



State of Delaware GHIP

November/December 2023 Fund Report and Financial Update

January 22, 2023

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Executive Summary - November

	November Budget	November Actual	Better / (Worse)	Comment
Premium Contributions	\$ 82,430,000	\$ 81,510,000	\$ (920,000)	-1.1% Variance to Budget
Other Revenues	\$ 37,160,000	\$ 40,870,000	\$ 3,710,000	10.0% Variance to Budget primarily due to a higher than expected EGWP payment
Claims	\$ (89,310,000)	\$ (97,560,000)	\$ (8,250,000)	<ul style="list-style-type: none"> Medical, Rx and SurgeryPlus claims significantly higher than Budget
Expenses	\$ (3,860,000)	\$ (4,760,000)	\$ (900,000)	23.3% Variance to Budget
Total	\$ 26,420,000	\$ 20,060,000	\$ (6,360,000)	YTD Deficit increased by \$6.4 million

Fund Equity Balance now projected to be negative by end of April 2024 but may go negative by end of January

	FY24 Budget	FY24 Forecast	Better / (Worse)	Comment
Premium Contributions	\$ 986,824,000	\$ 983,709,000	\$ (3,115,000)	-0.3% Variance to Budget
Other Revenues	\$ 217,457,000	\$ 216,752,000	\$ (705,000)	Full year expected to be close to Budget due to higher Pharmacy rebates offset by a lower EGWP year-end reconciliation payment in January
Claims	\$ (1,213,655,000)	\$ (1,248,430,000)	\$ (34,775,000)	Prescription Drug, SurgeryPlus and Obesity medication claims expected to run high compared to Budget
Expenses	\$ (46,691,000)	\$ (49,245,000)	\$ (2,554,000)	Total expenses worse than Budget for the month due to PrudentRx fees
Total	\$ (56,065,000)	\$ (97,214,000)	\$ (41,149,000)	Full Year Deficit projected to be \$41.1 million worse than Budget

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

Executive Summary - December

	December Budget	December Actual	Better / (Worse)	Comment
Premium Contributions	\$ 82,430,000	\$ 83,210,000	\$ 780,000	0.9% Variance to Budget
Other Revenues	\$ 11,620,000	\$ 12,180,000	\$ 560,000	4.8% Variance to Budget primarily due to a higher than expected EGWP payment
Claims	\$ (92,450,000)	\$ (103,360,000)	\$ (10,910,000)	<ul style="list-style-type: none"> Medical, Rx and SurgeryPlus claims significantly higher than Budget and December 2022
Expenses	\$ (3,860,000)	\$ (3,050,000)	\$ 810,000	-21.0% Variance to Budget
Total	\$ (2,260,000)	\$ (11,020,000)	\$ (8,760,000)	YTD Deficit increased by \$8.8 million

Fund Equity Balance now projected to be negative by end of April 2024 but may go negative by end of January

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Total	\$ (56,065,000)	\$ (97,214,000)	\$ (41,149,000)	Full Year Deficit projected to be \$41.1 million worse than Budget

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

FY24 Budget versus Forecast

FY24 BUDGET	July	August	September	October	November	December	January	February	March	April	May	June	Total
Operating Revenues													
Premium Contributions	\$78.7	\$82.2	\$82.2	\$82.4	\$82.4	\$82.4	\$82.6	\$82.6	\$82.6	\$82.8	\$82.8	\$82.8	\$986.8
Other Revenues	\$2.5	\$36.4	\$2.4	\$10.0	\$37.2	\$11.6	\$16.6	\$38.3	\$12.6	\$3.1	\$39.2	\$7.7	\$217.5
Total Operating Revenues	\$81.2	\$118.6	\$84.7	\$92.4	\$119.6	\$94.0	\$99.2	\$120.9	\$95.2	\$85.9	\$122.0	\$90.5	\$1,204.3
Operating Expenses													
Claims	\$91.1	\$102.5	\$94.5	\$100.1	\$89.2	\$92.5	\$112.6	\$100.0	\$103.7	\$116.4	\$107.4	\$103.6	\$1,213.7
Other Expenses	\$4.2	\$3.9	\$3.9	\$3.9	\$3.9	\$3.9	\$3.9	\$3.9	\$3.9	\$3.9	\$3.9	\$3.9	\$46.7
Total Operating Expenses	\$95.3	\$106.4	\$98.3	\$104.0	\$93.1	\$96.3	\$116.5	\$103.8	\$107.6	\$120.3	\$111.3	\$107.5	\$1,260.3
Net Monthly Income	-\$14.0	\$12.2	-\$13.7	-\$11.6	\$26.5	-\$02.3	-\$17.3	\$17.1	-\$12.4	-\$34.3	\$10.7	-\$17.0	-\$56.1
Ending Fund Equity Balance	\$44.8	\$57.0	\$43.3	\$31.7	\$58.3	\$56.0	\$38.7	\$55.8	\$43.4	\$9.0	\$19.8	\$2.8	\$02.8
Reserves													
Claim Liability	\$72.4	\$72.4	\$72.4	\$72.4	\$72.4	\$72.4	\$72.4	\$72.4	\$72.4	\$72.4	\$72.4	\$72.4	\$72.4
Minimum Reserve	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8
GHIP Surplus (After Reserves)	-\$56.4	-\$44.2	-\$57.9	-\$69.5	-\$42.9	-\$45.2	-\$62.5	-\$45.4	-\$57.8	-\$92.2	-\$81.4	-\$98.4	-\$98.4
FY24 RE-FORECAST	July	August	September	October	November	December	January	February	March	April	May	June	Total
Operating Revenues													
Premium Contributions	\$78.3	\$81.2	\$82.1	\$81.0	\$81.5	\$83.2	\$82.6	\$82.6	\$82.6	\$82.8	\$82.8	\$82.8	\$983.7
Other Revenues	\$2.5	\$34.9	\$2.5	\$10.4	\$40.9	\$12.2	\$6.5	\$41.5	\$12.6	\$3.1	\$42.0	\$7.7	\$216.8
Total Operating Revenues	\$80.8	\$116.1	\$84.5	\$91.4	\$122.4	\$95.4	\$89.2	\$124.2	\$95.2	\$86.0	\$124.9	\$90.5	\$1,200.5
Operating Expenses													
Claims	\$88.1	\$108.2	\$93.6	\$106.4	\$97.6	\$103.4	\$111.6	\$104.3	\$105.2	\$117.4	\$107.8	\$104.9	\$1,248.4
Other Expenses	\$4.0	\$3.7	\$4.3	\$4.4	\$4.8	\$3.1	\$4.2	\$4.2	\$4.2	\$4.2	\$4.2	\$4.2	\$49.2
Total Operating Expenses	\$92.1	\$111.9	\$97.8	\$110.8	\$102.3	\$106.4	\$115.8	\$108.5	\$109.4	\$121.5	\$112.0	\$109.1	\$1,297.7
Net Monthly Income	-\$11.3	\$4.2	-\$13.3	-\$19.4	\$20.1	-\$11.0	-\$26.6	\$15.7	-\$14.2	-\$35.6	\$12.9	-\$18.5	-\$97.2
Ending Fund Equity Balance	\$47.6	\$51.7	\$38.4	\$19.0	\$39.1	\$28.0	\$1.4	\$17.1	\$2.9	-\$32.7	-\$19.8	-\$38.4	-\$38.4
Reserves													
Claim Liability	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Minimum Reserve	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8
GHIP Surplus (After Reserves)	\$18.8	\$22.9	\$9.6	-\$9.8	\$10.3	-\$0.8	-\$27.4	-\$11.7	-\$25.9	-\$61.5	-\$48.6	-\$67.2	-\$67.2

Premium Contributions

	Highmark			Aetna			Total		
	Highmark	Aetna	Total	Highmark	Aetna	Total	Highmark	Aetna	Total
July	\$ 62,475,578	\$ 16,214,018	\$ 78,689,596	\$ 62,163,018	\$ 16,140,136	\$ 78,303,154	\$ (312,560)	\$ (73,882)	\$ (386,442)
August	\$ 65,266,165	\$ 16,955,820	\$ 82,221,985	\$ 64,575,034	\$ 16,651,582	\$ 81,226,617	\$ (691,131)	\$ (304,238)	\$ (995,369)
September	\$ 65,266,165	\$ 16,955,820	\$ 82,221,985	\$ 65,429,103	\$ 16,641,879	\$ 82,070,982	\$ 162,937	\$ (313,941)	\$ (151,003)
October	\$ 65,428,722	\$ 16,998,051	\$ 82,426,774	\$ 64,340,351	\$ 16,618,537	\$ 80,958,889	\$ (1,088,371)	\$ (379,514)	\$ (1,467,885)
November	\$ 65,428,722	\$ 16,998,051	\$ 82,426,774	\$ 64,887,086	\$ 16,624,755	\$ 81,511,841	\$ (541,637)	\$ (373,297)	\$ (914,933)
December	\$ 65,428,722	\$ 16,998,051	\$ 82,426,774	\$ 66,369,201	\$ 16,837,490	\$ 83,206,691	\$ 940,479	\$ (160,562)	\$ 779,917
January	\$ 65,591,684	\$ 17,040,388	\$ 82,632,073	\$ 65,663,315	\$ 16,972,227	\$ 82,635,541	\$ 71,630	\$ (68,162)	\$ 3,469
February	\$ 65,591,684	\$ 17,040,388	\$ 82,632,073	\$ 65,663,315	\$ 16,972,227	\$ 82,635,541	\$ 71,630	\$ (68,162)	\$ 3,469
March	\$ 65,591,684	\$ 17,040,388	\$ 82,632,073	\$ 65,663,315	\$ 16,972,227	\$ 82,635,541	\$ 71,630	\$ (68,162)	\$ 3,469
April	\$ 65,755,052	\$ 17,082,830	\$ 82,837,883	\$ 65,826,992	\$ 17,014,499	\$ 82,841,491	\$ 71,940	\$ (68,331)	\$ 3,609
May	\$ 65,755,052	\$ 17,082,830	\$ 82,837,883	\$ 65,826,992	\$ 17,014,499	\$ 82,841,491	\$ 71,940	\$ (68,331)	\$ 3,609
June	\$ 65,755,052	\$ 17,082,830	\$ 82,837,883	\$ 65,826,992	\$ 17,014,499	\$ 82,841,491	\$ 71,940	\$ (68,331)	\$ 3,609
Total	\$ 783,334,287	\$ 203,489,467	\$ 986,823,754	\$ 782,234,715	\$ 201,474,555	\$ 983,709,270	\$ (1,099,572)	\$ (2,014,912)	\$ (3,114,484)

- Nearly 1% better than Budget for December.
- Full year projected to be about 0.3% lower than Budget.

