



# The State of Delaware

April 2025 Fund Report and Financial Update

State Employee Benefits Committee Meeting  
May 30, 2025

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# GHIP – FY25 Financial Results through April

# FY25 Executive Summary – April

	April Budget	April Actual	Better / (Worse)	Comment
<u>Premium Contributions</u>	\$ 108,511,000	\$ 107,703,000	\$ (808,000)	-0.7% Variance to Budget, primarily driven by lower non-payroll Medicare group and offset non-payroll by Actives
<u>Other Revenues</u>	\$ 5,148,000	\$ 4,828,000	\$ (320,000)	- Lower than expected EGWP Direct Subsidy
<u>Claims</u>	\$ (117,242,000)	\$ (133,209,000)	\$(15,967,000)	- Extra weekly Highmark invoice processed in April <sup>1</sup>
<u>Expenses</u>	\$ (4,536,000)	\$ (9,939,000)	\$ (5,403,000)	- Higher than expected Program & ASO Fees, primarily driven by a Performance Guarantee payment to Highmark of \$5.65M for the non-Medicare health plans on 4/1/2025 <sup>2</sup>
<b>Total</b>	<b>\$ (8,119,000)</b>	<b>\$ (30,617,000)</b>	<b>\$(22,498,000)</b>	

	FY25 Budget	FY25 Re-forecast	Better / (Worse)	Comment
Premium Contributions	\$ 1,259,451,000	\$ 1,252,360,000	\$ (7,091,000)	-0.6% Variance to Budget
Other Revenues	\$ 265,506,000	\$ 269,938,000	\$ 4,432,000	1.7% Variance to Budget
Claims	\$ (1,407,736,000)	\$ (1,392,908,000)	\$ 14,828,000	-0.1% Variance to Budget;
Expenses	\$ (50,880,000)	\$ (58,640,000)	\$ (7,760,000)	Primarily driven by \$5.65M Shared Savings Payment
<b>Total</b>	<b>\$ 66,341,000</b>	<b>\$ 70,750,000</b>	<b>\$ 4,409,000</b>	

\*All figures in the chart above have been rounded to the nearest \$1,000.

<sup>1</sup>The additional Highmark invoice was budgeted for May, however, was received early and processed in April. As a result, May experience is projected to be more favorable to budget

<sup>2</sup>Additional detail is included in the Appendix

# FY25 Budget versus Forecast

FY25 BUDGET	July	August	September	October	November	December	January	February	March	April	May	June	Total
<b>Operating Revenues</b>													
Premium Contributions	\$91.8	\$103.9	\$104.0	\$104.1	\$104.2	\$104.3	\$104.5	\$108.3	\$108.4	\$108.5	\$108.6	\$108.7	\$1,259.5
Other Revenues	\$3.6	\$47.8	-\$4.0	\$10.8	\$47.5	\$12.4	\$11.8	\$51.3	\$14.4	\$5.1	\$54.8	\$10.0	\$265.5
Total Operating Revenues	\$95.4	\$151.7	\$100.0	\$115.0	\$151.7	\$116.7	\$116.4	\$159.6	\$122.8	\$113.7	\$163.4	\$118.7	\$1,525.0
<b>Operating Expenses</b>													
Claims	\$106.6	\$120.0	\$108.6	\$122.6	\$111.1	\$112.3	\$126.7	\$114.8	\$116.0	\$117.2	\$132.2	\$119.8	\$1,407.7
Other Expenses	\$4.2	\$3.9	\$4.5	\$4.6	\$5.0	\$3.2	\$4.0	\$4.5	\$2.9	\$4.5	\$4.9	\$4.7	\$50.9
Total Operating Expenses	\$110.7	\$123.9	\$113.1	\$127.2	\$116.0	\$115.5	\$130.6	\$119.3	\$118.9	\$121.8	\$137.0	\$124.5	\$1,458.6
<b>Net Monthly Income</b>	-\$15.4	\$27.8	-\$13.1	-\$12.3	\$35.7	\$1.2	-\$14.3	\$40.4	\$3.9	-\$8.1	\$26.3	-\$5.9	\$66.3
<b>Ending Fund Equity Balance</b>	-\$15.3	\$12.6	-\$5.5	-\$12.8	\$22.9	\$24.1	\$9.9	\$50.2	\$54.1	\$46.0	\$72.3	\$66.4	\$66.4
<b>Reserves</b>													
Claim Liability	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Minimum Reserve	\$32.3	\$32.3	\$32.3	\$32.3	\$32.3	\$32.3	\$32.3	\$32.3	\$32.3	\$32.3	\$32.3	\$32.3	\$32.3
<b>GHIP Surplus (After Reserves)</b>	-\$47.5	-\$19.7	-\$32.8	-\$45.0	-\$9.4	-\$8.2	-\$22.4	\$17.9	\$21.8	\$13.7	\$40.0	\$34.1	\$34.1
<b>FY25 RE-FORECAST</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>Operating Revenues</b>													
Premium Contributions	\$92.9	\$102.8	\$101.7	\$103.8	\$104.8	\$103.7	\$103.8	\$107.4	\$107.2	\$107.7	\$108.2	\$108.3	\$1,252.4
Other Revenues	\$05.3	\$46.2	-\$04.1	\$11.2	\$48.1	\$20.2	\$04.8	\$04.5	\$64.2	\$04.8	\$54.8	\$10.0	\$269.9
Total Operating Revenues	\$98.3	\$149.0	\$97.6	\$115.1	\$152.9	\$0.0	\$108.6	\$111.9	\$171.5	\$112.5	\$163.0	\$118.3	\$1,522.3
<b>Operating Expenses</b>													
Claims	\$114.1	\$112.5	\$105.0	\$120.4	\$110.3	\$119.6	\$108.5	\$120.0	\$110.8	\$133.2	\$118.6	\$119.8	\$1,392.9
Other Expenses	\$04.6	\$05.2	\$04.1	\$04.1	\$04.3	\$04.3	\$03.9	\$04.1	\$04.5	\$09.9	\$04.9	\$04.7	\$58.6
Total Operating Expenses	\$118.6	\$117.7	\$109.1	\$124.6	\$114.6	\$30.4	\$112.5	\$124.1	\$115.3	\$143.1	\$123.5	\$124.5	\$1,451.5
<b>Net Monthly Income</b>	-\$20.4	\$31.3	-\$11.6	-\$09.5	\$38.3	\$0.0	-\$03.9	-\$12.3	\$56.2	-\$30.6	\$39.5	-\$06.3	\$70.8
<b>Ending Fund Equity Balance</b>	-\$20.3	\$11.0	-\$0.6	-\$10.1	\$28.3	\$28.3	\$24.4	\$12.1	\$68.3	\$37.7	\$77.1	\$70.9	\$70.9
<b>Reserves</b>													
Claim Liability	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Minimum Reserve	\$32.3	\$32.3	\$32.3	\$32.3	\$32.3	\$32.3	\$32.3	\$32.3	\$32.3	\$32.3	\$32.3	\$32.3	\$32.3
<b>GHIP Surplus (After Reserves)</b>	-\$52.6	-\$21.2	-\$32.8	-\$42.3	-\$04.0	-\$04.0	-\$07.9	-\$20.2	\$36.0	\$05.4	\$44.9	\$38.6	\$38.6

