

STATE OF WEST VIRGINIA



RETIREE HEALTH BENEFIT TRUST FUND

**Quarterly Report
March 31, 2023**

Fiscal Years 2023-2027

Report Date: June 2023

YOUR ACTUARIES FOR THE LONG-TERM!



415 Main Street
Reisterstown, MD 21136-1905
410-833-4220
410-833-4229 (fax)
www.continuingcareactuaries.com

Finance Board
West Virginia Retiree Health Benefit Trust Fund
601 57th St., SE, Suite 2
Charleston, West Virginia 25304-2345

Ladies and Gentlemen:

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

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

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

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

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

Continuing Care Actuaries has provided financial report for fiscal year ending June 30, 2023 (“FY 2023”), June 30, 2024 (“FY 2024”), June 30, 2025 (“FY 2025”), June 30, 2026 (“FY 2026”) and June 30, 2027 (“FY 2027”). Our opinion of plan adequacy is based on the projections through FY 2027 using updated future revenue and plan modifications provided by the Board in the plan adopted in December 2022.

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

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

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

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

In FY 2023 the Pay-Go is equivalent to \$115 per retiree per month. In future years, the Pay Go premium may increase by a maximum of 3% per retiree per year, indexed to the initial fixed subsidy determined in FY 2013. The new Pay-Go premium formula is based on the financial plan approved by the Financial Board in December 2022.

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

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

Based on our review, and subject to the conditions described herein, we believe the financial plan approved by the Board for FY 2023 through FY 2027 may be reasonably expected to generate sufficient revenues, when combined with the existing surplus, to meet estimated insurance program and administrative costs of the Trust Fund.

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

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

Respectfully,



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



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

West Virginia Retiree Health Benefit Trust Fund

Report of Independent Actuary

Financial Plan for FY 2023 – FY 2027

OVERVIEW

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

This report was compiled utilizing claims data collected by RHBT's third party administrators through May 2023 for prescription drugs and medical claims. Enrollment data, administrative expenses, managed care capitations, and plan revenues were provided at special request from RHBT. Revenue assumptions are based on premium rates, assumed investment income and significant general and special revenue allocations provided by the Governor, some which have not been approved by the West Virginia Legislature. In addition, other information became available through presentations made at Board meetings, which has been used in arriving at our conclusions.

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

KEY ASSUMPTIONS

A. Enrollment Changes

The Board has requested that the projection assume retiree enrollment growth consistent with the experience of the plan. These projections assume that the Trust Fund will annually have 1,000 additional policies. We have observed a net decrease of 256 policy from June 2022 to June 2023. Continuing Care Actuaries has updated the claims analysis based on the enrollment through June 2023.

In aggregate, June 2023 enrollment has decreased by 256 coverage since the end of FY 2022. Aggregate Preferred Provider Benefit (“PPB”) enrollment has decreased by 224 in total over the same period, while managed care enrollment continues to cover fewer participants, with a decrease of 32 coverages. For MAPD Capitations, the average of 52,291 Medicare policyholders in FY 2023 was used to calculate the capitation cost.

The following chart summarizes the current enrollment as of the selected monthly billing dates of June 2021, June 2022, and June 2023 for purposes of comparison:

Trust Fund	Coverage	Preferred Provider Benefit*			Managed Care		
		Jun-21	Jun-22	Jun-23	Jun-21	Jun-22	Jun-23
Retirees	Medicare Single	21,636	21,810	21,993	-	-	-
	Medicare Family	16,170	16,085	16,042	-	-	-
	Medicare Total	37,806	37,895	38,035	-	-	-
	Non-Medicare Single	2,295	2,161	1,991	115	109	87
	Non-Medicare Family	2,714	2,497	2,303	104	99	89
	Non-Medicare Total	5,009	4,658	4,294	219	208	176
	Retiree Total	42,815	42,553	42,329	219	208	176
	Grand Total				43,034	42,761	42,505

* The majority of PPB is capitated through Humana. As of June 2023, there are approximately 905 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, 2023 Fiscal Years 2023-2027 Report”.

C. Trend Analysis

RHBT experienced a lower medical trend and a lower prescription drugs trend in FY 2023, and over the past few years, total trends have been beneficial to the plan. Continuing Care Actuaries performed the detailed medical and prescription drugs trend analysis in the report titled, “PEIA FY2022 Detailed Medical and Prescription Drugs Claim Trend Report”. This report includes the detailed trend analysis of PEIA experience by medical and prescription drugs. Based on the analysis, the FY 2023 medical claim trend is 7.0%, the gross prescription drugs claim trend is 14.0% and the prescription drugs rebate trend is 15.0%. In 2023, there were an additional rebate included in the projection to reflect the new PBM contract with ESI.

The current trend projection is shown in the following table:

Claim Type	Previous Assumption FY 2023 Trend	Updated Assumption FY 2023 Trend
Non-Medicare – Medical	7.0%	7.0%
Medicare – Medical	7.0%	7.0%
Non-Medicare – Gross Drugs	14.0%	14.0%
Medicare – Gross Drugs	14.0%	14.0%
Prescription Drugs Rebate	15.0%	15.0%

In the past, claim trends for the financial plan included a 0.5% margin in future years. CCA has assumed the medical and drugs claim trends for the financial projection will increase by 0.5% in FY 2024 and in each successive fiscal year. Additionally, drug rebates have been trending at approximately 15% over the last two years. As a result, CCA has separated net drugs in the financial plan into gross drugs and drug rebate amounts. Drug rebates trends are set at 15% in the financial plan. At the Board’s request, the baseline trend assumptions have been established to reflect the most likely or expected trends.

The following chart summarizes the trend results observed for the plan using data through May 2023. It is important to note that these trends have not been adjusted to reflect savings as a result of the expansion of the drug rebate program or the claim savings due to changes in provider reimbursement methodologies nor changes in the benefit structure. In developing the claim cost projection, we have reflected for benefit and reimbursement changes as an adjustment to the gross trend assumption.

Aggregate Trust Fund Historical Trends (Retirees)

<u>Fiscal Year</u>	<u>Medical Medicare</u>	<u>Medical Non-Medicare</u>	<u>Drugs Medicare</u>	<u>Drugs Non-Medicare</u>	<u>Total</u>
2004	9%	2%	3%	-2%	6%
2005	6%	-2%	16%	1%	8%
2006	6%	5%	11%	17%	8%
2007	6%	1%	6%	6%	5%
2008	N/A	6%	N/A	-1%	N/A
2009	N/A	-2%	N/A	5%	N/A
2010	N/A	3%	N/A	7%	N/A
2011	N/A	12%	N/A	16%	N/A
2012	-5%	-6%	2%	8%	-2%
2013	23%	-3%	-3%	-7%	-2%
2014	N/A	7%	N/A	6%	N/A
2015	N/A	6%	N/A	5%	N/A
2016	-10%	2%	11%	9%	3%
2017	11%	0%	10%	31%	9%
2018	12%	8%	41%	14%	12%
2019	43%	2%	-1%	20%	8%
2020	18%	-9%	1%	12%	-2%
2021	-9%	15%	14%	7%	12%
2022	5%	11%	-3%	17%	12%
2023*	-5%	6%	-8%	4%	4%

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

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

D. Enrollment, Claim, Expense and Revenue Assumptions

Using aggregate PEIA and Trust Fund paid claim data through May 2023 for medical claims and for prescription drugs claims, average annualized incurred unit claim costs were developed for the Trust Fund for both self-funded and managed care coverages. Continuing Care Actuaries has developed the claim cost on an adjusted exposure basis using the respective expected claim cost for each coverage type. The adjusted exposure methodology weighs the expected claim cost under each coverage type for single, member and children, and family coverages based on observed differences in health care cost. For example, under this methodology single coverage types are given a weight of 1.0 exposure, whereas member and children coverages are given a greater weighting based on historical expected health care cost relationships. Based on this methodology, the projection of FY 2023 claims and expenses are summarized in the following chart. It should be noted that the chart reflects per policy information.