Other Revenues

	BUDGET									ACTUAL / PROJECTED								
	EGWP Direct Subsidy	Federal Reinsurance	Commercial Rebates	EGWP Rebates	EGWP Year-end Reconciliation	Coverage Gap Discount	Participating Group Fees	Other Revenues	Total	EGWP Direct Subsidy	Federal Reinsurance	Commercial Rebates	EGWP Rebates	EGWP Year-end Reconciliation	Coverage Gap Discount	Participating Group Fees	Other Revenues	Total
July	\$ 4,835	\$ 1,933,426	\$ -	\$ -	\$ -	\$ -	\$ 607,349	\$ -	\$ 2,545,610	\$ 4,996	\$ 1,938,026	\$ -	\$ -	\$ -	\$ -	\$ 557,634	\$ 39,005	\$ 2,539,662
August	\$ (95,393)	\$ 1,933,426	\$ 18,905,075	\$ 15,013,124	\$ -	\$ -	\$ 607,349	\$ -	\$ 36,363,582	\$ (146,427)	\$ 1,947,349	\$ 17,466,141	\$ 14,971,865	\$ -	\$ -	\$ 608,217	\$ 15,624	\$ 34,862,770
September	\$ (95,393)	\$ 1,933,426	\$ -	\$ -	\$ -	\$ -	\$ 607,349	\$ -	\$ 2,445,382	\$ (146,661)	\$ 1,949,984	\$ -	\$ -	\$ -	\$ 638,674	\$ 15,511	\$ 2,457,508	
October	\$ (143,446)	\$ 1,938,241	\$ -	\$ -	\$ -	\$ 7,548,906	\$ 608,862	\$ -	\$ 9,952,563	\$ (151,912)	\$ 1,955,997	\$ -	\$ -	\$ -	\$ 8,044,939	\$ 576,088	\$ 15,528	\$ 10,440,640
November	\$ (143,446)	\$ 1,938,241	\$ 19,946,440	\$ 14,806,609	\$ -	\$ -	\$ 608,862	\$ -	\$ 37,156,706	\$ (158,062)	\$ 1,956,335	\$ 23,288,874	\$ 15,159,184	\$ -	\$ -	\$ 599,611	\$ 19,135	\$ 40,865,077
December	\$ (143,446)	\$ 1,938,241	\$ -	\$ -	\$ -	\$ 9,213,030	\$ 608,862	\$ -	\$ 11,616,687	\$ (159,506)	\$ 1,959,105	\$ -	\$ -	\$ -	\$ 9,693,127	\$ 671,652	\$ 16,311	\$ 12,180,689
January	\$ 258,846	\$ 2,234,529	\$ -	\$ -	\$ 13,466,470	\$ -	\$ 610,379	\$ -	\$ 16,570,223	\$ 258,846	\$ 2,234,529	\$ -	\$ -	\$ 3,424,953	\$ -	\$ 610,379	\$ -	\$ 6,528,707
February	\$ 258,846	\$ 2,234,529	\$ 20,234,251	\$ 14,931,948	\$ -	\$ -	\$ 610,379	\$ -	\$ 38,269,952	\$ 258,846	\$ 2,234,529	\$ 23,288,874	\$ 15,141,107	\$ -	\$ -	\$ 610,379	\$ -	\$ 41,533,734
March	\$ 258,846	\$ 2,234,529	\$ -	\$ -	\$ -	\$ 9,446,543	\$ 610,379	\$ -	\$ 12,550,297	\$ 258,846	\$ 2,234,529	\$ -	\$ -	\$ -	\$ 9,446,543	\$ 610,379	\$ -	\$ 12,550,297
April	\$ 259,490	\$ 2,240,095	\$ -	\$ -	\$ -	\$ -	\$ 611,899	\$ -	\$ 3,111,484	\$ 259,490	\$ 2,240,095	\$ -	\$ -	\$ -	\$ -	\$ 611,899	\$ -	\$ 3,111,484
May	\$ 259,490	\$ 2,240,095	\$ 20,697,953	\$ 15,396,565	\$ -	\$ -	\$ 611,899	\$ -	\$ 39,206,002	\$ 259,490	\$ 2,240,095	\$ 23,288,874	\$ 15,612,233	\$ -	\$ -	\$ 611,899	\$ -	\$ 42,012,591
June	\$ 259,490	\$ 2,240,095	\$ -	\$ -	\$ -	\$ 4,557,489	\$ 611,899	\$ -	\$ 7,668,973	\$ 259,490	\$ 2,240,095	\$ -	\$ -	\$ -	\$ 4,557,489	\$ 611,899	\$ -	\$ 7,668,973
Total	\$ 938,720	\$ 25,038,872	\$ 79,783,719	\$ 60,148,247	\$ 13,466,470	\$ 30,765,967	\$ 7,315,468	\$ -	\$ 217,457,462	\$ 797,438	\$ 25,130,668	\$ 87,332,763	\$ 60,884,388	\$ 3,424,953	\$ 31,742,098	\$ 7,318,708	\$ 121,114	\$ 216,752,131

• Higher than expected Coverage Gap Discount payment for December.

	BETTER / (WORSE) - 5%								
	EGWP Direct Subsidy	Federal Reinsurance	Commercial Rebates	EGWP Rebates	EGWP Year-end Reconciliation	Coverage Gap Discount	Participating Group Fees	Other Revenues	Total
July	\$ 161	\$ 4,600	\$ -	\$ -	\$ -	\$ -	\$ (49,715)	\$ 39,005	\$ (5,949)
August	\$ (51,034)	\$ 13,924	\$ (1,438,935)	\$ (41,259)	\$ -	\$ -	\$ 867	\$ 15,624	\$ (1,500,812)
September	\$ (51,268)	\$ 16,559	\$ -	\$ -	\$ -	\$ -	\$ 31,325	\$ 15,511	\$ 12,126
October	\$ (8,466)	\$ 17,756	\$ -	\$ -	\$ -	\$ 496,033	\$ (32,775)	\$ 15,528	\$ 488,077
November	\$ (14,616)	\$ 18,094	\$ 3,342,435	\$ 352,574	\$ -	\$ -	\$ (9,251)	\$ 19,135	\$ 3,708,371
December	\$ (16,060)	\$ 20,864	\$ -	\$ -	\$ -	\$ 480,097	\$ 62,790	\$ 16,311	\$ 564,002
January	\$ -	\$ -	\$ -	\$ -	\$ (10,041,517)	\$ -	\$ -	\$ -	\$ (10,041,517)
February	\$ -	\$ -	\$ 3,054,624	\$ 209,159	\$ -	\$ -	\$ -	\$ -	\$ 3,263,783
March	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
April	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
May	\$ -	\$ -	\$ 2,590,921	\$ 215,667	\$ -	\$ -	\$ -	\$ -	\$ 2,806,588
June	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ (141,282)	\$ 91,796	\$ 7,549,045	\$ 736,142	\$ (10,041,517)	\$ 976,130	\$ 3,241	\$ 121,114	\$ (705,331)

