

**Self-Insurance Estimating Conference
State Employees' Group Health Self-Insurance Trust Fund
Executive Summary**

December 13, 2017

The Outlook for the State Employees' Health Insurance Trust Fund has been revised to reflect actual enrollment through November 2017; actual revenues and expenses through October 2017; final open enrollment results for Plan Year 2018; projected enrollment due to the withdrawal of Florida Health Care Plans from the program, effective January 1, 2018; finalized fully-insured HMO Medicare premium rates; and revised claims trends for PPO and HMO pharmacy claims. The fund is expected to remain solvent through FY 2018-19, with increases in ending cash balances for all years of the forecast when compared to the August 2017 Outlook.

For FY 2017-18, the ending cash balance increased from \$488.0 million to \$565.7 million; and for FY 2018-19, the ending cash balance increased from \$200.7 million to \$362.3 million. The Outlook for subsequent years shows that expenses are expected to exceed revenues by amounts that generate negative ending balances of -\$106.2 million in FY 2019-20, -\$774.0 million in FY 2020-21, -\$1,160.7 million in FY 2021-22, and -\$1,583.2 million in FY 2022-23.

A complete Executive Summary outlining all of the changes since the August 2017 Conference can be found in the Report on the Financial Outlook Conference packet. The following are the **major** net changes in the forecast for the current and out-years (dollar values shown are the FY 2017-18 changes between the August 2017 and December 2017 Conferences):

- Revenues from Insurance Premiums (+\$15.2 million) – The net increase in the forecast is due mainly to an increase in PPO Medicare Insurance Premiums due to a correction in the formula and an increase due to finalized fully-insured Medicare premium rates effective December 2017 for January 2018 coverage, which outweigh the decrease in premiums due to lower projected enrollment and shifts in enrollment categories.
- Expenses for PPO Plan Medical Claims (-\$4.9 million) – The net decrease in the forecast is due to lower projected claims experience, which outweighs the increase due to higher projected enrollment.
- Expenses for PPO Plan Prescription Drug Claims (-\$20.2 million) – The net decrease in the forecast is due to lower projected claims experience and a decrease in the growth factor, which outweigh the increase due to higher projected enrollment.
- Expenses for HMO Plan Premium Payments (-\$10.5 million) – The net decrease in the forecast is due to lower projected enrollment, which outweighs the increase due to shifts in enrollment categories and between HMOs as a result of the new HMO contracts effective January 2018.
- Expenses for HMO Plan Medical Claims (-\$12.3 million) – The net decrease in the forecast is due to lower projected claims experience, which outweighs the increase due to higher projected enrollment.

- Expenses for HMO Plan Prescription Drug Claims (-\$12.9 million) – The decrease in the forecast is due to lower projected enrollment, a decrease in the growth factor, and lower projected claims experience.

Financial Outlook for FY 2017-18 and FY 2018-19
Changes to Conference Forecast – December 2017 Compared to August 2017
(In Millions)

	FY 2017-18			FY 2018-19		
	Aug-17	Dec-17	Difference	Aug-17	Dec-17	Difference
Beginning Cash Balance	\$582.6	\$582.6	\$0.0	\$488.0	\$565.7	\$77.7
Total Revenues	2,433.2	2,450.4	17.2	2,449.5	2,475.7	26.2
Total Expenses	2,527.8	2,467.3	(60.5)	2,736.8	2,679.1	(57.7)
Operating Gain/(Loss)	(94.6)	(16.9)	77.7	(287.3)	(203.4)	83.9
Ending Cash Balance	\$488.0	\$565.7	\$77.7	\$200.7	\$362.3	\$161.6

Special Notes

Reports on the Financial Outlook prepared from December 2010 through June 2012 included estimates of the impact of the Patient Protection and Affordable Care Act (PPACA) on the Trust Fund. Beginning with the August 2012 report, the impact of PPACA was addressed separately to mirror the treatment used by the Social Services Estimating Conference for Medicaid and KidCare, and were described in a separate report titled *Impact on the State Health Insurance Program of the Patient Protection and Affordable Care Act*. Beginning with the December 2013 forecast, the impacts of the provisions of PPACA have been incorporated into this single report rather than a separate report. For this reason, the reader is urged to note that direct comparisons of conference reports over the time frame referenced in this paragraph will need to be approached with this in mind.

State Employees' Group Health Self-Insurance Trust Fund

Report on Financial Outlook

For the Fiscal Years Ending June 30, 2018 through June 30, 2023

**Adopted December 13, 2017, by the
Self-Insurance Estimating Conference**

Prepared by: Florida Department of Management Services
Division of State Group Insurance

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, 2018, through June 30, 2023. 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 2017 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 through November 2017.
2. Final Open Enrollment results for Plan Year 2018.
3. Actual revenues and expenses through October 2017.
4. Projected enrollment due to the withdrawal of Florida Health Care Plans from the program, effective January 1, 2018.
5. Finalized fully-insured HMO Medicare premium rates.
6. Revised claims trends for PPO pharmacy claims and HMO pharmacy claims.

In the Prior Outlook, the Division reported that it had completed a procurement for HMO Plan services and awarded contracts to five vendors, three on a self-insured financial model and two on a fully-insured financial model. Subsequent to the preparation of the Prior Outlook, one of the fully-insured plans opted to withdraw from offering coverage in the program. The counties initially awarded to this vendor were awarded to a vendor operating a self-insured financial model. The differences in projected savings are incorporated into this Outlook.

This Outlook reflects increases in revenues and reductions in expenses for FY 2017-18 through FY 2022-23 compared to the Prior Outlook. Increases in ending cash balances are reflected for FY 2017-18 and FY 2018-19. The deficits previously projected for FY 2019-20 through FY 2022-23 in the Prior Outlook have decreased. The Outlook reflects that the Trust Fund is projected to remain solvent through FY 2018-19.

The ending cash balance for FY 2017-18 is adjusted from \$488.0 million to \$565.7 million, an increase of \$77.7 million. For FY 2018-19, the forecasted ending cash balance is adjusted from \$200.7 million to \$362.3 million and the estimated operating loss is decreased from \$287.3 million to \$203.4 million. Ending cash balance deficits and operating losses are projected for FY 2019-20 through FY 2022-23.

Below is a summary of the Outlook for the Trust Fund through FY 2022-23:

	<u>FY 2017-18</u>	<u>FY 2018-19</u>	<u>FY 2019-20</u>	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>
	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
BEGINNING CASH BALANCE	\$ 582.6	\$ 565.7	\$ 362.3	\$ 0.0	\$ 0.0	\$ 0.0
TOTAL REVENUES	\$ 2,450.4	\$ 2,475.7	\$ 2,501.4	\$ 2,534.4	\$ 2,568.4	\$ 2,602.3
TOTAL EXPENSES	\$ 2,467.3	\$ 2,679.1	\$ 2,969.9	\$ 3,308.4	\$ 3,729.1	\$ 4,185.5
OPERATING GAIN/(LOSS)	\$ (16.9)	\$ (203.4)	\$ (468.5)	\$ (774.0)	\$ (1,160.7)	\$ (1,583.2)
ENDING CASH BALANCE	\$ <u>565.7</u>	\$ <u>362.3</u>	\$ <u>(106.2)</u>	\$ <u>(774.0)</u>	\$ <u>(1,160.7)</u>	\$ <u>(1,583.2)</u>

Note: Assumes no carry forward of negative cash balance.

Enrollment

Open Enrollment activity provides the starting point for these projections. During the 2018 Open Enrollment, approximately 155,109 Active (Non-OPS) employees were **offered** coverage, compared to 154,032 **offered** coverage during the 2017 Open Enrollment. An additional 13,023 employees paid from Other Personal Services (OPS) funds were offered coverage, compared to 12,715 offered covered coverage during the 2017 Open Enrollment.

