

STATE OF WEST VIRGINIA



RETIREE HEALTH BENEFIT TRUST FUND

**Quarterly Report
December 31, 2023**

Fiscal Years 2024-2028

Report Date: April 2024

YOUR ACTUARIES FOR THE LONG-TERM!



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

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

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

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

The provisions of the Code of West Virginia (“Code”), 1931, as amended, charge the Board with the responsibility to prepare a proposed financial plan designed to generate revenues sufficient to meet all estimated program and administrative costs of the RHBT, including incurred but unreported claims, for the fiscal year for which the plan is proposed. Continuing Care Actuaries has been retained by the RHBT to review the proposed financial plan, and as supported by our work, to render an actuarial opinion stating whether the plan may be reasonably expected to generate sufficient revenues to meet estimated insurance program and administrative costs of the plan through FY 2028. Our analysis is developed on an accrued and incurred reporting basis for a projection period of five years as required by the Code.

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

Continuing Care Actuaries has provided financial report for fiscal year ending June 30, 2024 (“FY 2024”), June 30, 2025 (“FY 2025”), June 30, 2026 (“FY 2026”), June 30, 2027 (“FY 2027”) and June 30, 2028 (“FY 2028”). Our opinion of plan adequacy is based on the projections through FY 2028 using updated future revenue and plan modifications provided by the Board in the plan adopted in December 2023.

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

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

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

In FY 2024 the Pay-Go is equivalent to \$0 per retiree per month. In future years, the Pay Go premium may increase by a maximum of 3% per retiree per year, indexed to the initial fixed subsidy determined in FY 2013. The new Pay-Go premium formula is based on the financial plan approved by the Financial Board in December 2023.

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

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

Based on our review, and subject to the conditions described herein, we believe the financial plan approved by the Board for FY 2024 through FY 2028 may be reasonably expected to generate sufficient revenues, when combined with the existing surplus, to meet estimated insurance program and administrative costs of the Trust Fund.

This conclusion is based on significant revenue increases in employer, employee, and retiree premiums in later fiscal years of the plan through FY 2028 as approved by the Board in December 2023.

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

Respectfully,



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



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

West Virginia Retiree Health Benefit Trust Fund

Report of Independent Actuary

Financial Plan for FY 2024 – FY 2028

OVERVIEW

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

This report was compiled utilizing claims data collected by RHBT's third party administrators through February 2024 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 15 policy from the end of FY 2023 to March 2024. Continuing Care Actuaries has updated the claims analysis based on the enrollment through March 2024.

In aggregate, March 2024 enrollment has decreased by 15 coverage since the end of FY 2023. Aggregate Preferred Provider Benefit (“PPB”) enrollment has decreased by 9 in total over the same period, while managed care enrollment continues to cover fewer participants, with a decrease of 6 coverages. For MAPD Capitations, the average of 52,240 Medicare policyholders in FY 2024 was used to calculate the capitation cost.

The following chart summarizes the current enrollment as of the selected monthly billing dates of June 2022, June 2023, and March 2024 for purposes of comparison:

Trust Fund	Coverage	Preferred Provider Benefit*			Managed Care		
		Jun-22	Jun-23	Mar-24	Jun-22	Jun-23	Mar-24
Retirees	Medicare Single	21,810	21,993	22,160	-	-	-
	Medicare Family	16,085	16,042	15,969	-	-	-
	Medicare Total	37,895	38,035	38,129	-	-	-
	Non-Medicare Single	2,161	1,991	1,963	109	87	86
	Non-Medicare Family	2,497	2,303	2,228	99	89	84
	Non-Medicare Total	4,658	4,294	4,191	208	176	170
	Retiree Total	42,553	42,329	42,320	208	176	170
	Grand Total				42,761	42,505	42,490

* The majority of PPB is capitated through Humana. As of January 2024, there are approximately 167 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 December 31, 2023 Fiscal Years 2024-2028 Report”.

C. Trend Analysis

RHBT experienced a lower medical trend and a lower prescription drugs trend in FY 2023, and over the past few years, total trends have been beneficial to the plan. Continuing Care Actuaries performed the detailed medical and prescription drugs trend analysis in the report titled, “PEIA FY2023 Detailed Medical and Prescription Drugs Claim Trend Report”. This report includes the detailed trend analysis of PEIA experience by medical and prescription drugs. Based on the analysis, the FY 2024 medical claim trend is 7.5%, the gross prescription drugs claim trend is 14.5% and the prescription drugs rebate trend is 5.0%. In 2024, there were an additional rebate included in the projection to reflect the new PBM contract with ESI.

The current trend projection is shown in the following table:

Claim Type	Previous Assumption FY 2024 Trend	Updated Assumption FY 2024 Trend
Non-Medicare – Medical	7.5%	7.5%
Medicare – Medical	7.5%	7.5%
Non-Medicare – Gross Drugs	14.5%	14.5%
Medicare – Gross Drugs	14.5%	14.5%
Prescription Drugs Rebate	15.0%	5.0%

In the past, claim trends for the financial plan included a 0.5% margin in future years. CCA has assumed the medical and drugs claim trends for the financial projection will increase by 0.5% in FY 2025 and in each successive fiscal year. Additionally, drug rebates have been trending at approximately 9% over the last two years. As a result, CCA has separated net drugs in the financial plan into gross drugs and drug rebate amounts. Drug rebates trends are set at 5% in the financial plan. At the Board’s request, the baseline trend assumptions have been established to reflect the most likely or expected trends.

The following chart summarizes the trend results observed for the plan using data through February 2024. It is important to note that these trends *have not* been adjusted to reflect savings as a result of the expansion of the drug rebate program or the claim savings due to changes in provider reimbursement methodologies nor changes in the benefit structure. In developing the claim cost projection, we have reflected for benefit and reimbursement changes as an adjustment to the gross trend assumption.

Aggregate Trust Fund Historical Trends (Retirees)

<u>Fiscal Year</u>	<u>Medical Medicare</u>	<u>Medical Non-Medicare</u>	<u>Drugs Medicare</u>	<u>Drugs Non-Medicare</u>	<u>Total</u>
2004	9%	2%	3%	-2%	6%
2005	6%	-2%	16%	1%	8%
2006	6%	5%	11%	17%	8%
2007	6%	1%	6%	6%	5%
2008	N/A	6%	N/A	-1%	N/A
2009	N/A	-2%	N/A	5%	N/A
2010	N/A	3%	N/A	7%	N/A
2011	N/A	12%	N/A	16%	N/A
2012	-5%	-6%	2%	8%	-2%
2013	23%	-3%	-3%	-7%	-2%
2014	N/A	7%	N/A	6%	N/A
2015	N/A	6%	N/A	5%	N/A
2016	-10%	2%	11%	9%	3%
2017	11%	0%	10%	31%	8%
2018	12%	8%	41%	14%	11%
2019	41%	2%	-1%	20%	8%
2020	19%	-10%	5%	12%	-2%
2021	-9%	17%	10%	7%	13%
2022	9%	12%	-3%	17%	12%
2023	-25%	10%	-11%	2%	5%
2024*	-21%	24%	14%	19%	19%

* Fiscal year 2024 results are through the eight months ending February 2024. It should be noted that Humana’s plan year starts in January 2014 in calendar year basis (not starting in July as in PEIA plan year basis) and the Medicare trends are not statistically credible in 2014 and 2015.