Claims

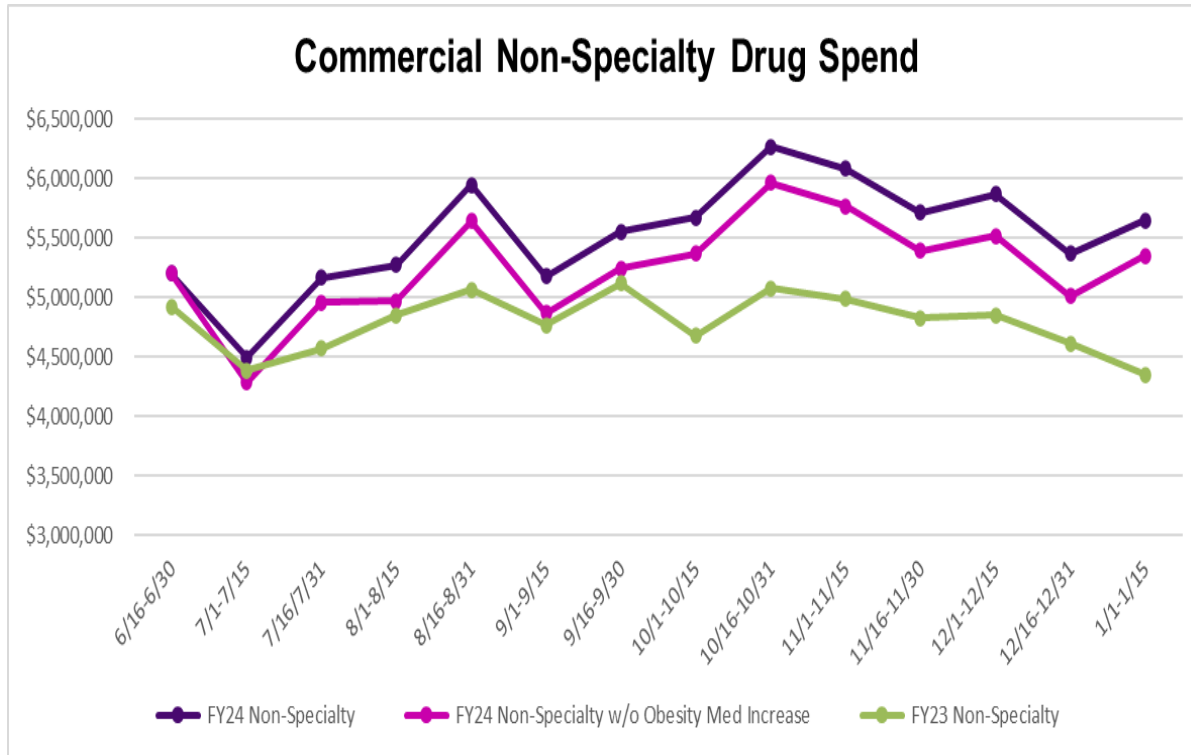
	FY24 BUDGET						FY24 ACTUAL / PROJECTED					
	Highmark	Aetna	CVS Commercial	CVS Part D	Surgery Plus	Total	Highmark	Aetna	CVS Commercial	CVS Part D	Surgery Plus	Total
July	\$ 45,578,936	\$ 13,597,954	\$ 16,171,545	\$ 15,320,283	\$ 389,268	\$ 91,057,985	\$ 43,665,576	\$ 12,360,046	\$ 16,047,371	\$ 14,901,785	\$ 1,170,789	\$ 88,145,566
August	\$ 56,973,670	\$ 13,597,954	\$ 16,171,545	\$ 15,320,283	\$ 486,585	\$ 102,550,036	\$ 61,041,710	\$ 13,012,239	\$ 16,321,729	\$ 16,365,344	\$ 1,429,373	\$ 108,170,395
September	\$ 45,578,936	\$ 16,997,442	\$ 16,171,545	\$ 15,320,283	\$ 389,268	\$ 94,457,473	\$ 40,663,228	\$ 17,038,726	\$ 17,195,596	\$ 17,622,625	\$ 1,035,904	\$ 93,556,079
October	\$ 54,198,812	\$ 12,935,676	\$ 16,762,156	\$ 15,786,441	\$ 370,309	\$ 100,053,394	\$ 57,903,366	\$ 13,981,855	\$ 17,229,005	\$ 15,626,991	\$ 1,673,390	\$ 106,414,606
November	\$ 43,359,050	\$ 12,935,676	\$ 16,762,156	\$ 15,786,441	\$ 462,886	\$ 89,306,209	\$ 46,223,647	\$ 12,618,593	\$ 19,592,210	\$ 17,853,432	\$ 1,270,067	\$ 97,557,948
December	\$ 43,359,050	\$ 16,169,595	\$ 16,762,156	\$ 15,786,441	\$ 370,309	\$ 92,447,550	\$ 49,930,371	\$ 15,754,040	\$ 18,419,559	\$ 17,997,646	\$ 1,256,750	\$ 103,358,366
January	\$ 62,937,937	\$ 15,021,450	\$ 17,519,704	\$ 16,632,145	\$ 537,523	\$ 112,648,758	\$ 62,937,937	\$ 15,021,450	\$ 17,228,650	\$ 15,373,128	\$ 1,037,523	\$ 111,598,688
February	\$ 50,350,350	\$ 15,021,450	\$ 17,519,704	\$ 16,632,145	\$ 430,018	\$ 99,953,666	\$ 50,350,350	\$ 15,021,450	\$ 19,270,572	\$ 18,733,089	\$ 930,018	\$ 104,305,478
March	\$ 50,350,350	\$ 18,776,813	\$ 17,519,704	\$ 16,632,145	\$ 430,018	\$ 103,709,029	\$ 50,350,350	\$ 18,776,813	\$ 18,697,766	\$ 16,489,430	\$ 930,018	\$ 105,244,376
April	\$ 63,494,035	\$ 15,154,175	\$ 19,076,609	\$ 18,165,169	\$ 433,818	\$ 116,323,806	\$ 63,494,035	\$ 15,154,175	\$ 20,198,683	\$ 17,586,284	\$ 933,818	\$ 117,366,994
May	\$ 50,795,228	\$ 18,942,718	\$ 19,076,609	\$ 18,165,169	\$ 542,272	\$ 107,521,997	\$ 50,795,228	\$ 18,942,718	\$ 19,761,513	\$ 17,282,676	\$ 1,042,272	\$ 107,824,407
June	\$ 50,795,228	\$ 15,154,175	\$ 19,076,609	\$ 18,165,169	\$ 433,818	\$ 103,624,999	\$ 50,795,228	\$ 15,154,175	\$ 18,791,841	\$ 19,212,326	\$ 933,818	\$ 104,887,387
Total	\$ 617,771,583	\$ 184,305,077	\$ 208,590,040	\$ 197,712,114	\$ 5,276,089	\$ 1,213,654,903	\$ 628,151,026	\$ 182,836,278	\$ 218,754,494	\$ 205,044,754	\$ 13,643,739	\$ 1,248,430,291

113.6% Need to tie to LTC

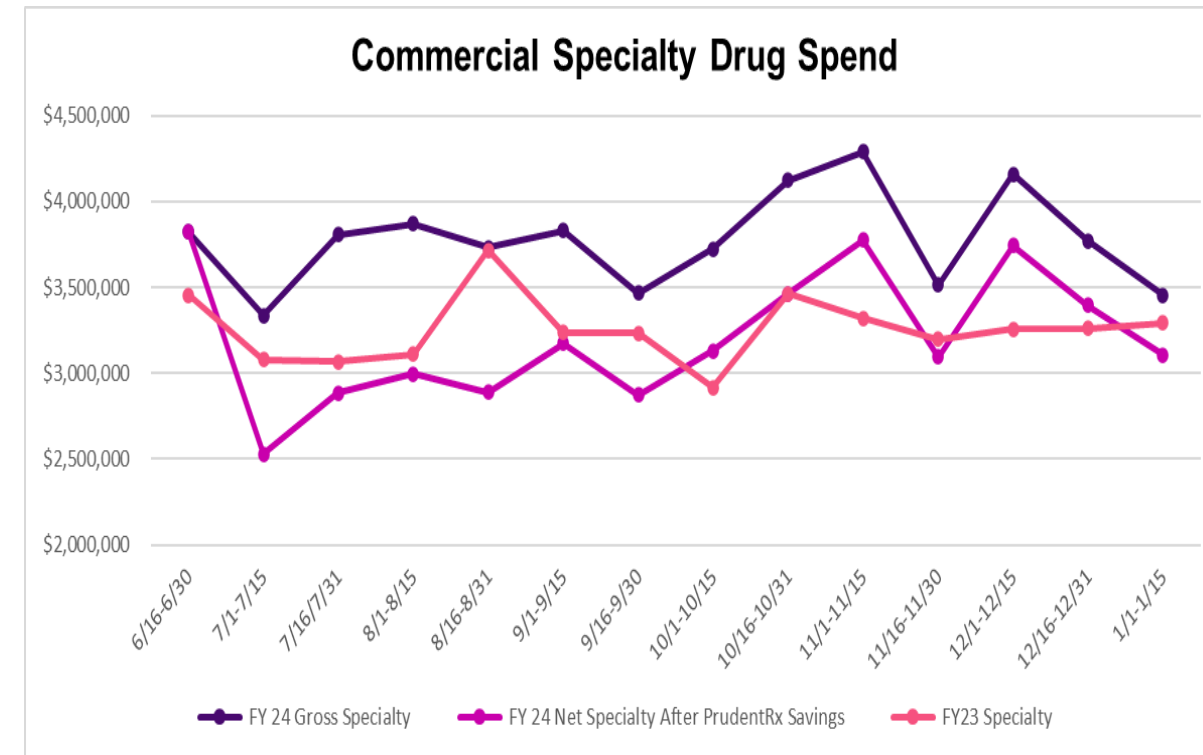
- December claims nearly 14% higher than prior year.
- SurgeryPlus claims higher than projected but likely producing better results and lower overall cost – further analysis needed.
- Cost of coverage for obesity medications significantly higher than originally estimated.

(BETTER) / WORSE - 3%					
Highmark	Aetna	CVS Commercial	CVS Part D	Surgery Plus	Total
\$ (1,913,360)	\$ (1,237,908)	\$ (124,174)	\$ (418,498)	\$ 781,521	\$ (2,912,419)
\$ 4,068,039	\$ (585,715)	\$ 150,184	\$ 1,045,062	\$ 942,789	\$ 5,620,359
\$ (4,915,709)	\$ 41,284	\$ 1,024,052	\$ 2,302,342	\$ 646,636	\$ (901,394)
\$ 3,704,554	\$ 1,046,179	\$ 466,849	\$ (159,450)	\$ 1,303,081	\$ 6,361,212
\$ 2,864,597	\$ (317,083)	\$ 2,830,054	\$ 2,066,991	\$ 807,181	\$ 8,251,740
\$ 6,571,321	\$ (415,555)	\$ 1,657,404	\$ 2,211,205	\$ 886,442	\$ 10,910,816
\$ -	\$ -	\$ (291,054)	\$ (1,259,017)	\$ 500,000	\$ (1,050,070)
\$ -	\$ -	\$ 1,750,868	\$ 2,100,944	\$ 500,000	\$ 4,351,812
\$ -	\$ -	\$ 1,178,062	\$ (142,714)	\$ 500,000	\$ 1,535,347
\$ -	\$ -	\$ 1,122,074	\$ (578,886)	\$ 500,000	\$ 1,043,188
\$ -	\$ -	\$ 684,903	\$ (882,494)	\$ 500,000	\$ 302,410
\$ -	\$ -	\$ (284,769)	\$ 1,047,157	\$ 500,000	\$ 1,262,388
\$ 10,379,442	\$ (1,468,798)	\$ 10,164,454	\$ 7,332,641	\$ 8,367,650	\$ 34,775,389

