

STATE OF WEST VIRGINIA



RETIREE HEALTH BENEFIT TRUST FUND

**Fiscal Year 2026
Financial Report**

Fiscal Years 2026-2031

Report Date: October 2026

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 2031. 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.

Continuing Care Actuaries has provided financial report for fiscal year ending June 30, 2026 (“FY 2026”), June 30, 2027 (“FY 2027”), June 30, 2028 (“FY 2028”), June 30, 2029 (“FY 2029”), June 30, 2030 (“FY 2030”) and June 30, 2031 (“FY 2031”). Our opinion of plan adequacy is based on the projections through FY 2031 using updated future revenue and plan modifications provided by the Board in the plan adopted in December 2025.

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 2026 the Pay-Go is equivalent to \$20 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 2025.

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 2026 through FY 2031 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 2031 as approved by the Board in December 2025.

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 2026 – FY 2031

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 August 2026 for prescription drugs and medical claims. Enrollment data, administrative expenses, managed care capitations, and plan revenues were provided at special request from RHBT. Revenue assumptions are based on premium rates, assumed investment income and significant general and special revenue allocations provided by the Governor, some which have not been approved by the West Virginia Legislature. In addition, other information became available through presentations made at Board meetings, which has been used in arriving at our conclusions.

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

KEY ASSUMPTIONS

A. Enrollment Changes

The Board has requested that the projection assume retiree enrollment growth consistent with the experience of the plan. These projections assume that the Trust Fund will annually have 1,000 additional policies. We have observed a net increase of 215 policy from the end of FY 2026 to July 2026. Continuing Care Actuaries has updated the claims analysis based on the enrollment through July 2026.

In aggregate, July 2026 enrollment has increased by 215 coverage since the end of FY 2026. Aggregate Preferred Provider Benefit (“PPB”) enrollment has increased by 205 in total over the same period, while managed care enrollment continues to cover fewer participants, with an increase of 10 coverages. For MAPD Capitations, the average of 52,333 Medicare policyholders in FY 2026 was used to calculate the capitation cost.

The following chart summarizes the current enrollment as of the selected monthly billing dates of June 2025, June 2026, and July 2026 for purposes of comparison:

Trust Fund	Coverage	Preferred Provider Benefit*			Managed Care		
		Jun-25	Jun-26	Jul-26	Jun-25	Jun-26	Jul-26
Retirees	Medicare Single	22,246	22,295	22,369	-	-	-
	Medicare Family	15,842	15,646	15,691	-	-	-
	Medicare Total	38,088	37,941	38,060	-	-	-
	Non-Medicare Single	1,851	1,707	1,762	77	73	82
	Non-Medicare Family	1,917	1,772	1,803	70	58	59
	Non-Medicare Total	3,768	3,479	3,565	147	131	141
	Retiree Total	41,856	41,420	41,625	147	131	141
	Grand Total				42,003	41,551	41,766

* The majority of PPB is capitated through Humana. As of August 2026, there are approximately 878 Medicare retiree coverages under PEIA.

B. Changes in Claim Backlog

Detail of the medical claim backlog is presented in the PEIA report titled “PEIA Fiscal Year 2026 Financial Report”.

C. Trend Analysis

RHBT experienced a lower medical trend and a higher prescription drugs trend in FY 2026, 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 FY2025 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 assumed FY 2027 medical claim trend is 6.00%, the gross prescription drugs claim trend is 12.75% and the prescription drugs rebate trend is 5.00%. In 2027, 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 2027 Trend	Updated Assumption FY 2027 Trend
Non-Medicare – Medical	6.00%	6.00%
Medicare – Medical	6.00%	6.00%
Non-Medicare – Gross Drugs	12.75%	12.75%
Medicare – Gross Drugs	12.75%	12.75%
Prescription Drugs Rebate	5.00%	5.00%

In the past, claim trends for the financial plan included a 0.5% margin for the medical and 0.75% margin for the drugs in future years. CCA has assumed the claim trends for the financial projection will increase by 0.5% for the medical and 0.75% for the drugs in FY 2028 and in each successive fiscal year. Additionally, drug rebates have been trending at a lower rate than gross drugs. 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 August 2026. 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%	11%	-3%	17%	12%
2023	-25%	19%	-5%	9%	12%
2024	-9%	3%	14%	19%	9%
2025	92%	6%	12%	19%	13%
2026	-24%	7%	12%	-1%	4%
2027*	-27%	5%	11%	0%	4%

* Fiscal year 2027 results are through the first two months ending August 2026. 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 August 2026 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 2026 claims and expenses are summarized in the following chart. It should be noted that the chart reflects per policy information.

Fiscal Year 2026 Result			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	38,192			\$ 278**	\$ 394**	\$ 177
	<u>Non-Medicare</u>	<u>3,710</u>			\$ 1,185	\$ 514	
	Total	41,902	\$0	\$140			
	<u>Non-Medicare Managed Care</u>	<u>138</u>	\$0	\$713			\$ 2,349
	Total	42,040					

*Net of rebates and subsidies.

** As of June 2026, there are approximately 601 Medicare coverages that were not capitated through Humana.

Fiscal Year 2027 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	38,610			\$ 294**	\$ 460**	\$ 205
	<u>Non-Medicare</u>	<u>3,473</u>			\$ 1,341	\$ 640	
	Total	42,083	\$0	\$143			
	<u>Non-Medicare Managed Care</u>	<u>141</u>	\$0	\$758			\$ 2,502
	Total	42,224					

*Net of rebates and subsidies.

** As of August 2026, there are approximately 878 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 2025.

Board Decisions – December 2025

Source	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031
Additional Non-Medicare Retiree Premium (Fiscal Year)	\$2,294,255	\$634,110	\$1,328,929	\$885,185	\$864,837	\$841,795
Additional Medicare Retiree Premium (Calendar Year)	\$6,062,370	\$1,441,008	\$4,947,313	\$4,169,392	\$4,414,277	\$4,671,470
General Revenue Transfer (OPEB Funding)	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000
Benefit Reductions and Savings / (Increase) - Retiree Non-Medicare Medical	\$4,300,000	\$0	\$4,520,000	\$790,000	\$990,000	\$990,000
Benefit Reductions and Savings / (Increase) - Retiree Non-Medicare Drugs	\$1,300,000	\$0	\$1,370,000	\$240,000	\$300,000	\$300,000
Benefit Reductions and Savings / (Increase) - Retiree Medicare Medical	\$260,000	\$0	\$270,000	\$50,000	\$60,000	\$60,000
Benefit Reductions and Savings / (Increase) - Retiree Medicare Drugs	\$320,000	\$0	\$340,000	\$60,000	\$70,000	\$70,000
Benefit Reductions and Savings / (Increase) - Humana MAPD (Calendar Year)	\$32,600,000	\$0	\$16,300,000	\$2,860,000	\$3,580,000	\$3,580,000
Pay Go Premium Transfer	\$10,227,140	\$55,000,000	\$65,000,000	\$75,000,000	\$85,000,000	\$85,000,000
Actuarial Accrued Liability* (Beginning of Year)	\$2,262,062,209	\$2,354,245,485	\$2,361,305,189	\$2,363,769,531	\$2,357,443,787	\$2,341,810,557
Funded Status	94.1%	102.5%	108.3%	115.2%	123.3%	132.3%

*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.