Final 2018 Open Enrollment numbers reflect that 136,021 (87.2%) of the eligible Active (Non-OPS) employees **elected** coverage, of which 54,747 (40.2%) enrolled in Individual coverage, 75,719 (55.7%) enrolled in Family coverage, and 5,555 (4.1%) enrolled in Spouse coverage. Active (Non-OPS) enrollment in PPO plans was 41.0% and 59.0% enrolled in HMO plans. A total of 5,540 (37.0%) of the eligible OPS employees elected coverage, of which 3,670 (66.2%) enrolled in Individual coverage; 1,817 (32.8%) enrolled in Family coverage, and 53 (1.0%) enrolled in Spouse coverage. OPS enrollment in PPO plans was 50.0% and 50.0% enrolled in HMO plans.

STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

Results from the past five open enrollments show that active subscriber membership in the PPO plans annually increased an average of 265 subscribers and HMO membership annually increased an average of 3,143 subscribers. The annual net change was an average increase of 3,408 (2.5%) new active subscribers. Subscriber migration patterns indicate continuing change in the enrollment distribution between the PPO plans and the HMO plans.

Open Enrollment results for the 2018 plan year, combined with updated enrollment activity through November 2017, reflect a projected increase in Active enrollment of 1.6% annually, compared to 1.5% in the Prior Outlook. Early retiree enrollment is projected to decrease 2.3% annually, compared to a 1.1% decrease in the Prior Outlook. Medicare enrollment reflects an annual average increase of 0.2% compared to 0.3% reported in the Prior Outlook. PPO plans reflect an average annual decrease of 0.2% year over year as compared to a decrease of 0.6% in the Prior Outlook and HMO plans reflect an average annual increase of 2.0% compared to 2.7% reported in the Prior Outlook.

The changes in enrollment between June and November 2017 reflect a net decrease of 566 contracts or 0.3% of total subscribers. Membership in PPO plans increased by 148 subscribers or 0.2%, and HMO plan membership decreased by 714 subscribers or 0.8%. Active subscriber enrollment decreased by 513 subscribers or 0.4% and the net change in non-active membership was a decrease of 53 subscribers or 0.2%.

As of November 2017, approximately 3,827 subscribers (3,727 active employees) were enrolled in a High Deductible Health Plan (2.2% of total enrollment). Approximately 2,897, or 77.7%, of those active employees were participating in the integrated state-sponsored Health Savings Account offering. In January 2018, approximately 3,928 subscribers (3,823 active employees) will be enrolled in a High Deductible Health Plan (2.2% of total enrollment). Approximately 3,682, or 93.6%, of those active employees will be participating in the integrated state-sponsored Health Savings Account offering.

As of November 2017, 28,543 or 16.6% of eligible employees opted out of enrollment in the Program and 41.3% of those were employees in OPS positions. The Prior Outlook reflected that 15.1% opted out of coverage and 38.8% were in OPS positions.

REVENUE

Insurance premiums reflect an increase of \$149.6 million across all years from the Prior Outlook; \$16.2 million is due to updated actual enrollment and changes attributable to Final Open Enrollment for 2018; \$101.3 million is due to finalized fully-insured Medicare premiums for 2018; \$63.5 million is due to a correction in the formula calculating PPO Medicare insurance premiums; and a decrease of \$34.7 million is due to shifts in enrollment categories (e.g. Family coverage to Single coverage, Active coverage to Medicare coverage). Additionally, contributions to HSA accounts increased \$3.3 million across all years. Investment earnings increased \$0.6 million for FY 2017-18 and \$1.7 million in FY 2018-19 due to higher projected cash balances. TPA Refunds for HMO Self-Insured plans increased \$3.6 million across all years due to higher projected overpaid claims activity. PBM Rebates increased a combined total of \$3.4 million (\$1.8 million PPO, \$1.6 million HMO) due to increased projected rebates. Medicare drug subsidy payments increased by \$0.2 million in FY 2017-18 but then decreased by a combined \$0.5 million for the out years, FY 2018-19 through FY 2022-23. Other Revenues reflect \$0.1 million in FY 2017-18 in actual revenues to date primarily from audits, performance guarantees, and pharmacy claims adjustments related to the pharmacy benefits manager. Overall, Total Revenue changes in this outlook reflect a combined increase of \$158.7 million across all years of the outlook.

SPEND

Self-insured PPO expenses for FY 2017-18 through FY 2022-23 reflect a combined projected decrease of \$154.6 million. PPO medical claims are \$5.7 million higher due to slightly higher projected enrollment. PPO Pharmacy expenses are \$162.4 million lower, due to lower actual and projected claims expenses for FY 2017-18 and lower trend rates for FY 2018-19. PPO ASO fees and PBM Administration fees reflect a combined increase of \$2.1 million due to increased enrollment projections.

The forecast of HMO expenses for FY 2017-18 through FY 2022-23 reflect a combined decrease of \$269.0 million. Fully-insured premium payments reflect a combined decrease across all years totaling \$95.6 million due primarily to the withdrawal of one of the fully-insured providers from the program, effective January 1, 2018. HMO medical claims decreased \$39.6 million due to lower actual and projected claims expenses for FY 2017-18 and projected savings from the procurement for HMO Plan services effective January 1, 2018. HMO pharmacy expenses reflect a combined decrease across all years of \$134.2 million due to lower actual and projected claims expenses for FY 2017-18, lower trend rates for FY 2018-19, and updated enrollment projections. HMO ASO fees and PBM administration fees reflect a combine increase of \$0.4 million due to slightly higher projected enrollment and shifts between carriers.

Combined, PPO and HMO medical claims across all years of the forecast, compared to the Prior Outlook, reflect a \$33.9 million decrease. The net combined decrease in pharmacy claims costs across all years is \$296.6 million compared to the Prior Outlook.

STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

HSA Deposits reflect an increase of \$3.3 million across all years of the forecast due to higher enrollment in the High Deductible Plans.

Overall, expenses across all years of the forecast reflect a combined decrease of \$421.8 million compared to the Prior Outlook.

Growth factors used to develop this Outlook are reflected below:

PPO MEDICAL								
Industry Range for CYs 2017-18: 4.1% - 7.8%		FY 17-18		FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
	Applied	Actual YTD + Projected	Applied	Applied	Applied	Applied	Applied	Applied
August 2017 Conference	6.0%	n/a	6.8%	7.8%	8.2%	8.3%	8.3%	8.3%
December 2017 Conference	6.0%	4.4%	6.8%	7.8%	8.2%	8.3%	8.3%	8.3%

HMO MEDICAL								
Industry Range for CYs 2017-18: 4.1% - 6.9%		FY 17-18		FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
	Applied	Actual YTD + Projected	Applied	Applied	Applied	Applied	Applied	Applied
August 2017 Conference	6.0%	n/a	6.8%	7.8%	8.2%	8.3%	8.3%	8.3%
December 2017 Conference	5.6%	2.5%	6.8%	7.8%	8.2%	8.3%	8.3%	8.3%

PPO PHARMACY								
Industry Range for CYs 2017-18: 6.4% - 13.9%		FY 17-18		FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
	Applied	Actual YTD + Projected	Applied	Applied	Applied	Applied	Applied	Applied
August 2017 Conference	11.9%	n/a	13.3%	15.8%	15.8%	15.8%	15.8%	15.8%
December 2017 Conference	10.0%	5.0%	12.7%	15.8%	15.8%	15.8%	15.8%	15.8%

HMO PHARMACY								
Industry Range for CYs 2017-18: 6.4% - 13.9%		FY 17-18		FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
	Applied	Actual YTD + Projected	Applied	Applied	Applied	Applied	Applied	Applied
August 2017 Conference	12.3%	n/a	12.5%	15.9%	15.9%	15.9%	15.9%	15.9%
December 2017 Conference	11.2%	8.5%	12.1%	16.0%	16.0%	16.0%	16.0%	16.0%

FULLY INSURED HMO PREMIUM PAYMENTS								
Industry Range for CYs 2017-18: 3.5% - 8.0%		CY 2017	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023
August 2017 Conference	2.4%*	3.8%*	4.3%	4.9%	5.2%	5.3%	5.3%	5.3%
December 2017 Conference	2.4%*	3.8%*	4.3%	4.9%	5.2%	5.3%	5.3%	5.3%

