,139</b>	<b>\$ 344,993,077</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 31,366,158	\$ 30,816,372	\$ 62,182,530
Gross Non-Medicare Prescription Drug Claims	22,729,775	23,049,622	45,779,397
Non-Medicare Prescription Drug Rebates	(11,609,300)	(11,721,249)	(23,330,548)
Medicare Medical Claims	914,253	321,877	1,236,129
Gross Medicare Prescription Drug Claims	4,234,189	1,541,291	5,775,480
Medicare Prescription Drug Rebates	(2,166,758)	(785,073)	(2,951,830)
Non-Medicare Managed Care Capitations	2,098,281	2,098,281	4,196,561
Humana MAPD Program	22,684,004	26,058,688	48,742,692
Administration	2,229,433	2,229,433	4,458,866
Life Insurance	14,799,113	14,799,113	29,598,226
Wellness	-	-	-
Retiree Assistance Program	884,417	884,417	1,768,834
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	16,278	16,278	32,555
Director's Discretionary Fund	94,211	94,211	188,421
<b>Total Expenses</b>	<b>\$ 88,274,053</b>	<b>\$ 89,403,260</b>	<b>\$ 177,677,313</b>
<b>Fiscal Year Results</b>	<b>\$ 84,666,885</b>	<b>\$ 82,648,880</b>	<b>\$ 167,315,764</b>
Beginning Restricted Reserve			\$ 1,556,212,733
Ending Restricted Reserve			<u>\$ 1,723,528,498</u>
Beginning Premium Stabilization Reserve			\$ 265,374,087
PSR Addition/(Drawdown)			\$ (54,268,410)
Ending Premium Stabilization Reserve			<u>\$ 211,105,677</u>
Total Beginning Plan Reserve			1,821,586,820
Total Ending Plan Reserve			<u>\$ 1,934,634,174</u>
Accrued Actuarial Liability (AAL)			\$ 1,704,800,458
Funded Status			106.9%

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
		Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$ 22.21			
Additional Retiree Premiums	\$ 3,739,559	Non-Medicare	7.5%	14.5%
Pay Go PEPM Subsidy for Retirees	\$ 37.62	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		-66.7%

**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	\$ 4,958,222		\$ 4,958,222
Employer Premiums - PPB	7,764,865	444,880	8,209,745
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	37,160,905	2,129,094	39,290,000
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,309,683		1,309,683
Life Insurance	19,391,106		19,391,106
Investment Income	79,428,128		79,428,128
Transfer from Premium Stabilization Reserve	43,782,367		43,782,367
General Revenue Transfer (OPEB Funding)	16,698,274		16,698,274
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 210,493,550</b>	<b>\$ 2,573,974</b>	<b>\$ 213,067,524</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,236,129	\$ -	\$ 1,236,129
Gross Medicare Prescription Drug Claims	5,775,480	-	5,775,480
Medicare Prescription Drug Rebates	(2,951,830)		(2,951,830)
Humana MAPD Program	48,742,692		48,742,692
Administration	1,645,889		1,645,889
Life Insurance	19,446,006		19,446,006
Wellness	-		-
Retiree Assistance Program	1,162,122		1,162,122
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	10,605		10,605
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 75,067,093</b>	<b>\$ -</b>	<b>\$ 75,067,093</b>
<b>Fiscal Year Results</b>	<b>\$ 135,426,457</b>		<b>\$ 138,000,431</b>
Beginning Restricted Reserve	\$ 846,610,901		\$ 846,610,901
Ending Restricted Reserve	<u>\$ 982,037,358</u>		<u>\$ 984,611,332</u>
Beginning Premium Stabilization Reserve	\$ 207,057,129		\$ 207,057,129
PSR Addition/(Drawdown)	\$ (43,782,367)		\$ (43,782,367)
Ending Premium Stabilization Reserve	<u>\$ 163,274,763</u>		<u>\$ 163,274,763</u>
Total Beginning Plan Reserve	1,053,668,031		1,053,668,031
Total Ending Plan Reserve	<u>\$ 1,145,312,121</u>		<u>\$ 1,147,886,095</u>
Accrued Actuarial Liability (AAL)	\$ 1,704,800,458		\$ 1,704,800,458
Funded Status	107.9%		108.0%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 22.21	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 2,573,974	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 10.40	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		-66.7%

