



State of Delaware GHIP

FY26 GHIP Budget and Long-Term Projections

September 2, 2025

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Enrollment

Enrollment

		First State Basic	Comp PPO	CDH Gold	HMO	Medicfill	Total
	FY23 Avg	3,867	30,081	3,477	8,772	29,327	75,525
	FY24 Avg	4,347	30,857	3,664	8,497	29,871	77,236
FY 25	July	4,688	31,092	4,008	8,477	30,114	78,379
	August	4,744	31,088	4,023	8,476	30,159	78,490
	September	4,855	31,158	4,048	8,477	30,273	78,811
	October	4,942	31,272	4,061	8,477	30,313	79,065
	November	5,005	31,293	4,078	8,450	30,368	79,194
	December	5,025	31,220	4,078	8,450	30,374	79,147
	January	5,074	31,192	4,091	8,460	30,418	79,235
	February	5,095	31,144	4,108	8,460	30,452	79,259
	March	5,130	31,128	4,103	8,451	30,422	79,234
	April	5,171	31,131	4,104	8,452	30,447	79,305
	May	5,183	31,112	4,105	8,444	30,465	79,309
	June	5,183	31,098	4,111	8,451	30,482	79,325
	FY25 Avg	5,008	31,161	4,077	8,460	30,357	79,063
FY 26 BUDGET	July	4,574	28,708	3,605	7,445	30,578	74,910
	August	4,578	28,732	3,608	7,451	30,603	74,972
	September	4,582	28,756	3,611	7,457	30,629	75,034
	October	4,585	28,780	3,614	7,464	30,654	75,097
	November	4,589	28,803	3,617	7,470	30,680	75,159
	December	4,593	28,827	3,620	7,476	30,705	75,221
	January	4,597	28,851	3,623	7,482	28,942	73,495
	February	4,601	28,875	3,626	7,488	28,966	73,556
	March	4,604	28,899	3,629	7,495	28,990	73,617
	April	4,608	28,923	3,632	7,501	29,014	73,678
	May	4,612	28,947	3,635	7,507	29,038	73,739
	June	4,616	28,971	3,638	7,513	29,062	73,800
	Average	4,595	28,839	3,621	7,479	29,822	74,356

- Total Subscribers have grown by just over 2% each year from FY23 to FY25
- July 2025 enrollments down due to the loss of the University of Delaware. Remaining Medicfill participants leave effective 1/1/2026
- Enrollment by Plan option did not change much from 7/1 open enrollment, resulting in a slight shift from First State Basic to the Comprehensive PPO
- Enrollment projected to grow by 1% per annum post July 2025 open enrollment elections

Premium Contributions

Premium Contributions

Group	What it Covers	Overview
State Employees	<ul style="list-style-type: none"> State Share Employee Share 	Received by the GHIP Fund on a bi-monthly basis, lagged one payroll cycle (e.g., 2 nd half of June credited to Fund in July)
State Pensioners	<ul style="list-style-type: none"> State Share Pensioner Share 	<ul style="list-style-type: none"> Received by the GHIP Fund on a monthly basis. State Share lagged one month (All of June credited to Fund in July) Pensioner Share not lagged (July credited to Fund in July)
Non-Payroll Groups	<ul style="list-style-type: none"> Participating Groups (fire, cities, towns, etc.) 	<ul style="list-style-type: none"> University of DE termination effective: <ul style="list-style-type: none"> 6/30/25 for active and pre-Medicare retirees 12/31/25 for Medicare eligible retirees UD represented about \$10M in Premium Revenue and \$500,000 in Participating Group Fees With UD no longer in GHIP, nearly all groups either pay current (June paid and credited in June) or in advance (July paid and credited in June)