*Actual trend rates

STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

Exhibit I

Financial Outlook by Fiscal Year ⁽¹⁾

**Changes to Conference Forecast - December 2017 Compared to August 2017
(In Millions)**

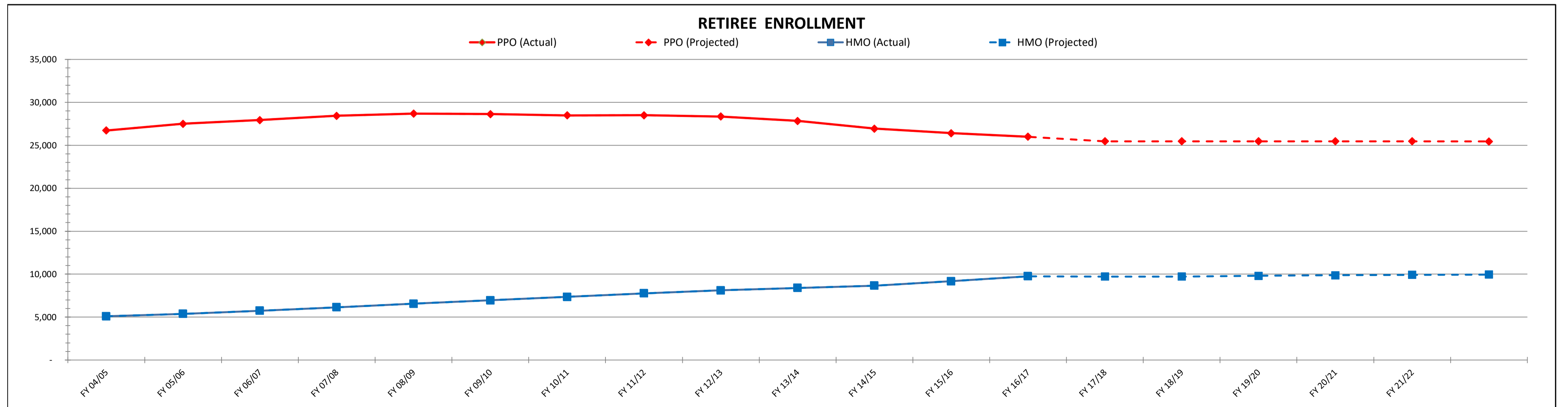
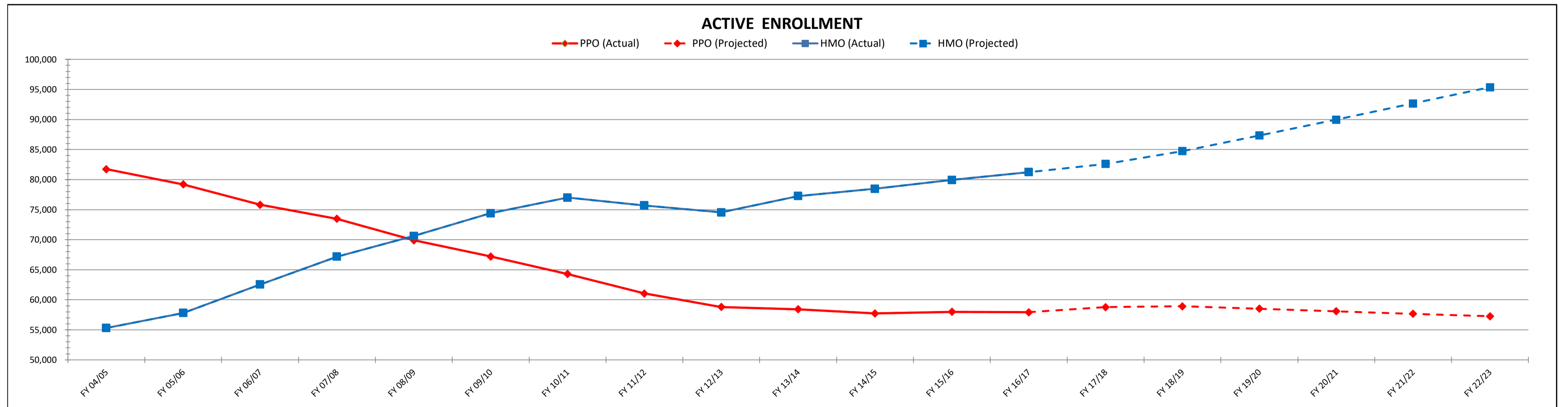
	FY 2017-18			FY 2018-19			FY 2019-20			FY 2020-21			FY 2021-22			FY 2022-23		
	Aug '17	Dec '17	Diff.	Aug '17	Dec '17	Diff.	Aug '17	Dec '17	Diff.	Aug '17	Dec '17	Diff.	Aug '17	Dec '17	Diff.	Aug '17	Dec '17	Diff.
BEGINNING CASH BALANCE	\$ 582.6	\$ 582.6	\$ -	\$ 488.0	\$ 565.7	\$ 77.7	\$ 200.7	\$ 362.3	\$ 161.6	\$ 0.0 ⁽²⁾	\$ 0.0 ⁽²⁾	\$ -	\$ 0.0 ⁽²⁾	\$ 0.0 ⁽²⁾	\$ -	\$ 0.0 ⁽²⁾	\$ 0.0 ⁽²⁾	\$ -
REVENUES:																		
Insurance Premiums ⁽³⁾	\$ 2,266.5	\$ 2,281.7	\$ 15.2	\$ 2,280.1	\$ 2,303.9	\$ 23.8	\$ 2,305.5	\$ 2,330.8	\$ 25.3	\$ 2,331.1	\$ 2,358.1	\$ 27.0	\$ 2,357.5	\$ 2,386.1	\$ 28.6	\$ 2,384.0	\$ 2,413.7	\$ 29.7
Investment Earnings	7.2	7.8	0.6	4.6	6.3	1.7	-	-	-	-	-	-	-	-	-	-	-	-
TPA & Self-Insured HMO Refunds	17.4	18.0	0.6	17.4	18.0	0.6	17.4	18.0	0.6	17.4	18.0	0.6	17.4	18.0	0.6	17.4	18.0	0.6
PBM Rebates	106.0	106.5	0.5	111.0	111.4	0.4	116.2	116.7	0.5	121.8	122.4	0.6	127.6	128.3	0.7	133.9	134.6	0.7
Pretax Trust Fund Transfer	18.6	18.6	-	18.6	18.6	-	18.6	18.6	-	18.6	18.6	-	18.6	18.6	-	18.6	18.6	-
Medicare Part D Subsidy	17.5	17.7	0.2	17.8	17.5	(0.3)	17.4	17.3	(0.1)	17.4	17.3	(0.1)	17.4	17.4	-	17.4	17.4	-
Other Revenues	-	0.1	0.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	\$ 2,433.2	\$ 2,450.4	\$ 17.2	\$ 2,449.5	\$ 2,475.7	\$ 26.2	\$ 2,475.1	\$ 2,501.4	\$ 26.3	\$ 2,506.3	\$ 2,534.4	\$ 28.1	\$ 2,538.5	\$ 2,568.4	\$ 29.9	\$ 2,571.3	\$ 2,602.3	\$ 31.0
TOTAL CASH AVAILABLE	\$ 3,015.8	\$ 3,033.0	\$ 17.2	\$ 2,937.5	\$ 3,041.4	\$ 103.9	\$ 2,675.8	\$ 2,863.7	\$ 187.9	\$ 2,506.3	\$ 2,534.4	\$ 28.1	\$ 2,538.5	\$ 2,568.4	\$ 29.9	\$ 2,571.3	\$ 2,602.3	\$ 31.0
EXPENSES:																		
PPO Plan	\$ 1,095.7	\$ 1,070.8	\$ (24.9)	\$ 1,182.6	\$ 1,161.4	\$ (21.2)	\$ 1,298.8	\$ 1,275.4	\$ (23.4)	\$ 1,432.5	\$ 1,407.0	\$ (25.5)	\$ 1,583.1	\$ 1,554.8	\$ (28.3)	\$ 1,751.9	\$ 1,720.6	\$ (31.3)
Medical Claims	691.2	686.3	(4.9)	731.2	731.6	0.4	783.7	784.8	1.1	842.8	844.8	2.0	907.3	910.3	3.0	976.9	981.0	4.1
ASO Fee	17.6	17.7	0.1	17.5	17.7	0.2	17.4	17.6	0.2	17.2	17.6	0.4	17.1	17.5	0.4	17.0	17.4	0.4
Prescription Drug Claims	384.8	364.6	(20.2)	431.8	409.9	(21.9)	495.6	470.8	(24.8)	570.4	542.4	(28.0)	656.6	624.9	(31.7)	755.9	720.1	(35.8)
PBM Claims Administration	2.1	2.2	0.1	2.1	2.2	0.1	2.1	2.2	0.1	2.1	2.2	0.1	2.1	2.1	-	2.1	2.1	-
HMO Plan	\$ 1,412.5	\$ 1,376.9	\$ (35.6)	\$ 1,537.5	\$ 1,500.7	\$ (36.8)	\$ 1,717.5	\$ 1,677.3	\$ (40.2)	\$ 1,930.0	\$ 1,885.0	\$ (45.0)	\$ 2,172.8	\$ 2,121.9	\$ (50.9)	\$ 2,435.1	\$ 2,374.6	\$ (60.5)
Premium Payments	320.2	309.7	(10.5)	338.7	319.7	(19.0)	360.1	342.3	(17.8)	384.5	368.0	(16.5)	411.3	396.1	(15.2)	426.1	409.5	(16.6)
Medical Claims	755.5	743.2	(12.3)	815.8	815.5	(0.3)	906.8	904.7	(2.1)	1,012.9	1,008.0	(4.9)	1,131.5	1,123.4	(8.1)	1,263.2	1,251.3	(11.9)
ASO Fee	26.5	26.6	0.1	25.2	25.5	0.3	26.1	26.3	0.2	26.9	27.0	0.1	27.8	27.8	-	29.2	29.1	(0.1)
Prescription Drug Claims	308.3	295.4	(12.9)	355.7	338.0	(17.7)	422.4	401.9	(20.5)	503.5	479.8	(23.7)	599.9	572.4	(27.5)	714.3	682.4	(31.9)
PBM Claims Administration	2.0	2.0	-	2.1	2.0	(0.1)	2.1	2.1	-	2.2	2.2	-	2.3	2.2	(0.1)	2.3	2.3	-
HSA Deposits ⁽³⁾	4.7	4.7	-	4.8	5.4	0.6	4.8	5.5	0.7	4.9	5.5	0.6	4.9	5.6	0.7	4.9	5.6	0.7
Operating Costs & Admin Assessment	5.8	5.5	(0.3)	4.3	4.0	(0.3)	4.3	4.0	(0.3)	4.3	4.0	(0.3)	4.3	4.0	(0.3)	4.3	4.0	(0.3)
Premium Refunds	6.9	6.9	-	6.9	6.9	-	6.9	6.9	-	6.9	6.9	-	6.9	6.9	-	6.9	6.9	-
Other Expenses ⁽⁴⁾	2.3	2.6	0.3	0.8	0.8	-	0.8	0.8	-	-	-	-	35.9	35.9	-	73.8	73.8	-
TOTAL EXPENSES	\$ 2,527.8	\$ 2,467.3	\$ (60.5)	\$ 2,736.8	\$ 2,679.1	\$ (57.7)	\$ 3,033.1	\$ 2,969.9	\$ (63.2)	\$ 3,378.6	\$ 3,308.4	\$ (70.2)	\$ 3,807.9	\$ 3,729.1	\$ (78.8)	\$ 4,276.9	\$ 4,185.5	\$ (91.4)
EXCESS OF REV. OVER EXP.	\$ (94.6)	\$ (16.9)	\$ 77.7	\$ (287.3)	\$ (203.4)	\$ 83.9	\$ (558.0)	\$ (468.5)	\$ 89.5	\$ (872.3)	\$ (774.0)	\$ 98.3	\$ (1,269.4)	\$ (1,160.7)	\$ 108.7	\$ (1,705.6)	\$ (1,583.2)	\$ 122.4
ENDING CASH BALANCE ⁽⁵⁾	\$ 488.0	\$ 565.7	\$ 77.7	\$ 200.7	\$ 362.3	\$ 161.6	\$ (357.3)	\$ (106.2)	\$ 251.1	\$ (872.3)	\$ (774.0)	\$ 98.3	\$ (1,269.4)	\$ (1,160.7)	\$ 108.7	\$ (1,705.6)	\$ (1,583.2)	\$ 122.4
ADDITIONAL INFORMATION																		
Unreported PPO Plan Claims Liability ⁽⁶⁾	\$ 65.4	\$ 49.3	\$ (16.1)	\$ 69.0	\$ 52.4	\$ (16.6)	\$ 73.7	\$ 56.2	\$ (17.5)	\$ 79.0	\$ 60.4	\$ (18.6)	\$ 84.9	\$ 64.9	\$ (20.0)	\$ 91.1	\$ 69.9	\$ (21.2)
Unreported HMO Plan Claims Liability ⁽⁷⁾	83.2	96.7	13.5	98.0	98.0	-	108.9	108.7	(0.2)	121.6	121.1	(0.5)	135.9	134.9	(1.0)	151.7	150.3	(1.4)
Unreported PBM Claims Liability ⁽⁸⁾	6.9	6.6	(0.3)	7.9	7.5	(0.4)	9.2	8.7	(0.5)	10.7	10.2	(0.5)	12.6	12.0	(0.6)	14.7	14.0	(0.7)
Total Unreported Claims Liability	\$ 155.5	\$ 152.6	\$ (2.9)	\$ 174.9	\$ 157.9	\$ (17.0)	\$ 191.8	\$ 173.6	\$ (18.2)	\$ 211.3	\$ 191.7	\$ (19.6)	\$ 233.4	\$ 211.8	\$ (21.6)	\$ 257.5	\$ 234.2	\$ (23.3)