**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	\$ 15,041,778		\$ 15,041,778
Employer Premiums - PPB	8,330,351	417,884	8,748,235
Employer Premiums - MCO	920,743	46,188	966,931
Retiree Premiums - PPB	13,340,048	669,190	14,009,238
Retiree Premiums - MCO	644,334	32,322	676,657
Annual Required Contributions	-		-
Non Par Premiums	683,749		683,749
Life Insurance	10,123,559		10,123,559
Investment Income	57,887,636		57,887,636
Transfer from Premium Stabilization Reserve	10,486,044		10,486,044
General Revenue Transfer (OPEB Funding)	13,301,726		13,301,726
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 130,759,968</b>	<b>\$ 1,165,585</b>	<b>\$ 131,925,553</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 62,182,530	\$ -	\$ 62,182,530
Gross Non-Medicare Prescription Drug Claims	45,779,397	-	45,779,397
Non-Medicare Prescription Drug Rebates	(23,330,548)		(23,330,548)
Non-Medicare Managed Care Capitations	4,196,561		4,196,561
Administration	2,812,977		2,812,977
Life Insurance	10,152,220		10,152,220
Wellness	-		-
Retiree Assistance Program	606,712		606,712
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	21,950		21,950
Director's Discretionary Fund	188,420		188,420
<b>Total Expenses</b>	<b>\$ 102,610,219</b>	<b>\$ -</b>	<b>\$ 102,610,219</b>
<b>Fiscal Year Results</b>	<b>\$ 28,149,749</b>		<b>\$ 29,315,334</b>
Beginning Restricted Reserve	\$ 709,601,834		\$ 709,601,834
Ending Restricted Reserve	\$ 737,751,582		\$ 738,917,167
Beginning Premium Stabilization Reserve	\$ 58,316,957		\$ 58,316,957
PSR Addition/(Drawdown)	\$ (10,486,044)		\$ (10,486,044)
Ending Premium Stabilization Reserve	\$ 47,830,914		\$ 47,830,914
<b>Total Beginning Plan Reserve</b>	<b>767,918,791</b>		<b>767,918,791</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 785,582,496</b>		<b>\$ 786,748,081</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	\$ 22.21			
Additional Retiree Premiums	\$ 1,165,585			
Pay Go PEPM Subsidy for Retirees	\$ 274.98	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		-66.7%

**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	\$ 15,000,000	\$ 15,000,000	\$ 30,000,000
Retiree Premiums - PPB	36,513,488	37,872,385	74,385,873
Retiree Premiums - MCO	868,977	868,977	1,737,954
Annual Required Contributions	-	-	-
Non Par Premiums	966,815	966,815	1,933,630
Life Insurance	15,495,200	15,495,200	30,990,399
Investment Income	72,935,479	72,935,479	145,870,959
Transfer from Premium Stabilization Reserve	28,697,696	26,607,877	55,305,573
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 185,477,656</b>	<b>\$ 184,746,733</b>	<b>\$ 370,224,389</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 34,101,834	\$ 33,581,759	\$ 67,683,594
Gross Non-Medicare Prescription Drug Claims	26,319,354	26,747,800	53,067,153
Non-Medicare Prescription Drug Rebates	(13,484,201)	(13,614,230)	(27,098,432)
Medicare Medical Claims	954,739	336,957	1,291,695
Gross Medicare Prescription Drug Claims	4,709,220	1,718,162	6,427,382
Medicare Prescription Drug Rebates	(2,417,018)	(875,749)	(3,292,767)
Non-Medicare Managed Care Capitations	2,266,143	2,266,143	4,532,286
Humana MAPD Program	25,570,909	28,364,866	53,935,774
Administration	2,296,316	2,296,316	4,592,632
Life Insurance	15,539,069	15,539,069	31,078,137
Wellness	-	-	-
Retiree Assistance Program	955,171	955,171	1,910,341
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	17,788	17,788	35,576
Director's Discretionary Fund	95,030	95,030	190,059
<b>Total Expenses</b>	<b>\$ 96,924,351</b>	<b>\$ 97,429,079</b>	<b>\$ 194,353,430</b>
<b>Fiscal Year Results</b>	<b>\$ 88,553,305</b>	<b>\$ 87,317,654</b>	<b>\$ 175,870,959</b>
Beginning Restricted Reserve			\$ 1,723,528,498
Ending Restricted Reserve			<u>\$ 1,899,399,456</u>
Beginning Premium Stabilization Reserve			\$ 211,105,677
PSR Addition/(Drawdown)			\$ (55,305,573)
Ending Premium Stabilization Reserve			<u>\$ 155,800,103</u>
Total Beginning Plan Reserve			1,934,634,174
Total Ending Plan Reserve			<u>\$ 2,055,199,560</u>
Accrued Actuarial Liability (AAL)			\$ 1,715,909,460
Funded Status			112.7%