Fiscal Year 2023 Projection			Revenue		Expenses		
Fund	Program	Policies	Monthly Employer Premiums	Monthly Employee Premiums	Monthly Medical Costs	Monthly Drugs Costs*	Monthly Capitation Costs
Retiree	Medicare Humana and Express Scripts	38,139			\$ 326**	\$ 217**	\$ 94
	<u>Non-Medicare</u>	<u>4,556</u>			\$ 870	\$ 351	
	Total	42,695	\$0	\$133			
	<u>Non-Medicare Managed Care</u>	<u>188</u>	\$0	\$610			\$ 1,460
	Total	42,883					

*Net of rebates and subsidies.

** As of June 2023, there are approximately 905 Medicare retiree coverages that were not capitated through Humana.

Projected plan revenues and administrative expenses were provided by RHBT. The following chart summarizes the financial plan adopted by the Board in December 2022 and modified for SB268 in March 2023.

Board Decisions – December 2022

Source	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027
Additional Non-Medicare Retiree Premium (Fiscal Year)	\$0	\$0	\$2,110,638	\$2,212,473	\$2,314,345
Additional Medicare Retiree Premium (Calendar Year)	\$0	\$0	\$6,235,312	\$7,010,040	\$7,881,298
General Revenue Transfer (OPEB Funding)	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000
General Revenue Transfer (Premium Offset)	\$0	\$0	\$0	\$0	\$0
Benefit Reductions and Savings / (Increase) - Retiree Non-Medicare	\$0	\$0	\$0	\$0	\$0
Board Decision Benefit Reduction – Retiree Medicare	\$0	\$0	\$0	\$0	\$0
Benefit Reductions / (Increase) - Humana MAPD (Calendar Year)	\$0	\$0	\$0	\$0	\$0
Pay Go Premium Transfer	\$59,394,085	\$0	\$29,000,000	\$29,000,000	\$29,000,000
Actuarial Accrued Liability*	\$1,756,185,713	\$1,767,903,755	\$1,770,059,292	\$1,767,235,505	\$1,759,719,792
Funded Status	92.5%	98.9%	103.6%	110.0%	116.8%

*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 \$1,389,108 in FY 2023 to \$1,889,866 in FY 2027, based on the Board's direction and projected retiree enrollment growth in the financial plan.

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

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

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

E. Provider Reimbursement Changes

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

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

FISCAL YEAR 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 \$262,420,184 and incurred plan expenses of \$153,349,959 to produce a fiscal year surplus of \$109,070,224 after the Premium Stabilization Reserve addition of \$14,000,000. The PEIA local and state agencies Pay Go premiums for FY 2023 are assumed to be \$59,394,085.

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 \$335,036,901 and incurred plan expenses of \$173,057,981 to produce a fiscal year surplus of \$161,978,920 after the Premium Stabilization Reserve drawdown of \$76,727,557. The PEIA local and state agencies Pay Go premiums for FY 2024 are assumed to be \$0.

FISCAL YEAR 2025 FORECAST

The financial forecast for FY 2025 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2025 projects accrued revenue of \$357,604,964 and incurred plan expenses of \$189,135,817 to produce a fiscal year surplus of \$168,469,147 after the Premium Stabilization Reserve drawdown of \$57,451,138. The PEIA local and state agencies Pay Go premiums for FY 2025 are assumed to be \$29,000,000.

FISCAL YEAR 2026 FORECAST

The financial forecast for FY 2026 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2026 projects accrued revenue of \$383,554,554 and incurred plan expenses of \$206,652,086 to produce a fiscal year surplus of \$176,902,468 after the Premium Stabilization Reserve drawdown of \$65,770,676. The PEIA local and state agencies Pay Go premiums for FY 2026 are assumed to be \$29,000,000.

FISCAL YEAR 2027 FORECAST

The financial forecast for FY 2027 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2027 projects accrued revenue of \$412,276,139 and incurred plan expenses of \$226,920,053 to produce a fiscal year surplus of \$185,356,085 after the Premium Stabilization Reserve drawdown of \$75,947,601. The PEIA local and state agencies Pay Go premiums for FY 2027 are assumed to be \$29,000,000.

LITIGATION

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

SUMMARY

It should be noted that the aggregate PEIA and Trust Fund reserves will meet or exceed the 10% of program expense requirement under the Baseline Scenario assumptions. With projected changes to the plan as adopted in the Board, we are forecasting that the plan will meet the minimum 10% reserve target set by West Virginia Statute through the projection period ending with the fiscal year 2027. These projections are based on significant revenue increases as contained in the financial plan adopted by the Board in December 2022 and are contingent on legislative approval.

These forecasts are based on assumptions including the estimated cost and savings of plan changes, expected trend levels and exposure levels. The continued enrollment changes of the managed care options, changes in physician, ambulatory and hospital provider reimbursement; possible changes in methodology of managed care premium calculation; and changes in the prescription drugs program, can be expected to further exacerbate the difficulty of projecting future medical and drugs claim levels and lags. These projections do not incorporate any anticipated effects of national or state health care reform, such as Medicare and Medicaid reform. As such, actual results deviating from those amounts projected in these pages should not be unexpected. With the legislatively mandated requirement of a five-year projection, it should be assumed that constant modifications would be required.