Commercial Pharmacy Claims



- Non-Specialty (excluding weight loss medications):
 - 9.7% YTD trend
 - 4.4% through October 1st, 14.9% thereafter



- Specialty (prior to PrudentRx savings):
 - 16.0% YTD trend
 - 13.0% through October 1st, 19.1% thereafter

PrudentRx

	FY24 BUDGET					ACTUAL FY24 / PROJECTED				
	Non-Specialty	Gross Specialty	Prudent Rx Savings	Net Specialty	Total	Non-Specialty	Gross Specialty	Prudent Rx Savings	Net Specialty	Total
July	\$ 9,850,393	\$ 7,251,152	\$ (930,000)	\$ 6,321,152	\$ 16,171,545	\$ 9,697,581	\$ 7,158,126	\$ (808,336)	\$ 6,349,790	\$ 16,047,371
August	\$ 10,243,779	\$ 6,857,765	\$ (930,000)	\$ 5,927,765	\$ 16,171,545	\$ 10,438,249	\$ 7,681,048	\$ (1,797,569)	\$ 5,883,479	\$ 16,321,729
September	\$ 9,196,218	\$ 7,719,326	\$ (744,000)	\$ 6,975,326	\$ 16,171,545	\$ 11,130,482	\$ 7,564,560	\$ (1,499,446)	\$ 6,065,114	\$ 17,195,596
October	\$ 10,680,756	\$ 6,825,399	\$ (744,000)	\$ 6,081,399	\$ 16,762,156	\$ 11,227,364	\$ 7,190,731	\$ (1,189,090)	\$ 6,001,641	\$ 17,229,005
November	\$ 9,853,153	\$ 7,529,003	\$ (620,000)	\$ 6,909,003	\$ 16,762,156	\$ 12,353,914	\$ 8,414,062	\$ (1,175,767)	\$ 7,238,295	\$ 19,592,210
December	\$ 10,219,025	\$ 7,163,131	\$ (620,000)	\$ 6,543,131	\$ 16,762,156	\$ 9,697,581	\$ 7,676,854	\$ (841,236)	\$ 6,835,619	\$ 16,533,200
January	\$ 10,742,805	\$ 7,272,899	\$ (496,000)	\$ 6,776,899	\$ 17,519,704	\$ 10,438,249	\$ 7,229,724	\$ (727,188)	\$ 6,502,536	\$ 16,940,785
February	\$ 9,503,216	\$ 8,512,488	\$ (496,000)	\$ 8,016,488	\$ 17,519,704	\$ 11,130,482	\$ 8,819,244	\$ (679,154)	\$ 8,140,090	\$ 19,270,573
March	\$ 10,168,473	\$ 7,661,231	\$ (310,000)	\$ 7,351,231	\$ 17,519,704	\$ 11,227,364	\$ 7,937,312	\$ (466,910)	\$ 7,470,402	\$ 18,697,766
April	\$ 11,482,455	\$ 7,904,154	\$ (310,000)	\$ 7,594,154	\$ 19,076,609	\$ 12,353,914	\$ 8,188,988	\$ (344,220)	\$ 7,844,768	\$ 20,198,683
May	\$ 10,453,421	\$ 8,623,188	\$ -	\$ 8,623,188	\$ 19,076,609	\$ 11,583,941	\$ 8,933,933	\$ (110,236)	\$ 8,823,697	\$ 20,407,638
June	\$ 10,712,279	\$ 8,364,330	\$ -	\$ 8,364,330	\$ 19,076,609	\$ 11,018,070	\$ 8,665,747	\$ -	\$ 8,665,747	\$ 19,683,817
Total	\$ 123,105,975	\$ 91,684,065	\$ (6,200,000)	\$ 85,484,065	\$ 208,590,040	\$ 132,297,193	\$ 95,460,330	\$ (9,639,151)	\$ 85,821,179	\$ 218,118,372

Expenses

	BUDGET								ACTUAL / PROJECTED							
	Program & ASO Fees	Office Expenses	Employee Assistance	Data Warehouse	Consulting Fees	COBRA Fees	ACA Fees	Total	Program & ASO Fees	Office Expenses	Employee Assistance	Data Warehouse	Consulting Fees	COBRA Fees	ACA Fees	Total
July	\$ 3,307,357	\$ 309,955	\$ 39,979	\$ 60,216	\$ 125,000	\$ 7,568	\$ 365,828	\$ 4,215,902	\$ 3,274,467	\$ 215,393	\$ 34,882	\$ 39,125	\$ 40,753	\$ 4,731	\$ 362,611	\$ 3,971,961
August	\$ 3,307,357	\$ 309,955	\$ 39,979	\$ 60,216	\$ 125,000	\$ 7,568	\$ -	\$ 3,850,075	\$ 3,247,187	\$ 207,690	\$ 35,092	\$ 39,633	\$ 210,264	\$ 6,019	\$ -	\$ 3,745,884
September	\$ 3,307,357	\$ 309,955	\$ 39,979	\$ 60,216	\$ 125,000	\$ 7,568	\$ -	\$ 3,850,075	\$ 3,959,281	\$ 241,452	\$ 52,569	\$ 25,728	\$ 5,000	\$ 8,463	\$ -	\$ 4,292,492
October	\$ 3,314,252	\$ 309,955	\$ 39,979	\$ 60,216	\$ 125,000	\$ 7,568	\$ -	\$ 3,856,969	\$ 3,955,119	\$ 224,467	\$ 52,623	\$ 39,633	\$ 121,529	\$ 16,349	\$ -	\$ 4,409,720
November	\$ 3,314,252	\$ 309,955	\$ 39,979	\$ 60,216	\$ 125,000	\$ 7,568	\$ -	\$ 3,856,969	\$ 3,868,100	\$ 429,414	\$ 34,939	\$ 39,633	\$ 376,606	\$ 7,741	\$ -	\$ 4,756,433
December	\$ 3,314,252	\$ 309,955	\$ 39,979	\$ 60,216	\$ 125,000	\$ 7,568	\$ -	\$ 3,856,969	\$ 2,556,186	\$ 294,611	\$ 34,986	\$ 39,633	\$ 121,666	\$ 7,230	\$ -	\$ 3,054,312
January	\$ 3,321,163	\$ 309,955	\$ 39,979	\$ 60,216	\$ 125,000	\$ 7,568	\$ -	\$ 3,863,881	\$ 3,571,163	\$ 339,436	\$ 39,689	\$ 68,678	\$ 138,220	\$ 7,956	\$ 357	\$ 4,165,501
February	\$ 3,321,163	\$ 309,955	\$ 39,979	\$ 60,216	\$ 125,000	\$ 7,568	\$ -	\$ 3,863,881	\$ 3,571,163	\$ 339,436	\$ 39,689	\$ 68,678	\$ 138,220	\$ 7,956	\$ 357	\$ 4,165,501
March	\$ 3,321,163	\$ 309,955	\$ 39,979	\$ 60,216	\$ 125,000	\$ 7,568	\$ -	\$ 3,863,881	\$ 3,571,163	\$ 339,436	\$ 39,689	\$ 68,678	\$ 138,220	\$ 7,956	\$ 357	\$ 4,165,501
April	\$ 3,328,092	\$ 309,955	\$ 39,979	\$ 60,216	\$ 125,000	\$ 7,568	\$ -	\$ 3,870,810	\$ 3,578,092	\$ 339,436	\$ 39,689	\$ 68,678	\$ 138,220	\$ 7,956	\$ 357	\$ 4,172,430
May	\$ 3,328,092	\$ 309,955	\$ 39,979	\$ 60,216	\$ 125,000	\$ 7,568	\$ -	\$ 3,870,810	\$ 3,578,092	\$ 339,436	\$ 39,689	\$ 68,678	\$ 138,220	\$ 7,956	\$ 357	\$ 4,172,430
June	\$ 3,328,092	\$ 309,955	\$ 39,979	\$ 60,216	\$ 125,000	\$ 7,568	\$ -	\$ 3,870,810	\$ 3,578,092	\$ 339,436	\$ 39,689	\$ 68,678	\$ 138,220	\$ 7,956	\$ 357	\$ 4,172,430
Total	\$ 39,812,591	\$ 3,719,461	\$ 479,742	\$ 722,592	\$ 1,500,000	\$ 90,820	\$ 365,828	\$ 46,691,033	\$ 42,308,106	\$ 3,649,645	\$ 483,223	\$ 635,457	\$ 1,705,139	\$ 98,269	\$ 364,755	\$ 49,244,594