Premium Contributions

FY25 Actual		Actives		Pensioners				COBRA	Non-Payroll			Total GHIP
Month		State Share	Employee Share	State Share Pre-65	Pensioner Share Pre-65	State Share Medicare	Pensioner Share Medicare		Medicare	Pre-65	Active	
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	\$12.5	\$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	\$12.7	\$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		\$59.5	\$6.9	\$8.2	\$1.1	\$16.0	\$0.8	\$0.1	\$1.2	\$1.2	\$12.7	\$107.8
June		\$59.7	\$7.0	\$8.0	\$1.1	\$16.0	\$0.8	\$0.1	\$1.2	\$1.2	\$22.7	\$117.7
Total		\$702.1	\$81.9	\$96.1	\$13.4	\$167.9	\$8.8	\$0.6	\$14.6	\$14.5	\$161.3	\$1,261.3
FY26 Budget		Actives		Pensioners				COBRA	Non-Payroll			Total GHIP
Month		State Share	Employee Share	State Share Pre-65	Pensioner Share Pre-65	State Share Medicare	Pensioner Share Medicare		Medicare	Pre-65	Active	
July		\$61.0	\$7.1	\$8.0	\$1.1	\$16.0	\$0.8	\$0.1	\$1.5	\$0.4	\$4.4	\$100.4
August		\$62.3	\$7.3	\$8.3	\$1.1	\$16.0	\$0.8	\$0.1	\$1.5	\$0.4	\$4.4	\$102.3
September		\$62.4	\$7.3	\$8.3	\$1.1	\$16.0	\$0.8	\$0.1	\$1.5	\$0.4	\$4.4	\$102.3
October		\$62.4	\$7.3	\$8.4	\$1.1	\$16.1	\$0.8	\$0.1	\$1.5	\$0.4	\$4.4	\$102.4
November		\$62.5	\$7.3	\$8.4	\$1.1	\$16.1	\$0.8	\$0.1	\$1.5	\$0.4	\$4.4	\$102.5
December		\$62.5	\$7.3	\$8.4	\$1.1	\$16.1	\$0.8	\$0.1	\$1.5	\$0.4	\$4.4	\$102.6
January		\$62.6	\$7.3	\$8.4	\$1.1	\$16.1	\$0.9	\$0.1	\$0.4	\$0.4	\$4.4	\$101.6
February		\$62.6	\$7.3	\$8.4	\$1.1	\$16.8	\$0.9	\$0.1	\$0.5	\$0.4	\$4.4	\$102.4
March		\$62.7	\$7.3	\$8.4	\$1.1	\$16.8	\$0.9	\$0.1	\$0.5	\$0.4	\$4.4	\$102.5
April		\$62.7	\$7.3	\$8.4	\$1.2	\$16.8	\$0.9	\$0.1	\$0.5	\$0.4	\$4.4	\$102.6
May		\$62.8	\$7.3	\$8.4	\$1.2	\$16.8	\$0.9	\$0.1	\$0.5	\$0.4	\$4.4	\$102.6
June		\$62.9	\$7.3	\$8.4	\$1.2	\$16.8	\$0.9	\$0.1	\$0.5	\$0.4	\$4.4	\$102.7
Total		\$749.5	\$87.3	\$100.1	\$13.8	\$196.4	\$10.2	\$0.7	\$11.9	\$4.3	\$52.8	\$1,227.0

Other Revenues

EGWP Part D Payment Streams Overview

Acronym	Name	What it Covers	How the Plan Gets Paid	Notes for EGWPs
Direct Subsidy (DS)	Risk-adjusted premium subsidy	Expected drug costs based on bid & risk scores	Monthly from CMS, reconciled year-end	Core funding for all Part D plans
CGDP / Manufacturer Discount	Coverage Gap / Manufacturer Discounts	Required manufacturer discounts in certain benefit phases	Manufacturer funds flow through plan's claims	Applies to EGWPs like individual PDPs
LICS	Low-Income Cost-Sharing Subsidy	Reimburses plan for reduced/zero copays for LIS members	CMS pays plan (prospective + year-end reconciliation)	EGWP receives LICS for any LIS members
Reinsurance	Federal reinsurance for high-cost claims	Costs above catastrophic threshold	CMS reimburses plan; reconciled year-end	Structure changing under Part D redesign

EGWP Revenues - Direct Subsidy

	DIRECT SUBSIDY								
	CALENDAR 2024			CALENDAR 2025			CALENDAR 2026		
	Members	PMPM	Actual	Members	PEPM	Actual / Expected	Members	PEPM	Actual / Expected
Jan	29,905	\$15	\$458,344	30,418	\$91	\$2,772,546	28,942	\$159	\$4,601,700
Feb	29,915	\$15	\$459,150	30,452	\$91	\$2,767,831	28,966	\$159	\$4,605,517
Mar	29,929	\$15	\$447,173	30,422	\$133	\$4,051,079	28,990	\$159	\$4,609,338
Apr	29,982	\$15	\$443,386	30,447	\$103	\$3,143,254	29,014	\$159	\$4,613,161
May	29,974	\$15	\$448,618	30,465	\$103	\$3,139,314	29,038	\$159	\$4,616,988
Jun	29,999	\$15	\$454,626	30,482	\$104	\$3,169,371	29,062	\$159	\$4,620,818
Jul	30,024	\$25	\$763,152	30,578	\$108	\$3,989,116	29,086	\$159	\$4,624,651
Aug	30,049	\$16	\$480,222	30,603	\$108	\$3,305,163	29,110	\$159	\$4,628,488
Sep	30,074	\$16	\$469,325	30,629	\$108	\$3,307,905	29,134	\$159	\$4,632,327
Oct	30,099	\$16	\$474,553	30,654	\$108	\$3,310,649	29,158	\$159	\$4,636,170
Nov	30,123	\$17	\$498,926	30,680	\$108	\$3,313,396	29,182	\$159	\$4,640,016
Dec	30,148	\$15	\$463,762	30,705	\$108	\$3,316,144	29,207	\$159	\$4,643,865
	360,220	\$16	\$5,861,237	366,535	\$108	\$39,585,770	348,887	\$159	\$55,473,039