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

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

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

	7/1/2022 to 12/31/2022	1/1/2023 to 6/30/2023	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 29,697,043	\$ 29,697,043	\$ 59,394,085
Retiree Premiums - PPB	33,605,530	34,451,152	68,056,682
Retiree Premiums - MCO	696,280	679,909	1,376,189
Annual Required Contributions	-	-	-
Non Par Premiums	1,012,163	1,012,163	2,024,326
Life Insurance	13,172,934	13,172,934	26,345,868
Investment Income	44,611,517	44,611,517	89,223,034
Transfer from Premium Stabilization Reserve	(7,454,258)	(6,545,742)	(14,000,000)
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 130,341,208	\$ 132,078,975	\$ 262,420,184
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 23,963,825	\$ 23,587,699	\$ 47,551,524
Gross Non-Medicare Prescription Drug Claims	16,281,012	16,538,350	32,819,362
Non-Medicare Prescription Drug Rebates	(6,760,978)	(6,867,842)	(13,628,821)
Medicare Medical Claims	3,515,232	1,292,348	4,807,580
Gross Medicare Prescription Drug Claims	4,137,576	1,572,426	5,710,002
Medicare Prescription Drug Rebates	(1,718,202)	(652,978)	(2,371,179)
Non-Medicare Managed Care Capitations	1,646,705	1,646,705	3,293,409
Humana MAPD Program	19,737,762	23,081,318	42,819,080
Administration	2,216,697	2,216,697	4,433,394
Life Insurance	13,185,438	13,185,438	26,370,876
Wellness	-	-	-
Retiree Assistance Program	694,554	694,554	1,389,108
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	14,605	14,605	29,209
Director's Discretionary Fund	63,208	63,208	126,415
Total Expenses	\$ 76,977,433	\$ 76,372,526	\$ 153,349,959
Fiscal Year Results	\$ 53,363,776	\$ 55,706,449	\$ 109,070,224
Beginning Restricted Reserve			\$ 1,356,864,649
Ending Restricted Reserve			<u>\$ 1,465,934,874</u>
Beginning Premium Stabilization Reserve			\$ 268,106,504
PSR Addition/(Drawdown)			\$ 14,000,000
Ending Premium Stabilization Reserve			<u>\$ 282,106,504</u>
Total Beginning Plan Reserve			1,624,971,153
Total Ending Plan Reserve			<u>\$ 1,748,041,378</u>
Accrued Actuarial Liability (AAL)			\$ 1,756,185,713
Funded Status			92.5%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 66.41	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ (2,846,189)	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 115.42	Non-Medicare	7.0%	14.0%
		Medicare	7.0%	14.0%
		Prescription Drug Rebates		0.0%
		Capitations		14.4%
		Administrative Expense		0.9%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		-20.6%

**APPENDIX - BASELINE SCENARIO
RHBT - MEDICARE**

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

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

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 10,675,013		\$ 10,675,013
Employer Premiums - PPB	5,153,885	(426,096)	4,727,789
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	43,354,759	(3,070,440)	40,284,319
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,321,492		1,321,492
Life Insurance	17,198,737		17,198,737
Investment Income	51,153,692		51,153,692
Transfer from Premium Stabilization Reserve	(11,508,061)		(11,508,061)
General Revenue Transfer (OPEB Funding)	21,162,462		21,162,462
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 138,511,979	\$ (3,496,536)	\$ 135,015,443
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 4,807,580	\$ -	\$ 4,807,580
Gross Medicare Prescription Drug Claims	6,047,607	(337,605)	5,710,002
Medicare Prescription Drug Rebates	(2,371,179)		(2,371,179)
Humana MAPD Program	42,819,080		42,819,080
Administration	1,636,487		1,636,487
Life Insurance	17,215,062		17,215,062
Wellness	-		-
Retiree Assistance Program	906,818		906,818
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	5,449		5,449
Director's Discretionary Fund	-		-
Total Expenses	\$ 71,066,904	\$ (337,605)	\$ 70,729,299
Fiscal Year Results	\$ 67,445,075		\$ 64,286,144
Beginning Restricted Reserve	\$ 722,370,266		\$ 722,370,266
Ending Restricted Reserve	<u>\$ 789,815,341</u>		<u>\$ 786,656,410</u>
Beginning Premium Stabilization Reserve	\$ 209,264,435		\$ 209,264,435
PSR Addition/(Drawdown)	\$ 11,508,061		\$ 11,508,061
Ending Premium Stabilization Reserve	<u>\$ 220,772,496</u>		<u>\$ 220,772,496</u>
Total Beginning Plan Reserve	931,634,700		931,634,700
Total Ending Plan Reserve	<u>\$ 1,010,587,837</u>		<u>\$ 1,007,428,906</u>
Accrued Actuarial Liability (AAL)	\$ 1,756,185,713		\$ 1,756,185,713
Funded Status	95.1%		95.2%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 66.41	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ (3,496,536)	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 23.32	Medicare	7.0%	14.0%
		Prescription Drug Rebates		0.0%
		Capitations		14.4%
		Administrative Expense		0.9%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		-20.6%

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

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

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

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 48,719,072		\$ 48,719,072
Employer Premiums - PPB	5,668,944	(225,238)	5,443,705
Employer Premiums - MCO	506,343	(10,201)	496,142
Retiree Premiums - PPB	16,788,968	811,901	17,600,869
Retiree Premiums - MCO	806,161	73,886	880,047
Annual Required Contributions	-		-
Non Par Premiums	702,834		702,834
Life Insurance	9,147,131		9,147,131
Investment Income	38,069,341		38,069,341
Transfer from Premium Stabilization Reserve	(2,491,939)		(2,491,939)
General Revenue Transfer (OPEB Funding)	8,837,538		8,837,538
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 126,754,393	\$ 650,347	\$ 127,404,740
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 47,551,524	\$ -	\$ 47,551,524
Gross Non-Medicare Prescription Drug Claims	34,823,949	(2,004,587)	32,819,362
Non-Medicare Prescription Drug Rebates	(13,628,821)		(13,628,821)
Non-Medicare Managed Care Capitations	3,293,409		3,293,409
Administration	2,796,907		2,796,907
Life Insurance	9,155,814		9,155,814
Wellness	-		-
Retiree Assistance Program	482,290		482,290
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	23,760		23,760
Director's Discretionary Fund	126,415		126,415
Total Expenses	\$ 84,625,247	\$ (2,004,587)	\$ 82,620,660
Fiscal Year Results	\$ 42,129,146		\$ 44,784,080
Beginning Restricted Reserve	\$ 634,494,382		\$ 634,494,382
Ending Restricted Reserve	<u>\$ 676,623,528</u>		<u>\$ 679,278,462</u>
Beginning Premium Stabilization Reserve	\$ 58,842,069		\$ 58,842,069
PSR Addition/(Drawdown)	\$ 2,491,939		\$ 2,491,939
Ending Premium Stabilization Reserve	<u>\$ 61,334,008</u>		<u>\$ 61,334,008</u>
Total Beginning Plan Reserve	693,336,451		693,336,451
Total Ending Plan Reserve	\$ 737,957,536		\$ 740,612,470
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go Monthly Premium for Actives	\$ 66.41			
Additional Retiree Premiums	\$ 650,347			
Pay Go PEPM Subsidy for Retirees	\$ 855.82	Non-Medicare	7.0%	14.0%
		Prescription Drug Rebates		0.0%
		Capitations		14.4%
		Administrative Expense		0.9%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		-20.6%

