

Self-Insurance Estimating Conference
State Employees' Group Health Self-Insurance Trust Fund
Executive Summary
March 3, 2023

The Outlook for the State Employees' Group Health Self-Insurance Trust Fund has been revised to reflect actual enrollment and cash flows through January 2023; revised Investment Earnings rates; revised claims trends for Preferred Provider Organization (PPO) and Health Maintenance Organization (HMO) pharmacy claims; new fully insured Insurance Premium rates, effective December 2022 for January 2023; new Medicare Advantage Prescription Drug (MA-PD) Plan rates, effective December 2022 for January 2023; revised growth factors for PPO and HMO medical claims for FY 2022-23; and revised projections for the Shared Savings Program. The fund is expected to remain solvent only through the current year.

For FY 2022-23, the ending cash balance increased from \$427.7 million to \$500.0 million after having \$200 million added to that year's beginning balance (Ch. 2022-156 (HB 5001) - Section 199). The forecast for subsequent years shows that expenses are expected to exceed revenues by amounts that generate negative cash balances of \$4.1 million in FY 2023-24, \$742.4 million in FY 2024-25, \$986.7 million in FY 2025-26, \$1,234.9 million in FY 2026-27, and \$1,559.2 million in FY 2027-28. 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 changes in ending cash balances is lowered expectations regarding enrollment in the short term with enrollee expenses slightly lower for those that remain. In this regard, enrollment in FY 2022-23 is 360 lower than expected in August. Similarly, the expected enrollment is 2,310 lower in FY 2023-24 when compared to the prior forecast, with total projected expenses for those that remain slightly lower than previous projections.

Even though enrollment projections were decreased for all years in the forecast compared to the August 2022 forecast, the growth in enrollment beginning in FY 2023-24 reflects the Conference's expectation that the atypically large number of current vacancies will slowly begin to reverse.

A complete Executive Summary outlining all of the changes since the August 2022 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 March 2023 and August 2022 forecasts. Note that lower than expected expenses benefit the bottom line.

Financial Outlook for FY2022-23 and FY 2023-24
Changes to Conference Forecast – August 2022 Compared to March 2023
(In Millions)

| | FY 2022-23 | | | FY 2023-24 | | |
|------------------------|------------|------------|------------|------------|------------|------------|
| | 10-Aug | 3-Mar | Difference | 10-Aug | 3-Mar | Difference |
| Beginning Cash Balance | \$806.60 | \$806.60 | \$0.00 | \$427.70 | \$500.00 | \$72.30 |
| Total Revenues | \$2,789.60 | \$2,787.40 | (\$2.20) | \$2,846.60 | \$2,800.50 | (\$46.10) |
| Total Expenses | \$3,168.50 | \$3,094.00 | (\$74.50) | \$3,443.30 | \$3,304.60 | (\$138.70) |
| Ending Cash Balance | \$427.70 | \$500.00 | \$72.30 | (\$169.00) | (\$4.10) | \$164.90 |

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, 2023 through June 30, 2028

**Adopted March 03, 2023, 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, 2023, through June 30, 2028. The Outlook is prepared to assist in the State's planning and budgeting in accordance with section 216.136(9), Florida Statutes. The Outlook is prepared using cash basis methods and modeling based on the healthcare benefit and funding design currently in place.

The Outlook builds on the financial and enrollment data presented in the August 2022 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 2023.
2. Revised Investment Earnings rates.
3. Revised claims trends for Preferred Provider Organization (PPO) and Health Maintenance Organization (HMO) pharmacy claims.
4. New fully insured Insurance Premium rates, effective December 2022 for January 2023.
5. New Medicare Advantage Prescription Drug (MA-PD) Plan rates, effective December 2022 for January 2023.
6. Revised growth factors for PPO and HMO medical claims for FY 2022-23.
7. Revised projections for the Shared Savings Program.

This Outlook reflects decreases in revenues and expenses for all years compared to the Prior Outlook. An increase in ending cash balance is reflected for FY 2022-23. The deficits previously projected for FY 2023-24 through FY 2026-27 in the Prior Outlook have decreased. Finally, the projected ending cash balance for the added FY 2027-28 is also a deficit. The Outlook reflects that the Trust Fund is projected to remain solvent through FY 2022-23.

The ending cash balance for FY 2022-23 is adjusted from \$427.7 million to \$500.0 million, an increase of \$72.3 million. The estimated operating loss has decreased from \$378.9 million to \$306.6 million. Ending cash balance deficits and operating losses are projected for FY 2023-24 through FY 2027-28.

Below is a summary of the Outlook for the Trust Fund through FY 2027-28:

| | <u>FY 2022-23*</u> | <u>FY 2023-24</u> | <u>FY 2024-25</u> | <u>FY 2025-26</u> | <u>FY 2026-27</u> | <u>FY 2027-28</u> |
|-------------------------------|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | <u>Estimate</u> | <u>Estimate</u> | <u>Estimate</u> | <u>Estimate</u> | <u>Estimate</u> | <u>Estimate</u> |
| BEGINNING CASH BALANCE | \$ 806.6 | \$ 500.0 | \$ 0.0 | \$ 0.0 | \$ 0.0 | \$ 0.0 |
| TOTAL REVENUES | \$ 2,787.4 | \$ 2,800.5 | \$ 2,851.0 | \$ 2,862.6 | \$ 2,873.1 | \$ 2,871.0 |
| TOTAL EXPENSES | \$ 3,094.0 | \$ 3,304.6 | \$ 3,593.4 | \$ 3,849.3 | \$ 4,108.0 | \$ 4,430.2 |
| OPERATING GAIN/(LOSS) | \$ (306.6) | \$ (504.1) | \$ (742.4) | \$ (986.7) | \$ (1,234.9) | \$ (1,559.2) |
| ENDING CASH BALANCE | \$ 500.0 | \$ (4.1) | \$ (742.4) | \$ (986.7) | \$ (1,234.9) | \$ (1,559.2) |

Note: Assumes no carry forward of negative cash balance.

*Per Ch. 2022-156 (HB 5001) - Section 199: \$200 million added to beginning balance.

ENROLLMENT

The changes in enrollment between June 2022 and January 2023 reflect a net increase of 960 contracts, or 0.57% of total subscribers. Enrollment in PPO plans increased by 771 subscribers, or 0.97%, and HMO plan enrollment decreased by 177 subscribers, or -0.21%. Active subscriber enrollment increased by 1,623 subscribers, or 1.21%, and the net change in non-active membership was a decrease of 663 subscribers, or -2.02%.

As of January 2023, approximately 5,276 subscribers (5,172 active employees) were enrolled in a High Deductible Health Plan (3.13% of total enrollment). Active employees account for 98.03% of these subscribers, of which 95.53% are participating in the integrated state-sponsored Health Savings Account (HSA) offering, up from the 92.90% reported in the Prior Outlook.

As of January 2023, a total of 25,793 eligible employees, or 15.85%, opted out of enrollment in the Program, with 39.23% of those employees in OPS positions. The Prior Outlook reflected that 15.90% of eligible employees opted out of coverage and 42.5% were in OPS positions.

