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# **State Employees' Group Health Self-Insurance Trust Fund**

## **Report on Financial Outlook**

**For the Fiscal Years Ending June 30, 2022 through June 30, 2027**

**Adopted January 13, 2022, by the  
Self-Insurance Estimating Conference**

# STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

## EXECUTIVE SUMMARY

The Florida Division of State Group Insurance (the Division) prepared an Outlook for the State Employees' Group Health Self-Insurance Trust Fund (Trust Fund) for the fiscal years (FY) ending June 30, 2022, through June 30, 2027. The Outlook is prepared to assist in the State's planning and budgeting in accordance with section 216.136(9), Florida Statutes. The Outlook is prepared using cash basis methods and modeling based on the healthcare benefit and funding design currently in place.

The Outlook builds on the financial and enrollment data presented in the August 2021 Report on the Financial Outlook, henceforth referred to as the Prior Outlook. With the Prior Outlook as the base, this Outlook has adjustments for the following:

1. Actual enrollment and cash flows through November 2021.
2. Revised Investment Earnings rates.
3. Revised claims trends for Preferred Provider Organization (PPO) and Health Maintenance Organization (HMO) pharmacy claims.
4. New fully insured Insurance Premium rates, effective December 2021 for January 2022.
5. Revised growth factor for fully insured HMO premium rates.
6. New Medicare Advantage Prescription Drug (MAPD) Plan rates, effective December 2021 for January 2022.
7. Revised growth factor for PPO medical claims for FY 2021-22.
8. Revised projections for the Shared Savings Program.

Overall, there are decreases in revenues through FY 2024-25 with an increase in revenue for FY 2025-26 compared to the Prior Outlook. Expenses decrease in FY 2021-22 then increase for all remaining fiscal years of the Outlook. Decreases in ending cash balances are reflected for FY 2021-22 and FY 2022-23. The ending cash balance for FY 2023-24 changes from a surplus to a deficit. The deficit previously projected for FY 2024-25 and FY 2025-26 in the Prior Outlook has increased. Finally, the projected ending cash balance for the added FY 2026-27 is also a deficit. The Outlook reflects that the Trust Fund is projected to remain solvent through FY 2022-23.

The ending cash balance for FY 2021-22 is adjusted from \$724.0 million to \$670.2 million, a decrease of \$53.8 million. The estimated operating gain of \$3.2 million is now a loss of \$50.6 million. For FY 2022-23, the forecasted ending cash balance is adjusted from \$515.1 million to \$408.1 million, and the estimated operating loss has increased from \$208.9 million to \$262.1 million. The ending cash balance for FY 2023-24 is adjusted from \$101.6 million to a deficit of \$61.8 million, a decrease of \$163.4 million. The estimated operating loss of \$413.5 million is increased to \$469.9 million. Ending cash balance deficits and operating losses are projected for FY 2024-25 through FY 2026-27.

Below is a summary of the Outlook for the Trust Fund through FY 2026-27:

	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>
	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
<b>BEGINNING CASH BALANCE</b>	\$ 720.8	\$ 670.2	\$ 408.1	\$ 0.0	\$ 0.0	\$ 0.0
<b>TOTAL REVENUES</b>	\$ 2,846.1	\$ 2,862.1	\$ 2,889.1	\$ 2,899.0	\$ 2,905.2	\$ 2,913.1
<b>TOTAL EXPENSES</b>	\$ 2,896.7	\$ 3,124.2	\$ 3,359.0	\$ 3,623.2	\$ 3,891.8	\$ 4,195.6
<b>OPERATING GAIN/(LOSS)</b>	\$ (50.6)	\$ (262.1)	\$ (469.9)	\$ (724.2)	\$ (986.6)	\$ (1,282.5)
<b>ENDING CASH BALANCE</b>	<b>\$ 670.2</b>	<b>\$ 408.1</b>	<b>\$ (61.8)</b>	<b>\$ (724.2)</b>	<b>\$ (986.6)</b>	<b>\$ (1,282.5)</b>

Note: Assumes no carry forward of negative cash balance.

## ENROLLMENT

The changes in enrollment between June 2021 and November 2021 reflect a net decrease of 3,698 contracts, or -2.13% of total subscribers. Enrollment in PPO plans decreased by 1,322 subscribers, or -1.62%, and HMO plan enrollment decreased by 2,574 subscribers, or -2.84%. Active subscriber enrollment decreased by 3,619 subscribers, or -2.59%, and the net change in non-active membership was a decrease of 79 subscribers, or -0.24%.

As of November 2021, approximately 4,997 subscribers (4,869 active employees) were enrolled in a High Deductible Health Plan (2.94% of total enrollment). Active employees account for 97.44% of these subscribers, of which 93.35% are participating in the integrated state-sponsored Health Savings Account (HSA) offering, up from the 90.80% reported in the Prior Outlook.

As of November 2021, a total of 28,043 eligible employees, or 16.79%, opted out of enrollment in the Program, with 46.73% of those employees in OPS positions. The Prior Outlook reflected that 15.40% of eligible employees opted out of coverage and 46.50% were in OPS positions.

During the 2022 Open Enrollment, approximately 147,473 Active (Non-OPS) employees were offered coverage, compared to 153,623 offered coverage during the 2021 Open Enrollment. An additional 17,644 employees paid from Other Personal Services (OPS) funds were offered coverage, compared to 20,106 offered coverage during the 2021 Open Enrollment.

## STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

Final 2022 Open Enrollment numbers reflect that 129,098 (87.54%) of the eligible Active (Non-OPS) employees elected coverage, of which 52,518 (40.68%) enrolled in Individual coverage, 71,612 (55.47%) enrolled in Family coverage, and 4,968 (3.85%) enrolled in Spouse coverage. Active (Non-OPS) enrollment in PPO plans was 41.73%, and 58.27% enrolled in HMO plans. A total of 6,842 (38.78%) of the eligible OPS employees elected coverage, of which 4,729 (69.12%) enrolled in Individual coverage; 2,065 (30.18%) enrolled in Family coverage, and 48 (0.70%) enrolled in Spouse coverage. OPS enrollment in PPO plans was 54.63% and 45.06% enrolled in HMO plans.

Enrollment patterns for FY 2021-22 through FY 2025-26 reflect an average annual decrease of 21 subscribers for Active coverage, compared to a decrease of 823 subscribers in the Prior Outlook. Early Retiree enrollment is projected to decrease an average of 3 subscribers annually, compared to a decrease of 8 subscribers projected in the Prior Outlook. Enrollment in the Medicare coverage categories, including the MAPD Plans, is expected to increase by an average of 281 subscribers annually, compared to an increase of 254 subscribers projected in the Prior Outlook. Total enrollment is projected to increase an average of 254 subscribers annually throughout the forecast period, compared to a decrease of 574 subscribers annually, as projected in the Prior Outlook.

The impact of changes to projected enrollment have resulted in decreases for FY 2021-22 and FY 2022-23 due to the recent reductions in actual enrollment. Based on the assumption that the recent reduction in state employment is a short-term situation and not a long-term systemic one, projected enrollment is tapered back to the prior outlook levels for FY 2023-24 through FY 2025-26. For FY 2021-22 there is a decrease of 3,312 subscribers, a decrease of 1,636 for FY 2022-23, and no change for FY 2023-24 through FY 2025-26 compared to the Prior Outlook.

### **REVENUE**

Combined premium contribution revenues for FY 2021-22 through FY 2025-26 are \$86.7 million lower than projected in the Prior Outlook; \$82.6 million of the reduction is due to lower projected enrollment and \$1.5 million of the reduction is due to lower actual than projected fully insured Medicare coverage rates with the remaining reduction due to shifts in case mix. Investment earnings decreased a combined total of \$2.9 million for FY 2021-22 through FY 2023-24 due to the lower projected cash balance. TPA Refunds reflect a decrease of \$0.6 million per year due to lower actual experience. PBM Rebates decreased a combined total of \$0.3 million based on new projections. Medicare Part D drug subsidy payments decreased by a combined total of \$2.9 million from the Prior Outlook. Other Revenues reflect \$2.7 million in FY 2021-22 in actual revenues to date, primarily from performance guarantee penalties and Pharmacy Benefits Manager (PBM) audits. Overall, Total Revenue changes in this outlook reflect a combined decrease of \$93.1 million from the Prior Outlook.

### **EXPENSES**

PPO expenses for FY 2021-22 through FY 2025-26 reflect a combined projected increase of \$34.8 million. PPO medical claims projections overall are \$57.1 million higher, reflecting a \$25.3 million decrease due to lower projected enrollment, \$1.5 million increase due to change in the growth rates going from 7.2% to 7.4%, and \$80.9 million increase from higher claims experience. PPO Pharmacy expenses overall are \$22.0 million lower, reflecting a \$14.2 million decrease due to lower projected enrollment, \$10.0 million decrease due to change in growth rates, and a \$2.2 million increase from higher projected claims. PPO ASO fees and PBM Administration fees reflect a combined decrease of \$0.3 million from the Prior Outlook.