# Premium Contributions

		Active Employees		Pensioners				COBRA	Non-Payroll			Total GHIP
		State Share	Employee Share	State Share Pre-65	Pensioner Share Pre-65	State Share Medicare	Pensioner Share Medicare		Medicare	Pre-65	Active	
FY 25 Budget	July	\$52.6	\$6.2	\$6.4	\$1.1	\$12.5	\$0.6	\$0.1	\$1.2	\$1.1	\$10.0	\$91.8
	August	\$59.0	\$7.0	\$8.2	\$1.1	\$12.5	\$0.6	\$0.1	\$1.2	\$1.4	\$12.8	\$103.9
	September	\$59.1	\$7.0	\$8.2	\$1.1	\$12.5	\$0.6	\$0.1	\$1.2	\$1.4	\$12.8	\$104.0
	October	\$59.1	\$7.0	\$8.2	\$1.1	\$12.5	\$0.6	\$0.1	\$1.2	\$1.4	\$12.8	\$104.1
	November	\$59.2	\$7.0	\$8.2	\$1.1	\$12.5	\$0.6	\$0.1	\$1.2	\$1.4	\$12.9	\$104.2
	December	\$59.2	\$7.0	\$8.2	\$1.1	\$12.6	\$0.6	\$0.1	\$1.2	\$1.4	\$12.9	\$104.3
	January	\$59.3	\$7.0	\$8.2	\$1.1	\$12.6	\$0.8	\$0.1	\$1.2	\$1.4	\$12.9	\$104.5
	February	\$59.3	\$7.0	\$8.2	\$1.1	\$16.0	\$0.8	\$0.1	\$1.5	\$1.4	\$12.9	\$108.3
	March	\$59.4	\$7.0	\$8.2	\$1.1	\$16.0	\$0.8	\$0.1	\$1.5	\$1.4	\$12.9	\$108.4
	April	\$59.4	\$7.0	\$8.3	\$1.1	\$16.0	\$0.8	\$0.1	\$1.5	\$1.4	\$12.9	\$108.5
	May	\$59.5	\$7.0	\$8.3	\$1.1	\$16.0	\$0.8	\$0.1	\$1.5	\$1.4	\$12.9	\$108.6
	June	\$59.5	\$7.0	\$8.3	\$1.1	\$16.0	\$0.8	\$0.1	\$1.5	\$1.4	\$12.9	\$108.7
	Total	\$704.6	\$83.1	\$97.0	\$13.5	\$167.7	\$8.7	\$0.7	\$15.7	\$16.8	\$151.6	\$1,259.5
FY 25 Actual	July	\$52.8	\$6.2	\$6.4	\$1.1	\$12.5	\$0.6	\$0.0	\$1.2	\$1.2	\$11.0	\$92.9
	August	\$57.7	\$6.7	\$8.0	\$1.2	\$12.6	\$0.6	\$0.0	\$1.2	\$1.2	\$13.7	\$102.8
	September	\$58.0	\$6.8	\$8.5	\$1.1	\$12.6	\$0.6	\$0.0	\$1.2	\$1.2	\$11.6	\$101.7
	October	\$58.9	\$6.9	\$8.2	\$1.1	\$12.6	\$0.7	\$0.1	\$1.2	\$1.2	\$13.0	\$103.8
	November	\$59.2	\$6.9	\$8.2	\$1.1	\$12.6	\$0.7	\$0.1	\$1.2	\$1.2	\$13.7	\$104.8
	December	\$59.2	\$6.9	\$8.1	\$1.1	\$12.6	\$0.7	\$0.0	\$1.2	\$1.2	\$12.6	\$103.7
	January	\$59.2	\$6.9	\$8.0	\$1.1	\$12.6	\$0.8	\$0.1	\$1.2	\$1.2	\$12.6	\$103.8
	February	\$59.2	\$6.9	\$8.1	\$1.1	\$16.0	\$0.8	\$0.1	\$1.2	\$1.2	\$12.8	\$107.4
	March	\$59.3	\$6.9	\$8.2	\$1.1	\$16.0	\$0.8	\$0.1	\$1.2	\$1.2	\$12.3	\$107.2
	April	\$59.5	\$6.9	\$8.2	\$1.1	\$16.0	\$0.8	\$0.1	\$1.2	\$1.2	\$12.7	\$107.7
	May	\$59.2	\$6.9	\$8.3	\$1.1	\$16.0	\$0.8	\$0.1	\$1.5	\$1.4	\$12.9	\$108.2
	June	\$59.2	\$6.9	\$8.3	\$1.1	\$16.0	\$0.8	\$0.1	\$1.5	\$1.4	\$12.9	\$108.3
	Total	\$701.3	\$81.9	\$96.4	\$13.4	\$168.0	\$8.8	\$0.6	\$15.1	\$15.1	\$151.7	\$1,252.4