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

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

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

	7/1/2023 to 12/31/2023	1/1/2024 to 6/30/2024	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ -	\$ -	\$ -
Retiree Premiums - PPB	32,675,259	32,775,739	65,450,998
Retiree Premiums - MCO	626,334	626,334	1,252,669
Annual Required Contributions	-	-	-
Non Par Premiums	981,798	981,798	1,963,596
Life Insurance	13,831,581	13,831,581	27,663,161
Investment Income	65,989,460	65,989,460	131,978,920
Transfer from Premium Stabilization Reserve	40,638,213	36,089,344	76,727,557
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 169,742,645	\$ 165,294,256	\$ 335,036,901
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 28,426,311	\$ 28,045,180	\$ 56,471,491
Gross Non-Medicare Prescription Drug Claims	18,654,167	18,990,356	37,644,523
Non-Medicare Prescription Drug Rebates	(7,852,876)	(7,976,999)	(15,829,875)
Medicare Medical Claims	3,653,849	1,346,590	5,000,438
Gross Medicare Prescription Drug Claims	4,581,700	1,745,200	6,326,900
Medicare Prescription Drug Rebates	(1,916,654)	(728,397)	(2,645,051)
Non-Medicare Managed Care Capitations	1,778,441	1,778,441	3,556,882
Humana MAPD Program	22,609,086	25,963,504	48,572,590
Administration	2,283,198	2,283,198	4,566,396
Life Insurance	13,844,710	13,844,710	27,689,420
Wellness	-	-	-
Retiree Assistance Program	750,119	750,119	1,500,237
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	14,547	14,547	29,094
Director's Discretionary Fund	87,468	87,468	174,935
Total Expenses	\$ 86,914,065	\$ 86,143,917	\$ 173,057,981
Fiscal Year Results	\$ 82,828,581	\$ 79,150,339	\$ 161,978,920
Beginning Restricted Reserve			\$ 1,465,934,874
Ending Restricted Reserve			\$ 1,627,913,794
Beginning Premium Stabilization Reserve			\$ 282,106,504
PSR Addition/(Drawdown)			\$ (76,727,557)
Ending Premium Stabilization Reserve			\$ 205,378,947
Total Beginning Plan Reserve			1,748,041,378
Total Ending Plan Reserve			\$ 1,833,292,741
Accrued Actuarial Liability (AAL)			\$ 1,767,903,755
Funded Status			98.9%

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$ -			
Additional Retiree Premiums	\$ 616,852	Non-Medicare	7.5%	14.5%
Pay Go PEPM Subsidy for Retirees	\$ -	Medicare	7.5%	14.5%
		Prescription Drug Rebates		15.0%
		Capitations		12.4%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		-100.0%

**APPENDIX - BASELINE SCENARIO
RHBT - MEDICARE**

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

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

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ -		\$ -
Employer Premiums - PPB	4,701,742	16,048	4,717,791
Employer Premiums - MCO	-		-
Retiree Premiums - PPB	39,433,286	600,804	40,034,091
Retiree Premiums - MCO	-		-
Annual Required Contributions	-		-
Non Par Premiums	1,281,847		1,281,847
Life Insurance	18,058,674		18,058,674
Investment Income	76,061,902		76,061,902
Transfer from Premium Stabilization Reserve	62,970,670		62,970,670
General Revenue Transfer (OPEB Funding)	15,261,864		15,261,864
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 217,769,986	\$ 616,852	\$ 218,386,838
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 5,000,438	\$ -	\$ 5,000,438
Gross Medicare Prescription Drug Claims	6,326,900	-	6,326,900
Medicare Prescription Drug Rebates	(2,645,051)		(2,645,051)
Humana MAPD Program	48,572,590		48,572,590
Administration	1,685,581		1,685,581
Life Insurance	18,075,815		18,075,815
Wellness	-		-
Retiree Assistance Program	979,363		979,363
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	7,161		7,161
Director's Discretionary Fund	-		-
Total Expenses	\$ 78,002,798	\$ -	\$ 78,002,798
Fiscal Year Results	\$ 139,767,188		\$ 140,384,040
Beginning Restricted Reserve	\$ 786,656,410		\$ 786,656,410
Ending Restricted Reserve	<u>\$ 926,423,598</u>		<u>\$ 927,040,450</u>
Beginning Premium Stabilization Reserve	\$ 220,772,496		\$ 220,772,496
PSR Addition/(Drawdown)	\$ (62,970,670)		\$ (62,970,670)
Ending Premium Stabilization Reserve	<u>\$ 157,801,826</u>		<u>\$ 157,801,826</u>
Total Beginning Plan Reserve	1,007,428,906		1,007,428,906
Total Ending Plan Reserve	<u>\$ 1,084,225,424</u>		<u>\$ 1,084,842,276</u>
Accrued Actuarial Liability (AAL)	\$ 1,767,903,755		\$ 1,767,903,755
Funded Status	99.6%		99.3%

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go Monthly Premium for Actives	\$ -			
Additional Retiree Premiums	\$ 616,852			
Pay Go PEPM Subsidy for Retirees	\$ -	Medicare	7.5%	14.5%
		Prescription Drug Rebates		15.0%
		Capitations		12.4%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		-100.0%

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

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

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

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ -		\$ -
Employer Premiums - PPB	4,945,800	-	4,945,800
Employer Premiums - MCO	463,734	-	463,734
Retiree Premiums - PPB	15,753,317	-	15,753,317
Retiree Premiums - MCO	788,935	-	788,935
Annual Required Contributions	-		-
Non Par Premiums	681,749		681,749
Life Insurance	9,604,488		9,604,488
Investment Income	55,917,018		55,917,018
Transfer from Premium Stabilization Reserve	13,756,887		13,756,887
General Revenue Transfer (OPEB Funding)	14,738,136		14,738,136
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 116,650,064	\$ -	\$ 116,650,064
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 51,518,260	\$ 4,953,231	\$ 56,471,491
Gross Non-Medicare Prescription Drug Claims	37,878,341	(233,818)	37,644,523
Non-Medicare Prescription Drug Rebates	(15,829,875)		(15,829,875)
Non-Medicare Managed Care Capitations	3,556,882		3,556,882
Administration	2,880,814		2,880,814
Life Insurance	9,613,604		9,613,604
Wellness	-		-
Retiree Assistance Program	520,873		520,873
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	21,933		21,933
Director's Discretionary Fund	174,934		174,934
Total Expenses	\$ 90,335,766	\$ 4,719,413	\$ 95,055,179
Fiscal Year Results	\$ 26,314,298		\$ 21,594,885
Beginning Restricted Reserve	\$ 679,278,462		\$ 679,278,462
Ending Restricted Reserve	<u>\$ 705,592,760</u>		<u>\$ 700,873,347</u>
Beginning Premium Stabilization Reserve	\$ 61,334,008		\$ 61,334,008
PSR Addition/(Drawdown)	\$ (13,756,887)		\$ (13,756,887)
Ending Premium Stabilization Reserve	<u>\$ 47,577,121</u>		<u>\$ 47,577,121</u>
Total Beginning Plan Reserve	740,612,470		740,612,470
Total Ending Plan Reserve	\$ 753,169,882		\$ 748,450,469
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

