

GHIP long term health care cost projections

March 2023 update – Hold premium rates flat FY24+

GHIP Costs (\$ millions) ¹	FY22	FY23	FY24	FY25	FY26	FY27
	Actual	Projected	Projected	Projected	Projected	Projected
Average Enrolled Members	130,141	131,442	132,756	134,084	135,425	136,779
GHIP Revenues						
Premium Contributions ²	\$839.7	\$906.2	\$915.3	\$924.4	\$933.6	\$942.9
<i>Hold premium rates flat FY24+</i>						
Other Revenues ³	\$194.7	\$183.3	\$215.6	\$221.1	\$237.8	\$257.5
Total Operating Revenues	\$1,034.4	\$1,089.5	\$1,130.9	\$1,145.5	\$1,171.4	\$1,200.4
GHIP Expenses						
Operating Expenses ⁴	\$1,029.6	\$1,177.4	\$1,238.1	\$1,304.9	\$1,392.9	\$1,487.4
% Change Per Member	2.1%	13.2%	4.1%	4.4%	5.7%	5.7%
Adjusted Net Income	\$4.8	(\$87.9)	(\$107.2)	(\$159.4)	(\$221.5)	(\$287.0)
Balance Forward	\$152.3	\$157.2	\$69.3	(\$37.9)	(\$197.3)	(\$418.8)
Ending Balance	\$157.2	\$69.3	(\$37.9)	(\$197.3)	(\$418.8)	(\$705.8)
- Less Claims Liability ⁵	\$61.0	\$69.8	\$73.4	\$77.4	\$82.6	\$88.2
- Less Minimum Reserve ⁵	\$24.3	\$27.8	\$29.2	\$30.8	\$32.9	\$35.1
GHIP Surplus (After Reserves/Deposits)	\$71.9	(\$28.3)	(\$140.5)	(\$305.5)	(\$534.3)	(\$829.1)

- Projections reflect all items voted on by SEBC as of March 6th, 2023 SEBC meeting and assume no additional program or legislative changes impacting GHIP spend
- Excludes potential impact of Primary Care Law (unknown if bill will impact GHIP)
- Every 1% increase in healthcare trend (medical + Rx) will increase FY24 claims by \$11.4M