

Self-Insurance Estimating Conference
State Employees' Group Health Self-Insurance Trust Fund
Executive Summary
March 29, 2021

The Outlook for the State Employees' Group Health Self-Insurance Trust Fund has been revised to reflect actual enrollment and cash flows through January 2021; adjusted growth factors for Preferred Provider Organization (PPO) and Health Maintenance Organization (HMO) pharmacy claims; adjusted growth factors for PPO and HMO medical claims for FY 2020-21; and updated projections for the Shared Savings program. The fund is now expected to remain solvent through FY 2023-24—although the ending cash balances for FY 2020-21 through FY 2023-24 show modest declines when compared to the December 2020 Outlook.

After the COVID-19 Public Health Emergency was declared on March 9, 2020, through Executive Order 20-52, the Division of State Group Insurance noticed a reduction in medical claims expense and an increase in prescription drug expense in the fourth quarter of FY 2019-20. The reduction in medical claims was assumed to be a result of fewer doctor visits and elective procedures during the pandemic, while the increase in prescription drug cost was attributed to members refilling prescriptions for longer periods due to stay-at-home orders and exposure concerns. Based on available data, April and May 2020 were outliers for monthly medical claims, as evidenced by a 3% reduction in total medical claims expense for FY 2019-20. The change in the cost for prescription drugs was more persistent. As a result, this Outlook only excludes medical claims expense for April and May 2020 in the development of the annual trends.

For FY 2020-21, the ending cash balance decreased from \$750.3 million to \$746.6 million. For FY 2021-22, the ending cash balance decreased from \$729.1 million to \$718.6 million; for FY 2022-23, the ending cash balance decreased from \$500.8 million to \$490.4 million; and for FY 2023-24, the ending cash balance decreased from \$58.2 million to \$55.4 million. The forecast for subsequent years shows that expenses are expected to exceed revenues by amounts that generate negative cash balances of \$643.7 million in FY 2024-25 and \$973.9 million in FY 2025-26. The escalating negatives occur even though the Conference assumes that each year's deficit is cleared prior to the beginning of the next year.

A major contributing factor to the expected declines in ending cash balances is the lower enrollment projections relative to the December Outlook. These changes affect both revenues and expenses. While the projected reductions in enrollment are empirically sound and based on the most current data, the Conference noted the risk that future enrollment may come in higher than expected given the probability that hiring was atypically suppressed by public agencies during the pandemic.

A complete Executive Summary outlining all of the changes since the December 2020 Conference can be found at the beginning of the *Report on Financial Outlook* used as the conference packet. The following table shows the **major** net changes between the December 2020 and March 2021 forecasts.

Financial Outlook for FY 2020-21 and 2021-22
Changes to Conference Forecast – December 2020 Compared to March 2021
(In Millions)

	FY 2020-21			FY 2021-22		
	20-Dec	20-Mar	Difference	20-Dec	20-Mar	Difference
Beginning Cash Balance	\$649.30	\$649.30	\$0.00	\$750.30	\$746.60	(\$3.70)
Total Revenues	\$2,884.30	\$2,876.90	(\$7.40)	\$2,972.70	\$2,937.90	(\$34.80)
Total Expenses	\$2,783.30	\$2,779.60	(\$3.70)	\$2,993.90	\$2,965.90	(\$28.00)
Ending Cash Balance	\$750.30	\$746.60	(\$3.70)	\$729.10	\$718.60	(\$10.50)

Slight differences in results due to rounding.

State Employees' Group Health Self-Insurance Trust Fund

Report on Financial Outlook

For the Fiscal Years Ending June 30, 2021 through June 30, 2026

**Adopted March 29, 2021, 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, 2021, through June 30, 2026. The Outlook is prepared to assist in the State's planning and budgeting in accordance with section 216.136(9), Florida Statutes, and 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 December 2020 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 January 2021.
2. Revised growth factors for Preferred Provider Organization (PPO) and Health Maintenance Organization (HMO) pharmacy claims.
3. Revised growth factors for PPO and HMO medical claims for FY 2020-21.
4. Revised projections for the Shared Savings program.

After the COVID-19 Public Health Emergency was declared on March 9, 2020, through Executive Order 20-52, the Division noticed a reduction in medical claims expense and an increase in prescription drug expense in the fourth quarter of FY 2019-20. The reduction in medical claims was assumed to be a result of fewer doctor visits and elective procedures during the pandemic, while the increase in prescription drugs cost was attributed to members refilling prescriptions for longer periods due to stay-at-home orders and exposure concerns. Based on available data, April and May 2020 were outliers for monthly medical claims, as evidenced by a 3% reduction in total medical claims expense for FY 2019-20. Prescription drugs cost were more consistent. As a result, this Outlook excludes medical claims expense for April and May 2020 in the development of the annual trends. Additionally, cost assumptions for COVID-19 vaccines have not been incorporated at this time due to the uncertainty of the vaccine rollout, and who will initially pay for the cost of vaccination. The Division of State Group Insurance will continue to track COVID-19 related impacts and will incorporate them as sufficient and material data becomes available.

This Outlook reflects decreases in revenues for all years, and reductions in expenses for all years of the Outlook compared to the Prior Outlook. The deficits previously projected for FY 2024-25 through FY 2025-26 in the Prior Outlook have decreased. The Outlook reflects that the Trust Fund is projected to remain solvent through FY 2023-24.

The ending cash balance for FY 2020-21 is adjusted from \$750.3 million to \$746.6 million, a decrease of \$3.7 million and the estimated operating gain is decreased from \$101.0 million to \$97.3 million. For FY 2021-22, the forecasted ending cash balance is adjusted from \$729.1 million to \$718.6 million and the estimated operating loss is increased from \$21.2 million to \$28.0 million. For FY 2022-23, the forecasted ending cash balance is adjusted from \$500.8 million to \$490.4 million and the estimated operating loss is decreased from \$228.3 million to \$228.2 million. For FY 2023-24, the forecasted ending cash balance is adjusted from \$58.2 million to \$55.4 million and the estimated operating loss is decreased from \$442.6 million to \$435.0 million. Ending cash balance deficits and operating losses are projected for FY 2024-25 through FY 2025-26.

Below is a summary of the Outlook for the Trust Fund through FY 2025-26:

	<u>FY 2020-21</u>	<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>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
BEGINNING CASH BALANCE	\$ 649.3	\$ 746.6	\$ 718.6	\$ 490.4	\$ 55.4	\$ 0.0
TOTAL REVENUES	\$ 2,876.9	\$ 2,937.9	\$ 2,940.9	\$ 2,938.9	\$ 2,940.4	\$ 2,939.6
TOTAL EXPENSES	\$ 2,779.6	\$ 2,965.9	\$ 3,169.1	\$ 3,373.9	\$ 3,639.5	\$ 3,913.5
OPERATING GAIN/(LOSS)	\$ 97.3	\$ (28.0)	\$ (228.2)	\$ (435.0)	\$ (699.1)	\$ (973.9)
ENDING CASH BALANCE	\$ <u>746.6</u>	\$ <u>718.6</u>	\$ <u>490.4</u>	\$ <u>55.4</u>	\$ <u>(643.7)</u>	\$ <u>(973.9)</u>

Note: Assumes no carry forward of negative cash balance.

ENROLLMENT

Enrollment patterns for FY 2020-21 through FY 2025-26 reflect a decrease in enrollment of 0.56% for the Active coverage category annually, compared to a 0.01% decrease in the Prior Outlook. Early Retiree enrollment is projected to decrease an average of 1.64% annually, compared to a decrease of 0.77% projected in the Prior Outlook. Enrollment in the Medicare coverage categories is expected to increase by 0.44% annually, compared to 0.20% projected in the Prior Outlook. Total enrollment is projected to decrease an average of 0.39% annually throughout the forecast period, rather than increase 0.01% projected in the Prior Outlook.

STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

The impact of changes to the enrollment have resulted in decreased enrollment projections for all years of the forecast. For FY 2020-21 there is a decrease of 829 subscribers, 1,997 fewer subscribers for FY 2021-22, 2,607 fewer subscribers for FY 2022-23, 3,169 fewer subscribers for FY 2023-24, 3,695 fewer subscribers for FY 2024-25, and 4,188 fewer subscribers for FY 2025-26, compared to the Prior Outlook.

As of January 2021, approximately 4,901 subscribers (4,781 active employees) were enrolled in a High Deductible Health Plan (2.79% of total enrollment). Active employees account for 97.55% of these subscribers, of which 91.86% are participating in the integrated state-sponsored Health Savings Account (HSA) offering.

The changes in enrollment between October 2020 and January 2021 reflect a net increase of 214 contracts, or 0.12% of total subscribers. Enrollment in PPO plans decreased by 433 subscribers or 0.53%, HMO plan enrollment increased by 328 subscribers, or 0.36%, and MAPD plan enrollment increased by 319 subscribers, or 25.64%. Active subscriber enrollment increased by 684 subscribers, or 0.48%, and the net change in non-active membership was a decrease of 470 subscribers, or 1.38%.

REVENUE

Combined premium contribution revenues for FY 2020-21 through FY 2025-26 are \$319.7 million lower than projected in the Prior Outlook. Investment earnings decreased \$0.8 million for FY 2020-21 through FY 2023-24 due to lower projected cash balances. TPA Refunds reflect an increase of \$3.6 million across all years due to actual experience to date in FY 2020-21. Pharmacy Benefit Manager (PBM) Rebates decreased a combined total of \$12.0 million (\$2.3 million increase for PPO, \$14.2 million decrease for HMO) attributable to rebate projections from the pharmacy benefits manager. Medicare drug subsidy payments decreased by a combined \$4.6 million across all years of the Outlook. Other Revenues increased by \$8.5 million for FY 2020-21 due to performance guarantees. Total Revenue changes in this outlook reflect a combined decrease of \$325.0 million compared to the Prior Outlook.

SPEND

PPO expenses for FY 2020-21 through FY 2025-26 reflect a combined projected increase of \$39.2 million. PPO medical claims projections overall are \$40.9 million lower, reflecting a \$59.0 million decrease due to lower projected enrollment, \$2.1 million increase due to growth trend adjustment for FY 2020-21, \$0.4 decrease due to shared saving claims and \$16.4 million increase from higher claims experience. PPO Pharmacy expenses overall are \$81.3 million higher, reflecting a \$36.0 million decrease due to lower projected enrollment, \$1.2 million decrease due to lower growth trends, and a \$118.4 million increase from higher projected claims. PPO ASO fees and PBM Administration fees reflect a combined decrease of \$1.2 million due to decreased enrollment projections.

The forecast of FY 2020-21 through FY 2025-26 reflects a combined decrease of \$429.8 million in fully-insured and self-insured HMO expenses. Fully-insured premium payments reflect a combined decrease across all years totaling \$84.2 million. HMO medical claims expense projections overall are \$336.7 million lower, reflecting a \$186.4 million decrease due to lower projected enrollment, \$1.6 million decrease due to growth trend adjustment for FY 2020-21, and \$148.6 million decrease from lower claims experience. HMO pharmacy claims expense reflects a combined decrease across all years of \$4.1 million, reflecting a \$97.8 million decrease due to lower projected enrollment, \$4.2 million increase due to higher growth trends and a \$89.5 million increase from higher projected claims. HMO ASO fees and PBM administration fees reflect a combined decrease of \$4.8 million due to lower 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 \$377.6 million decrease. The net combined increase in pharmacy claims costs across all years is \$77.2 million compared to the Prior Outlook.

Combined, MAPD expense for all years increased \$14.6 million due to increased projected enrollment. The forecast of the Shared Saving Programs reflects an overall increase of \$0.6 million due to higher projected medical claims from the Prior Outlook. Health Savings Account (HSA) Deposits reflect a combined increase of \$1.9 million for FY 2020-21 through FY 2025-26 due to higher enrollment in the High Deductible Health Plans

Overall, expenses across all years of the forecast reflect a combined decrease of \$373.5 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 2019-21: 3.8% - 7.7%							
	FY 20-21		FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
	Applied	Actual YTD + Projected	Applied	Applied	Applied	Applied	Applied
Dec 2020 Conference	7.20%	6.74%	6.90%	6.85%	6.90%	6.90%	6.90%
Mar 2021 Conference	7.50%	7.10%	6.90%	6.85%	6.90%	6.90%	6.90%

HMO MEDICAL							
Industry Range for CYs 2019-21: 3.8% - 6.6%							
	FY 20-21		FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
	Applied	Actual YTD + Projected	Applied	Applied	Applied	Applied	Applied
Dec 2020 Conference	6.40%	7.05%	6.90%	6.85%	6.90%	6.90%	6.90%
Mar 2021 Conference	6.20%	4.35%	6.90%	6.85%	6.90%	6.90%	6.90%

PPO PHARMACY							
Industry Range for CYs 2019-21: 4.6% - 7.5%							
	FY 20-21		FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
	Applied	Actual YTD + Projected	Applied	Applied	Applied	Applied	Applied
Dec 2020 Conference	8.10%	4.88%	10.50%	10.80%	10.90%	12.00%	11.90%
Mar 2021 Conference	8.40%	9.06%	10.30%	10.50%	11.00%	12.00%	11.80%

HMO PHARMACY							
Industry Range for CYs 2019-21: 4.6% - 7.5%							
	FY 20-21		FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
	Applied	Actual YTD + Projected	Applied	Applied	Applied	Applied	Applied
Dec 2020 Conference	8.50%	4.42%	10.50%	11.20%	10.50%	11.90%	11.70%
Mar 2021 Conference	9.80%	8.25%	10.50%	10.90%	10.40%	12.10%	11.80%

FULLY INSURED HMO PREMIUM PAYMENTS						
Industry Range for CYs 2019-21: 4.0% - 6.0%						
	*CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026
Dec 2020 Conference	5.27%	4.00%	4.00%	4.00%	4.00%	4.00%
Mar 2021 Conference	5.27%	4.00%	4.00%	4.00%	4.00%	4.00%

*Actual trend rates

STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND
Exhibit I
Financial Outlook by Fiscal Year ⁽¹⁾
Changes to Conference Forecast - March 2021 Compared to December 2020
(In Millions)