West Virginia Public Employees Insurance Agency Finance Board is projecting to implement benefit reductions for Non-Medicare retirees and Medicare retirees in FY 2028 through FY 2031.

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 \$1,205,137 in FY 2026 to \$1,614,351 in FY 2031, based on the Board's direction and projected retiree enrollment growth in the financial plan.

In FY 2026, the ACA PCORI fee is approximately \$3.84 per person per year.

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 2026 RESULT

The financial result for FY 2026 under the Baseline scenario is presented in the Appendix. The Baseline result for FY 2026 projects accrued revenue of \$575,286,417 and incurred plan expenses of \$199,985,065 to produce a fiscal year surplus of \$375,301,352 after the Premium Stabilization Reserve drawdown of \$90,382,625. The PEIA local and state agencies Pay Go premiums for FY 2026 are assumed to be \$10,227,140.

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 \$416,361,548 and incurred plan expenses of \$223,503,268 to produce a fiscal year surplus of \$192,858,280 after the Premium Stabilization Reserve drawdown of \$49,167,306. The PEIA local and state agencies Pay Go premiums for FY 2027 are assumed to be \$55,000,000.

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 \$393,309,485 and incurred plan expenses of \$226,998,665 to produce a fiscal year surplus of \$166,310,820 after the Premium Stabilization Reserve drawdown of \$0. The PEIA local and state agencies Pay Go premiums for FY 2028 are assumed to be \$65,000,000.

FISCAL YEAR 2029 FORECAST

The financial forecast for FY 2029 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2029 projects accrued revenue of \$421,232,164 and incurred plan expenses of \$238,192,323 to produce a fiscal year surplus of \$183,039,841 after the Premium Stabilization Reserve drawdown of \$0. The PEIA local and state agencies Pay Go premiums for FY 2029 are assumed to be \$75,000,000.

FISCAL YEAR 2030 FORECAST

The financial forecast for FY 2030 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2030 projects accrued revenue of \$450,135,160 and incurred plan expenses of \$259,664,026 to produce a fiscal year surplus of \$190,471,134 after the Premium Stabilization Reserve drawdown of \$0. The PEIA local and state agencies Pay Go premiums for FY 2030 are assumed to be \$85,000,000.

FISCAL YEAR 2032 FORECAST

The financial forecast for FY 2031 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2031 projects accrued revenue of \$469,851,768 and incurred plan expenses of \$280,001,250 to produce a fiscal year surplus of \$189,850,519 after the Premium Stabilization Reserve drawdown of \$0. The PEIA local and state agencies Pay Go premiums for FY 2031 are assumed to be \$85,000,000.

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 2031. These projections are based on significant revenue increases as contained in the financial plan adopted by the Board in December 2025 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 RESULT
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	\$ 5,113,570	\$ 5,113,570	\$ 10,227,140
Retiree Premiums - PPB	33,394,420	36,775,427	70,169,847
Retiree Premiums - MCO	605,297	574,689	1,179,986
Non Par Premiums	1,012,467	1,012,467	2,024,933
Life Insurance	13,000,267	13,000,267	26,000,534
Investment Income	172,650,676	172,650,676	345,301,352
Transfer from Premium Stabilization Reserve	48,589,582	41,793,043	90,382,625
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 289,366,279	\$ 285,920,138	\$ 575,286,417
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 26,902,349	\$ 25,860,102	\$ 52,762,451
Gross Non-Medicare Prescription Drug Claims	17,912,213	17,743,617	35,655,830
Non-Medicare Prescription Drug Rebates	(6,426,206)	(6,365,721)	(12,791,927)
Medicare Medical Claims	2,572,496	907,836	3,480,332
Gross Medicare Prescription Drug Claims	5,877,496	2,140,932	8,018,428
Medicare Prescription Drug Rebates	(2,108,617)	(768,083)	(2,876,701)
Non-Medicare Managed Care Capitations	1,944,889	1,944,889	3,889,778
Humana MAPD Program	34,547,457	46,448,678	80,996,136
Administration	1,819,919	1,819,919	3,639,837
Life Insurance	12,985,976	12,985,976	25,971,951
Wellness	-	-	-
Retiree Assistance Program	602,569	602,569	1,205,137
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	16,907	16,907	33,814
Director's Discretionary Fund	-	-	-
Total Expenses	\$ 96,647,446	\$ 103,337,619	\$ 199,985,065
Fiscal Year Results	\$ 192,718,833	\$ 182,582,519	\$ 375,301,352
Beginning Restricted Reserve			\$ 1,989,384,457
Ending Restricted Reserve			\$ 2,364,685,809
Beginning Premium Stabilization Reserve			\$ 139,549,931
PSR Addition/(Drawdown)			\$ (90,382,625)
Ending Premium Stabilization Reserve			\$ 49,167,306
Total Beginning Plan Reserve			2,128,934,389
Total Ending Plan Reserve			\$ 2,413,853,116
Accrued Actuarial Liability (AAL)			\$ 2,262,062,209
Funded Status			94.1%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 11.47	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 6,251,652	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 20.27	Non-Medicare	5.5%	12.0%
		Medicare	5.5%	12.0%
		Prescription Drug Rebates		5.0%
		Capitations		6.0%
		Administrative Expense		-25.5%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		-64.9%

APPENDIX - BASELINE SCENARIO

RHBT - MEDICARE

WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST FINANCIAL RESULT 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	\$ 3,992,918		\$ 3,992,918
Employer Premiums - PPB	4,400,240	(286,348)	4,113,892
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	39,377,161	4,243,745	43,620,905
Retiree Premiums - MCO	-	-	-
Non Par Premiums	1,330,627		1,330,627
Life Insurance	17,085,513		17,085,513
Investment Income	207,111,670		207,111,670
Transfer from Premium Stabilization Reserve	59,767,296		59,767,296
General Revenue Transfer (OPEB Funding)	17,579,620		17,579,620
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 350,645,045	\$ 3,957,397	\$ 354,602,441
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 3,480,332	\$ -	\$ 3,480,332
Gross Medicare Prescription Drug Claims	8,018,428	-	8,018,428
Medicare Prescription Drug Rebates	(2,876,701)		(2,876,701)
Humana MAPD Program	80,996,136		80,996,136
Administration	1,343,563		1,343,563
Life Insurance	17,066,731		17,066,731
Wellness	-		-
Retiree Assistance Program	791,922		791,922
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	6,540		6,540
Director's Discretionary Fund	-		-
Total Expenses	\$ 108,826,951	\$ -	\$ 108,826,951
Fiscal Year Results	\$ 241,818,094		\$ 245,775,491
Beginning Restricted Reserve	\$ 1,175,270,554		\$ 1,175,270,554
Ending Restricted Reserve	\$ 1,417,088,648		\$ 1,421,046,045
Beginning Premium Stabilization Reserve	\$ 101,663,794		\$ 101,663,794
PSR Addition/(Drawdown)	\$ (59,767,296)		\$ (59,767,296)
Ending Premium Stabilization Reserve	\$ 41,896,498		\$ 41,896,498
Total Beginning Plan Reserve	1,276,934,349		1,276,934,349
Total Ending Plan Reserve	\$ 1,458,985,146		\$ 1,462,942,543
Accrued Actuarial Liability (AAL)	\$ 2,262,062,209		\$ 2,262,062,209
Funded Status	98.4%		98.5%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 11.47	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 3,957,397	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 8.71	Medicare	5.5%	12.0%
		Prescription Drug Rebates		5.0%
		Capitations		6.0%
		Administrative Expense		-25.5%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		-64.9%

