

# State of Delaware - FY21 Budget

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*It is probable that the COVID-19 pandemic will have an impact on health care costs. In performing this analysis to develop health care cost estimates for GHIP, we have not explicitly reflected adjustments due to the impact of COVID-19. Due to the high degree of uncertainty associated with this pandemic, results may vary from the estimates provided.*

July 2020

**WillisTowers Watson** 

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State of Delaware  
 FY21 Budget<sup>1</sup>  
 July 2020

	Estimated FY 2021 as of July 2020 <sup>1</sup>	
<b>Balance Forward<sup>2</sup></b>	\$ 189,763,755	
<b>Operating Revenues</b>		
Premium Contributions		
Highmark	\$ 648,440,167	66.77%
Aetna	\$ 191,283,025	19.70%
Total Premium Contributions	\$ 839,723,191	
Other Revenues		
Medicare Retiree Prescription Subsidy Program (EGWP) <sup>3</sup>	\$ 1,685,307	0.17%
Federal Reinsurance <sup>3</sup>	\$ 14,094,548	1.45%
Prescription Drug Rebates - Commercial	\$ 47,795,457	4.92%
Prescription Drug Rebates - EGWP	\$ 30,973,610	3.19%
Prescription True Up/Yr End Recon Pymts	\$ 7,118,146	0.73%
Medicare Part D - Coverage Gap Discount <sup>3</sup>	\$ 23,666,606	2.44%
Medicare Part D Subsidy	\$ -	0.00%
Early Retiree Reinsurance Program	\$ -	0.00%
RDS Subsidy Transfer to OPEB Trust	\$ -	0.00%
Participating Group Fees <sup>4</sup>	\$ 6,082,007	0.63%
Other Revenues	\$ -	0.00%
Total Other Revenues	\$ 131,415,682	
<b>Total Operating Revenues</b>	<b>\$ 971,138,873</b>	
<b>Operating Expenses</b>		
Claims <sup>5</sup>		
Highmark	\$ 498,349,738	48.92%
Aetna	\$ 162,645,982	15.97%
Express Scripts (non-Plan D)	\$ 172,974,809	16.98%
Express Scripts (Plan D)	\$ 141,235,422	13.86%
Total Claims	\$ 975,205,951	
Other Expenses		
Program Fees and Costs (Vendor ASO Fees)	\$ 37,248,070	3.66%
Office Expenses	\$ 2,972,437	0.29%
Employee Assistance	\$ 398,256	0.04%
Data Warehouse	\$ 929,863	0.09%
Consultant Fees	\$ 1,500,000	0.15%
COBRA Fees	\$ 74,988	0.01%
ACA Fees	\$ 340,300	0.03%
Total Other Expenses	\$ 43,463,914	
<b>Total Operating Expenses</b>	<b>\$ 1,018,669,865</b>	
<b>Net Income</b>	<b>\$ (47,530,992)</b>	
<b>Fund Equity Balance</b>	<b>\$ 142,232,763</b>	
		<i>Target</i>
<b>Claim Liability</b>	\$ 57,500,000	\$ 57,500,000
<b>Minimum Reserve</b>	\$ 24,300,000	\$ 24,300,000
<b>COVID-19 Reserve<sup>6</sup></b>	\$ 23,500,000	\$ 23,500,000
<b>WTW Budget (\$M)<sup>7</sup></b>	\$ 885.4	
<b>Average Members</b>	130,074	

<sup>1</sup> Based on claims experience for the period 4/1/2018 - 3/31/2020 (weighted 35% earlier / 65% later); headcounts reflect FY21 open enrollment elections with a 1% assumed growth during FY21; 5% medical and 8% Rx trend; EGWP revenues and prescription drug rebates based on the period revenues are attributable

<sup>2</sup> FY21 Balance Forward reflects FY20 year-end balance as of June 2020

<sup>3</sup> CY20 EGWP revenue reflect actual revenues received through June 2020; CY20 and CY21 projected PMPM payments provided by ESI

<sup>4</sup> Participating Group Fees shown for FY21 are estimated based on actual FY20 fees and assumed FY21 headcounts

<sup>5</sup> FY21 projected claims reflect incremental savings for the new ESI contracts

<sup>6</sup> Assumes half of FY20 Q4 deferred care savings (\$23.5m) are held as additional reserve in FY21 and beyond to cover delayed cost of care

<sup>7</sup> WTW Budget represents the FY21 projected expenses based on assumptions approved by the SEBC, updated with claims data through June 2020 and annual enrollment elections; WTW Budget equals total operating expenses, less ACA and consultant fees, less total other revenues

**Note:** It is probable that the COVID-19 pandemic will have an impact on health care costs. In performing this analysis to develop the FY21 budget for GHIP, we have not explicitly reflected adjustments due to the impact of COVID-19. Due to the high degree of uncertainty associated with this pandemic, results may vary from the estimates provided.