Enrollment patterns for FY 2022-23 through FY 2026-27 reflect an average annual increase of 343 subscribers for Active coverage, compared to an increase of 512 subscribers in the Prior Outlook. Early Retiree enrollment is projected to decrease an average of 12 subscribers annually, compared to an increase of 55 subscribers projected in the Prior Outlook. Enrollment in the Medicare coverage categories, including the MA-PD Plans, is expected to increase by an average of 529 subscribers annually, compared to an increase of 392 subscribers projected in the Prior Outlook. Total enrollment is projected to increase an average of 855 subscribers annually throughout the forecast period, compared to an increase of 960 subscribers annually, as projected in the Prior Outlook.

The impact of changes to the enrollment have resulted in decreased enrollment projections for all years of the forecast. For FY 2022-23 there is a decrease of 360 subscribers, 2,310 fewer subscribers for FY 2023-24, 1,851 fewer subscribers for FY 2024-25, 1,195 fewer subscribers for FY 2025-26 and 779 fewer subscribers for FY 2026-27, compared to the Prior Outlook.

STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

REVENUE

Combined premium contribution revenues for FY 2022-23 through FY 2026-27 are \$144.3 million lower than projected in the Prior Outlook; \$77.0 million of the reduction is due to lower projected enrollment with the remaining reduction due to shifts in enrollment categories. Investment earnings increased a combined total of \$2.9 million for FY 2022-23, reflecting \$2.6 million increase due to change in the rates from 0.8% to 1.3% and the remaining due to the projected increase in cash balance. TPA Refunds reflect a decrease of \$3.5 million across all years due to lower actual experience. PBM Rebates decreased a combined total of \$15.6 million based on new projections. Medicare Part D drug subsidy payments decreased by a combined total of \$2.8 million from the Prior Outlook. Other Revenues reflect \$8.1 million in FY 2022-23 in actual revenues to date, primarily from performance guarantee penalties. Overall, Total Revenue changes in this outlook reflect a combined decrease of \$155.2 million from the Prior Outlook.

SPEND

PPO expenses for FY 2022-23 through FY 2026-27 reflect a combined projected decrease of \$291.7 million. PPO medical claims projections overall are \$128.1 million lower, reflecting a \$7.0 million increase due to higher projected enrollment, \$11.0 million decrease due to lower growth trend used in FY 2022-23 going from 9.20% to 7.85%, and \$124.1 million decrease from lower claims experience. PPO Pharmacy expenses overall are \$163.7 million lower, reflecting a \$4.4 million increase due to higher projected enrollment, \$58.4 million decrease due to change in growth rates, and a \$109.7 million decrease from lower projected claims. PPO ASO fees and PBM Administration fees reflect a combined increase of \$0.1 million from the Prior Outlook.

The forecast of FY 2022-23 through FY 2026-27 reflects a combined decrease of \$537.2 million in fully insured and self-insured HMO expenses. Fully insured premium payments reflect a projected combined decrease totaling \$12.3 million, reflecting a \$17.6 million decrease due to lower projected enrollment, a \$6.5 million increase due to new premium rates and \$1.2 million decrease due to shifts in enrollment categories. HMO medical claims projections overall are \$369.8 million lower, reflecting a \$113.0 million decrease due to lower projected enrollment, \$11.6 million decrease due to lower growth trend used in FY 2022-23 going from 9.20% to 7.85% and a \$245.2 million decrease in projected claims experience. HMO pharmacy expenses projections reflect a combined decrease of \$154.3 million, which includes \$59.4 million decrease due to lower projected enrollment, a \$44.9 million decrease due to lower growth trends used, and a decrease of \$50.0 million in lower projected claims experience. HMO ASO fees and PBM administration fees reflect a combined decrease of \$0.8 million due to lower projected enrollment.

Combined, PPO and HMO medical claims across all years of the forecast, compared to the Prior Outlook, reflect a \$497.9 million decrease. The net combined decrease in pharmacy claims costs across all years is \$318.0 million compared to the Prior Outlook.

MA-PD premiums reflect a projected combined increase totaling \$1.5 million, reflecting a \$0.5 million increase due to higher projected enrollment, a \$0.2 million increase due to new premium rates and \$0.8 million due to shifts in enrollment categories.

The forecast of FY 2022-23 through FY 2026-27 for the Shared Savings Program increased \$6.6 million based on actual utilization of Shared Saving payments to employees.

HSA Deposits reflect an increase of \$2.8 million across all years of the forecast due to higher enrollment in the High Deductible Plans.

Other Expenses for FY 2022-23 reflect an increase of \$0.1 million due to legal fees.

Overall, expenses across all years of the forecast reflect a combined decrease of \$817.9 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 2021-23: 4.6% - 7.7% | | | | | | | |
| | FY 22-23 | | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 |
| | Applied | Actual YTD + Projected | Applied | Applied | Applied | Applied | Applied |
| August 2022 Conference | 9.20% | n/a | 6.90% | 6.90% | 6.90% | 6.90% | n/a |
| March 2023 Conference | 7.85% | 6.37% | 6.90% | 6.90% | 6.90% | 6.90% | 6.90% |

| HMO MEDICAL | | | | | | | |
|---|----------|------------------------|----------|----------|----------|----------|----------|
| Industry Range for CYs 2021-23: 4.6% - 7.0% | | | | | | | |
| | FY 22-23 | | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 |
| | Applied | Actual YTD + Projected | Applied | Applied | Applied | Applied | Applied |
| August 2022 Conference | 9.20% | n/a | 6.90% | 6.90% | 6.90% | 6.90% | n/a |
| March 2023 Conference | 7.85% | 3.99% | 6.90% | 6.90% | 6.90% | 6.90% | 6.90% |

| PPO PHARMACY | | | | | | | |
|--|----------|------------------------|----------|----------|----------|----------|----------|
| Industry Range for CYs 2021-23: 4.3% - 10.0% | | | | | | | |
| | FY 22-23 | | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 |
| | Applied | Actual YTD + Projected | Applied | Applied | Applied | Applied | Applied |
| August 2022 Conference | 12.90% | n/a | 10.90% | 11.30% | 11.50% | 11.60% | n/a |
| March 2023 Conference | 12.50% | 12.12% | 8.20% | 9.00% | 9.70% | 8.40% | 11.70% |

| HMO PHARMACY | | | | | | | |
|--|----------|------------------------|----------|----------|----------|----------|----------|
| Industry Range for CYs 2021-23: 4.3% - 10.0% | | | | | | | |
| | FY 22-23 | | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 |
| | Applied | Actual YTD + Projected | Applied | Applied | Applied | Applied | Applied |
| August 2022 Conference | 13.40% | n/a | 11.50% | 11.80% | 11.90% | 12.10% | n/a |
| March 2023 Conference | 15.10% | 15.16% | 8.30% | 9.60% | 10.10% | 8.70% | 12.10% |

| FULLY INSURED HMO PREMIUM PAYMENTS | | | | | | | |
|---|----------|---------|---------|---------|---------|---------|--|
| Industry Range for CYs 2021-23: 4.3% - 6.5% | | | | | | | |
| | *CY 2023 | CY 2024 | CY 2025 | CY 2026 | CY 2027 | CY 2028 | |
| August 2022 Conference | 4.60% | 4.60% | 4.60% | 4.60% | 4.60% | 4.60% | |
| March 2023 Conference | 4.65% | 4.60% | 4.60% | 4.60% | 4.60% | 4.60% | |