- The Direct Subsidy represents the base portion of Part D (and EGWPs) financed by the government.
- Due to the Inflation Reduction Act (IRA) of 2022, Medicare has updated its calculation of the Direct Subsidy which will lead to higher payments in 2025 and 2026. Assumed to remain flat thereafter.

EGWP Revenues - Federal Reinsurance

	FEDERAL REINSURANCE														
	CALENDAR 2024					CALENDAR 2025					CALENDAR 2026				
	Members	Estimated PMPM	Total Expected	Prospective	Prospective Factor	Members	Estimated PMPM	Expected	Prospective	Prospective Factor	Members	Estimated PMPM	Expected	Prospective	Prospective Factor
Jan	29,905	\$91	\$2,721,355	\$2,056,492	0.756	30,418	\$70	\$2,129,260	\$893,294	0.420	28,942	\$73	\$2,112,730	\$1,386,877	0.656
Feb	29,915	\$91	\$2,722,265	\$2,063,245	0.758	30,452	\$70	\$2,131,640	\$895,027	0.420	28,966	\$73	\$2,114,483	\$1,388,028	0.656
Mar	29,929	\$91	\$2,723,539	\$2,061,255	0.757	30,422	\$70	\$2,129,540	\$895,422	0.420	28,990	\$73	\$2,116,237	\$1,389,179	0.656
Apr	29,982	\$91	\$2,728,362	\$2,063,814	0.756	30,447	\$70	\$2,131,290	\$894,936	0.420	29,014	\$73	\$2,117,992	\$1,390,331	0.656
May	29,974	\$91	\$2,727,634	\$2,066,444	0.758	30,465	\$70	\$2,132,550	\$895,970	0.420	29,038	\$73	\$2,119,749	\$1,391,485	0.656
Jun	29,999	\$91	\$2,729,897	\$2,067,724	0.757	30,482	\$70	\$2,133,740	\$896,882	0.420	29,062	\$73	\$2,121,508	\$1,392,639	0.656
Jul	30,024	\$91	\$2,732,161	\$2,134,388	0.757	30,578	\$70	\$2,140,460	\$929,877	0.420	29,086	\$73	\$2,123,268	\$1,393,794	0.656
Aug	30,049	\$91	\$2,734,428	\$2,136,159	0.757	30,603	\$70	\$2,142,236	\$930,648	0.420	29,110	\$73	\$2,125,029	\$1,394,950	0.656
Sep	30,074	\$91	\$2,736,696	\$2,137,931	0.757	30,629	\$70	\$2,144,013	\$931,420	0.420	29,134	\$73	\$2,126,792	\$1,396,108	0.656
Oct	30,099	\$91	\$2,738,966	\$2,139,704	0.757	30,654	\$70	\$2,145,791	\$932,193	0.420	29,158	\$73	\$2,128,556	\$1,397,266	0.656
Nov	30,123	\$91	\$2,741,238	\$2,141,479	0.757	30,680	\$70	\$2,147,571	\$932,966	0.420	29,182	\$73	\$2,130,322	\$1,398,425	0.656
Dec	30,148	\$91	\$2,743,512	\$2,143,256	0.757	30,705	\$70	\$2,149,353	\$933,740	0.420	29,207	\$73	\$2,132,089	\$1,399,585	0.656
	360,220		\$32,780,053	\$25,211,891		366,535		\$25,657,443	\$10,962,376		348,887		\$25,468,754	\$16,718,667	
			Year-end Reconciliation	\$7,345,388				Year-end Reconciliation	\$14,695,067				Year-end Reconciliation	\$8,750,087	
			Low Income Cost Sharing Subsidies	\$1,635,430				Low Income Cost Sharing Subsidies	\$1,400,000				Low Income Cost Sharing Subsidies	\$1,400,000	
			Total Due to the GHIP	\$8,980,818				Total Due to the GHIP	\$16,095,067				Total Due to the GHIP	\$10,150,087	

- Due to the IRA of 2022, Medicare has updated the catastrophic reinsurance payment for 2025. Previously, EGWPs were responsible for 20% of claims in the final Medicare Part D phase, the catastrophic zone. In 2025, that number jumped up to 60% responsibility and therefore we will see less reinsurance prospectively and during the true up.
- The reinsurance program is paid in two pieces – an upfront Prospective payment and then a settlement provided within 12-15 months after year end. For 2025, CMS lowered the monthly prospective payment from \$71.09 in 2024 to \$30.41 in 2025. For 2026, that amount is expected to be \$47.92.
- Total Federal Reinsurance payments assumed to grow by 4% per year for 2027 and beyond.