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
		Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$ 33.31			
Additional Retiree Premiums	\$ 5,064,403	Non-Medicare	8.0%	15.0%
Pay Go PEPM Subsidy for Retirees	\$ 55.18	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		50.0%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE**

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

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

<b>Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 7,818,565		\$ 7,818,565
Employer Premiums - PPB	8,232,665	672,801	8,905,466
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	39,399,692	3,219,873	42,619,565
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,270,393		1,270,393
Life Insurance	20,360,662		20,360,662
Investment Income	86,550,340		86,550,340
Transfer from Premium Stabilization Reserve	44,560,978		44,560,978
General Revenue Transfer (OPEB Funding)	17,557,244		17,557,244
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 225,750,539</b>	<b>\$ 3,892,674</b>	<b>\$ 229,643,212</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,291,695	\$ -	\$ 1,291,695
Gross Medicare Prescription Drug Claims	6,427,382	-	6,427,382
Medicare Prescription Drug Rebates	(3,292,767)		(3,292,767)
Humana MAPD Program	53,935,774		53,935,774
Administration	1,695,266		1,695,266
Life Insurance	20,418,306		20,418,306
Wellness	-		-
Retiree Assistance Program	1,255,092		1,255,092
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	14,511		14,511
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 81,745,259</b>	<b>\$ -</b>	<b>\$ 81,745,259</b>
<b>Fiscal Year Results</b>	<b>\$ 144,005,280</b>		<b>\$ 147,897,953</b>
Beginning Restricted Reserve	\$ 984,611,332		\$ 984,611,332
Ending Restricted Reserve	<u>\$ 1,128,616,612</u>		<u>\$ 1,132,509,285</u>
Beginning Premium Stabilization Reserve	\$ 163,274,763		\$ 163,274,763
PSR Addition/(Drawdown)	\$ (44,560,978)		\$ (44,560,978)
Ending Premium Stabilization Reserve	<u>\$ 118,713,785</u>		<u>\$ 118,713,785</u>
Total Beginning Plan Reserve	1,147,886,095		1,147,886,095
Total Ending Plan Reserve	<u>\$ 1,247,330,397</u>		<u>\$ 1,251,223,070</u>
Accrued Actuarial Liability (AAL)	\$ 1,715,909,460		\$ 1,715,909,460
Funded Status	113.7%		113.8%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 33.31	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 3,892,674	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 15.91	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		50.0%

