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

### **Report on Financial Outlook**

For the Fiscal Years Ending June 30, 2024 through June 30, 2029

Adopted January 10, 2024, by the Self-Insurance Estimating Conference

#### **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, 2024, through June 30, 2029. 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 data presented in the August 2023 Report on the Financial Outlook, henceforth referred to as the Prior Outlook and enrollment data that was adopted on December 20, 2023. With the Prior Outlook as the base, this Outlook has adjustments for the following:

- 1. Actual enrollment and cash flows through November 2023.
- 2. Revised Investment Earnings rates.
- 3. Revised claims trends for Preferred Provider Organization (PPO) and Health Maintenance Organization (HMO) pharmacy claims
- 4. Inclusion of new fully insured Insurance Premium rates, including Medicare Advantage Prescription Drug (MAPD) Plans, effective December 2023 for January 2024.
- 5. Inclusion of new HMO and PPO administrative fee rates, effective December 2023 for January 2024.
- 6. Inclusion of new Pharmacy Benefits Manager (PBM) administrative fee rates, effective December 2023 for January 2024.
- 7. Revised projected pharmacy rebates.
- 8. Revised growth factors for PPO and HMO medical claims for FY 2023-24.
- 9. Revised projections for the Shared Savings program.
- 10. Revised projections for Administrative Health Insurance Assessment (AHIA).
- 11. Revised Reverted Funds, per Ch. 2023-239 (SB 2500) Section 238.

This Outlook reflects an increase in revenues for all years compared to the Prior Outlook. An increase in ending cash balance is reflected for FY 2023-24. The deficits previously projected for FY 2024-25 through FY 2027-28 in the Prior Outlook have decreased. Finally, the projected ending cash balance for the added FY 2028-29 is also a deficit. The Outlook reflects that the Trust Fund is projected to remain solvent through FY 2023-24.

The ending cash balance for FY 2023-24 is adjusted from \$313.0 million to \$323.7 million, an increase of \$10.7 million. The estimated operating loss has decreased from \$261.1 million to \$250.4 million. Ending cash balance deficits and operating losses are projected for FY 2024-25 through FY 2028-29.

Below is a summary of the Outlook for the Trust Fund through FY 2028-29:

	Ę	Y 2023-24*	Ī	FY 2024-25		FY 2025-26		FY 2026-27		FY 2027-28	FY 2028-29
	_	Estimate	_	Estimate	_	Estimate		Estimate		Estimate	Estimate
BEGINNING CASH BALANCE	\$	574.1	\$	323.7	\$	0.0	\$	0.0	\$	0.0	\$ 0.0
TOTAL REVENUES	\$	3,085.1	\$_	3,024.2	\$	3,065.4	\$	3,114.3	\$	3,172.7	\$ 3,242.9
TOTAL EXPENSES	\$_	3,335.5	\$_	3,595.0	\$	3,836.2	\$	4,124.0	\$	4,427.7	\$ 4,765.8
OPERATING GAIN/(LOSS)	\$_	(250.4)	\$	(570.8)	\$	(770.8)	\$	(1,009.7)	\$	(1,255.0)	\$ (1,522.9)
ENDING CASH BALANCE	\$_	323.7	\$_	(247.1)	\$ _	(770.8)	\$	(1,009.7)	\$	(1,255.0)	\$ (1,522.9)

Note: Assumes no carry forward of negative cash balance.

\*Per Ch. 2023-239 (SB 2500) - Section 242: \$200 million added to beginning balance.

#### **ENROLLMENT**

The changes in enrollment between June 2023 and November 2023 reflect a net increase of 1,217 contracts, or 0.72% of total subscribers. Enrollment in PPO plans increased by 1,042 subscribers, or 1.30%, and HMO plan enrollment increased by 68 subscribers, or 0.08%. Active subscriber enrollment increased by 1,424 subscribers, or 1.04%, and the net change in non-active membership was a decrease of 207 subscribers, or -0.65%.

During the 2024 Open Enrollment, approximately 154,354 Active (Non-OPS) employees were offered coverage, compared to 148,176 offered coverage during the 2023 Open Enrollment. An additional 18,152 employees paid from Other Personal Services (OPS) funds were offered coverage, compared to 19,062 offered coverage during the 2023 Open Enrollment.

Final 2024 Open Enrollment numbers reflect that 131,818 (85.40%) of the eligible Active (Non-OPS) employees elected coverage, of which 56,966 (43.22%) enrolled in Individual coverage, 69,880 (53.01%) enrolled in Family coverage, and 4,972 (3.77%) enrolled in Spouse coverage. Active (Non-OPS) enrollment in PPO plans was 44.77%, and 55.23% enrolled in HMO plans. A total of 6,150 (33.88%) of the eligible OPS employees elected coverage, of which 4,179 (68.52%) enrolled in Individual coverage; 1,864 (30.56%) enrolled in Family coverage, and 56 (0.92%) enrolled in Spouse coverage. OPS enrollment in PPO plans was 55.04% and 44.59% enrolled in HMO plans.

Enrollment patterns for FY 2023-24 through FY 2027-28 reflect an average annual increase of 497 subscribers for Active coverage, compared to an increase of 210 subscribers in the Prior Outlook. Early Retiree enrollment is projected to decrease an average of 17

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

subscribers annually, compared to an increase of 12 subscribers projected in the Prior Outlook. Enrollment in the Medicare coverage categories, including the MAPD Plans, is expected to increase by an average of 522 subscribers annually, compared to an increase of 547 subscribers projected in the Prior Outlook. Total enrollment is projected to increase by an average of 999 subscribers annually throughout the forecast period, compared to an increase of 769 subscribers annually, as projected in the Prior Outlook.

As of November 2023, approximately 5,815 subscribers (5,704 active employees) were enrolled in a High Deductible Health Plan (3.43% of total enrollment). Active employees account for 98.09% of these subscribers, of which 93.37% are participating in the integrated state-sponsored Health Savings Account (HSA) offering. A total of 31,593 eligible employees, or 18.31%, opted out of enrollment in the Program, with 39.72% of those employees in OPS positions. The Prior Outlook reflected that 17.70% of eligible employees opted out of coverage and 42.30% were in OPS positions.

#### **REVENUE**

Combined premium contribution revenues for FY 2023-24 through FY 2027-28 are \$131.8 million higher than projected in the Prior Outlook due to the increase in higher projected enrollment. Investment earnings increased \$2.0 million for FY 2023-24 due to higher interest rates and projected cash balance. The Administrative Health Insurance Assessment (AHIA) decreased \$14.4 million a year based on actual experience and lower anticipated vacancy rates. The annual reverted funds collected for FY 2023-24 increased \$10.3 million based revised budget information. TPA Refunds reflect an increase of \$1.6 million per year due to higher actual experience. PBM Rebates increased a combined total of \$577.5 million based on new contracted rebate guarantees. Medicare Part D drug subsidy payments decreased by a combined total of \$0.9 million from the Prior Outlook. Other Revenues reflect \$11.5 million in FY 2023-24 in actual revenues to date, primarily from performance guarantee penalties and Pharmacy Benefits Manager (PBM) audits. Overall, Total Revenue changes in this outlook reflect a combined increase of \$668.3 million from the Prior Outlook.

#### **EXPENSES**

PPO expenses for FY 2023-24 through FY 2027-28 reflect a combined projected decrease of \$49.5 million. PPO medical claims projections overall are \$113.9 million higher, reflecting a \$97.2 million increase due to higher projected enrollment, \$6.6 million increase due to change in the growth rates going from 6.15% to 6.9%, and \$10.1 million increase from higher claims experience. PPO Pharmacy expenses overall are \$166.2 million lower, reflecting an \$81.7 million decrease due to changes in growth rates, a \$142.9 million decrease from lower projected claims, and an offset of a \$58.4 million increase due to higher projected enrollment. PPO ASO fees and PBM Administration fees reflect a combined increase of \$2.8 million due to higher projected enrollment.