EGWP Revenues – Manufacturer Discount Program

- Due to the IRA of 2022, Medicare removed the Coverage Gap Discount Program for 2025 and replaced it with a similar program called the Manufacturer Discount Program, where discounts will still be passed back to EGWPs.

	COVERAGE GAP/MANUFACTURER DISCOUNT PROGRAM (Lagged 90 - 120 Days)								
	CALENDAR 2024			CALENDAR 2025			CALENDAR 2025		
	Members	PEPM	Received	Members	PEPM	CVS Expected	Members	PEPM	CVS Expected
Q1	89,749		\$5,283,875	91,292		\$5,133,184	86,897		\$4,125,983
Q2	89,955		\$7,864,125	91,394		\$7,288,199	87,113		\$5,858,154
Q3	90,146		\$10,228,247	91,810		\$9,479,185	87,330		\$7,619,239
Q4	90,371		\$11,963,733	92,039		\$11,087,574	87,547		\$8,912,039
	360,220	\$98	\$35,339,979	366,535	\$90	\$32,988,141	348,887	\$76	\$26,515,415

Feature	Coverage Gap Discount Program (Through 2024)	Manufacturer Discount Program (Starting 2025)
Benefit Phases Affected	Only applies in coverage gap ('donut hole') phase	Applies in Initial Coverage and Catastrophic phases
Brand Drug Discount %	70% manufacturer discount (coverage gap)	10% in Initial Coverage phase 20% in Catastrophic phase
Generic Drug Discount %	0% manufacturer discount	0% manufacturer discount (unchanged)
Plan Liability in Phase	5% brand cost, 75% generic cost (coverage gap)	Varies by phase; plan bears more catastrophic cost due to lower reinsurance
Beneficiary Liability	25% (brand or generic) unless employer wrap reduces it	Varies; \$2,000 OOP cap eliminates catastrophic cost sharing
TrOOP Impact	Manufacturer discount counts toward TrOOP (True Out-of-Pocket Maximum)	Manufacturer discount continues to count toward TrOOP
Employer EGWP Impact	Manufacturer funds concentrated in mid-year gap phase	Manufacturer funds spread across year; higher catastrophic plan liability

EGWP Revenues – Total

	2024	2025	2026
	Total Earned	Total Expected	Total Expected
Direct Subsidy	\$5,861,237	\$39,585,770	\$55,473,039
Federal Reinsurance/LICS	\$34,192,709	\$27,057,443	\$26,868,754
Manufacturer Discount Program	\$35,339,979	\$32,988,141	\$26,515,415
Total	\$75,393,925	\$99,631,355	\$108,857,208