# Other Revenues

		EGWP Direct Subsidy      Federal Reinsurance      Commercial Rebates      EGWP Rebates      EGWP Year-end Reconciliation      Coverage Gap Discount      Participating Group Fees      Other Revenues      Total									
FY 25 Budget	July	\$ 779,000	\$ 2,134,000	\$ -	\$ -	\$ -	\$ -	\$ 635,000	\$ 15,000	\$ 3,563,000	
	August	\$ 511,000	\$ 2,136,000	\$ 27,606,000	\$ 16,877,000	\$ -	\$ -	\$ 636,000	\$ 15,000	\$ 47,781,000	
	September	\$ 511,000	\$ 2,138,000	\$ -	\$ -	\$ -	\$ -	\$ 637,000	\$ (7,285,000)	\$ (3,999,000)	
	October	\$ 512,000	\$ 2,140,000	\$ -	\$ -	\$ -	\$ 7,540,000	\$ 638,000	\$ 15,000	\$ 10,845,000	
	November	\$ 512,000	\$ 2,141,000	\$ 27,114,000	\$ 17,085,000	\$ -	\$ -	\$ 639,000	\$ 15,000	\$ 47,506,000	
	December	\$ 513,000	\$ 2,143,000	\$ -	\$ -	\$ -	\$ 9,080,000	\$ 640,000	\$ 15,000	\$ 12,391,000	
	January	\$ 3,560,000	\$ 918,000	\$ -	\$ -	\$ 6,715,000	\$ -	\$ 641,000	\$ 15,000	\$ 11,849,000	
	February	\$ 3,563,000	\$ 918,000	\$ 28,177,000	\$ 17,977,000	\$ -	\$ -	\$ 642,000	\$ 15,000	\$ 51,292,000	
	March	\$ 3,566,000	\$ 919,000	\$ -	\$ -	\$ -	\$ 9,280,000	\$ 643,000	\$ 15,000	\$ 14,423,000	
	April	\$ 3,569,000	\$ 920,000	\$ -	\$ -	\$ -	\$ -	\$ 644,000	\$ 15,000	\$ 5,148,000	
	May	\$ 3,572,000	\$ 921,000	\$ 29,240,000	\$ 20,357,000	\$ -	\$ -	\$ 645,000	\$ 15,000	\$ 54,750,000	
	June	\$ 3,575,000	\$ 921,000	\$ -	\$ -	\$ -	\$ 4,800,000	\$ 646,000	\$ 15,000	\$ 9,957,000	
	Total	\$ 24,743,000	\$ 18,349,000	\$ 112,137,000	\$ 72,296,000	\$ 6,715,000	\$ 30,700,000	\$ 7,686,000	\$ (7,120,000)	\$ 265,506,000	
FY 25 Actual	July	\$ 763,152	\$ 2,070,638	\$ -	\$ 153,629	\$ -	\$ -	\$ 675,186	\$ 1,653,501	\$ 5,316,107	
	August	\$ 480,222	\$ 2,075,899	\$ 25,559,138	\$ 17,153,685	\$ -	\$ -	\$ 810,308	\$ 119,421	\$ 46,198,673	
	September	\$ 469,325	\$ 2,080,022	\$ -	\$ 9	\$ -	\$ -	\$ 642,690	\$ (7,300,651)	\$ (4,108,605)	
	October	\$ 474,553	\$ 2,087,345	\$ -	\$ -	\$ -	\$ 7,864,125	\$ 777,152	\$ 17,702	\$ 11,220,877	
	November	\$ 498,926	\$ 2,088,909	\$ 26,281,210	\$ 18,352,621	\$ -	\$ -	\$ 812,539	\$ 17,125	\$ 48,051,330	
	December	\$ 463,762	\$ 2,092,179	\$ -	\$ -	\$ 6,638,693	\$ 10,228,247	\$ 757,813	\$ 19,771	\$ 20,200,465	
	January	\$ 2,772,546	\$ 893,294	\$ -	\$ -	\$ -	\$ -	\$ 760,514	\$ 392,293	\$ 4,818,646	
	February	\$ 2,767,831	\$ 895,027	\$ -	\$ -	\$ -	\$ -	\$ 765,668	\$ 68,065	\$ 4,496,591	
	March	\$ 4,051,079	\$ 895,422	\$ 28,046,819	\$ 19,419,646	\$ -	\$ 11,014,494	\$ 741,505	\$ 40,306	\$ 64,209,272	
	April	\$ 3,143,254	\$ 894,936	\$ -	\$ -	\$ -	\$ -	\$ 762,819	\$ 27,103	\$ 4,828,112	
	May	\$ 3,572,000	\$ 921,000	\$ 29,240,000	\$ 20,357,000	\$ -	\$ -	\$ 645,000	\$ 15,000	\$ 54,750,000	
	June	\$ 3,575,000	\$ 921,000	\$ -	\$ -	\$ -	\$ 4,800,000	\$ 646,000	\$ 15,000	\$ 9,957,000	
	Total	\$ 23,031,650	\$ 17,915,671	\$ 109,127,168	\$ 75,436,589	\$ 6,638,693	\$ 33,906,866	\$ 8,797,195	\$ (4,915,364)	\$ 269,938,468	

# Claims

FY25 Budget	Active						Pre-65 Retirees				Medicare Retirees			Total GHIP
	Highmark	Aetna	Surgery Plus	Hinge Health	CVS Commercial	Total	Highmark	Aetna	CVS Commercial	Total	Medicfill	EGWP	Total	
July	\$38.2	\$13.5	\$1.2	\$0.1	\$18.9	\$72.0	\$5.9	\$2.6	\$3.5	\$11.9	\$5.5	\$17.2	\$22.7	\$106.6
August	\$48.3	\$13.3	\$1.2	\$0.1	\$19.2	\$82.1	\$7.4	\$2.5	\$3.5	\$13.5	\$6.9	\$17.5	\$24.4	\$120.0
September	\$39.0	\$13.3	\$1.2	\$0.1	\$19.5	\$73.1	\$6.0	\$2.5	\$3.6	\$12.1	\$5.6	\$17.8	\$23.3	\$108.6
October	\$49.2	\$13.4	\$1.2	\$0.1	\$19.8	\$83.8	\$7.6	\$2.6	\$3.6	\$13.7	\$7.1	\$18.0	\$25.1	\$122.6
November	\$39.8	\$13.5	\$1.2	\$0.1	\$20.1	\$74.7	\$6.1	\$2.6	\$3.7	\$12.4	\$5.7	\$18.3	\$24.0	\$111.1
December	\$40.1	\$13.6	\$1.2	\$0.1	\$20.4	\$75.5	\$6.2	\$2.6	\$3.7	\$12.5	\$5.7	\$18.5	\$24.3	\$112.3
January	\$50.6	\$13.7	\$1.2	\$0.1	\$20.7	\$86.4	\$7.8	\$2.6	\$3.8	\$14.2	\$7.3	\$18.8	\$26.1	\$126.7
February	\$40.9	\$13.8	\$1.2	\$0.1	\$20.9	\$77.1	\$6.3	\$2.6	\$3.8	\$12.8	\$5.9	\$19.1	\$24.9	\$114.8
March	\$41.3	\$13.9	\$1.3	\$0.2	\$21.2	\$77.9	\$6.3	\$2.7	\$3.9	\$12.9	\$5.9	\$19.3	\$25.3	\$116.0
April	\$41.6	\$14.1	\$1.3	\$0.2	\$21.5	\$78.6	\$6.4	\$2.7	\$3.9	\$13.0	\$6.0	\$19.6	\$25.6	\$117.2
May	\$52.6	\$14.2	\$1.3	\$0.2	\$21.8	\$90.0	\$8.1	\$2.7	\$4.0	\$14.8	\$7.5	\$19.9	\$27.4	\$132.2
June	\$42.5	\$14.3	\$1.3	\$0.2	\$22.1	\$80.3	\$6.5	\$2.7	\$4.1	\$13.3	\$6.1	\$20.1	\$26.2	\$119.8
Total	\$524.1	\$164.6	\$14.8	\$1.8	\$246.1	\$951.5	\$80.6	\$31.3	\$45.1	\$157.0	\$75.1	\$224.2	\$299.2	\$1,407.7
FY25 Actual	Active						Pre-65 Retirees				Medicare Retirees			Total GHIP
	Highmark	Aetna	Surgery Plus	Hinge Health	CVS Commercial	Total	Highmark	Aetna	CVS Commercial	Total	Medicfill	EGWP	Total	
July	\$48.7	\$11.7	\$1.7	\$0.0	\$15.9	\$78.1	\$6.9	\$2.1	\$2.8	\$11.8	\$6.9	\$17.2	\$24.2	\$114.1
August	\$39.8	\$15.5	\$1.0	\$0.1	\$19.4	\$75.9	\$5.9	\$3.2	\$3.2	\$12.3	\$5.4	\$19.0	\$24.4	\$112.5
September	\$38.7	\$11.3	\$0.9	\$0.2	\$19.3	\$70.4	\$6.2	\$2.1	\$2.9	\$11.3	\$5.2	\$18.1	\$23.3	\$105.0
October	\$45.7	\$13.3	\$1.5	\$0.1	\$20.9	\$81.5	\$7.8	\$1.6	\$3.6	\$13.0	\$6.9	\$19.0	\$25.9	\$120.4
November	\$40.0	\$11.5	\$1.4	\$0.1	\$20.6	\$73.6	\$6.7	\$2.2	\$3.2	\$12.1	\$5.5	\$19.1	\$24.6	\$110.3
December	\$48.5	\$13.6	\$0.8	\$0.0	\$19.6	\$82.4	\$7.4	\$1.7	\$3.0	\$12.1	\$7.3	\$17.7	\$25.0	\$119.6
January	\$38.1	\$12.6	\$1.0	\$0.1	\$21.2	\$73.0	\$5.9	\$1.8	\$3.3	\$11.0	\$5.1	\$19.4	\$24.5	\$108.5
February	\$44.6	\$13.3	\$2.0	\$0.2	\$20.1	\$80.2	\$7.6	\$1.8	\$3.4	\$12.8	\$8.4	\$18.6	\$27.0	\$120.0
March	\$39.9	\$13.4	\$0.8	\$0.1	\$20.0	\$74.3	\$7.1	\$2.1	\$2.9	\$12.1	\$7.0	\$17.3	\$24.3	\$110.8
April	\$52.9	\$13.5	\$1.3	\$0.0	\$21.8	\$89.5	\$10.2	\$2.5	\$3.5	\$16.1	\$7.8	\$19.8	\$27.6	\$133.2
May	\$42.1	\$14.2	\$1.3	\$0.2	\$21.8	\$79.5	\$6.5	\$2.7	\$4.0	\$13.2	\$6.0	\$19.9	\$25.9	\$118.6
June	\$42.5	\$14.3	\$1.3	\$0.2	\$22.1	\$80.3	\$6.5	\$2.7	\$4.1	\$13.3	\$6.1	\$20.1	\$26.2	\$119.8
Total	\$521.6	\$158.2	\$15.0	\$1.3	\$242.9	\$939.0	\$84.8	\$26.4	\$39.9	\$151.0	\$77.7	\$225.2	\$302.9	\$1,392.9