APPENDIX - BASELINE SCENARIO

RHBT - NON-MEDICARE

WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST FINANCIAL RESULT 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	\$ 6,234,222		\$ 6,234,222
Employer Premiums - PPB	4,419,224	(933,282)	3,485,942
Employer Premiums - MCO	362,531	(17,609)	344,922
Retiree Premiums - PPB	15,807,855	3,141,253	18,949,108
Retiree Premiums - MCO	731,171	103,892	835,063
Non Par Premiums	694,306		694,306
Life Insurance	8,915,020		8,915,020
Investment Income	138,189,682		138,189,682
Transfer from Premium Stabilization Reserve	30,615,329		30,615,329
General Revenue Transfer (OPEB Funding)	12,420,380		12,420,380
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 218,389,719	\$ 2,294,255	\$ 220,683,975
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 52,762,451	\$ -	\$ 52,762,451
Gross Non-Medicare Prescription Drug Claims	35,655,830	-	35,655,830
Non-Medicare Prescription Drug Rebates	(12,791,927)		(12,791,927)
Non-Medicare Managed Care Capitations	3,889,778		3,889,778
Administration	2,296,274		2,296,274
Life Insurance	8,905,220		8,905,220
Wellness	-		-
Retiree Assistance Program	413,215		413,215
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	27,275		27,275
Director's Discretionary Fund	-		-
Total Expenses	\$ 91,158,115	\$ -	\$ 91,158,115
Fiscal Year Results	\$ 127,231,604		\$ 129,525,860
Beginning Restricted Reserve	\$ 814,113,903		\$ 814,113,903
Ending Restricted Reserve	\$ 941,345,507		\$ 943,639,762
Beginning Premium Stabilization Reserve	\$ 37,886,137		\$ 37,886,137
PSR Addition/(Drawdown)	\$ (30,615,329)		\$ (30,615,329)
Ending Premium Stabilization Reserve	\$ 7,270,808		\$ 7,270,808
Total Beginning Plan Reserve	852,000,040		852,000,040
Total Ending Plan Reserve	\$ 948,616,315		\$ 950,910,571
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 11.47	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 2,294,255	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 135.01	Non-Medicare	5.5%	12.0%
		Prescription Drug Rebates		5.0%
		Capitations		6.0%
		Administrative Expense		-25.5%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		-64.9%

**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	\$ 27,500,000	\$ 27,500,000	\$ 55,000,000
Retiree Premiums - PPB	35,784,913	36,541,868	72,326,780
Retiree Premiums - MCO	637,344	645,383	1,282,726
Non Par Premiums	982,093	982,093	1,964,185
Life Insurance	13,650,280	13,650,280	27,300,560
Investment Income	89,659,995	89,659,995	179,319,990
Transfer from Premium Stabilization Reserve	26,135,402	23,031,905	49,167,306
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
Total Revenue	\$ 209,350,025	\$ 207,011,523	\$ 416,361,548
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 28,226,016	\$ 27,658,285	\$ 55,884,301
Gross Non-Medicare Prescription Drug Claims	19,968,429	20,177,789	40,146,217
Non-Medicare Prescription Drug Rebates	(6,702,002)	(6,750,847)	(13,452,849)
Medicare Medical Claims	2,579,505	932,749	3,512,254
Gross Medicare Prescription Drug Claims	6,262,107	2,339,067	8,601,175
Medicare Prescription Drug Rebates	(2,090,130)	(782,293)	(2,872,423)
Non-Medicare Managed Care Capitations	2,116,520	2,116,520	4,233,039
Humana MAPD Program	45,641,044	49,413,023	95,054,067
Administration	1,874,516	1,874,516	3,749,032
Life Insurance	13,635,275	13,635,275	27,270,549
Wellness	-	-	-
Retiree Assistance Program	593,298	593,298	1,186,596
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	17,292	17,292	34,585
Director's Discretionary Fund	78,363	78,363	156,725
Total Expenses	\$ 112,200,231	\$ 111,303,037	\$ 223,503,268
Fiscal Year Results	\$ 97,149,794	\$ 95,708,486	\$ 192,858,280
Beginning Restricted Reserve			\$ 2,364,685,809
Ending Restricted Reserve			\$ 2,557,544,089
Beginning Premium Stabilization Reserve			\$ 49,167,306
PSR Addition/(Drawdown)			\$ (49,167,306)
Ending Premium Stabilization Reserve			\$ -
Total Beginning Plan Reserve			2,413,853,116
Total Ending Plan Reserve			\$ 2,557,544,089
Accrued Actuarial Liability (AAL)			\$ 2,354,245,485
Funded Status			102.5%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 62.06	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 4,710,061	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 108.55	Non-Medicare	6.0%	12.8%
		Medicare	6.0%	12.8%
		Prescription Drug Rebates		5.0%
		Capitations		6.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		437.8%

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	\$ 26,120,903		\$ 26,120,903
Employer Premiums - PPB	4,656,232	327,152	4,983,384
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	41,741,345	3,748,798	45,490,143
Retiree Premiums - MCO	-	-	-
Non Par Premiums	1,290,708		1,290,708
Life Insurance	17,939,789		17,939,789
Investment Income	108,678,876		108,678,876
Transfer from Premium Stabilization Reserve	41,896,498		41,896,498
General Revenue Transfer (OPEB Funding)	18,284,450		18,284,450
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 260,608,801	\$ 4,075,950	\$ 264,684,751
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 3,512,254	\$ -	\$ 3,512,254
Gross Medicare Prescription Drug Claims	8,601,175	-	8,601,175
Medicare Prescription Drug Rebates	(2,872,423)		(2,872,423)
Humana MAPD Program	95,054,067		95,054,067
Administration	1,383,870		1,383,870
Life Insurance	17,920,068		17,920,068
Wellness	-		-
Retiree Assistance Program	779,738		779,738
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	9,120		9,120
Director's Discretionary Fund	-		-
Total Expenses	\$ 124,387,869	\$ -	\$ 124,387,869
Fiscal Year Results	\$ 136,220,932		\$ 140,296,882
Beginning Restricted Reserve	\$ 1,421,046,045		\$ 1,421,046,045
Ending Restricted Reserve	\$ 1,557,266,977		\$ 1,561,342,927
Beginning Premium Stabilization Reserve	\$ 41,896,498		\$ 41,896,498
PSR Addition/(Drawdown)	\$ (41,896,498)		\$ (41,896,498)
Ending Premium Stabilization Reserve	\$ (0)		\$ (0)
Total Beginning Plan Reserve	1,462,942,543		1,462,942,543
Total Ending Plan Reserve	\$ 1,557,266,977		\$ 1,561,342,927
Accrued Actuarial Liability (AAL)	\$ 2,354,245,485		\$ 2,354,245,485
Funded Status	104.4%		104.5%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 62.06	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 4,075,950	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 56.38	Medicare	6.0%	12.8%
		Prescription Drug Rebates		5.0%
		Capitations		6.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		437.8%