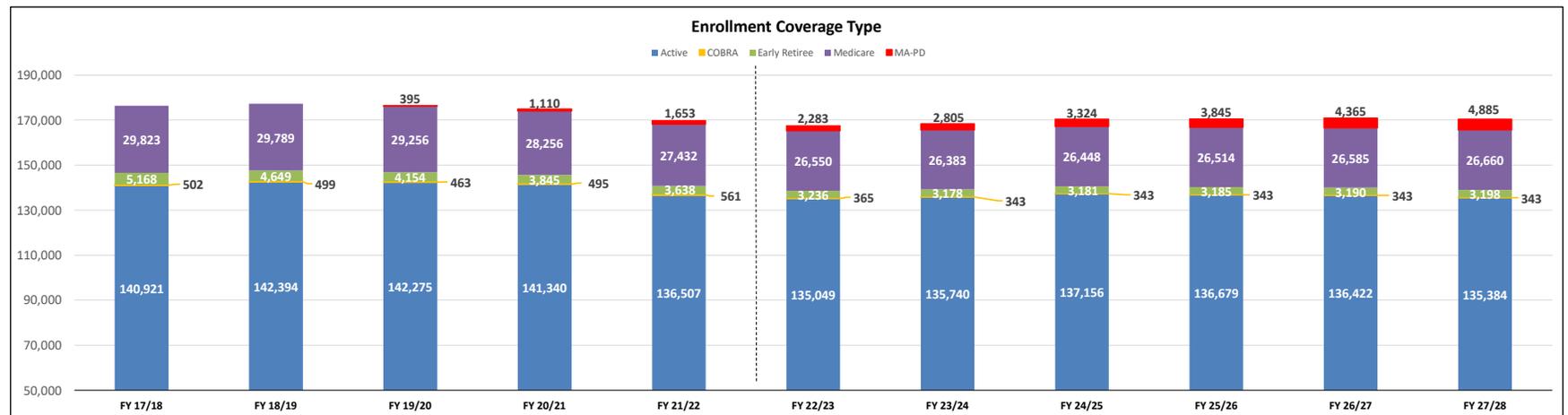
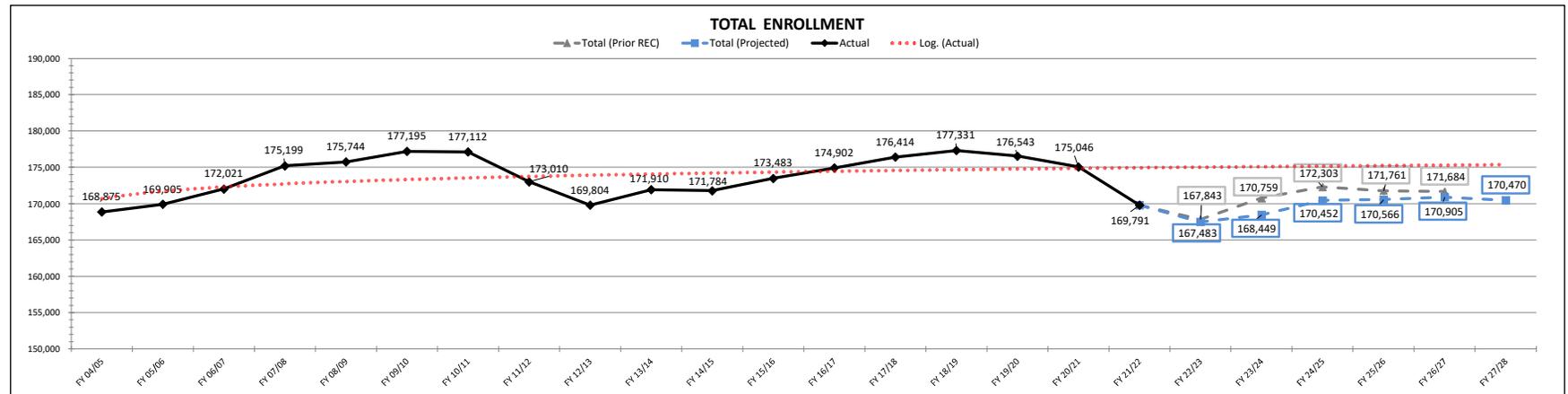
*Actual trend rates

STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

Exhibit I

Enrollment Outlook by Fiscal Year
Changes to Conference Forecast - March 2023 Compared to August 2022

| | | FY 2022-23 | | | FY 2023-24 | | | FY 2024-25 | | | FY 2025-26 | | | FY 2026-27 | | | FY 2027-28 | | |
|--|---------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|--------------|----------------|----------------|
| | | Aug '22 | Mar '23 | Diff. | Aug '22 | Mar '23 | Diff. |
| Average Enrollment by Plan | PPO Standard | 75,344 | 75,632 | 288 | 76,535 | 76,240 | (295) | 77,232 | 76,821 | (411) | 76,992 | 76,989 | (3) | 76,801 | 77,178 | 377 | - | 77,852 | 77,852 |
| | PPO HDHP | 3,800 | 3,950 | 150 | 3,851 | 3,958 | 107 | 3,893 | 3,988 | 95 | 3,890 | 3,994 | 104 | 3,888 | 4,001 | 113 | - | 4,040 | 4,040 |
| | HMO Standard | 85,199 | 84,302 | (897) | 86,343 | 84,113 | (2,230) | 86,616 | 84,960 | (1,656) | 85,795 | 84,373 | (1,422) | 85,382 | 83,989 | (1,393) | - | 82,336 | 82,336 |
| | HMO HDHP | 1,262 | 1,316 | 54 | 1,272 | 1,333 | 61 | 1,284 | 1,359 | 75 | 1,286 | 1,365 | 79 | 1,295 | 1,372 | 77 | - | 1,357 | 1,357 |
| | MA-PD | 2,238 | 2,283 | 45 | 2,758 | 2,805 | 47 | 3,278 | 3,324 | 46 | 3,798 | 3,845 | 47 | 4,318 | 4,365 | 47 | - | 4,885 | 4,885 |
| | Total | 167,843 | 167,483 | (360) | 170,759 | 168,449 | (2,310) | 172,303 | 170,452 | (1,851) | 171,761 | 170,566 | (1,195) | 171,684 | 170,905 | (779) | - | 170,470 | 170,470 |
| Average Enrollment by Coverage Type | Active (Non-OPS) Standard | 123,824 | 124,386 | 562 | 125,629 | 125,091 | (538) | 126,820 | 126,390 | (430) | 126,057 | 125,907 | (150) | 125,671 | 125,639 | (32) | - | 124,598 | 124,598 |
| | Active (Non-OPS) HDHP | 4,429 | 4,652 | 223 | 4,485 | 4,690 | 205 | 4,529 | 4,741 | 212 | 4,528 | 4,751 | 223 | 4,533 | 4,763 | 230 | - | 4,784 | 4,784 |
| | OPS Standard | 5,883 | 5,509 | (374) | 5,964 | 5,462 | (502) | 6,015 | 5,523 | (492) | 5,986 | 5,517 | (469) | 5,973 | 5,514 | (459) | - | 5,493 | 5,493 |
| | OPS HDHP | 518 | 502 | (16) | 522 | 497 | (25) | 524 | 502 | (22) | 524 | 504 | (20) | 526 | 506 | (20) | - | 509 | 509 |
| | COBRA | 383 | 365 | (18) | 384 | 343 | (41) | 385 | 343 | (42) | 386 | 343 | (43) | 389 | 343 | (46) | - | 343 | 343 |
| | Early Retiree | 3,522 | 3,236 | (286) | 3,565 | 3,178 | (387) | 3,749 | 3,181 | (568) | 3,740 | 3,185 | (555) | 3,742 | 3,190 | (552) | - | 3,198 | 3,198 |
| | Medicare | 27,046 | 26,550 | (496) | 27,452 | 26,383 | (1,069) | 27,003 | 26,448 | (555) | 26,742 | 26,514 | (228) | 26,532 | 26,585 | 53 | - | 26,660 | 26,660 |
| | MA-PD | 2,238 | 2,283 | 45 | 2,758 | 2,805 | 47 | 3,278 | 3,324 | 46 | 3,798 | 3,845 | 47 | 4,318 | 4,365 | 47 | - | 4,885 | 4,885 |
| | | Total | 167,843 | 167,483 | (360) | 170,759 | 168,449 | (2,310) | 172,303 | 170,452 | (1,851) | 171,761 | 170,566 | (1,195) | 171,684 | 170,905 | (779) | - | 170,470 |



STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

Exhibit II

Financial Outlook by Fiscal Year ⁽¹⁾

Changes to Conference Forecast - March 2023 Compared to August 2022
(In Millions)

| | FY 2022-23 | | | FY 2023-24 | | | FY 2024-25 | | | FY 2025-26 | | | FY 2026-27 | | | FY 2027-28 |
|--|-------------------|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|-------------------|-------------------|---------------------|---------------------|-------------------|---------------------|
| | Aug '22 | Mar '23 | Diff. | Aug '22 | Mar '23 | Diff. | Aug '22 | Mar '23 | Diff. | Aug '22 | Mar '23 | Diff. | Aug '22 | Mar '23 | Diff. | Mar '23 |
| BEGINNING CASH BALANCE ⁽¹¹⁾ | \$ 606.6 | \$ 606.6 | \$ - | \$ 427.7 | \$ 500.0 | \$ 72.3 | \$ 0.0 | \$ 0.0 | \$ - | \$ 0.0 | \$ 0.0 | \$ - | \$ 0.0 | \$ 0.0 | \$ - | \$ 0.0 |
| Ch. 2022-156 (HB 5001) - Section 199 ⁽¹¹⁾ | \$ 200.0 | \$ 200.0 | \$ - | | | | | | | | | | | | | |
| REVENUES: | | | | | | | | | | | | | | | | |
| Insurance Premiums ⁽³⁾ | \$ 2,510.8 | \$ 2,501.7 | \$ (9.1) | \$ 2,547.6 | \$ 2,507.5 | \$ (40.1) | \$ 2,573.1 | \$ 2,534.7 | \$ (38.4) | \$ 2,561.7 | \$ 2,531.2 | \$ (30.5) | \$ 2,556.4 | \$ 2,530.2 | \$ (26.2) | \$ 2,514.4 |
| Investment Earnings | 4.1 | 7.0 | 2.9 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TPA & Self-Insured HMO Refunds | 16.9 | 16.2 | (0.7) | 16.9 | 16.2 | (0.7) | 16.9 | 16.2 | (0.7) | 16.9 | 16.2 | (0.7) | 16.9 | 16.2 | (0.7) | 16.2 |
| PBM Rebates | 217.6 | 216.0 | (1.6) | 241.6 | 236.7 | (4.9) | 266.7 | 260.0 | (6.7) | 266.3 | 275.0 | 8.7 | 297.5 | 286.4 | (11.1) | 300.0 |
| Pretax Trust Fund Transfer | 23.6 | 23.6 | - | 23.6 | 23.6 | - | 23.6 | 23.6 | - | 23.6 | 23.6 | - | 23.6 | 23.6 | - | 23.6 |
| Medicare Part D Subsidy | 16.6 | 14.8 | (1.8) | 16.9 | 16.5 | (0.4) | 16.9 | 16.5 | (0.4) | 16.8 | 16.6 | (0.2) | 16.7 | 16.7 | - | 16.8 |
| Other Revenues | - | 8.1 | 8.1 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL REVENUES | \$ 2,789.6 | \$ 2,787.4 | \$ (2.2) | \$ 2,846.6 | \$ 2,800.5 | \$ (46.1) | \$ 2,897.2 | \$ 2,851.0 | \$ (46.2) | \$ 2,885.3 | \$ 2,862.6 | \$ (22.7) | \$ 2,911.1 | \$ 2,873.1 | \$ (38.0) | \$ 2,871.0 |
| TOTAL CASH AVAILABLE | \$ 3,596.2 | \$ 3,594.0 | \$ (2.2) | \$ 3,274.3 | \$ 3,300.5 | \$ 26.2 | \$ 2,897.2 | \$ 2,851.0 | \$ (46.2) | \$ 2,885.3 | \$ 2,862.6 | \$ (22.7) | \$ 2,911.1 | \$ 2,873.1 | \$ (38.0) | \$ 2,871.0 |
| EXPENSES: | | | | | | | | | | | | | | | | |
| PPO Plan | \$ 1,384.9 | \$ 1,365.9 | \$ (19.0) | \$ 1,522.1 | \$ 1,476.7 | \$ (45.4) | \$ 1,665.2 | \$ 1,600.5 | \$ (64.7) | \$ 1,801.7 | \$ 1,729.6 | \$ (72.1) | \$ 1,952.2 | \$ 1,861.7 | \$ (90.5) | \$ 2,040.8 |
| Medical Claims | 877.8 | 859.4 | (18.4) | 953.2 | 925.9 | (27.3) | 1,028.4 | 997.4 | (31.0) | 1,096.1 | 1,068.5 | (27.6) | 1,168.8 | 1,145.0 | (23.8) | 1,235.7 |
| ASO Fee | 17.3 | 17.3 | - | 17.5 | 17.5 | - | 17.7 | 17.6 | (0.1) | 17.6 | 17.7 | 0.1 | 17.6 | 17.7 | 0.1 | 17.8 |
| Prescription Drug Claims | 487.7 | 487.1 | (0.6) | 549.3 | 531.2 | (18.1) | 617.0 | 583.4 | (33.6) | 685.9 | 641.3 | (44.6) | 763.7 | 696.9 | (66.8) | 785.2 |
| 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 |
| HMO Plan | \$ 1,742.3 | \$ 1,685.1 | \$ (57.2) | \$ 1,879.5 | \$ 1,784.0 | \$ (95.5) | \$ 2,055.0 | \$ 1,947.3 | \$ (107.7) | \$ 2,192.7 | \$ 2,072.1 | \$ (120.6) | \$ 2,352.8 | \$ 2,196.6 | \$ (156.2) | \$ 2,337.8 |
| Premium Payments | 348.3 | 345.7 | (2.6) | 351.8 | 349.3 | (2.5) | 387.4 | 385.1 | (2.3) | 401.4 | 399.0 | (2.4) | 417.9 | 415.4 | (2.5) | 434.4 |
| Medical Claims | 947.9 | 891.3 | (56.6) | 1,026.8 | 952.0 | (74.8) | 1,106.2 | 1,029.8 | (76.4) | 1,172.1 | 1,093.7 | (78.4) | 1,248.2 | 1,164.6 | (83.6) | 1,221.6 |
| ASO Fee | 24.7 | 24.6 | (0.1) | 25.1 | 24.9 | (0.2) | 25.3 | 25.1 | (0.2) | 25.0 | 24.9 | (0.1) | 24.9 | 24.8 | (0.1) | 24.8 |