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

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

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

<b>Non-Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 22,181,435		\$ 22,181,435
Employer Premiums - PPB	8,369,368	418,603	8,787,971
Employer Premiums - MCO	973,745	48,703	1,022,448
Retiree Premiums - PPB	13,402,529	670,342	14,072,871
Retiree Premiums - MCO	681,425	34,082	715,507
Annual Required Contributions	-		-
Non Par Premiums	663,237		663,237
Life Insurance	10,629,737		10,629,737
Investment Income	59,320,619		59,320,619
Transfer from Premium Stabilization Reserve	10,744,595		10,744,595
General Revenue Transfer (OPEB Funding)	12,442,756		12,442,756
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 139,409,447</b>	<b>\$ 1,171,730</b>	<b>\$ 140,581,177</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 67,683,594	\$ -	\$ 67,683,594
Gross Non-Medicare Prescription Drug Claims	53,067,153	-	53,067,153
Non-Medicare Prescription Drug Rebates	(27,098,432)		(27,098,432)
Non-Medicare Managed Care Capitations	4,532,286		4,532,286
Administration	2,897,366		2,897,366
Life Insurance	10,659,831		10,659,831
Wellness	-		-
Retiree Assistance Program	655,249		655,249
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	21,065		21,065
Director's Discretionary Fund	190,059		190,059
<b>Total Expenses</b>	<b>\$ 112,608,171</b>	<b>\$ -</b>	<b>\$ 112,608,171</b>
<b>Fiscal Year Results</b>	<b>\$ 26,801,276</b>		<b>\$ 27,973,005</b>
Beginning Restricted Reserve	\$ 738,917,167		\$ 738,917,167
Ending Restricted Reserve	<u>\$ 765,718,443</u>		<u>\$ 766,890,173</u>
Beginning Premium Stabilization Reserve	\$ 47,830,914		\$ 47,830,914
PSR Addition/(Drawdown)	\$ (10,744,595)		\$ (10,744,595)
Ending Premium Stabilization Reserve	<u>\$ 37,086,318</u>		<u>\$ 37,086,318</u>
<b>Total Beginning Plan Reserve</b>	<b>786,748,081</b>		<b>786,748,081</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 802,804,761</b>		<b>\$ 803,976,491</b>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 33.31	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 1,171,730	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 424.02	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		50.0%

**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	\$ 20,000,000	\$ 20,000,000	\$ 40,000,000
Retiree Premiums - PPB	38,637,659	40,103,178	78,740,837
Retiree Premiums - MCO	922,156	922,156	1,844,312
Annual Required Contributions	-	-	-
Non Par Premiums	937,811	937,811	1,875,621
Life Insurance	16,269,960	16,269,960	32,539,919
Investment Income	77,499,218	77,499,218	154,998,436
Transfer from Premium Stabilization Reserve	29,829,042	27,761,028	57,590,069
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 199,095,845</b>	<b>\$ 198,493,350</b>	<b>\$ 397,589,195</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 37,248,340	\$ 36,764,910	\$ 74,013,250
Gross Non-Medicare Prescription Drug Claims	30,608,738	31,174,417	61,783,155
Non-Medicare Prescription Drug Rebates	(15,661,900)	(15,812,929)	(31,474,829)
Medicare Medical Claims	1,001,648	354,377	1,356,026
Gross Medicare Prescription Drug Claims	5,260,385	1,923,664	7,184,049
Medicare Prescription Drug Rebates	(2,696,184)	(976,897)	(3,673,081)
Non-Medicare Managed Care Capitations	2,447,435	2,447,435	4,894,869
Humana MAPD Program	27,833,918	31,017,420	58,851,339
Administration	2,365,206	2,365,206	4,730,411
Life Insurance	16,316,022	16,316,022	32,632,044
Wellness	-	-	-
Retiree Assistance Program	1,031,584	1,031,584	2,063,168
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	19,299	19,299	38,598
Director's Discretionary Fund	95,880	95,880	191,760
<b>Total Expenses</b>	<b>\$ 105,870,371</b>	<b>\$ 106,720,387</b>	<b>\$ 212,590,759</b>
<b>Fiscal Year Results</b>	<b>\$ 93,225,473</b>	<b>\$ 91,772,963</b>	<b>\$ 184,998,436</b>
Beginning Restricted Reserve			\$ 1,899,399,456
Ending Restricted Reserve			<u>\$ 2,084,397,892</u>
Beginning Premium Stabilization Reserve			\$ 155,800,103
PSR Addition/(Drawdown)			\$ (57,590,069)
Ending Premium Stabilization Reserve			<u>\$ 98,210,034</u>
Total Beginning Plan Reserve			2,055,199,560
Total Ending Plan Reserve			<u>\$ 2,182,607,926</u>
Accrued Actuarial Liability (AAL)			\$ 1,719,565,219
Funded Status			119.5%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 44.41	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 5,338,725	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 71.98	Non-Medicare	8.5%	15.5%
		Medicare	8.5%	15.5%
		Prescription Drug Rebates		15.0%
		Capitations		9.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		33.3%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE**