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	\$ 28,879,097		\$ 28,879,097
Employer Premiums - PPB	4,627,001	1,457	4,628,458
Employer Premiums - MCO	414,720	4,087	418,807
Retiree Premiums - PPB	16,622,093	602,703	17,224,796
Retiree Premiums - MCO	838,056	25,864	863,919
Non Par Premiums	673,477		673,477
Life Insurance	9,360,771		9,360,771
Investment Income	70,641,115		70,641,115
Transfer from Premium Stabilization Reserve	7,270,808		7,270,808
General Revenue Transfer (OPEB Funding)	11,715,550		11,715,550
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 151,042,687	\$ 634,110	\$ 151,676,798
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 55,884,301	\$ -	\$ 55,884,301
Gross Non-Medicare Prescription Drug Claims	40,146,217	-	40,146,217
Non-Medicare Prescription Drug Rebates	(13,452,849)		(13,452,849)
Non-Medicare Managed Care Capitations	4,233,039		4,233,039
Administration	2,365,162		2,365,162
Life Insurance	9,350,481		9,350,481
Wellness	-		-
Retiree Assistance Program	406,858		406,858
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	25,465		25,465
Director's Discretionary Fund	156,725		156,725
Total Expenses	\$ 99,115,399	\$ -	\$ 99,115,399
Fiscal Year Results	\$ 51,927,288		\$ 52,561,399
Beginning Restricted Reserve	\$ 943,639,762		\$ 943,639,762
Ending Restricted Reserve	\$ 995,567,051		\$ 996,201,161
Beginning Premium Stabilization Reserve	\$ 7,270,808		\$ 7,270,808
PSR Addition/(Drawdown)	\$ (7,270,808)		\$ (7,270,808)
Ending Premium Stabilization Reserve	\$ 0		\$ 0
Total Beginning Plan Reserve	950,910,571		950,910,571
Total Ending Plan Reserve	\$ 995,567,051		\$ 996,201,161
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 62.06	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 634,110	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 665.85	Non-Medicare	6.0%	12.8%
		Prescription Drug Rebates		5.0%
		Capitations		6.5%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		437.8%

**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	\$ 32,500,000	\$ 32,500,000	\$ 65,000,000
Retiree Premiums - PPB	37,335,325	39,008,383	76,343,708
Retiree Premiums - MCO	682,687	682,687	1,365,374
Non Par Premiums	952,630	952,630	1,905,259
Life Insurance	14,332,794	14,332,794	28,665,588
Investment Income	95,014,779	95,014,779	190,029,557
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	\$ 195,818,214	\$ 197,491,272	\$ 393,309,485
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 27,980,339	\$ 27,481,520	\$ 55,461,859
Gross Non-Medicare Prescription Drug Claims	22,103,853	22,409,065	44,512,919
Non-Medicare Prescription Drug Rebates	(7,107,473)	(7,159,273)	(14,266,747)
Medicare Medical Claims	2,458,061	891,037	3,349,098
Gross Medicare Prescription Drug Claims	6,615,945	2,479,862	9,095,806
Medicare Prescription Drug Rebates	(2,128,798)	(796,765)	(2,925,563)
Non-Medicare Managed Care Capitations	2,328,172	2,328,172	4,656,343
Humana MAPD Program	48,553,845	44,591,866	93,145,712
Administration	1,930,752	1,930,752	3,861,503
Life Insurance	14,317,038	14,317,038	28,634,076
Wellness	-	-	-
Retiree Assistance Program	640,762	640,762	1,281,524
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	20,186	20,186	40,372
Director's Discretionary Fund	75,882	75,882	151,763
Total Expenses	\$ 117,788,562	\$ 109,210,102	\$ 226,998,665
Fiscal Year Results	\$ 78,029,651	\$ 88,281,169	\$ 166,310,820
Beginning Restricted Reserve			\$ 2,557,544,089
Ending Restricted Reserve			\$ 2,723,854,909
Beginning Premium Stabilization Reserve			\$ -
PSR Addition/(Drawdown)			\$ -
Ending Premium Stabilization Reserve			\$ -
Total Beginning Plan Reserve			2,557,544,089
Total Ending Plan Reserve			\$ 2,723,854,909
Accrued Actuarial Liability (AAL)			\$ 2,361,305,189
Funded Status			108.3%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 73.34	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 5,289,535	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 125.32	Non-Medicare	6.5%	13.5%
		Medicare	6.5%	13.5%
		Prescription Drug Rebates		5.0%
		Capitations		7.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		18.2%

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	\$ 32,052,250		\$ 32,052,250
Employer Premiums - PPB	5,062,753	397,394	5,460,147
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	45,394,921	3,563,212	48,958,133
Retiree Premiums - MCO	-	-	-
Non Par Premiums	1,251,987		1,251,987
Life Insurance	18,836,779		18,836,779
Investment Income	116,010,241		116,010,241
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	18,194,599		18,194,599
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 236,803,530	\$ 3,960,606	\$ 240,764,136
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 3,619,098	\$ (270,000)	\$ 3,349,098
Gross Medicare Prescription Drug Claims	9,435,806	(340,000)	9,095,806
Medicare Prescription Drug Rebates	(2,925,563)		(2,925,563)
Humana MAPD Program	93,145,712		93,145,712
Administration	1,425,386		1,425,386
Life Insurance	18,816,071		18,816,071
Wellness	-		-
Retiree Assistance Program	842,117		842,117
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	16,253		16,253
Director's Discretionary Fund	-		-
Total Expenses	\$ 124,374,880	\$ (610,000)	\$ 123,764,880
Fiscal Year Results	\$ 112,428,650		\$ 116,999,256
Beginning Restricted Reserve	\$ 1,561,342,927		\$ 1,561,342,927
Ending Restricted Reserve	\$ 1,673,771,577		\$ 1,678,342,183
Beginning Premium Stabilization Reserve	\$ (0)		\$ (0)
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	\$ (0)		\$ (0)
Total Beginning Plan Reserve	1,561,342,927		1,561,342,927
Total Ending Plan Reserve	\$ 1,673,771,577		\$ 1,678,342,183
Accrued Actuarial Liability (AAL)	\$ 2,361,305,189		\$ 2,361,305,189
Funded Status	110.1%		110.4%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 73.34	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 3,960,606	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 67.09	Medicare	6.5%	13.5%
		Prescription Drug Rebates		5.0%
		Capitations		7.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		18.2%