The forecast of FY 2023-24 through FY 2027-28 reflects a combined increase of \$59.3 million in fully insured and self-insured HMO expenses. Fully insured premium payments reflect a projected combined increase totaling \$25.1 million due to higher projected enrollment. HMO medical claims projections overall are \$121.1 million higher, reflecting a \$0.3 million increase due to higher projected enrollment, \$6.6 million increase due to change in the growth rates going from 6.15% to 6.9% and a \$114.1 million increase in projected claims experience. HMO pharmacy expenses projections reflect a combined decrease of \$75.1 million, reflecting a \$31.5 million decrease due to lower growth trends used, a decrease of \$57.4 million in lower projected claims experience and an offset of a \$13.8 million increase due to higher projected enrollment. HMO ASO fees and PBM administration fees reflect a combined decrease of \$11.8 million due to lower contracted ASO.

Combined, PPO and HMO medical claims across all years of the forecast, compared to the Prior Outlook, reflect a \$235.0 million increase. The net combined decrease in pharmacy claims costs across all years is \$241.3 million compared to the Prior Outlook.

The forecast of FY 2023-24 through FY 2027-28 for the Shared Savings Program increased \$8.9 million based on actual utilization of Shared Saving payments to employees.

HSA Deposits increased \$0.5 million for all years of the Outlook.

Other Expenses for FY 2023-24 reflect an increase of \$0.1 million a year due to increased Patient-Centered Outcomes Research Institute (PCORI) Fees.

Overall, expenses across all years of the forecast reflect a combined increase of \$19.0 million compared to the Prior Outlook.

#### Growth factors used to develop this Outlook are reflected below:

		PPC	MEDICAL				
Industry Range for CYs 2	022-24: 5.0	% - 7.6%					
	*FY 23-24					FY 27-28	FY 28-29
	Applied Actual YTD + Projected					Applied	Applied
August 2023 Conference	6.15%	n/a	6.90%	6.90%	6.90%	6.90%	n/a
January 2024 Conference	6.90%	6.45%	6.90%	6.90%	6.90%	6.90%	6.90%

		HMC	MEDICAL				
Industry Range for CYs 2	022-24: 5.0	% - 7.6%					
	*FY 2	23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
	Applied	Actual YTD + Projected	Applied	Applied	Applied	Applied	Applied
August 2023 Conference	6.15%	n/a	6.90%	6.90%	6.90%	6.90%	n/a
January 2024 Conference	6.90%	8.44%	6.90%	6.90%	6.90%	6.90%	6.90%

		PPO	PHARMAC'	Y			
Industry Range for CYs 20	022-24: 4.79	% - 14.0%					
	*FY 2	23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
	Applied	Actual YTD + Projected	Applied	Applied	Applied	Applied	Applied
August 2023 Conference	8.20%	n/a	9.00%	9.70%	8.40%	11.70%	n/a
January 2024 Conference	5.40%	6.29%	5.80%	6.90%	8.20%	6.50%	6.50%

		HMO	PHARMAC	Υ			
Industry Range for CYs 20	22-24: 4.79	% - 14.0%					
	*FY 23-24					FY 27-28	FY 28-29
	Applied	Actual YTD + Projected	Applied	Applied	Applied	Applied	Applied
August 2023 Conference	8.30%	n/a	9.60%	10.10%	8.70%	12.10%	n/a
January 2024 Conference	6.90%	8.03%	7.00%	8.20%	10.30%	10.00%	10.00%

FULLY INSURED HMO PREMIUM PAYMENTS												
Industry Range for CYs 2021-23: 4.3% - 10.7%												
*CY 2024   CY 2025   CY 2026   CY 2027   CY 2028   CY 2029												
August 2023 Conference	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%						
January 2024 Conference         5.35%         5.35%         5.35%         5.35%         5.35%												

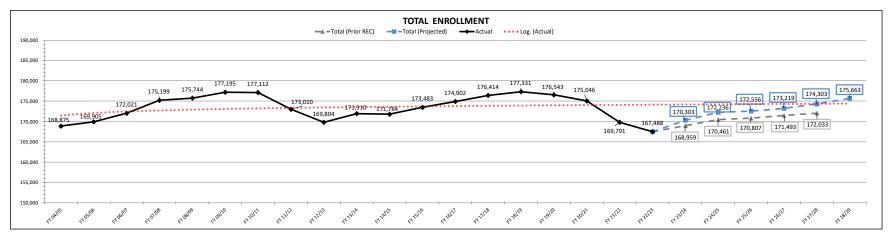
<sup>\*</sup>Actual data through November 2023

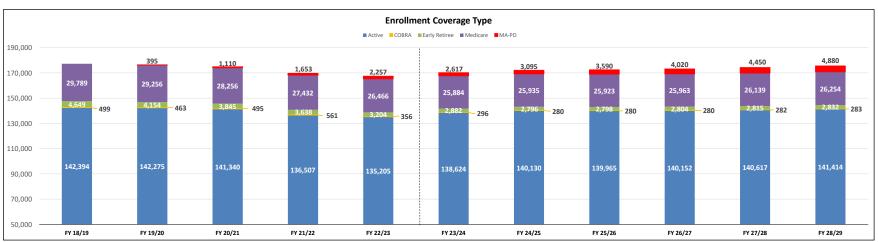
### STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND Exhibit I

#### Enrollment Outlook by Fiscal Year

Changes to Conference Forecast - December 2023 Compared to August 2023

		F	Y 2023-24		F	Y 2024-25		F	Y 2025-26			Y 2026-27		ı	FY 2027-28			FY 2028-29	
		Aug '23	Dec '23	Diff.	Aug '23	Dec '23	Diff.	Aug '23	Dec '23	Diff.									
	PPO Standard	76,375	77,373	998	76,804	78,265	1,461	76,826	78,279	1,453	76,941	78,388	1,447	77,714	79,173	1,459	-	79,379	79,379
Average Enrollment	PPO HDHP	4,119	4,234	115	4,138	4,241	103	4,142	4,245	103	4,151	4,251	100	4,194	4,294	100	-	4,305	4,305
by Plan	HMO Standard	84,390	84,626	236	84,924	85,187	263	84,740	84,988	248	84,860	85,095	235	84,156	84,915	759	-	85,608	85,608
	HMO HDHP	1,402	1,453	51	1,417	1,448	31	1,426	1,454	28	1,439	1,465	26	1,437	1,471	34	-	1,491	1,491
	MA-PD	2,673	2,617	(56)	3,178	3,095	(83)	3,673	3,590	(83)	4,102	4,020	(82)	4,532	4,450	(82)	-	4,880	4,880
	Total	168,959	170,303	1,344	170,461	172,236	1,775	170,807	172,556	1,749	171,493	173,219	1,726	172,033	174,303	2,270	-	175,663	175,663
	Active (Non-OPS) Standard	126,131	127,639	1,508	126,878	128,943	2,065	126,712	128,772	2,060	126,875	128,932	2,057	126,797	129,327	2,530	-	130,063	130,063
	Active (Non-OPS) HDHP	4,917	5,080	163	4,949	5,073	124	4,958	5,079	121	4,978	5,093	115	5,014	5,135	121	-	5,163	5,163
A Fanallanant	OPS Standard	5,287	5,410	123	5,322	5,612	290	5,325	5,608	283	5,340	5,618	278	5,350	5,639	289	-	5,669	5,669
Average Enrollment by Coverage Type	OPS HDHP	502	495	(7)	504	502	(2)	508	506	(2)	510	509	(1)	515	516	1	-	519	519
by coverage type	COBRA	314	296	(18)	315	280	(35)	315	280	(35)	315	280	(35)	316	282	(34)	-	283	283
	Early Retiree	3,071	2,882	(189)	3,093	2,796	(297)	3,099	2,798	(301)	3,111	2,804	(307)	3,118	2,815	(303)	-	2,832	2,832
	Medicare	26,064	25,884	(180)	26,222	25,935	(287)	26,217	25,923	(294)	26,262	25,963	(299)	26,391	26,139	(252)	-	26,254	26,254
	MA-PD	2,673	2,617	(56)	3,178	3,095	(83)	3,673	3,590	(83)	4,102	4,020	(82)	4,532	4,450	(82)		4,880	4,880
	Total	168,959	170,303	1,344	170,461	172,236	1,775	170,807	172,556	1,749	171,493	173,219	1,726	172,033	174,303	2,270		175,663	175,663