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

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

<b>Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 10,224,251		\$ 10,224,251
Employer Premiums - PPB	8,930,649	719,492	9,650,141
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	42,740,088	3,443,328	46,183,416
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,232,281		1,232,281
Life Insurance	21,378,695		21,378,695
Investment Income	94,364,373		94,364,373
Transfer from Premium Stabilization Reserve	46,340,852		46,340,852
General Revenue Transfer (OPEB Funding)	17,639,234		17,639,234
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 242,850,423</b>	<b>\$ 4,162,821</b>	<b>\$ 247,013,244</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,356,026	\$ -	\$ 1,356,026
Gross Medicare Prescription Drug Claims	7,184,049	-	7,184,049
Medicare Prescription Drug Rebates	(3,673,081)		(3,673,081)
Humana MAPD Program	58,851,339		58,851,339
Administration	1,746,124		1,746,124
Life Insurance	21,439,221		21,439,221
Wellness	-		-
Retiree Assistance Program	1,355,499		1,355,499
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	18,415		18,415
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 88,277,592</b>	<b>\$ -</b>	<b>\$ 88,277,592</b>
<b>Fiscal Year Results</b>	<b>\$ 154,572,831</b>		<b>\$ 158,735,652</b>
Beginning Restricted Reserve	\$ 1,132,509,285		\$ 1,132,509,285
Ending Restricted Reserve	<u>\$ 1,287,082,117</u>		<u>\$ 1,291,244,937</u>
Beginning Premium Stabilization Reserve	\$ 118,713,785		\$ 118,713,785
PSR Addition/(Drawdown)	\$ (46,340,852)		\$ (46,340,852)
Ending Premium Stabilization Reserve	<u>\$ 72,372,933</u>		<u>\$ 72,372,933</u>
Total Beginning Plan Reserve	1,251,223,070		1,251,223,070
Total Ending Plan Reserve	<u>\$ 1,359,455,049</u>		<u>\$ 1,363,617,870</u>
Accrued Actuarial Liability (AAL)	\$ 1,719,565,219		\$ 1,719,565,219
Funded Status	120.3%		120.4%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 44.41	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 4,162,821	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 20.22	Medicare	8.5%	15.5%
		Prescription Drug Rebates		15.0%
		Capitations		9.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		33.3%

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

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

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

<b>Non-Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 29,775,749		\$ 29,775,749
Employer Premiums - PPB	8,387,473	418,349	8,805,822
Employer Premiums - MCO	1,033,471	51,547	1,085,018
Retiree Premiums - PPB	13,431,522	669,935	14,101,458
Retiree Premiums - MCO	723,221	36,073	759,294
Annual Required Contributions	-		-
Non Par Premiums	643,340		643,340
Life Insurance	11,161,224		11,161,224
Investment Income	60,634,062		60,634,062
Transfer from Premium Stabilization Reserve	11,249,217		11,249,217
General Revenue Transfer (OPEB Funding)	12,360,766		12,360,766
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 149,400,046</b>	<b>\$ 1,175,904</b>	<b>\$ 150,575,950</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 74,013,250	\$ -	\$ 74,013,250
Gross Non-Medicare Prescription Drug Claims	61,783,155	-	61,783,155
Non-Medicare Prescription Drug Rebates	(31,474,829)		(31,474,829)
Non-Medicare Managed Care Capitations	4,894,869		4,894,869
Administration	2,984,287		2,984,287
Life Insurance	11,192,823		11,192,823
Wellness	-		-
Retiree Assistance Program	707,669		707,669
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	20,183		20,183
Director's Discretionary Fund	191,761		191,761
<b>Total Expenses</b>	<b>\$ 124,313,168</b>	<b>\$ -</b>	<b>\$ 124,313,168</b>
<b>Fiscal Year Results</b>	<b>\$ 25,086,878</b>		<b>\$ 26,262,782</b>
Beginning Restricted Reserve	\$ 766,890,173		\$ 766,890,173
Ending Restricted Reserve	<u>\$ 791,977,050</u>		<u>\$ 793,152,955</u>
Beginning Premium Stabilization Reserve	\$ 37,086,318		\$ 37,086,318
PSR Addition/(Drawdown)	\$ (11,249,217)		\$ (11,249,217)
Ending Premium Stabilization Reserve	<u>\$ 25,837,101</u>		<u>\$ 25,837,101</u>
<b>Total Beginning Plan Reserve</b>	<b>803,976,491</b>		<b>803,976,491</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 817,814,152</b>		<b>\$ 818,990,056</b>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 44.41	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 1,175,904	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 596.32	Non-Medicare	8.5%	15.5%
		Prescription Drug Rebates		15.0%
		Capitations		9.0%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		33.3%