	FY 2020-21			FY 2021-22			FY 2022-23			FY 2023-24			FY 2024-25			FY 2025-26		
	Dec '20	Mar '21	Diff.	Dec '20	Mar '21	Diff.	Dec '20	Mar '21	Diff.	Dec '20	Mar '21	Diff.	Dec '20	Mar '21	Diff.	Dec '20	Mar '21	Diff.
BEGINNING CASH BALANCE	\$ 649.3	\$ 649.3	\$ -	\$ 750.3	\$ 746.6	\$ (3.7)	\$ 729.1	\$ 718.6	\$ (10.5)	\$ 500.8	\$ 490.4	\$ (10.4)	\$ 58.2 ⁽²⁾	\$ 55.4	\$ (2.8)	\$ 0.0 ⁽²⁾	\$ 0.0 ⁽²⁾	\$ -
REVENUES:																		
Insurance Premiums ⁽³⁾	\$ 2,620.9	\$ 2,607.1	\$ (13.8)	\$ 2,691.0	\$ 2,657.4	\$ (33.6)	\$ 2,691.9	\$ 2,643.6	\$ (48.3)	\$ 2,693.2	\$ 2,632.0	\$ (61.2)	\$ 2,694.4	\$ 2,619.6	\$ (74.8)	\$ 2,695.1	\$ 2,607.1	\$ (88.0)
Investment Earnings	21.0	20.9	(0.1)	22.2	22.0	(0.2)	18.4	18.1	(0.3)	8.4	8.2	(0.2)	-	-	-	-	-	-
TPA & Self-Insured HMO Refunds	15.0	15.6	0.6	15.0	15.6	0.6	15.0	15.6	0.6	15.0	15.6	0.6	15.0	15.6	0.6	15.0	15.6	0.6
PBM Rebates	181.8	180.6	(1.2)	205.8	204.8	(1.0)	226.9	225.5	(1.4)	246.9	245.0	(1.9)	270.3	267.2	(3.1)	282.3	278.9	(3.4)
Pretax Trust Fund Transfer	21.7	21.7	-	21.7	21.7	-	21.7	21.7	-	21.7	21.7	-	21.7	21.7	-	21.7	21.7	-
Medicare Part D Subsidy	17.6	16.2	(1.4)	17.0	16.4	(0.6)	17.0	16.4	(0.6)	17.0	16.4	(0.6)	17.0	16.3	(0.7)	17.0	16.3	(0.7)
Other Revenues	6.3	14.8	8.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	\$ 2,884.3	\$ 2,876.9	\$ (7.4)	\$ 2,972.7	\$ 2,937.9	\$ (34.8)	\$ 2,990.9	\$ 2,940.9	\$ (50.0)	\$ 3,002.2	\$ 2,938.9	\$ (63.3)	\$ 3,018.4	\$ 2,940.4	\$ (78.0)	\$ 3,031.1	\$ 2,939.6	\$ (91.5)
TOTAL CASH AVAILABLE	\$ 3,533.6	\$ 3,526.2	\$ (7.4)	\$ 3,723.0	\$ 3,684.5	\$ (38.5)	\$ 3,720.0	\$ 3,659.5	\$ (60.5)	\$ 3,503.0	\$ 3,429.3	\$ (73.7)	\$ 3,076.6	\$ 2,995.8	\$ (80.8)	\$ 3,031.1	\$ 2,939.6	\$ (91.5)
EXPENSES:																		
PPO Plan	\$ 1,186.2	\$ 1,200.3	\$ 14.1	\$ 1,282.8	\$ 1,290.2	\$ 7.4	\$ 1,386.3	\$ 1,392.0	\$ 5.7	\$ 1,500.5	\$ 1,505.6	\$ 5.1	\$ 1,630.8	\$ 1,634.9	\$ 4.1	\$ 1,772.3	\$ 1,775.1	\$ 2.8
Medical Claims	755.7	755.2	(0.5)	808.6	803.5	(5.1)	863.4	857.1	(6.3)	922.9	914.9	(8.0)	986.4	976.7	(9.7)	1,053.9	1,042.6	(11.3)
ASO Fee	17.9	17.9	-	18.1	17.9	(0.2)	18.1	17.9	(0.2)	18.1	17.9	(0.2)	18.1	17.8	(0.3)	18.1	17.8	(0.3)
Prescription Drug Claims	410.5	425.1	14.6	454.0	466.7	12.7	502.7	514.9	12.2	557.4	570.7	13.3	624.2	638.3	14.1	698.2	712.6	14.4
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	2.1	-
HMO Plan	\$ 1,565.6	\$ 1,547.6	\$ (18.0)	\$ 1,677.7	\$ 1,640.8	\$ (36.9)	\$ 1,799.2	\$ 1,741.0	\$ (58.2)	\$ 1,910.3	\$ 1,830.9	\$ (79.4)	\$ 2,072.7	\$ 1,965.9	\$ (106.8)	\$ 2,228.9	\$ 2,098.4	\$ (130.5)
Premium Payments	337.5	334.4	(3.1)	352.7	344.4	(8.3)	367.0	354.8	(12.2)	364.5	349.1	(15.4)	397.3	376.9	(20.4)	413.3	388.5	(24.8)
Medical Claims	849.8	824.3	(25.5)	909.2	873.3	(35.9)	972.5	924.4	(48.1)	1,040.4	979.4	(61.0)	1,113.1	1,037.8	(75.3)	1,190.8	1,099.9	(90.9)
ASO Fee	25.7	25.6	(0.1)	26.2	25.9	(0.3)	26.3	25.7	(0.6)	26.3	25.4	(0.9)	26.3	25.2	(1.1)	26.4	25.0	(1.4)
Prescription Drug Claims	350.6	361.3	10.7	387.6	395.2	7.6	431.4	434.2	2.8	477.1	475.1	(2.0)	534.0	524.1	(9.9)	596.4	583.1	(13.3)
PBM Claims Administration	2.0	2.0	-	2.0	2.0	-	2.0	1.9	(0.1)	2.0	1.9	(0.1)	2.0	1.9	(0.1)	2.0	1.9	(0.1)
MA-PD Plan	\$ 3.0	\$ 3.2	\$ 0.2	\$ 3.4	\$ 4.4	\$ 1.0	\$ 3.4	\$ 5.3	\$ 1.9	\$ 3.4	\$ 6.3	\$ 2.9	\$ 3.4	\$ 7.2	\$ 3.8	\$ 3.4	\$ 8.2	\$ 4.8
Shared Savings Program	\$ 10.5	\$ 10.6	\$ 0.1	\$ 12.0	\$ 12.1	\$ 0.1	\$ 12.3	\$ 12.4	\$ 0.1	\$ 12.6	\$ 12.7	\$ 0.1	\$ 13.0	\$ 13.1	\$ 0.1	\$ 13.3	\$ 13.4	\$ 0.1
Medical Claims	3.9	4.0	0.1	4.1	4.2	0.1	4.4	4.5	0.1	4.7	4.8	0.1	5.1	5.2	0.1	5.4	5.5	0.1
Administrative Fees ⁽⁴⁾	6.4	6.4	-	7.7	7.7	-	7.7	7.7	-	7.7	7.7	-	7.7	7.7	-	7.7	7.7	-
Shared Savings to Employees	0.2	0.2	-	0.2	0.2	-	0.2	0.2	-	0.2	0.2	-	0.2	0.2	-	0.2	0.2	-
HSA Deposits ⁽³⁾	7.1	7.0	(0.1)	7.2	7.6	0.4	7.2	7.6	0.4	7.2	7.6	0.4	7.2	7.6	0.4	7.2	7.6	0.4
Operating Costs & Admin Assessment	4.6	4.6	-	4.6	4.6	-	4.6	4.6	-	4.6	4.6	-	4.6	4.6	-	4.6	4.6	-
Premium Refunds	5.3	5.3	-	5.3	5.3	-	5.3	5.3	-	5.3	5.3	-	5.3	5.3	-	5.3	5.3	-
Other Expenses ⁽⁵⁾	1.0	1.0	-	0.9	0.9	-	0.9	0.9	-	0.9	0.9	-	0.9	0.9	-	0.9	0.9	-
TOTAL EXPENSES	\$ 2,783.3	\$ 2,779.6	\$ (3.7)	\$ 2,993.9	\$ 2,965.9	\$ (28.0)	\$ 3,219.2	\$ 3,169.1	\$ (50.1)	\$ 3,444.8	\$ 3,373.9	\$ (70.9)	\$ 3,737.9	\$ 3,639.5	\$ (98.4)	\$ 4,035.9	\$ 3,913.5	\$ (122.4)
EXCESS OF REV. OVER EXP.	\$ 101.0	\$ 97.3	\$ (3.7)	\$ (21.2)	\$ (28.0)	\$ (6.8)	\$ (228.3)	\$ (228.2)	\$ 0.1	\$ (442.6)	\$ (435.0)	\$ 7.6	\$ (719.5)	\$ (699.1)	\$ 20.4	\$ (1,004.8)	\$ (973.9)	\$ 30.9
ENDING CASH BALANCE ⁽⁶⁾	\$ 750.3	\$ 746.6	\$ (3.7)	\$ 729.1	\$ 718.6	\$ (10.5)	\$ 500.8	\$ 490.4	\$ (10.4)	\$ 58.2	\$ 55.4	\$ (2.8)	\$ (661.3)	\$ (643.7)	\$ 17.6	\$ (1,004.8)	\$ (973.9)	\$ 30.9
ADDITIONAL INFORMATION																		
Shared Savings Credits ⁽⁷⁾	\$ 3.5	\$ 3.5	\$ -	\$ 3.8	\$ 3.8	\$ -	\$ 3.8	\$ 3.8	\$ -	\$ 3.8	\$ 3.8	\$ -	\$ 3.8	\$ 3.8	\$ -	\$ 3.8	\$ 3.8	\$ -
Unreported PPO Plan Claims Liability ⁽⁸⁾	\$ 60.5	68.0	7.5	\$ 64.7	72.3	7.6	\$ 69.1	77.1	8.0	\$ 73.8	82.3	8.5	\$ 78.9	87.9	9.0	\$ 84.3	93.8	9.5
Unreported HMO Plan Claims Liability ⁽⁹⁾	119.0	115.4	(3.6)	127.3	122.3	(5.0)	136.2	129.4	(6.8)	145.7	137.1	(8.6)	155.8	145.3	(10.5)	166.7	154.0	(12.7)
Unreported PBM Claims Liability ⁽¹⁰⁾	7.6	7.9	0.3	8.4	8.7	0.3	9.3	9.4	0.1	10.4	10.5	0.1	11.5	11.6	0.1	13.0	12.9	(0.1)
Total Unreported Claims Liability	\$ 190.6	\$ 194.8	\$ 4.2	\$ 204.2	\$ 207.1	\$ 2.9	\$ 218.4	\$ 219.7	\$ 1.3	\$ 233.7	\$ 233.7	\$ -	\$ 250.0	\$ 248.6	\$ (1.4)	\$ 267.8	\$ 264.5	\$ (3.3)