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

D. Enrollment, Claim, Expense and Revenue Assumptions

Using aggregate PEIA and Trust Fund paid claim data through February 2024 for medical claims and for prescription drugs claims, average annualized incurred unit claim costs were developed for the Trust Fund for both self-funded and managed care coverages. Continuing Care Actuaries has developed the claim cost on an adjusted exposure basis using the respective expected claim cost for each coverage type. The adjusted exposure methodology weighs the expected claim cost under each coverage type for single, member and children, and family coverages based on observed differences in health care cost. For example, under this methodology single coverage types are given a weight of 1.0 exposure, whereas member and children coverages are given a greater weighting based on historical expected health care cost relationships. Based on this methodology, the projection of FY 2024 claims and expenses are summarized in the following chart. It should be noted that the chart reflects per policy information.

Fiscal Year 2024 Projection			Revenue		Expenses		
Fund	Program	Policies	Monthly Employer Premiums	Monthly Employee Premiums	Monthly Medical Costs	Monthly Drugs Costs*	Monthly Capitation Costs
Retiree	Medicare Humana and Express Scripts	38,268			\$ 305**	\$ 312**	\$ 103
	<u>Non-Medicare</u>	<u>4,298</u>			\$ 1,213	\$ 397	
	Total	42,566	\$0	\$130			
	<u>Non-Medicare Managed Care</u>	<u>173</u>	\$0	\$612			\$ 1,793
	Total	42,739					

*Net of rebates and subsidies.

** As of January 2024, there are approximately 167 Medicare coverages that were not capitated through Humana.

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

Board Decisions – December 2023

Source	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
Additional Non-Medicare Retiree Premium (Fiscal Year)	\$0	\$2,147,823	\$2,252,008	\$2,356,321	\$0
Additional Medicare Retiree Premium (Calendar Year)	\$0	\$0	\$6,251,174	\$7,027,861	\$0
General Revenue Transfer (OPEB Funding)	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000
General Revenue Transfer (Premium Offset)	\$0	\$0	\$0	\$0	\$0
Benefit Reductions and Savings / (Increase) - Retiree Non-Medicare	\$0	\$0	\$0	\$0	\$0
Board Decision Benefit Reduction – Retiree Medicare	\$0	\$0	\$0	\$0	\$0
Benefit Reductions / (Increase) - Humana MAPD (Calendar Year)	\$0	\$0	\$0	\$0	\$0
Pay Go Premium Transfer	\$0	\$29,000,000	\$10,000,000	\$10,000,000	\$0
Actuarial Accrued Liability* (Beginning of Year)	\$1,637,416,883	\$1,664,331,633	\$1,684,759,827	\$1,697,694,682	\$1,701,970,701
Funded Status	109.7%	112.9%	117.6%	121.2%	124.9%

*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 \$1,407,643 in FY 2024 to \$1,915,083 in FY 2028, based on the Board’s direction and projected retiree enrollment growth in the financial plan.

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

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

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

E. Provider Reimbursement Changes

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

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

FISCAL YEAR 2024 FORECAST

The financial forecast for FY 2024 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2024 projects accrued revenue of \$340,532,967 and incurred plan expenses of \$176,918,864 to produce a fiscal year surplus of \$163,614,103 after the Premium Stabilization Reserve drawdown of \$80,675,221. 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 \$364,836,354 and incurred plan expenses of \$195,003,944 to produce a fiscal year surplus of \$169,832,410 after the Premium Stabilization Reserve drawdown of \$67,849,023. 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 \$392,414,578 and incurred plan expenses of \$214,945,676 to produce a fiscal year surplus of \$177,468,902 after the Premium Stabilization Reserve drawdown of \$100,394,429. The PEIA local and state agencies Pay Go premiums for FY 2026 are assumed to be \$10,000,000.

FISCAL YEAR 2027 FORECAST

The financial forecast for FY 2027 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2027 projects accrued revenue of \$340,256,296 and incurred plan expenses of \$238,146,073 to produce a fiscal year surplus of \$102,110,223 after the Premium Stabilization Reserve drawdown of \$33,187,831. The PEIA local and state agencies Pay Go premiums for FY 2027 are assumed to be \$10,000,000.

FISCAL YEAR 2028 FORECAST

The financial forecast for FY 2028 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2028 projects accrued revenue of \$306,936,980 and incurred plan expenses of \$265,224,404 to produce a fiscal year surplus of \$41,712,576 after the Premium Stabilization Reserve drawdown of \$0. The PEIA local and state agencies Pay Go premiums for FY 2028 are assumed to be \$0.

LITIGATION

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

SUMMARY

It should be noted that the aggregate PEIA and Trust Fund reserves will meet or exceed the 10% of program expense requirement under the Baseline Scenario assumptions. With projected changes to the plan as adopted in the Board, we are forecasting that the plan will meet the minimum 10% reserve target set by West Virginia Statute through the projection period ending with the fiscal year 2028. These projections are based on significant revenue increases as contained in the financial plan adopted by the Board in December 2023 and are contingent on legislative approval.

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

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

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

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

	7/1/2023 to 12/31/2023	1/1/2024 to 6/30/2024	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ -	\$ -	\$ -
Retiree Premiums - PPB	32,883,174	33,687,865	66,571,039
Retiree Premiums - MCO	630,123	640,365	1,270,488
Non Par Premiums	1,010,559	1,010,559	2,021,117
Life Insurance	13,190,500	13,190,500	26,380,999
Investment Income	66,807,051	66,807,051	133,614,103
Transfer from Premium Stabilization Reserve	41,743,767	38,931,454	80,675,221
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 171,265,173	\$ 169,267,794	\$ 340,532,967
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 31,061,712	\$ 31,482,952	\$ 62,544,664
Gross Non-Medicare Prescription Drug Claims	17,212,216	18,012,371	35,224,587
Non-Medicare Prescription Drug Rebates	(7,206,525)	(7,541,540)	(14,748,065)
Medicare Medical Claims	2,905,161	1,379,676	4,284,837
Gross Medicare Prescription Drug Claims	5,266,164	2,588,012	7,854,176
Medicare Prescription Drug Rebates	(2,204,873)	(1,083,566)	(3,288,439)
Non-Medicare Managed Care Capitations	1,861,519	1,861,519	3,723,038
Humana MAPD Program	22,154,893	25,323,586	47,478,479
Administration	2,892,680	2,892,680	5,785,359
Life Insurance	13,222,270	13,222,270	26,444,539
Wellness	-	-	-
Retiree Assistance Program	703,822	703,822	1,407,643
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	13,835	13,835	27,671
Director's Discretionary Fund	90,188	90,188	180,376
Total Expenses	\$ 87,973,060	\$ 88,945,805	\$ 176,918,864
Fiscal Year Results	\$ 83,292,114	\$ 80,321,989	\$ 163,614,103
Beginning Restricted Reserve			\$ 1,513,559,482
Ending Restricted Reserve			<u>\$ 1,677,173,585</u>
Beginning Premium Stabilization Reserve			\$ 282,106,504
PSR Addition/(Drawdown)			\$ (80,675,221)
Ending Premium Stabilization Reserve			<u>\$ 201,431,283</u>
Total Beginning Plan Reserve			1,795,665,986
Total Ending Plan Reserve			<u>\$ 1,878,604,868</u>
Accrued Actuarial Liability (AAL)			\$ 1,637,416,883
Funded Status			109.7%