Highlights of Changes to Forecast

- A) Inclusion of actual enrollment through November 2017
- B) Inclusion of Final Open Enrollment results for Plan Year 2018
- C) Inclusion of actual revenues and expenses through October 2017
- D) Revised the growth factors from PPO Pharmacy claims, HMO Pharmacy claims
- E) Inclusion of finalized fully-insured HMO premium rates - effective January 1, 2018
- F) Revised projected enrollment to account for withdrawal of Florida Health Care Plan from the program - effective January 1, 2018

STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND
Exhibit II
Enrollment Outlook by Fiscal Year
Changes to Conference Forecast - December 2017 Compared to August 2017

	FY 2017-18			FY 2018-19			FY 2019-20			FY 2020-21			FY 2021-22			FY 2022-23		
	Aug '17	Dec '17	Diff.	Aug '17	Dec '17	Diff.	Aug '17	Dec '17	Diff.	Aug '17	Dec '17	Diff.	Aug '17	Dec '17	Diff.	Aug '17	Dec '17	Diff.
Average Enrollment by Plan																		
PPO Standard	80,941	81,499	558	80,361	81,533	1,172	79,802	81,043	1,241	79,228	80,540	1,312	78,665	80,047	1,382	78,112	79,564	1,452
PPO HIHP	2,609	2,731	122	2,708	2,858	150	2,792	2,942	150	2,867	3,017	150	2,925	3,072	147	3,002	3,143	141
HMO Standard	92,174	91,212	(962)	94,768	93,290	(1,478)	97,433	95,957	(1,476)	100,138	98,663	(1,475)	102,859	101,383	(1,476)	105,591	104,115	(1,476)
HMO HIHP	1,052	1,112	60	1,072	1,159	87	1,084	1,172	88	1,096	1,183	87	1,105	1,188	83	1,116	1,196	80
Total	176,776	176,554	(222)	178,909	178,840	(69)	181,111	181,114	3	183,329	183,403	74	185,554	185,690	136	187,821	188,018	197
Average Enrollment by Coverage Type																		
Active (Non-OPS) Standard	132,449	132,098	(351)	134,113	133,834	(279)	135,932	135,654	(278)	137,802	137,524	(278)	139,731	139,453	(278)	141,691	141,412	(279)
Active (Non-OPS) HIHP	3,204	3,378	174	3,282	3,511	229	3,331	3,562	231	3,370	3,601	231	3,405	3,631	226	3,445	3,664	219
OPS Standard	4,756	5,002	246	4,908	5,381	473	5,125	5,669	544	5,335	5,951	616	5,542	6,227	685	5,749	6,503	754
OPS HIHP	344	361	17	371	392	21	403	423	20	435	455	20	467	486	19	499	517	18
COBRA	495	534	39	495	540	45	495	540	45	495	540	45	495	540	45	495	540	45
Early Retiree	5,561	5,261	(300)	5,588	5,196	(392)	5,564	5,171	(393)	5,533	5,139	(394)	5,487	5,092	(395)	5,444	5,049	(395)
Medicare	29,967	29,920	(47)	30,152	29,986	(166)	30,261	30,095	(166)	30,359	30,193	(166)	30,427	30,261	(166)	30,498	30,333	(165)
Total	176,776	176,554	(222)	178,909	178,840	(69)	181,111	181,114	3	183,329	183,403	74	185,554	185,690	136	187,821	188,018	197



STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

Exhibit III

Financial Outlook by Fiscal Year ⁽¹⁾

(In Millions)

	<u>FY 2017-18</u>	<u>FY 2018-19</u>	<u>FY 2019-20</u>	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>
	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
BEGINNING CASH BALANCE	\$ 582.6	\$ 565.7	\$ 362.3	\$ 0.0 ⁽²⁾	\$ 0.0 ⁽²⁾	\$ 0.0
REVENUES:						
Insurance Premiums:						
Employer	\$ 1,866.6	\$ 1,885.4	\$ 1,908.3	\$ 1,931.6	\$ 1,955.4	\$ 1,979.7
Employee	171.2	173.0	175.3	177.6	180.0	182.4
HSA Contributions ⁽³⁾	4.7	5.4	5.5	5.5	5.6	5.6
COBRA	6.6	6.6	6.6	6.6	6.6	6.6
Early Retiree	54.2	53.9	53.7	53.4	53.1	52.8
Medicare	178.4	179.6	181.4	183.4	185.4	186.6
Investment Earnings	7.8	6.3	0.0	0.0	0.0	0.0
PPO - TPA Refunds	8.4	8.4	8.4	8.4	8.4	8.4
PPO - PBM Rebates	56.4	58.1	59.9	61.8	63.7	65.7
HMO - Self-Insured Refunds	9.6	9.6	9.6	9.6	9.6	9.6
HMO - PBM Rebates	50.1	53.3	56.8	60.6	64.6	68.9
Pretax Trust Fund Transfer	18.6	18.6	18.6	18.6	18.6	18.6
PPO - Medicare Part D Subsidy	16.5	16.4	16.2	16.2	16.3	16.3
HMO - Medicare Part D Subsidy	1.2	1.1	1.1	1.1	1.1	1.1
Other Revenues	0.1	0.0	0.0	0.0	0.0	0.0
TOTAL REVENUES	\$ 2,450.4	\$ 2,475.7	\$ 2,501.4	\$ 2,534.4	\$ 2,568.4	\$ 2,602.3
TOTAL CASH AVAILABLE	\$ 3,033.0	\$ 3,041.4	\$ 2,863.7	\$ 2,534.4	\$ 2,568.4	\$ 2,602.3
EXPENSES:						
State PPO Plan:						
Medical Claims	\$ 686.3	\$ 731.6	\$ 784.8	\$ 844.8	\$ 910.3	\$ 981.0
ASO Fee	17.7	17.7	17.6	17.6	17.5	17.4
Prescription Drug Claims	364.6	409.9	470.8	542.4	624.9	720.1
PBM Claims Administration	2.2	2.2	2.2	2.2	2.1	2.1
HMO Plan:						
Premium Payments	309.7	319.7	342.3	368.0	396.1	409.5
Medical Claims	743.2	815.5	904.7	1,008.0	1,123.4	1,251.3
ASO Fee	26.6	25.5	26.3	27.0	27.8	29.1
Prescription Drug Claims	295.4	338.0	401.9	479.8	572.4	682.4
PBM Claims Administration	2.0	2.0	2.1	2.2	2.2	2.3
HSA Deposits ⁽³⁾	4.7	5.4	5.5	5.5	5.6	5.6
Operating Costs & Admin Assessment	5.5	4.0	4.0	4.0	4.0	4.0
Premium Refunds	6.9	6.9	6.9	6.9	6.9	6.9
Other Expenses ⁽⁴⁾	2.6	0.8	0.8	0.0	35.9	73.8
TOTAL EXPENSES	\$ 2,467.3	\$ 2,679.1	\$ 2,969.9	\$ 3,308.4	\$ 3,729.1	\$ 4,185.5
EXCESS OF REVENUES OVER EXPENSES	\$ (16.9)	\$ (203.4)	\$ (468.5)	\$ (774.0)	\$ (1,160.7)	\$ (1,583.2)
ENDING CASH BALANCE ⁽⁵⁾	\$ 565.7	\$ 362.3	\$ (106.2)	\$ (774.0)	\$ (1,160.7)	\$ (1,583.2)
ADDITIONAL INFORMATION						
Total Unreported Claims Liability ⁽⁹⁾	\$ 152.6	\$ 157.9	\$ 173.6	\$ 191.7	\$ 211.8	\$ 234.2
Average Enrollment by Plan						
PPO Standard	81,499	81,533	81,043	80,540	80,047	79,564
PPO HIHP	2,731	2,858	2,942	3,017	3,072	3,143
HMO Standard	91,212	93,290	95,957	98,663	101,383	104,115
HMO HIHP	1,112	1,159	1,172	1,183	1,188	1,196
Total	176,554	178,840	181,114	183,403	185,690	188,018
Average Enrollment by Coverage Type						
Active (Non-OPS) Standard	132,098	133,834	135,654	137,524	139,453	141,412
Active (Non-OPS) HIHP	3,378	3,511	3,562	3,601	3,631	3,664
OPS Standard	5,002	5,381	5,669	5,951	6,227	6,503
OPS HIHP	361	392	423	455	486	517
COBRA	534	540	540	540	540	540
Early Retiree	5,261	5,196	5,171	5,139	5,092	5,049
Medicare	29,920	29,986	30,095	30,193	30,261	30,333
Total	176,554	178,840	181,114	183,403	185,690	188,018

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 48% and 52%, respectively.
- 4) Other Expenses include the estimated impact of Patient-Centered Outcomes Research Institute (PCORI) fees, Transitional Reinsurance Fees, and the Affordable Care Act's Excise Tax provision. The Transitional Reinsurance Fees phase out after calendar year 2016 and the ACA's Excise Tax is effective for calendar year 2020.
- 5) 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.
- 6) Includes estimated PPO Incurred but not Reported (IBNR) medical claims and outstanding drafts.
- 7) Includes estimated HMO IBNR medical claims and outstanding drafts.
- 8) Includes estimated PPO and HMO IBNR Rx claims.
- 9) Includes estimated PPO Plan and Self-Insured HMO Plans Incurred but not Reported (IBNR) claims and outstanding drafts.