The forecast of FY 2021-22 through FY 2025-26 reflects a combined increase of \$145.8 million in fully insured and self-insured HMO expenses. Fully insured premium payments reflect a projected combined increase totaling \$26.1 million, reflecting \$3.9 million increase due to higher projected enrollment, a \$25.8 million increase due to new premium rates and higher projected growth rates from 4.0% to 4.6%, and -\$3.6 million due to shifts in enrollment categories. HMO medical claims projections overall are \$128.9 million higher, reflecting a \$50.7 million decrease due to lower projected enrollment and a \$179.5 million increase in projected claims experience. HMO pharmacy expenses projections reflect a combined decrease of \$7.9 million, reflecting a \$17.3 million decrease due to lower projected enrollment, a \$7.7 million decrease due to lower growth trends used, and an increase of \$17.1 million in higher projected claims experience. HMO ASO fees and PBM administration fees reflect a combined decrease of \$1.3 million due to lower projected enrollment.

Combined, PPO and HMO medical claims across all years of the forecast, compared to the Prior Outlook, reflect a \$186.0 million increase. The net combined decrease in pharmacy claims costs across all years is \$29.9 million compared to the Prior Outlook.

The forecast of FY 2021-22 through FY 2025-26 for the Shared Savings Program decreased \$0.3 million based on actual utilization of Shared Saving payments to employees.

HSA Deposits remain steady on \$7.8 million a year for this Outlook.

Other Expenses for FY 2021-22 reflect an increase of \$0.1 million due to legal fees.

Overall, expenses across all years of the forecast reflect a combined increase of \$180.5 million compared to the Prior Outlook.

**STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND**

Growth factors used to develop this Outlook are reflected below:

PPO MEDICAL								
Industry Range for CYs 2020-22: 3.8% - 7.7%		FY 21-22		FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
	Applied	Actual YTD + Projected	Applied	Applied	Applied	Applied	Applied	Applied
August 2021 Conference	7.20%	n/a	6.85%	6.90%	6.90%	6.90%	6.90%	n/a
January 2022 Conference	7.40%	9.11%	6.85%	6.90%	6.90%	6.90%	6.90%	6.90%

HMO MEDICAL								
Industry Range for CYs 2020-22: 3.8% - 7.0%		FY 21-22		FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
	Applied	Actual YTD + Projected	Applied	Applied	Applied	Applied	Applied	Applied
August 2021 Conference	6.90%	n/a	6.85%	6.90%	6.90%	6.90%	6.90%	n/a
January 2022 Conference	6.90%	10.84%	6.85%	6.90%	6.90%	6.90%	6.90%	6.90%

PPO PHARMACY								
Industry Range for CYs 2020-22: 5.2% - 8.4%		FY 21-22		FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
	Applied	Actual YTD + Projected	Applied	Applied	Applied	Applied	Applied	Applied
August 2021 Conference	8.30%	n/a	10.90%	12.00%	11.50%	11.70%	11.70%	n/a
January 2022 Conference	8.50%	9.41%	10.30%	10.80%	11.30%	11.50%	11.50%	11.60%

HMO PHARMACY								
Industry Range for CYs 2020-22: 5.2% - 8.4%		FY 21-22		FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
	Applied	Actual YTD + Projected	Applied	Applied	Applied	Applied	Applied	Applied
August 2021 Conference	8.60%	n/a	11.90%	12.00%	12.10%	12.00%	12.00%	n/a
January 2022 Conference	9.20%	10.67%	11.00%	10.90%	11.80%	11.90%	11.90%	12.10%

FULLY INSURED HMO PREMIUM PAYMENTS							
Industry Range for CYs 2019-21: 4.4% - 5.9%		*CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027
August 2021 Conference		4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
January 2022 Conference		4.60%	4.60%	4.60%	4.60%	4.60%	4.60%

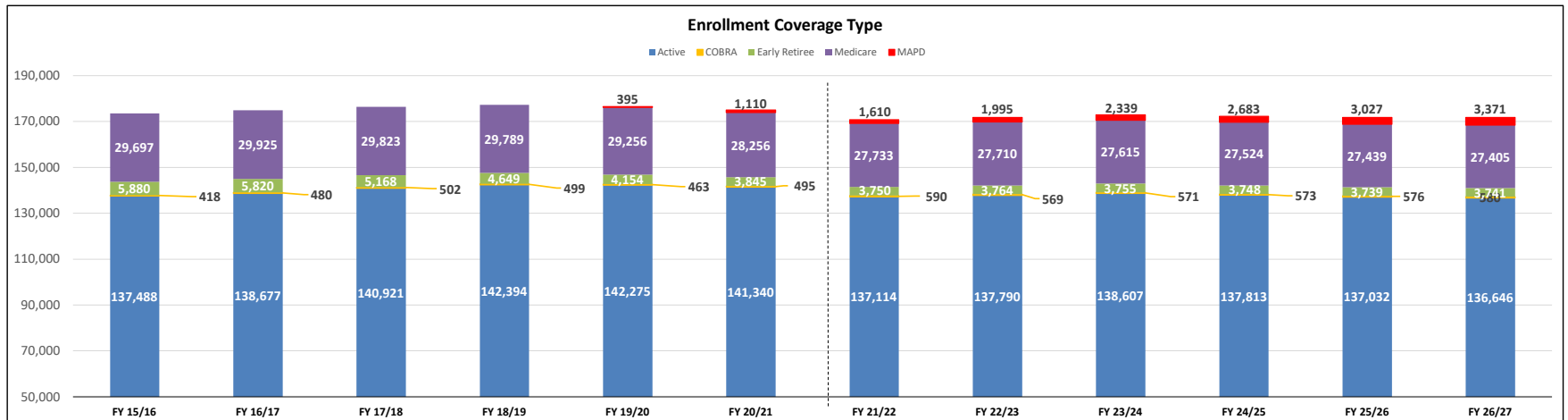
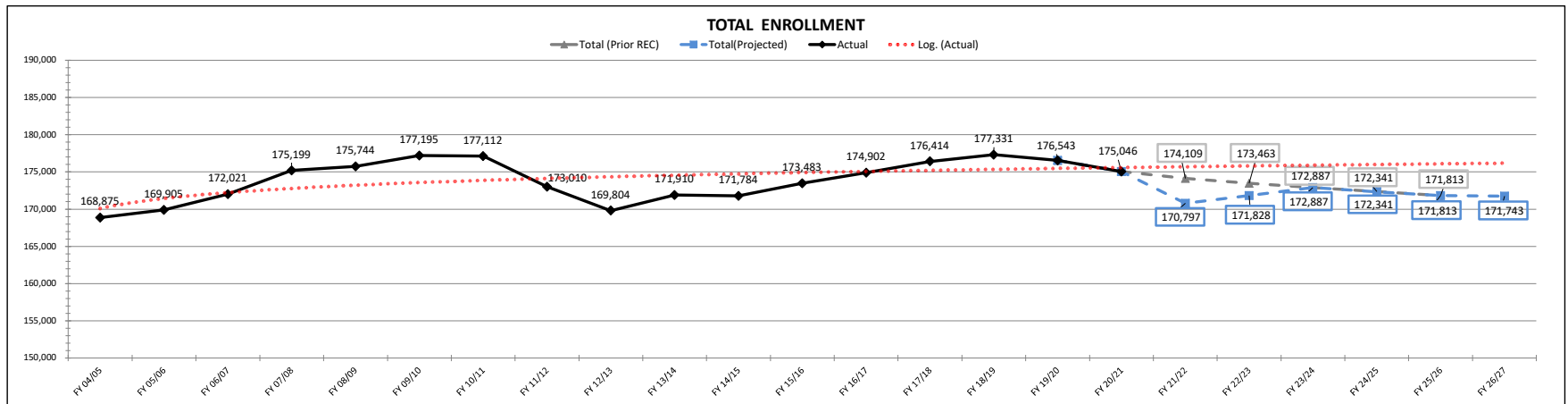
\*Actual trend rates

STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

Exhibit I

Enrollment Outlook by Fiscal Year  
Changes to Conference Forecast - January 2022 Compared to August 2021