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$ -			
Additional Retiree Premiums	\$ 1,441,389			
Pay Go PEPM Subsidy for Retirees	\$ -			
		Non-Medicare	7.5%	14.5%
		Medicare	7.5%	14.5%
		Prescription Drug Rebates		0.0%
		Capitations		12.4%
		Administrative Expense		22.4%
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	4,590,597	(138,584)	4,452,012
Employer Premiums - MCO	-		-
Retiree Premiums - PPB	39,323,800	1,034,194	40,357,994
Retiree Premiums - MCO	-		-
Non Par Premiums	1,310,255		1,310,255
Life Insurance	17,102,337		17,102,337
Investment Income	76,964,433		76,964,433
Transfer from Premium Stabilization Reserve	66,816,130		66,816,130
General Revenue Transfer (OPEB Funding)	15,570,843		15,570,843
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 221,678,395	\$ 895,610	\$ 222,574,004
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 4,284,837	\$ -	\$ 4,284,837
Gross Medicare Prescription Drug Claims	7,854,176	-	7,854,176
Medicare Prescription Drug Rebates	(3,288,439)		(3,288,439)
Humana MAPD Program	47,478,479		47,478,479
Administration	2,135,534		2,135,534
Life Insurance	17,143,529		17,143,529
Wellness	-		-
Retiree Assistance Program	912,550		912,550
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	5,172		5,172
Director's Discretionary Fund	-		-
Total Expenses	\$ 76,525,838	\$ -	\$ 76,525,838
Fiscal Year Results	\$ 145,152,557		\$ 146,048,166
Beginning Restricted Reserve	\$ 813,567,531		\$ 813,567,531
Ending Restricted Reserve	<u>\$ 958,720,088</u>		<u>\$ 959,615,697</u>
Beginning Premium Stabilization Reserve	\$ 220,772,496		\$ 220,772,496
PSR Addition/(Drawdown)	\$ (66,816,130)		\$ (66,816,130)
Ending Premium Stabilization Reserve	<u>\$ 153,956,366</u>		<u>\$ 153,956,366</u>
Total Beginning Plan Reserve	1,034,340,027		1,034,340,027
Total Ending Plan Reserve	<u>\$ 1,112,676,454</u>		<u>\$ 1,113,572,063</u>
Accrued Actuarial Liability (AAL)	\$ 1,637,416,883		\$ 1,637,416,883
Funded Status	109.9%		109.9%

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	\$ 895,610			
Pay Go PEPM Subsidy for Retirees	\$ -	Medicare	7.5%	14.5%
		Prescription Drug Rebates		0.0%
		Capitations		12.4%
		Administrative Expense		22.4%
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	4,763,239	(129,121)	4,634,118
Employer Premiums - MCO	440,993	(25,555)	415,438
Retiree Premiums - PPB	16,454,473	672,442	17,126,915
Retiree Premiums - MCO	827,037	28,013	855,050
Non Par Premiums	710,862		710,862
Life Insurance	9,278,662		9,278,662
Investment Income	56,649,670		56,649,670
Transfer from Premium Stabilization Reserve	13,859,091		13,859,091
General Revenue Transfer (OPEB Funding)	14,429,157		14,429,157
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 117,413,184	\$ 545,779	\$ 117,958,963
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 62,544,664	\$ -	\$ 62,544,664
Gross Non-Medicare Prescription Drug Claims	35,224,587	-	35,224,587
Non-Medicare Prescription Drug Rebates	(14,748,065)		(14,748,065)
Non-Medicare Managed Care Capitations	3,723,038		3,723,038
Administration	3,649,825		3,649,825
Life Insurance	9,301,010		9,301,010
Wellness	-		-
Retiree Assistance Program	495,093		495,093
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	22,499		22,499
Director's Discretionary Fund	180,375		180,375
Total Expenses	\$ 100,393,026	\$ -	\$ 100,393,026
Fiscal Year Results	\$ 17,020,158		\$ 17,565,937
Beginning Restricted Reserve	\$ 699,991,950		\$ 699,991,950
Ending Restricted Reserve	\$ 717,012,108		\$ 717,557,887
Beginning Premium Stabilization Reserve	\$ 61,334,008		\$ 61,334,008
PSR Addition/(Drawdown)	\$ (13,859,091)		\$ (13,859,091)
Ending Premium Stabilization Reserve	\$ 47,474,917		\$ 47,474,917
Total Beginning Plan Reserve	761,325,958		761,325,958
Total Ending Plan Reserve	\$ 764,487,025		\$ 765,032,804
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	\$ 545,779			
Pay Go PEPM Subsidy for Retirees	\$ -	Non-Medicare	7.5%	14.5%
		Prescription Drug Rebates		0.0%
		Capitations		12.4%
		Administrative Expense		22.4%
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	33,536,117	33,607,857	67,143,974
Retiree Premiums - MCO	675,207	675,207	1,350,414
Non Par Premiums	980,242	980,242	1,960,484
Life Insurance	13,850,025	13,850,025	27,700,049
Investment Income	69,916,205	69,916,205	139,832,410
Transfer from Premium Stabilization Reserve	35,009,578	32,839,445	67,849,023
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 183,467,374	\$ 181,368,981	\$ 364,836,354
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 33,770,928	\$ 34,308,943	\$ 68,079,872
Gross Non-Medicare Prescription Drug Claims	19,930,490	20,902,800	40,833,290
Non-Medicare Prescription Drug Rebates	(7,642,520)	(7,997,803)	(15,640,323)
Medicare Medical Claims	3,033,805	1,444,403	4,478,208
Gross Medicare Prescription Drug Claims	5,856,962	2,885,166	8,742,128
Medicare Prescription Drug Rebates	(2,245,663)	(1,103,612)	(3,349,275)
Non-Medicare Managed Care Capitations	2,010,441	2,010,441	4,020,881
Humana MAPD Program	24,899,760	27,482,260	52,382,020
Administration	2,979,460	2,979,460	5,958,920
Life Insurance	13,883,383	13,883,383	27,766,766
Wellness	-	-	-
Retiree Assistance Program	760,127	760,127	1,520,254
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	14,607	14,607	29,215
Director's Discretionary Fund	90,995	90,995	181,989
Total Expenses	\$ 97,342,774	\$ 97,661,170	\$ 195,003,944
Fiscal Year Results	\$ 86,124,599	\$ 83,707,811	\$ 169,832,410
Beginning Restricted Reserve			\$ 1,677,173,585
Ending Restricted Reserve			<u>\$ 1,847,005,995</u>
Beginning Premium Stabilization Reserve			\$ 201,431,283
PSR Addition/(Drawdown)			\$ (67,849,023)
Ending Premium Stabilization Reserve			<u>\$ 133,582,260</u>
Total Beginning Plan Reserve			1,878,604,868
Total Ending Plan Reserve			<u>\$ 1,980,588,255</u>
Accrued Actuarial Liability (AAL)			\$ 1,664,331,633
Funded Status			112.9%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 32.38	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 3,111,059	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 55.84	Non-Medicare	8.0%	15.0%
		Medicare	8.0%	15.0%
		Prescription Drug Rebates		5.0%
		Capitations		8.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		0.0%