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	\$ 32,947,750		\$ 32,947,750
Employer Premiums - PPB	4,500,539	272,331	4,772,870
Employer Premiums - MCO	426,142	25,786	451,928
Retiree Premiums - PPB	16,173,865	978,692	17,152,557
Retiree Premiums - MCO	861,326	52,119	913,446
Non Par Premiums	653,272		653,272
Life Insurance	9,828,810		9,828,810
Investment Income	74,019,317		74,019,317
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	11,805,401		11,805,401
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 151,216,422	\$ 1,328,929	\$ 152,545,351
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 59,981,859	\$ (4,520,000)	\$ 55,461,859
Gross Non-Medicare Prescription Drug Claims	45,882,919	(1,370,000)	44,512,919
Non-Medicare Prescription Drug Rebates	(14,266,747)		(14,266,747)
Non-Medicare Managed Care Capitations	4,656,343		4,656,343
Administration	2,436,117		2,436,117
Life Insurance	9,818,005		9,818,005
Wellness	-		-
Retiree Assistance Program	439,407		439,407
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	24,119		24,119
Director's Discretionary Fund	151,763		151,763
Total Expenses	\$ 109,123,785	\$ (5,890,000)	\$ 103,233,785
Fiscal Year Results	\$ 42,092,637		\$ 49,311,566
Beginning Restricted Reserve	\$ 996,201,161		\$ 996,201,161
Ending Restricted Reserve	\$ 1,038,293,798		\$ 1,045,512,727
Beginning Premium Stabilization Reserve	\$ 0		\$ 0
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	\$ 0		\$ 0
Total Beginning Plan Reserve	996,201,161		996,201,161
Total Ending Plan Reserve	\$ 1,038,293,798		\$ 1,045,512,727
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 73.34	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 1,328,929	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 804.30	Non-Medicare	6.5%	13.5%
		Prescription Drug Rebates		5.0%
		Capitations		7.0%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		18.2%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST
FINANCIAL FORECAST
FISCAL YEAR 2029**

PERIOD 7/1/2028 - 6/30/2029

	7/1/2028 to 12/31/2028	1/1/2029 to 6/30/2029	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 37,500,000	\$ 37,500,000	\$ 75,000,000
Retiree Premiums - PPB	39,596,281	40,841,843	80,438,125
Retiree Premiums - MCO	712,834	712,834	1,425,669
Non Par Premiums	924,051	924,051	1,848,102
Life Insurance	15,049,434	15,049,434	30,098,868
Investment Income	101,210,700	101,210,700	202,421,400
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	\$ 209,993,301	\$ 211,238,863	\$ 421,232,164
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 29,740,499	\$ 29,278,133	\$ 59,018,632
Gross Non-Medicare Prescription Drug Claims	25,269,173	25,701,796	50,970,970
Non-Medicare Prescription Drug Rebates	(7,537,476)	(7,592,409)	(15,129,885)
Medicare Medical Claims	2,506,420	910,807	3,417,227
Gross Medicare Prescription Drug Claims	7,255,589	2,729,051	9,984,640
Medicare Prescription Drug Rebates	(2,168,181)	(811,505)	(2,979,686)
Non-Medicare Managed Care Capitations	2,560,989	2,560,989	5,121,977
Humana MAPD Program	43,816,517	48,343,917	92,160,434
Administration	1,988,674	1,988,674	3,977,348
Life Insurance	15,032,890	15,032,890	30,065,780
Wellness	-	-	-
Retiree Assistance Program	692,023	692,023	1,384,046
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	23,081	23,081	46,162
Director's Discretionary Fund	77,339	77,339	154,678
Total Expenses	\$ 119,257,538	\$ 118,934,785	\$ 238,192,323
Fiscal Year Results	\$ 90,735,763	\$ 92,304,077	\$ 183,039,841
Beginning Restricted Reserve			\$ 2,723,854,909
Ending Restricted Reserve			\$ 2,906,894,750
Beginning Premium Stabilization Reserve			\$ -
PSR Addition/(Drawdown)			\$ -
Ending Premium Stabilization Reserve			\$ -
Total Beginning Plan Reserve			2,723,854,909
Total Ending Plan Reserve			\$ 2,906,894,750
Accrued Actuarial Liability (AAL)			\$ 2,363,769,531
Funded Status			115.2%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 84.63	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 5,343,151	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 141.33	Non-Medicare	7.0%	14.3%
		Medicare	7.0%	14.3%
		Prescription Drug Rebates		5.0%
		Capitations		7.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		15.4%

APPENDIX - BASELINE SCENARIO
RHBT - MEDICARE

WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST
FINANCIAL FORECAST
FISCAL YEAR 2029

PERIOD 7/1/2028 - 6/30/2029

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 34,838,298		\$ 34,838,298
Employer Premiums - PPB	5,470,428	447,297	5,917,725
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	49,050,315	4,010,669	53,060,984
Retiree Premiums - MCO	-	-	-
Non Par Premiums	1,214,428		1,214,428
Life Insurance	19,778,618		19,778,618
Investment Income	124,724,843		124,724,843
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	18,378,508		18,378,508
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 253,455,437	\$ 4,457,966	\$ 257,913,403
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 3,467,227	\$ (50,000)	\$ 3,417,227
Gross Medicare Prescription Drug Claims	10,044,640	(60,000)	9,984,640
Medicare Prescription Drug Rebates	(2,979,686)		(2,979,686)
Humana MAPD Program	92,160,434		92,160,434
Administration	1,468,148		1,468,148
Life Insurance	19,756,875		19,756,875
Wellness	-		-
Retiree Assistance Program	909,486		909,486
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	23,384		23,384
Director's Discretionary Fund	-		-
Total Expenses	\$ 124,850,508	\$ (110,000)	\$ 124,740,508
Fiscal Year Results	\$ 128,604,929		\$ 133,172,895
Beginning Restricted Reserve	\$ 1,678,342,183		\$ 1,678,342,183
Ending Restricted Reserve	\$ 1,806,947,112		\$ 1,811,515,078
Beginning Premium Stabilization Reserve	\$ (0)		\$ (0)
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	\$ (0)		\$ (0)
Total Beginning Plan Reserve	1,678,342,183		1,678,342,183
Total Ending Plan Reserve	\$ 1,806,947,111		\$ 1,811,515,078
Accrued Actuarial Liability (AAL)	\$ 2,363,769,531		\$ 2,363,769,531
Funded Status	117.3%		117.3%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 84.63	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 4,457,966	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 70.79	Medicare	7.0%	14.3%
		Prescription Drug Rebates		5.0%
		Capitations		7.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		15.4%

APPENDIX - BASELINE SCENARIO
RHBT - NON-MEDICARE

WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST
FINANCIAL FORECAST
FISCAL YEAR 2029