	FY 2021-22			FY 2022-23			FY 2023-24			FY 2024-25			FY 2025-26			FY 2026-27		
	Aug '21	Jan '22	Diff.	Aug '21	Jan '22	Diff.	Aug '21	Jan '22	Diff.	Aug '21	Jan '22	Diff.	Aug '21	Jan '22	Diff.	Aug '21	Jan '22	Diff.
<b>Average Enrollment by Plan</b>																		
PPO Standard	78,277	76,790	(1,487)	78,137	77,339	(798)	78,021	77,917	(104)	77,912	77,801	(111)	77,808	77,690	(118)	-	77,630	77,630
PPO HDHP	3,715	3,674	(41)	3,710	3,718	8	3,706	3,757	51	3,702	3,753	51	3,698	3,749	51	-	3,747	3,747
HMO Standard	89,256	87,441	(1,815)	88,412	87,524	(888)	87,610	87,615	5	86,830	86,843	13	86,062	86,083	21	-	85,722	85,722
HMO HDHP	1,330	1,282	(48)	1,329	1,252	(77)	1,331	1,259	(72)	1,334	1,261	(73)	1,338	1,264	(74)	-	1,273	1,273
MAPD	1,531	1,610	79	1,875	1,995	121	2,219	2,339	120	2,563	2,683	120	2,907	3,027	120	-	3,371	3,371
<b>Total</b>	<b>174,109</b>	<b>170,797</b>	<b>(3,312)</b>	<b>173,463</b>	<b>171,828</b>	<b>(1,635)</b>	<b>172,887</b>	<b>172,887</b>	<b>-</b>	<b>172,341</b>	<b>172,341</b>	<b>-</b>	<b>171,813</b>	<b>171,813</b>	<b>-</b>	<b>-</b>	<b>171,743</b>	<b>171,743</b>
<b>Average Enrollment by Coverage Type</b>																		
Active (Non-OPS) Standard	128,920	125,959	(2,961)	128,087	126,567	(1,520)	127,305	127,309	4	126,544	126,552	8	125,794	125,805	11	-	125,547	125,547
Active (Non-OPS) HDHP	4,330	4,282	(48)	4,322	4,293	(29)	4,319	4,332	13	4,317	4,330	13	4,316	4,329	13	-	4,337	4,337
OPS Standard	6,498	6,325	(173)	6,454	6,386	(68)	6,415	6,418	3	6,377	6,383	6	6,342	6,350	8	-	6,339	6,339
OPS HDHP	594	548	(46)	595	544	(51)	596	548	(48)	597	548	(49)	598	548	(50)	-	551	551
COBRA	562	590	28	565	569	4	568	571	3	571	573	2	574	576	2	-	580	580
Early Retiree	3,738	3,750	12	3,730	3,764	34	3,722	3,755	33	3,713	3,748	35	3,704	3,739	35	-	3,741	3,741
Medicare	27,936	27,733	(203)	27,835	27,710	(125)	27,743	27,615	(128)	27,659	27,524	(135)	27,578	27,439	(139)	-	27,405	27,405
MAPD	1,531	1,610	79	1,875	1,995	121	2,219	2,339	120	2,563	2,683	120	2,907	3,027	120	-	3,371	3,371
<b>Total</b>	<b>174,109</b>	<b>170,797</b>	<b>(3,312)</b>	<b>173,463</b>	<b>171,828</b>	<b>(1,635)</b>	<b>172,887</b>	<b>172,887</b>	<b>-</b>	<b>172,341</b>	<b>172,341</b>	<b>-</b>	<b>171,813</b>	<b>171,813</b>	<b>-</b>	<b>-</b>	<b>171,871</b>	<b>171,871</b>



STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

Exhibit II

Financial Outlook by Fiscal Year <sup>(1)</sup>

Changes to Conference Forecast - January 2022 Compared to August 2021  
(In Millions)