Highlights of Changes to Forecast

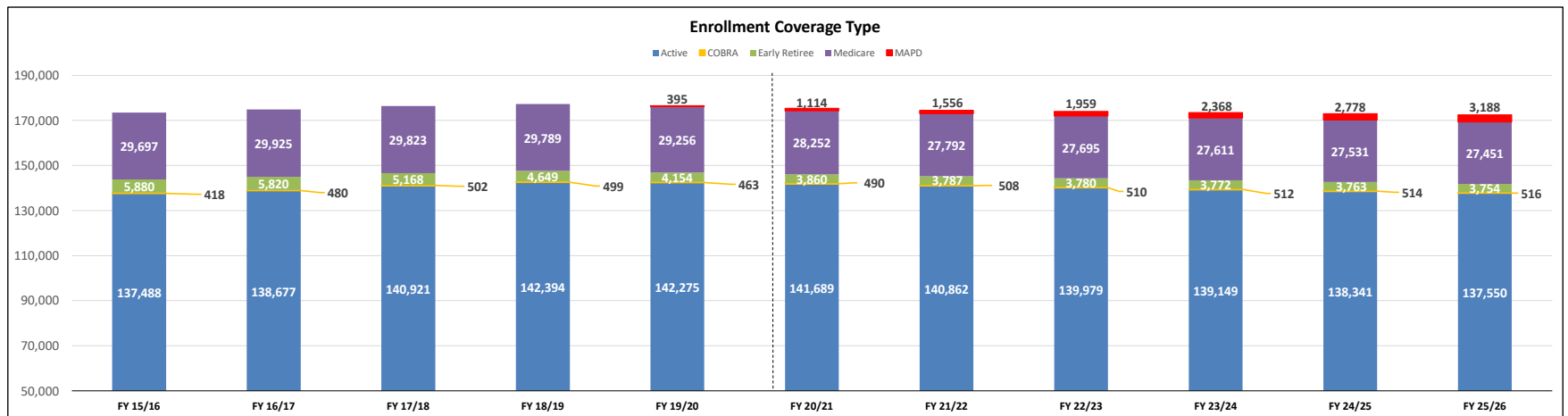
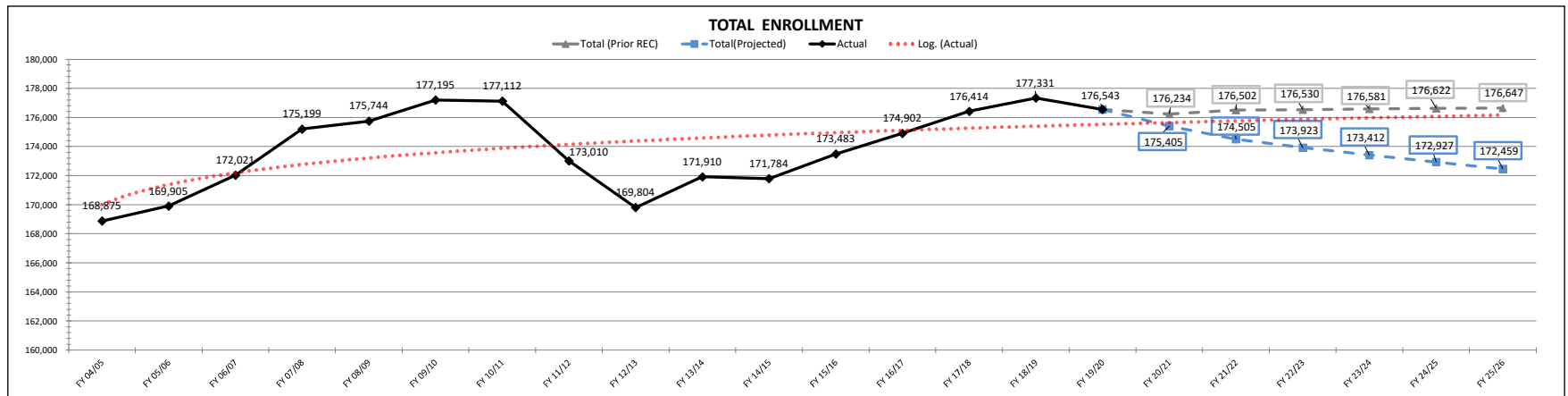
- A) Inclusion of actual enrollment and cash flows through January 2021
- B) Revised growth factors for Preferred Provider Organization (PPO) and Health Maintenance Organization (HMO) pharmacy claims.
- C) Revised growth factors for PPO and HMO medical claims for FY 2020-21
- D) Revised projections for the Shared Savings program

STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

Exhibit II

Enrollment Outlook by Fiscal Year
Changes to Conference Forecast - March 2021 Compared to December 2020