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

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

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

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

	7/1/2024 to 12/31/2024	1/1/2025 to 6/30/2025	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 14,500,000	\$ 14,500,000	\$ 29,000,000
Retiree Premiums - PPB	33,968,865	36,384,949	70,353,814
Retiree Premiums - MCO	689,929	689,929	1,379,857
Annual Required Contributions	-	-	-
Non Par Premiums	952,344	952,344	1,904,688
Life Insurance	14,523,160	14,523,160	29,046,319
Investment Income	69,234,573	69,234,573	138,469,147
Transfer from Premium Stabilization Reserve	30,352,393	27,098,745	57,451,138
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 179,221,264	\$ 178,383,700	\$ 357,604,964
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 30,902,822	\$ 30,559,023	\$ 61,461,845
Gross Non-Medicare Prescription Drug Claims	21,612,846	22,050,152	43,662,998
Non-Medicare Prescription Drug Rebates	(9,121,116)	(9,265,284)	(18,386,400)
Medicare Medical Claims	3,815,654	1,409,640	5,225,294
Gross Medicare Prescription Drug Claims	5,095,719	1,945,423	7,041,142
Medicare Prescription Drug Rebates	(2,138,027)	(812,527)	(2,950,554)
Non-Medicare Managed Care Capitations	1,920,716	1,920,716	3,841,432
Humana MAPD Program	25,432,304	28,201,211	53,633,515
Administration	2,351,694	2,351,694	4,703,388
Life Insurance	14,536,946	14,536,946	29,073,891
Wellness	-	-	-
Retiree Assistance Program	810,128	810,128	1,620,256
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	16,276	16,276	32,551
Director's Discretionary Fund	88,230	88,230	176,459
Total Expenses	\$ 95,324,192	\$ 93,811,626	\$ 189,135,817
Fiscal Year Results	\$ 83,897,072	\$ 84,572,074	\$ 168,469,147
Beginning Restricted Reserve			\$ 1,627,913,794
Ending Restricted Reserve			<u>\$ 1,796,382,940</u>
Beginning Premium Stabilization Reserve			\$ 205,378,947
PSR Addition/(Drawdown)			\$ (57,451,138)
Ending Premium Stabilization Reserve			<u>\$ 147,927,809</u>
Total Beginning Plan Reserve			1,833,292,741
Total Ending Plan Reserve			<u>\$ 1,944,310,749</u>
Accrued Actuarial Liability (AAL)			\$ 1,770,059,292
Funded Status			103.6%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 32.65	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 5,848,976	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 54.87	Non-Medicare	8.0%	15.0%
		Medicare	8.0%	15.0%
		Prescription Drug Rebates		15.0%
		Capitations		8.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		0.0%

**APPENDIX - BASELINE SCENARIO
RHBT - MEDICARE**

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

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

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 9,066,643		\$ 9,066,643
Employer Premiums - PPB	4,730,244	394,100	5,124,344
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	40,139,770	3,344,239	43,484,009
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,243,391		1,243,391
Life Insurance	18,961,607		18,961,607
Investment Income	81,938,422		81,938,422
Transfer from Premium Stabilization Reserve	47,075,331		47,075,331
General Revenue Transfer (OPEB Funding)	18,416,369		18,416,369
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 221,571,777	\$ 3,738,339	\$ 225,310,116
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 5,225,294	\$ -	\$ 5,225,294
Gross Medicare Prescription Drug Claims	7,041,142	-	7,041,142
Medicare Prescription Drug Rebates	(2,950,554)		(2,950,554)
Humana MAPD Program	53,633,515		53,633,515
Administration	1,736,149		1,736,149
Life Insurance	18,979,606		18,979,606
Wellness	-		-
Retiree Assistance Program	1,057,712		1,057,712
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	11,550		11,550
Director's Discretionary Fund	-		-
Total Expenses	\$ 84,734,414	\$ -	\$ 84,734,414
Fiscal Year Results	\$ 136,837,363		\$ 140,575,702
Beginning Restricted Reserve	\$ 927,040,450		\$ 927,040,450
Ending Restricted Reserve	<u>\$ 1,063,877,814</u>		<u>\$ 1,067,616,153</u>
Beginning Premium Stabilization Reserve	\$ 157,801,826		\$ 157,801,826
PSR Addition/(Drawdown)	\$ (47,075,331)		\$ (47,075,331)
Ending Premium Stabilization Reserve	<u>\$ 110,726,494</u>		<u>\$ 110,726,494</u>
Total Beginning Plan Reserve	1,084,842,276		1,084,842,276
Total Ending Plan Reserve	<u>\$ 1,174,604,308</u>		<u>\$ 1,178,342,647</u>
Accrued Actuarial Liability (AAL)	\$ 1,770,059,292		\$ 1,770,059,292
Funded Status	104.4%		104.6%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 32.65	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 3,738,339	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 18.94	Medicare	8.0%	15.0%
		Prescription Drug Rebates		15.0%
		Capitations		8.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		0.0%

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

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

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

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 19,933,357		\$ 19,933,357
Employer Premiums - PPB	4,721,592	474,219	5,195,812
Employer Premiums - MCO	464,197	46,622	510,819
Retiree Premiums - PPB	15,039,171	1,510,479	16,549,650
Retiree Premiums - MCO	789,722	79,317	869,039
Annual Required Contributions	-		-
Non Par Premiums	661,297		661,297
Life Insurance	10,084,712		10,084,712
Investment Income	56,530,725		56,530,725
Transfer from Premium Stabilization Reserve	10,375,807		10,375,807
General Revenue Transfer (OPEB Funding)	11,583,631		11,583,631
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 130,184,211	\$ 2,110,638	\$ 132,294,848
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 61,467,620	\$ (5,774)	\$ 61,461,846
Gross Non-Medicare Prescription Drug Claims	43,637,456	25,542	43,662,998
Non-Medicare Prescription Drug Rebates	(18,386,400)		(18,386,400)
Non-Medicare Managed Care Capitations	3,841,432		3,841,432
Administration	2,967,239		2,967,239
Life Insurance	10,094,285		10,094,285
Wellness	-		-
Retiree Assistance Program	562,543		562,543
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	21,002		21,002
Director's Discretionary Fund	176,459		176,459
Total Expenses	\$ 104,381,635	\$ 19,768	\$ 104,401,403
Fiscal Year Results	\$ 25,802,575		\$ 27,893,445
Beginning Restricted Reserve	\$ 700,873,347		\$ 700,873,347
Ending Restricted Reserve	\$ 726,675,923		\$ 728,766,792
Beginning Premium Stabilization Reserve	\$ 47,577,121		\$ 47,577,121
PSR Addition/(Drawdown)	\$ (10,375,807)		\$ (10,375,807)
Ending Premium Stabilization Reserve	\$ 37,201,314		\$ 37,201,314
Total Beginning Plan Reserve	748,450,469		748,450,469
Total Ending Plan Reserve	\$ 763,877,237		\$ 765,968,107
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$ 32.65			
Additional Retiree Premiums	\$ 2,110,638			
Pay Go PEPM Subsidy for Retirees	\$ 399.19	Non-Medicare	8.0%	15.0%
		Prescription Drug Rebates		15.0%
		Capitations		8.5%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		0.0%