# GLP-1 Experience

Commercial Plan - Weight Loss			
FY25 Expected	Claims	FY25 Projected Spend	Month-over-Month
July	2,447	\$ 3,123,754	21%
August	2,814	\$ 3,640,000	15%
September	3,095	\$ 4,000,000	10%
October	3,250	\$ 4,200,000	5%
November	3,380	\$ 4,370,000	4%
December	3,482	\$ 4,500,000	3%
January	3,551	\$ 4,590,000	2%
February	3,622	\$ 4,680,000	2%
March	3,695	\$ 4,770,000	2%
April	3,769	\$ 4,870,000	2%
May	3,844	\$ 4,970,000	2%
June	3,921	\$ 5,060,000	2%
<b>Total</b>	<b>40,870</b>	<b>\$ 52,773,754</b>	<b>4%</b>

Commercial Plan - Weight Loss			
FY25 Actual	Claims	FY25 Re-projected Spend	Month-over-Month
July	2,447	\$ 3,123,754	21%
August	2,592	\$ 3,258,384	4%
September	2,678	\$ 3,329,282	2%
October	3,163	\$ 3,855,597	16%
November	3,102	\$ 3,723,519	-3%
December	3,632	\$ 4,299,128	15%
January	4,016	\$ 4,728,989	10%
February	3,870	\$ 4,527,169	-4%
March	4,563	\$ 5,296,400	17%
April	4,797	\$ 5,526,244	4%
May	3,844	\$ 4,970,000	-10%
June	3,921	\$ 5,060,000	2%
<b>Total</b>	<b>42,625</b>	<b>\$ 51,698,466</b>	<b>4%</b>
		<b>\$ (1,075,288)</b>	

Anti-Diabetes (Commercial Only)			
	Claims	FY25 Projected Spend	Month-over-Month
July	1,991	\$ 2,621,108	12%
August	1,991	\$ 2,640,000	0%
September	2,031	\$ 2,690,000	2%
October	2,031	\$ 2,690,000	0%
November	2,071	\$ 2,740,000	2%
December	2,071	\$ 2,740,000	0%
January	2,113	\$ 2,800,000	2%
February	2,113	\$ 2,800,000	0%
March	2,155	\$ 2,850,000	2%
April	2,155	\$ 2,850,000	0%
May	2,198	\$ 2,910,000	2%
June	2,198	\$ 2,910,000	0%
<b>Total</b>	<b>25,119</b>	<b>\$ 33,241,108</b>	<b>1%</b>

Anti-Diabetes (Commercial Only)			
	Claims	FY25 Re-projected Spend	Month-over-Month
July	1,991	\$ 2,621,108	12%
August	1,867	\$ 2,367,843	-10%
September	1,938	\$ 2,530,685	7%
October	2,103	\$ 2,715,881	7%
November	1,972	\$ 2,493,030	-8%
December	2,087	\$ 2,503,426	0%
January	2,189	\$ 2,637,049	5%
February	2,089	\$ 2,471,276	-6%
March	2,290	\$ 2,689,352	9%
April	2,272	\$ 2,636,080	-2%
May	2,198	\$ 2,910,000	10%
June	2,198	\$ 2,910,000	0%
<b>Total</b>	<b>25,194</b>	<b>\$ 31,485,730</b>	<b>1%</b>
		<b>\$ (1,755,378)</b>	