**APPENDIX - BASELINE SCENARIO
RHBT - MEDICARE**

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

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

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 8,432,174		\$ 8,432,174
Employer Premiums - PPB	4,442,368	74,708	4,517,076
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	39,613,607	888,528	40,502,135
Retiree Premiums - MCO	-	-	-
Non Par Premiums	1,270,947		1,270,947
Life Insurance	17,957,454		17,957,454
Investment Income	82,887,822		82,887,822
Transfer from Premium Stabilization Reserve	56,099,140		56,099,140
General Revenue Transfer (OPEB Funding)	18,296,581		18,296,581
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 229,000,094	\$ 963,236	\$ 229,963,330
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 4,478,208	\$ -	\$ 4,478,208
Gross Medicare Prescription Drug Claims	8,742,128	-	8,742,128
Medicare Prescription Drug Rebates	(3,349,275)		(3,349,275)
Humana MAPD Program	52,382,020		52,382,020
Administration	2,199,600		2,199,600
Life Insurance	18,000,705		18,000,705
Wellness	-		-
Retiree Assistance Program	985,554		985,554
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	8,075		8,075
Director's Discretionary Fund	-		-
Total Expenses	\$ 83,447,015	\$ -	\$ 83,447,015
Fiscal Year Results	\$ 145,553,079		\$ 146,516,315
Beginning Restricted Reserve	\$ 959,615,697		\$ 959,615,697
Ending Restricted Reserve	<u>\$ 1,105,168,777</u>		<u>\$ 1,106,132,012</u>
Beginning Premium Stabilization Reserve	\$ 153,956,366		\$ 153,956,366
PSR Addition/(Drawdown)	\$ (56,099,140)		\$ (56,099,140)
Ending Premium Stabilization Reserve	<u>\$ 97,857,226</u>		<u>\$ 97,857,226</u>
Total Beginning Plan Reserve	1,113,572,063		1,113,572,063
Total Ending Plan Reserve	<u>\$ 1,203,026,002</u>		<u>\$ 1,203,989,238</u>
Accrued Actuarial Liability (AAL)	\$ 1,664,331,633		\$ 1,664,331,633
Funded Status	113.4%		113.6%

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go Monthly Premium for Actives	\$ 32.38			
Additional Retiree Premiums	\$ 963,236			
Pay Go PEPM Subsidy for Retirees	\$ 17.98	Medicare	8.0%	15.0%
		Prescription Drug Rebates		5.0%
		Capitations		8.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		0.0%

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

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

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

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 20,567,826		\$ 20,567,826
Employer Premiums - PPB	4,375,607	440,656	4,816,263
Employer Premiums - MCO	406,081	40,895	446,976
Retiree Premiums - PPB	15,724,887	1,583,613	17,308,501
Retiree Premiums - MCO	820,779	82,659	903,438
Non Par Premiums	689,537		689,537
Life Insurance	9,742,595		9,742,595
Investment Income	56,944,588		56,944,588
Transfer from Premium Stabilization Reserve	11,749,882		11,749,882
General Revenue Transfer (OPEB Funding)	11,703,419		11,703,419
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 132,725,201	\$ 2,147,823	\$ 134,873,024
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 68,079,872	\$ -	\$ 68,079,872
Gross Non-Medicare Prescription Drug Claims	40,833,290	-	40,833,290
Non-Medicare Prescription Drug Rebates	(15,640,323)		(15,640,323)
Non-Medicare Managed Care Capitations	4,020,881		4,020,881
Administration	3,759,320		3,759,320
Life Insurance	9,766,060		9,766,060
Wellness	-		-
Retiree Assistance Program	534,700		534,700
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	21,140		21,140
Director's Discretionary Fund	181,990		181,990
Total Expenses	\$ 111,556,930	\$ -	\$ 111,556,930
Fiscal Year Results	\$ 21,168,271		\$ 23,316,094
Beginning Restricted Reserve	\$ 717,557,887		\$ 717,557,887
Ending Restricted Reserve	\$ 738,726,158		\$ 740,873,981
Beginning Premium Stabilization Reserve	\$ 47,474,917		\$ 47,474,917
PSR Addition/(Drawdown)	\$ (11,749,882)		\$ (11,749,882)
Ending Premium Stabilization Reserve	\$ 35,725,034		\$ 35,725,034
Total Beginning Plan Reserve	765,032,804		765,032,804
Total Ending Plan Reserve	\$ 774,451,192		\$ 776,599,016
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 32.38	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 2,147,823	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 407.88	Non-Medicare	8.0%	15.0%
		Prescription Drug Rebates		5.0%
		Capitations		8.5%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		0.0%