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

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

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

	7/1/2025 to 12/31/2025	1/1/2026 to 6/30/2026	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 14,500,000	\$ 14,500,000	\$ 29,000,000
Retiree Premiums - PPB	37,637,561	40,372,134	78,009,695
Retiree Premiums - MCO	762,767	762,767	1,525,534
Annual Required Contributions	-	-	-
Non Par Premiums	923,774	923,774	1,847,547
Life Insurance	15,249,318	15,249,318	30,498,635
Investment Income	73,451,234	73,451,234	146,902,468
Transfer from Premium Stabilization Reserve	34,659,086	31,111,589	65,770,676
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 192,183,739	\$ 191,370,815	\$ 383,554,554
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 33,748,668	\$ 33,450,061	\$ 67,198,729
Gross Non-Medicare Prescription Drug Claims	25,149,230	25,713,582	50,862,812
Non-Medicare Prescription Drug Rebates	(10,594,176)	(10,761,628)	(21,355,804)
Medicare Medical Claims	4,003,132	1,482,479	5,485,612
Gross Medicare Prescription Drug Claims	5,692,123	2,178,053	7,870,175
Medicare Prescription Drug Rebates	(2,384,970)	(906,373)	(3,291,343)
Non-Medicare Managed Care Capitations	2,074,374	2,074,374	4,148,747
Humana MAPD Program	27,624,229	30,772,938	58,397,167
Administration	2,422,245	2,422,245	4,844,489
Life Insurance	15,263,793	15,263,793	30,527,585
Wellness	-	-	-
Retiree Assistance Program	874,938	874,938	1,749,876
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	18,006	18,006	36,011
Director's Discretionary Fund	89,015	89,015	178,030
Total Expenses	\$ 103,980,605	\$ 102,671,482	\$ 206,652,086
Fiscal Year Results	\$ 88,203,134	\$ 88,699,334	\$ 176,902,468
Beginning Restricted Reserve			\$ 1,796,382,940
Ending Restricted Reserve			<u>\$ 1,973,285,408</u>
Beginning Premium Stabilization Reserve			\$ 147,927,809
PSR Addition/(Drawdown)			\$ (65,770,676)
Ending Premium Stabilization Reserve			<u>\$ 82,157,133</u>
Total Beginning Plan Reserve			1,944,310,749
Total Ending Plan Reserve			<u>\$ 2,055,442,541</u>
Accrued Actuarial Liability (AAL)			\$ 1,767,235,505
Funded Status			110.0%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 32.65	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 8,707,083	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 53.65	Non-Medicare	8.5%	15.5%
		Medicare	8.5%	15.5%
		Prescription Drug Rebates		15.0%
		Capitations		9.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		0.0%

**APPENDIX - BASELINE SCENARIO
RHBT - MEDICARE**

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

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

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 8,923,651		\$ 8,923,651
Employer Premiums - PPB	5,137,513	684,669	5,822,181
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	43,595,756	5,809,941	49,405,698
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,206,090		1,206,090
Life Insurance	19,909,688		19,909,688
Investment Income	89,029,662		89,029,662
Transfer from Premium Stabilization Reserve	43,631,976		43,631,976
General Revenue Transfer (OPEB Funding)	17,747,491		17,747,491
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 229,181,827	\$ 6,494,610	\$ 235,676,437
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 5,485,612	\$ -	\$ 5,485,612
Gross Medicare Prescription Drug Claims	7,870,175	-	7,870,175
Medicare Prescription Drug Rebates	(3,291,343)		(3,291,343)
Humana MAPD Program	58,397,167		58,397,167
Administration	1,788,233		1,788,233
Life Insurance	19,928,586		19,928,586
Wellness	-		-
Retiree Assistance Program	1,142,329		1,142,329
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	15,938		15,938
Director's Discretionary Fund	-		-
Total Expenses	\$ 91,336,698	\$ -	\$ 91,336,698
Fiscal Year Results	\$ 137,845,129		\$ 144,339,739
Beginning Restricted Reserve	\$ 1,067,616,153		\$ 1,067,616,153
Ending Restricted Reserve	<u>\$ 1,205,461,282</u>		<u>\$ 1,211,955,892</u>
Beginning Premium Stabilization Reserve	\$ 110,726,494		\$ 110,726,494
PSR Addition/(Drawdown)	\$ (43,631,976)		\$ (43,631,976)
Ending Premium Stabilization Reserve	<u>\$ 67,094,518</u>		<u>\$ 67,094,518</u>
Total Beginning Plan Reserve	1,178,342,647		1,178,342,647
Total Ending Plan Reserve	<u>\$ 1,272,555,800</u>		<u>\$ 1,279,050,410</u>
Accrued Actuarial Liability (AAL)	\$ 1,767,235,505		\$ 1,767,235,505
Funded Status	110.5%		110.6%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 32.65	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 6,494,610	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 18.10	Medicare	8.5%	15.5%
		Prescription Drug Rebates		15.0%
		Capitations		9.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		0.0%

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

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

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

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 20,076,349		\$ 20,076,349
Employer Premiums - PPB	4,947,970	495,465	5,443,436
Employer Premiums - MCO	513,344	51,404	564,748
Retiree Premiums - PPB	15,760,228	1,578,152	17,338,380
Retiree Premiums - MCO	873,335	87,451	960,786
Annual Required Contributions	-		-
Non Par Premiums	641,458		641,458
Life Insurance	10,588,948		10,588,948
Investment Income	57,872,806		57,872,806
Transfer from Premium Stabilization Reserve	22,138,700		22,138,700
General Revenue Transfer (OPEB Funding)	12,252,509		12,252,509
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 145,665,647	\$ 2,212,473	\$ 147,878,120
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 67,209,980	\$ (11,251)	\$ 67,198,729
Gross Non-Medicare Prescription Drug Claims	50,834,637	28,175	50,862,812
Non-Medicare Prescription Drug Rebates	(21,355,804)		(21,355,804)
Non-Medicare Managed Care Capitations	4,148,747		4,148,747
Administration	3,056,256		3,056,256
Life Insurance	10,598,999		10,598,999
Wellness	-		-
Retiree Assistance Program	607,547		607,547
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	20,073		20,073
Director's Discretionary Fund	178,030		178,030
Total Expenses	\$ 115,298,465	\$ 16,924	\$ 115,315,389
Fiscal Year Results	\$ 30,367,182		\$ 32,562,730
Beginning Restricted Reserve	\$ 728,766,792		\$ 728,766,792
Ending Restricted Reserve	\$ 759,133,974		\$ 761,329,523
Beginning Premium Stabilization Reserve	\$ 37,201,314		\$ 37,201,314
PSR Addition/(Drawdown)	\$ (22,138,700)		\$ (22,138,700)
Ending Premium Stabilization Reserve	\$ 15,062,615		\$ 15,062,615
Total Beginning Plan Reserve	765,968,107		765,968,107
Total Ending Plan Reserve	\$ 774,196,589		\$ 776,392,137
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 32.65	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 2,212,473	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 422.31	Non-Medicare	8.5%	15.5%
		Prescription Drug Rebates		15.0%
		Capitations		9.0%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		0.0%