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

## Financial Outlook by Fiscal Year <sup>(1)</sup> Changes to Conference Forecast - January 2024 Compared to August 2023 (In Millions)

		FY 2023-24			FY 2024-25	;		FY 2025-26			FY 2026-27		F	Y 2027-28			FY 2028-2	:9
	Aug '23	Jan '24	Diff.	Aug '23	Jan '24	Diff.	Aug '23	Jan '24	Diff.	Aug '23	Jan '24	Diff.	Aug '23	Jan '24	Diff.	Aug '23	Jan '24	Diff.
BEGINNING CASH BALANCE (11)	\$ 374.1	\$ 374.1	\$ -	\$ 313.0	\$ 323.7	\$ 10.7	\$ 0.0 <sup>(2)</sup>	\$ 0.0	\$ -	\$ 0.0	\$ 0.0	<sup>(2)</sup> \$ -	\$ 0.0	2) \$ 0.0	<sup>(2)</sup> \$ -	\$ 0.0 <sup>(</sup>	2) \$ 0.0	<sup>(2)</sup> \$ -
GAA Fund Transfer (11) (12)	\$ 200.0	\$ 200.0	\$ -	\$ 0.0	\$ 0.0	\$ -												
REVENUES:																		
Insurance Premiums (3)	\$ 2,491.1	\$ 2,511.6	\$ 20.5	\$ 2,507.3	\$ 2,533.5	\$ 26.2	\$ 2,509.0	\$ 2,534.4	\$ 25.4	\$ 2,515.1	\$ 2,540.3	\$ 25.2	\$ 2,515.8	\$ 2,550.3	\$ 34.5	\$ -	\$ 2,567.1	\$ 2,567.1
Investment Earnings	5.3	7.3	2.0	_	-	_	_	_	_	-	· -	_	_	_	-	-	-	
Health Assessment (13)	78.3	66.1	(12.2)	93.4	78.6	(14.8)	93.6	78.7	(14.9)	93.4	78.6	(14.8)	93.5	78.3	(15.2)	-	77.9	77.9
Reverted Funds (14)	112.3	122.6	10.3	_	-	-	-	-	-	-	_	-	_	_	-	-	-	- '
TPA & Self-Insured HMO Refunds	14.6	16.2	1.6	14.6	16.2	1.6	14.6	16.2	1.6	14.6	16.2	1.6	14.6	16.2	1.6	-	16.2	16.2
PBM Rebates	293.1	308.6	15.5	258.0	354.9	96.9	272.9	395.1	122.2	284.2	438.1	153.9	297.7	486.7	189.0	-	540.4	540.4
Pretax Trust Fund Transfer	25.0	25.0	_	25.0	25.0	-	25.0	25.0	-	25.0	25.0	-	25.0	25.0	-	-	25.0	25.0
Medicare Part D Subsidy	16.1	16.2	0.1	16.2	16.0	(0.2)	16.3	16.0	(0.3)	16.3	16.1	(0.2)	16.5	16.2	(0.3)	-	16.3	16.3
Other Revenues		11.5	11.5		-			-			_			-			_	
TOTAL REVENUES	\$ 3,035.8	\$ 3,085.1	\$ 49.3	\$ 2,914.5	\$ 3,024.2	\$ 109.7	\$ 2,931.4	\$ 3,065.4	\$ 134.0	\$ 2,948.6	\$ 3,114.3	\$ 165.7	\$ 2,963.1	\$ 3,172.7	\$ 209.6	\$ -	\$ 3,242.9	\$ 3,242.9
	\$ 3,609.9	\$ 3,659.2	\$ 49.3	\$ 3,227.5	\$ 3,347.9	\$ 120.4	\$ 2,931.4	\$ 3,065.4	\$ 134.0	\$ 2,948.6	\$ 3,114.3	\$ 165.7	\$ 2,963.1	\$ 3,172.7	\$ 209.6	\$ -	\$ 3,242.9	\$ 3,242.9
EXPENSES:																		
PPO Plan	\$ 1,462.7	\$ 1,476.6	\$ 13.9	\$ 1,582.2	\$ 1,588.9	\$ 6.7	\$ 1,706.6	\$ 1,697.3	\$ (9.3)	\$ 1,835.2	\$ 1,823.7	\$ (11.5)	\$ 2,014.6	\$ 1,965.3	\$ (49.3)	\$ -	\$ 2,102.3	\$ 2,102.3
Medical Claims	917.5	933.3	15.8	986.4	1,008.8	22.4	1,054.7	1,078.6	23.9	1,129.2	1,154.7	25.5	1,220.4	1,246.7	26.3	-	1,336.2	1,336.2
ASO Fee	17.7	17.8	0.1	17.8	17.8	-	17.8	17.5	(0.3)	17.8	17.8	-	18.0	18.3	0.3	-	18.4	18.4
Prescription Drug Claims	525.5	523.3	(2.2)	576.0	559.8	(16.2)	632.1	598.6	(33.5)	686.2	648.5	(37.7)	774.2	697.6	(76.6)	-	744.9	744.9
PBM Claims Administration	2.0	2.2	0.2	2.0	2.5	0.5	2.0	2.6	0.6	2.0	2.7	0.7	2.0	2.7	0.7	-	2.8	2.8
HMO Plan	\$ 1,786.1	\$ 1,809.1	\$ 23.0	\$ 1,944.0	\$ 1,954.7	\$ 10.7	\$ 2,083.7	\$ 2,085.6	\$ 1.9	\$ 2,234.8	\$ 2,245.1	\$ 10.3	\$ 2,392.0	\$ 2,405.4	\$ 13.4	\$ -	\$ 2,604.5	\$ 2,604.5
Premium Payments	347.2	350.1	2.9	385.0	389.4	4.4	405.9	410.6	4.7	429.3	434.2	4.9	448.4	456.6	8.2	-	484.9	484.9
Medical Claims	948.2	969.8	21.6	1,020.3	1,041.5	21.2	1,088.7	1,111.0	22.3	1,166.4	1,189.8	23.4	1,236.3	1,268.9	32.6	-	1,367.7	1,367.7
ASO Fee	25.1	23.2	(1.9)	25.3	21.7	(3.6)	25.2	22.1	(3.1)	25.3	22.7	(2.6)	25.1	23.1	(2.0)	-	23.3	23.3
Prescription Drug Claims	463.5	463.9	0.4	511.3	499.8	(11.5)	561.8	539.5	(22.3)	611.7	595.9	(15.8)	680.1	654.2	(25.9)	-	726.0	726.0
PBM Claims Administration	2.1	2.1	-	2.1	2.3	0.2	2.1	2.4	0.3	2.1	2.5	0.4	2.1	2.6	0.5	-	2.6	2.6
MA-PD Plan	\$ 7.4	\$ 7.2	\$ (0.2)	\$ 8.7	\$ 8.5	\$ (0.2)	\$ 10.0	\$ 9.9	\$ (0.1)	\$ 11.2	\$ 11.1	\$ (0.1)	\$ 12.4	\$ 12.3	\$ (0.1)	\$ -	\$ 13.5	\$ 13.5
Shared Savings Program	\$ 17.0	\$ 18.6	\$ 1.6	\$ 17.4	\$ 19.1	\$ 1.7	\$ 17.8	\$ 19.6	\$ 1.8	\$ 18.3	\$ 20.2	\$ 1.9	\$ 18.9	\$ 20.8	\$ 1.9	\$ -	\$ 21.6	\$ 21.6
Medical Claims	8.6	9.8	1.2	8.9	10.1	1.2	9.2	10.5	1.3	9.5	10.9	1.4	9.9	11.3	1.4	-	11.8	11.8
Administrative Fees (4)	6.4	6.4	-	6.4	6.4	-	6.4	6.4	-	6.4	6.4	-	6.4	6.4	-	-	6.4	6.4
Shared Savings to Employees HSA Deposits (3)	2.0 9.6	2.4 9.8	0.4 0.2	2.1 9.6	2.6	0.5	2.2 9.5	2.7 9.6	0.5 0.1	2.4 9.6	2.9 9.7	0.5 0.1	2.6 9.6	3.1 9.7	0.5 0.1	-	3.4 9.7	3.4 9.7
Operating Costs & Admin Assessment	6.9	6.9	0.2	6.9	9.6 6.9	-	6.9	6.9	0.1	6.9	6.9	0.1	6.9	6.9	0.1	_	6.9	6.9
Premium Refunds	6.2	6.2		6.2	6.2		6.2	6.2	-	6.2	6.2		6.2	6.2	-		6.2	6.2
Other Expenses (5)	1.0	1.1	0.1	1.0	1.1	0.1	1.0	1.1	0.1	1.0	1.1	0.1	1.0	1.1	0.1	_	1.1	1.1
TOTAL EXPENSES	\$ 3,296.9	\$ 3,335.5	\$ 38.6	\$ 3,576.0	\$ 3,595.0	\$ 19.0	\$ 3,841.7	\$ 3,836.2	\$ (5.5)	\$ 4,123.2	\$ 4,124.0	\$ 0.8	\$ 4,461.6	\$ 4,427.7	\$ (33.9)	\$ -	\$ 4,765.8	\$ 4,765.8
EXCESS OF REV. OVER EXP.	\$ (261.1)	\$ (250.4)	\$ 10.7	\$ (661.5)	\$ (570.8)	\$ 90.7	\$ (910.3)	\$ (770.8)	\$ 139.5	\$ (1,174.6)	\$ (1,009.7)	\$ 164.9	\$ (1,498.5)	\$ (1,255.0)	\$ 243.5	\$ -	\$ (1,522.9)	\$ (1,522.9)
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ENDING CASH BALANCE (6)	\$ 313.0	\$ 323.7	\$ 10.7	\$ (348.5)	\$ (247.1)	\$ 101.4	\$ (910.3)	\$ (770.8)	\$ 139.5	\$ (1,174.6)	\$ (1,009.7)	\$ 164.9	\$ (1,498.5)	\$ (1,255.0)	\$ 243.5	\$ -	\$ (1,522.9)	\$ (1,522.9)
ADDITONAL INFORMATION																		
Shared Savings Credits (7)	\$ 1.1	\$ 0.9	\$ (0.2)	\$ 1.1	\$ 0.9	\$ (0.2)	\$ 1.2	\$ 1.0	\$ (0.2)	\$ 1.3	\$ 1.0	\$ (0.3)	\$ 1.4	\$ 1.1	\$ (0.3)	\$ -	\$ 1.2	\$ (0.3)
Unreported PPO Plan Claims Liability (8)	\$ 91.8	78.6	(13.2)	\$ 98.6	83.7	(14.9)	\$ 105.5	89.5	(16.0)	\$ 112.9	95.8	(17.1)	\$ 122.0	103.4	(18.6)	\$ -	111.0	111.0
Unreported HMO Plan Claims Liability (9)	161.2	147.1	(14.1)	173.5	136.9	(36.6)	185.1	146.1	(39.0)	198.3	156.4	(41.9)	210.2	166.8	(43.4)	-	179.8	179.8
Unreported PBM Claims Liability (10)	9.9	9.8	(0.1)	10.9	10.6	(0.3)	11.9_	11.4	(0.5)	13.0	12.5	(0.5)	14.5	13.5	(1.0)		14.7	14.7_
Total Unreported Claims Liability	\$ 264.0	\$ 236.4	\$ (27.6)	\$ 284.1	\$ 232.1	\$ (52.0)	\$ 303.7	\$ 247.9	\$ (55.8)	\$ 325.5	\$ 265.7	\$ (59.8)	\$ 348.1	\$ 284.8	\$ (63.3)	\$ -	\$ 306.7	\$ 306.7