PERIOD 7/1/2028 - 6/30/2029

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 40,161,702		\$ 40,161,702
Employer Premiums - PPB	4,490,737	180,689	4,671,426
Employer Premiums - MCO	453,633	18,252	471,885
Retiree Premiums - PPB	16,138,638	649,352	16,787,991
Retiree Premiums - MCO	916,892	36,892	953,784
Non Par Premiums	633,674		633,674
Life Insurance	10,320,250		10,320,250
Investment Income	77,696,558		77,696,558
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	11,621,493		11,621,493
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 162,433,577	\$ 885,185	\$ 163,318,762
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 59,808,632	\$ (790,000)	\$ 59,018,632
Gross Non-Medicare Prescription Drug Claims	51,210,970	(240,000)	50,970,970
Non-Medicare Prescription Drug Rebates	(15,129,885)		(15,129,885)
Non-Medicare Managed Care Capitations	5,121,977		5,121,977
Administration	2,509,200		2,509,200
Life Insurance	10,308,905		10,308,905
Wellness	-		-
Retiree Assistance Program	474,559		474,559
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	22,778		22,778
Director's Discretionary Fund	154,678		154,678
Total Expenses	\$ 114,481,814	\$ (1,030,000)	\$ 113,451,814
Fiscal Year Results	\$ 47,951,763		\$ 49,866,948
Beginning Restricted Reserve	\$ 1,045,512,727		\$ 1,045,512,727
Ending Restricted Reserve	\$ 1,093,464,490		\$ 1,095,379,675
Beginning Premium Stabilization Reserve	\$ 0		\$ 0
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	\$ 0		\$ 0
Total Beginning Plan Reserve	1,045,512,727		1,045,512,727
Total Ending Plan Reserve	\$ 1,093,464,490		\$ 1,095,379,675
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 84.63	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 885,185	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 1,041.34	Non-Medicare	7.0%	14.3%
		Prescription Drug Rebates		5.0%
		Capitations		7.5%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		15.4%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST
FINANCIAL FORECAST
FISCAL YEAR 2030**

PERIOD 7/1/2029 - 6/30/2030

	7/1/2029 to 12/31/2029	1/1/2030 to 6/30/2030	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 42,500,000	\$ 42,500,000	\$ 85,000,000
Retiree Premiums - PPB	41,425,277	42,756,049	84,181,326
Retiree Premiums - MCO	748,420	748,420	1,496,840
Non Par Premiums	896,330	896,330	1,792,659
Life Insurance	15,801,906	15,801,906	31,603,811
Investment Income	108,030,262	108,030,262	216,060,524
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	\$ 224,402,195	\$ 225,732,966	\$ 450,135,160
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 31,686,419	\$ 31,265,903	\$ 62,952,322
Gross Non-Medicare Prescription Drug Claims	29,066,750	29,660,355	58,727,104
Non-Medicare Prescription Drug Rebates	(7,993,493)	(8,051,750)	(16,045,243)
Medicare Medical Claims	2,561,303	933,035	3,494,338
Gross Medicare Prescription Drug Claims	8,006,863	3,022,003	11,028,866
Medicare Prescription Drug Rebates	(2,208,292)	(826,518)	(3,034,810)
Non-Medicare Managed Care Capitations	2,817,088	2,817,088	5,634,175
Humana MAPD Program	47,503,328	52,034,227	99,537,555
Administration	2,048,334	2,048,334	4,096,668
Life Insurance	15,784,535	15,784,535	31,569,069
Wellness	-	-	-
Retiree Assistance Program	747,385	747,385	1,494,769
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	25,978	25,978	51,957
Director's Discretionary Fund	78,628	78,628	157,255
Total Expenses	\$ 130,124,826	\$ 129,539,200	\$ 259,664,026
Fiscal Year Results	\$ 94,277,369	\$ 96,193,765	\$ 190,471,134
Beginning Restricted Reserve			\$ 2,906,894,750
Ending Restricted Reserve			\$ 3,097,365,885
Beginning Premium Stabilization Reserve			\$ -
PSR Addition/(Drawdown)			\$ -
Ending Premium Stabilization Reserve			\$ -
Total Beginning Plan Reserve			2,906,894,750
Total Ending Plan Reserve			\$ 3,097,365,885
Accrued Actuarial Liability (AAL)			\$ 2,357,443,787
Funded Status			123.3%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 95.91	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 5,042,091	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 156.62	Non-Medicare	7.5%	15.0%
		Medicare	7.5%	15.0%
		Prescription Drug Rebates		5.0%
		Capitations		8.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		13.3%

APPENDIX - BASELINE SCENARIO

RHBT - MEDICARE

WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST FINANCIAL FORECAST FISCAL YEAR 2030

PERIOD 7/1/2029 - 6/30/2030

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 35,756,448		\$ 35,756,448
Employer Premiums - PPB	5,929,198	419,132	6,348,330
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	53,163,858	3,758,122	56,921,980
Retiree Premiums - MCO	-	-	-
Non Par Premiums	1,177,995		1,177,995
Life Insurance	20,767,548		20,767,548
Investment Income	134,644,330		134,644,330
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	18,367,730		18,367,730
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 269,807,108	\$ 4,177,253	\$ 273,984,362
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 3,554,338	\$ (60,000)	\$ 3,494,338
Gross Medicare Prescription Drug Claims	11,098,866	(70,000)	11,028,866
Medicare Prescription Drug Rebates	(3,034,810)		(3,034,810)
Humana MAPD Program	99,537,555		99,537,555
Administration	1,512,192		1,512,192
Life Insurance	20,744,719		20,744,719
Wellness	-		-
Retiree Assistance Program	982,245		982,245
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	30,514		30,514
Director's Discretionary Fund	-		-
Total Expenses	\$ 134,425,619	\$ (130,000)	\$ 134,295,619
Fiscal Year Results	\$ 135,381,489		\$ 139,688,743
Beginning Restricted Reserve	\$ 1,811,515,078		\$ 1,811,515,078
Ending Restricted Reserve	\$ 1,946,896,567		\$ 1,951,203,820
Beginning Premium Stabilization Reserve	\$ (0)		\$ (0)
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	\$ (0)		\$ (0)
Total Beginning Plan Reserve	1,811,515,078		1,811,515,078
Total Ending Plan Reserve	\$ 1,946,896,567		\$ 1,951,203,820
Accrued Actuarial Liability (AAL)	\$ 2,357,443,787		\$ 2,357,443,787
Funded Status	125.4%		125.5%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 95.91	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 4,177,253	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 70.59	Medicare	7.5%	15.0%
		Prescription Drug Rebates		5.0%
		Capitations		8.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		13.3%

APPENDIX - BASELINE SCENARIO
RHBT - NON-MEDICARE

WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST
FINANCIAL FORECAST
FISCAL YEAR 2030