	(BETTER) / WORSE - 15%							
	Program & ASO Fees	Office Expenses	Employee Assistance	Data Warehouse	Consulting Fees	COBRA Fees	ACA Fees	Total
July	\$ (32,890)	\$ (94,562)	\$ (5,097)	\$ (21,091)	\$ (84,248)	\$ (2,838)	\$ (3,217)	\$ (243,942)
August	\$ (60,170)	\$ (102,265)	\$ (4,887)	\$ (20,583)	\$ 85,264	\$ (1,550)	\$ -	\$ (104,191)
September	\$ 651,924	\$ (68,503)	\$ 12,591	\$ (34,488)	\$ (120,000)	\$ 894	\$ -	\$ 442,417
October	\$ 640,868	\$ (85,488)	\$ 12,645	\$ (20,583)	\$ (3,471)	\$ 8,780	\$ -	\$ 552,751
November	\$ 553,849	\$ 119,459	\$ (5,040)	\$ (20,583)	\$ 251,606	\$ 172	\$ -	\$ 899,464
December	\$ (758,065)	\$ (15,344)	\$ (4,993)	\$ (20,583)	\$ (3,335)	\$ (339)	\$ -	\$ (802,657)
January	\$ 250,000	\$ 29,481	\$ (290)	\$ 8,462	\$ 13,220	\$ 388	\$ 357	\$ 301,620
February	\$ 250,000	\$ 29,481	\$ (290)	\$ 8,462	\$ 13,220	\$ 388	\$ 357	\$ 301,620
March	\$ 250,000	\$ 29,481	\$ (290)	\$ 8,462	\$ 13,220	\$ 388	\$ 357	\$ 301,620
April	\$ 250,000	\$ 29,481	\$ (290)	\$ 8,462	\$ 13,220	\$ 388	\$ 357	\$ 301,620
May	\$ 250,000	\$ 29,481	\$ (290)	\$ 8,462	\$ 13,220	\$ 388	\$ 357	\$ 301,620
June	\$ 250,000	\$ 29,481	\$ (290)	\$ 8,462	\$ 13,220	\$ 388	\$ 357	\$ 301,620
Total	\$ 2,495,515	\$ (69,816)	\$ 3,481	\$ (87,135)	\$ 205,139	\$ 7,450	\$ (1,072)	\$ 2,553,562

Enrollment

Contracts	BUDGET						ACTUAL / PROJECTED					
	First State Basic	Comp PPO	CDH Gold	HMO	Medicfill	Total	First State Basic	Comp PPO	CDH Gold	HMO	Medicfill	Total
July	4,104	30,222	3,503	8,740	29,568	76,138	4,048	30,645	3,623	8,473	29,651	76,440
August	4,110	30,261	3,507	8,752	29,607	76,236	4,065	30,651	3,614	8,461	29,716	76,507
September	4,115	30,301	3,512	8,763	29,645	76,335	4,054	30,488	3,596	8,410	29,819	76,367
October	4,120	30,340	3,516	8,774	29,683	76,434	4,117	30,491	3,600	8,379	29,834	76,421
November	4,126	30,379	3,521	8,786	29,722	76,533	4,164	30,484	3,611	8,389	29,847	76,495
December	4,131	30,419	3,525	8,797	29,761	76,633	4,167	30,509	3,614	8,396	29,872	76,558
January	4,136	30,458	3,530	8,809	29,799	76,732	4,171	30,535	3,617	8,403	29,897	76,622
February	4,142	30,498	3,534	8,820	29,838	76,831	4,174	30,560	3,620	8,410	29,921	76,686
March	4,147	30,537	3,539	8,831	29,876	76,931	4,178	30,585	3,623	8,417	29,946	76,749
April	4,152	30,577	3,544	8,843	29,915	77,031	4,181	30,611	3,626	8,424	29,971	76,813
May	4,158	30,616	3,548	8,854	29,954	77,131	4,185	30,636	3,629	8,431	29,996	76,877
June	4,163	30,656	3,553	8,866	29,993	77,231	4,188	30,661	3,632	8,438	30,021	76,940
Average	4,134	30,439	3,528	8,803	29,780	76,683	4,141	30,571	3,617	8,419	29,874	76,623

	HIGHER / (LOWER)					
	First State Basic	Comp PPO	CDH Gold	HMO	Medicfill	Total
July	(56)	423	120	(267)	83	302
August	(45)	390	107	(291)	109	271
September	(61)	187	84	(353)	174	32
October	(3)	151	84	(395)	151	(13)
November	38	105	90	(397)	125	(38)
December	36	91	89	(401)	111	(74)
January	35	77	87	(406)	97	(110)
February	33	62	86	(410)	84	(146)
March	31	48	84	(415)	70	(182)
April	29	34	82	(419)	56	(218)
May	27	20	81	(423)	42	(254)
June	25	5	79	(428)	28	(290)
Average	7	133	89	(384)	94	(60)

Members	FY24 BUDGET						FY24 ACTUAL / PROJECTED					
	First State Basic	Comp PPO	CDH Gold	HMO	Medicfill	Total	First State Basic	Comp PPO	CDH Gold	HMO	Medicfill	Total
July	7,292	67,633	7,489	19,975	29,561	131,950	7,246	68,376	7,732	19,295	29,651	132,300
August	7,299	67,704	7,497	19,996	29,593	132,089	7,284	68,434	7,715	19,251	29,716	132,400
September	7,307	67,776	7,505	20,017	29,624	132,229	7,281	68,074	7,668	19,138	29,819	131,980
October	7,315	67,848	7,513	20,039	29,655	132,369	7,375	68,065	7,681	19,070	29,834	132,025
November	7,323	67,920	7,521	20,060	29,687	132,510	7,425	68,070	7,722	19,097	29,847	132,161
December	7,330	67,991	7,529	20,081	29,718	132,650	7,431	68,126	7,728	19,113	29,872	132,271
January	7,338	68,064	7,537	20,102	29,750	132,790	7,437	68,183	7,735	19,129	29,897	132,380
February	7,346	68,136	7,545	20,124	29,781	132,931	7,443	68,240	7,741	19,145	29,921	132,490
March	7,354	68,208	7,553	20,145	29,813	133,072	7,450	68,296	7,748	19,160	29,946	132,600
April	7,362	68,280	7,561	20,166	29,844	133,213	7,456	68,353	7,754	19,176	29,971	132,710
May	7,369	68,352	7,569	20,188	29,876	133,354	7,462	68,410	7,761	19,192	29,996	132,820
June	7,377	68,425	7,577	20,209	29,908	133,495	7,468	68,466	7,767	19,208	30,021	132,930
Average	7,334	68,028	7,533	20,092	29,734	132,721	7,397	68,258	7,729	19,165	29,874	132,422

	HIGHER / (LOWER)					
	First State Basic	Comp PPO	CDH Gold	HMO	Medicfill	Total
July	(46)	743	243	(680)	90	350
August	(15)	730	218	(745)	123	311
September	(26)	298	163	(879)	195	(249)
October	60	217	168	(969)	179	(344)
November	102	150	201	(963)	160	(349)
December	101	135	200	(968)	154	(379)
January	99	119	198	(974)	147	(410)
February	98	104	197	(979)	140	(441)
March	96	88	195	(985)	133	(472)
April	94	73	193	(990)	127	(503)
May	93	57	192	(995)	120	(534)
June	91	42	190	(1,001)	113	(565)
Average	62	230	197	(927)	140	(299)

Long-term Projection & FY25 Rates

Five-year Projection – 2% Minimum Reserve

GHIP Costs (\$ millions)	Rate Increases					
	FY23	FY24	27.0%	1.0%	7.4%	7.5%
	Actual	Projected	Projected	Projected	Projected	Projected
Average Enrolled Members	130,659	132,422	133,747	135,084	136,435	137,799
GHIP Revenues						
Premium Contributions - Non-Medicare		\$816.6	\$826.1	\$1,059.3	\$1,080.3	\$1,172.4
Premium Contributions - Medicare		\$167.1	\$171.6	\$196.6	\$199.6	\$209.1
Total Premium Contributions - Current Rates	\$901.8	\$983.7	\$997.7	\$1,256.0	\$1,279.9	\$1,381.4
<i>Rate Actions - Non-Medicare</i>			\$212.4	\$9.8	\$76.7	\$84.2
<i>Rate Actions - Medicare</i>			\$19.7	\$0.8	\$6.2	\$6.5
Discretionary Contribution						
Discretionary Contribution - Payback						
Other Revenues	\$189.5	\$216.8	\$237.0	\$243.6	\$265.1	\$283.1
Total Operating Revenues	\$1,091.3	\$1,200.5	\$1,466.8	\$1,510.2	\$1,627.9	\$1,755.3
GHIP Expenses						
Claims	\$1,189.7	\$1,248.4	\$1,348.5	\$1,455.6	\$1,571.6	\$1,697.1
Expenses		\$49.2	\$50.7	\$52.2	\$53.8	\$55.4
Total Operating Expenses	\$1,189.7	\$1,297.7	\$1,399.2	\$1,507.9	\$1,625.4	\$1,752.5
<i>% Change Per Member</i>	14.7%	3.5%	6.9%	6.9%	6.9%	6.9%
Adjusted Net Income	(\$98.4)	(\$97.2)	\$67.5	\$2.3	\$2.5	\$2.8
Balance Forward	\$157.2	\$58.8	(\$38.4)	\$29.1	\$31.4	\$33.9
Ending Balance	\$58.8	(\$38.4)	\$29.1	\$31.4	\$33.9	\$36.7
- Less Claims Liability	\$68.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
- Less Minimum Reserve	\$27.2	\$27.0	\$29.1	\$31.4	\$33.9	\$36.7
GHIP Surplus (After Reserves/Deposits)	(\$36.7)	(\$65.4)	\$0.0	(\$0.0)	(\$0.0)	(\$0.0)
General Fund Surplus/(Deficit)	(\$24.6)	(\$43.8)	\$0.0	(\$0.0)	(\$0.0)	(\$0.0)
Non-General Fund Surplus/(Deficit)	(\$12.1)	(\$21.6)	\$0.0	(\$0.0)	(\$0.0)	(\$0.0)

Assumptions:

- 6% medical trend, 3% Medicfill trend, 9% pharmacy trend
- 1% growth in GHIP membership with consistent plan and tier elections
- Reflects added cost for HB303 in FY25
- Reflects current market check improvements for FY25 pharmacy program

Employee contributions increase in FY25 by a range of \$4.46 to \$43.73 per paycheck