Highlights of Changes to Forecast

A) Inclusion of actual enrollment and cash flows through November 2023.

notusion or actual enroitment and cash nows inrough november 2023.

Revised Investment Earnings rates.

Revised growth factors for Preferred Provider Organization (PPO) and Health Maintenance Organization (HMO) pharmacy claims and rebates.

Inclusion of new ASO rates for medical and Parmancy services based on new vendor contrats effective January 2024.

Revised growth factors for PPO and HMO medical claims for FY 2023-24.

e) Revised projections for the Shared Savings program.

Revised projections for the Shared Savings program.

Revised projected Administrative Health Insurance Assessment (AHA) collections, per Ch. 2023-239 (SB 2500) – Section 8 (3)(b). FY 2023-24 assumes only 10 payments collected due to the timing of the billing. The out-year assessments are for 12 months but have been adjusted for changes in active coverage enrollment.

H) Revised projected Reverted Funds, per Ch. 2023-239 (SB 2500) – Section 238.

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

#### Exhibit III

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

(In Millions)

			FY 2023-24	<u>!</u>	1	FY 2024-25		FY 2025-26		FY 2026-27		FY 2027-28		_	FY 2028-29
BEGINNING CAS	LI DAI ANCE	\$	Estimate 374.1	-	\$	Stimate 323.7	\$	Estimate 0.0 (2)	\$	0.0 (2)	\$	Estimate 0.0	(2)	\$	0.0 (2)
GAA Fund Transfer (		φ	200.0		φ	0.0 (12		0.0	φ	0.0	φ	0.0		Φ	0.0
REVENUES:	,(,		200.0			0.0									
Insurance Prem	niums:														
Employer		\$	2,130.5		\$	2,151.3	\$	2,148.7	\$	2,151.5	\$	2,158.3		\$	2,170.5
Employee	(2)		161.9			163.0		162.8		163.0		163.6			164.5
HSA Contrib	utions (3)		9.8			9.6		9.6		9.7		9.7			9.7
COBRA			4.1			3.9		3.9		3.9		3.9			3.9
Early Retiree Medicare	<b>)</b>		35.9 169.4			34.9 170.8		35.0 174.4		35.1 177.1		35.3 179.5			35.4 183.1
Investment Ear	nings		7.3			0.0		0.0		0.0		0.0			0.0
Health Assessn	(44)		66.1			78.6		78.7		78.6		78.3			77.9
Reverted Funds			122.6			0.0		0.0		0.0		0.0			0.0
PPO - TPA Ref	unds		8.4			8.4		8.4		8.4		8.4			8.4
PPO - PBM Rel	bates		162.0			192.0		212.9		235.3		260.4			288.1
HMO - Self-Inst			7.8			7.8		7.8		7.8		7.8			7.8
HMO - PBM Re			146.6			162.9		182.2		202.8		226.3			252.3
Pretax Trust Fu			25.0			25.0		25.0		25.0		25.0			25.0
	Part D Subsidy		14.8 1.4			14.7 1.3		14.6 1.4		14.7 1.4		14.8 1.4			14.9 1.4
Other Revenue	e Part D Subsidy		11.5			0.0		0.0		0.0		0.0			0.0
TOTAL REVENUE		\$	3,085.1	-	\$	3,024.2	\$	3,065.4	\$	3,114.3	\$	3,172.7		\$	3,242.9
TOTAL CASH AV		\$	3,659.2		\$	3,347.9	\$	3,065.4	\$	3,114.3	\$	3,172.7		\$	3,242.9
EXPENSES:		Ť	0,000.2	-	Ψ-	0,0 11 10	Ψ	0,000.1	Ψ,		٠	0,		Ψ.	0,2 .2.0
State PPO Plan	n:														
Medical Clair	ms	\$	933.3		\$	1,008.8	\$	1,078.6	\$	1,154.7	\$	1,246.7		\$	1,336.2
ASO Fee			17.8			17.8		17.5		17.8		18.3			18.4
Prescription	•		523.3			559.8		598.6		648.5		697.6			744.9
	Administration		2.2			2.5		2.6		2.7		2.7			2.8
HMO Plan:	ymonto		350.1			389.4		410.6		434.2		456.6			484.9
Premium Pa Medical Clair	·		969.8			1,041.5		1,111.0		1,189.8		1,268.9			1,367.7
ASO Fee			23.2			21.7		22.1		22.7		23.1			23.3
Prescription	Drug Claims		463.9			499.8		539.5		595.9		654.2			726.0
PBM Claims	Administration		2.1			2.3		2.4		2.5		2.6			2.6
Medicare Adva	ntage Prescription Drug Plan		7.2			8.5		9.9		11.1		12.3			13.5
Shared Savings	-														
Medical Clair			9.8			10.1		10.5		10.9		11.3			11.8
Administrativ			6.4			6.4		6.4		6.4		6.4			6.4
HSA Deposits (3	ngs to Employees		2.4 9.8			2.6 9.6		2.7 9.6		2.9 9.7		3.1 9.7			3.4 9.7
	s & Admin Assessment		6.9			6.9		6.9		6.9		6.9			6.9
Premium Refun			6.2			6.2		6.2		6.2		6.2			6.2
Other Expenses			1.1			1.1		1.1		1.1		1.1			1.1
TOTAL EXPENSE	S	\$	3,335.5		\$	3,595.0	\$	3,836.2	\$	4,124.0	\$	4,427.7		\$	4,765.8
EXCESS OF REV	ENUES OVER EXPENSES	\$	(250.4)	_	\$_	(570.8)	\$	(770.8)	\$	(1,009.7)	\$	(1,255.0)		\$	(1,522.9)
ENDING CASH B	ALANCE (6)	\$	323.7		\$_	(247.1)	\$	(770.8)	\$	(1,009.7)	\$	(1,255.0)		\$ _	(1,522.9)
	NAL INFORMATION				_				_		_				
Total Unreported	Claims Liability	\$	236.4	-	\$_	232.1	\$	247.9	\$	265.7	\$	284.8		\$_	306.7
	PPO Standard		77,373			78,265		78,279		78,388		79,173			79,379
Average	PPO HDHP		4,234			4,241		4,245		4,251		4,294			4,305
Enrollment by	HMO Standard		84,626			85,187		84,988		85,095		84,915			85,608
Plan	HMO HDHP		1,453			1,448		1,454		1,465		1,471			1,491
	MAPD		2,617	-	_	3,095		3,590		4,020		4,450			4,880
	Total	-	170,303	-	_	172,236		172,556		173,219		174,303		-	175,663
	Active (Non-OPS) Standard		127,639			128,943		128,772		128,932		129,327			130,063
	Active (Non-OPS) HDHP		5,080			5,073		5,079		5,093		5,135			5,163
Average	OPS Standard OPS HDHP		5,410 495			5,612 502		5,608 506		5,618 509		5,639 516			5,669 519
Enrollment by	COBRA		296			280		280		280		282			283
Coverage Type	Early Retiree		2,882			2,796		2,798		2,804		2,815			2,832
	Medicare		25,884			25,935		25,923		25,963		26,139			26,254
	MAPD		2,617	_	_	3,095		3,590		4,020		4,450			4,880
	Total	-	170,303	-	_	172,236		172,556		173,219		174,303			175,663