## Expenses

FY25 Budget	Program & ASO Fees	Office Expenses	Employee Assistance	Data Warehouse	Consulting Fees	COBRA Fees	ACA Fees	Total
July	\$ 3,440,000	\$ 222,000	\$ 37,000	\$ 40,000	\$ 42,000	\$ 5,000	\$ 370,000	\$ 4,156,000
August	\$ 3,411,000	\$ 214,000	\$ 37,000	\$ 41,000	\$ 217,000	\$ 6,000	\$ -	\$ 3,926,000
September	\$ 4,160,000	\$ 249,000	\$ 55,000	\$ 27,000	\$ 5,000	\$ 9,000	\$ -	\$ 4,505,000
October	\$ 4,155,000	\$ 231,000	\$ 55,000	\$ 41,000	\$ 125,000	\$ 17,000	\$ -	\$ 4,624,000
November	\$ 4,064,000	\$ 442,000	\$ 37,000	\$ 41,000	\$ 388,000	\$ 8,000	\$ -	\$ 4,980,000
December	\$ 2,686,000	\$ 303,000	\$ 37,000	\$ 41,000	\$ 125,000	\$ 8,000	\$ -	\$ 3,200,000
January	\$ 3,681,000	\$ 219,000	\$ 37,000	\$ 41,000	\$ 3,000	\$ 6,000	\$ -	\$ 3,987,000
February	\$ 3,749,000	\$ 494,000	\$ 38,000	\$ 41,000	\$ 136,000	\$ 8,000	\$ -	\$ 4,466,000
March	\$ 2,170,000	\$ 401,000	\$ 38,000	\$ 41,000	\$ 273,000	\$ 6,000	\$ -	\$ 2,929,000
<b>April</b>	<b>\$ 4,071,000</b>	<b>\$ 257,000</b>	<b>\$ 38,000</b>	<b>\$ 133,000</b>	<b>\$ 30,000</b>	<b>\$ 7,000</b>	<b>\$ -</b>	<b>\$ 4,536,000</b>
May	\$ 3,847,000	\$ 664,000	\$ 57,000	\$ 135,000	\$ 167,000	\$ 8,000	\$ -	\$ 4,878,000
June	\$ 3,818,000	\$ 474,000	\$ 38,000	\$ 41,000	\$ 315,000	\$ 7,000	\$ -	\$ 4,693,000
<b>Total</b>	<b>\$43,252,000</b>	<b>\$ 4,170,000</b>	<b>\$ 504,000</b>	<b>\$ 663,000</b>	<b>\$ 1,826,000</b>	<b>\$ 95,000</b>	<b>\$ 370,000</b>	<b>\$50,880,000</b>
FY25 Actual	Program & ASO Fees	Office Expenses	Employee Assistance	Data Warehouse	Consulting Fees	COBRA Fees	ACA Fees	Total
July	\$ 3,661,554	\$ 262,107	\$ 35,979	\$ 39,633	\$ 154,948	\$ 4,532	\$ 392,889	\$ 4,551,642
August	\$ 4,863,803	\$ 246,519	\$ 54,028	\$ 39,825	\$ 15,000	\$ 5,530	\$ -	\$ 5,224,705
September	\$ 3,646,144	\$ 269,182	\$ 36,248	\$ 39,825	\$ 109,948	\$ 6,409	\$ -	\$ 4,107,756
October	\$ 3,335,176	\$ 530,388	\$ 36,404	\$ 39,825	\$ 184,448	\$ 10,938	\$ -	\$ 4,137,178
November	\$ 3,698,396	\$ 356,789	\$ 36,554	\$ 39,825	\$ 125,948	\$ 7,017	\$ -	\$ 4,264,528
December	\$ 3,628,971	\$ 267,970	\$ 36,624	\$ 39,825	\$ 311,646	\$ 5,637	\$ -	\$ 4,290,673
January	\$ 3,602,828	\$ 241,105	\$ 36,580	\$ 39,825	\$ -	\$ 6,234	\$ -	\$ 3,926,572
February	\$ 3,641,123	\$ 229,433	\$ 36,613	\$ 39,825	\$ 109,707	\$ 6,193	\$ 52,186	\$ 4,115,079
March	\$ 3,839,848	\$ 417,243	\$ 36,605	\$ 39,825	\$ 171,948	\$ 6,217	\$ -	\$ 4,511,686
<b>April</b>	<b>\$ 9,270,164</b>	<b>\$ 337,548</b>	<b>\$ 36,609</b>	<b>\$ 130,025</b>	<b>\$ 158,947</b>	<b>\$ 5,938</b>	<b>\$ -</b>	<b>\$ 9,939,232</b>
May	\$ 3,847,000	\$ 664,000	\$ 57,000	\$ 135,000	\$ 167,000	\$ 8,000	\$ -	\$ 4,878,000
June	\$ 3,818,000	\$ 474,000	\$ 38,000	\$ 41,000	\$ 315,000	\$ 7,000	\$ -	\$ 4,693,000
<b>Total</b>	<b>\$50,853,006</b>	<b>\$ 4,296,283</b>	<b>\$ 477,244</b>	<b>\$ 664,258</b>	<b>\$ 1,824,540</b>	<b>\$ 79,645</b>	<b>\$ 445,075</b>	<b>\$58,640,051</b>