Exhibit V
Comparison of Financial Outlooks
Fiscal Year 2017-18
(In Millions)

\$ 488.0	Previous Ending Cash Balance Forecast ⁽ⁱ⁾
0.0	No Change in Beginning Cash Balance Forecast
17.2	Increase in Revenue Forecast
15.2	- Net Increase in Insurance Premiums
(1.5)	- Decrease in employer and enrollee Insurance Premiums due to lower projected enrollment from 176,776 to 176,554
10.6	- Increase in PPO - Medicare Insurance Premiums due to correction in formula
9.2	- Increase in Insurance Premiums due to finalized fully-insured Medicare premium rates effective December 2017 for January 2018 coverage
(3.1)	- Decrease in Insurance Premiums due to shifts in enrollment categories
0.6	- Increase in Investment Earnings due to higher projected cash balance
0.2	- Increase in PPO - PBM Rebates
0.5	- Increase due to higher projected enrollment from 83,550 to 84,230
(0.3)	- Decrease due to lower actual and projected rebates
0.6	- Increase in HMO - Self-Insured Refunds
0.1	- Increase due to higher projected enrollment from 59,700 to 60,231
0.5	- Increase due to higher projected activity
0.3	- Increase in HMO - PBM Rebates
(0.5)	- Decrease due to lower projected enrollment from 87,870 to 86,993
0.8	- Increase due to lower projected rebates
0.2	- Increase in PPO - Medicare Part D Subsidy due to higher projected per member subsidy
0.1	- Increase in Other Revenues due to non-recurring activity
(60.5)	Decrease in Expense Forecast
(24.9)	Decrease in State PPO Plan
(4.9)	- Decrease in Medical Claims
5.6	- Increase due to higher projected enrollment from 83,550 to 84,230
(10.5)	- Decrease due to lower projected claims experience
0.1	- Increase in ASO Fee Expense due to an increase in projected enrollment from 83,550 to 84,230
(20.2)	- Decrease in Prescription Drug Claims
3.1	- Increase due to higher projected enrollment from 83,550 to 84,230
(6.6)	- Decrease due to lower growth factor from 11.9% to 10.0%
(16.7)	- Decrease due to lower projected claims experience
0.1	- Increase in PBM Claims Administration due to higher projected enrollment from 83,550 to 84,230
(35.6)	Decrease in HMO Plan
(10.5)	- Decrease in Premium Payments
(13.2)	- Decrease due to lower projected enrollment from 33,521 to 32,091
2.7	- Increase due to shifts in enrollment categories and between HMOs as a result of new HMO contracts effective January 2018
(12.3)	- Decrease in Medical Claims
6.7	- Increase due to higher projected enrollment from 59,700 to 60,231
(19.0)	- Decrease due to lower projected claims experience
0.1	- Increase in ASO Fees
0.2	- Increase due to higher projected enrollment from 59,700 to 60,231
(0.1)	- Decrease due to shifts between HMOs as a result of new HMO contracts effective January 2018
(12.9)	- Decrease in Prescription Drug Claims
(3.1)	- Decrease due to lower projected enrollment from 87,870 to 86,993
(3.0)	- Decrease due to lower growth factor from 12.3% to 11.2%
(6.8)	- Decrease due to lower projected claims experience
-	- Increase in Other Expense Categories
(0.3)	- Decrease in Operating Costs and Administrative Assessments due to correction from Prior Outlook
0.3	- Increase in Other Expenses due to non-recurring expenditures
565.7	Ending Cash Balance ⁽¹⁾

⁽ⁱ⁾ Self Insurance Estimating Conference held in August 2017.

Exhibit VI
Comparison of Financial Outlooks
Fiscal Year 2018-19
(In Millions)

\$ 200.7	Previous Ending Cash Balance Forecast ⁽ⁱ⁾
77.7	Increase in Beginning Cash Balance Forecast
26.2	Increase in Revenue Forecast
23.8	- Net Increase in Insurance Premiums
0.6	- Increase in projected employer and enrollee HSA contributions
10.6	- Increase in PPO - Medicare Insurance Premiums due to correction in formula
16.4	- Increase in Insurance Premiums due to finalized fully-insured Medicare premium rates effective December 2017 for January 2018 coverage
(3.8)	- Decrease in Insurance Premiums due to shifts in enrollment categories
1.7	- Increase in Investment Earnings due to higher projected cash balance
0.2	- Increase in PPO - PBM Rebates
0.9	- Increase due to higher projected enrollment from 83,069 to 84,391
(0.7)	- Decrease due to lower actual and projected rebates
0.6	- Increase in HMO - Self-Insured Refunds
0.2	- Increase due to higher projected enrollment from 61,105 to 62,375
0.4	- Increase due to higher projected activity
0.2	- Increase in HMO - PBM Rebates
(0.8)	- Decrease due to lower projected enrollment from 90,400 to 89,106
1.0	- Increase due to higher projected rebates
(0.2)	- Decrease in PPO - Medicare Part D Subsidy due to lower projected per member subsidy
(0.1)	- Decrease in HMO - Medicare Part D Subsidy due to lower projected Medicare enrollment from 1,899 to 1,802
(57.7)	Decrease in Expense Forecast
(21.2)	Decrease in State PPO Plan
0.4	- Increase in Medical Claims
11.6	- Increase due to higher projected enrollment from 83,069 to 84,391
(11.2)	- Decrease due to lower projected claims experience
0.2	- Increase in ASO Fee Expense due to an increase in projected enrollment from 83,069 to 84,391
(21.9)	- Decrease in Prescription Drug Claims
6.8	- Increase due to higher projected enrollment from 83,069 to 84,391
(2.2)	- Decrease due to lower growth factor from 13.3% to 12.7%
(26.5)	- Decrease due to lower projected claims experience
0.1	- Increase in PBM Claims Administration due to higher projected enrollment from 83,069 to 84,391
(36.8)	Decrease in HMO Plan
(19.0)	- Decrease in Premium Payments
(24.5)	- Decrease due to lower projected enrollment from 34,733 to 32,072
5.5	- Increase due to shifts in enrollment categories and between HMOs as a result of new HMO contracts effective January 2018
(0.3)	- Decrease in Medical Claims
17.0	- Increase due to higher projected enrollment from 61,105 to 62,375
(17.3)	- Decrease due to lower projected claims experience
0.3	- Increase in ASO Fees
0.5	- Increase due to higher projected enrollment from 61,105 to 62,375
(0.2)	- Decrease due to shifts between HMOs as a result of new HMO contracts effective January 2018
(17.7)	- Decrease in Prescription Drug Claims
(5.1)	- Decrease due to lower projected enrollment from 90,400 to 89,106
(1.2)	- Decrease due to lower growth factor from 12.5% to 12.1%
(11.4)	- Decrease due to lower projected claims experience
(0.1)	- Decrease in PBM Claims Administration due to lower projected enrollment from 90,400 to 89,106
0.3	Increase in Other Expense Categories
0.6	- Increase due to higher projected employer and enrollee HSA Deposits
(0.3)	- Decrease in Operating Costs and Administrative Assessments due to correction from Prior Outlook
362.3	Ending Cash Balance⁽¹⁾

⁽ⁱ⁾ Self Insurance Estimating Conference held in August 2017.

Exhibit VII
Comparison of Financial Outlooks
Fiscal Year 2019-20
(In Millions)

\$ (357.3)	Previous Ending Cash Balance Forecast ⁽ⁱ⁾
161.6	Increase in Beginning Cash Balance Forecast
26.3	Increase in Revenue Forecast
25.3	- Net Increase in Insurance Premiums
3.0	- Increase in employer and enrollee Insurance Premiums due to higher projected enrollment from 181,111 to 181,114
0.7	- Increase in projected employer and enrollee HSA contributions
10.5	- Increase in PPO - Medicare Insurance Premiums due to correction in formula
17.4	- Increase in Insurance Premiums due to finalized fully-insured Medicare premium rates effective December 2017 for January 2018 coverage
(6.3)	- Decrease in Insurance Premiums due to shifts in enrollment categories
0.3	- Increase in PPO - PBM Rebates
1.0	- Increase due to higher projected enrollment from 82,594 to 83,985
(0.7)	- Decrease due to lower actual and projected rebates
0.6	- Increase in HMO - Self-Insured Refunds
0.2	- Increase due to higher projected enrollment from 63,110 to 64,251
0.4	- Increase due to higher projected activity
0.2	- Increase in HMO - PBM Rebates
(0.8)	- Decrease due to lower projected enrollment from 92,999 to 91,724
1.0	- Increase due to higher projected rebates
(0.1)	- Decrease in PPO - Medicare Part D Subsidy due to lower projected per member subsidy
(63.2)	Decrease in Expense Forecast
(23.4)	Decrease in State PPO Plan
1.1	- Increase in Medical Claims
13.2	- Increase due to higher projected enrollment from 82,594 to 85,985
(12.1)	- Decrease due to lower projected claims experience
0.2	- Increase in ASO Fee Expense due to an increase in projected enrollment from 82,594 to 85,985
(24.8)	- Decrease in Prescription Drug Claims
8.3	- Increase due to higher projected enrollment from 82,594 to 83,985
(33.1)	- Decrease due to lower projected claims experience
0.1	- Increase in PBM Claims Administration due to higher projected enrollment from 82,594 to 83,985
(40.2)	Decrease in HMO Plan
(17.8)	- Decrease in Premium Payments
(24.5)	- Decrease due to lower projected enrollment from 35,405 to 32,876
6.7	- Increase due to shifts in enrollment categories and between HMOs as a result of new HMO contracts effective January 2018
(2.1)	- Decrease in Medical Claims
16.5	- Increase due to higher projected enrollment from 63,110 to 64,251
(18.6)	- Decrease due to lower projected claims experience
0.2	- Decrease in ASO Fees
0.5	- Increase due to higher projected enrollment from 63,110 to 64,251
(0.3)	- Decrease due to shifts between HMOs as a result of new HMO contracts effective January 2018
(20.5)	- Decrease in Prescription Drug Claims
(5.8)	- Decrease due to lower projected enrollment from 92,999 to 91,724
0.3	- Increase due to higher growth factor from 15.9% to 16.0%
(15.0)	- Decrease due to lower projected claims experience
0.4	Increase in Other Expense Categories
0.7	- Increase due to higher projected employer and enrollee HSA Deposits
(0.3)	- Decrease in Operating Costs and Administrative Assessments due to correction from Prior Outlook
(106.2)	Ending Cash Balance⁽¹⁾