# 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 40% and 60%, respectively.
- 4) Administrative expenses for Health Reimbursement Arrangement (HRA) account administration, transparency services entity, and comprehensive surgical and medical procedures entity.
- 5) Other Expenses include the estimated impact of Patient-Centered Outcomes Research Institute (PCORI) fees.
- 6) Includes funds held in accounts outside of the Trust Fund at the Department of Financial Services, Division of Treasury, for the purpose of paying medical claims.
- 7) Includes funds designated for employee HRA accounts as a result of shared savings and employer funds designated for, but not yet transferred to the Pre-Tax Trust Fund, for employee Flexible Spending Account (FSA) accounts as a result of shared savings. Projected amounts of bundled service medical claims and shared savings to employees is unknown and expenditures have not been included at this time.
- 8) Includes estimated HMO IBNR medical claims and outstanding drafts.
- 9) Includes estimated PPO and HMO IBNR Rx claims.
- 10) Includes estimated PPO Plan and Self-Insured HMO Plans Incurred but not Reported (IBNR) claims and outstanding drafts, HRA account balances, and shared savings designated for FSA accounts not yet transferred to the Pre-Tax Trust Fund.
- 11) Ch. 2022-156 (HB 5001) General Appropriations Act: SECTION 199. The Chief Financial Officer shall transfer \$200,000,000 from the General Revenue Fund to the State Employees' Health Insurance Trust Fund for Fiscal Year 2022-2023.
- 12) Ch. 2023-239 (SB 2500) General Appropriations Act: SECTION 242. The Chief Financial Officer shall transfer \$200,000,000 from the General Revenue Fund to the State Employees' Health Insurance Trust Fund for Fiscal Year 2023-2024.
- 13) Ch. 2023-239 (SB 2500) General Appropriations Act: SECTION 8 (3)(b). State Health Insurance Administrative Health Insurance Assessment Funds are provided in each agency's budget to pay an administrative health insurance assessment equal to the employer's cost of single employee health care coverage for each vacant position eligible for coverage through the Division of State Group Insurance. FY 2023-24 assumes only 10 payments collected due to the timing of the billing. The out-year assessments are for 12 months but have been adjusted for changes in active coverage enrollment.
- 14) Ch. 2023-239 (SB 2500) General Appropriations Act: SECTION 238. The unexpended balance from the General Revenue Fund provided in the appropriation category "Salaries and Benefits" in chapter 2022-156, Laws of Florida, that is reverted pursuant to section 216.301, Florida Statutes, shall be transferred by the Chief Financial Officer to the State Employees Health Insurance Trust Fund in the Department of Management Services no later than October 15, 2023.

#### Exhibit V

#### Comparison of Financial Outlooks

#### Fiscal Year 2023-24

(In Millions)

#### \$ 313.0 - Previous Ending Cash Balance Forecast (1)

- 49.3 Increase in Revenue Forecast
  - 20.5 Net Increase in Insurance Premiums
    - 25.7 Increase in employer and enrollee Insurance Premiums due to higher actual enrollment from 168.959 to 170.303
    - 0.2 Increase in employer and enrollee HSA contributions.
    - (5.4) Decrease in Insurance Premiums due to shifts in enrollment categories.
  - 2.0 Increase in Investment Earnings
    - 1.9 Increase due to higher projected interest rates from 1.5% to 2.0%
    - 0.1 Increase due to higher projected cash balance
  - (12.2) Decrease in Administrative Health Insurance Assessment due to lower actual experience.
  - 10.3 Increase in projection prior year Reverted Runds based revised budget information.
  - 0.6 Increase in PPO TPA Refunds.
    - 0.1 Increase due to higher projected enrollment from 80,494 to 81,607
    - 0.5 Increase due to higher than projected activity.
  - 4.8 Increase in PPO PBM Rebates
    - 0.8 Increase due to higher projected enrollment from 80.494 to 81.607
    - 4.0 Increase due to new contracted PBM Rebate guarantees
  - 1.0 Increase in HMO Self-Insured Refunds due to higher actual than projected activity.
  - 10.7 Increase in HMO PBM Rebates
    - 0.5 Increase due to higher projected enrollment from 79,985 to 80,248
    - 10.2 Increase due to new contracted PBM Rebate guarantees
  - 0.1 Increase in PPO Medicare Part D Subsidy
    - (0.1) Decrease due to a lower projected enrollment from 19,521 to 18,335.
    - 0.2 Increase due to higher actual per member subsidy.
  - 11.5 Increase in Other Revenues
    - 11.0 Increase due to Performance Guarantee Penalties.
    - 0.2 Increase due to PBM Audits Adjustments.
    - 0.2 Increase due to Litigation Settlements.
    - 0.1 Increase due to Other Revenue.
- 38.6 Increase in Expense Forecast
  - 13.9 Increase in State PPO Plan
    - 15.8 Increase in Medical Claims
      - 12.7 Increase due to higher projected enrollment from 80,494 to 81,607
      - 0.4 Increase due to lower projected Shared Savings
      - 6.6 Increase due to higher growth factor from 6.15% to 6.90%
      - (3.9) Decrease due to lower claims experience.
    - 0.1 Increase in ASO Fee Expense
      - (0.1) Decrease due to new contract rates effective January 2024
      - 0.2 Increase due to higher projected enrollment from 80,494 to 81,607
    - (2.2) Decrease in Prescription Drug Claims
      - 7.3 Increase due to higher projected enrollment from 80,494 to 81,607
      - (13.8) Decrease due to lower growth factor from 8.20% to 5.40%
      - 4.3 Increase due to higher claims experience.
    - 0.2 Increase in PBM Claims Administration
      - 0.1 Increase due to new contract rates effective January 2024
  - 0.1 Increase due to higher projected enrollment from 80,494 to 81,607
  - 23.0 Increase in HMO Plan
    - 2.9 Increase in Premium Payments
      - 3.1 Increase due to higher projected enrollment from 29,656 to 29,918
      - (0.2) Decrease due to shifts in enrollment categories
    - 21.6 Increase in Medical Claims
      - 0.5 Increase due to higher actual enrollment from 56,132 to 56,162
      - 0.5 Increase due to lower projected Shared Savings
      - 6.7 Increase due to higher growth factor from 6.15% to 6.90%
      - 13.9 Increase due to higher actual claims experience.
    - (1.9) Decrease in ASO Fee Expense
      - (2.7) Decrease due to new contract rates effective January 2024
      - 0.8 Increase due to shifts in enrollment between HMO plans
    - 0.4 Increase in Prescription Drug Claims
      - 1.5 Increase due to higher projected enrollment from 79,985 to 80,248
      - (6.0) Decrease due to lower growth factor from 8.30% to 6.90%
      - 4.9 Increase due to higher claims experience.
  - (0.2) Decrease in MA-PD Premium Payments due to lower projected enrollment from 2,673 to 2,617
  - 1.6 Increase in Shared Savings Program
    - 1.2 Increase due to higher actual Bundled Surgical Service claims.
    - 0.4 Increase in Shared Savings rewards to Employees
  - 0.3 Increase in Other Expense Categories and Enrollee HSA Deposits and enrollee HSA Deposits
    - 0.2 Increase due to higher employer and enrollee HSA Deposits
    - 0.1 Increase in Other Expenses due to higher actual experience.