# State of Delaware Health Fund

## Monthly Statement

April 2025

OPERATING REVENUES	April		April Budget		Variance		YTD Actual		YTD Budget		Variance	
Premium Contributions		%		%		%		%		%		%
Highmark	\$ 85,788,220	76.23%	\$ -	0.00%		#DIV/0!	\$ 819,665,958	66.05%	\$ -	0.00%		#DIV/0!
Aetna	\$ 21,914,976	19.47%	\$ -	0.00%		#DIV/0!	\$ 216,132,016	17.42%	\$ -	0.00%		#DIV/0!
Total Premium Contributions	\$ 107,703,196	95.71%	\$ 108,511,000	95.47%	\$ (807,804)	-0.74%	\$ 1,035,797,974	83.46%	\$ 1,042,156,000	83.85%	\$ (6,358,026)	-0.61%
Other Revenues												
Medicare Retiree RX Prog. (EGWP) Direct Subsidy	\$ 3,143,254	2.79%	\$ 3,569,000	3.14%	\$ (425,746)	-11.93%	\$ 15,884,650	1.28%	\$ 17,596,000	1.42%	\$ (1,711,350)	-9.73%
Federal Reinsurance	\$ 894,936	0.80%	\$ 920,000	0.81%	\$ (25,064)	-2.72%	\$ 16,073,671	1.30%	\$ 16,507,000	1%	\$ (433,329)	-2.63%
Prescription Drug Rebates (Commercial)	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ 79,887,170	6.44%	\$ 82,897,000	6.67%	\$ (3,009,830)	-3.63%
Prescription Drug Rebates (EGWP)	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ 37,925,982	3.06%	\$ 51,939,000	4.18%	\$ (14,013,018)	-26.98%
Prescription True Up/Yr End Recon Pymts	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ 6,715,000	0.54%	\$ (6,715,000)	-100.00%
Medicare Part D Coverage Gap Discount	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ 46,260,473	3.73%	\$ 25,900,000	2.08%	\$ 20,360,473	78.61%
Participating Group Fees	\$ 762,819	0.68%	\$ 644,000	0.57%	\$ 118,819	18.45%	\$ 7,506,195	0.60%	\$ 6,395,000	0.51%	\$ 1,111,195	17.38%
Other Revenues	\$ 27,103	0.02%	\$ 15,000	0.01%	\$ 12,103	80.69%	\$ 1,693,330	0.14%	\$ (7,150,000)	0.00%	\$ 8,843,330	0.00%
Total Other Revenues	\$ 4,828,112	4.29%	\$ 5,148,000	4.53%	\$ (319,888)	-6.21%	\$ 205,231,471	16.54%	\$ 200,799,000	16.15%	\$ 4,432,471	2.21%
Total Operating Revenues	\$ 112,531,309		\$ 113,659,000		\$ (1,127,691)	-0.99%	\$ 1,241,029,445		\$ 1,242,955,000		\$ (1,925,555)	-0.15%
OPERATING EXPENSES												
Claims												
Highmark	\$ 70,923,534	49.55%	\$ 54,007,000	44.35%	\$ 16,916,534	31.32%	\$ 574,403,526	47.73%	\$ 556,552,000	46.49%	\$ 17,851,526	3.21%
Aetna	\$ 15,955,012	11.15%	\$ 16,742,000	13.75%	\$ (786,988)	-4.70%	\$ 150,719,672	12.52%	\$ 162,067,000	13.54%	\$ (11,347,328)	-7.00%
Express Scripts/CVS (non-Plan D)	\$ 25,297,023	17.67%	\$ 25,472,000	20.92%	\$ (174,977)	-0.69%	\$ 230,754,915	19.17%	\$ 239,258,000	19.99%	\$ (8,503,085)	-3.55%
Express Scripts/CVS (Plan D)	\$ 19,751,131	13.80%	\$ 19,606,000	16.10%	\$ 145,131	0.74%	\$ 185,205,887	15.39%	\$ 184,157,000	15.38%	\$ 1,048,887	0.57%
Surgery Plus	\$ 1,281,969	0.90%	\$ 1,415,000	1.16%	\$ (133,031)		\$ 13,379,403	1.11%	\$ 13,700,000	1.14%	\$ (320,597)	
Total Claims	\$ 133,208,669	93.06%	\$ 117,242,000	96.28%	\$ 15,966,669	13.62%	\$ 1,154,463,402	95.92%	\$ 1,155,734,000	96.55%	\$ (1,270,598)	-0.11%
Other Expenses												
Program Fees and Costs (Vendor ASO Fees)	\$ 9,270,164	6.48%	\$ 4,071,000	3.34%	\$ 5,199,164	127.71%	\$ 43,188,004	3.59%	\$ 35,587,000	2.97%	\$ 7,601,004	21.36%
Office Expenses	\$ 337,548	0.24%	\$ 257,000	0.21%	\$ 80,548	31.34%	\$ 3,158,283	0.26%	\$ 3,032,000	0.25%	\$ 126,283	4.17%
Employee Assistance	\$ 36,609	0.03%	\$ 38,000	0.03%	\$ (1,391)	-3.66%	\$ 382,244	0.03%	\$ 409,000	0.03%	\$ (26,757)	-6.54%
Data Warehouse	\$ 130,025	0.09%	\$ 133,000	0.11%	\$ (2,975)	-2.24%	\$ 488,258	0.04%	\$ 487,000	0.04%	\$ 1,258	0.26%
Consultant Fees	\$ 158,947	0.11%	\$ 30,000	0.02%	\$ 128,947	429.82%	\$ 1,342,540	0.11%	\$ 1,344,000	0.11%	\$ (1,460)	-0.11%
COBRA Fees	\$ 5,938	0.00%	\$ 7,000	0.01%	\$ (1,062)	-15.17%	\$ 64,645	0.01%	\$ 80,000	0.01%	\$ (15,356)	-19.19%
ACA Fees	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ 445,075	0.04%	\$ 370,000	0.03%	\$ 75,075	20.29%
Total Other Expenses	\$ 9,939,232	6.94%	\$ 4,536,000	3.72%	\$ 5,403,232	119.12%	\$ 49,069,049	4.08%	\$ 41,309,000	3.45%	\$ 7,760,049	18.79%
Total Operating Expenses	\$ 143,147,901		\$ 121,778,000		\$ 21,369,901	17.55%	\$ 1,203,532,451		\$ 1,197,043,000		\$ 6,489,451	0.54%
Net Income	\$ (30,616,592)		\$ (8,119,000)		\$ (22,497,592)		\$ 37,496,995		\$ 45,912,000		\$ (8,415,005)	
Balance Forward	\$ 68,206,127		\$ 54,123,541				\$ 92,541		\$92,541			
Fund Equity Balance	\$ 37,589,535		\$ 46,004,541		\$ (8,415,006)	-18.29%	\$ 37,589,535		\$ 46,004,541		\$ (8,415,006)	-18.29%
Average Members	132,300		132,432		-132	-0.10%						

## Long-term Projection – All GHIP Groups Combined – 3 Year Smoothing

GHIP Costs (\$ millions)	Rate Increase	27.0%	4.2%	4.2%	4.2%	15.7%
	FY24	FY25	FY26	FY27	FY28	FY29
	Actual	Projected	Projected	Projected	Projected	Projected
Average Enrolled Members	133,487	136,122	124,904	126,153	127,414	128,689
<b>GHIP Revenues</b>						
Total Premium Contributions	\$990.0	\$1,252.4	\$1,228.0	\$1,292.4	\$1,360.2	\$1,569.2
<b>Transfer from OMB</b>						
<b>Payback of Transfer from OMB</b>	\$0.0	(\$7.3)				
Other Revenues	\$223.2	\$277.2	\$279.5	\$305.0	\$326.7	\$350.3
<b>Total Operating Revenues</b>	<b>\$1,220.5</b>	<b>\$1,522.3</b>	<b>\$1,507.6</b>	<b>\$1,597.4</b>	<b>\$1,686.8</b>	<b>\$1,919.5</b>
<b>GHIP Expenses</b>						
Claims	\$1,230.7	\$1,392.9	\$1,408.4	\$1,547.0	\$1,692.7	\$1,852.2
Expenses	\$48.6	\$58.6	\$48.5	\$50.4	\$52.3	\$54.4
<b>Total Operating Expenses</b>	<b>\$1,279.3</b>	<b>\$1,451.5</b>	<b>\$1,456.9</b>	<b>\$1,597.4</b>	<b>\$1,745.0</b>	<b>\$1,906.6</b>
<i>% Change Per Member</i>						
<b>Adjusted Net Income</b>	<b>(\$58.7)</b>	<b>\$70.8</b>	<b>\$50.7</b>	<b>\$0.0</b>	<b>(\$58.2)</b>	<b>\$12.9</b>
Balance Forward	\$58.8	\$0.1	\$70.8	\$121.5	\$121.5	\$63.4
<b>Ending Fund Cash Balance</b>	<b>\$0.1</b>	<b>\$70.8</b>	<b>\$121.5</b>	<b>\$121.5</b>	<b>\$63.4</b>	<b>\$76.3</b>
- Less Claims Liability	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
- Less Minimum Reserve	\$27.9	\$31.9	\$58.3	\$63.9	\$69.8	\$76.3
<b>GHIP Surplus (After Reserves/Deposits)</b>	<b>(\$27.8)</b>	<b>\$38.9</b>	<b>\$63.2</b>	<b>\$57.6</b>	<b>(\$6.4)</b>	<b>(\$0.0)</b>