		FY 2020-21			FY 2021-22			FY 2022-23			FY 2023-24			FY 2024-25			FY 2025-26		
		Dec '20	Mar '21	Diff.	Dec '20	Mar '21	Diff.	Dec '20	Mar '21	Diff.	Dec '20	Mar '21	Diff.	Dec '20	Mar '21	Diff.	Dec '20	Mar '21	Diff.
Average Enrollment by Plan	PPO Standard	79,359	78,958	(401)	79,413	78,519	(894)	79,362	78,381	(981)	79,353	78,265	(1,088)	79,338	78,155	(1,183)	79,305	78,050	(1,255)
	PPO HDHP	3,481	3,540	59	3,498	3,594	96	3,494	3,592	98	3,491	3,588	97	3,488	3,584	96	3,485	3,580	95
	HMO Standard	91,082	90,511	(571)	91,134	89,546	(1,588)	91,204	88,700	(2,504)	91,256	87,897	(3,359)	91,303	87,113	(4,190)	91,352	86,340	(5,012)
	HMO HDHP	1,273	1,282	9	1,287	1,290	3	1,300	1,291	(9)	1,311	1,294	(17)	1,323	1,297	(26)	1,335	1,301	(34)
	MAPD	1,039	1,114	75	1,170	1,556	386	1,170	1,959	789	1,170	2,368	1,198	1,170	2,778	1,608	1,170	3,188	2,018
	Total	176,234	175,405	(829)	176,502	174,505	(1,997)	176,530	173,923	(2,607)	176,581	173,412	(3,169)	176,622	172,927	(3,695)	176,647	172,459	(4,188)
Average Enrollment by Coverage Type	Active (Non-OPS) Standard	131,706	131,002	(704)	131,574	129,776	(1,798)	131,574	128,940	(2,634)	131,593	128,150	(3,443)	131,604	127,379	(4,225)	131,601	126,623	(4,978)
	Active (Non-OPS) HDHP	4,180	4,205	25	4,201	4,227	26	4,209	4,222	13	4,216	4,220	4	4,224	4,218	(6)	4,232	4,217	(15)
	OPS Standard	5,732	5,980	248	5,893	6,319	426	5,900	6,276	376	5,905	6,237	332	5,912	6,201	289	5,917	6,166	249
	OPS HDHP	469	502	33	480	540	60	481	541	60	482	542	60	483	543	60	484	544	60
	COBRA	476	490	14	485	508	23	488	510	22	491	512	21	494	514	20	497	516	19
	Early Retiree	3,929	3,860	(69)	3,931	3,787	(144)	3,940	3,780	(160)	3,948	3,772	(176)	3,955	3,763	(192)	3,961	3,754	(207)
	Medicare	28,703	28,252	(451)	28,768	27,792	(976)	28,768	27,695	(1,073)	28,776	27,611	(1,165)	28,780	27,531	(1,249)	28,785	27,451	(1,334)
	MAPD	1,039	1,114	75	1,170	1,556	386	1,170	1,959	789	1,170	2,368	1,198	1,170	2,778	1,608	1,170	3,188	2,018
	Total	176,234	175,405	(829)	176,502	174,505	(1,997)	176,530	173,923	(2,607)	176,581	173,412	(3,169)	176,622	172,927	(3,695)	176,647	172,459	(4,188)



STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

Exhibit III

Financial Outlook by Fiscal Year ⁽¹⁾

(In Millions)

	<u>FY 2020-21</u>	<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>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
BEGINNING CASH BALANCE	\$ 649.3	\$ 746.6	\$ 718.6	\$ 490.4	\$ 55.4	\$ 0.0 ⁽²⁾
REVENUES:						
Insurance Premiums:						
Employer	\$ 2,190.6	\$ 2,237.1	\$ 2,223.0	\$ 2,210.7	\$ 2,197.7	\$ 2,185.0
Employee	173.2	172.0	170.9	170.0	169.0	168.0
HSA Contributions ⁽³⁾	7.0	7.6	7.6	7.6	7.6	7.6
COBRA	6.5	6.8	6.8	6.8	6.8	6.9
Early Retiree	46.5	47.2	47.2	47.2	47.1	47.1
Medicare	183.3	186.7	188.1	189.7	191.4	192.5
Investment Earnings	20.9	22.0	18.1	8.2	0.0	0.0
PPO - TPA Refunds	7.8	7.8	7.8	7.8	7.8	7.8
PPO - PBM Rebates	97.5	110.2	121.5	132.0	143.6	152.5
HMO - Self-Insured Refunds	7.8	7.8	7.8	7.8	7.8	7.8
HMO - PBM Rebates	83.1	94.6	104.0	113.0	123.6	126.4
Pretax Trust Fund Transfer	21.7	21.7	21.7	21.7	21.7	21.7
PPO - Medicare Part D Subsidy	14.9	15.1	15.1	15.1	15.0	15.0
HMO - Medicare Part D Subsidy	1.3	1.3	1.3	1.3	1.3	1.3
Other Revenues	14.8	0.0	0.0	0.0	0.0	0.0
TOTAL REVENUES	\$ 2,876.9	\$ 2,937.9	\$ 2,940.9	\$ 2,938.9	\$ 2,940.4	\$ 2,939.6
TOTAL CASH AVAILABLE	\$ 3,526.2	\$ 3,684.5	\$ 3,659.5	\$ 3,429.3	\$ 2,995.8	\$ 2,939.6
EXPENSES:						
State PPO Plan:						
Medical Claims	\$ 755.2	\$ 803.5	\$ 857.1	\$ 914.9	\$ 976.7	\$ 1,042.6
ASO Fee	17.9	17.9	17.9	17.9	17.8	17.8
Prescription Drug Claims	425.1	466.7	514.9	570.7	638.3	712.6
PBM Claims Administration	2.1	2.1	2.1	2.1	2.1	2.1
HMO Plan:						
Premium Payments	334.4	344.4	354.8	349.1	376.9	388.5
Medical Claims	824.3	873.3	924.4	979.4	1,037.8	1,099.9
ASO Fee	25.6	25.9	25.7	25.4	25.2	25.0
Prescription Drug Claims	361.3	395.2	434.2	475.1	524.1	583.1
PBM Claims Administration	2.0	2.0	1.9	1.9	1.9	1.9
Medicare Advantage Prescription Drug Plan	3.2	4.4	5.3	6.3	7.2	8.2
Shared Savings Program:						
Medical Claims	4.0	4.2	4.5	4.8	5.2	5.5
Administrative Fees ⁽⁴⁾	6.4	7.7	7.7	7.7	7.7	7.7
Shared Savings to Employees	0.2	0.2	0.2	0.2	0.2	0.2
HSA Deposits ⁽³⁾	7.0	7.6	7.6	7.6	7.6	7.6
Operating Costs & Admin Assessment	4.6	4.6	4.6	4.6	4.6	4.6
Premium Refunds	5.3	5.3	5.3	5.3	5.3	5.3
Other Expenses ⁽⁵⁾	1.0	0.9	0.9	0.9	0.9	0.9
TOTAL EXPENSES	\$ 2,779.6	\$ 2,965.9	\$ 3,169.1	\$ 3,373.9	\$ 3,639.5	\$ 3,913.5
EXCESS OF REVENUES OVER EXPENSES	\$ 97.3	\$ (28.0)	\$ (228.2)	\$ (435.0)	\$ (699.1)	\$ (973.9)
ENDING CASH BALANCE ⁽⁶⁾	\$ 746.6	\$ 718.6	\$ 490.4	\$ 55.4	\$ (643.7)	\$ (973.9)
ADDITIONAL INFORMATION						
Total Unreported Claims Liability	\$ 194.8	\$ 207.1	\$ 219.7	\$ 233.7	\$ 248.6	\$ 264.5
Average Enrollment by Plan						
PPO Standard	78,958	78,519	78,381	78,265	78,155	78,050
PPO HDHP	3,540	3,594	3,592	3,588	3,584	3,580
HMO Standard	90,511	89,546	88,700	87,897	87,113	86,340
HMO HDHP	1,282	1,290	1,291	1,294	1,297	1,301
MAPD	1,114	1,556	1,959	2,368	2,778	3,188
Total	175,405	174,505	173,923	173,412	172,927	172,459
Average Enrollment by Coverage Type						
Active (Non-OPS) Standard	131,002	129,776	128,940	128,150	127,379	126,623
Active (Non-OPS) HDHP	4,205	4,227	4,222	4,220	4,218	4,217
OPS Standard	5,980	6,319	6,276	6,237	6,201	6,166
OPS HDHP	502	540	541	542	543	544
COBRA	490	508	510	512	514	516
Early Retiree	3,860	3,787	3,780	3,772	3,763	3,754
Medicare	28,252	27,792	27,695	27,611	27,531	27,451
MAPD	1,114	1,556	1,959	2,368	2,778	3,188
Total	175,405	174,505	173,923	173,412	172,927	172,459