#### 323.7 - Ending Cash Balance<sup>(1)</sup>

<sup>(</sup>i) Self-Insurance Estimating Conference held in August 2023.

#### **Exhibit VI**

#### **Comparison of Financial Outlooks**

#### Fiscal Year 2024-25

(In Millions)

#### \$ (348.5) - Previous Ending Cash Balance Forecast (1)

- 10.7 Increase in Revenue Forecast
- 109.7 Increase in Revenue Forecast
  - 26.2 Net Increase in Insurance Premiums
    - 34.6 Increase in employer and enrollee Insurance Premiums due to higher projected enrollment from 170,461 to 172,236
    - (8.4) Decrease in Insurance Premiums due to shifts in enrollment categories
  - (14.8) Decrease in Administrative Health Insurance Assessment due to lower actual experience.
  - 0.6 Increase in PPO TPA Refunds.
    - 0.2 Increase due to higher projected enrollment from 80,942 to 82,506
    - 0.4 Increase due to higher than projected activity.
  - 53.1 Increase in PPO PBM Rebates
    - 3.7 Increase due to higher projected enrollment from 80,942 to 82,506
    - 49.4 Increase due to new contracted PBM Rebate guarantees
  - 1.0 Increase in HMO Self-Insured Refunds due to higher actual than projected activity.
  - 43.8 Increase in HMO PBM Rebates
    - 0.6 Increase due to higher projected enrollment from 80,501 to 80,797
    - 43.2 Increase due to new contracted PBM Rebate guarantees
  - (0.1) Decrease in PPO Medicare Part D Subsidy
    - (0.2) Decrease due to a lower projected enrollment from 18,625 to 18,390
    - 0.1 Increase due to higher actual per member subsidy.
  - (0.1) Decrease in HMO Medicare Part D Subsidy due to lower projected per member subsidy enrollment from 1,757 to 1,706
- 19.0 Increase in Expense Forecast
  - 6.7 Increase in State PPO Plan
    - 22.4 Increase in Medical Claims
      - 19.1 Increase due to higher projected enrollment from 80,942 to 82,506
      - 0.4 Increase due to lower projected Shared Savings
      - 2.9 Increase due to higher claims experience
    - (16.2) Decrease in Prescription Drug Claims
      - 11.1 Increase due to higher projected enrollment from 80,942 to 82,506
      - (16.9) Decrease due to lower growth factor from 9.00% to 5.80%
      - (10.4) Decrease due to lower claims experience
      - $0.5\,\,$  Increase in PBM Claims Administration
        - 0.4 Increase due to new contract rates effective January 2024
        - $0.1\,\,$  Increase due to higher projected enrollment from  $80,\!942$  to  $82,\!506$
  - 10.7 Increase in HMO Plan
    - 4.4 Increase in Premium Payments
      - 4.8 Increase due to higher projected enrollment from 29,842 to 30,210
      - (0.4) Decrease due to shifts in enrollment categories
    - 21.2 Increase in Medical Claims
      - (1.3) Decrease due to lower actual enrollment from 56,499 to 56,426
      - 0.5 Increase due to lower projected Shared Savings
      - 22.0 Increase due to higher projected claims experience
    - (3.6) Decrease in ASO Fee Expense
      - (5.3) Decrease due to new contract rates effective January 2024
      - 1.7 Increase due to shifts in enrollment between HMO plans
    - (11.5) Decrease in Prescription Drug Claims
      - 1.9 Increase due to higher projected enrollment from 80,501 to 80,797
      - (12.1) Decrease due to lower growth factor from 9.60% to 7.00%
      - (1.3) Decrease due to lower claims experience
    - 0.2 Increase in PBM Claims Administration due to new contract rates effective January 2024.
      - 0.1 Increase due to new contract rates effective January 2024
      - 0.1 Increase due to higher projected enrollment from 80,501 to 80,797
  - (0.2) Decrease in MA-PD Premium Payments due to lower projected enrollment from 3,178 to 3,095
  - 1.7 Increase in Shared Savings Program
    - 1.2 Increase due to higher actual Bundled Surgical Service claims
    - 0.5 Increase in Shared Savings rewards to Employees
  - 0.1 Increase in Other Expense Categories

#### (247.1) - Ending Cash Balance<sup>(1)</sup>

<sup>(</sup>i) Self-Insurance Estimating Conference held in August 2023.

#### Exhibit VII

#### **Comparison of Financial Outlooks**

#### Fiscal Year 2025-26

(In Millions)

#### \$ (910.3) - Previous Ending Cash Balance Forecast (i)

#### 134.0 - Increase in Revenue Forecast

- 25.4 Net Increase in Insurance Premiums
  - 34.4 Increase in employer and enrollee Insurance Premiums due to higher projected enrollment from 170,807 to 172,556
    - 0.1 Increase in projected employer and enrollee HSA contributions
  - (9.1) Decrease in Insurance Premiums due to shifts in enrollment categories
- (14.9) Decrease in Administrative Health Insurance Assessment due to lower actual experience.
- 0.6 Increase in PPO TPA Refunds.
  - 0.2 Increase due to higher projected enrollment from 80,968 to 82,525
  - 0.4 Increase due to higher than projected activity.
- 65.9 Increase in PPO PBM Rebates
  - 4.1 Increase due to higher projected enrollment from 80,968 to 82,525
  - 61.8 Increase due to new contracted PBM Rebate guarantees
- 1.0 Increase in HMO Self-Insured Refunds due to higher actual than projected activity.
- 56.3 Increase in HMO PBM Rebates
  - 0.6 Increase due to higher projected enrollment from 80,340 to 80,619
  - 55.7 Increase due to new contracted PBM Rebate guarantees
- (0.3) Decrease in PPO Medicare Part D Subsidy
  - (0.2) Decrease due to lower projected Medicare enrollment from 19,630 to 18,393
  - (0.1) Decrease due to lower projected per member subsidy

#### (5.5) - Decrease in Expense Forecast

- (9.3) Decrease in State PPO Plan
  - 23.9 Increase in Medical Claims
    - 20.4 Increase due to higher projected enrollment from 80,968 to 82,525
    - 0.4 Increase due to lower projected Shared Savings
    - 3.1 Increase due to higher claims experience
  - (0.3) Decrease in ASO Fee Expense
    - (0.6) Decrease due to new contract rates effective January 2024
    - 0.3 Increase due to higher projected enrollment from 80,968 to 82,525
  - (33.5) Decrease in Prescription Drug Claims
    - 12.2 Increase due to higher projected enrollment from 80,968 to 82,525
    - (15.7) Decrease due to lower growth factor from 9.70% to 6.90%
    - (30.0) Decrease due to lower claims experience
    - 0.6 Increase in PBM Claims Administration
      - 0.5 Increase due to new contract rates effective January 2024
      - 0.1 Increase due to higher projected enrollment from 80,968 to 82,525