Other Revenues

FY25 Actual									
Month	EGWP Direct Subsidy	Federal Reinsurance	Commercial Rebates	EGWP Rebates	EGWP Year-end Reconciliation	Coverage Gap Discount	Participating Group Fees	Other Revenues	Total GHIP
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	\$ 3,139,314	\$ 895,970	\$ 29,836,384	\$ 26,435,846	\$ -	\$ -	\$ 780,033	\$ 9,430	\$ 61,096,976
June	\$ 3,169,371	\$ 896,882	\$ -	\$ -	\$ -	\$ 6,082,423	\$ 1,274,717	\$ 3,079,022	\$ 14,502,416
Total	\$ 22,193,335	\$ 17,866,523	\$ 109,723,552	\$ 81,515,436	\$ 6,638,693	\$ 35,189,289	\$ 9,560,944	\$ (1,856,912)	\$ 280,830,860
FY26 Budget									
Month	EGWP Direct Subsidy	Federal Reinsurance	Commercial Rebates	EGWP Rebates	EGWP Year-end Reconciliation	Coverage Gap Discount	Participating Group Fees	Other Revenues	Total GHIP
July	\$ 3,989,000	\$ 929,877	\$ -	\$ -	\$ -	\$ -	\$ 364,143	\$ 15,000	\$ 5,298,020
August	\$ 3,305,000	\$ 930,648	\$ 33,226,880	\$ 19,726,737	\$ -	\$ -	\$ 364,445	\$ 15,000	\$ 57,568,710
September	\$ 3,308,000	\$ 931,420	\$ -	\$ -	\$ -	\$ 7,288,199	\$ 364,747	\$ 15,000	\$ 11,907,366
October	\$ 3,311,000	\$ 932,193	\$ -	\$ -	\$ -	\$ -	\$ 365,050	\$ 15,000	\$ 4,623,243
November	\$ 3,313,000	\$ 932,966	\$ 39,992,159	\$ 21,105,514	\$ -	\$ -	\$ 365,353	\$ 15,000	\$ 65,723,992
December	\$ 3,316,000	\$ 933,740	\$ -	\$ -	\$ -	\$ 9,479,185	\$ 365,656	\$ 15,000	\$ 14,109,581
January	\$ 4,602,000	\$ 1,386,877	\$ -	\$ -	\$ 8,980,818	\$ -	\$ 315,959	\$ 15,000	\$ 15,300,654
February	\$ 4,606,000	\$ 1,388,028	\$ 42,678,889	\$ 22,332,593	\$ -	\$ -	\$ 316,221	\$ 15,000	\$ 71,336,731
March	\$ 4,609,000	\$ 1,389,179	\$ -	\$ -	\$ -	\$ 11,087,574	\$ 316,484	\$ 15,000	\$ 17,417,236
April	\$ 4,613,000	\$ 1,390,331	\$ -	\$ -	\$ -	\$ -	\$ 316,746	\$ 15,000	\$ 6,335,078
May	\$ 4,617,000	\$ 1,391,485	\$ 45,402,073	\$ 30,401,223	\$ -	\$ -	\$ 317,009	\$ 15,000	\$ 82,143,789
June	\$ 4,621,000	\$ 1,392,639	\$ -	\$ -	\$ -	\$ 4,125,983	\$ 317,272	\$ 15,000	\$ 10,471,894
Total	\$ 48,210,000	\$ 13,929,384	\$ 161,300,000	\$ 93,566,068	\$ 8,980,818	\$ 31,980,940	\$ 4,089,085	\$ 180,000	\$ 362,236,295

Claims

Claims

FY25 Actual		Actives						Pre-65 Retirees				Medicare Retirees			Total GHIP
Month		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	\$19.0	\$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		\$39.0	\$16.7	\$1.2	\$0.3	\$21.6	\$78.9	\$6.9	\$2.7	\$3.2	\$12.8	\$6.2	\$18.7	\$24.9	\$116.6
June		\$43.6	\$12.3	\$1.2	\$0.1	\$21.7	\$78.9	\$7.2	\$2.3	\$3.5	\$13.0	\$5.8	\$18.8	\$24.6	\$116.6
Total		\$519.7	\$158.8	\$14.8	\$1.4	\$242.3	\$936.9	\$85.8	\$26.0	\$38.6	\$150.4	\$77.6	\$222.7	\$300.3	\$1,387.7
FY26 Budget		Actives						Pre-65 Retirees				Medicare Retirees			Total GHIP
Month		Highmark	Aetna	Surgery Plus	Hinge Health	CVS Commercial	Total	Highmark	Aetna	CVS Commercial	Total	Medicfill	EGWP	Total	
July		\$48.0	\$12.7	\$1.2	\$0.1	\$23.1	\$85.2	\$8.3	\$2.2	\$3.9	\$14.4	\$7.7	\$18.9	\$26.6	\$126.1
August		\$34.3	\$11.3	\$1.1	\$0.1	\$22.8	\$69.5	\$5.9	\$2.0	\$3.8	\$11.7	\$5.5	\$18.5	\$24.1	\$105.2
September		\$49.8	\$13.2	\$1.2	\$0.1	\$26.1	\$90.4	\$8.6	\$2.3	\$4.4	\$15.3	\$8.0	\$21.3	\$29.3	\$135.0
October		\$39.3	\$13.0	\$1.2	\$0.1	\$25.6	\$79.2	\$6.8	\$2.2	\$4.3	\$13.3	\$6.3	\$20.8	\$27.2	\$119.7
November		\$38.8	\$12.8	\$1.2	\$0.1	\$24.6	\$77.5	\$6.7	\$2.2	\$4.1	\$13.0	\$6.2	\$20.0	\$26.3	\$116.9
December		\$50.3	\$13.3	\$1.2	\$0.1	\$25.8	\$90.8	\$8.7	\$2.3	\$4.3	\$15.3	\$8.1	\$21.0	\$29.1	\$135.2
January		\$39.0	\$12.9	\$1.2	\$0.1	\$24.8	\$78.0	\$6.8	\$2.2	\$4.2	\$13.1	\$5.8	\$18.8	\$24.6	\$115.8
February		\$41.2	\$13.6	\$1.3	\$0.1	\$26.1	\$82.4	\$7.1	\$2.3	\$4.4	\$13.9	\$6.2	\$19.7	\$25.9	\$122.1
March		\$49.6	\$13.1	\$1.2	\$0.1	\$26.9	\$91.0	\$8.6	\$2.3	\$4.5	\$15.4	\$7.4	\$20.3	\$27.7	\$134.1
April		\$40.3	\$13.3	\$1.2	\$0.1	\$25.9	\$80.8	\$7.0	\$2.3	\$4.3	\$13.6	\$6.0	\$19.6	\$25.6	\$120.0
May		\$40.6	\$13.4	\$1.3	\$0.1	\$26.9	\$82.4	\$7.0	\$2.3	\$4.5	\$13.9	\$6.1	\$20.3	\$26.4	\$122.6
June		\$55.7	\$14.8	\$1.4	\$0.1	\$27.5	\$99.5	\$9.7	\$2.5	\$4.6	\$16.8	\$8.3	\$20.8	\$29.1	\$145.4
Total		\$527.0	\$157.6	\$14.7	\$1.4	\$306.1	\$1,006.8	\$91.3	\$27.1	\$51.2	\$169.6	\$81.8	\$240.0	\$321.8	\$1,498.2