State of Delaware  
FY21 Budget - Monthly<sup>1</sup>  
July 2020

Operating Revenues	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL
<b>Premium Contributions</b>													
Highmark	\$ 53,835,217	\$ 53,835,217	\$ 53,835,217	\$ 53,969,303	\$ 53,969,303	\$ 53,969,303	\$ 54,103,723	\$ 54,103,723	\$ 54,103,723	\$ 54,238,478	\$ 54,238,478	\$ 54,238,478	\$ 648,440,167
Aetna	\$ 15,880,822	\$ 15,880,822	\$ 15,880,822	\$ 15,920,376	\$ 15,920,376	\$ 15,920,376	\$ 15,960,029	\$ 15,960,029	\$ 15,960,029	\$ 15,999,780	\$ 15,999,780	\$ 15,999,780	\$ 191,283,025
Total Premium Contributions	\$ 69,716,039	\$ 69,716,039	\$ 69,716,039	\$ 69,889,680	\$ 69,889,680	\$ 69,889,680	\$ 70,063,752	\$ 70,063,752	\$ 70,063,752	\$ 70,238,259	\$ 70,238,259	\$ 70,238,259	\$ 839,723,191
<b>Other Revenues</b>													
Medicare Retiree Prescription Subsidy Program (EGWP) <sup>2</sup>	\$ 182,547	\$ 182,547	\$ 182,547	\$ 183,458	\$ 183,458	\$ 183,458	\$ 97,639	\$ 97,639	\$ 97,639	\$ 98,126	\$ 98,126	\$ 98,126	\$ 1,685,307
Federal Reinsurance <sup>3</sup>	\$ 1,092,379	\$ 1,092,379	\$ 1,092,379	\$ 1,100,561	\$ 1,100,561	\$ 1,100,561	\$ 1,249,505	\$ 1,249,505	\$ 1,249,505	\$ 1,255,737	\$ 1,255,737	\$ 1,255,737	\$ 14,094,548
Prescription Drug Rebates - Commercial	\$ -	\$ 10,392,664	\$ -	\$ -	\$ -	\$ -	\$ 12,411,695	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47,795,457
Prescription Drug Rebates - EGWP	\$ -	\$ 6,734,914	\$ -	\$ -	\$ -	\$ -	\$ 8,043,279	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,973,610
Prescription True Up / Yr End Recon Pymts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,118,146	\$ -	\$ -	\$ -	\$ -	\$ 7,118,146
Medicare Part D - Coverage Gap Discount <sup>4</sup>	\$ 7,111,472	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,111,472	\$ -	\$ -	\$ -	\$ 5,902,289	\$ -	\$ 23,666,606
Participating Group Fees <sup>5</sup>	\$ 504,944	\$ 504,944	\$ 504,944	\$ 506,202	\$ 506,202	\$ 506,202	\$ 507,463	\$ 507,463	\$ 507,463	\$ 508,727	\$ 508,727	\$ 508,727	\$ 6,082,007
Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Revenues	\$ 8,891,342	\$ 18,907,448	\$ 1,779,870	\$ 1,790,221	\$ 29,356,576	\$ 1,790,221	\$ 12,514,126	\$ 20,761,961	\$ 1,854,607	\$ 7,764,879	\$ 24,141,841	\$ 1,862,590	\$ 131,415,682
<b>Total Operating Revenues</b>	\$ 78,607,381	\$ 88,623,488	\$ 71,495,910	\$ 71,679,901	\$ 99,246,256	\$ 71,679,901	\$ 82,577,879	\$ 90,825,713	\$ 71,918,359	\$ 78,003,137	\$ 94,380,100	\$ 72,100,848	\$ 971,138,873
<b>Operating Expenses</b>													
<b>Claims<sup>6</sup></b>													
Highmark	\$ 46,525,721	\$ 37,220,576	\$ 46,525,721	\$ 35,733,683	\$ 35,733,683	\$ 44,667,104	\$ 37,534,349	\$ 37,534,349	\$ 46,917,936	\$ 39,986,651	\$ 39,986,651	\$ 49,983,314	\$ 498,349,738