PERIOD 7/1/2029 - 6/30/2030

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 49,243,552		\$ 49,243,552
Employer Premiums - PPB	4,376,359	175,687	4,552,046
Employer Premiums - MCO	476,321	19,122	495,442
Retiree Premiums - PPB	15,727,591	631,379	16,358,970
Retiree Premiums - MCO	962,749	38,649	1,001,398
Non Par Premiums	614,664		614,664
Life Insurance	10,836,263		10,836,263
Investment Income	81,416,194		81,416,194
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	11,632,270		11,632,270
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 175,285,962	\$ 864,837	\$ 176,150,799
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 63,942,322	\$ (990,000)	\$ 62,952,322
Gross Non-Medicare Prescription Drug Claims	59,027,104	(300,000)	58,727,104
Non-Medicare Prescription Drug Rebates	(16,045,243)		(16,045,243)
Non-Medicare Managed Care Capitations	5,634,175		5,634,175
Administration	2,584,476		2,584,476
Life Insurance	10,824,351		10,824,351
Wellness	-		-
Retiree Assistance Program	512,524		512,524
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	21,443		21,443
Director's Discretionary Fund	157,255		157,255
Total Expenses	\$ 126,658,408	\$ (1,290,000)	\$ 125,368,408
Fiscal Year Results	\$ 48,627,555		\$ 50,782,392
Beginning Restricted Reserve	\$ 1,095,379,675		\$ 1,095,379,675
Ending Restricted Reserve	\$ 1,144,007,230		\$ 1,146,162,067
Beginning Premium Stabilization Reserve	\$ 0		\$ 0
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	\$ 0		\$ 0
Total Beginning Plan Reserve	1,095,379,675		1,095,379,675
Total Ending Plan Reserve	\$ 1,144,007,230		\$ 1,146,162,067
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 95.91	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 864,837	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 1,361.09	Non-Medicare	7.5%	15.0%
		Prescription Drug Rebates		5.0%
		Capitations		8.0%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		13.3%

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

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST
FINANCIAL FORECAST
FISCAL YEAR 2031**

PERIOD 7/1/2030 - 6/30/2031

	7/1/2030 to 12/31/2030	1/1/2031 to 6/30/2031	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 42,500,000	\$ 42,500,000	\$ 85,000,000
Retiree Premiums - PPB	43,333,874	44,754,678	88,088,552
Retiree Premiums - MCO	790,206	790,206	1,580,413
Non Par Premiums	869,440	869,440	1,738,879
Life Insurance	16,592,001	16,592,001	33,184,002
Investment Income	115,129,961	115,129,961	230,259,922
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	\$ 234,215,482	\$ 235,636,286	\$ 469,851,768
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 33,952,866	\$ 33,579,350	\$ 67,532,215
Gross Non-Medicare Prescription Drug Claims	33,677,811	34,476,408	68,154,219
Non-Medicare Prescription Drug Rebates	(8,477,099)	(8,538,881)	(17,015,980)
Medicare Medical Claims	2,630,804	960,693	3,591,497
Gross Medicare Prescription Drug Claims	8,899,495	3,370,401	12,269,896
Medicare Prescription Drug Rebates	(2,249,145)	(841,809)	(3,090,954)
Non-Medicare Managed Care Capitations	3,098,796	3,098,796	6,197,592
Humana MAPD Program	51,129,472	52,034,227	103,163,699
Administration	2,109,784	2,109,784	4,219,568
Life Insurance	16,573,762	16,573,762	33,147,523
Wellness	-	-	-
Retiree Assistance Program	807,176	807,176	1,614,351
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	28,877	28,877	57,755
Director's Discretionary Fund	79,935	79,935	159,869
Total Expenses	\$ 142,262,532	\$ 137,738,717	\$ 280,001,250
Fiscal Year Results	\$ 91,952,950	\$ 97,897,569	\$ 189,850,519
Beginning Restricted Reserve			\$ 3,097,365,885
Ending Restricted Reserve			\$ 3,287,216,403
Beginning Premium Stabilization Reserve			\$ -
PSR Addition/(Drawdown)			\$ -
Ending Premium Stabilization Reserve			\$ -
Total Beginning Plan Reserve			3,097,365,885
Total Ending Plan Reserve			\$ 3,287,216,403
Accrued Actuarial Liability (AAL)			\$ 2,341,810,557
Funded Status			132.3%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 95.91	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 5,258,328	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 153.23	Non-Medicare	8.0%	15.8%
		Medicare	8.0%	15.8%
		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 2031

PERIOD 7/1/2030 - 6/30/2031

Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 34,699,092		\$ 34,699,092
Employer Premiums - PPB	6,360,953	443,140	6,804,093
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	57,035,163	3,973,393	61,008,556
Retiree Premiums - MCO	-	-	-
Non Par Premiums	1,142,655		1,142,655
Life Insurance	21,805,926		21,805,926
Investment Income	145,053,589		145,053,589
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	18,252,457		18,252,457
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 284,349,834	\$ 4,416,533	\$ 288,766,367
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 3,651,497	\$ (60,000)	\$ 3,591,497
Gross Medicare Prescription Drug Claims	12,339,896	(70,000)	12,269,896
Medicare Prescription Drug Rebates	(3,090,954)		(3,090,954)
Humana MAPD Program	103,163,699		103,163,699
Administration	1,557,558		1,557,558
Life Insurance	21,781,955		21,781,955
Wellness	-		-
Retiree Assistance Program	1,060,825		1,060,825
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	37,641		37,641
Director's Discretionary Fund	-		-
Total Expenses	\$ 140,502,118	\$ (130,000)	\$ 140,372,118
Fiscal Year Results	\$ 143,847,716		\$ 148,394,249
Beginning Restricted Reserve	\$ 1,951,203,820		\$ 1,951,203,820
Ending Restricted Reserve	\$ 2,095,051,537		\$ 2,099,598,070
Beginning Premium Stabilization Reserve	\$ (0)		\$ (0)
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	\$ (0)		\$ (0)
Total Beginning Plan Reserve	1,951,203,820		1,951,203,820
Total Ending Plan Reserve	\$ 2,095,051,537		\$ 2,099,598,069
Accrued Actuarial Liability (AAL)	\$ 2,341,810,557		\$ 2,341,810,557
Funded Status	133.9%		134.0%

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 95.91	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 4,416,533	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 66.61	Medicare	8.0%	15.8%
		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 2031

PERIOD 7/1/2030 - 6/30/2031

Non-Medicare Retiree	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 50,300,908		\$ 50,300,908
Employer Premiums - PPB	4,243,794	169,997	4,413,791
Employer Premiums - MCO	502,957	20,147	523,104
Retiree Premiums - PPB	15,251,184	610,929	15,862,113
Retiree Premiums - MCO	1,016,586	40,722	1,057,309
Non Par Premiums	596,224		596,224
Life Insurance	11,378,076		11,378,076
Investment Income	85,206,333		85,206,333
Transfer from Premium Stabilization Reserve	-		-
General Revenue Transfer (OPEB Funding)	11,747,543		11,747,543
General Revenue Transfer (Premium Offset)	-		-
Total Revenue	\$ 180,243,606	\$ 841,795	\$ 181,085,401
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 68,522,215	\$ (990,000)	\$ 67,532,215
Gross Non-Medicare Prescription Drug Claims	68,454,219	(300,000)	68,154,219
Non-Medicare Prescription Drug Rebates	(17,015,980)		(17,015,980)
Non-Medicare Managed Care Capitations	6,197,592		6,197,592
Administration	2,662,010		2,662,010
Life Insurance	11,365,568		11,365,568
Wellness	-		-
Retiree Assistance Program	553,526		553,526
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	20,113		20,113
Director's Discretionary Fund	159,869		159,869
Total Expenses	\$ 140,919,132	\$ (1,290,000)	\$ 139,629,132
Fiscal Year Results	\$ 39,324,474		\$ 41,456,269
Beginning Restricted Reserve	\$ 1,146,162,067		\$ 1,146,162,067
Ending Restricted Reserve	\$ 1,185,486,541		\$ 1,187,618,336
Beginning Premium Stabilization Reserve	\$ 0		\$ 0
PSR Addition/(Drawdown)	\$ -		\$ -
Ending Premium Stabilization Reserve	\$ 0		\$ 0
Total Beginning Plan Reserve	1,146,162,067		1,146,162,067
Total Ending Plan Reserve	\$ 1,185,486,541		\$ 1,187,618,336
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