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

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

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

	7/1/2025 to 12/31/2025	1/1/2026 to 6/30/2026	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 5,000,000	\$ 5,000,000	\$ 10,000,000
Retiree Premiums - PPB	34,840,039	37,236,555	72,076,595
Retiree Premiums - MCO	743,966	743,966	1,487,932
Non Par Premiums	950,835	950,835	1,901,669
Life Insurance	14,542,526	14,542,526	29,085,051
Investment Income	73,734,451	73,734,451	147,468,902
Transfer from Premium Stabilization Reserve	51,660,144	48,734,285	100,394,429
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 196,471,960	\$ 195,942,618	\$ 392,414,578
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 36,887,003	\$ 37,561,879	\$ 74,448,883
Gross Non-Medicare Prescription Drug Claims	23,178,712	24,362,622	47,541,334
Non-Medicare Prescription Drug Rebates	(8,104,893)	(8,481,670)	(16,586,563)
Medicare Medical Claims	3,182,861	1,519,172	4,702,034
Gross Medicare Prescription Drug Claims	6,542,449	3,230,432	9,772,882
Medicare Prescription Drug Rebates	(2,287,208)	(1,124,029)	(3,411,237)
Non-Medicare Managed Care Capitations	2,171,276	2,171,276	4,342,552
Humana MAPD Program	27,022,305	29,962,390	56,984,695
Administration	3,068,844	3,068,844	6,137,687
Life Insurance	14,577,552	14,577,552	29,155,104
Wellness	-	-	-
Retiree Assistance Program	820,938	820,938	1,641,875
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	16,404	16,404	32,808
Director's Discretionary Fund	91,811	91,811	183,622
Total Expenses	\$ 107,168,055	\$ 107,777,621	\$ 214,945,676
Fiscal Year Results	\$ 89,303,906	\$ 88,164,997	\$ 177,468,902
Beginning Restricted Reserve			\$ 1,847,005,995
Ending Restricted Reserve			<u>\$ 2,024,474,898</u>
Beginning Premium Stabilization Reserve			\$ 133,582,260
PSR Addition/(Drawdown)			\$ (100,394,429)
Ending Premium Stabilization Reserve			<u>\$ 33,187,831</u>
Total Beginning Plan Reserve			1,980,588,255
Total Ending Plan Reserve			<u>\$ 2,057,662,728</u>
Accrued Actuarial Liability (AAL)			\$ 1,684,759,827
Funded Status			117.6%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 11.17	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 5,995,683	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 18.82	Non-Medicare	8.5%	15.5%
		Medicare	8.5%	15.5%
		Prescription Drug Rebates		5.0%
		Capitations		9.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		-65.5%

**APPENDIX - BASELINE SCENARIO
RHBT - MEDICARE**

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

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

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 3,037,542		\$ 3,037,542
Employer Premiums - PPB	4,528,788	375,628	4,904,416
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	40,607,153	3,368,047	43,975,200
Retiree Premiums - MCO	-	-	-
Non Par Premiums	1,232,819		1,232,819
Life Insurance	18,855,327		18,855,327
Investment Income	89,645,574		89,645,574
Transfer from Premium Stabilization Reserve	70,509,784		70,509,784
General Revenue Transfer (OPEB Funding)	17,480,336		17,480,336
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 245,897,323	\$ 3,743,675	\$ 249,640,998
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 4,702,034	\$ -	\$ 4,702,034
Gross Medicare Prescription Drug Claims	9,772,882	-	9,772,882
Medicare Prescription Drug Rebates	(3,411,237)		(3,411,237)
Humana MAPD Program	56,984,695		56,984,695
Administration	2,265,588		2,265,588
Life Insurance	18,900,741		18,900,741
Wellness	-		-
Retiree Assistance Program	1,064,399		1,064,399
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	12,604		12,604
Director's Discretionary Fund	-		-
Total Expenses	\$ 90,291,706	\$ -	\$ 90,291,706
Fiscal Year Results	\$ 155,605,617		\$ 159,349,292
Beginning Restricted Reserve	\$ 1,106,132,012		\$ 1,106,132,012
Ending Restricted Reserve	<u>\$ 1,261,737,629</u>		<u>\$ 1,265,481,304</u>
Beginning Premium Stabilization Reserve	\$ 97,857,226		\$ 97,857,226
PSR Addition/(Drawdown)	\$ (70,509,784)		\$ (70,509,784)
Ending Premium Stabilization Reserve	<u>\$ 27,347,442</u>		<u>\$ 27,347,442</u>
Total Beginning Plan Reserve	1,203,989,238		1,203,989,238
Total Ending Plan Reserve	<u>\$ 1,289,085,071</u>		<u>\$ 1,292,828,746</u>
Accrued Actuarial Liability (AAL)	\$ 1,684,759,827		\$ 1,684,759,827
Funded Status	116.7%		116.9%

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go Monthly Premium for Actives	\$ 11.17			
Additional Retiree Premiums	\$ 3,743,675			
Pay Go PEPM Subsidy for Retirees	\$ 6.28	Medicare	8.5%	15.5%
		Prescription Drug Rebates		5.0%
		Capitations		9.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		-65.5%

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

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

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

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 6,962,458		\$ 6,962,458
Employer Premiums - PPB	4,588,987	460,682	5,049,669
Employer Premiums - MCO	447,563	44,930	492,494
Retiree Premiums - PPB	16,491,727	1,655,581	18,147,309
Retiree Premiums - MCO	904,624	90,814	995,438
Non Par Premiums	668,851		668,851
Life Insurance	10,229,725		10,229,725
Investment Income	57,823,328		57,823,328
Transfer from Premium Stabilization Reserve	29,884,646		29,884,646
General Revenue Transfer (OPEB Funding)	12,519,664		12,519,664
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 140,521,574	\$ 2,252,008	\$ 142,773,582
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 74,448,883	\$ -	\$ 74,448,883
Gross Non-Medicare Prescription Drug Claims	47,541,334	-	47,541,334
Non-Medicare Prescription Drug Rebates	(16,586,563)		(16,586,563)
Non-Medicare Managed Care Capitations	4,342,552		4,342,552
Administration	3,872,099		3,872,099
Life Insurance	10,254,364		10,254,364
Wellness	-		-
Retiree Assistance Program	577,476		577,476
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	20,205		20,205
Director's Discretionary Fund	183,622		183,622
Total Expenses	\$ 124,653,972	\$ -	\$ 124,653,972
Fiscal Year Results	\$ 15,867,603		\$ 18,119,610
Beginning Restricted Reserve	\$ 740,873,981		\$ 740,873,981
Ending Restricted Reserve	\$ 756,741,584		\$ 758,993,592
Beginning Premium Stabilization Reserve	\$ 35,725,034		\$ 35,725,034
PSR Addition/(Drawdown)	\$ (29,884,646)		\$ (29,884,646)
Ending Premium Stabilization Reserve	\$ 5,840,389		\$ 5,840,389
Total Beginning Plan Reserve	776,599,016		776,599,016
Total Ending Plan Reserve	\$ 762,581,972		\$ 764,833,980
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go Monthly Premium for Actives	\$ 11.17			
Additional Retiree Premiums	\$ 2,252,008			
Pay Go PEPM Subsidy for Retirees	\$ 144.98	Non-Medicare	8.5%	15.5%
		Prescription Drug Rebates		5.0%
		Capitations		9.0%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		-65.5%