Aetna	\$ 15,473,480	\$ 12,378,784	\$ 12,378,784	\$ 14,855,343	\$ 11,884,274	\$ 11,884,274	\$ 15,603,922	\$ 12,483,138	\$ 12,483,138	\$ 16,623,403	\$ 13,298,722	\$ 13,298,722	\$ 162,645,982
Express Scripts (non-Plan D)	\$ 12,537,238	\$ 12,537,238	\$ 12,537,238	\$ 12,833,825	\$ 19,250,738	\$ 12,833,825	\$ 13,840,018	\$ 13,840,018	\$ 13,840,018	\$ 13,978,472	\$ 20,967,708	\$ 13,978,472	\$ 172,974,809
Express Scripts (Plan D)	\$ 10,236,763	\$ 10,236,763	\$ 10,236,763	\$ 10,478,929	\$ 15,718,393	\$ 10,478,929	\$ 11,300,494	\$ 11,300,494	\$ 11,300,494	\$ 11,413,543	\$ 17,120,315	\$ 11,413,543	\$ 141,235,422
Total Claims	\$ 84,773,200	\$ 72,373,360	\$ 81,678,505	\$ 73,901,780	\$ 82,587,088	\$ 79,864,132	\$ 78,276,763	\$ 75,157,999	\$ 84,541,586	\$ 82,002,069	\$ 91,373,397	\$ 88,674,052	\$ 975,205,951
<b>Other Expenses</b>													
Program Fees and Costs (Vendor ASO Fees)	\$ 3,092,433	\$ 3,092,433	\$ 3,092,433	\$ 3,100,136	\$ 3,100,136	\$ 3,100,136	\$ 3,107,857	\$ 3,107,857	\$ 3,107,857	\$ 3,115,598	\$ 3,115,598	\$ 3,115,598	\$ 37,248,070
Office Expenses	\$ 247,703	\$ 247,703	\$ 247,703	\$ 247,703	\$ 247,703	\$ 247,703	\$ 247,703	\$ 247,703	\$ 247,703	\$ 247,703	\$ 247,703	\$ 247,703	\$ 2,972,437
Employee Assistance	\$ 33,188	\$ 33,188	\$ 33,188	\$ 33,188	\$ 33,188	\$ 33,188	\$ 33,188	\$ 33,188	\$ 33,188	\$ 33,188	\$ 33,188	\$ 33,188	\$ 398,256
Data Warehouse	\$ 77,489	\$ 77,489	\$ 77,489	\$ 77,489	\$ 77,489	\$ 77,489	\$ 77,489	\$ 77,489	\$ 77,489	\$ 77,489	\$ 77,489	\$ 77,489	\$ 929,863
Consultant Fees	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 1,500,000
COBRA Fees	\$ 6,249	\$ 6,249	\$ 6,249	\$ 6,249	\$ 6,249	\$ 6,249	\$ 6,249	\$ 6,249	\$ 6,249	\$ 6,249	\$ 6,249	\$ 6,249	\$ 74,988
ACA Fees	\$ 340,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 340,300
Total Other Expenses	\$ 3,922,362	\$ 3,582,062	\$ 3,582,062	\$ 3,589,764	\$ 3,589,764	\$ 3,589,764	\$ 3,597,486	\$ 3,597,486	\$ 3,597,486	\$ 3,605,226	\$ 3,605,226	\$ 3,605,226	\$ 43,463,914
<b>Total Operating Expenses</b>	\$ 88,695,562	\$ 75,955,422	\$ 85,260,567	\$ 77,491,544	\$ 86,176,853	\$ 83,453,896	\$ 81,876,269	\$ 78,755,484	\$ 88,139,072	\$ 85,607,296	\$ 94,978,623	\$ 92,279,278	\$ 1,018,669,865
<b>Net Income</b>	\$ (10,088,181)	\$ 12,668,065	\$ (13,764,657)	\$ (5,811,643)	\$ 13,069,403	\$ (11,773,996)	\$ 701,610	\$ 12,070,229	\$ (16,220,712)	\$ (7,604,158)	\$ (598,523)	\$ (20,178,430)	\$ (47,530,992)
Amount Carried Forward <sup>5</sup>	\$ 189,763,755	\$ 179,675,574	\$ 192,343,640	\$ 178,578,983	\$ 172,767,339	\$ 185,836,743	\$ 174,062,747	\$ 174,764,357	\$ 186,834,586	\$ 170,613,873	\$ 163,009,715	\$ 162,411,192	\$ 189,763,755
<b>Fund Equity Balance</b>	\$ 179,675,574	\$ 192,343,640	\$ 178,578,983	\$ 172,767,339	\$ 185,836,743	\$ 174,062,747	\$ 174,764,357	\$ 186,834,586	\$ 170,613,873	\$ 163,009,715	\$ 162,411,192	\$ 142,232,763	\$ 142,232,763