| Prescription Drug Claims | 419.5 | 421.6 | 2.1 | 473.9 | 455.9 | (18.0) | 534.1 | 505.4 | (28.7) | 592.3 | 552.6 | (39.7) | 659.9 | 589.9 | (70.0) | 655.1 |
| PBM Claims Administration | 1.9 | 1.9 | - | 1.9 | 1.9 | - | 2.0 | 1.9 | (0.1) | 1.9 | 1.9 | - | 1.9 | 1.9 | - | 1.9 |
| MA-PD Plan | \$ 6.0 | \$ 6.2 | \$ 0.2 | \$ 7.4 | \$ 7.7 | \$ 0.3 | \$ 8.7 | \$ 9.0 | \$ 0.3 | \$ 10.1 | \$ 10.4 | \$ 0.3 | \$ 11.4 | \$ 11.8 | \$ 0.4 | \$ 13.1 |
| Shared Savings Program | \$ 11.5 | \$ 12.6 | \$ 1.1 | \$ 11.8 | \$ 13.1 | \$ 1.3 | \$ 12.2 | \$ 13.5 | \$ 1.3 | \$ 12.7 | \$ 14.1 | \$ 1.4 | \$ 13.2 | \$ 14.7 | \$ 1.5 | \$ 15.3 |
| Medical Claims | 4.2 | 4.5 | 0.3 | 4.4 | 4.8 | 0.4 | 4.7 | 5.1 | 0.4 | 5.1 | 5.5 | 0.4 | 5.4 | 5.9 | 0.5 | 6.3 |
| Administrative Fees ⁽⁴⁾ | 5.8 | 5.8 | - | 5.8 | 5.8 | - | 5.8 | 5.8 | - | 5.8 | 5.8 | - | 5.8 | 5.8 | - | 5.8 |
| Shared Savings to Employees | 1.5 | 2.3 | 0.8 | 1.6 | 2.5 | 0.9 | 1.7 | 2.6 | 0.9 | 1.8 | 2.8 | 1.0 | 2.0 | 3.0 | 1.0 | 3.2 |
| HSA Deposits ⁽³⁾ | 8.6 | 8.9 | 0.3 | 8.6 | 9.2 | 0.6 | 8.6 | 9.2 | 0.6 | 8.6 | 9.2 | 0.6 | 8.6 | 9.3 | 0.7 | 9.3 |
| Operating Costs & Admin Assessment | 8.3 | 8.3 | - | 7.0 | 7.0 | - | 7.0 | 7.0 | - | 7.0 | 7.0 | - | 7.0 | 7.0 | - | 7.0 |
| Premium Refunds | 5.9 | 5.9 | - | 5.9 | 5.9 | - | 5.9 | 5.9 | - | 5.9 | 5.9 | - | 5.9 | 5.9 | - | 5.9 |
| Other Expenses ⁽⁵⁾ | 1.0 | 1.1 | 0.1 | 1.0 | 1.0 | - | 1.0 | 1.0 | - | 1.0 | 1.0 | - | 1.0 | 1.0 | - | 1.0 |
| TOTAL EXPENSES | \$ 3,168.5 | \$ 3,094.0 | \$ (74.5) | \$ 3,443.3 | \$ 3,304.6 | \$ (138.7) | \$ 3,763.6 | \$ 3,593.4 | \$ (170.2) | \$ 4,039.7 | \$ 3,849.3 | \$ (190.4) | \$ 4,352.1 | \$ 4,108.0 | \$ (244.1) | \$ 4,430.2 |
| EXCESS OF REV. OVER EXP. | \$ (378.9) | \$ (306.6) | \$ 72.3 | \$ (596.7) | \$ (504.1) | \$ 92.6 | \$ (866.4) | \$ (742.4) | \$ 124.0 | \$ (1,154.4) | \$ (986.7) | \$ 167.7 | \$ (1,441.0) | \$ (1,234.9) | \$ 206.1 | \$ (1,559.2) |
| ENDING CASH BALANCE ⁽⁶⁾ | \$ 427.7 | \$ 500.0 | \$ 72.3 | \$ (169.0) | \$ (4.1) | \$ 164.9 | \$ (866.4) | \$ (742.4) | \$ 124.0 | \$ (1,154.4) | \$ (986.7) | \$ 167.7 | \$ (1,441.0) | \$ (1,234.9) | \$ 206.1 | \$ (1,559.2) |
| ADDITIONAL INFORMATION | | | | | | | | | | | | | | | | |
| Shared Savings Credits ⁽⁷⁾ | \$ 1.1 | \$ 2.2 | \$ 1.1 | \$ 1.2 | \$ 2.3 | \$ 1.1 | \$ 1.3 | \$ 2.5 | \$ 1.2 | \$ 1.3 | \$ 2.7 | \$ 1.4 | \$ 1.4 | \$ 2.8 | \$ 1.4 | \$ 3.0 |
| Unreported PPO Plan Claims Liability ⁽⁸⁾ | \$ 87.8 | 85.9 | (1.9) | \$ 85.8 | 83.3 | (2.5) | \$ 92.6 | 89.8 | (2.8) | \$ 98.6 | 106.9 | 8.3 | \$ 105.2 | 103.1 | (2.1) | 111.2 |
| Unreported HMO Plan Claims Liability ⁽⁹⁾ | 161.1 | 142.6 | (18.5) | 174.6 | 152.3 | (22.3) | 188.1 | 164.8 | (23.3) | 199.3 | 175.0 | (24.3) | 212.2 | 786.3 | 574.1 | 196.5 |
| Unreported PBM Claims Liability ⁽¹⁰⁾ | 9.1 | 9.1 | - | 10.2 | 9.9 | (0.3) | 11.5 | 10.9 | (0.6) | 12.8 | 11.9 | (0.9) | 14.2 | 12.9 | (1.3) | 14.5 |
| Total Unreported Claims Liability | \$ 259.1 | \$ 239.8 | \$ (19.3) | \$ 271.8 | \$ 247.8 | \$ (24.0) | \$ 293.5 | \$ 268.0 | \$ (25.5) | \$ 312.0 | \$ 296.5 | \$ (15.5) | \$ 333.0 | \$ 905.1 | \$ 572.1 | \$ 325.2 |

Highlights of Changes to Forecast

- A) Inclusion of actual enrollment and cash flows through January 2023.
- B) Revised Investment Earnings rates.
- C) Revised growth factors for Preferred Provider Organization (PPO) and Health Maintenance Organization (HMO) pharmacy claims.
- D) Inclusion of new fully-insured insurance premium rates effective December 2022 for January 2023 coverage.
- E) Inclusion of new Medicare Advantage Prescription Drug (MA-PD) Plan rates, effective December 2022 for January 2023.
- F) Revised growth factors for PPO and HMO medical claims for FY 2022-23.
- G) Revised projections for the Shared Savings program.

STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

Exhibit III

Financial Outlook by Fiscal Year ⁽¹⁾

(In Millions)

| | <u>FY 2022-23</u> | <u>FY 2023-24</u> | <u>FY 2024-25</u> | <u>FY 2025-26</u> | <u>FY 2026-27</u> | <u>FY 2027-28</u> |
|--|-------------------|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | <u>Estimate</u> | <u>Estimate</u> | <u>Estimate</u> | <u>Estimate</u> | <u>Estimate</u> | <u>Estimate</u> |
| BEGINNING CASH BALANCE | \$ 606.6 | \$ 500.0 | \$ 0.0 ⁽²⁾ | \$ 0.0 ⁽²⁾ | \$ 0.0 ⁽²⁾ | \$ 0.0 ⁽²⁾ |
| Ch. 2022-156 (HB 5001) - Section 199 ⁽¹²⁾ | 200.0 | | | | | |
| REVENUES: | | | | | | |
| Insurance Premiums: | | | | | | |
| Employer | \$ 2,110.7 | \$ 2,115.2 | \$ 2,137.4 | \$ 2,129.7 | \$ 2,125.5 | \$ 2,108.8 |
| Employee | 161.4 | 161.7 | 163.4 | 162.8 | 162.5 | 161.2 |
| HSA Contributions ⁽³⁾ | 8.9 | 9.2 | 9.2 | 9.2 | 9.3 | 9.3 |
| COBRA | 5.1 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 |
| Early Retiree | 40.0 | 39.6 | 39.7 | 39.8 | 39.9 | 40.1 |
| Medicare | 175.6 | 177.0 | 180.2 | 184.9 | 188.2 | 190.2 |
| Investment Earnings | 7.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PPO - TPA Refunds | 8.4 | 8.4 | 8.4 | 8.4 | 8.4 | 8.4 |
| PPO - PBM Rebates | 115.9 | 127.3 | 139.8 | 148.0 | 154.0 | 160.9 |
| HMO - Self-Insured Refunds | 7.8 | 7.8 | 7.8 | 7.8 | 7.8 | 7.8 |
| HMO - PBM Rebates | 100.1 | 109.4 | 120.2 | 127.0 | 132.4 | 139.1 |
| Pretax Trust Fund Transfer | 23.6 | 23.6 | 23.6 | 23.6 | 23.6 | 23.6 |
| PPO - Medicare Part D Subsidy | 13.6 | 15.1 | 15.1 | 15.2 | 15.3 | 15.4 |
| HMO - Medicare Part D Subsidy | 1.2 | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 |
| Other Revenues | 8.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL REVENUES | \$ 2,787.4 | \$ 2,800.5 | \$ 2,851.0 | \$ 2,862.6 | \$ 2,873.1 | \$ 2,871.0 |
| TOTAL CASH AVAILABLE | \$ 3,594.0 | \$ 3,300.5 | \$ 2,851.0 | \$ 2,862.6 | \$ 2,873.1 | \$ 2,871.0 |
| EXPENSES: | | | | | | |
| State PPO Plan: | | | | | | |
| Medical Claims | \$ 859.4 | \$ 925.9 | \$ 997.4 | \$ 1,068.5 | \$ 1,145.0 | \$ 1,235.7 |
| ASO Fee | 17.3 | 17.5 | 17.6 | 17.7 | 17.7 | 17.8 |
| Prescription Drug Claims | 487.1 | 531.2 | 583.4 | 641.3 | 696.9 | 785.2 |
| PBM Claims Administration | 2.1 | 2.1 | 2.1 | 2.1 | 2.1 | 2.1 |
| HMO Plan: | | | | | | |
| Premium Payments | 345.7 | 349.3 | 385.1 | 399.0 | 415.4 | 434.4 |
| Medical Claims | 891.3 | 952.0 | 1,029.8 | 1,093.7 | 1,164.6 | 1,221.6 |
| ASO Fee | 24.6 | 24.9 | 25.1 | 24.9 | 24.8 | 24.8 |
| Prescription Drug Claims | 421.6 | 455.9 | 505.4 | 552.6 | 589.9 | 655.1 |
| PBM Claims Administration | 1.9 | 1.9 | 1.9 | 1.9 | 1.9 | 1.9 |
| Medicare Advantage Prescription Drug Plan | 6.2 | 7.7 | 9.0 | 10.4 | 11.8 | 13.1 |
| Shared Savings Program: | | | | | | |
| Medical Claims | 4.5 | 4.8 | 5.1 | 5.5 | 5.9 | 6.3 |
| Administrative Fees ⁽⁴⁾ | 5.8 | 5.8 | 5.8 | 5.8 | 5.8 | 5.8 |
| Shared Savings to Employees | 2.3 | 2.5 | 2.6 | 2.8 | 3.0 | 3.2 |
| HSA Deposits ⁽³⁾ | 8.9 | 9.2 | 9.2 | 9.2 | 9.3 | 9.3 |
| Operating Costs & Admin Assessment | 8.3 | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 |
| Premium Refunds | 5.9 | 5.9 | 5.9 | 5.9 | 5.9 | 5.9 |
| Other Expenses ⁽⁵⁾ | 1.1 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| TOTAL EXPENSES | \$ 3,094.0 | \$ 3,304.6 | \$ 3,593.4 | \$ 3,849.3 | \$ 4,108.0 | \$ 4,430.2 |
| EXCESS OF REVENUES OVER EXPENSES | \$ (306.6) | \$ (504.1) | \$ (742.4) | \$ (986.7) | \$ (1,234.9) | \$ (1,559.2) |
| ENDING CASH BALANCE ⁽⁶⁾ | \$ 500.0 | \$ (4.1) | \$ (742.4) | \$ (986.7) | \$ (1,234.9) | \$ (1,559.2) |
| ADDITIONAL INFORMATION | | | | | | |
| Total Unreported Claims Liability | \$ 239.8 | \$ 247.8 | \$ 268.0 | \$ 296.5 | \$ 905.1 | \$ 325.2 |
| Average Enrollment by Plan | | | | | | |
| PPO Standard | 75,632 | 76,240 | 76,821 | 76,989 | 77,178 | 77,852 |
| PPO HDHP | 3,950 | 3,958 | 3,988 | 3,994 | 4,001 | 4,040 |
| HMO Standard | 84,302 | 84,113 | 84,960 | 84,373 | 83,989 | 82,336 |
| HMO HDHP | 1,316 | 1,333 | 1,359 | 1,365 | 1,372 | 1,357 |
| MAPD | 2,283 | 2,805 | 3,324 | 3,845 | 4,365 | 4,885 |
| Total | 167,483 | 168,449 | 170,452 | 170,566 | 170,905 | 170,470 |
| Average Enrollment by Coverage Type | | | | | | |
| Active (Non-OPS) Standard | 124,386 | 125,091 | 126,390 | 125,907 | 125,639 | 124,598 |
| Active (Non-OPS) HDHP | 4,652 | 4,690 | 4,741 | 4,751 | 4,763 | 4,784 |
| OPS Standard | 5,509 | 5,462 | 5,523 | 5,517 | 5,514 | 5,493 |
| OPS HDHP | 502 | 497 | 502 | 504 | 506 | 509 |
| COBRA | 365 | 343 | 343 | 343 | 343 | 343 |
| Early Retiree | 3,236 | 3,178 | 3,181 | 3,185 | 3,190 | 3,198 |
| Medicare | 26,550 | 26,383 | 26,448 | 26,514 | 26,585 | 26,660 |
| MAPD | 2,283 | 2,805 | 3,324 | 3,845 | 4,365 | 4,885 |
| Total | 167,483 | 168,449 | 170,452 | 170,566 | 170,905 | 170,470 |