Expenses

Expenses - Detail

Category	What it Covers	FY25 Amounts	FY26 through FY29
Program & ASO Fees	<ul style="list-style-type: none"> Refunds / Overpayments Aetna Admin Fees Highmark Admin Fees CVS Admin Fees 	<ul style="list-style-type: none"> \$269,000 \$6.7M – PEPM Admin Fees + PMPM DHIN Fee \$34.7M – PEPM Admin Fees + CCMU + Well360 Rewards + DHIN Fee \$8.7M – Per script fee + EGWP PMPM fee + Prior Auth + PrudentRx 	<ul style="list-style-type: none"> Refunds assumed flat Fees known for FY26, similar growth thereafter
Office Expenses	<ul style="list-style-type: none"> Personnel Expenses Travel Legal, Postage, Printing Supplies 	<ul style="list-style-type: none"> \$3.9M < \$1,000 \$500,000 \$4,000 	Assumed to grow by inflation
EAP	<ul style="list-style-type: none"> ComPsych through FY25 Health Advocate FY26 – FY29 	<ul style="list-style-type: none"> \$456,000 – PMPM Admin fee charged by ComPsych/Health Advocate 	Assumed flat PMPM
Data Warehouse	<ul style="list-style-type: none"> IBM/Merative 	<ul style="list-style-type: none"> \$658,000 – Monthly fee plus twice per year Benefits Mentor Fee 	Assumed flat over projection period
Consulting Fees	<ul style="list-style-type: none"> Claim Technologies WTW Vanguard Direct 	<ul style="list-style-type: none"> \$1.7M 	Assumed to grow by inflation
COBRA Administration	<ul style="list-style-type: none"> ASI Admin Fees 	<ul style="list-style-type: none"> \$79,000 – Qualifying Event fee / General Rights fee / flat Per (Enrolled) Per Month fee 	Assumed flat over projection period
ACA	<ul style="list-style-type: none"> PCORI Fees 	<ul style="list-style-type: none"> \$445,000 – includes \$52,000 penalty from 2022 	5% average increase per year