<sup>1</sup> Based on claims experience for the period 4/1/2018 - 3/31/2020 (weighted 35% earlier / 65% later); headcounts reflect FY21 open enrollment elections with a 1% assumed growth during FY21; 5% medical and 8% Rx trend; EGWP revenues and prescription drug rebates based on the period revenues are attributable

<sup>2</sup> CY20 EGWP revenue reflect actual revenues received through June 2020; CY20 and CY21 projected PMPM payments provided by ESI

<sup>3</sup> Participating Group Fees shown for FY21 are estimated based on actual FY20 fees and assumed FY21 headcounts

<sup>4</sup> FY21 projected claims reflect incremental savings for the new ESI contracts

<sup>5</sup> FY2021 Balance Forward reflects FY20 year-end balance as of June 2020

Note: It is probable that the COVID-19 pandemic will have an impact on health care costs. In performing this analysis to develop the FY21 budget for GHIP, we have not explicitly reflected adjustments due to the impact of COVID-19. Due to the high degree of uncertainty associated with this pandemic, results may vary from the estimates provided.

State of Delaware  
 FY21 Budget - YTD<sup>1</sup>  
 July 2020

Operating Revenues	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL
<b>Premium Contributions</b>													
Highmark	\$ 53,835,217	\$ 107,670,434	\$ 161,505,651	\$ 215,474,954	\$ 269,444,257	\$ 323,413,561	\$ 377,517,284	\$ 431,621,008	\$ 485,724,731	\$ 539,963,210	\$ 594,201,688	\$ 648,440,167	\$ 648,440,167
Aetna	\$ 15,880,822	\$ 31,761,645	\$ 47,642,467	\$ 63,562,844	\$ 79,483,220	\$ 95,403,597	\$ 111,363,626	\$ 127,323,655	\$ 143,283,684	\$ 159,283,464	\$ 175,283,244	\$ 191,283,025	\$ 191,283,025
Total Premium Contributions	\$ 69,716,039	\$ 139,432,079	\$ 209,148,118	\$ 279,037,798	\$ 348,927,477	\$ 418,817,157	\$ 488,880,910	\$ 558,944,663	\$ 629,008,415	\$ 699,246,674	\$ 769,484,932	\$ 839,723,191	\$ 839,723,191
<b>Other Revenues</b>													
Medicare Retiree Prescription Subsidy Program (EGWP) <sup>2</sup>	\$ 182,547	\$ 365,094	\$ 547,642	\$ 731,099	\$ 914,557	\$ 1,098,014	\$ 1,195,653	\$ 1,293,292	\$ 1,390,930	\$ 1,489,056	\$ 1,587,181	\$ 1,685,307	\$ 1,685,307
Federal Reinsurance <sup>3</sup>	\$ 1,092,379	\$ 2,184,757	\$ 3,277,136	\$ 4,377,697	\$ 5,478,259	\$ 6,578,820	\$ 7,679,381	\$ 8,779,942	\$ 9,880,503	\$ 10,981,064	\$ 12,081,625	\$ 13,182,186	\$ 13,182,186
Prescription Drug Rebates - Commercial	\$ -	\$ 10,392,664	\$ 10,392,664	\$ 10,392,664	\$ 22,804,268	\$ 22,804,268	\$ 22,804,268	\$ 34,276,864	\$ 34,276,864	\$ 34,276,864	\$ 47,795,457	\$ 47,795,457	\$ 47,795,457
Prescription Drug Rebates - EGWP	\$ -	\$ 6,734,914	\$ 6,734,914	\$ 6,734,914	\$ 14,778,193	\$ 14,778,193	\$ 14,778,193	\$ 22,212,952	\$ 22,212,952	\$ 22,212,952	\$ 30,973,610	\$ 30,973,610	\$ 30,973,610