Exhibit IV
Notes to the Financial Outlook

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

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

\$ 427.7 - Previous Ending Cash Balance Forecast ⁽¹⁾

- (2.2) - Decrease in Revenue Forecast
 - (9.1) - Net Decrease in Insurance Premiums
 - 0.3 - Increase in employer and enrollee HSA contributions
 - (9.4) - Decrease in Insurance Premiums due to shifts in enrollment categories
 - 2.9 - Increase in Investment Earnings due to higher actual cash balance
 - 2.6 - Increase due to higher projected interest rates from 0.8% to 1.3%
 - 0.3 - Increase due to higher projected cash balance
 - (0.6) - Decrease in PPO - TPA Refunds due to lower projected activity
 - (0.3) - Decrease in PPO - PBM Rebates
 - 0.6 - Increase due to higher projected enrollment from 79,144 to 79,582
 - (0.9) - Decrease due to lower activity
 - (0.1) - Decrease in HMO - Self-Insured Refunds due to lower actual enrollment from 56,760 to 56,082
 - (1.3) - Decrease in HMO - PBM Rebates
 - (1.0) - Decrease due to lower projected enrollment from 80,661 to 79,838
 - (0.3) - Decrease due to lower actual activity
 - (1.7) - Decrease in PPO - Medicare Part D Subsidy
 - (0.3) - Decrease due to a lower projected enrollment from 19,475 to 19,036
 - (1.4) - Decrease due to lower projected per member subsidy
 - (0.1) - Decrease in HMO - Medicare Part D Subsidy due to lower per member subsidy enrollment from 1,772 to 1,737
 - 8.1 - Increase in Other Revenues
 - 7.8 - Increase due to Performance Guarantee Penalties
 - 0.3 - Increase due to Litigation Settlements
- (74.5) - Decrease in Expense Forecast
 - (19.0) - Decrease in State PPO Plan
 - (18.4) - Decrease in Medical Claims
 - 4.8 - Increase due to higher projected enrollment from 79,144 to 79,582
 - (0.3) - Decrease due to higher projected Shared Savings
 - (11.0) - Decrease due to lower growth factor from 9.20% to 7.85%
 - (11.9) - Decrease due to lower claims experience
 - (0.6) - Decrease in Prescription Drug Claims
 - 2.6 - Increase due to higher projected enrollment from 79,144 to 79,582
 - (1.7) - Decrease due to lower growth factor from 12.90% to 12.50%
 - (1.5) - Decrease due to lower claims experience
 - (57.2) - Decrease in HMO Plan
 - (2.6) - Decrease in Premium Payments
 - (1.9) - Decrease due to lower projected enrollment from 29,698 to 29,531
 - 0.6 - Increase due to new contract rates effective January 2023
 - (1.3) - Decrease due to shifts in enrollment categories
 - (56.6) - Decrease in Medical Claims
 - (11.4) - Decrease due to lower projected enrollment from 58,760 to 56,082
 - (0.4) - Decrease due to higher projected Shared Savings
 - (11.6) - Decrease due to lower growth factor from 9.20% to 7.85%
 - (33.2) - Decrease due to lower projected claims experience
 - (0.1) - Decrease in ASO Fees
 - (0.3) - Decrease due to lower actual enrollment from 56,760 to 56,082
 - 0.2 - Increase due to shifts in enrollment between HMO plans
 - 2.1 - Increase in Prescription Drug Claims
 - (4.3) - Decrease due to lower projected enrollment from 80,661 to 79,838
 - 6.2 - Increase due to higher growth factor from 13.40% to 15.10%
 - 0.2 - Increase due to higher claims experience
 - 0.2 - Increase in MA-PD Premium Payments
 - 0.1 - Increase due to higher projected enrollment from 2,238 to 2,283
 - 0.1 - Increase due to new contract rates effective January 2023
 - 1.1 - Increase in Shared Savings Program
 - 0.3 - Increase due to higher actual Bundled Surgical Service claims
 - 0.8 - Increase in Shared Savings to Employees
 - 0.4 - Increase in Other Expense Categories and Enrollee HSA Deposits
 - 0.3 - Increase due to higher employer and enrollee HSA Deposits
 - 0.1 - Increase in Other Expenses due to higher actual experience

500.0 - Ending Cash Balance ⁽¹⁾

⁽¹⁾ Self-Insurance Estimating Conference held in August 2022.

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

\$ (169.0) - Previous Ending Cash Balance Forecast ⁽ⁱ⁾

- 72.3 - Increase in Beginning Cash Balance Forecast
- (46.1) - Decrease in Revenue Forecast
 - (40.1) - Net Decrease in Insurance Premiums
 - (26.2) - Decrease in employer and enrollee Insurance Premiums due to lower projected enrollment from 170,759 to 168,449
 - 0.6 - Increase in projected employer and enrollee HSA contributions
 - (14.5) - Decrease in Insurance Premiums due to shifts in enrollment categories
 - (0.6) - Decrease in PPO - TPA Refunds
 - (0.1) - Decrease due to lower projected enrollment from 80,386 to 80,198
 - (0.5) - Decrease due to lower projected activity
 - (1.8) - Decrease in PPO - PBM Rebates
 - (0.3) - Decrease due to lower projected enrollment from 80,386 to 80,198
 - (1.5) - Decrease due to lower projected activity
 - (0.1) - Decrease in HMO - Self-Insured Refunds
 - (0.2) - Decrease due to lower projected enrollment from 57,512 to 56,019
 - 0.1 - Increase due to higher projected activity
 - (3.1) - Decrease in HMO - PBM Rebates
 - (2.7) - Decrease due to lower projected enrollment from 81,736 to 79,711
 - (0.4) - Decrease due to lower projected activity
 - (0.4) - Decrease in PPO - Medicare Part D Subsidy
 - (0.7) - Decrease due to a lower projected enrollment from 19,788 to 18,934
 - 0.3 - Increase due to higher projected per member subsidy
- (138.7) - Decrease in Expense Forecast
 - (45.4) - Decrease in State PPO Plan
 - (27.3) - Decrease in Medical Claims
 - (2.2) - Decrease due to lower projected enrollment from 80,386 to 80,198
 - (0.3) - Decrease due to higher projected Shared Savings
 - (24.8) - Decrease due to lower claims experience
 - (18.1) - Decrease in Prescription Drug Claims
 - (1.3) - Decrease due to lower projected enrollment from 80,386 to 80,198
 - (13.3) - Decrease due to lower growth factor from 10.90% to 8.20%
 - (3.5) - Decrease due to lower claims experience
 - (95.5) - Decrease in HMO Plan
 - (2.5) - Decrease in Premium Payments
 - (7.8) - Decrease due to lower projected enrollment from 30,098 to 29,425
 - 1.3 - Increase due to new contract rates effective January 2023
 - 4.0 - Increase due to shifts in enrollment categories
 - (74.8) - Decrease in Medical Claims
 - (26.8) - Decrease due to lower projected enrollment from 57,512 to 56,019
 - (0.1) - Decrease due to higher projected Shared Savings
 - (47.9) - Decrease due to lower projected claims experience
 - (0.2) - Decrease in ASO Fees
 - (0.6) - Decrease due to lower projected enrollment from 57,512 to 56,019
 - 0.4 - Increase due to shifts in enrollment between HMO plans
 - (18.0) - Decrease in Prescription Drug Claims
 - (11.7) - Decrease due to lower projected enrollment from 81,736 to 79,711
 - (13.5) - Decrease due to lower growth factor from 11.50% to 8.30%
 - 7.2 - Increase due to higher claims experience
 - 0.3 - Increase in MA-PD Premium Payments
 - 0.1 - Increase due to higher projected enrollment from 2,758 to 2,805
 - 0.2 - Increase due to new contract rates effective January 2023
 - 1.3 - Increase in Shared Savings Program
 - 0.4 - Increase due to higher actual Bundled Surgical Service claims
 - 0.9 - Increase in Shared Savings rewards to Employees
 - 0.6 - Increase in Other Expense Categories and Enrollee HSA Deposits
 - 0.6 - Increase due to higher projected employer and enrollee HSA Deposits