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

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

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

	7/1/2026 to 12/31/2026	1/1/2027 to 6/30/2027	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 5,000,000	\$ 5,000,000	\$ 10,000,000
Retiree Premiums - PPB	38,526,156	41,238,845	79,765,001
Retiree Premiums - MCO	823,769	823,769	1,647,537
Non Par Premiums	922,310	922,310	1,844,619
Life Insurance	15,269,652	15,269,652	30,539,304
Investment Income	76,636,002	76,636,002	153,272,004
Transfer from Premium Stabilization Reserve	17,031,061	16,156,770	33,187,831
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 169,208,949	\$ 171,047,347	\$ 340,256,296
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 40,476,899	\$ 41,312,942	\$ 81,789,840
Gross Non-Medicare Prescription Drug Claims	27,073,383	28,518,154	55,591,537
Non-Medicare Prescription Drug Rebates	(8,595,239)	(8,994,811)	(17,590,050)
Medicare Medical Claims	3,354,680	1,605,180	4,959,860
Gross Medicare Prescription Drug Claims	7,339,898	3,632,686	10,972,583
Medicare Prescription Drug Rebates	(2,329,521)	(1,144,823)	(3,474,345)
Non-Medicare Managed Care Capitations	2,344,978	2,344,978	4,689,956
Humana MAPD Program	29,460,926	32,816,184	62,277,110
Administration	3,160,909	3,160,909	6,321,818
Life Insurance	15,306,430	15,306,430	30,612,859
Wellness	-	-	-
Retiree Assistance Program	886,613	886,613	1,773,225
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	18,203	18,203	36,407
Director's Discretionary Fund	92,636	92,636	185,271
Total Expenses	\$ 118,590,793	\$ 119,555,279	\$ 238,146,073
Fiscal Year Results	\$ 50,618,156	\$ 51,492,068	\$ 102,110,223
Beginning Restricted Reserve			\$ 2,024,474,898
Ending Restricted Reserve			<u>\$ 2,126,585,121</u>
Beginning Premium Stabilization Reserve			\$ 33,187,831
PSR Addition/(Drawdown)			\$ (33,187,831)
Ending Premium Stabilization Reserve			<u>\$ -</u>
Total Beginning Plan Reserve			2,057,662,728
Total Ending Plan Reserve			<u>\$ 2,126,585,121</u>
Accrued Actuarial Liability (AAL)			\$ 1,697,694,682
Funded Status			121.2%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 11.17	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 8,868,486	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 18.40	Non-Medicare	9.0%	16.0%
		Medicare	9.0%	16.0%
		Prescription Drug Rebates		5.0%
		Capitations		9.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		0.0%

**APPENDIX - BASELINE SCENARIO
RHBT - MEDICARE**

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

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

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 2,929,110		\$ 2,929,110
Employer Premiums - PPB	4,916,851	653,409	5,570,260
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	44,086,700	5,858,756	49,945,456
Retiree Premiums - MCO	-	-	-
Non Par Premiums	1,195,834		1,195,834
Life Insurance	19,798,093		19,798,093
Investment Income	96,300,745		96,300,745
Transfer from Premium Stabilization Reserve	27,347,442		27,347,442
General Revenue Transfer (OPEB Funding)	18,508,219		18,508,219
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 215,082,994	\$ 6,512,165	\$ 221,595,159
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 4,959,860	\$ -	\$ 4,959,860
Gross Medicare Prescription Drug Claims	10,972,583	-	10,972,583
Medicare Prescription Drug Rebates	(3,474,345)		(3,474,345)
Humana MAPD Program	62,277,110		62,277,110
Administration	2,333,556		2,333,556
Life Insurance	19,845,778		19,845,778
Wellness	-		-
Retiree Assistance Program	1,149,550		1,149,550
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	17,133		17,133
Director's Discretionary Fund	-		-
Total Expenses	\$ 98,081,225	\$ -	\$ 98,081,225
Fiscal Year Results	\$ 117,001,769		\$ 123,513,934
Beginning Restricted Reserve	\$ 1,265,481,304		\$ 1,265,481,304
Ending Restricted Reserve	<u>\$ 1,382,483,073</u>		<u>\$ 1,388,995,238</u>
Beginning Premium Stabilization Reserve	\$ 27,347,442		\$ 27,347,442
PSR Addition/(Drawdown)	\$ (27,347,442)		\$ (27,347,442)
Ending Premium Stabilization Reserve	<u>\$ 0</u>		<u>\$ 0</u>
Total Beginning Plan Reserve	1,292,828,746		1,292,828,746
Total Ending Plan Reserve	<u>\$ 1,382,483,073</u>		<u>\$ 1,388,995,238</u>
Accrued Actuarial Liability (AAL)	\$ 1,697,694,682		\$ 1,697,694,682
Funded Status	119.5%		119.6%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 11.17	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 6,512,165	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 5.88	Medicare	9.0%	16.0%
		Prescription Drug Rebates		5.0%
		Capitations		9.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		0.0%

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

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

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

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 7,070,890		\$ 7,070,890
Employer Premiums - PPB	4,798,436	480,307	5,278,742
Employer Premiums - MCO	495,704	49,618	545,322
Retiree Premiums - PPB	17,244,435	1,726,107	18,970,542
Retiree Premiums - MCO	1,001,926	100,289	1,102,215
Non Par Premiums	648,785		648,785
Life Insurance	10,741,211		10,741,211
Investment Income	56,971,259		56,971,259
Transfer from Premium Stabilization Reserve	5,840,389		5,840,389
General Revenue Transfer (OPEB Funding)	11,491,781		11,491,781
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 116,304,816	\$ 2,356,321	\$ 118,661,137
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 81,789,840	\$ -	\$ 81,789,840
Gross Non-Medicare Prescription Drug Claims	55,591,537	-	55,591,537
Non-Medicare Prescription Drug Rebates	(17,590,050)		(17,590,050)
Non-Medicare Managed Care Capitations	4,689,956		4,689,956
Administration	3,988,262		3,988,262
Life Insurance	10,767,082		10,767,082
Wellness	-		-
Retiree Assistance Program	623,674		623,674
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	19,274		19,274
Director's Discretionary Fund	185,271		185,271
Total Expenses	\$ 140,064,847	\$ -	\$ 140,064,847
Fiscal Year Results	\$ (23,760,031)		\$ (21,403,710)
Beginning Restricted Reserve	\$ 758,993,592		\$ 758,993,592
Ending Restricted Reserve	<u>\$ 735,233,560</u>		<u>\$ 737,589,882</u>
Beginning Premium Stabilization Reserve	\$ 5,840,389		\$ 5,840,389
PSR Addition/(Drawdown)	\$ (5,840,389)		\$ (5,840,389)
Ending Premium Stabilization Reserve	<u>\$ (0)</u>		<u>\$ (0)</u>
Total Beginning Plan Reserve	764,833,980		764,833,980
Total Ending Plan Reserve	<u>\$ 735,233,560</u>		<u>\$ 737,589,881</u>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go Monthly Premium for Actives	\$ 11.17			
Additional Retiree Premiums	\$ 2,356,321			
Pay Go PEPM Subsidy for Retirees	\$ 154.96	Non-Medicare	9.0%	16.0%
		Prescription Drug Rebates		5.0%
		Capitations		9.5%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		0.0%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST
FINANCIAL FORECAST
FISCAL YEAR 2028**