Prescription True Up / Yr End Recon Pymts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,118,146	\$ 7,118,146	\$ 7,118,146	\$ 7,118,146	\$ 7,118,146	\$ 7,118,146
Medicare Part D - Coverage Gap Discount <sup>4</sup>	\$ 7,111,472	\$ 7,111,472	\$ 7,111,472	\$ 7,111,472	\$ 14,222,944	\$ 14,222,944	\$ 17,764,317	\$ 17,764,317	\$ 17,764,317	\$ 23,666,606	\$ 23,666,606	\$ 23,666,606	\$ 23,666,606
Participating Group Fees <sup>5</sup>	\$ 504,944	\$ 1,009,889	\$ 1,514,833	\$ 2,021,035	\$ 2,527,237	\$ 3,033,439	\$ 3,540,901	\$ 4,048,364	\$ 4,555,827	\$ 5,064,553	\$ 5,573,280	\$ 6,082,007	\$ 6,082,007
Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Revenues	\$ 8,891,342	\$ 27,798,790	\$ 29,578,661	\$ 31,368,881	\$ 60,725,458	\$ 62,515,679	\$ 75,029,805	\$ 95,791,766	\$ 97,646,372	\$ 105,411,251	\$ 129,553,092	\$ 131,415,682	\$ 131,415,682
<b>Total Operating Revenues</b>	\$ 78,607,381	\$ 167,230,869	\$ 238,726,779	\$ 310,406,679	\$ 409,652,935	\$ 481,332,836	\$ 563,910,715	\$ 654,736,428	\$ 726,654,787	\$ 804,657,925	\$ 899,038,025	\$ 971,138,873	\$ 971,138,873
<b>Operating Expenses</b>													
<b>Claims<sup>4</sup></b>													
Highmark	\$ 46,525,721	\$ 83,746,297	\$ 130,272,018	\$ 166,005,701	\$ 201,739,384	\$ 246,406,488	\$ 283,940,836	\$ 321,475,185	\$ 368,393,121	\$ 408,379,772	\$ 448,366,424	\$ 498,349,738	\$ 498,349,738
Aetna	\$ 15,473,480	\$ 27,852,263	\$ 40,231,047	\$ 55,086,389	\$ 66,970,663	\$ 78,854,937	\$ 94,458,860	\$ 106,941,997	\$ 119,425,135	\$ 136,048,538	\$ 149,347,260	\$ 162,645,982	\$ 162,645,982
Express Scripts (non-Plan D)	\$ 12,537,238	\$ 25,074,475	\$ 37,611,713	\$ 50,445,538	\$ 69,696,276	\$ 82,530,102	\$ 96,370,120	\$ 110,210,138	\$ 124,050,156	\$ 138,028,628	\$ 158,996,337	\$ 172,974,809	\$ 172,974,809
Express Scripts (Plan D)	\$ 10,236,763	\$ 20,473,525	\$ 30,710,288	\$ 41,189,217	\$ 56,907,610	\$ 67,386,539	\$ 78,687,033	\$ 89,987,527	\$ 101,288,021	\$ 112,701,564	\$ 129,821,879	\$ 141,235,422	\$ 141,235,422
Total Claims	\$ 84,773,200	\$ 157,146,561	\$ 238,825,065	\$ 312,726,845	\$ 395,313,934	\$ 475,178,065	\$ 553,456,849	\$ 628,614,847	\$ 713,156,433	\$ 795,158,503	\$ 886,531,899	\$ 975,205,951	\$ 975,205,951
<b>Other Expenses</b>													
Program Fees and Costs (Vendor ASO Fees)	\$ 3,092,433	\$ 6,184,867	\$ 9,277,300	\$ 12,377,435	\$ 15,477,571	\$ 18,577,706	\$ 21,685,563	\$ 24,793,420	\$ 27,901,277	\$ 31,016,875	\$ 34,132,473	\$ 37,248,070	\$ 37,248,070
Office Expenses	\$ 247,703	\$ 495,406	\$ 743,109	\$ 990,812	\$ 1,238,515	\$ 1,486,218	\$ 1,733,921	\$ 1,981,624	\$ 2,229,328	\$ 2,477,031	\$ 2,724,734	\$ 2,972,437	\$ 2,972,437
Employee Assistance	\$ 33,188	\$ 66,376	\$ 99,564	\$ 132,752	\$ 165,940	\$ 199,128	\$ 232,316	\$ 265,504	\$ 298,692	\$ 331,880	\$ 365,068	\$ 398,256	\$ 398,256