Expenses

FY25 Actual										
Month	Program & ASO Fees	Office Expenses	Employee Assistance	Data Warehouse	Consulting Fees	COBRA Fees	ACA Fees		Total GHIP	
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	
April	\$ 9,270,164	\$ 337,548	\$ 36,609	\$ 130,025	\$ 158,947	\$ 5,938	-		\$ 9,939,232	
May	\$ 3,652,177	\$ 346,346	\$ 36,644	\$ 39,825	\$ 193,448	\$ 5,212	-		\$ 4,273,652	
June	\$ 3,531,833	\$ 941,516	\$ 36,633	\$ 130,025	\$ 131,948	\$ 8,859	-		\$ 4,780,814	
Total	\$ 50,372,016	\$ 4,446,145	\$ 455,520	\$ 658,108	\$ 1,667,936	\$ 78,715	\$ 445,075		\$ 58,123,516	
FY26 Budget										
Month	Program & ASO Fees	Office Expenses	Employee Assistance	Data Warehouse	Consulting Fees	COBRA Fees	ACA Fees		Total GHIP	
July	\$ 3,493,601	\$ 381,562	\$ 35,272	\$ 54,842	\$ 143,165	\$ 6,625	\$ 412,533		\$ 4,527,601	
August	\$ 3,493,601	\$ 381,562	\$ 35,272	\$ 54,842	\$ 143,165	\$ 6,625	-		\$ 4,115,067	
September	\$ 3,493,601	\$ 381,562	\$ 35,272	\$ 54,842	\$ 143,165	\$ 6,625	-		\$ 4,115,067	
October	\$ 3,493,601	\$ 381,562	\$ 35,272	\$ 54,842	\$ 143,165	\$ 6,625	-		\$ 4,115,067	
November	\$ 3,493,601	\$ 381,562	\$ 35,272	\$ 54,842	\$ 143,165	\$ 6,625	-		\$ 4,115,067	
December	\$ 3,493,601	\$ 381,562	\$ 35,272	\$ 54,842	\$ 143,165	\$ 6,625	-		\$ 4,115,067	
January	\$ 3,493,601	\$ 381,562	\$ 35,272	\$ 54,842	\$ 143,165	\$ 6,625	-		\$ 4,115,067	
February	\$ 3,493,601	\$ 381,562	\$ 35,272	\$ 54,842	\$ 143,165	\$ 6,625	-		\$ 4,115,067	
March	\$ 3,493,601	\$ 381,562	\$ 35,272	\$ 54,842	\$ 143,165	\$ 6,625	-		\$ 4,115,067	
April	\$ 3,493,601	\$ 381,562	\$ 35,272	\$ 54,842	\$ 143,165	\$ 6,625	-		\$ 4,115,067	
May	\$ 3,493,601	\$ 381,562	\$ 35,272	\$ 54,842	\$ 143,165	\$ 6,625	-		\$ 4,115,067	
June	\$ 3,493,601	\$ 381,562	\$ 35,272	\$ 54,842	\$ 143,165	\$ 6,625	-		\$ 4,115,067	
Total	\$ 41,923,213	\$ 4,578,739	\$ 423,269	\$ 658,108	\$ 1,717,974	\$ 79,502	\$ 412,533		\$ 49,793,340	

FY26 Total Budget & Long-Term Projection

FY26 Budget by Month

FY26 BUDGET	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Total
Operating Revenues													
Premium Contributions	\$100.4	\$102.3	\$102.3	\$102.4	\$102.5	\$102.6	\$101.6	\$102.4	\$102.5	\$102.6	\$102.6	\$102.7	\$1,227.0
Other Revenues	\$5.3	\$57.6	\$11.9	\$4.6	\$65.7	\$14.1	\$15.3	\$71.3	\$17.4	\$6.3	\$82.1	\$10.5	\$362.2
Total Operating Revenues	\$105.7	\$159.8	\$114.3	\$107.1	\$168.2	\$116.7	\$116.9	\$173.7	\$119.9	\$108.9	\$184.8	\$113.2	\$1,589.2
Operating Expenses													
Claims	\$126.1	\$105.2	\$135.0	\$119.7	\$116.9	\$135.2	\$115.8	\$122.1	\$134.1	\$120.0	\$122.6	\$145.4	\$1,498.2
Other Expenses	\$4.5	\$4.1	\$4.1	\$4.1	\$4.1	\$4.1	\$4.1	\$4.1	\$4.1	\$4.1	\$4.1	\$4.1	\$49.8
Total Operating Expenses	\$130.7	\$109.4	\$139.1	\$123.8	\$121.0	\$139.3	\$119.9	\$126.2	\$138.2	\$124.2	\$126.7	\$149.5	\$1,548.0
Net Monthly Income	-\$25.0	\$50.5	-\$24.9	-\$16.8	\$47.3	-\$22.6	-\$02.9	\$47.5	-\$18.3	-\$15.3	\$58.1	-\$36.3	\$41.3
Ending Fund Equity Balance	\$71.5	\$121.9	\$97.1	\$80.3	\$127.5	\$104.9	\$102.0	\$149.5	\$131.2	\$115.9	\$174.0	\$137.7	\$137.7
Reserves													
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	\$61.9	\$61.9	\$61.9	\$61.9	\$61.9	\$61.9	\$61.9	\$61.9	\$61.9	\$61.9	\$61.9	\$61.9	\$61.9
GHIP Surplus (After Reserves)	\$9.5	\$60.0	\$35.1	\$18.3	\$65.6	\$43.0	\$40.0	\$87.6	\$69.2	\$54.0	\$112.0	\$75.8	\$75.8