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

	7/1/2027 to 12/31/2027	1/1/2028 to 6/30/2028	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ -	\$ -	\$ -
Retiree Premiums - PPB	41,422,287	41,509,093	82,931,380
Retiree Premiums - MCO	833,622	833,622	1,667,243
Non Par Premiums	894,640	894,640	1,789,280
Life Insurance	16,033,135	16,033,135	32,066,269
Investment Income	79,241,404	79,241,404	158,482,807
Transfer from Premium Stabilization Reserve	-	-	-
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 153,425,087	\$ 153,511,893	\$ 306,936,980
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 44,620,596	\$ 45,647,248	\$ 90,267,844
Gross Non-Medicare Prescription Drug Claims	31,759,201	33,526,525	65,285,726
Non-Medicare Prescription Drug Rebates	(9,115,250)	(9,538,997)	(18,654,248)
Medicare Medical Claims	3,552,044	1,703,844	5,255,888
Gross Medicare Prescription Drug Claims	8,270,147	4,102,647	12,372,795
Medicare Prescription Drug Rebates	(2,372,617)	(1,166,003)	(3,538,620)
Non-Medicare Managed Care Capitations	2,532,576	2,532,576	5,065,152
Humana MAPD Program	32,266,958	36,105,907	68,372,865
Administration	3,255,736	3,255,736	6,511,472
Life Insurance	16,071,751	16,071,751	32,143,502
Wellness	-	-	-
Retiree Assistance Program	957,542	957,542	1,915,083
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	20,005	20,005	40,009
Director's Discretionary Fund	93,468	93,468	186,935
Total Expenses	\$ 131,912,155	\$ 133,312,249	\$ 265,224,404
Fiscal Year Results	\$ 21,512,932	\$ 20,199,644	\$ 41,712,576
Beginning Restricted Reserve			\$ 2,126,585,121
Ending Restricted Reserve			\$ 2,168,297,697
Beginning Premium Stabilization Reserve			\$ -
PSR Addition/(Drawdown)			\$ -
Ending Premium Stabilization Reserve			\$ -
Total Beginning Plan Reserve			2,126,585,121
Total Ending Plan Reserve			\$ 2,168,297,697
Accrued Actuarial Liability (AAL)			\$ 1,701,970,701
Funded Status			124.9%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ -	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 4,309,345	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ -	Non-Medicare	9.5%	16.5%
		Medicare	9.5%	16.5%
		Prescription Drug Rebates		5.0%
		Capitations		10.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		-100.0%

**APPENDIX - BASELINE SCENARIO
RHBT - MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST
FINANCIAL FORECAST
FISCAL YEAR 2028**

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

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ -		\$ -
Employer Premiums - PPB	5,584,091	432,385	6,016,477
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	50,069,477	3,876,960	53,946,437
Retiree Premiums - MCO	-	-	-
Non Par Premiums	1,159,959		1,159,959
Life Insurance	20,787,998		20,787,998
Investment Income	103,514,250		103,514,250
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	19,028,455		19,028,455
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 200,144,231	\$ 4,309,345	\$ 204,453,576
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 5,255,888	\$ -	\$ 5,255,888
Gross Medicare Prescription Drug Claims	12,372,795	-	12,372,795
Medicare Prescription Drug Rebates	(3,538,620)		(3,538,620)
Humana MAPD Program	68,372,865		68,372,865
Administration	2,403,562		2,403,562
Life Insurance	20,838,066		20,838,066
Wellness	-		-
Retiree Assistance Program	1,241,514		1,241,514
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	21,661		21,661
Director's Discretionary Fund	-		-
Total Expenses	\$ 106,967,731	\$ -	\$ 106,967,731
Fiscal Year Results	\$ 93,176,500		\$ 97,485,845
Beginning Restricted Reserve	\$ 1,388,995,238		\$ 1,388,995,238
Ending Restricted Reserve	<u>\$ 1,482,171,738</u>		<u>\$ 1,486,481,083</u>
Beginning Premium Stabilization Reserve	\$ 0		\$ 0
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ 0</u>		<u>\$ 0</u>
Total Beginning Plan Reserve	1,388,995,238		1,388,995,238
Total Ending Plan Reserve	<u>\$ 1,482,171,738</u>		<u>\$ 1,486,481,083</u>
Accrued Actuarial Liability (AAL)	\$ 1,701,970,701		\$ 1,701,970,701
Funded Status	121.7%		121.7%

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go Monthly Premium for Actives	\$ -			
Additional Retiree Premiums	\$ 4,309,345			
Pay Go PEPM Subsidy for Retirees	\$ -	Medicare	9.5%	16.5%
		Prescription Drug Rebates		5.0%
		Capitations		10.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		-100.0%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST
FINANCIAL FORECAST
FISCAL YEAR 2028**

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

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ -		\$ -
Employer Premiums - PPB	4,999,926	-	4,999,926
Employer Premiums - MCO	551,845	-	551,845
Retiree Premiums - PPB	17,968,541	-	17,968,541
Retiree Premiums - MCO	1,115,399	-	1,115,399
Non Par Premiums	629,321	-	629,321
Life Insurance	11,278,271	-	11,278,271
Investment Income	54,968,557	-	54,968,557
Transfer from Premium Stabilization Reserve	-	-	-
General Revenue Transfer (OPEB Funding)	10,971,545	-	10,971,545
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 102,483,403	\$ -	\$ 102,483,403
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 90,267,844	\$ -	\$ 90,267,844
Gross Non-Medicare Prescription Drug Claims	65,285,726	-	65,285,726
Non-Medicare Prescription Drug Rebates	(18,654,248)	-	(18,654,248)
Non-Medicare Managed Care Capitations	5,065,152	-	5,065,152
Administration	4,107,910	-	4,107,910
Life Insurance	11,305,436	-	11,305,436
Wellness	-	-	-
Retiree Assistance Program	673,568	-	673,568
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	18,348	-	18,348
Director's Discretionary Fund	186,936	-	186,936
Total Expenses	\$ 158,256,673	\$ -	\$ 158,256,673
Fiscal Year Results	\$ (55,773,269)		\$ (55,773,269)
Beginning Restricted Reserve	\$ 737,589,882		\$ 737,589,882
Ending Restricted Reserve	<u>\$ 681,816,612</u>		<u>\$ 681,816,612</u>
Beginning Premium Stabilization Reserve	\$ (0)		\$ (0)
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	<u>\$ (0)</u>		<u>\$ (0)</u>
Total Beginning Plan Reserve	737,589,881		737,589,881
Total Ending Plan Reserve	<u>\$ 681,816,612</u>		<u>\$ 681,816,612</u>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