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

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

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

	7/1/2026 to 12/31/2026	1/1/2027 to 6/30/2027	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 14,500,000	\$ 14,500,000	\$ 29,000,000
Retiree Premiums - PPB	41,684,846	44,777,446	86,462,293
Retiree Premiums - MCO	847,236	847,236	1,694,472
Annual Required Contributions	-	-	-
Non Par Premiums	896,061	896,061	1,792,121
Life Insurance	16,011,784	16,011,784	32,023,567
Investment Income	77,678,043	77,678,043	155,356,085
Transfer from Premium Stabilization Reserve	39,918,568	36,029,032	75,947,601
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 206,536,537	\$ 205,739,601	\$ 412,276,139
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 37,002,085	\$ 36,758,759	\$ 73,760,844
Gross Non-Medicare Prescription Drug Claims	29,390,361	30,114,594	59,504,955
Non-Medicare Prescription Drug Rebates	(12,305,135)	(12,499,631)	(24,804,766)
Medicare Medical Claims	4,219,239	1,566,274	5,785,512
Gross Medicare Prescription Drug Claims	6,385,938	2,449,065	8,835,003
Medicare Prescription Drug Rebates	(2,660,434)	(1,011,059)	(3,671,493)
Non-Medicare Managed Care Capitations	2,240,323	2,240,323	4,480,646
Humana MAPD Program	30,143,340	33,733,220	63,876,560
Administration	2,494,912	2,494,912	4,989,824
Life Insurance	16,026,983	16,026,983	32,053,965
Wellness	-	-	-
Retiree Assistance Program	944,933	944,933	1,889,866
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	19,738	19,738	39,475
Director's Discretionary Fund	89,831	89,831	179,662
Total Expenses	\$ 113,992,113	\$ 112,927,941	\$ 226,920,053
Fiscal Year Results	\$ 92,544,425	\$ 92,811,661	\$ 185,356,085
Beginning Restricted Reserve			\$ 1,973,285,408
Ending Restricted Reserve			<u>\$ 2,158,641,493</u>
Beginning Premium Stabilization Reserve			\$ 82,157,133
PSR Addition/(Drawdown)			\$ (75,947,601)
Ending Premium Stabilization Reserve			<u>\$ 6,209,532</u>
Total Beginning Plan Reserve			2,055,442,541
Total Ending Plan Reserve			<u>\$ 2,164,851,026</u>
Accrued Actuarial Liability (AAL)			\$ 1,759,719,792
Funded Status			116.8%

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$ 32.65			
Additional Retiree Premiums	\$ 9,619,866	Non-Medicare	9.0%	16.0%
Pay Go PEPM Subsidy for Retirees	\$ 52.48	Medicare	9.0%	16.0%
		Prescription Drug Rebates		15.0%
		Capitations		9.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		0.0%

**APPENDIX - BASELINE SCENARIO
RHBT - MEDICARE**

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

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

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 8,237,741		\$ 8,237,741
Employer Premiums - PPB	5,836,657	770,156	6,606,812
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	49,528,531	6,535,365	56,063,896
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,169,907		1,169,907
Life Insurance	20,905,172		20,905,172
Investment Income	96,674,121		96,674,121
Transfer from Premium Stabilization Reserve	62,031,067		62,031,067
General Revenue Transfer (OPEB Funding)	18,169,569		18,169,569
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 262,552,764	\$ 7,305,521	\$ 269,858,285
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 5,785,512	\$ -	\$ 5,785,512
Gross Medicare Prescription Drug Claims	8,835,003	-	8,835,003
Medicare Prescription Drug Rebates	(3,671,493)		(3,671,493)
Humana MAPD Program	63,876,560		63,876,560
Administration	1,841,880		1,841,880
Life Insurance	20,925,016		20,925,016
Wellness	-		-
Retiree Assistance Program	1,233,716		1,233,716
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	20,326		20,326
Director's Discretionary Fund	-		-
Total Expenses	\$ 98,846,520	\$ -	\$ 98,846,520
Fiscal Year Results	\$ 163,706,244		\$ 171,011,765
Beginning Restricted Reserve	\$ 1,211,955,892		\$ 1,211,955,892
Ending Restricted Reserve	<u>\$ 1,375,662,136</u>		<u>\$ 1,382,967,657</u>
Beginning Premium Stabilization Reserve	\$ 67,094,518		\$ 67,094,518
PSR Addition/(Drawdown)	\$ (62,031,067)		\$ (62,031,067)
Ending Premium Stabilization Reserve	<u>\$ 5,063,452</u>		<u>\$ 5,063,452</u>
Total Beginning Plan Reserve	1,279,050,410		1,279,050,410
Total Ending Plan Reserve	<u>\$ 1,380,725,588</u>		<u>\$ 1,388,031,109</u>
Accrued Actuarial Liability (AAL)	\$ 1,759,719,792		\$ 1,759,719,792
Funded Status	116.7%		116.8%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 32.65	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 7,305,521	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 16.23	Medicare	9.0%	16.0%
		Prescription Drug Rebates		15.0%
		Capitations		9.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		0.0%

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

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

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

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 20,762,259		\$ 20,762,259
Employer Premiums - PPB	5,168,489	516,219	5,684,707
Employer Premiums - MCO	570,325	56,963	627,288
Retiree Premiums - PPB	16,462,622	1,644,255	18,106,877
Retiree Premiums - MCO	970,275	96,909	1,067,184
Annual Required Contributions	-		-
Non Par Premiums	622,214		622,214
Life Insurance	11,118,395		11,118,395
Investment Income	58,681,964		58,681,964
Transfer from Premium Stabilization Reserve	13,916,534		13,916,534
General Revenue Transfer (OPEB Funding)	11,830,431		11,830,431
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 140,103,508	\$ 2,314,345	\$ 142,417,854
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 73,822,881	\$ (62,037)	\$ 73,760,844
Gross Non-Medicare Prescription Drug Claims	59,473,968	30,987	59,504,955
Non-Medicare Prescription Drug Rebates	(24,804,766)		(24,804,766)
Non-Medicare Managed Care Capitations	4,480,646		4,480,646
Administration	3,147,944		3,147,944
Life Insurance	11,128,949		11,128,949
Wellness	-		-
Retiree Assistance Program	656,150		656,150
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	19,149		19,149
Director's Discretionary Fund	179,662		179,662
Total Expenses	\$ 128,104,584	\$ (31,050)	\$ 128,073,534
Fiscal Year Results	\$ 11,998,925		\$ 14,344,320
Beginning Restricted Reserve	\$ 761,329,523		\$ 761,329,523
Ending Restricted Reserve	\$ 773,328,447		\$ 775,673,843
Beginning Premium Stabilization Reserve	\$ 15,062,615		\$ 15,062,615
PSR Addition/(Drawdown)	\$ (13,916,534)		\$ (13,916,534)
Ending Premium Stabilization Reserve	\$ 1,146,081		\$ 1,146,081
Total Beginning Plan Reserve	776,392,137		776,392,137
Total Ending Plan Reserve	\$ 774,474,528		\$ 776,819,923
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 32.65	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 2,314,345	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 459.80	Non-Medicare	9.0%	16.0%
		Prescription Drug Rebates		15.0%
		Capitations		9.5%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		0.0%