Long-term Projections

	27.0%	4.2%	4.2%	4.2%	14.9%
	FY25	FY26	FY27	FY28	FY29
GHIP Costs (\$ millions)	Actual	Projected	Projected	Projected	Projected
Average Enrolled	79,063	74,356	74,199	74,941	75,691
GHIP Revenues					
Premium Contributions	\$1,261.3	\$1,227.0	\$1,284.7	\$1,351.9	\$1,553.2
Transfer from OMB					
Payback of Transfer from OMB	(\$7.3)				
Other Revenues	\$288.1	\$362.2	\$419.3	\$452.9	\$488.5
Total Operating Revenues	\$1,542.1	\$1,589.2	\$1,704.0	\$1,804.7	\$2,041.7
GHIP Expenses					
Claims	\$1,387.7	\$1,498.2	\$1,649.0	\$1,813.3	\$1,985.1
Expenses	\$58.1	\$49.8	\$51.3	\$53.0	\$54.8
Total Operating Expenses	\$1,445.8	\$1,548.0	\$1,700.2	\$1,866.3	\$2,040.0
% Change Per Member		14.8%	10.3%	8.9%	8.4%
Adjusted Net Income	\$96.3	\$41.3	\$3.8	(\$61.6)	\$1.8
Balance Forward	\$0.1	\$96.4	\$137.7	\$141.4	\$79.8
Ending Fund Cash Balance	\$96.4	\$137.7	\$141.4	\$79.8	\$81.6
- Less Claims Liability	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
- Less Minimum Reserve	\$32.3	\$61.9	\$68.0	\$74.7	\$81.6
GHIP Surplus (After Reserves/Deposits)	\$64.1	\$75.8	\$73.4	\$5.2	\$0.0

Assumptions:

- 8% medical trend, 6% Medicfill trend, see Appendix for 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 current market check improvements for FY25/FY26 pharmacy program
- Reflect changes to 2026 (and beyond) EGWP reimbursements due to the Inflation Reduction Act
- Reflects legislation already passed affecting FY26 and beyond
- Does not reflect added cost due to potential pending legislation or potential changes due to ACA enhancements

Appendix

Pharmacy Trend - By Component - Commercial

COMMERCIAL – 8% to 4% FY26 Trend	FY23	FY24	Incr	FY25 ³	Incr	FY26	Incr	FY27	Incr	FY28	Incr	FY29	Incr
Gross Spend before GLP-1's & PrudentRx ²	\$183.6	\$198.3	8%	\$205.9	4%	\$224.4	9%	\$244.6	9%	\$266.6	9%	\$290.6	9%
GLP-1 - Weight Loss		\$14.2		\$53.8	280%	\$136.7	154%	\$170.9	25%	\$196.5	15%	\$216.1	10%
GLP-1 – Diabetes	\$17.0	\$24.7	45%	\$31.0	26%	\$37.7	22%	\$43.4	15%	\$47.7	10%	\$52.5	10%
PrudentRx Savings		(\$16.0)		(\$9.9)	-38%	(\$10.8)	9%	(\$11.8)	9%	(\$12.9)	9%	(\$14.1)	9%
Total Gross Spend before Rebates	\$200.6	\$221.2	10%	\$280.8	27%	\$388.0	38%	\$447.1	15%	\$498.0	11%	\$545.2	9%
Rebates ¹	(\$71.6)	(\$90.1)	26%	(\$109.7)	22%	(\$161.3)	47%	(\$196.3)	22%	(\$224.4)	14%	(\$246.8)	10%
Net Spend after Rebates	\$129.0	\$131.0	2%	\$171.1	31%	\$226.7	33%	\$250.7	11%	\$273.6	9%	\$298.4	9%

¹Reflect the exclusion of Zepbound from the commercial formulary

²PrudentRx is included trend projections through FY29 and subject to change based on results of the PBM RFP

³Based on actual experience through June 2025

Pharmacy Trend - By Component - EGWP

EGWP	FY23	FY24	Incr	FY25 ³	Incr	FY26	Incr	FY27	Incr	FY28	Incr	FY29	Incr
Gross Spend before GLP-1's ² & PrudentRx ²	\$165.5	\$181.5	10%	\$198.6	9%	\$219.1	9%	\$241.5	9%	\$266.3	9%	\$293.6	9%
GLP-1 - Weight Loss													
GLP-1 - Diabetes	\$14.9	\$19.3	30%	\$24.1	25%	\$28.9	20%	\$33.2	15%	\$36.5	10%	\$40.2	10%
PrudentRx Savings													
Total Gross Spend before Rebates	\$180.4	\$200.8	11%	\$222.7	11%	\$248.0	11%	\$274.7	11%	\$302.8	10%	\$333.8	10%
Rebates	(\$51.5)	(\$62.8)	22%	(\$81.5)	30%	(\$93.7)	15%	(\$103.1)	10%	(\$113.4)	10%	(\$124.7)	10%
Net Spend after Rebates	\$128.9	\$138.0	7%	\$141.2	2%	\$154.3	9%	\$171.6	11%	\$189.4	10%	\$209.1	10%

²PrudentRx is included trend projections through FY29 and subject to change based on results of the PBM RFP

³Based on actual experience through June 2025