FY25 Rates – 2% Minimum Reserve – 27.0% rate increase

	FY 2024			FY 2025 with Increase			\$ Change Employee/ Pensioner Contribution		\$ Change State Subsidy	
	Rate	Employee Contribution	State Subsidy	Rate	Employee Contribution	State Subsidy	Monthly	Annual	Monthly	Annual
First State Basic										
Employee	\$826.68	\$33.06	\$793.62	\$1,049.58	\$41.98	\$1,007.60	\$8.92	\$107.04	\$213.98	\$2,567.76
Employee + Spouse	\$1,710.38	\$68.42	\$1,641.96	\$2,171.54	\$86.88	\$2,084.66	\$18.46	\$221.52	\$442.70	\$5,312.40
Employee + Child	\$1,256.64	\$50.26	\$1,206.38	\$1,595.46	\$63.82	\$1,531.64	\$13.56	\$162.72	\$325.26	\$3,903.12
Family	\$2,138.06	\$85.54	\$2,052.52	\$2,714.52	\$108.60	\$2,605.92	\$23.06	\$276.72	\$553.40	\$6,640.80
CDH Gold										
Employee	\$855.60	\$42.78	\$812.82	\$1,086.30	\$54.32	\$1,031.98	\$11.54	\$138.48	\$219.16	\$2,629.92
Employee + Spouse	\$1,774.04	\$88.70	\$1,685.34	\$2,252.36	\$112.62	\$2,139.74	\$23.92	\$287.04	\$454.40	\$5,452.80
Employee + Child	\$1,307.22	\$65.36	\$1,241.86	\$1,659.68	\$82.98	\$1,576.70	\$17.62	\$211.44	\$334.84	\$4,018.08
Family	\$2,253.76	\$112.68	\$2,141.08	\$2,861.42	\$143.06	\$2,718.36	\$30.38	\$364.56	\$577.28	\$6,927.36
Aetna HMO										
Employee	\$863.04	\$56.10	\$806.94	\$1,095.74	\$71.24	\$1,024.50	\$15.14	\$181.68	\$217.56	\$2,610.72
Employee + Spouse	\$1,819.64	\$118.28	\$1,701.36	\$2,310.26	\$150.18	\$2,160.08	\$31.90	\$382.80	\$458.72	\$5,504.64
Employee + Child	\$1,320.24	\$85.82	\$1,234.42	\$1,676.20	\$108.96	\$1,567.24	\$23.14	\$277.68	\$332.82	\$3,993.84
Family	\$2,270.50	\$147.58	\$2,122.92	\$2,882.68	\$187.38	\$2,695.30	\$39.80	\$477.60	\$572.38	\$6,868.56
Comprehensive PPO										
Employee	\$943.78	\$125.04	\$818.74	\$1,198.24	\$158.76	\$1,039.48	\$33.72	\$404.64	\$220.74	\$2,648.88
Employee + Spouse	\$1,958.44	\$259.50	\$1,698.94	\$2,486.48	\$329.48	\$2,157.00	\$69.98	\$839.76	\$458.06	\$5,496.72
Employee + Child	\$1,454.52	\$192.72	\$1,261.80	\$1,846.70	\$244.68	\$1,602.02	\$51.96	\$623.52	\$340.22	\$4,082.64
Family	\$2,448.32	\$324.40	\$2,123.92	\$3,108.44	\$411.86	\$2,696.58	\$87.46	\$1,049.52	\$572.66	\$6,871.92
Medicfill - Retired after 7/1/2012 (5% Pensioner share)										
Medicfill with Rx	\$482.34	\$24.10	\$458.24	\$612.39	\$30.62	\$581.77	\$6.52	\$78.24	\$123.53	\$1,482.36
Medicfill without Rx	\$273.46	\$13.66	\$259.80	\$347.19	\$17.36	\$329.83	\$3.70	\$44.40	\$70.03	\$840.36

Assumptions:

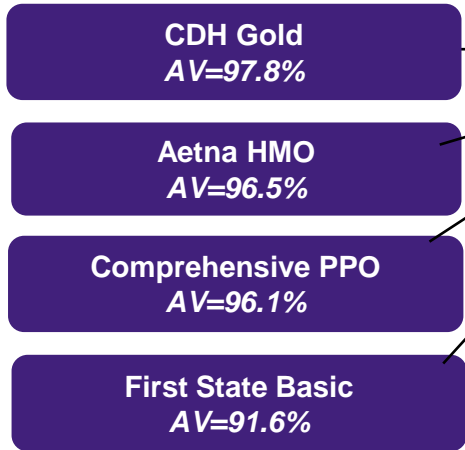
- 6% medical trend, 3% Medicfill trend, 9% pharmacy trend
- 1% growth in GHIP membership with consistent plan and tier elections
- Reflects added cost for HB303 in FY25
- Reflects current market check improvements for FY25 pharmacy program

Employee contributions increase in FY25 by a range of \$4.46 to \$43.73 per paycheck

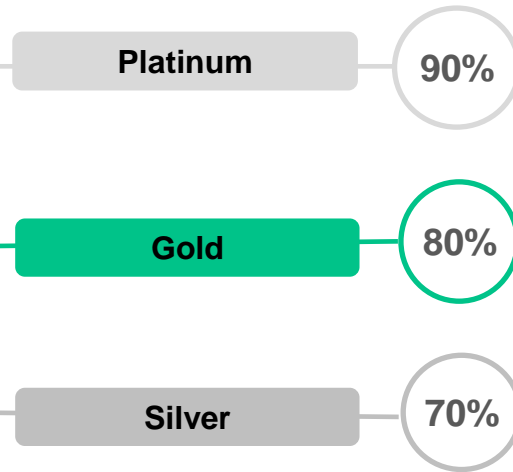
Plan Values and Employee Contributions

Plan Values

Current State (Plan Design Value)



Actuarial Value Medallion Level



Actuarial Value (AV)
Measures the percentage of medical claims cost that insurance is expected to cover after employees pay cost sharing (e.g. deductible and coinsurance)

Observations

- Plans are all extremely rich
- CDH Gold and HMO richer than PPO but employees pay significantly less for those two options

- Given the mis-alignment between plan design values and premium equivalent rates for the non-Medicare plans, the State should be aware of the impact of aligning plan values with those rates, as well as the impact of creating more meaningful differentiation between these plan options
- The following slides illustrate the impact of these changes for the SEBC's consideration

FY25 Rates – Rates re-aligned based on Actuarial Value (AV)

	Actuarial Value			FY 2024			FY 2025 with Rate Increase and Re-distribution on Actuarial Values			
	In-Network	Out-of-Network	Composite	Rate	Employee Contribution	State Subsidy	Rate	Employee Contribution	Increase	State Subsidy
First State Basic	91.7%	85.4%	91.6%							
Employee				\$826.68	\$33.06	\$793.62	\$1,109.23	\$44.37	34%	\$1,064.86
Employee + Spouse				\$1,710.38	\$68.42	\$1,641.96	\$2,301.76	\$92.07	35%	\$2,209.69
Employee + Child				\$1,256.64	\$50.26	\$1,206.38	\$1,709.50	\$68.38	36%	\$1,641.12
Family				\$2,138.06	\$85.54	\$2,052.52	\$2,877.51	\$115.10	35%	\$2,762.41
CDH Gold	97.9%	93.9%	97.8%							
Employee				\$855.60	\$42.78	\$812.82	\$1,181.64	\$59.08	38%	\$1,122.56
Employee + Spouse				\$1,774.04	\$88.70	\$1,685.34	\$2,452.03	\$122.60	38%	\$2,329.42
Employee + Child				\$1,307.22	\$65.36	\$1,241.86	\$1,821.10	\$91.06	39%	\$1,730.05
Family				\$2,253.76	\$112.68	\$2,141.08	\$3,065.37	\$153.27	36%	\$2,912.10
Aetna HMO	96.5%	0.0%	96.5%							
Employee				\$863.04	\$56.10	\$806.94	\$1,166.63	\$75.83	35%	\$1,090.80
Employee + Spouse				\$1,819.64	\$118.28	\$1,701.36	\$2,420.87	\$157.36	33%	\$2,263.52
Employee + Child				\$1,320.24	\$85.82	\$1,234.42	\$1,797.97	\$116.87	36%	\$1,681.10
Family				\$2,270.50	\$147.58	\$2,122.92	\$3,026.43	\$196.72	33%	\$2,829.71
Comprehensive PPO	96.2%	88.7%	96.1%							
Employee				\$943.78	\$125.04	\$818.74	\$1,162.23	\$154.00	23%	\$1,008.24
Employee + Spouse				\$1,958.44	\$259.50	\$1,698.94	\$2,411.75	\$319.56	23%	\$2,092.19
Employee + Child				\$1,454.52	\$192.72	\$1,261.80	\$1,791.19	\$237.33	23%	\$1,553.86
Family				\$2,448.32	\$324.40	\$2,123.92	\$3,015.02	\$399.49	23%	\$2,615.53

Key Assumptions:

- Same aggregate 27% needed increase in Premiums
- Gross Premium Equivalents re-aligned based on relative actuarial values
- Leads to varied rate actions by Plan Option
- However, State Subsidy varies by Plan Option due to mandated employee contribution percentages
- Employee contributions increase \$11.31 to \$75.09 per month
- However, individuals in the PPO Plan have the option to move to another plan with little to no change in Plan Value AND have lower Premium Contributions