### Assumptions:

- 8% medical trend, 5% Medicfill trend, see Appendix for graded pharmacy trend assumption
- Starting with actual July 2024, open enrollment results and 1% per annum growth in GHIP membership with consistent plan and tier elections thereafter
- Reflects added cost for legislation going into effect during FY25
- Reflects current market check improvements for FY25/FY26 pharmacy program
- Reflect changes to 2025 (and beyond) EGWP reimbursements due to the Inflation Reduction Act
- Reflects increased cost due to plan changes adopted for FY25 to be in compliance with MHPAEA
- Does not reflect added cost due to potential pending legislation
- Reflects the exclusion of the UD Group as of FY26



# FY25 Experience by Group

	Active Employees						Pre-65 Retirees				
	FY25						FY25				
	Premium Contributions	Other Revenues	Claims	Expenses	Gain / (Loss)		Premium Contributions	Other Revenues	Claims	Expenses	Gain / (Loss)
July	\$70.0	\$1.9	(\$78.1)	(\$3.01)	(\$9.3)	July	\$8.7	\$0.5	(\$11.8)	(\$0.5)	(\$3.2)
August	\$78.1	\$22.5	(\$75.9)	(\$3.5)	\$21.3	August	\$10.3	\$4.0	(\$12.3)	(\$0.6)	\$1.5
September	\$76.4	(\$5.3)	(\$70.4)	(\$2.7)	(\$2.1)	September	\$10.9	(\$1.3)	(\$11.3)	(\$0.5)	(\$2.2)
October	\$78.8	\$0.6	(\$81.5)	(\$2.7)	(\$4.8)	October	\$10.6	\$0.2	(\$13.0)	(\$0.5)	(\$2.7)
November	\$79.8	\$23.0	(\$73.6)	(\$2.8)	\$26.4	November	\$10.5	\$4.1	(\$12.1)	(\$0.5)	\$2.1
December	\$78.7	\$0.6	(\$82.4)	(\$2.8)	(\$5.9)	December	\$10.4	\$0.2	(\$12.1)	(\$0.5)	(\$2.0)
January	\$78.8	\$0.9	(\$73.0)	(\$2.6)	\$4.1	January	\$10.4	\$0.2	(\$11.0)	(\$0.5)	(\$0.9)
February	\$78.9	\$0.7	(\$80.2)	(\$2.7)	(\$3.4)	February	\$10.4	\$0.2	(\$12.8)	(\$0.5)	(\$2.7)
March	\$78.6	\$24.5	(\$74.3)	(\$3.0)	\$25.7	March	\$10.6	\$4.4	(\$12.1)	(\$0.5)	\$2.3
April	\$79.1	\$0.6	(\$89.5)	(\$6.6)	(\$16.3)	April	\$10.5	\$0.2	(\$16.1)	(\$1.2)	(\$6.6)
May	\$79.1	\$25.4	(\$79.5)	(\$3.2)	\$21.7	May	\$10.8	\$4.5	(\$13.2)	(\$0.6)	\$1.6
June	\$79.1	\$0.5	(\$80.3)	(\$3.1)	(\$3.8)	June	\$10.8	\$0.1	(\$13.3)	(\$0.5)	(\$2.9)
Total	\$935.5	\$95.9	(\$939.0)	(\$38.8)	\$53.6	Total	\$125.0	\$17.1	(\$151.0)	(\$6.8)	(\$15.7)
				95%							111%