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 Rrangement (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

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

\$ 750.3 - Previous Ending Cash Balance Forecast ⁽ⁱ⁾

- (7.4) - Decrease in Revenue Forecast
 - (13.8) - Net Decrease in Insurance Premiums
 - (9.7) - Decrease in employer and enrollee Insurance Premiums due to lower actual enrollment from 176,234 to 175,405
 - (0.1) - Decrease in employer and enrollee HSA contributions
 - (4.0) - Decrease in Insurance Premiums due to shifts in enrollment categories
 - (0.1) - Decrease in Investment Earnings due to lower projected cash balance
 - 0.6 - Increase in PPO - TPA Refunds due to higher projected activity
 - (0.3) - Decrease due to lower projected enrollment from 82,840 to 82,496
 - 0.9 - Increase due to higher actual activity than projected
 - 0.2 - Increase in PPO - PBM Rebates
 - (0.3) - Decrease due to lower projected enrollment from 82,840 to 82,496
 - 0.5 - Increase due to higher projected activity
 - (1.4) - Decrease in HMO - PBM Rebates
 - (0.5) - Decrease due to lower projected enrollment from 86,674 to 86,170
 - (0.9) - Decrease due to lower projected activity
 - (1.3) - Decrease in PPO - Medicare Part D Subsidy due to lower projected Medicare enrollment from 21,171 to 20,839
 - (0.1) - Decrease in HMO - Medicare Part D Subsidy due to lower projected Medicare enrollment from 1,842 to 1,784
 - 8.5 - Increase in Other Revenues due to Performance Guarantee Penalties
- (3.7) - Decrease in Expense Forecast
 - 14.1 - Increase in State PPO Plan
 - (0.5) - Decrease in Medical Claims
 - (3.1) - Decrease due to lower projected enrollment from 82,840 to 82,496
 - 2.1 - Increase due to higher growth factor from 7.20% to 7.50%
 - 0.5 - Increase due to higher claims experience
 - 14.6 - Increase in Prescription Drug Claims
 - (1.7) - Decrease due to lower projected enrollment from 82,840 to 82,496
 - 1.2 - Increase due to higher growth factor from 8.10% to 8.40%
 - 15.1 - Increase due to higher claims experience
 - (18.0) - Decrease in HMO Plan
 - (3.1) - Decrease in Premium Payments
 - (3.0) - Decrease due to lower actual enrollment from 31,195 to 30,914
 - (0.1) - Decrease due to shifts in enrollment categories
 - (25.5) - Decrease in Medical Claims
 - (3.9) - Decrease due to lower projected enrollment from 61,159 to 60,877
 - 0.1 - Increase due to lower Shared Savings
 - (1.6) - Decrease due to lower growth factor from 6.40% to 6.20%
 - (20.1) - Decrease due to lower actual claims experience
 - (0.1) - Decrease in ASO Fees due to lower projected enrollment from 61,159 to 60,877
 - 10.7 - Increase in Prescription Drug Claims
 - (2.0) - Decrease due to lower projected enrollment from 86,674 to 86,170
 - 4.3 - Increase due to higher growth factor from 8.50% to 9.80%
 - 8.4 - Increase due to higher claims experience
 - 0.2 - Increase in MAPD Premium Payments due to higher projected enrollment from 1,039 to 1,114
 - 0.1 - Increase in Shared Savings Program due to higher projected Bundled Surgical Service claims
 - (0.1) - Decrease in Other Expense Categories due to lower projected employer and enrollee HSA Deposits

746.6 - Ending Cash Balance ⁽¹⁾

⁽ⁱ⁾ Self Insurance Estimating Conference held in December 2020.

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

\$ 729.1 - Previous Ending Cash Balance Forecast ⁽ⁱ⁾

- (3.7) - Decrease in Beginning Cash Balance Forecast
- (34.8) - Decrease in Revenue Forecast
 - (33.6) - Net Decrease in Insurance Premiums
 - (27.4) - Decrease in employer and enrollee Insurance Premiums due to lower projected enrollment from 176,502 to 174,505
 - 0.4 - Increase in projected employer and enrollee HSA contributions
 - (6.6) - Decrease in Insurance Premiums due to shifts in enrollment categories
 - (0.2) - Decrease in Investment Earnings due to lower projected cash balance
 - 0.6 - Increase in PPO - TPA Refunds due to higher projected activity
 - (0.1) - Decrease due to lower projected enrollment from 83,911 to 82,113
 - 0.7 - Increase due to higher projected activity
 - 0.2 - Increase in PPO - PBM Rebates
 - (1.1) - Decrease due to lower projected enrollment from 83,911 to 82,113
 - 1.3 - Increase due to higher projected activity
 - (1.2) - Decrease in HMO - PBM Rebates
 - (1.6) - Decrease due to lower projected enrollment from 86,715 to 85,289
 - 0.4 - Increase due to higher projected activity
 - (0.6) - Decrease in PPO - Medicare Part D Subsidy due to lower projected Medicare enrollment from 21,194 to 20,506
- (28.0) - Decrease in Expense Forecast
 - 7.4 - Increase in State PPO Plan
 - (5.1) - Decrease in Medical Claims
 - (7.8) - Decrease due to lower projected enrollment from 83,911 to 82,113
 - (0.1) - Decrease due to higher projected Shared Savings
 - 2.8 - Increase due to higher claims experience
 - (0.2) - Decrease in ASO Fees due to lower projected enrollment from 82,911 to 82,113
 - 12.7 - Increase in Prescription Drug Claims
 - (4.4) - Decrease due to lower projected enrollment from 83,911 to 82,113
 - (0.8) - Decrease due to lower growth factor from 10.50% to 10.30%
 - 17.9 - Increase due to higher claims experience
 - (36.9) - Decrease in HMO Plan
 - (8.3) - Decrease in Premium Payments
 - (7.8) - Decrease due to lower projected enrollment from 31,210 to 30,502
 - (0.5) - Decrease due to shifts in enrollment categories
 - (35.9) - Decrease in Medical Claims
 - (13.1) - Decrease due to lower projected enrollment from 61,208 to 60,333
 - 0.1 - Increase due to lower projected Shared Savings
 - (22.9) - Decrease due to lower projected claims experience
 - (0.3) - Decrease in ASO Fees due to lower projected enrollment from 61,208 to 60,333
 - 7.6 - Increase in Prescription Drug Claims
 - (6.4) - Decrease due to lower projected enrollment from 86,715 to 85,289
 - 14.0 - Increase due to higher claims experience
 - 1.0 - Increase in MAPD Premium Payments due to higher projected enrollment from 1,170 to 1,556
 - 0.1 - Increase in Shared Savings Program due to higher projected Bundled Surgical Service claims
 - 0.4 - Increase in Other Expense Categories due to higher projected employer and enrollee HSA Deposits

718.6 - Ending Cash Balance ⁽¹⁾

⁽ⁱ⁾ Self Insurance Estimating Conference held in December 2020.