KEY ASSUMPTIONS

Pay Go Monthly Premium for Actives	\$ 95.91	Claim and Other Expense Trends		
Additional Retiree Premiums	\$ 841,795	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 1,488.11	Non-Medicare	8.0%	15.8%
		Prescription Drug Rebates		5.0%
		Capitations		8.5%
		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 2026 to FY 2027

Fiscal Year 2026												
Exposure												
	<u>Jul-25</u>	<u>Aug-25</u>	<u>Sep-25</u>	<u>Oct-25</u>	<u>Nov-25</u>	<u>Dec-25</u>	<u>Jan-26</u>	<u>Feb-26</u>	<u>Mar-26</u>	<u>Apr-26</u>	<u>May-26</u>	<u>Jun-26</u>
NonMed_NonDrug	9,276	9,277	9,219	9,109	9,008	8,926	8,812	8,758	8,614	8,488	8,366	8,263
Med_NonDrug	1,214	1,329	1,490	1,634	1,776	1,882	247	342	513	594	689	815
NonMed_Drug	8,618	8,618	8,564	8,462	8,368	8,291	8,187	8,137	8,003	7,888	7,774	7,679
Med_Drug	1,264	1,384	1,552	1,702	1,850	1,961	257	356	534	619	718	849
	<u>Jul-25</u>	<u>Aug-25</u>	<u>Sep-25</u>	<u>Oct-25</u>	<u>Nov-25</u>	<u>Dec-25</u>	<u>Jan-26</u>	<u>Feb-26</u>	<u>Mar-26</u>	<u>Apr-26</u>	<u>May-26</u>	<u>Jun-26</u>
NonMed_NonDrug	\$446.51	\$435.42	\$448.45	\$454.20	\$421.58	\$409.50	\$502.97	\$587.24	\$496.53	\$573.85	\$448.69	\$523.86
Med_NonDrug	437.04	367.40	369.15	315.81	429.16	282.25	760.90	456.94	314.29	306.01	381.92	270.38
NonMed_Drug	328.29	346.59	358.68	371.63	332.54	386.32	306.35	294.35	357.76	364.25	357.92	408.13
Med_Drug	<u>514.72</u>	<u>558.81</u>	<u>595.24</u>	<u>686.86</u>	<u>589.65</u>	<u>733.42</u>	<u>512.36</u>	<u>457.17</u>	<u>414.36</u>	<u>405.46</u>	<u>491.33</u>	<u>500.22</u>
Total	\$1,726.56	\$1,708.21	\$1,771.52	\$1,828.50	\$1,772.92	\$1,811.50	\$2,082.58	\$1,795.71	\$1,582.94	\$1,649.57	\$1,679.86	\$1,702.60
Change From Prior Year - Month to Month Analysis												
NonMed_NonDrug	16.0%	2.6%	4.9%	-11.9%	0.9%	-18.5%	1.2%	21.6%	-5.9%	18.7%	-12.1%	-8.4%
Med_NonDrug	101.1%	16.8%	21.4%	1.9%	36.7%	10.2%	-14.2%	-40.3%	-55.5%	-62.2%	-35.1%	-15.6%
NonMed_Drug	-10.9%	-4.9%	2.6%	-7.8%	-9.3%	10.5%	-14.4%	-10.5%	-1.7%	-0.8%	-4.5%	1.9%
Med_Drug	<u>-13.4%</u>	<u>2.3%</u>	<u>8.4%</u>	<u>3.2%</u>	<u>-1.3%</u>	<u>4.4%</u>	<u>36.9%</u>	<u>66.7%</u>	<u>-3.5%</u>	<u>-12.4%</u>	<u>36.4%</u>	<u>18.2%</u>
Total	10.3%	3.5%	8.6%	-3.4%	4.6%	0.0%	-1.6%	-3.0%	-21.9%	-22.3%	-8.4%	-0.8%
Change From Prior Year - Quarter to Quarter Analysis												
NonMed_NonDrug			7.6%			-10.5%			5.2%			-1.3%
Med_NonDrug			40.4%			16.7%			-35.1%			-44.3%
NonMed_Drug			-4.5%			-2.5%			-8.8%			-1.1%
Med_Drug			<u>-1.3%</u>			<u>2.3%</u>			<u>28.4%</u>			<u>12.1%</u>
Total			7.4%			0.2%			-8.9%			-11.3%
Change From Prior Year - Year to Year Analysis												
NonMed_NonDrug			8.5%			4.3%			3.2%			0.0%
Med_NonDrug			98.3%			89.4%			16.3%			-19.0%
NonMed_Drug			9.7%			3.8%			-1.9%			-4.2%
Med_Drug			<u>7.1%</u>			<u>-0.6%</u>			<u>6.7%</u>			<u>8.0%</u>
Total			23.8%			17.5%			6.1%			-3.7%

**Attachment - Trust Fund
Historical Monthly Medical and Drug Trends
FY 2026 to FY 2027**

Fiscal Year 2027

Exposure

	<u>Jul-26</u>	<u>Aug-26</u>
NonMed_NonDrug	8,433	8,433
Med_NonDrug	1,078	1,191
NonMed_Drug	7,838	7,838
Med_Drug	1,123	1,240

	<u>Jul-26</u>	<u>Aug-26</u>
NonMed_NonDrug	\$455.13	\$437.67
Med_NonDrug	423.19	381.70
NonMed_Drug	334.72	366.96
Med_Drug	<u>521.54</u>	<u>501.58</u>
Total	\$1,734.58	\$1,687.91

Change From Prior Year - Month to Month Analysis

NonMed_NonDrug	1.9%	0.5%
Med_NonDrug	-3.2%	3.9%
NonMed_Drug	2.0%	5.9%
Med_Drug	<u>1.3%</u>	<u>-10.2%</u>
Total	0.5%	-1.2%

Change From Prior Year - Quarter to Quarter Analysis

NonMed_NonDrug
Med_NonDrug
NonMed_Drug
Med_Drug
Total

Change From Prior Year - Year to Year Analysis

NonMed_NonDrug
Med_NonDrug
NonMed_Drug
Med_Drug
Total