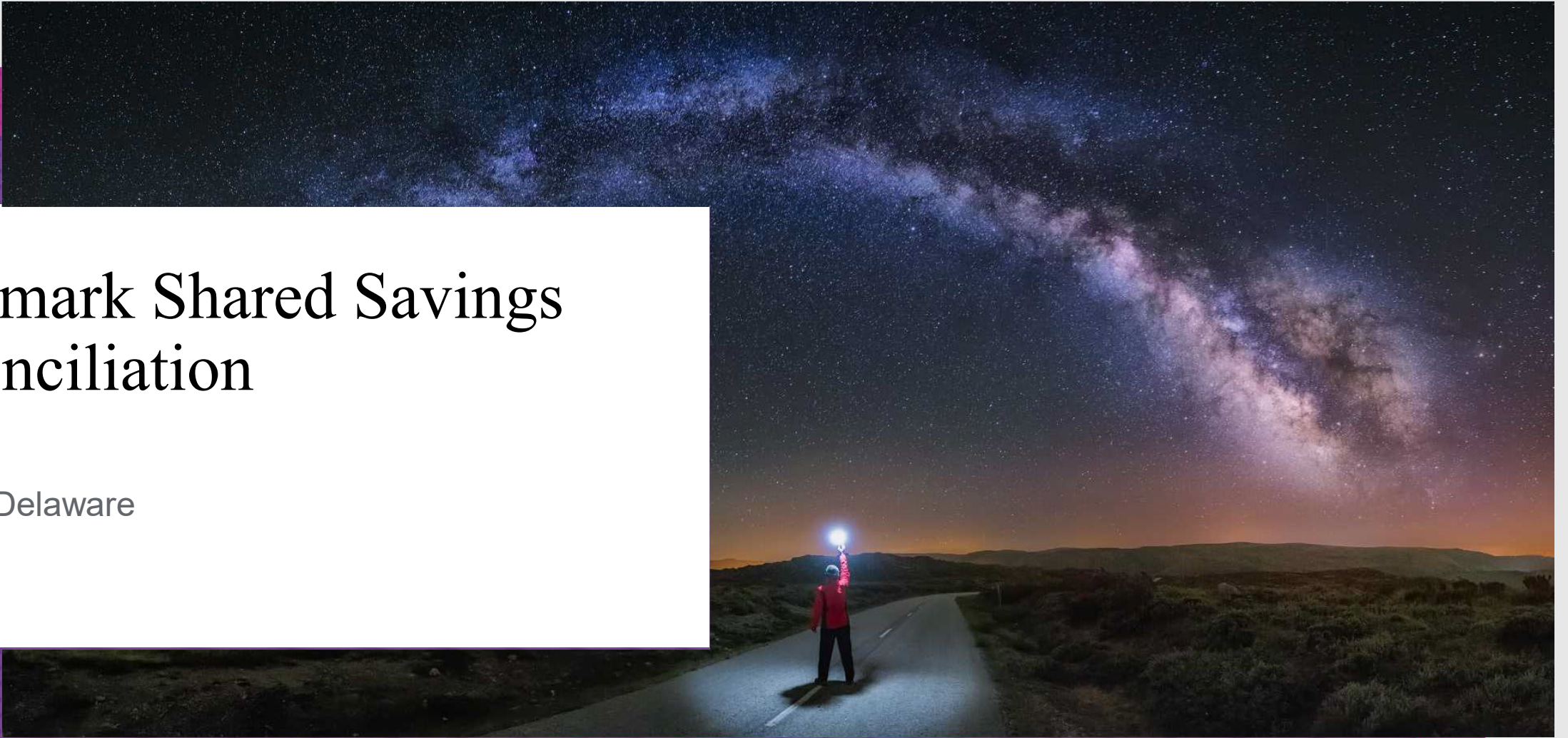
	Medicare Retirees						TOTAL GHIP				
	FY25						FY25				
	Premium Contributions	Other Revenues	Claims	Expenses	Gain / (Loss)		Premium Contributions	Other Revenues	Claims	Expenses	Gain / (Loss)
July	\$14.3	\$3.0	(\$24.2)	(\$1.0)	(\$7.9)	July	\$92.9	\$5.3	(\$114.1)	(\$4.6)	(\$20.4)
August	\$14.4	\$19.7	(\$24.4)	(\$1.2)	\$8.6	August	\$102.8	\$46.2	(\$112.5)	(\$5.2)	\$31.3
September	\$14.4	\$2.5	(\$23.3)	(\$0.9)	(\$7.3)	September	\$101.7	(\$4.1)	(\$105.0)	(\$4.1)	(\$11.6)
October	\$14.4	\$10.4	(\$25.9)	(\$0.9)	(\$2.0)	October	\$103.8	\$11.2	(\$120.4)	(\$4.1)	(\$9.5)
November	\$14.4	\$20.9	(\$24.6)	(\$0.9)	\$9.9	November	\$104.8	\$48.1	(\$110.3)	(\$4.3)	\$38.3
December	\$14.5	\$19.4	(\$25.0)	(\$1.0)	\$7.9	December	\$103.7	\$20.2	(\$119.6)	(\$4.3)	(\$0.0)
January	\$14.6	\$3.7	(\$24.5)	(\$0.9)	(\$7.1)	January	\$103.8	\$4.8	(\$108.5)	(\$3.9)	(\$3.9)
February	\$18.0	\$3.7	(\$27.0)	(\$0.9)	(\$6.3)	February	\$107.4	\$4.5	(\$120.0)	(\$4.1)	(\$12.3)
March	\$18.1	\$35.4	(\$24.3)	(\$1.0)	\$28.1	March	\$107.2	\$64.2	(\$110.8)	(\$4.5)	\$56.2
April	\$18.1	\$4.0	(\$27.6)	(\$2.2)	(\$7.7)	April	\$107.7	\$4.8	(\$133.2)	(\$9.9)	(\$30.6)
May	\$18.3	\$24.9	(\$25.9)	(\$1.1)	\$16.2	May	\$108.2	\$54.8	(\$118.6)	(\$4.9)	\$39.5
June	\$18.3	\$9.3	(\$26.2)	(\$1.0)	\$0.4	June	\$108.3	\$10.0	(\$119.8)	(\$4.7)	(\$6.3)
Total	\$191.9	\$156.9	(\$302.9)	(\$13.0)	\$32.9	Total	\$1,252.4	\$269.9	(\$1,392.9)	(\$58.6)	\$70.8
				91%							95%

\*Based on YTD April 2025



# Highmark Shared Savings Reconciliation

State of Delaware



# Highmark Shared Savings: Background

Shared Savings Component	Detail
Percent of Fees at Risk	35% of ASO fees at risk for “Total Cost of Care” Trend Guarantee
Calculation of baseline and target costs	Baseline and Target medical costs would be calculated on a Per-Employee-Per-Month (PEPM) basis using claims experience from active employees (non-Medicare pensioners are not included in this guarantee)
Highmark calculation of share savings relative to target	Trend based on Target medical cost compared to Actual <ul style="list-style-type: none"><li>If trend based on Actual cost &lt; Target, then Highmark/ChristianaCare would share a portion of the savings with the GHIP</li><li>If trend based on Actual cost &gt; Target, then Highmark would repay a portion of its fees to the GHIP (“shared financial risk”)</li><li>No reconciliation payments will be made if Actual PEPM is within 0.5% of Target PEPM (i.e., 0.5% greater or less than Target); results outside of the 0.5% threshold (i.e., shared savings/risk payments) will be based on the Target, not Target +/- 0.5%</li></ul>
Highmark Shared Savings Frequency	Measured annually
Minimum Requirements	Guarantee varies based on size of commercial membership (must have >30k contracts to apply) and care management program option selected (see chart below)

Commercial Membership Scenario	Final Decision
	CCMU
“A” – All Commercial Membership	<ul style="list-style-type: none"><li>3-year guarantee</li><li>4.25% trend</li><li>\$14 PEPM cap on shared savings and shared financial risk</li></ul>
“B” – Split Enrollment with ≥ 30,000 Commercial Contracts (Employees/Pensioners) on 7/1/2022	<ul style="list-style-type: none"><li>2-year guarantee</li><li>5.00% trend</li><li>\$14 PEPM cap on shared savings and shared financial risk</li></ul>
“C” – Split Enrollment with < 30,000 Commercial Contracts (Employees/Pensioners) on 7/1/2022	<ul style="list-style-type: none"><li>No guarantee</li></ul>

- Committee members discussed key differences between each program’s operations, mechanisms for engaging members and ability to influence members’ site-of-care choices
- There was deliberation about the fact that, in general, care management programs are not “locked in” throughout the life of a TPA contract and can be changed, unlike most core administrative components of the State’s contracts with the TPAs
- Based on the above and other considerations at the time, Committee members recommended that the **Highmark CCMU (“Option 2”)** would be better suited to continue supporting plan participants for FY23.

The above components are not an exhaustive list of all Highmark Shared Savings. Please see the full Highmark contract for a full list of components.

## Highmark Shared Savings Review: July 1, 2023 – June 30, 2024

- The SEBC proceeded with Option B from the shared savings scenarios presented by Highmark.
- This is currently the 2nd year of the 2-year guarantee period, and WTW does not expect to account for future Shared Savings payments.
- Based on the Highmark annual review results, claims data provided by Merative, and the Highmark annual contract, we believe that the Shared Savings criteria have been met by Highmark.
  - These criteria include: Claim Administrator/Customer Service, Account Management, Network Management and Development
  - Target PEPM for the plan year starting on July 1, 2024 was developed using data from July 1, 2023 through June 30, 2024, complete with 3 months of run out
  - The Performance Guarantee (PG) terms specified in the Highmark contract exclude all medical pharmacy costs, all claims for high-cost claimants over \$250,000, and claims for Medicare and COBRA participants
- Based on WTW's review, we agree with the total amount due to Highmark of \$5,565,445 (includes \$338,061 due to the GHIP for missed operational and clinical PGs and shared savings due to Highmark in the amount of \$5,903,506).