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

\$ 500.8 - Previous Ending Cash Balance Forecast ⁽¹⁾

- (10.5) - Decrease in Beginning Cash Balance Forecast
- (50.0) - Decrease in Revenue Forecast
 - (48.3) - Net Decrease in Insurance Premiums
 - (41.0) - Decrease in employer and enrollee Insurance Premiums due to lower projected enrollment from 176,530 to 173,923
 - 0.4 - Increase in projected employer and enrollee HSA contributions
 - (7.7) - Decrease in Insurance Premiums due to shifts in enrollment categories
 - (0.3) - Decrease in Investment Earnings due to lower projected cash balance
 - 0.6 - Increase in PPO - TPA Refunds due to higher projected activity
 - (0.1) - Decrease due to lower projected enrollment from 82,856 to 81,974
 - 0.7 - Increase due to higher projected activity
 - 0.4 - Increase in PPO - PBM Rebates
 - (1.3) - Decrease due to lower projected enrollment from 82,856 to 81,974
 - 1.7 - Increase due to higher projected activity
 - (1.8) - Decrease in HMO - PBM Rebates
 - (2.8) - Decrease due to lower projected enrollment from 86,795 to 84,500
 - 1.0 - Increase due to higher projected activity
 - (0.6) - Decrease in PPO - Medicare Part D Subsidy due to lower projected Medicare enrollment from 21,180 to 20,472
- (50.1) - Decrease in Expense Forecast
 - 5.7 - Increase in State PPO Plan
 - (6.3) - Decrease in Medical Claims
 - (9.2) - Decrease due to lower projected enrollment from 82,856 to 81,974
 - 2.9 - Increase due to higher claims experience
 - (0.2) - Decrease in ASO Fees due to lower projected enrollment from 82,856 to 81,974
 - 12.2 - Increase in Prescription Drug Claims
 - (5.4) - Decrease due to lower projected enrollment from 82,856 to 81,974
 - (1.4) - Decrease due to lower growth factor from 10.80% to 10.50%
 - 19.0 - Increase due to higher claims experience
 - (58.2) - Decrease in HMO Plan
 - (12.2) - Decrease in Premium Payments
 - (11.5) - Decrease due to lower projected enrollment from 31,230 to 30,215
 - (0.7) - Decrease due to shifts in enrollment categories
 - (48.1) - Decrease in Medical Claims
 - (23.8) - Decrease due to lower projected enrollment from 61,270 to 59,775
 - 0.2 - Increase due to lower Shared Savings
 - (24.5) - Decrease due to lower projected claims experience
 - (0.6) - Decrease in ASO Fees due to lower projected enrollment from 61,270 to 59,775
 - 2.8 - Increase in Prescription Drug Claims
 - (11.4) - Decrease due to lower projected enrollment from 86,795 to 84,500
 - (1.2) - Decrease due to lower growth factor from 11.20% to 10.90%
 - 15.4 - Increase due to higher claims experience
 - (0.1) - Decrease in PBM Claims Administration due to lower projected enrollment from 86,795 to 84,500
 - 1.9 - Increase in MAPD Premium Payments due to higher projected enrollment from 1,170 to 1,959
 - 0.1 - Increase in Shared Savings Program due to higher projected Bundled Surgical Service claims
 - 0.4 - Increase in Other Expense Categories due to higher projected employer and enrollee HSA Deposits

490.4 - Ending Cash Balance⁽¹⁾

⁽¹⁾ Self Insurance Estimating Conference held in December 2020.

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

\$ 58.2 - Previous Ending Cash Balance Forecast ⁽ⁱ⁾

- (10.4) - Decrease in Beginning Cash Balance Forecast
- (63.3) - Decrease in Revenue Forecast
 - (61.2) - Net Decrease in Insurance Premiums
 - (53.9) - Decrease in employer and enrollee Insurance Premiums due to lower projected enrollment from 176,581 to 173,412
 - 0.4 - Increase in projected employer and enrollee HSA contributions
 - (7.7) - Decrease in Insurance Premiums due to shifts in enrollment categories
 - (0.2) - Decrease in Investment Earnings due to lower projected cash balance
 - 0.6 - Increase in PPO - TPA Refunds due to higher projected activity
 - (0.1) - Decrease due to lower projected enrollment from 82,844 to 81,853
 - 0.7 - Increase due to higher projected activity
 - 0.5 - Increase in PPO - PBM Rebates
 - (1.6) - Decrease due to lower projected enrollment from 82,844 to 81,853
 - 2.1 - Increase due to higher projected activity
 - (2.4) - Decrease in HMO - PBM Rebates
 - (4.0) - Decrease due to lower projected enrollment from 86,860 to 83,750
 - 1.6 - Increase due to higher projected activity
 - (0.6) - Decrease in PPO - Medicare Part D Subsidy due to lower projected Medicare enrollment from 21,177 to 20,442
 - (70.9) - Decrease in Expense Forecast
 - 5.1 - Increase in State PPO Plan
 - (8.0) - Decrease in Medical Claims
 - (11.1) - Decrease due to lower projected enrollment from 82,844 to 81,853
 - (0.1) - Decrease due to higher projected Shared Savings
 - 3.2 - Increase due to higher claims experience
 - (0.2) - Decrease in ASO Fees due to lower projected enrollment from 82,844 to 81,853
 - 13.3 - Increase in Prescription Drug Claims
 - (6.7) - Decrease due to lower projected enrollment from 82,844 to 81,853
 - 0.5 - Increase due to higher growth factor from 10.90% to 11.00%
 - 19.5 - Increase due to higher claims experience
 - (79.4) - Decrease in HMO Plan
 - (15.4) - Decrease in Premium Payments
 - (14.6) - Decrease due to lower projected enrollment from 31,245 to 29,942
 - (0.8) - Decrease due to shifts in enrollment categories
 - (61.0) - Decrease in Medical Claims
 - (35.4) - Decrease due to lower projected enrollment from 61,321 to 59,247
 - 0.1 - Increase due to lower projected Shared Savings
 - (25.7) - Decrease due to lower projected claims experience
 - (0.9) - Decrease in ASO Fees due to lower projected enrollment from 61,321 to 59,247
 - (2.0) - Decrease in Prescription Drug Claims
 - (17.1) - Decrease due to lower projected enrollment from 86,860 to 83,750
 - (0.4) - Decrease due to lower growth factor from 10.50% to 10.40%
 - 15.5 - Increase due to higher claims experience
 - (0.1) - Decrease in PBM Claims Administration due to lower projected enrollment from 86,860 to 83,750
 - 2.9 - Increase in MAPD Premium Payments due to higher projected enrollment from 1,170 to 2,368
 - 0.1 - Increase in Shared Savings Program due to higher projected Bundled Surgical Service claims
 - 0.4 - Increase in Other Expense Categories due to higher projected employer and enrollee HSA Deposits

55.4 - Ending Cash Balance⁽¹⁾

⁽ⁱ⁾ Self Insurance Estimating Conference held in December 2020.

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

\$ (661.3) - Previous Ending Cash Balance Forecast ⁽ⁱ⁾

- (2.8) - Decrease in Beginning Cash Balance Forecast
- (78.0) - Decrease in Revenue Forecast
 - (74.8) - Net Decrease in Insurance Premiums
 - (66.3) - Decrease in employer and enrollee Insurance Premiums due to lower projected enrollment from 176,622 to 172,927
 - 0.4 - Increase in projected employer and enrollee HSA contributions
 - (8.9) - Decrease in Insurance Premiums due to shifts in enrollment categories
 - 0.6 - Increase in PPO - TPA Refunds due to higher projected activity
 - (0.1) - Decrease due to lower projected enrollment from 82,826 to 81,746
 - 0.7 - Increase due to higher projected activity
 - 0.5 - Increase in PPO - PBM Rebates
 - (1.9) - Decrease due to lower projected enrollment from 82,826 to 81,746
 - 2.4 - Increase due to higher projected activity
 - (3.6) - Decrease in HMO - PBM Rebates
 - (6.4) - Decrease due to lower projected enrollment from 86,890 to 82,414
 - 2.8 - Increase due to higher projected activity
 - (0.7) - Decrease in PPO - Medicare Part D Subsidy due to lower projected Medicare enrollment from 21,172 to 20,414
 - (98.4) - Decrease in Expense Forecast
 - 4.1 - Increase in State PPO Plan
 - (9.7) - Decrease in Medical Claims
 - (12.9) - Decrease due to lower projected enrollment from 82,826 to 81,746
 - (0.1) - Decrease due to higher projected Shared Savings
 - 3.3 - Increase due to higher claims experience
 - (0.3) - Decrease in ASO Fees due to lower projected enrollment from 82,826 to 81,746
 - 14.1 - Increase in Prescription Drug Claims
 - (8.1) - Decrease due to lower projected enrollment from 82,826 to 81,746
 - 22.2 - Increase due to higher claims experience
 - (106.8) - Decrease in HMO Plan
 - (20.4) - Decrease in Premium Payments
 - (19.1) - Decrease due to lower projected enrollment from 31,256 to 29,675
 - (1.3) - Decrease due to shifts in enrollment categories
 - (75.3) - Decrease in Medical Claims
 - (48.0) - decrease due to lower projected enrollment from 61,368 to 58,734
 - 0.2 - Increase due to lower projected Shared Savings
 - (27.5) - Decrease due to lower projected claims experience
 - (1.1) - Decrease in ASO Fees due to lower projected enrollment from 61,368 to 58,734
 - (9.9) - Decrease in Prescription Drug Claims
 - (27.5) - Decrease due to lower projected enrollment from 86,890 to 82,414
 - 0.9 - Increase due to higher growth factor from 11.90% to 12.10%
 - 16.7 - Increase due to higher claims experience
 - (0.1) - Decrease in PBM Claims Administration due to lower projected enrollment from 86,890 to 83,414
 - 3.8 - Increase in MAPD Premium Payments due to higher projected enrollment from 1,170 to 2,778
 - 0.1 - Increase in Shared Savings Program due to higher projected Bundled Surgical Service claims
 - 0.4 - Increase in Other Expense Categories due to higher projected employer and enrollee HSA Deposits