Data Warehouse	\$ 77,489	\$ 154,977	\$ 232,466	\$ 309,954	\$ 387,443	\$ 464,932	\$ 542,420	\$ 619,909	\$ 697,397	\$ 774,886	\$ 852,375	\$ 929,863	\$ 929,863
Consultant Fees	\$ 125,000	\$ 250,000	\$ 375,000	\$ 500,000	\$ 625,000	\$ 750,000	\$ 875,000	\$ 1,000,000	\$ 1,125,000	\$ 1,250,000	\$ 1,375,000	\$ 1,500,000	\$ 1,500,000
COBRA Fees	\$ 6,249	\$ 12,498	\$ 18,747	\$ 24,996	\$ 31,245	\$ 37,494	\$ 43,743	\$ 49,992	\$ 56,241	\$ 62,490	\$ 68,739	\$ 74,988	\$ 74,988
ACA Fees	\$ 340,300	\$ 340,300	\$ 340,300	\$ 340,300	\$ 340,300	\$ 340,300	\$ 340,300	\$ 340,300	\$ 340,300	\$ 340,300	\$ 340,300	\$ 340,300	\$ 340,300
Total Other Expenses	\$ 3,922,362	\$ 7,504,424	\$ 11,086,486	\$ 14,676,250	\$ 18,266,014	\$ 21,855,778	\$ 25,453,264	\$ 29,050,750	\$ 32,648,235	\$ 36,253,462	\$ 39,858,688	\$ 43,463,914	\$ 43,463,914
<b>Total Operating Expenses</b>	\$ 88,695,562	\$ 164,650,984	\$ 249,911,551	\$ 327,403,095	\$ 413,579,948	\$ 497,033,844	\$ 578,910,113	\$ 657,665,597	\$ 745,804,669	\$ 831,411,964	\$ 926,390,587	\$ 1,018,669,865	\$ 1,018,669,865
<b>Net Income</b>	\$ (10,088,181)	\$ 2,579,885	\$ (11,184,772)	\$ (16,996,416)	\$ (3,927,012)	\$ (15,701,008)	\$ (14,999,398)	\$ (2,929,169)	\$ (19,149,882)	\$ (26,754,040)	\$ (27,352,563)	\$ (47,530,992)	\$ (47,530,992)
Amount Carried Forward <sup>6</sup>	\$ 189,763,755	\$ 189,763,755	\$ 189,763,755	\$ 189,763,755	\$ 189,763,755	\$ 189,763,755	\$ 189,763,755	\$ 189,763,755	\$ 189,763,755	\$ 189,763,755	\$ 189,763,755	\$ 189,763,755	\$ 189,763,755
<b>Fund Equity Balance</b>	\$ 179,675,574	\$ 192,343,640	\$ 178,578,983	\$ 172,767,339	\$ 185,836,743	\$ 174,062,747	\$ 174,764,357	\$ 186,834,586	\$ 170,613,873	\$ 163,009,715	\$ 162,411,192	\$ 142,232,763	\$ 142,232,763

<sup>1</sup> Based on claims experience for the period 4/1/2018 - 3/31/2020 (weighted 35% earlier / 65% later); headcounts reflect FY21 open enrollment elections with a 1% assumed growth during FY21; 5% medical and 8% Rx trend; EGWP revenues and prescription drug rebates based on the period revenues are attributable

<sup>2</sup> CY20 EGWP revenue reflect actual revenues received through June 2020; CY20 and CY21 projected PMPM payments provided by ESI

<sup>3</sup> Participating Group Fees shown for FY21 are estimated based on actual FY20 fees and assumed FY21 headcounts

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<sup>5</sup> FY21 Balance Forward reflects FY20 year-end balance as of June 2020

**Note:** It is probable that the COVID-19 pandemic will have an impact on health care costs. In performing this analysis to develop the FY21 budget for GHIP, we have not explicitly reflected adjustments due to the impact of COVID-19. Due to the high degree of uncertainty associated with this pandemic, results may vary from the estimates provided.