**Attachment - Trust Fund  
Historical Monthly Medical and Drug Trends  
FY 2021 to FY 2022**

**Fiscal Year 2021**

<b>Exposure</b>	<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>	<u>Jun-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	12,337
<b>Med_NonDrug</b>	1,132	1,436	1,715	1,961	2,183	2,368	255	442	609	757	903	1,059
<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	11,441
<b>Med_Drug</b>	1,179	1,496	1,787	2,043	2,274	2,466	266	460	634	788	941	1,103

	<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>	<u>Jun-21</u>
<b>NonMed_NonDrug</b>	\$267.21	\$281.63	\$264.64	\$288.10	\$262.56	\$241.18	\$286.90	\$326.99	\$328.76	\$341.54	\$353.04	\$374.26
<b>Med_NonDrug</b>	324.75	273.76	227.69	301.71	193.27	251.60	864.94	334.06	382.17	287.15	327.17	272.14
<b>NonMed_Drug</b>	196.92	192.38	202.30	215.28	202.73	223.77	218.52	197.70	239.50	229.31	222.01	257.42
<b>Med_Drug</b>	<u>468.35</u>	<u>413.59</u>	<u>438.70</u>	<u>470.57</u>	<u>448.26</u>	<u>502.71</u>	<u>485.95</u>	<u>428.36</u>	<u>422.41</u>	<u>434.62</u>	<u>457.27</u>	<u>466.39</u>
<b>Total</b>	\$1,257.22	\$1,161.36	\$1,133.33	\$1,275.66	\$1,106.83	\$1,219.26	\$1,856.32	\$1,287.09	\$1,372.84	\$1,292.61	\$1,359.48	\$1,370.20

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

<b>NonMed_NonDrug</b>	7.8%	7.2%	1.5%	2.0%	2.1%	-6.3%	-4.4%	21.2%	38.0%	106.5%	45.8%	21.6%
<b>Med_NonDrug</b>	13.5%	20.2%	-3.2%	32.4%	-23.1%	23.6%	-16.5%	-36.1%	-23.1%	-15.3%	25.7%	-16.6%
<b>NonMed_Drug</b>	2.2%	-2.7%	14.2%	6.5%	8.3%	11.6%	4.5%	-0.4%	3.4%	7.1%	10.3%	18.2%
<b>Med_Drug</b>	<u>39.6%</u>	<u>15.4%</u>	<u>20.9%</u>	<u>22.8%</u>	<u>29.7%</u>	<u>34.9%</u>	<u>21.5%</u>	<u>1.9%</u>	<u>-22.7%</u>	<u>-7.2%</u>	<u>20.5%</u>	<u>-16.3%</u>
<b>Total</b>	18.4%	11.0%	9.4%	16.4%	6.3%	17.9%	-4.5%	-8.8%	-9.3%	8.9%	25.5%	-2.8%

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

<b>NonMed_NonDrug</b>			5.5%			-0.7%			16.6%			49.4%
<b>Med_NonDrug</b>			10.3%			9.3%			-23.1%			-4.2%
<b>NonMed_Drug</b>			4.3%			8.8%			2.6%			11.9%
<b>Med_Drug</b>			<u>24.9%</u>			<u>29.0%</u>			<u>-2.2%</u>			<u>-3.3%</u>
<b>Total</b>			12.9%			13.6%			-7.3%			9.3%

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

<b>NonMed_NonDrug</b>			-6.7%			-7.2%			-1.8%			17.0%
<b>Med_NonDrug</b>			15.1%			14.8%			-7.9%			-8.4%
<b>NonMed_Drug</b>			7.5%			6.5%			4.3%			6.9%
<b>Med_Drug</b>			<u>9.0%</u>			<u>17.8%</u>			<u>17.3%</u>			<u>10.3%</u>
<b>Total</b>			6.7%			9.2%			3.4%			5.6%