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

Fiscal Year 2022

Exposure

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

	<u>Jul-21</u>	<u>Aug-21</u>	<u>Sep-21</u>	<u>Oct-21</u>	<u>Nov-21</u>	<u>Dec-21</u>	<u>Jan-22</u>	<u>Feb-22</u>	<u>Mar-22</u>	<u>Apr-22</u>	<u>May-22</u>	<u>Jun-22</u>
NonMed_NonDrug	\$294.65	\$334.74	\$311.18	\$318.56	\$308.24	\$283.28	\$328.80	\$312.71	\$396.32	\$369.77	\$390.98	\$360.66
Med_NonDrug	232.22	256.86	264.71	218.79	181.06	180.15	783.36	444.11	531.61	280.36	452.11	368.57
NonMed_Drug	212.48	249.35	243.73	246.45	246.95	262.40	258.02	235.12	277.59	247.96	267.80	292.95
Med_Drug	<u>413.40</u>	<u>401.08</u>	<u>407.81</u>	<u>414.40</u>	<u>399.73</u>	<u>472.81</u>	<u>396.13</u>	<u>424.50</u>	<u>525.42</u>	<u>427.75</u>	<u>502.89</u>	<u>465.34</u>
Total	\$1,152.75	\$1,242.03	\$1,227.43	\$1,198.20	\$1,135.98	\$1,198.64	\$1,766.30	\$1,416.44	\$1,730.95	\$1,325.84	\$1,613.79	\$1,487.52

Change From Prior Year - Month to Month Analysis

NonMed_NonDrug	9.8%	18.9%	17.6%	11.0%	18.0%	18.1%	15.1%	-4.2%	21.4%	8.6%	11.6%	-3.6%
Med_NonDrug	-27.3%	-6.3%	16.4%	-27.1%	-6.1%	-28.3%	-8.8%	31.9%	40.3%	-3.4%	42.3%	40.4%
NonMed_Drug	7.9%	29.6%	20.5%	14.5%	21.8%	17.3%	18.0%	18.9%	15.8%	8.0%	20.6%	13.7%
Med_Drug	<u>-11.7%</u>	<u>-3.0%</u>	<u>-7.0%</u>	<u>-11.9%</u>	<u>-10.8%</u>	<u>-5.9%</u>	<u>-18.5%</u>	<u>-0.9%</u>	<u>24.4%</u>	<u>-1.6%</u>	<u>9.9%</u>	<u>-0.3%</u>
Total	-8.0%	6.9%	8.3%	-5.9%	2.8%	-1.6%	-4.5%	9.9%	26.6%	2.4%	19.7%	9.3%

Change From Prior Year - Quarter to Quarter Analysis

NonMed_NonDrug			15.5%			15.5%			10.6%			5.3%
Med_NonDrug			-8.2%			-22.1%			11.7%			26.5%
NonMed_Drug			19.3%			17.8%			17.5%			14.0%
Med_Drug			<u>-7.4%</u>			<u>-9.5%</u>			<u>0.7%</u>			<u>2.7%</u>
Total			2.1%			-1.7%			9.0%			10.6%

Change From Prior Year - Year to Year Analysis

NonMed_NonDrug			19.0%			23.3%			21.4%			11.2%
Med_NonDrug			-12.0%			-16.8%			-2.4%			4.6%
NonMed_Drug			10.5%			12.8%			16.6%			17.0%
Med_Drug			<u>2.8%</u>			<u>-5.6%</u>			<u>-4.9%</u>			<u>-3.4%</u>
Total			3.0%			-0.1%			4.9%			5.4%

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

Fiscal Year 2023

Exposure

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

	<u>Jul-22</u>	<u>Aug-22</u>	<u>Sep-22</u>	<u>Oct-22</u>	<u>Nov-22</u>	<u>Dec-22</u>	<u>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>
NonMed_NonDrug	\$285.53	\$330.44	\$337.60	\$337.33	\$303.62	\$312.25	\$379.52	\$391.62	\$435.21	\$389.79	\$390.60
Med_NonDrug	270.60	275.32	295.75	278.47	231.58	278.13	446.82	422.02	336.70	286.23	385.73
NonMed_Drug	218.89	268.76	268.89	222.62	236.85	266.35	258.57	240.56	265.61	252.13	341.96
Med_Drug	<u>370.45</u>	<u>395.15</u>	<u>394.54</u>	<u>353.94</u>	<u>358.42</u>	<u>369.87</u>	<u>393.33</u>	<u>463.86</u>	<u>475.18</u>	<u>388.24</u>	<u>387.86</u>
Total	\$1,145.47	\$1,269.67	\$1,296.78	\$1,192.36	\$1,130.46	\$1,226.59	\$1,478.23	\$1,518.07	\$1,512.70	\$1,316.39	\$1,506.14

Change From Prior Year - Month to Month Analysis

NonMed_NonDrug	-3.1%	-1.3%	8.5%	5.9%	-1.5%	10.2%	15.4%	25.2%	9.8%	5.4%	-0.1%
Med_NonDrug	16.5%	7.2%	11.7%	27.3%	27.9%	54.4%	-43.0%	-5.0%	-36.7%	2.1%	-14.7%
NonMed_Drug	3.0%	7.8%	10.3%	-9.7%	-4.1%	1.5%	0.2%	2.3%	-4.3%	1.7%	27.7%
Med_Drug	<u>-10.4%</u>	<u>-1.5%</u>	<u>-3.3%</u>	<u>-14.6%</u>	<u>-10.3%</u>	<u>-21.8%</u>	<u>-0.7%</u>	<u>9.3%</u>	<u>-9.6%</u>	<u>-9.2%</u>	<u>-22.9%</u>
Total	-0.6%	2.2%	5.6%	-0.5%	-0.5%	2.3%	-16.3%	7.2%	-12.6%	-0.7%	-6.7%

Change From Prior Year - Quarter to Quarter Analysis

NonMed_NonDrug		1.4%				4.7%			16.2%		
Med_NonDrug			11.7%			35.9%			-31.5%		
NonMed_Drug			7.2%			-4.0%			-0.8%		
Med_Drug			<u>-5.1%</u>			<u>-15.9%</u>			<u>-1.0%</u>		
Total			2.5%			0.5%			-8.2%		

Change From Prior Year - Year to Year Analysis

NonMed_NonDrug			7.8%			5.5%			7.1%		
Med_NonDrug			8.6%			18.8%			-0.7%		
NonMed_Drug			14.0%			8.3%			3.9%		
Med_Drug			<u>-2.8%</u>			<u>-4.2%</u>			<u>-4.7%</u>		
Total			5.5%			6.0%			0.8%		