	FY 2021-22			FY 2022-23			FY 2023-24			FY 2024-25			FY 2025-26			FY 2026-27
	Aug '21	Jan '22	Diff.	Aug '21	Jan '22	Diff.	Aug '21	Jan '22	Diff.	Aug '21	Jan '22	Diff.	Aug '21	Jan '22	Diff.	Jan '22
<b>BEGINNING CASH BALANCE</b>	\$ 720.8	\$ 720.8	\$ -	\$ 724.0	\$ 670.2	\$ (53.8)	\$ 515.1	\$ 408.1	\$ (107.0)	\$ 101.6	\$ 0.0 <sup>(2)</sup>	\$ (101.6)	\$ 0.0 <sup>(2)</sup>	\$ 0.0 <sup>(2)</sup>	\$ -	\$ 0.0 <sup>(2)</sup>
<b>REVENUES:</b>																
Insurance Premiums <sup>(3)</sup>	\$ 2,621.4	\$ 2,565.1	\$ (56.3)	\$ 2,608.2	\$ 2,582.4	\$ (25.8)	\$ 2,596.8	\$ 2,594.4	\$ (2.4)	\$ 2,584.7	\$ 2,582.6	\$ (2.1)	\$ 2,572.2	\$ 2,572.1	\$ (0.1)	\$ 2,567.6
Prior Year Premium Collection <sup>(11)</sup>	\$ 22.2	\$ 22.2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Earnings	7.2	7.7	0.5	6.2	5.9	(0.3)	3.1	-	(3.1)	-	-	-	-	-	-	-
TPA & Self-Insured HMO Refunds	16.2	15.6	(0.6)	16.2	15.6	(0.6)	16.2	15.6	(0.6)	16.2	15.6	(0.6)	16.2	15.6	(0.6)	15.6
PBM Rebates	197.0	197.8	0.8	223.2	220.9	(2.3)	243.0	241.8	(1.2)	264.9	263.6	(1.3)	276.6	280.3	3.7	292.7
Pretax Trust Fund Transfer	20.6	20.6	-	20.6	20.6	-	20.6	20.6	-	20.6	20.6	-	20.6	20.6	-	20.6
Medicare Part D Subsidy	16.7	14.4	(2.3)	16.8	16.7	(0.1)	16.8	16.7	(0.1)	16.8	16.6	(0.2)	16.8	16.6	(0.2)	16.6
Other Revenues	-	2.7	2.7	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 2,901.3</b>	<b>\$ 2,846.1</b>	<b>\$ (55.2)</b>	<b>\$ 2,891.2</b>	<b>\$ 2,862.1</b>	<b>\$ (29.1)</b>	<b>\$ 2,896.5</b>	<b>\$ 2,889.1</b>	<b>\$ (7.4)</b>	<b>\$ 2,903.2</b>	<b>\$ 2,899.0</b>	<b>\$ (4.2)</b>	<b>\$ 2,902.4</b>	<b>\$ 2,905.2</b>	<b>\$ 2.8</b>	<b>\$ 2,913.1</b>
<b>TOTAL CASH AVAILABLE</b>	<b>\$ 3,622.1</b>	<b>\$ 3,566.9</b>	<b>\$ (55.2)</b>	<b>\$ 3,615.2</b>	<b>\$ 3,532.3</b>	<b>\$ (82.9)</b>	<b>\$ 3,411.6</b>	<b>\$ 3,297.2</b>	<b>\$ (114.4)</b>	<b>\$ 3,004.8</b>	<b>\$ 2,899.0</b>	<b>\$ (105.8)</b>	<b>\$ 2,902.4</b>	<b>\$ 2,905.2</b>	<b>\$ 2.8</b>	<b>\$ 2,913.1</b>
<b>EXPENSES:</b>																
<b>PPO Plan</b>	<b>\$ 1,257.5</b>	<b>\$ 1,252.9</b>	<b>\$ (4.6)</b>	<b>\$ 1,357.6</b>	<b>\$ 1,362.1</b>	<b>\$ 4.5</b>	<b>\$ 1,472.5</b>	<b>\$ 1,484.8</b>	<b>\$ 12.3</b>	<b>\$ 1,595.5</b>	<b>\$ 1,607.3</b>	<b>\$ 11.8</b>	<b>\$ 1,731.1</b>	<b>\$ 1,741.9</b>	<b>\$ 10.8</b>	<b>\$ 1,890.7</b>
Medical Claims	798.7	798.0	(0.7)	851.8	858.8	7.0	909.2	925.1	15.9	970.6	987.6	17.0	1,036.3	1,054.2	17.9	1,126.0
ASO Fee	17.9	17.7	(0.2)	17.9	17.8	(0.1)	17.9	17.9	-	17.8	17.8	-	17.8	17.8	-	17.8
Prescription Drug Claims	438.8	435.1	(3.7)	485.8	483.4	(2.4)	543.3	539.7	(3.6)	605.0	599.8	(5.2)	674.9	667.8	(7.1)	744.8
PBM Claims Administration	2.1	2.1	-	2.1	2.1	-	2.1	2.1	-	2.1	2.1	-	2.1	2.1	-	2.1
<b>HMO Plan</b>	<b>\$ 1,605.3</b>	<b>\$ 1,608.5</b>	<b>\$ 3.2</b>	<b>\$ 1,706.0</b>	<b>\$ 1,725.7</b>	<b>\$ 19.7</b>	<b>\$ 1,799.7</b>	<b>\$ 1,836.5</b>	<b>\$ 36.8</b>	<b>\$ 1,935.9</b>	<b>\$ 1,976.9</b>	<b>\$ 41.0</b>	<b>\$ 2,064.4</b>	<b>\$ 2,109.5</b>	<b>\$ 45.1</b>	<b>\$ 2,263.2</b>
Premium Payments	344.3	340.3	(4.0)	354.6	356.0	1.4	348.9	355.1	6.2	376.7	386.6	9.9	388.3	400.9	12.6	417.6
Medical Claims	863.4	872.8	9.4	913.8	933.4	19.6	968.2	999.6	31.4	1,026.1	1,059.3	33.2	1,087.5	1,122.8	35.3	1,195.9
ASO Fee	25.4	24.8	(0.6)	25.2	24.8	(0.4)	25.0	24.9	(0.1)	24.8	24.7	(0.1)	24.6	24.5	(0.1)	24.4
Prescription Drug Claims	370.2	368.6	(1.6)	410.4	409.5	(0.9)	455.6	454.9	(0.7)	506.3	504.3	(2.0)	562.1	559.4	(2.7)	623.4
PBM Claims Administration	2.0	2.0	-	2.0	2.0	-	2.0	2.0	-	2.0	2.0	-	1.9	1.9	-	1.9
<b>MA-PD Plan</b>	<b>\$ 4.4</b>	<b>\$ 4.5</b>	<b>\$ 0.1</b>	<b>\$ 5.3</b>	<b>\$ 5.4</b>	<b>\$ 0.1</b>	<b>\$ 6.3</b>	<b>\$ 6.3</b>	<b>\$ -</b>	<b>\$ 7.2</b>	<b>\$ 7.2</b>	<b>\$ -</b>	<b>\$ 8.2</b>	<b>\$ 8.1</b>	<b>\$ (0.1)</b>	<b>\$ 9.0</b>
<b>Shared Savings Program</b>	<b>\$ 13.0</b>	<b>\$ 12.8</b>	<b>\$ (0.2)</b>	<b>\$ 13.3</b>	<b>\$ 13.1</b>	<b>\$ (0.2)</b>	<b>\$ 13.6</b>	<b>\$ 13.5</b>	<b>\$ (0.1)</b>	<b>\$ 13.9</b>	<b>\$ 13.9</b>	<b>\$ -</b>	<b>\$ 14.2</b>	<b>\$ 14.4</b>	<b>\$ 0.2</b>	<b>\$ 14.8</b>
Medical Claims	4.2	4.0	(0.2)	4.5	4.2	(0.3)	4.8	4.5	(0.3)	5.1	4.8	(0.3)	5.4	5.2	(0.2)	5.5
Administrative Fees <sup>(4)</sup>	7.7	7.7	-	7.7	7.7	-	7.7	7.7	-	7.7	7.7	-	7.7	7.7	-	7.7
Shared Savings to Employees	1.1	1.1	-	1.1	1.2	0.1	1.1	1.3	0.2	1.1	1.4	0.3	1.1	1.5	0.4	1.6
HSA Deposits <sup>(5)</sup>	7.8	7.8	-	7.8	7.8	-	7.8	7.8	-	7.8	7.8	-	7.8	7.8	-	7.8
Operating Costs & Admin Assessment	4.5	4.5	-	4.5	4.5	-	4.5	4.5	-	4.5	4.5	-	4.5	4.5	-	4.5
Premium Refunds	4.7	4.7	-	4.7	4.7	-	4.7	4.7	-	4.7	4.7	-	4.7	4.7	-	4.7
Other Expenses <sup>(6)</sup>	0.9	1.0	0.1	0.9	0.9	-	0.9	0.9	-	0.9	0.9	-	0.9	0.9	-	0.9
<b>TOTAL EXPENSES</b>	<b>\$ 2,898.1</b>	<b>\$ 2,896.7</b>	<b>\$ (1.4)</b>	<b>\$ 3,100.1</b>	<b>\$ 3,124.2</b>	<b>\$ 24.1</b>	<b>\$ 3,310.0</b>	<b>\$ 3,359.0</b>	<b>\$ 49.0</b>	<b>\$ 3,570.4</b>	<b>\$ 3,623.2</b>	<b>\$ 52.8</b>	<b>\$ 3,835.8</b>	<b>\$ 3,891.8</b>	<b>\$ 56.0</b>	<b>\$ 4,195.6</b>
<b>EXCESS OF REV. OVER EXP.</b>	<b>\$ 3.2</b>	<b>\$ (50.6)</b>	<b>\$ (53.8)</b>	<b>\$ (208.9)</b>	<b>\$ (262.1)</b>	<b>\$ (53.2)</b>	<b>\$ (413.5)</b>	<b>\$ (469.9)</b>	<b>\$ (56.4)</b>	<b>\$ (667.2)</b>	<b>\$ (724.2)</b>	<b>\$ (57.0)</b>	<b>\$ (933.4)</b>	<b>\$ (986.6)</b>	<b>\$ (53.2)</b>	<b>\$ (1,282.5)</b>
<b>ENDING CASH BALANCE <sup>(6)</sup></b>	<b>\$ 724.0</b>	<b>\$ 670.2</b>	<b>\$ (53.8)</b>	<b>\$ 515.1</b>	<b>\$ 408.1</b>	<b>\$ (107.0)</b>	<b>\$ 101.6</b>	<b>\$ (61.8)</b>	<b>\$ (163.4)</b>	<b>\$ (565.6)</b>	<b>\$ (724.2)</b>	<b>\$ (158.6)</b>	<b>\$ (933.4)</b>	<b>\$ (986.6)</b>	<b>\$ (53.2)</b>	<b>\$ (1,282.5)</b>
<b>ADDITIONAL INFORMATION</b>																
Shared Savings Credits <sup>(7)</sup>	\$ 3.8	\$ 0.8	\$ (3.0)	\$ 3.8	\$ 0.9	\$ (2.9)	\$ 3.8	\$ 1.0	\$ (2.8)	\$ 3.8	\$ 1.0	\$ (2.8)	\$ 3.8	\$ 1.1	\$ (2.7)	\$ 1.2
Unreported PPO Plan Claims Liability <sup>(8)</sup>	\$ 71.9	\$ 71.8	\$ (0.1)	\$ 76.7	\$ 76.6	\$ (0.1)	\$ 81.8	\$ 81.8	\$ -	\$ 87.4	\$ 87.3	\$ (0.1)	\$ 93.3	\$ 93.2	\$ (0.1)	\$ 99.5
Unreported HMO Plan Claims Liability <sup>(9)</sup>	112.2	139.6	27.4	118.8	147.7	28.9	125.9	156.4	30.5	133.4	165.8	32.4	141.4	175.7	34.3	187.1
Unreported PBM Claims Liability <sup>(10)</sup>	8.1	8.1	-	9.0	8.9	(0.1)	10.0	9.9	(0.1)	11.2	11.0	(0.2)	12.3	12.3	-	13.6
<b>Total Unreported Claims Liability</b>	<b>\$ 196.0</b>	<b>\$ 220.3</b>	<b>\$ 24.3</b>	<b>\$ 208.3</b>	<b>\$ 234.1</b>	<b>\$ 25.8</b>	<b>\$ 221.5</b>	<b>\$ 249.1</b>	<b>\$ 27.6</b>	<b>\$ 235.8</b>	<b>\$ 265.1</b>	<b>\$ 29.3</b>	<b>\$ 250.8</b>	<b>\$ 282.3</b>	<b>\$ 31.5</b>	<b>\$ 301.4</b>

Highlights of Changes to Forecast

- A) Inclusion of actual enrollment and cash flows through November 2021.
- B) Revised Investment Earnings rates.
- C) Revised growth factors for Preferred Provider Organization (PPO) and Health Maintenance Organization (HMO) pharmacy claims.
- D) Inclusion of new fully-insured Insurance Premium rates effective December 2021 for January 2022 coverage.
- E) Revised growth factors for Fully-Insured HMO Premium rates.
- F) Inclusion of new Medicare Advantage Prescription Drug (MAPD) Plan rates, effective December 2021 for January 2022.
- G) Revised growth factors for PPO medical claims for FY 2021-22.
- H) Revised projections for the Shared Savings program.

STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

Exhibit III

Financial Outlook by Fiscal Year <sup>(1)</sup>

(In Millions)

	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>
	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
<b>BEGINNING CASH BALANCE</b>	\$ 720.8	\$ 670.2	\$ 408.1	\$ 0.0 <sup>(2)</sup>	\$ 0.0 <sup>(2)</sup>	\$ 0.0 <sup>(2)</sup>
<b>REVENUES:</b>						
Insurance Premiums:						
Employer	\$ 2,154.3	\$ 2,169.1	\$ 2,179.1	\$ 2,166.5	\$ 2,154.1	\$ 2,147.9
Employee	164.6	165.4	166.2	165.2	164.2	163.7
HSA Contributions <sup>(3)</sup>	7.8	7.8	7.8	7.8	7.8	7.8
COBRA	8.1	7.8	7.8	7.9	7.9	7.9
Early Retiree	47.4	47.9	47.8	47.8	47.8	47.9
Medicare	182.9	184.4	185.7	187.4	190.3	192.4
Prior Year Premium Collection	22.2	0.0	0.0	0.0	0.0	0.0
Investment Earnings	7.7	5.9	0.0	0.0	0.0	0.0
PPO - TPA Refunds	7.8	7.8	7.8	7.8	7.8	7.8
PPO - PBM Rebates	105.4	118.3	130.0	141.9	151.2	157.9
HMO - Self-Insured Refunds	7.8	7.8	7.8	7.8	7.8	7.8
HMO - PBM Rebates	92.4	102.6	111.8	121.7	129.1	134.8
Pretax Trust Fund Transfer	20.6	20.6	20.6	20.6	20.6	20.6
PPO - Medicare Part D Subsidy	13.2	15.4	15.4	15.3	15.3	15.3
HMO - Medicare Part D Subsidy	1.2	1.3	1.3	1.3	1.3	1.3
Other Revenues	2.7	0.0	0.0	0.0	0.0	0.0
<b>TOTAL REVENUES</b>	<b>\$ 2,846.1</b>	<b>\$ 2,862.1</b>	<b>\$ 2,889.1</b>	<b>\$ 2,899.0</b>	<b>\$ 2,905.2</b>	<b>\$ 2,913.1</b>
<b>TOTAL CASH AVAILABLE</b>	<b>\$ 3,566.9</b>	<b>\$ 3,532.3</b>	<b>\$ 3,297.2</b>	<b>\$ 2,899.0</b>	<b>\$ 2,905.2</b>	<b>\$ 2,913.1</b>
<b>EXPENSES:</b>						
State PPO Plan:						
Medical Claims	\$ 798.0	\$ 858.8	\$ 925.1	\$ 987.6	\$ 1,054.2	\$ 1,126.0
ASO Fee	17.7	17.8	17.9	17.8	17.8	17.8
Prescription Drug Claims	435.1	483.4	539.7	599.8	667.8	744.8
PBM Claims Administration	2.1	2.1	2.1	2.1	2.1	2.1
HMO Plan:						
Premium Payments	340.3	356.0	355.1	386.6	400.9	417.6
Medical Claims	872.8	933.4	999.6	1,059.3	1,122.8	1,195.9
ASO Fee	24.8	24.8	24.9	24.7	24.5	24.4
Prescription Drug Claims	368.6	409.5	454.9	504.3	559.4	623.4
PBM Claims Administration	2.0	2.0	2.0	2.0	1.9	1.9
Medicare Advantage Prescription Drug Plan	4.5	5.4	6.3	7.2	8.1	9.0
Shared Savings Program:						
Medical Claims	4.0	4.2	4.5	4.8	5.2	5.5
Administrative Fees <sup>(4)</sup>	7.7	7.7	7.7	7.7	7.7	7.7
Shared Savings to Employees	1.1	1.2	1.3	1.4	1.5	1.6
HSA Deposits <sup>(3)</sup>	7.8	7.8	7.8	7.8	7.8	7.8
Operating Costs & Admin Assessment	4.5	4.5	4.5	4.5	4.5	4.5
Premium Refunds	4.7	4.7	4.7	4.7	4.7	4.7
Other Expenses <sup>(5)</sup>	1.0	0.9	0.9	0.9	0.9	0.9
<b>TOTAL EXPENSES</b>	<b>\$ 2,896.7</b>	<b>\$ 3,124.2</b>	<b>\$ 3,359.0</b>	<b>\$ 3,623.2</b>	<b>\$ 3,891.8</b>	<b>\$ 4,195.6</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ (50.6)</b>	<b>\$ (262.1)</b>	<b>\$ (469.9)</b>	<b>\$ (724.2)</b>	<b>\$ (986.6)</b>	<b>\$ (1,282.5)</b>
<b>ENDING CASH BALANCE <sup>(6)</sup></b>	<b>\$ 670.2</b>	<b>\$ 408.1</b>	<b>\$ (61.8)</b>	<b>\$ (724.2)</b>	<b>\$ (986.6)</b>	<b>\$ (1,282.5)</b>
<b>ADDITIONAL INFORMATION</b>						
<b>Total Unreported Claims Liability</b>	\$ 220.3	\$ 234.1	\$ 249.1	\$ 265.1	\$ 282.3	\$ 301.4
<b>Average Enrollment by Plan</b>						
PPO Standard	76,790	77,339	77,917	77,801	77,690	77,630
PPO HDHP	3,674	3,718	3,757	3,753	3,749	3,747
HMO Standard	87,441	87,524	87,615	86,843	86,083	85,722
HMO HDHP	1,282	1,252	1,259	1,261	1,264	1,273
MAPD	1,610	1,995	2,339	2,683	3,027	3,371
<b>Total</b>	<b>170,797</b>	<b>171,828</b>	<b>172,887</b>	<b>172,341</b>	<b>171,813</b>	<b>171,743</b>
<b>Average Enrollment by Coverage Type</b>						
Active (Non-OPS) Standard	125,959	126,567	127,309	126,552	125,805	125,428
Active (Non-OPS) HDHP	4,282	4,293	4,332	4,330	4,329	4,334
OPS Standard	6,325	6,386	6,418	6,383	6,350	6,334
OPS HDHP	548	544	548	548	548	550
COBRA	590	569	571	573	576	580
Early Retiree	3,750	3,764	3,755	3,748	3,739	3,741
Medicare	27,733	27,710	27,615	27,524	27,439	27,405
MAPD	1,610	1,995	2,339	2,683	3,027	3,371
<b>Total</b>	<b>170,797</b>	<b>171,828</b>	<b>172,887</b>	<b>172,341</b>	<b>171,813</b>	<b>171,743</b>

**Exhibit IV**  
**Notes to the Financial Outlook**

- 1) Actual results may differ from projected values with increasing likelihood of variance in future periods.
- 2) Assumes no carry forward of a negative ending cash balance from prior year.
- 3) Includes HSA contributions which approximate a split between employer and employee of 43% and 57%, respectively.
- 4) Administrative expenses for Health Reimbursement Arrangement (HRA) account administration, transparency services entity, and comprehensive surgical and medical procedures entity.
- 5) Other Expenses include the estimated impact of Patient-Centered Outcomes Research Institute (PCORI) fees.
- 6) Includes funds held in accounts outside of the Trust Fund at the Department of Financial Services, Division of Treasury, for the purpose of paying medical claims.
- 7) Includes funds designated for employee HRA accounts as a result of shared savings and employer funds designated for, but not yet transferred to the Pre-Tax Trust Fund, for employee Flexible Spending Account (FSA) accounts as a result of shared savings. Projected amounts of bundled service medical claims and shared savings to employees is unknown and expenditures have not been included at this time.
- 8) Includes estimated HMO IBNR medical claims and outstanding drafts.
- 9) Includes estimated PPO and HMO IBNR Rx claims.
- 10) Includes estimated PPO Plan and Self-Insured HMO Plans Incurred but not Reported (IBNR) claims and outstanding drafts, HRA account balances, and shared savings designated for FSA accounts not yet transferred to the Pre-Tax Trust Fund.
- 11) DSGI received \$22,198,825.76 in premium revenue receipts for June 2021 but was received after the fiscal year cutoff and was processed in July.