#### 1.9 - Increase in HMO Plan

- 4.7 Increase in Premium Payments
  - 5.1 Increase due to higher projected enrollment from 29,768 to 30,139
  - (0.4) Decrease due to shifts in enrollment categories
- 22.3 Increase in Medical Claims
  - (1.8) Decrease due to lower actual enrollment from 56,397 to 56,305
  - 0.5 Increase due to lower Shared Savings
  - 23.6 Increase due to higher projected claims experience.
- (3.1) Decrease in ASO Fee Expense
  - (4.8) Decrease due to new contract rates effective January 2024
  - 1.7 Increase due to shifts between HMO plans
- (22.3) Decrease in Prescription Drug Claims
  - 2.0 Increase due to higher projected enrollment from 80,340 to 80,619
  - $(9.5)\,$  Decrease due to lower growth factor from 10.10% to 8.20%
  - (14.8) Decrease due to lower claims experience
- 0.3 Increase in PBM Claims Administration due to new contract rates effective January 2024.
- (0.1) Decrease in MA-PD Premium Payments due to lower projected enrollment from 3,673 to 3,590
- 1.8 Increase in Shared Savings Program
  - 1.3 Increase due to higher actual Bundled Surgical Service claims
  - 0.5 Increase in Shared Savings rewards to Employees
- 0.2 Increase in Other Expense Categories and Enrollee HSA Deposits and enrollee HSA Deposits
  - 0.1 Increase due to higher projected employer and enrollee HSA Deposits
  - 0.1 Increase in Other Expenses due to higher actual experience.

#### (770.8) - Ending Cash Balance<sup>(1)</sup>

<sup>(</sup>i) Self-Insurance Estimating Conference held in August 2023.

#### **Exhibit VIII**

#### **Comparison of Financial Outlooks**

#### Fiscal Year 2026-27

(In Millions)

#### \$ (1,174.6) - Previous Ending Cash Balance Forecast<sup>(i)</sup>

- 165.7 Increase in Revenue Forecast
  - 25.2 Net Increase in Insurance Premiums
    - 34.0 Increase in employer and enrollee Insurance Premiums due to higher projected enrollment from 170,493 to 173,219
    - 0.1 Increase in projected employer and enrollee HSA contributions
    - (8.9) Decrease in Insurance Premiums due to shifts in enrollment categories
  - (14.8) Decrease in Administrative Health Insurance Assessment due to lower actual experience.
    - 0.6 Increase in PPO TPA Refunds.
      - 0.2 Increase due to higher projected enrollment from 80,968 to 82,525
      - 0.4 Increase due to higher than projected activity.
  - 82.3 Increase in PPO PBM Rebates
    - 4.5 Increase due to higher projected enrollment from 80,968 to 82,525
    - 77.8 Increase due to new contracted PBM Rebate guarantees
  - 1.0 Increase in HMO Self-Insured Refunds due to higher actual than projected activity.
  - 71.6 Increase in HMO PBM Rebates
    - 0.7 Increase due to higher projected enrollment from 80,467 to 80,727
    - 70.9 Increase due to new contracted PBM Rebate guarantees
  - (0.2) Decrease in PPO Medicare Part D Subsidy due to lower projected per member subsidy enrollment from 18,656 to 18,418
  - 0.8 Increase in Expense Forecast
    - (11.5) Decrease in State PPO Plan
      - 25.5 Increase in Medical Claims
        - 21.7 Increase due to higher projected enrollment from 80,968 to 82,525
        - 0.5 Increase due to lower projected Shared Savings
        - 3.3 Increase due to higher claims experience
      - (37.7) Decrease in Prescription Drug Claims
        - 13.1 Increase due to higher projected enrollment from 80,968 to 82,525
        - (1.2) Decrease due to lower growth factor from 8.40% to 8.20%
        - (49.6) Decrease due to lower claims experience
        - 0.7 Increase in PBM Claims Administration
          - $0.5\,\,$  Increase due to new contract rates effective January 2024
          - $0.2\,\,$  Increase due to higher projected enrollment from  $80,\!968$  to  $82,\!525$
    - 10.3 Increase in HMO Plan
      - 4.9 Increase in Premium Payments
        - 5.4 Increase due to higher enrollment from 29,803 to 30,174
        - $\left(0.5\right)$  Decrease due to shifts in enrollment categories
      - 23.4 Increase in Medical Claims
        - (2.2) Decrease due to lower actual enrollment from 56,517 to 56,409
        - 0.5 Increase due to lower projected Shared Savings
        - 25.1 Increase due to higher projected claims experience.
      - (2.6) Decrease in ASO Fee Expense
        - (4.2) Decrease due to new contract rates effective January 2024
        - 1.6 Increase due to shifts between HMO plans
      - (15.8) Decrease in Prescription Drug Claims
        - 2.0 Increase due to higher projected enrollment from 80,467 to 80,727
        - 8.6 Increase due to lower growth factor from 8.70% to 10.30%
        - (26.4) Decrease due to lower claims experience
      - Increase in PBM Claims Administration due to new contract rates effective January 2024.
    - (0.1) Decrease in MA-PD Premium Payments due to lower projected enrollment from 4,102 to 4,020
    - 1.9 Increase in Shared Savings Program
      - 1.4 Increase in Bundled Service claims based on higher utilization
      - 0.5 Increase in Shared Savings rewards to Employees
    - 0.2 Increase in Other Expense Categories and Enrollee HSA Deposits and enrollee HSA Deposits
      - 0.1 Increase due to higher projected employer and enrollee HSA Deposits
      - 0.1 Increase in Other Expenses due to higher actual experience.

#### (1,009.7) - Ending Cash Balance<sup>(1)</sup>

<sup>(</sup>i) Self-Insurance Estimating Conference held in August 2023

#### **Exhibit IX**

#### **Comparison of Financial Outlooks**

#### Fiscal Year 2027-28

(In Millions)

#### \$ (1,498.5) - Previous Ending Cash Balance Forecast<sup>(i)</sup>

#### 209.6 - Increase in Revenue Forecast

- 34.5 Net Increase in Insurance Premiums
  - 42.5 Increase in employer and enrollee Insurance Premiums due to higher projected enrollment from 172,033 to 174,303
  - 0.1 Increase in projected employer and enrollee HSA contributions
  - (8.1) Decrease in Insurance Premiums due to shifts in enrollment categories
- (15.2) Decrease in Administrative Health Insurance Assessment due to lower actual experience.
- 0.6 Increase in PPO TPA Refunds.
  - $0.2\,\,$  Increase due to higher projected enrollment from 81,908 to 83,465
  - 0.4 Increase due to higher than projected activity.
- 100.5 Increase in PPO PBM Rebates
  - 4.9 Increase due to higher projected enrollment from 81,908 to 83,465
  - 95.6 Increase due to new contracted PBM Rebate guarantees
  - 1.0 Increase in HMO Self-Insured Refunds due to higher actual than projected activity.
- 88.5 Increase in HMO PBM Rebates
  - 2.1 Increase due to higher projected enrollment from 79,813 to 80,567
  - 86.4 Increase due to new contracted PBM Rebate guarantees
- (0.3) Decrease in PPO Medicare Part D Subsidy
  - (0.2) Decrease due to lower projected Medicare enrollment from 18,842 to 18,602
  - (0.1) Decrease due to lower projected per member subsidy

#### (33.9) - Decrease in Expense Forecast

#### (49.3) - Decrease in State PPO Plan

- 26.3 Increase in Medical Claims
  - 23.3 Increase due to higher projected enrollment from 81,908 to 83,465
  - 0.5 Increase due to lower projected Shared Savings
  - 2.5 Increase due to higher claims experience
- 0.3 Increase in ASO Fee Expense due to shifts in enrollment categories from 81,908 to 83,465
- (76.6) Decrease in Prescription Drug Claims
  - 14.7 Increase due to higher projected enrollment from 81,908 to 83,465
  - (34.1) Decrease due to lower growth factor from 11.70% to 6.50%
  - (57.2) Decrease due to lower claims experience
  - 0.7 Increase in PBM Claims Administration
    - 0.5 Increase due to new contract rates effective January 2024
    - 0.2 Increase due to higher projected enrollment from 81,908 to 83,465