FY25 Rates – Rates re-aligned on AVs and State Subsidy Equalized

	FY 2025 with Rate Increase and Re-distribution on Actuarial Values				FY25 with Equal State Subsidy regardless of Plan Option			
	Rate	Employee Contribution	Increase	State Subsidy	Rate	Employee Contribution	Percent Share	State Subsidy
First State Basic								
Employee	\$1,109.23	\$44.37	34%	\$1,064.86	\$1,109.23	\$75.87	6.8%	\$1,033.35
Employee + Spouse	\$2,301.76	\$92.07	35%	\$2,209.69	\$2,301.76	\$157.44	6.8%	\$2,144.32
Employee + Child	\$1,709.50	\$68.38	36%	\$1,641.12	\$1,709.50	\$116.93	6.8%	\$1,592.57
Family	\$2,877.51	\$115.10	35%	\$2,762.41	\$2,877.51	\$196.82	6.8%	\$2,680.69
CDH Gold								
Employee	\$1,181.64	\$59.08	38%	\$1,122.56	\$1,181.64	\$148.29	12.5%	\$1,033.35
Employee + Spouse	\$2,452.03	\$122.60	38%	\$2,329.42	\$2,452.03	\$307.71	12.5%	\$2,144.32
Employee + Child	\$1,821.10	\$91.06	39%	\$1,730.05	\$1,821.10	\$228.53	12.5%	\$1,592.57
Family	\$3,065.37	\$153.27	36%	\$2,912.10	\$3,065.37	\$384.68	12.5%	\$2,680.69
Aetna HMO								
Employee	\$1,166.63	\$75.83	35%	\$1,090.80	\$1,166.63	\$133.27	11.4%	\$1,033.35
Employee + Spouse	\$2,420.87	\$157.36	33%	\$2,263.52	\$2,420.87	\$276.56	11.4%	\$2,144.32
Employee + Child	\$1,797.97	\$116.87	36%	\$1,681.10	\$1,797.97	\$205.40	11.4%	\$1,592.57
Family	\$3,026.43	\$196.72	33%	\$2,829.71	\$3,026.43	\$345.74	11.4%	\$2,680.69
Comprehensive PPO								
Employee	\$1,162.23	\$154.00	23%	\$1,008.24	\$1,162.23	\$128.88	11.1%	\$1,033.35
Employee + Spouse	\$2,411.75	\$319.56	23%	\$2,092.19	\$2,411.75	\$267.43	11.1%	\$2,144.32
Employee + Child	\$1,791.19	\$237.33	23%	\$1,553.86	\$1,791.19	\$198.62	11.1%	\$1,592.57
Family	\$3,015.02	\$399.49	23%	\$2,615.53	\$3,015.02	\$334.33	11.1%	\$2,680.69

Key Assumptions:

- Change Employee Share percentages such that State Subsidy is the same regardless of which Plan Option the employee chooses
- Would require legislative action to modify the current shares from 4%, 5%, 6.5% and 13.25%, respectively

FY25 Rates – Employee Shares Unchanged and Plan Values Adjusted to Equalize State Share

	FY25 with Equal State Subsidy regardless of Plan Option				New AV	Keep Legislated Shares the Same but Modify Plan Values			
	Rate	Employee Contribution	Percent Share	State Subsidy		Rate	Employee Contribution	Percent Share	State Subsidy
First State Basic					91.6%				
Employee	\$1,109.23	\$75.87	6.8%	\$1,033.35	88.8%	\$1,076.41	\$43.06	4.00%	\$1,033.35
Employee + Spouse	\$2,301.76	\$157.44	6.8%	\$2,144.32	88.8%	\$2,233.65	\$89.35	4.00%	\$2,144.31
Employee + Child	\$1,709.50	\$116.93	6.8%	\$1,592.57	88.8%	\$1,658.92	\$66.36	4.00%	\$1,592.56
Family	\$2,877.51	\$196.82	6.8%	\$2,680.69	88.8%	\$2,792.37	\$111.69	4.00%	\$2,680.68
CDH Gold					97.8%				
Employee	\$1,181.64	\$148.29	12.5%	\$1,033.35	89.8%	\$1,087.74	\$54.39	5.00%	\$1,033.35
Employee + Spouse	\$2,452.03	\$307.71	12.5%	\$2,144.32	89.8%	\$2,257.17	\$112.86	5.00%	\$2,144.31
Employee + Child	\$1,821.10	\$228.53	12.5%	\$1,592.57	89.8%	\$1,676.38	\$83.82	5.00%	\$1,592.56
Family	\$3,065.37	\$384.68	12.5%	\$2,680.69	89.8%	\$2,821.77	\$141.09	5.00%	\$2,680.68
Aetna HMO					96.5%				
Employee	\$1,166.63	\$133.27	11.4%	\$1,033.35	91.3%	\$1,105.19	\$71.84	6.50%	\$1,033.35
Employee + Spouse	\$2,420.87	\$276.56	11.4%	\$2,144.32	91.3%	\$2,293.38	\$149.07	6.50%	\$2,144.31
Employee + Child	\$1,797.97	\$205.40	11.4%	\$1,592.57	91.3%	\$1,703.27	\$110.71	6.50%	\$1,592.56
Family	\$3,026.43	\$345.74	11.4%	\$2,680.69	91.3%	\$2,867.04	\$186.36	6.50%	\$2,680.68
Comprehensive PPO					96.1%				
Employee	\$1,162.23	\$128.88	11.1%	\$1,033.35	98.6%	\$1,191.18	\$157.83	13.25%	\$1,033.35
Employee + Spouse	\$2,411.75	\$267.43	11.1%	\$2,144.32	98.6%	\$2,471.82	\$327.52	13.25%	\$2,144.31
Employee + Child	\$1,791.19	\$198.62	11.1%	\$1,592.57	98.6%	\$1,835.81	\$243.24	13.25%	\$1,592.56
Family	\$3,015.02	\$334.33	11.1%	\$2,680.69	98.6%	\$3,090.12	\$409.44	13.25%	\$2,680.68

Key Assumptions:

- Keep existing Employee Shares – 4%, 5%, 6.5% and 13.25%, respectively
- Modify Plan Values to keep State Subsidy (in dollars) the same regardless of Plan Option chosen
- Does NOT require legislative action

FY25 Rates – Meaningful Spread from Low to High

	FY25 with Equal State Subsidy regardless of Plan Option				New AV	Meaningful Spread between Low and High Plan Options			
	Rate	Employee Contribution	Percent Share	State Subsidy		Rate	Employee Contribution	Percent Share	State Subsidy
First State Basic					91.6%				
Employee	\$1,109.23	\$75.87	6.8%	\$1,033.35	80.0%	\$972.91	\$38.92	4.00%	\$934.00
Employee + Spouse	\$2,301.76	\$157.44	6.8%	\$2,144.32	80.0%	\$2,018.90	\$80.76	4.00%	\$1,938.14
Employee + Child	\$1,709.50	\$116.93	6.8%	\$1,592.57	80.0%	\$1,499.42	\$59.98	4.00%	\$1,439.44
Family	\$2,877.51	\$196.82	6.8%	\$2,680.69	80.0%	\$2,523.90	\$100.96	4.00%	\$2,422.94
CDH Gold					97.8%				
Employee	\$1,181.64	\$148.29	12.5%	\$1,033.35	85.0%	\$1,031.83	\$51.59	5.00%	\$980.24
Employee + Spouse	\$2,452.03	\$307.71	12.5%	\$2,144.32	85.0%	\$2,141.16	\$107.06	5.00%	\$2,034.10
Employee + Child	\$1,821.10	\$228.53	12.5%	\$1,592.57	85.0%	\$1,590.22	\$79.51	5.00%	\$1,510.71
Family	\$3,065.37	\$384.68	12.5%	\$2,680.69	85.0%	\$2,676.74	\$133.84	5.00%	\$2,542.90
Aetna HMO					96.5%				
Employee	\$1,166.63	\$133.27	11.4%	\$1,033.35	90.0%	\$1,090.40	\$70.88	6.50%	\$1,019.53
Employee + Spouse	\$2,420.87	\$276.56	11.4%	\$2,144.32	90.0%	\$2,262.70	\$147.08	6.50%	\$2,115.63
Employee + Child	\$1,797.97	\$205.40	11.4%	\$1,592.57	90.0%	\$1,680.49	\$109.23	6.50%	\$1,571.26
Family	\$3,026.43	\$345.74	11.4%	\$2,680.69	90.0%	\$2,828.69	\$183.86	6.50%	\$2,644.82
Comprehensive PPO					96.1%				
Employee	\$1,162.23	\$128.88	11.1%	\$1,033.35	95.0%	\$1,149.04	\$152.25	13.25%	\$996.79
Employee + Spouse	\$2,411.75	\$267.43	11.1%	\$2,144.32	95.0%	\$2,384.37	\$315.93	13.25%	\$2,068.44
Employee + Child	\$1,791.19	\$198.62	11.1%	\$1,592.57	95.0%	\$1,770.85	\$234.64	13.25%	\$1,536.22
Family	\$3,015.02	\$334.33	11.1%	\$2,680.69	95.0%	\$2,980.79	\$394.95	13.25%	\$2,585.83

Key Assumptions:

- Plan Values spread from low of 80% to high of 95% to provide employees with meaningful choice of options
- Employee share percentages unchanged
- Creates un-even State Subsidy depending upon Plan Option chosen