		Claim and Other Expense Trends		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go Monthly Premium for Actives	\$ -			
Additional Retiree Premiums	\$ -			
Pay Go PEPM Subsidy for Retirees	\$ -	Non-Medicare	9.5%	16.5%
		Prescription Drug Rebates		5.0%
		Capitations		10.0%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		-100.0%

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

Fiscal Year 2023

Exposure

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

	<u>Jul-22</u>	<u>Aug-22</u>	<u>Sep-22</u>	<u>Oct-22</u>	<u>Nov-22</u>	<u>Dec-22</u>	<u>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>
NonMed_NonDrug	\$290.78	\$321.63	\$330.66	\$331.08	\$296.84	\$291.39	\$373.38	\$349.88	\$409.12	\$624.96	\$409.39	\$413.11
Med_NonDrug	266.17	273.86	287.56	275.03	241.13	267.21	480.22	391.78	333.92	146.70	150.48	192.40
NonMed_Drug	218.93	268.60	268.88	222.64	236.65	266.22	258.53	240.56	265.44	251.50	303.33	313.78
Med_Drug	<u>370.45</u>	<u>395.15</u>	<u>394.50</u>	<u>353.94</u>	<u>358.42</u>	<u>369.87</u>	<u>393.33</u>	<u>463.85</u>	<u>474.89</u>	<u>388.24</u>	<u>363.39</u>	<u>371.50</u>
Total	\$1,146.33	\$1,259.24	\$1,281.59	\$1,182.69	\$1,133.04	\$1,194.68	\$1,505.47	\$1,446.07	\$1,483.38	\$1,411.40	\$1,226.59	\$1,290.79

Change From Prior Year - Month to Month Analysis

NonMed_NonDrug	-1.3%	-6.0%	6.3%	4.0%	-3.7%	2.9%	12.0%	11.4%	2.6%	67.1%	5.4%	15.8%
Med_NonDrug	14.1%	2.4%	-0.7%	23.7%	22.9%	44.3%	-42.4%	-16.3%	-39.2%	-52.2%	-66.8%	-50.2%
NonMed_Drug	3.0%	7.7%	10.3%	-9.7%	-4.2%	1.5%	0.2%	2.3%	-4.4%	1.4%	13.3%	7.1%
Med_Drug	<u>-10.4%</u>	<u>-1.5%</u>	<u>-3.3%</u>	<u>-14.6%</u>	<u>-10.3%</u>	<u>-21.8%</u>	<u>-0.7%</u>	<u>9.3%</u>	<u>-9.6%</u>	<u>-9.2%</u>	<u>-27.7%</u>	<u>-20.2%</u>
Total	-0.7%	-0.1%	2.4%	-1.6%	-1.6%	-0.7%	-17.4%	0.3%	-15.3%	4.1%	-23.9%	-14.0%

Change From Prior Year - Quarter to Quarter Analysis

NonMed_NonDrug			-0.5%			1.0%			8.3%			29.3%
Med_NonDrug			4.7%			29.7%			-34.8%			-57.3%
NonMed_Drug			7.2%			-4.0%			-0.8%			7.4%
Med_Drug			<u>-5.1%</u>			<u>-15.9%</u>			<u>-1.0%</u>			<u>-19.5%</u>
Total			0.6%			-1.3%			-11.5%			-12.1%

Change From Prior Year - Year to Year Analysis

NonMed_NonDrug			7.4%			4.3%			3.7%			10.4%
Med_NonDrug			10.9%			19.7%			-3.7%			-24.7%
NonMed_Drug			14.0%			8.3%			3.9%			2.4%
Med_Drug			<u>-2.8%</u>			<u>-4.2%</u>			<u>-4.7%</u>			<u>-10.5%</u>
Total			6.0%			6.0%			-0.9%			-6.9%

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

Fiscal Year 2024

Exposure

	<u>Jul-23</u>	<u>Aug-23</u>	<u>Sep-23</u>	<u>Oct-23</u>	<u>Nov-23</u>	<u>Dec-23</u>	<u>Jan-24</u>	<u>Feb-24</u>
NonMed_NonDrug	10,830	10,970	10,898	10,754	10,700	10,551	10,443	10,356
Med_NonDrug	1,238	1,353	1,530	1,696	1,827	1,989	226	450
NonMed_Drug	10,045	10,176	10,108	9,976	9,926	9,788	9,690	9,609
Med_Drug	1,290	1,410	1,593	1,767	1,903	2,072	236	469

	<u>Jul-23</u>	<u>Aug-23</u>	<u>Sep-23</u>	<u>Oct-23</u>	<u>Nov-23</u>	<u>Dec-23</u>	<u>Jan-24</u>	<u>Feb-24</u>
NonMed_NonDrug	\$370.89	\$403.78	\$395.97	\$452.77	\$496.26	\$503.27	\$489.90	\$439.07
Med_NonDrug	288.65	284.77	202.80	272.86	223.63	178.39	628.45	380.02
NonMed_Drug	248.30	296.96	277.14	311.10	308.86	297.70	315.47	309.23
Med_Drug	<u>471.51</u>	<u>510.47</u>	<u>473.83</u>	<u>508.21</u>	<u>498.35</u>	<u>480.54</u>	<u>633.47</u>	<u>313.55</u>
Total	\$1,379.35	\$1,495.98	\$1,349.74	\$1,544.93	\$1,527.09	\$1,459.90	\$2,067.29	\$1,441.86

Change From Prior Year - Month to Month Analysis

NonMed_NonDrug	27.6%	25.5%	19.8%	36.8%	67.2%	72.7%	31.2%	25.5%
Med_NonDrug	8.4%	4.0%	-29.5%	-0.8%	-7.3%	-33.2%	30.9%	-3.0%
NonMed_Drug	13.4%	10.6%	3.1%	39.7%	30.5%	11.8%	22.0%	28.5%
Med_Drug	<u>27.3%</u>	<u>29.2%</u>	<u>20.1%</u>	<u>43.6%</u>	<u>39.0%</u>	<u>29.9%</u>	<u>61.1%</u>	<u>-32.4%</u>
Total	20.3%	18.8%	5.3%	30.6%	34.8%	22.2%	37.3%	-0.3%

Change From Prior Year - Quarter to Quarter Analysis

NonMed_NonDrug	24.1%	58.0%
Med_NonDrug	-6.2%	-13.9%
NonMed_Drug	8.7%	26.5%
Med_Drug	<u>25.5%</u>	<u>37.4%</u>
Total	14.6%	29.1%

Change From Prior Year - Year to Year Analysis

NonMed_NonDrug	16.2%	29.2%
Med_NonDrug	-26.5%	-31.7%
NonMed_Drug	2.9%	10.2%
Med_Drug	<u>-3.8%</u>	<u>8.3%</u>
Total	-3.8%	2.6%