⁽ⁱ⁾ Self Insurance Estimating Conference held in August 2017.

Exhibit VIII
Comparison of Financial Outlooks
Fiscal Year 2020-21
(In Millions)

\$ (872.3)	Previous Ending Cash Balance Forecast ⁽ⁱ⁾
0.0	No Change in Beginning Cash Balance Forecast
28.1	Increase in Revenue Forecast
27.0	- Net Increase in Insurance Premiums
4.0	- Increase in employer and enrollee Insurance Premiums due to higher projected enrollment from 183,329 to 183,403
0.6	- Increase in projected employer and enrollee HSA contributions
10.6	- Increase in PPO - Medicare Insurance Premiums due to correction in formula
18.5	- Increase in Insurance Premiums due to finalized fully-insured Medicare premium rates effective December 2017 for January 2018 coverage
(6.7)	- Decrease in Insurance Premiums due to shifts in enrollment categories
0.3	- Increase in PPO - PBM Rebates
1.1	- Increase due to higher projected enrollment from 82,095 to 83,557
(0.8)	- Decrease due to lower actual and projected rebates
0.6	- Increase in HMO - Self-Insured Refunds due to higher projected activity
0.1	- Increase due to higher projected enrollment from 65,147 to 66,159
0.5	- Increase due to higher projected activity
0.3	- Increase in HMO - PBM Rebates
(0.8)	- Decrease due to lower projected enrollment from 95,647 to 94,386
1.1	- Increase due to higher projected rebates
(0.1)	- Decrease in PPO - Medicare Part D Subsidy due to lower projected per member subsidy
(70.2)	Decrease in Expense Forecast
(25.5)	Decrease in State PPO Plan
2.0	- Increase in Medical Claims
15.0	- Increase due to higher projected enrollment from 82,095 to 83,557
(13.0)	- Decrease due to lower projected claims experience
0.4	- Increase in ASO Fee Expense due to higher projected enrollment from 82,095 to 83,557
(28.0)	- Decrease in Prescription Drug Claims
10.2	- Increase due to higher projected enrollment from 82,095 to 83,557
(38.2)	- Decrease due to lower projected claims experience
0.1	- Increase in PBM Claims Administration due to higher projected enrollment from 82,095 to 83,557
(45.0)	Decrease in HMO Plan
(16.5)	- Decrease in Premium Payments
(24.5)	- Decrease due to higher projected enrollment from 36,084 to 33,686
8.0	- Increase due to shifts in enrollment categories and between HMOs as a result of new HMO contracts effective January 2018
(4.9)	- Decrease in Medical Claims
15.8	- Increase due to higher projected enrollment from 65,147 to 66,159
(20.7)	- Decrease due to lower projected claims experience
0.1	- Increase in ASO Fees
0.4	- Increase due to higher projected enrollment from 65,147 to 66,159
(0.3)	- Decrease due to shifts between HMOs as a result of new HMO contracts effective January 2018
(23.7)	- Decrease in Prescription Drug Claims
(6.6)	- Decrease due to lower projected enrollment from 95,647 to 94,386
0.4	- Increase due to higher growth factor from 15.9% to 16.0%
(17.5)	- Decrease due to lower projected claims experience
0.3	Increase in Other Expense Categories
0.6	- Increase due to higher projected employer and enrollee HSA Deposits
(0.3)	- Decrease in Operating Costs and Administrative Assessments due to correction from Prior Outlook
(774.0)	Ending Cash Balance⁽¹⁾

⁽ⁱ⁾ Self Insurance Estimating Conference held in August 2017.

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

\$ (1,269.4)	Previous Ending Cash Balance Forecast ⁽ⁱ⁾
0.0	No Change in Beginning Cash Balance Forecast
29.9	Increase in Revenue Forecast
28.6	- Net Increase in Insurance Premiums
4.9	- Increase in employer and enrollee Insurance Premiums due to higher projected enrollment from 185,554 to 185,690
0.7	- Increase in projected employer and enrollee HSA contributions
10.6	- Increase in PPO - Medicare Insurance Premiums due to correction in formula
19.6	- Increase in Insurance Premiums due to finalized fully-insured Medicare premium rates effective December 2017 for January 2018 coverage
(7.2)	- Decrease in Insurance Premiums due to shifts in enrollment categories
0.4	- Increase in PPO - PBM Rebates
1.2	- Increase due to higher projected enrollment from 81,590 to 83,131
(0.8)	- Decrease due to lower actual and projected rebates
0.6	- Increase in HMO - Self-Insured Refunds
0.1	- Increase due to higher projected enrollment from 67,203 to 68,083
0.5	- Increase due to higher projected activity
0.3	- Increase in HMO - PBM Rebates
(0.8)	- Decrease due to lower projected enrollment from 98,324 to 97,072
1.1	- Increase due to higher projected rebates
(78.8)	Decrease in Expense Forecast
(28.3)	Decrease in State PPO Plan
3.0	- Increase in Medical Claims
17.0	- Increase due to higher projected enrollment from 81,590 to 83,131
(14.0)	- Decrease due to lower projected claims experience
0.4	- Increase in ASO Fee Expense due to an increase in projected enrollment from 81,590 to 83,131
(31.7)	- Decrease in Prescription Drug Claims
12.3	- Increase due to higher projected enrollment from 81,590 to 83,131
(44.0)	- Decrease due to lower projected claims experience
(50.9)	Decrease in HMO Plan
(15.2)	- Decrease in Premium Payments
(24.5)	- Decrease due to lower projected enrollment from 36,758 to 34,487
9.3	- Increase due to shifts in enrollment categories and between HMOs as a result of new HMO contracts effective January 2018
(8.1)	- Decrease in Medical Claims
14.9	- Increase due to higher projected enrollment from 67,203 to 68,083
(23.0)	- Decrease due to lower projected claims experience
(27.5)	- Decrease in Prescription Drug Claims
(7.6)	- Decrease due to lower projected enrollment from 98,324 to 97,072
0.5	- Increase due to higher growth factor from 15.9% to 16.0%
(20.4)	- Decrease due to lower projected claims experience
(0.1)	- Decrease in PBM Claims Administration due to lower projected enrollment from 98,324 to 97,072
0.4	Increase in Other Expense Categories
0.7	- Increase due to higher projected employer and enrollee HSA Deposits
(0.3)	- Decrease in Operating Costs and Administrative Assessments due to correction from Prior Outlook
(1,160.7)	Ending Cash Balance ⁽¹⁾

⁽ⁱ⁾ Self Insurance Estimating Conference held in August 2017.