**Exhibit V**  
**Comparison of Financial Outlooks**  
**Fiscal Year 2021-22**  
(In Millions)

**\$ 724.0 - Previous Ending Cash Balance Forecast<sup>(1)</sup>**

- (55.2) - Decrease in Revenue Forecast
  - (56.3) - Net Decrease in Insurance Premiums
    - (54.9) - Decrease in employer and enrollee Insurance Premiums due to lower actual enrollment from 174,109 to 170,797
    - (0.1) - Decrease in Medicare Insurance Premiums due to lower actual rates than projected effective December 2021 for January 2022 coverage
    - (1.3) - Decrease in Insurance Premiums due to shifts in enrollment categories negotiated fully-insured Medicare rates
  - 0.5 - Increase in Investment Earnings
    - 0.6 - Increase due to higher projected interest rates from 1.0% to 1.1%
    - (0.1) - Decrease due to lower projected cash balance
  - (1.2) - Decrease in PPO - TPA Refunds
    - (0.1) - Decrease due to lower projected enrollment from 81,992 to 80,464
    - (1.1) - Decrease due to lower than projected activity
  - 0.7 - Increase in PPO - PBM Rebates
    - (2.0) - Decrease due to lower projected enrollment from 81,992 to 80,464
    - 2.7 - Increase due to higher actual activity
  - 0.6 - Increase in HMO - Self-Insured Refunds
    - (0.2) - Decrease due to lower projected enrollment from 59,996 to 58,478
    - 0.8 - Increase due to higher projected activity
  - 0.1 - Increase in HMO - PBM Rebates
    - (2.1) - Decrease due to lower projected enrollment from 84,916 to 82,962
    - 2.2 - Increase due to higher actual activity
  - (2.2) - Decrease in PPO - Medicare Part D Subsidy
    - (0.2) - Decrease due to a lower projected enrollment from 20,484 to 20,155
    - (2.0) - Decrease due to lower projected per member subsidy
  - (0.1) - Decrease in HMO - Medicare Part D Subsidy due to lower projected per member subsidy
  - 2.7 - Increase in Other Revenues
    - 0.8 - Increase due to Performance Guarantee Penalties
    - 1.9 - Increase due to PBM Audits Adjustments
- (1.4) - Decrease in Expense Forecast
  - (4.6) - Decrease in State PPO Plan
    - (0.7) - Decrease in Medical Claims
      - (14.9) - Decrease due to lower projected enrollment from 81,992 to 80,464
      - 0.2 - Increase due to lower projected Shared Savings
      - 1.5 - Increase due to higher growth factor from 7.20% to 7.40%
      - 12.5 - Increase due to higher claims experience
    - (0.2) - Decrease in ASO Fee Expense due to lower projected enrollment from 81,992 to 80,464
    - (3.7) - Decrease in Prescription Drug Claims
      - (8.2) - Decrease due to lower projected enrollment from 81,992 to 80,464
      - 0.8 - Increase due to higher growth factor from 8.30% to 8.50%
      - 3.7 - Increase due to higher claims experience
  - 3.2 - Increase in HMO Plan
    - (4.0) - Decrease in Premium Payments
      - (3.8) - Decrease due to lower projected enrollment from 30,588 to 30,243
      - 1.0 - Increase due to new contract rates effective January 2022
      - (1.2) - Decrease due to shifts in enrollment categories
    - 9.4 - Increase in Medical Claims
      - (22.0) - Decrease due to lower projected enrollment from 59,996 to 58,478
      - 0.2 - Increase due to lower Shared Savings
      - 31.2 - Increase due to higher actual claims experience
    - (0.6) - Decrease in ASO Fees due to lower projected enrollment from 59,996 to 58,478
    - (1.6) - Decrease in Prescription Drug Claims
      - (8.5) - Decrease due to lower projected enrollment from 84,916 to 82,962
      - 2.0 - Increase due to higher growth factor from 8.60% to 9.20%
      - 4.9 - Increase due to higher claims experience
  - 0.1 - Increase in MAPD Premium Payments
    - 0.2 - Increase due to higher projected enrollment from 1,531 to 1,610
    - (0.1) - Decrease due to new contract rates effective January 2022
  - (0.2) - Decrease in Shared Savings Program due to lower actual Bundled Surgical Service claims
  - 0.1 - Increase in Other Expense Categories due to legal fees

**670.2 - Ending Cash Balance<sup>(1)</sup>**

<sup>(1)</sup> Self Insurance Estimating Conference held in August 2021.

Exhibit VI  
**Comparison of Financial Outlooks**  
**Fiscal Year 2022-23**  
(In Millions)

**\$ 515.1 - Previous Ending Cash Balance Forecast <sup>(1)</sup>**

- (53.8) - Decrease in Beginning Cash Balance Forecast
- (29.1) - Decrease in Revenue Forecast
  - (25.8) - Net Decrease in Insurance Premiums
    - (27.7) - Decrease in employer and enrollee Insurance Premiums due to lower projected enrollment from 173,463 to 171,828
      - (0.1) - Decrease in Medicare Insurance Premiums due to lower actual rates than projected effective December 2021 for January 2022 coverage
      - 2.0 - Increase in Insurance Premiums due to shifts in enrollment categories
  - (0.3) - Decrease in Investment Earnings
    - 0.5 - Increase due to higher projected interest rates from 1.0% to 1.1%
    - (0.8) - Decrease due to lower projected cash balance
  - (1.2) - Decrease in PPO - TPA Refunds
    - (0.1) - Decrease due to lower projected enrollment from 81,848 to 81,057
    - (1.1) - Decrease due to lower than projected activity
  - (1.4) - Decrease in PPO - PBM Rebates
    - (1.1) - Decrease due to lower projected enrollment from 81,848 to 81,057
    - (0.3) - Decrease due to lower projected activity
  - 0.6 - Increase in HMO - Self-Insured Refunds
    - (0.1) - Decrease due to lower projected enrollment from 59,439 to 58,528
    - 0.7 - Increase due to higher projected activity
  - (0.9) - Decrease in HMO - PBM Rebates
    - (1.3) - Decrease due to lower projected enrollment from 84,127 to 83,032
    - 0.4 - Increase due to higher actual activity
  - (0.1) - Decrease in HMO - Medicare Part D Subsidy due to lower projected per member subsidy
- 24.1 - Increase in Expense Forecast
  - 4.5 - Increase in State PPO Plan
    - 7.0 - Increase in Medical Claims
      - (8.3) - Decrease due to lower projected enrollment from 81,848 to 81,057
      - 0.2 - Increase due to lower projected Shared Savings
      - 15.1 - Increase due to higher claims experience
    - (0.1) - Decrease in ASO Fee Expense due to lower projected enrollment from 81,848 to 81,057
    - (2.4) - Decrease in Prescription Drug Claims
      - (4.7) - Decrease due to lower projected enrollment from 81,848 to 81,057
      - (2.6) - Decrease due to lower growth factor from 10.90% to 10.30%
      - 4.9 - Increase due to higher claims experience
  - 19.7 - Increase in HMO Plan
    - 1.4 - Increase in Premium Payments
      - (0.6) - Decrease due to lower projected enrollment from 30,300 to 30,249
      - 2.0 - Increase due to new contract rates effective January 2022
      - 1.0 - Increase due to change in growth factor for Fully Insured premiums from 4.0% to 4.6%
      - (1.0) - Decrease due to shifts in enrollment categories
    - 19.6 - Increase in Medical Claims
      - (14.1) - Decrease due to lower projected enrollment from 59,439 to 58,528
      - 0.3 - Increase due to lower projected Shared Savings
      - 33.4 - Increase due to higher projected claims experience
    - (0.4) - Decrease in ASO Fees due to lower projected enrollment from 59,439 to 58,528
    - (0.9) - Decrease in Prescription Drug Claims
      - (5.3) - Decrease due to lower projected enrollment from 84,127 to 83,032
      - (3.3) - Decrease due to lower growth factor from 11.90% to 11.00%
      - 7.7 - Increase due to higher claims experience
  - 0.1 - Increase in MAPD Premium Payments
    - 0.3 - Increase due to higher projected enrollment from 1,875 to 1,995
    - (0.3) - Decrease due to new contract rates effective January 2022
    - 0.1 - Increase due to shifts in enrollment categories
  - (0.2) - Decrease in Shared Savings Program
    - (0.3) - Decrease in Bundled Service claims based on lower projected utilization
    - 0.1 - Increase in Shared Savings rewards to Employees

**408.1 - Ending Cash Balance <sup>(1)</sup>**

<sup>(1)</sup> Self Insurance Estimating Conference held in August 2021.

**Exhibit VII**  
**Comparison of Financial Outlooks**  
**Fiscal Year 2023-24**  
(In Millions)

**\$ 101.6 - Previous Ending Cash Balance Forecast <sup>(i)</sup>**

- (107.0) - Decrease in Beginning Cash Balance Forecast
  - (7.4) - Decrease in Revenue Forecast
    - (2.4) - Net Decrease in Insurance Premiums
      - (0.2) - Decrease in Medicare Insurance Premiums due to lower actual rates than projected effective December 2021 for January 2022 coverage
      - (2.2) - Decrease in Insurance Premiums due to shifts in enrollment categories
    - (3.1) - Decrease in Investment Earnings due to lower projected cash balance
    - (1.2) - Decrease in PPO - TPA Refunds due to lower than projected activity
    - (0.9) - Decrease in PPO - PBM Rebates
      - (0.1) - Decrease due to lower projected enrollment from 81,727 to 81,674
      - (0.8) - Decrease due to lower projected activity
    - 0.6 - Increase in HMO - Self-Insured Refunds due to higher projected activity
    - (0.3) - Decrease in HMO - PBM Rebates due to lower projected enrollment from 83,380 to 83,187
    - (0.1) - Decrease in HMO - Medicare Part D Subsidy due to lower projected per member subsidy
- 49.0 - Increase in Expense Forecast
  - 12.3 - Increase in State PPO Plan
    - 15.9 - Increase in Medical Claims
      - (0.6) - Decrease due to lower projected enrollment from 81,727 to 81,674
      - 0.2 - Increase due to lower Shared Savings
      - 16.3 - Increase due to higher claims experience
    - (3.6) - Decrease in Prescription Drug Claims
      - (0.4) - Decrease due to lower projected enrollment from 81,727 to 81,674
      - (5.8) - Decrease due to lower growth factor from 12.00% to 10.80%
      - 2.6 - Increase due to higher claims experience
  - 36.8 - Increase in HMO Plan
    - 6.2 - Increase in Premium Payments
      - 2.5 - Increase due to higher projected enrollment from 30,027 to 30,240
      - 2.0 - Increase due to new contract rates effective January 2022
      - 2.2 - Increase due to change in growth factor for Fully Insured premiums from 4.0% to 4.6%
      - (0.5) - Decrease due to shifts in enrollment categories
    - 31.4 - Increase in Medical Claims
      - (4.6) - Decrease due to lower projected enrollment from 58,912 to 58,634
      - 0.3 - Increase due to lower Shared Savings
      - 35.7 - Increase due to higher projected claims experience
    - (0.1) - Decrease in ASO Fees due to lower projected enrollment from 58,912 to 58,634
    - (0.7) - Decrease in Prescription Drug Claims
      - (1.1) - Decrease due to lower projected enrollment from 83,380 to 83,187
      - (4.5) - Decrease due to lower growth factor from 12.00% to 10.90%
      - 4.9 - Increase due to higher claims experience
  - (0.1) - Decrease in Shared Savings Program
    - (0.3) - Decrease in Bundled Service claims based on lower projected utilization
    - 0.2 - Increase in Shared Savings rewards to Employees

**(61.8) - Ending Cash Balance <sup>(1)</sup>**

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<sup>(i)</sup> Self Insurance Estimating Conference held in August 2021.