#### 13.4 - Increase in HMO Plan

- 8.2 Increase in Premium Payments
  - 8.6 Increase due to higher projected enrollment from 29,553 to 30,112
  - (0.4) Decrease due to shifts in enrollment categories
- 32.6 Increase in Medical Claims
  - 5.1 Increase due to higher actual enrollment from 56,041 to 56,271
  - 0.6 Increase due to lower projected Shared Savings
  - 26.9 Increase due to higher projected claims experience.
- (2.0) Decrease in ASO Fee Expense
  - (3.8) Decrease due to new contract rates effective January 2024
  - 1.8 Increase due to shifts between HMO plans
- (25.9) Decrease in Prescription Drug Claims
  - 6.4 Increase due to higher projected enrollment from 79,813 to 80,567
  - (12.5) Decrease due to lower growth factor from 12.10% to 10.00%
  - (19.8) Decrease due to lower claims experience
- 0.5 Increase in PBM Claims Administration due to new contract rates effective January 2024.
- (0.1) Decrease in MA-PD Premium Payments due to lower projected enrollment from 4,532 to 4,450
- 1.9 Increase in Shared Savings Program
  - 1.4 Increase in Bundled Service claims based on higher utilization
  - 0.5 Increase in Shared Savings rewards to Employees
- 0.2 Increase in Other Expense Categories and Enrollee HSA Deposits and enrollee HSA Deposits
  - 0.1 Increase due to higher projected employer and enrollee HSA Deposits
  - 0.1 Increase in Other Expenses due to higher actual experience.

#### (1,255.0) - Ending Cash Balance<sup>(1)</sup>

<sup>(</sup>i) Self-Insurance Estimating Conference held in August 2023.

# State Employees' Group Health Self-Insurance Trust Fund Premium Rate Table



Premium rate change for all participants effective December 2022 for January 2023 coverage.

Subscriber Category/	Contribution Cycle	Coverage	PPO,	HMO Stand	lard	PPC	/нмо н <b>р</b> н	IP
		Types	Employer	Enrollee	Total	Employer (4)	Enrollee	Total
	Monthly Full-Time	Single	763.46	50.00	813.46	763.46	15.00	778.46
	Employees (1)	Family	1,651.08	180.00	1,831.08	1,651.08	64.30	1,715.38
Caroor Sarvica /OBS	Career Service/OPS			30.00	1,831.08	1,685.40	30.00	1,715.40
Career Service/OFS	D: Maralda	Single	381.73	25.00	406.73	381.73	7.50	389.23
	Bi-Weekly Full-Time Employees <sup>(1)</sup>	Family	825.54	90.00	915.54	825.54	32.15	857.69
	run-mile Employees (-/	Spouse	900.54	15.00	915.54	842.70	15.00	857.70
	Monthly Full-Time	Single	805.12	8.34	813.46	770.12	8.34	778.46
SES/SMS	Employees (1,2)	Family	1,801.08	30.00	1,831.08	1,685.38	30.00	1,715.38
3E3/3IVI3	Bi-Weekly	Single	402.56	4.17	406.73	385.06	4.17	389.23
	Full-Time Employees (1,2)	Family	900.54	15.00	915.54	842.69	15.00	857.69
COBRA	Monthly <sup>(3)</sup>	Single	0.00	829.73	829.73	0.00	751.54	751.54
(Non-Medicare)	ivionthly (5)	Family	0.00	1,867.70	1,867.70	0.00	1,664.69	1,664.69
Early Retirees/	Early Retirees/ Monthly		0.00	813.46	813.46	0.00	736.80	736.80
Eligible Former Employees		Family	0.00	1,831.08	1,831.08	0.00	1,632.05	1,632.05
Over-age De	Over-age Dependents			813.46	813.46	0.00	736.80	736.80

Medicare Monthly Premium Rates													
Plan Name	Plan Type	Medicare I One Eligible <sup>(5)</sup>	Medicare II One Under/Over <sup>(6)</sup>	Medicare III Both Eligible <sup>(7)</sup>	MA-PD Plan								
Self-Insured PPO/HMO	Standard	430.18	1,243.63	860.35									
Sell-ilisuled PPO/HIVIO	HDHP	324.26	1,061.06	648.52									
	Standard (Retiree Advantage)	282.62	1,118.13	565.24									
Capital Health Plan <sup>(8)</sup>	HDHP (Retiree Advantage)	257.23	1,007.87	514.46									
	MA-PD <sup>(9)</sup> (Classic)				165.00								
Humana	MA-PD <sup>(9)</sup>				44.63								
UnitedHealthcare	MA-PD <sup>(9)</sup>				195.00								
COBRA Self-Insured PPO/HMO (3)	Standard	438.78	1,268.50	877.56									
COBRA Sell-Insured PPO/HMO (5)	HDHP	330.75	1,082.28	661.49									
COBRA Capital Health Plan (3,8)	Standard	288.27	1,140.49	576.54									
COBRA Capital Health Plan (5)57	HDHP	262.37	1,028.03	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.
- (9) You must be enrolled in Medicare Parts A and 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 and B to be eligible for an MA-PD plan. The premiums listed above are per member. Multiply the premium by the number of members covered under your plan to calculate total cost. Premiums do not include Medicare Part B. COBRA premiums include an additional 2% for administrative costs as permitted by federal regulations. The People First Service Center must have your Medicare information on file. If your Medicare enrollment cannot be verified, you will be moved to the PPO plan through Florida Blue. To confirm your Medicare information is on file, contact the People First Service Center.

# State Employees' Group Health Self-Insurance Trust Fund Premium Rate Table



Premium rate change for all participants effective December 2023 for January 2024 coverage.

Subscriber Category/	Contribution Cycle	Coverage	PPO,	HMO Stand	lard	PPC	/нмо н <b>р</b> н	IP
		Types	Employer	Enrollee	Total	Employer (4)	Enrollee	Total
	Advantal e II Tour	Single	763.46	50.00	813.46	763.46	15.00	778.46
	Monthly Full-Time	Family	1,651.08	180.00	1,831.08	1,651.08	64.30	1,715.38
Caroor Sarvica (OBS	reer Service/OPS Employees (1)			30.00	1,831.08	1,685.40	30.00	1,715.40
Career Service/OFS	Di Maalda	Single	381.73	25.00	406.73	381.73	7.50	389.23
	Bi-Weekly Full-Time Employees <sup>(1)</sup>	Family	825.54	90.00	915.54	825.54	32.15	857.69
	run-nine Employees (-/	Spouse	900.54	15.00	915.54	842.70	15.00	857.70
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SES/SMS	Employees (1,2)	Family	1,801.08	30.00	1,831.08	1,685.38	30.00	1,715.38
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	Full-Time Employees (1,2)	Family	900.54	15.00	915.54	842.69	15.00	857.69
COBRA	Manthly (3)	Single	0.00	829.73	829.73	0.00	751.54	751.54
(Non-Medicare)	(Non-Medicare) Monthly (3)		0.00	1,867.70	1,867.70	0.00	1,664.69	1,664.69
Early Retirees/	Early Retirees/ Monthly		0.00	813.46	813.46	0.00	736.80	736.80
Eligible Former Employees	Eligible Former Employees		0.00	1,831.08	1,831.08	0.00	1,632.05	1,632.05
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	HDHP	324.26	1,061.06	648.52	
Capital Health Plan <sup>(8)</sup>	Standard (Retiree Advantage)	269.38	1,150.11	538.76	
	HDHP (Retiree Advantage)	245.18	1,028.54	490.36	
	MA-PD <sup>(9)</sup> (Classic)				165.00
Humana	MA-PD <sup>(9)</sup>				47.85
UnitedHealthcare	MA-PD <sup>(9)</sup>				195.00
COBRA Self-Insured PPO/HMO (3)	Standard	438.78	1,268.50	877.56	
	HDHP	330.75	1,082.28	661.49	
COBRA Capital Health Plan (3,8)	Standard	288.27	1,140.49	576.54	
	HDHP	262.37	1,028.03	524.75	

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