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

\$ (1,705.6)	Previous Ending Cash Balance Forecast ⁽ⁱ⁾
0.0	No Change in Beginning Cash Balance Forecast
31.0	Increase in Revenue Forecast
29.7	- Net Increase in Insurance Premium revenue
5.8	- Increase in employer and enrollee Insurance Premiums due to higher projected enrollment from 187,821 to 188,018
0.7	- Increase in projected employer and enrollee HSA contributions
10.6	- Increase in PPO - Medicare Insurance Premiums due to correction in formula
20.2	- Increase in Insurance Premiums due to finalized fully-insured Medicare premium rates effective December 2017 for January 2018 coverage
(7.6)	- Decrease in Insurance Premiums due to shifts in enrollment categories
0.4	- Increase in PPO - PBM Rebates
1.3	- Increase due to higher projected enrollment from 81,128 to 82,720
(0.9)	- Decrease due to lower actual and projected rebates
0.6	- Increase in HMO - Self-Insured Refunds
0.1	- Increase due to higher projected enrollment from 69,273 to 70,021
0.5	- Increase due to higher projected activity
0.3	- Increase in HMO - PBM Rebates
(1.7)	- Decrease due to lower projected enrollment from 102,374 to 99,776
2.0	- Increase due to higher projected rebates
(91.4)	Decrease in Expense Forecast
(31.3)	Decrease in State PPO Plan
4.1	- Increase in Medical Claims
19.2	- Increase due to higher projected enrollment from 81,128 to 82,720
(15.1)	- Decrease due to lower projected claims experience
0.4	- Increase in ASO Fee Expense due to an increase in projected enrollment from 81,128 to 82,720
(35.8)	- Decrease in Prescription Drug Claims
14.8	- Increase due to higher projected enrollment from 81,128 to 82,720
(50.6)	- Decrease due to lower projected claims experience
(60.5)	Decrease in HMO Plan
(16.6)	- Decrease in Premium Payments
(23.5)	- Decrease due to lower projected enrollment from 37,432 to 33,755
6.9	- Increase due to shifts in enrollment categories and between HMOs as a result of new HMO contracts effective January 2018
(11.9)	- Decrease in Medical Claims
13.7	- Increase due to higher projected enrollment from 69,273 to 70,021
(25.6)	- Decrease due to lower projected claims experience
(0.1)	- Decrease in ASO Fees
0.3	- Increase due to higher projected enrollment from 69,273 to 70,021
(0.4)	- Decrease due to shifts between HMOs as a result of new HMO contracts effective January 2018
(31.9)	- Decrease in Prescription Drug Claims
(8.8)	- Decrease due to lower projected enrollment from 102,374 to 99,776
0.6	- Increase due to higher growth factor from 15.9% to 16.0%
(23.7)	- Decrease due to lower projected claims experience
0.4	Increase in Other Expense Categories
0.7	- Increase in projected employer and enrollee HSA Deposits
(0.3)	- Decrease in Operating Costs and Administrative Assessments due to correction from Prior Outlook
(1,583.2)	Ending Cash Balance⁽¹⁾

⁽ⁱ⁾ Self Insurance Estimating Conference held in August 2017.

STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

Premium Rate Table

Effective January 2017 for February 2017 Coverage

(Premium rate change for CHP participants ONLY)

Subscriber Category / Contribution Cycle		Coverage Type	PPO/HMO Standard			PPO/HMO HIHP		
			Employer	Enrollee	Total	Employer ⁽⁴⁾	Enrollee	Total
Career Service / OPS	Monthly Full -Time Employees ⁽¹⁾	Single	642.84	50.00	692.84	642.84	15.00	657.84
		Family	1,379.60	180.00	1,559.60	1,379.60	64.30	1,443.90
		Spouse	1,529.60	30.00	1,559.60	1,413.92	30.00	1,443.92
	Bi-Weekly Full -Time Employees ⁽¹⁾	Single	321.42	25.00	346.42	321.42	7.50	328.92
		Family	689.80	90.00	779.80	689.80	32.15	721.95
		Spouse	764.80	15.00	779.80	706.96	15.00	721.96
SES / SMS	Monthly Full -Time Employees ^(1,2)	Single	684.50	8.34	692.84	649.50	8.34	657.84
		Family	1,529.60	30.00	1,559.60	1,413.90	30.00	1,443.90
	Bi-Weekly Full -Time Employees ^(1,2)	Single	342.25	4.17	346.42	324.75	4.17	328.92
		Family	764.80	15.00	779.80	706.95	15.00	721.95
COBRA	Monthly ⁽³⁾	Single	0.00	706.70	706.70	0.00	628.50	628.50
		Family	0.00	1,590.79	1,590.79	0.00	1,387.78	1,387.78
Early Retirees	Monthly	Single	0.00	692.84	692.84	0.00	616.18	616.18
		Family	0.00	1,559.60	1,559.60	0.00	1,360.57	1,360.57
Overage Dependents		Single	0.00	692.84	692.84	0.00	616.18	616.18

Medicare Monthly Premium Rates

Plan Name	Plan Type	Medicare I One Eligible ⁽⁵⁾	Medicare II One Under/Over ⁽⁶⁾	Medicare III Both Eligible ⁽⁷⁾
Self-Insured PPO / HMO	Standard	388.38	1,119.85	776.76
	HIHP	292.76	917.13	585.51
Capital Health Plan ⁽⁸⁾	Standard	282.62	915.37	565.24
	HIHP	257.23	834.26	514.46
Florida Health Care Plan ⁽⁸⁾	Standard	49.00	679.41	98.00
	HIHP	49.00	568.95	98.00

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) Medicare eligible retirees must complete the HMO's Medicare Advantage Plan application process to be eligible for this coverage.

STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

Premium Rate Table

Effective December 2017 for January 2018 Coverage

(Premium rate change for CHP and FHCP participants only)

Subscriber Category / Contribution Cycle		Coverage Type	PPO/HMO Standard			PPO/HMO HIHP		
			Employer	Enrollee	Total	Employer ⁽⁴⁾	Enrollee	Total
Career Service / OPS	Monthly Full -Time Employees ⁽¹⁾	Single	642.84	50.00	692.84	642.84	15.00	657.84
		Family	1,379.60	180.00	1,559.60	1,379.60	64.30	1,443.90
		Spouse	1,529.60	30.00	1,559.60	1,413.92	30.00	1,443.92
	Bi-Weekly Full -Time Employees ⁽¹⁾	Single	321.42	25.00	346.42	321.42	7.50	328.92
		Family	689.80	90.00	779.80	689.80	32.15	721.95
		Spouse	764.80	15.00	779.80	706.96	15.00	721.96
SES / SMS	Monthly Full -Time Employees ^(1,2)	Single	684.50	8.34	692.84	649.50	8.34	657.84
		Family	1,529.60	30.00	1,559.60	1,413.90	30.00	1,443.90
	Bi-Weekly Full -Time Employees ^(1,2)	Single	342.25	4.17	346.42	324.75	4.17	328.92
		Family	764.80	15.00	779.80	706.95	15.00	721.95
COBRA	Monthly ⁽³⁾	Single	0.00	706.70	706.70	0.00	628.50	628.50
		Family	0.00	1,590.79	1,590.79	0.00	1,387.78	1,387.78
Early Retirees	Monthly	Single	0.00	692.84	692.84	0.00	616.18	616.18
		Family	0.00	1,559.60	1,559.60	0.00	1,360.57	1,360.57
Overage Dependents		Single	0.00	692.84	692.84	0.00	616.18	616.18

Medicare Monthly Premium Rates

Plan Name	Plan Type	Medicare I	Medicare II	Medicare III
		One Eligible ⁽⁵⁾	One Under/Over ⁽⁶⁾	Both Eligible ⁽⁷⁾
Self-Insured PPO / HMO	Standard	388.38	1,119.85	776.76
	HIHP	292.76	917.13	585.51
Capital Health Plan ⁽⁸⁾	Standard	282.62	945.62	565.24
	HIHP	257.23	852.80	514.46

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) Medicare eligible retirees must complete the HMO's Medicare Advantage Plan application process to be eligible for this coverage.