**Exhibit VIII**  
**Comparison of Financial Outlooks**  
**Fiscal Year 2024-25**  
(In Millions)

**\$ (565.6) - Previous Ending Cash Balance Forecast <sup>(i)</sup>**

- (101.6) - Decrease in Beginning Cash Balance Forecast
  - (4.2) - Decrease in Revenue Forecast
    - (2.1) - Net Decrease in Insurance Premiums
      - (0.5) - Decrease in Medicare Insurance Premiums due to lower actual rates than projected effective December 2021 for January 2022 coverage
      - (1.6) - Decrease in Insurance Premiums due to shifts in enrollment categories
    - (1.2) - Decrease in PPO - TPA Refunds due to lower than projected activity
    - (0.8) - Decrease in PPO - PBM Rebates
      - (0.1) - Decrease due to lower projected enrollment from 81,614 to 81,554
      - (0.7) - Decrease due to lower projected activity
    - 0.6 - Increase in HMO - Self-Insured Refunds due to higher projected activity
    - (0.5) - Decrease in HMO - PBM Rebates
      - (0.3) - Decrease due to lower projected enrollment from 82,658 to 82,472
      - (0.2) - Decrease due to lower projected activity
    - (0.1) - Decrease in PPO - Medicare Part D Subsidy
      - (0.2) - Decrease due to lower projected Medicare enrollment from 20,392 to 20,088
      - 0.1 - Increase due to higher projected per member subsidy
    - (0.1) - Decrease in HMO - Medicare Part D Subsidy due to lower projected per member subsidy
- 52.8 - Increase in Expense Forecast
  - 11.8 - Increase in State PPO Plan
    - 17.0 - Increase in Medical Claims
      - (0.7) - Decrease due to lower projected enrollment from 81,614 to 81,554
      - 0.3 - Increase due to lower projected Shared Savings
      - 17.4 - Increase due to higher claims experience
    - (5.2) - Decrease in Prescription Drug Claims
      - (0.4) - Decrease due to lower projected enrollment from 81,614 to 81,554
      - (1.1) - Decrease due to lower growth factor from 11.50% to 11.30%
      - (3.7) - Decrease due to lower claims experience
  - 41.0 - Increase in HMO Plan
    - 9.9 - Increase in Premium Payments
      - 2.8 - Increase due to higher projected enrollment from 29,759 to 29,974
      - 2.2 - Increase due to new contract rates effective January 2022
      - 5.4 - Increase due to change in growth factor for Fully Insured premiums from 4.0% to 4.6%
      - (0.5) - Decrease due to shifts in enrollment categories
    - 33.2 - Increase in Medical Claims
      - (4.9) - Decrease due to lower projected enrollment from 58,407 to 58,131
      - 0.3 - Increase due to lower projected Shared Savings
      - 37.8 - Increase due to higher projected claims experience
    - (0.1) - Decrease in ASO Fees due to lower projected enrollment from 58,407 to 58,131
    - (2.0) - Decrease in Prescription Drug Claims
      - (1.1) - Decrease due to lower projected enrollment from 82,658 to 82,472
      - (1.4) - Decrease due to lower growth factor from 12.10% to 11.80%
      - 0.5 - Increase due to higher claims experience

**(724.2) - Ending Cash Balance <sup>(1)</sup>**

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<sup>(i)</sup> Self Insurance Estimating Conference held in August 2021.

**Exhibit IX**  
**Comparison of Financial Outlooks**  
**Fiscal Year 2025-26**  
(In Millions)

**\$ (933.4) - Previous Ending Cash Balance Forecast <sup>(i)</sup>**

- 2.8 - Increase in Revenue Forecast
  - (0.1) - Net Decrease in Insurance Premiums
    - (0.7) - Decrease in Medicare Insurance Premiums due to lower actual rates than projected effective December 2021 for January 2022 coverage
    - 0.6 - Increase in Insurance Premiums due to shifts in enrollment categories
  - (1.2) - Decrease in PPO - TPA Refunds due to lower than projected activity
  - (0.6) - Decrease in PPO - PBM Rebates
    - (0.1) - Decrease due to lower projected enrollment from 81,507 to 81,439
    - (0.5) - Decrease due to lower projected activity
  - 0.6 - Increase in HMO - Self-Insured Refunds due to higher projected activity
  - 4.3 - Increase in HMO - PBM Rebates
    - (0.3) - Decrease due to lower projected enrollment from 81,943 to 81,766
    - 4.6 - Increase due to higher actual activity
  - (0.1) - Decrease in PPO - Medicare Part D Subsidy
    - (0.2) - Decrease due to lower projected Medicare enrollment from 20,366 to 20,063
    - 0.1 - Increase due to higher projected per member subsidy
  - (0.1) - Decrease in HMO - Medicare Part D Subsidy due to lower projected per member subsidy
- 56.0 - Increase in Expense Forecast
  - 10.8 - Increase in State PPO Plan
    - 17.9 - Increase in Medical Claims
      - (0.9) - Decrease due to lower projected enrollment from 81,507 to 81,439
      - 0.3 - Increase due to lower projected Shared Savings
      - 18.5 - Increase due to higher claims experience
    - (7.1) - Decrease in Prescription Drug Claims
      - (0.6) - Decrease due to lower projected enrollment from 81,507 to 81,439
      - (1.2) - Decrease due to lower growth factor from 11.70% to 11.50%
      - (5.3) - Decrease due to lower claims experience
  - 45.1 - Increase in HMO Plan
    - 12.6 - Increase in Premium Payments
      - 3.0 - Increase due to higher projected enrollment from 29,492 to 29,712
      - 2.2 - Increase due to new contract rates effective January 2022
      - 7.8 - Increase due to change in growth factor for Fully Insured premiums from 4.0% to 4.6%
      - (0.4) - Decrease due to shifts in enrollment categories
    - 35.3 - Increase in Medical Claims
      - (5.2) - Decrease due to lower projected enrollment from 57,907 to 57,634
      - 0.4 - Increase due to lower projected Shared Savings
      - 40.1 - Increase due to higher projected claims experience
    - (0.1) - Decrease in ASO Fees due to lower projected enrollment from 57,907 to 57,634
    - (2.7) - Decrease in Prescription Drug Claims
      - (1.2) - Decrease due to lower projected enrollment from 81,943 to 81,766
      - (0.5) - Decrease due to lower growth factor from 12.00% to 11.90%
      - (1.0) - Decrease due to lower claims experience
  - (0.1) - Decrease in MAPD Premium Payments
    - 0.3 - Increase due to higher projected enrollment from 2,907 to 3,027
    - (0.5) - Decrease due to new contract rates effective January 2022
    - 0.1 - Increase due to shifts in enrollment categories
  - 0.2 - Increase in Shared Savings Program
    - (0.2) - Decrease in Bundled Service claims based on lower projected utilization
    - 0.4 - Increase in Shared Savings rewards to Employees

**(986.6) - Ending Cash Balance <sup>(1)</sup>**

<sup>(i)</sup> Self Insurance Estimating Conference held in August 2021.

**STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND**

**Premium Rate Table**  
**Effective December 2020 for January 2021 Coverage**

(Premium rate change for all participants)

Subscriber Category / Contribution Cycle		Coverage Type	PPO/HMO Standard			PPO/HMO HDHP		
			Employer	Enrollee	Total	Employer <sup>(4)</sup>	Enrollee	Total
Career Service / OPS	Monthly Full -Time Employees <sup>(1)</sup>	Single	763.46	50.00	813.46	763.46	15.00	778.46
		Family	1,651.08	180.00	1,831.08	1,651.08	64.30	1,715.38
		Spouse	1,801.08	30.00	1,831.08	1,685.40	30.00	1,715.40
	Bi-Weekly Full -Time Employees <sup>(1)</sup>	Single	381.73	25.00	406.73	381.73	7.50	389.23
		Family	825.54	90.00	915.54	825.54	32.15	857.69
		Spouse	900.54	15.00	915.54	842.70	15.00	857.70
SES / SMS	Monthly Full -Time Employees <sup>(1,2)</sup>	Single	805.12	8.34	813.46	770.12	8.34	778.46
		Family	1,801.08	30.00	1,831.08	1,685.38	30.00	1,715.38
	Bi-Weekly Full -Time Employees <sup>(1,2)</sup>	Single	402.56	4.17	406.73	385.06	4.17	389.23
		Family	900.54	15.00	915.54	842.69	15.00	857.69
COBRA (Non-Medicare)	Monthly <sup>(3)</sup>	Single	0.00	829.73	829.73	0.00	751.54	751.54
		Family	0.00	1,867.70	1,867.70	0.00	1,664.69	1,664.69
Early Retirees	Monthly	Single	0.00	813.46	813.46	0.00	736.80	736.80
		Family	0.00	1,831.08	1,831.08	0.00	1,632.05	1,632.05
Overage Dependents		Single	0.00	813.46	813.46	0.00	736.80	736.80

Medicare Monthly Premium Rates				
Plan Name	Plan Type	Medicare I One Eligible <sup>(5)</sup>	Medicare II One Under/Over <sup>(6)</sup>	Medicare III Both Eligible <sup>(7)</sup>
Self-Insured PPO/HMO	Standard	430.18	1,243.63	860.35
	HDHP	324.26	1,061.06	648.52
Capital Health Plan <sup>(8)</sup>	Standard	282.62	1,038.30	565.24
	HDHP	257.23	936.15	514.46
COBRA Self-Insured PPO/HMO <sup>(3)</sup>	Standard	438.78	1,268.50	877.56
	HDHP	330.75	1,082.28	661.49
COBRA Capital Health Plan <sup>(3,8)</sup>	Standard	288.27	1,059.07	576.54
	HDHP	262.37	954.87	524.75

**Notes:**

- (1) Premium contribution for Part-Time Employees (FTE < 0.75) is to be calculated as follows:  
 Step 1. State Contribution x FTE% = Calculated State Contribution  
 Step 2. Total Contribution - Calculated State Contribution = Employee Contribution
- (2) SES/SMS - Includes executive, legislative and judicial branch agencies for employees with enhanced benefits, excluding Spouse Program participants.
- (3) Includes an additional 2% for administrative costs as permitted by federal regulations.
- (4) The employer monthly HSA contribution of \$41.66/single (\$500 annually) and \$83.33/family (\$1,000 annually) is included in the listed employer rates.
- (5) Single coverage for participant eligible for Medicare Parts A and B. Does not include monthly Medicare Part B premium.
- (6) Family coverage for two or more participants, if at least one participant is eligible for Medicare Parts A and B. Does not include Medicare Part B premium.
- (7) Family coverage for two participants and both are eligible for Medicare Parts A and B. Does not include Medicare Part B premium.
- (8) Must be enrolled in Medicare and must complete the HMO's Retiree Advantage application process to be eligible for this coverage.

**Medicare Advantage and Prescription Drug (MA-PD) Plans  
Premium Rate Table  
Effective December 2020 for January 2021 Coverage**

MA-PD Plan Premium Rates			
Plan Name	Plan Type	Monthly Cost Per Member	Monthly Cost Per Member through COBRA
Capital Health Plan - MA-PD	MA-PD	165.00	168.30
Humana - MA-PD	MA-PD	33.86	34.54
UnitedHealthcare - MA-PD	MA-PD	209.97	214.17

**Important Information:**

You must be **enrolled** in Medicare Parts A&B to be eligible for an MA-PD plan. If you are enrolled in family coverage, all covered family members must be enrolled in Medicare Parts A&B to be eligible for one of these MA-PD plans. The premiums listed above are per member. If you have yourself and a dependent under your family plan, multiply the premium by 2, etc.

Premiums **do not** include your Medicare Part B premium.

COBRA premiums include an additional 2% for administrative costs as permitted by federal regulations.

The People First Service Center **must** have your Medicare information. If your Medicare enrollment cannot be verified, you will be moved to the PPO plan through Florida Blue. Call the People First Service Center to confirm your Medicare information is on file if you have not done so.

# State Employees' Group Health Self-Insurance Trust Fund

## Premium RATE TABLE



Premium rate change for all participants effective December 2021 for January 2022 coverage.

Subscriber Category/Contribution Cycle		Coverage Types	PPO/HMO Standard			PPO/HMO HDHP		
			Employer	Enrollee	Total	Employer (4)	Enrollee	Total
Career Service/OPS	Monthly Full-Time Employees (1)	Single	763.46	50.00	813.46	763.46	15.00	778.46
		Family	1,651.08	180.00	1,831.08	1,651.08	64.30	1,715.38
		Spouse	1,801.08	30.00	1,831.08	1,685.40	30.00	1,715.40
	Bi-Weekly Full-Time Employees (1)	Single	381.73	25.00	406.73	381.73	7.50	389.23
		Family	825.54	90.00	915.54	825.54	32.15	857.69
		Spouse	900.54	15.00	915.54	842.70	15.00	857.70
SES/SMS	Monthly Full-Time Employees (1,2)	Single	805.12	8.34	813.46	770.12	8.34	778.46
		Family	1,801.08	30.00	1,831.08	1,685.38	30.00	1,715.38
	Bi-Weekly Full-Time Employees (1,2)	Single	402.56	4.17	406.73	385.06	4.17	389.23
		Family	900.54	15.00	915.54	842.69	15.00	857.69
COBRA (Non-Medicare)	Monthly (3)	Single	0.00	829.73	829.73	0.00	751.54	751.54
		Family	0.00	1,867.70	1,867.70	0.00	1,664.69	1,664.69
Early Retirees	Monthly	Single	0.00	813.46	813.46	0.00	736.80	736.80
		Family	0.00	1,831.08	1,831.08	0.00	1,632.05	1,632.05
Over-age Dependents		Single	0.00	813.46	813.46	0.00	736.80	736.80

Medicare Monthly Premium Rates					
Plan Name	Plan Type	Medicare I One Eligible (5)	Medicare II One Under/Over (6)	Medicare III Both Eligible (7)	MA-PD Plan
Self-Insured PPO/HMO	Standard	430.18	1,243.63	860.35	
	HDHP	324.26	1,061.06	648.52	
Capital Health Plan (8)	Standard	282.62	1,075.70	565.24	
	HDHP	257.23	969.75	514.46	
	MA-PD (9)				165.00
Humana	MA-PD (9)				35.98
UnitedHealthcare	MA-PD (9)				195.00
COBRA Self-Insured PPO/HMO (3)	Standard	438.78	1,268.50	877.56	
	HDHP	330.75	1,082.28	661.49	
COBRA Capital Health Plan (3,8)	Standard	288.27	1,097.21	576.54	
	HDHP	262.37	989.15	524.75	

### Notes

- (1) Premium contribution for Part-Time Employees (FTE < 0.75) is to be calculated as follows:  
 Step 1. State Contribution x FTE% = Calculated State Contribution  
 Step 2. Total Contribution - Calculated State Contribution = Employee Contribution
- (2) SES/SMS – Includes executive, legislative and judicial branch agencies for employees with enhanced benefits, excluding Spouse Program participants.
- (3) Includes an additional 2% for administrative costs as permitted by federal regulations.
- (4) The employer monthly HSA contribution of \$41.66/single (\$500 annually) and \$83.33/family (\$1,000 annually) is included in the listed employer rates.
- (5) Single coverage for participant eligible for Medicare Parts A&B. Does not include monthly Medicare Part B premium.
- (6) Family coverage for two or more participants, if at least one participant is eligible for Medicare Parts A&B. Does not include Medicare Part B premium.
- (7) Family coverage for two participants and both are eligible for Medicare Parts A&B. Does not include Medicare Part B premium.
- (8) Must be enrolled in Medicare and must complete the HMO's Retiree Advantage application process to be eligible for this coverage.
- (9) You must be enrolled in Medicare Parts A&B to be eligible for an MA-PD plan. If you are enrolled in family coverage, all covered family members must be enrolled in Medicare Parts A&B to be eligible for an MA-PD plan. The premiums listed above are per member. Multiply the premium by the number of members covered under your plan to calculate total cost. Premiums do not include Medicare Part B. COBRA premiums include an additional 2% for administrative costs as permitted by federal regulations. The People First Service Center must have your Medicare information on file. If your Medicare enrollment cannot be verified, you will be moved to the PPO plan through Florida Blue. To confirm your Medicare information is on file, contact the People First Service Center.