FY25 Rates – Meaningful Spread from Low to High and State Subsidy Equalized

	New AV	Meaningful Spread between Low and High Plan Options				Meaningful Spread between Low and High Plan Options and Fixed State Subsidy			
		Rate	Employee Contribution	Percent Share	State Subsidy	Rate	Employee Contribution	Percent Share	State Subsidy
First State Basic	91.6%								
Employee	80.0%	\$972.91	\$38.92	4.00%	\$934.00	\$972.91	\$0.00	0.00%	\$972.91
Employee + Spouse	80.0%	\$2,018.90	\$80.76	4.00%	\$1,938.14	\$2,018.90	\$0.00	0.00%	\$2,018.90
Employee + Child	80.0%	\$1,499.42	\$59.98	4.00%	\$1,439.44	\$1,499.42	\$0.00	0.00%	\$1,499.42
Family	80.0%	\$2,523.90	\$100.96	4.00%	\$2,422.94	\$2,523.90	\$0.00	0.00%	\$2,523.90
CDH Gold	97.8%								
Employee	85.0%	\$1,031.83	\$51.59	5.00%	\$980.24	\$1,031.83	\$35.04	3.40%	\$996.79
Employee + Spouse	85.0%	\$2,141.16	\$107.06	5.00%	\$2,034.10	\$2,141.16	\$72.72	3.40%	\$2,068.44
Employee + Child	85.0%	\$1,590.22	\$79.51	5.00%	\$1,510.71	\$1,590.22	\$54.01	3.40%	\$1,536.22
Family	85.0%	\$2,676.74	\$133.84	5.00%	\$2,542.90	\$2,676.74	\$90.91	3.40%	\$2,585.83
Aetna HMO	96.5%								
Employee	90.0%	\$1,090.40	\$70.88	6.50%	\$1,019.53	\$1,090.40	\$93.62	8.59%	\$996.79
Employee + Spouse	90.0%	\$2,262.70	\$147.08	6.50%	\$2,115.63	\$2,262.70	\$194.26	8.59%	\$2,068.44
Employee + Child	90.0%	\$1,680.49	\$109.23	6.50%	\$1,571.26	\$1,680.49	\$144.28	8.59%	\$1,536.22
Family	90.0%	\$2,828.69	\$183.86	6.50%	\$2,644.82	\$2,828.69	\$242.85	8.59%	\$2,585.83
Comprehensive PPO	96.1%								
Employee	95.0%	\$1,149.04	\$152.25	13.25%	\$996.79	\$1,149.04	\$152.25	13.25%	\$996.79
Employee + Spouse	95.0%	\$2,384.37	\$315.93	13.25%	\$2,068.44	\$2,384.37	\$315.93	13.25%	\$2,068.44
Employee + Child	95.0%	\$1,770.85	\$234.64	13.25%	\$1,536.22	\$1,770.85	\$234.64	13.25%	\$1,536.22
Family	95.0%	\$2,980.79	\$394.95	13.25%	\$2,585.83	\$2,980.79	\$394.95	13.25%	\$2,585.83

Key Assumptions:

- Plan Values spread from low of 80% to high of 95% to provide employees with meaningful choice of options
- Employee Share percentages changed to create consistent State Subsidy regardless of Plan Option chosen
- Requires legislative action
- Offers a zero-dollar premium option for employees

FY25 Rating by Group

Overview

- GHIP active, non-Medicare retirees and Medicare retirees are currently rated together as one risk pool, with consistent premium (budget rate) increases
- Non-Medicare retirees pay the same contribution rates as active employees
- In general, non-Medicare retirees cost significantly more than active employees due to age-related morbidity
- In general, Medicare retirees:
 - Cost less for medical benefits due to Medicare offsets to cost
 - Cost more for prescription drug benefits due to age-related morbidity offset by Medicare reimbursements under the EGWP
- Effective July 1, 2012, House Bill 81 (HB 81) changed the State share for employee and retiree health plans
 - Previously, the State paid the full cost of the First State Basic (FSB) plan for each enrollee, and the employee/retiree paid the difference between the cost of the FSB plan and the plan they selected
 - Pursuant to HB 81, the State is responsible for a fixed cost share of each plan:
 - First State Basic: 96%
 - CDH Gold: 95%
 - HMO: 93.5%
 - PPO: 86.75%
 - Rating groups on their own experience **does not** require legislative change
 - Rating each population individually would create separate premiums (budget rates) that match claims experience for each population, while maintaining existing cost share by plan set by House Bill 81 – i.e., 4% for FSB, 5% for CDH Gold, 6.5% for the HMO and 13.25% for the Comprehensive PPO

Overview

- The SEBC has been asked to consider the impact of rating the three populations separately, but such a change is not a simplistic solution
 - Medicare premium rate increases have not kept up with necessary rate increases – 0% increase for FY23 and 5% for FY24 compared to the needed 8.6% and 9.4%
 - While EGWP revenues have been utilized across the aggregate population, so have Commercial rebates, which only apply to the non-Medicare population
 - Total Revenues into the GHIP from the EGWP and Rebates total about \$217 million, with \$87 million due to the Non-Medicare populations
 - EGWP cost trends have been much higher and make up the greater portion of Medicare retiree costs
 - Rx claims are nearly 75% of the gross claims spend for the Medicare population
 - Pharmacy trends are assumed to be 9%. Actual EGWP trend YTD FY24 is approximately 13%.
 - **Active employee/non-Medicare retirees have been subsidizing the delayed effective dates of Medicare rate increases – i.e., Medicare rate changes go into effect on January 1st, half-way through the fiscal year**
- As the following slide illustrates, the impact of rating the three groups separately:
 - Premium rates for Active employees would increase 22%, rather than 27%
 - Premium rates for Pre-Medicare retirees would increase 58%, rather than 27%
 - Premium rates for Medicare retirees would increase by 39% for those with both Medicfill+Rx (approximately 29,000 members) and 5% for those with Medicfill only (approximately 1,300 members)

FY25 Rates – Separate Rates by Group

	FY 2024 - Current			FY25 Actives Stand-alone					FY25 Retirees Stand-alone				
	Rate	Employee Contribution	State Subsidy	Rate	Increase	Employee Contribution	Employee Impact	State Subsidy	Rate	Increase	Employee Contribution	Retiree Impact	State Subsidy
First State Basic													
Employee	\$826.68	\$33.06	\$793.62	\$1,006.23	22%	\$40.24	\$7.18	\$965.99	\$1,306.52	58%	\$52.25	\$19.19	\$1,254.27
Employee + Spouse	\$1,710.38	\$68.42	\$1,641.96	\$2,081.87	22%	\$83.28	\$14.86	\$1,998.59	\$2,703.16	58%	\$108.13	\$39.71	\$2,595.03
Employee + Child	\$1,256.64	\$50.26	\$1,206.38	\$1,529.58	22%	\$61.18	\$10.92	\$1,468.41	\$1,986.05	58%	\$79.43	\$29.17	\$1,906.62
Family	\$2,138.06	\$85.54	\$2,052.52	\$2,602.45	22%	\$104.12	\$18.58	\$2,498.33	\$3,379.09	58%	\$135.19	\$49.65	\$3,243.89
CDH Gold													
Employee	\$855.60	\$42.78	\$812.82	\$1,041.44	22%	\$52.07	\$9.29	\$989.36	\$1,352.23	58%	\$67.61	\$24.83	\$1,284.62
Employee + Spouse	\$1,774.04	\$88.70	\$1,685.34	\$2,159.36	22%	\$107.97	\$19.27	\$2,051.40	\$2,803.77	58%	\$140.19	\$51.49	\$2,663.59
Employee + Child	\$1,307.22	\$65.36	\$1,241.86	\$1,591.15	22%	\$79.56	\$14.20	\$1,511.59	\$2,065.99	58%	\$103.30	\$37.94	\$1,962.69
Family	\$2,253.76	\$112.68	\$2,141.08	\$2,743.28	22%	\$137.15	\$24.47	\$2,606.12	\$3,561.94	58%	\$178.08	\$65.40	\$3,383.86
Aetna HMO													
Employee	\$863.04	\$56.10	\$806.94	\$1,050.49	22%	\$68.28	\$12.18	\$982.21	\$1,363.99	58%	\$88.66	\$32.56	\$1,275.32
Employee + Spouse	\$1,819.64	\$118.28	\$1,701.36	\$2,214.87	22%	\$143.97	\$25.69	\$2,070.90	\$2,875.84	58%	\$186.94	\$68.66	\$2,688.91
Employee + Child	\$1,320.24	\$85.82	\$1,234.42	\$1,607.00	22%	\$104.46	\$18.64	\$1,502.54	\$2,086.57	58%	\$135.63	\$49.81	\$1,950.93
Family	\$2,270.50	\$147.58	\$2,122.92	\$2,763.65	22%	\$179.63	\$32.05	\$2,584.02	\$3,588.40	58%	\$233.24	\$85.66	\$3,355.16
Comprehensive PPO													
Employee	\$943.78	\$125.04	\$818.74	\$1,148.77	22%	\$152.20	\$27.16	\$996.57	\$1,491.59	58%	\$197.62	\$72.58	\$1,293.97
Employee + Spouse	\$1,958.44	\$259.50	\$1,698.94	\$2,383.81	22%	\$315.86	\$56.36	\$2,067.95	\$3,095.21	58%	\$410.13	\$150.63	\$2,685.08
Employee + Child	\$1,454.52	\$192.72	\$1,261.80	\$1,770.44	22%	\$234.58	\$41.86	\$1,535.86	\$2,298.79	58%	\$304.58	\$111.86	\$1,994.21
Family	\$2,448.32	\$324.40	\$2,123.92	\$2,980.10	22%	\$394.86	\$70.46	\$2,585.24	\$3,869.43	58%	\$512.70	\$188.30	\$3,356.74
Medicfill													
Medical Only	\$273.46	\$13.67	\$259.79						\$288.14	5%	\$14.41	\$0.73	\$273.73
Medical + Rx	\$482.34	\$24.12	\$458.22						\$671.20	39%	\$33.56	\$9.44	\$637.64

Key Assumptions:

- Based on actual FY24 claims data and revenue (e.g., rebates), by rating group through December, forecasted for balance of the year
- FY25 Medical trend of 6% for non-Medicare, 3% for Medicfill and 9% for Pharmacy
- Projected FY25 Fund Expenses of \$50.7M converted to a “per contract” basis and applied to all groups evenly
- Desired year-end FY25 cash margin of \$29.1M equal to 2% of FY26 projected claims
- Recoupment of \$38.4M FY24 cash deficit spread evenly across the rating groups as a percent of claims
- Timing lag in premium revenues based on each population’s explicit premium needs to cover expected costs