(643.7) - Ending Cash Balance⁽¹⁾

⁽ⁱ⁾ Self Insurance Estimating Conference held in December 2020.

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

\$ (1,004.8) - Previous Ending Cash Balance Forecast ⁽ⁱ⁾

- 0.0 - No Change in Beginning Cash Balance Forecast
- (91.5) - Decrease in Revenue Forecast
 - (88.0) - Net Decrease in Insurance Premiums
 - (78.2) - Decrease in employer and enrollee Insurance Premiums due to lower projected enrollment from 176,647 to 172,459
 - 0.4 - Increase in projected employer and enrollee HSA contributions
 - (10.2) - Decrease in Insurance Premiums due to shifts in enrollment categories
 - 0.6 - Increase in PPO - TPA Refunds due to higher projected activity
 - (0.1) - Decrease due to lower projected enrollment from 82,790 to 81,631
 - 0.7 - Increase due to higher projected activity
 - 0.4 - Increase in PPO - PBM Rebates
 - (2.1) - Decrease due to lower projected enrollment from 82,790 to 81,631
 - 2.5 - Increase due to higher projected activity
 - (3.8) - Decrease in HMO - PBM Rebates
 - (7.1) - Decrease due to lower projected enrollment from 86,870 to 82,010
 - 3.3 - Increase due to higher projected activity
 - (0.7) - Decrease in PPO - Medicare Part D Subsidy due to lower projected Medicare enrollment from 21,164 to 20,387
- (122.4) - Decrease in Expense Forecast
 - 2.8 - Increase in State PPO Plan
 - (11.3) - Decrease in Medical Claims
 - (14.8) - Decrease due to lower projected enrollment from 82,790 to 81,631
 - (0.1) - Decrease due to Shared Savings Program
 - 3.6 - Increase due to higher claims experience
 - (0.3) - Decrease in ASO Fees due to lower projected enrollment from 82,790 to 81,631
 - 14.4 - Increase in Prescription Drug Claims
 - (9.8) - Decrease due to lower projected enrollment from 82,790 to 81,631
 - (0.6) - Decrease due to lower growth factor from 11.90% to 11.80%
 - 24.8 - Increase due to higher claims experience
 - (130.5) - Decrease in HMO Plan
 - (24.8) - Decrease in Premium Payments
 - (23.0) - Decrease due to lower projected enrollment from 31,267 to 29,412
 - (1.8) - Decrease due to shifts in enrollment categories
 - (90.9) - Decrease in Medical Claims
 - (62.1) - Decrease due to lower projected enrollment from 61,418 to 58,229
 - 0.2 - Increase due to lower projected Shared Savings
 - (29.0) - Decrease due to lower projected claims experience
 - (1.4) - Decrease in ASO Fees due to lower projected enrollment from 61,418 to 58,229
 - (13.3) - Decrease in Prescription Drug Claims
 - (33.4) - Decrease due to lower projected enrollment from 86,870 to 82,010
 - 0.5 - Increase due to higher growth factor from 11.70% to 11.80%
 - 19.6 - Increase due to higher claims experience
 - (0.1) - Decrease in PBM Claims Administration due to lower projected enrollment from 86,870 to 82,010
 - 4.8 - Increase in MAPD Premium Payments due to higher projected enrollment from 1,170 to 3,188
 - 0.1 - Increase in Shared Savings Program due to higher projected Bundled Surgical Service claims
 - 0.4 - Increase in Other Expense Categories due to higher projected employer and enrollee HSA Deposits

(973.9) - Ending Cash Balance⁽¹⁾

⁽ⁱ⁾ Self Insurance Estimating Conference held in December 2020.

STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

Premium Rate Table

Effective December 2019 for January 2020 Coverage

(Premium rate change for all participants)

Subscriber Category / Contribution Cycle		Coverage Type	PPO/HMO Standard			PPO/HMO HDHP		
			Employer	Enrollee	Total	Employer ⁽⁴⁾	Enrollee	Total
Career Service / OPS	Monthly Full -Time Employees ⁽¹⁾	Single	713.80	50.00	763.80	713.80	15.00	728.80
		Family	1,539.32	180.00	1,719.32	1,539.32	64.30	1,603.62
		Spouse	1,689.32	30.00	1,719.32	1,573.64	30.00	1,603.64
	Bi-Weekly Full -Time Employees ⁽¹⁾	Single	356.90	25.00	381.90	356.90	7.50	364.40
		Family	769.66	90.00	859.66	769.66	32.15	801.81
		Spouse	844.66	15.00	859.66	786.82	15.00	801.82
SES / SMS	Monthly Full -Time Employees ^(1,2)	Single	755.46	8.34	763.80	720.46	8.34	728.80
		Family	1,689.32	30.00	1,719.32	1,573.62	30.00	1,603.62
	Bi-Weekly Full -Time Employees ^(1,2)	Single	377.73	4.17	381.90	360.23	4.17	364.40
		Family	844.66	15.00	859.66	786.81	15.00	801.81
COBRA (Non-Medicare)	Monthly ⁽³⁾	Single	0.00	779.08	779.08	0.00	700.88	700.88
		Family	0.00	1,753.71	1,753.71	0.00	1,550.70	1,550.70
Early Retirees	Monthly	Single	0.00	763.80	763.80	0.00	687.14	687.14
		Family	0.00	1,719.32	1,719.32	0.00	1,520.29	1,520.29
Overage Dependents		Single	0.00	763.80	763.80	0.00	687.14	687.14

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	403.92	1,167.71	807.83
	HDHP	304.47	991.61	608.94
Capital Health Plan ⁽⁸⁾	Standard	282.62	1,000.47	565.24
	HDHP	257.23	902.17	514.46
COBRA Self-Insured PPO/HMO ⁽³⁾	Standard	412.00	1,191.06	823.99
	HDHP	310.56	1,011.44	621.12
COBRA Capital Health Plan ^(3,8)	Standard	288.27	1,020.48	576.54
	HDHP	262.37	920.21	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 2019 for January 2020 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	40.47	41.28
UnitedHealthcare - MA-PD	MA-PD	219.97	224.37

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

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 ⁽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
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 ⁽⁵⁾	Medicare II One Under/Over ⁽⁶⁾	Medicare III Both Eligible ⁽⁷⁾
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	1,038.30	565.24
	HDHP	257.23	936.15	514.46
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	1,059.07	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.