**Attachment - Trust Fund  
Historical Monthly Medical and Drug Trends  
FY 2021 to FY 2022**

**Fiscal Year 2022**

**Exposure**

	<u>Jul-21</u>	<u>Aug-21</u>	<u>Sep-21</u>	<u>Oct-21</u>	<u>Nov-21</u>	<u>Dec-21</u>	<u>Jan-22</u>	<u>Feb-22</u>	<u>Mar-22</u>	<u>Apr-22</u>	<u>May-22</u>
<b>NonMed_NonDrug</b>	12,630	12,670	12,602	12,396	12,302	12,136	12,176	12,048	11,868	11,746	11,586
<b>Med_NonDrug</b>	1,458	1,672	1,847	2,071	2,250	2,384	324	442	555	734	876
<b>NonMed_Drug</b>	11,713	11,750	11,687	11,498	11,411	11,256	11,293	11,176	11,010	10,895	10,748
<b>Med_Drug</b>	1,518	1,742	1,924	2,157	2,343	2,483	338	460	578	765	913

	<u>Jul-21</u>	<u>Aug-21</u>	<u>Sep-21</u>	<u>Oct-21</u>	<u>Nov-21</u>	<u>Dec-21</u>	<u>Jan-22</u>	<u>Feb-22</u>	<u>Mar-22</u>	<u>Apr-22</u>	<u>May-22</u>
<b>NonMed_NonDrug</b>	\$296.47	\$331.79	\$311.87	\$321.34	\$316.11	\$297.52	\$321.14	\$322.61	\$429.25	\$377.69	\$462.92
<b>Med_NonDrug</b>	236.56	263.30	269.49	232.25	189.26	197.00	675.76	439.37	494.20	357.23	332.84
<b>NonMed_Drug</b>	212.37	249.21	243.58	246.29	246.78	262.24	257.85	234.93	277.43	247.88	273.28
<b>Med_Drug</b>	<u>413.01</u>	<u>400.60</u>	<u>407.31</u>	<u>413.86</u>	<u>399.22</u>	<u>472.24</u>	<u>395.60</u>	<u>461.66</u>	<u>524.74</u>	<u>423.84</u>	<u>422.73</u>
<b>Total</b>	\$1,158.41	\$1,244.90	\$1,232.25	\$1,213.74	\$1,151.37	\$1,228.99	\$1,650.35	\$1,458.58	\$1,725.62	\$1,406.64	\$1,491.77

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

<b>NonMed_NonDrug</b>	11.0%	17.8%	17.8%	11.5%	20.4%	23.4%	11.9%	-1.3%	30.6%	10.6%	31.1%
<b>Med_NonDrug</b>	-27.2%	-3.8%	18.4%	-23.0%	-2.1%	-21.7%	-21.9%	31.5%	29.3%	24.4%	1.7%
<b>NonMed_Drug</b>	7.8%	29.5%	20.4%	14.4%	21.7%	17.2%	18.0%	18.8%	15.8%	8.1%	23.1%
<b>Med_Drug</b>	<u>-11.8%</u>	<u>-3.1%</u>	<u>-7.2%</u>	<u>-12.1%</u>	<u>-10.9%</u>	<u>-6.1%</u>	<u>-18.6%</u>	<u>7.8%</u>	<u>24.2%</u>	<u>-2.5%</u>	<u>-7.6%</u>
<b>Total</b>	-7.9%	7.2%	8.7%	-4.9%	4.0%	0.8%	-11.1%	13.3%	25.7%	8.8%	9.7%

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

<b>NonMed_NonDrug</b>	15.6%	18.1%	13.8%
<b>Med_NonDrug</b>	-6.9%	-17.2%	1.8%
<b>NonMed_Drug</b>	19.2%	17.7%	17.5%
<b>Med_Drug</b>	<u>-7.6%</u>	<u>-9.6%</u>	<u>3.4%</u>
<b>Total</b>	2.4%	-0.2%	7.0%

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

<b>NonMed_NonDrug</b>	19.4%	24.2%	23.1%
<b>Med_NonDrug</b>	-11.3%	-15.3%	-4.8%
<b>NonMed_Drug</b>	10.5%	12.7%	16.5%
<b>Med_Drug</b>	<u>2.8%</u>	<u>-5.7%</u>	<u>-4.3%</u>
<b>Total</b>	3.3%	0.4%	4.8%