(4.1) - Ending Cash Balance ⁽¹⁾

⁽ⁱ⁾ Self-Insurance Estimating Conference held in August 2022.

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

\$ (866.4) - Previous Ending Cash Balance Forecast⁽¹⁾

- (46.2) - Decrease in Revenue Forecast
 - (38.4) - Net Decrease in Insurance Premiums
 - (23.3) - Decrease in employer and enrollee Insurance Premiums due to lower projected enrollment from 172,303 to 170,452
 - 0.6 - Increase in projected employer and enrollee HSA contributions
 - (15.7) - Decrease in Insurance Premiums due to shifts in enrollment categories
 - (0.6) - Decrease in PPO - TPA Refunds
 - (0.1) - Decrease due to lower projected enrollment from 81,125 to 80,809
 - (0.5) - Decrease due to lower projected activity
 - (2.8) - Decrease in PPO - PBM Rebates
 - (0.5) - Decrease due to lower projected enrollment from 81,125 to 80,809
 - (2.3) - Decrease due to lower projected activity
 - (0.1) - Decrease in HMO - Self-Insured Refunds
 - (0.2) - Decrease due to lower projected enrollment from 57,959 to 56,660
 - 0.1 - Increase due to higher projected activity
 - (3.9) - Decrease in HMO - PBM Rebates
 - (2.6) - Decrease due to lower projected enrollment from 82,385 to 80,621
 - (1.3) - Increase due to higher projected activity
 - (0.4) - Decrease in PPO - Medicare Part D Subsidy
 - (0.5) - Decrease due to lower projected Medicare enrollment from 19,732 to 19,034
 - 0.1 - Increase due to higher projected per member subsidy
- (170.2) - Decrease in Expense Forecast
 - (64.7) - Decrease in State PPO Plan
 - (31.0) - Decrease in Medical Claims
 - (4.0) - Decrease due to lower projected enrollment from 81,125 to 80,809
 - (0.4) - Decrease due to higher projected Shared Savings
 - (26.6) - Decrease due to lower claims experience
 - (0.1) - Decrease in ASO Fee Expense due to lower projected enrollment from 81,125 to 80,809
 - (33.6) - Decrease in Prescription Drug Claims
 - (2.4) - Decrease due to lower projected enrollment from 81,125 to 80,809
 - (12.3) - Decrease due to lower growth factor from 11.30% to 9.00%
 - (18.9) - Decrease due to lower claims experience
 - (107.7) - Decrease in HMO Plan
 - (2.3) - Decrease in Premium Payments
 - (3.6) - Decrease due to lower projected enrollment from 29,937 to 29,658
 - 1.4 - Increase due to new contract rates effective January 2023
 - (0.1) - Decrease due to shifts in enrollment categories
 - (76.4) - Decrease in Medical Claims
 - (24.9) - Decrease due to lower projected enrollment from 57,959 to 56,660
 - 0.3 - Increase due to lower Shared Savings
 - (51.8) - Decrease due to lower projected claims experience
 - (0.2) - Decrease in ASO Fees
 - (0.6) - Decrease due to lower projected enrollment from 57,959 to 56,660
 - 0.4 - Increase due to shifts between HMO plans
 - (28.7) - Decrease in Prescription Drug Claims
 - (11.4) - Decrease due to lower projected enrollment from 82,385 to 80,621
 - (10.1) - Decrease due to lower growth factor from 11.80% to 9.60%
 - (7.2) - Decrease due to lower claims experience
 - (0.1) - Decrease in PBM Claims Administration due to shifts in enrollment from 82,385 to 80,621
 - 0.3 - Increase in MA-PD Premium Payments
 - 0.1 - Increase due to higher projected enrollment from 3,278 to 3,324
 - 0.2 - Increase due to new contract rates effective January 2023
 - 1.3 - Increase in Shared Savings Program
 - 0.4 - Increase in Bundled Service claims based on higher projected utilization
 - 0.9 - Increase in Shared Savings rewards to Employees
 - 0.6 - Increase in Other Expense Categories and Enrollee HSA Deposits
 - 0.6 - Increase due to higher projected employer and enrollee HSA Deposits

(742.4) - Ending Cash Balance⁽¹⁾⁽¹⁾ Self-Insurance Estimating Conference held in August 2022.

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

\$ (1,154.4) - Previous Ending Cash Balance Forecast ⁽ⁱ⁾

- (22.7) - Decrease in Revenue Forecast
 - (30.5) - Net Decrease in Insurance Premiums
 - (15.8) - Decrease in employer and enrollee Insurance Premiums due to lower projected enrollment from 171,761 to 170,566
 - 0.6 - Increase in projected employer and enrollee HSA contributions
 - (15.3) - Decrease in Insurance Premiums due to shifts in enrollment categories
 - (0.6) - Decrease in PPO - TPA Refunds due to lower than projected activity
 - 14.7 - Increase in PPO - PBM Rebates
 - 0.2 - Increase due to higher projected enrollment from 80,882 to 80,983
 - 14.5 - Increase due to lower projected activity
 - (0.1) - Decrease in HMO - Self-Insured Refunds
 - (0.2) - Decrease due to lower projected enrollment from 57,448 to 56,277
 - 0.1 - Increase due to higher projected activity
 - (6.0) - Decrease in HMO - PBM Rebates
 - (2.5) - Decrease due to lower projected enrollment from 81,656 to 80,072
 - (3.5) - Decrease due to lower projected activity
 - (0.2) - Decrease in PPO - Medicare Part D Subsidy
 - (0.3) - Decrease due to lower projected Medicare enrollment from 19,578 to 19,133
 - 0.1 - Increase due to higher projected per member subsidy
- (190.4) - Decrease in Expense Forecast
 - (72.1) - Decrease in State PPO Plan
 - (27.6) - Decrease in Medical Claims
 - 1.4 - Increase due to higher projected enrollment from 80,882 to 80,983
 - (0.4) - Decrease due to higher projected Shared Savings
 - (28.6) - Decrease due to lower claims experience
 - 0.1 - Increase in ASO Fee Expense due to higher projected enrollment from 80,882 to 80,983
 - (44.6) - Decrease in Prescription Drug Claims
 - 0.9 - Increase due to higher projected enrollment from 80,882 to 80,983
 - (10.5) - Decrease due to lower growth factor from 11.50% to 9.70%
 - (35.0) - Decrease due to lower claims experience
 - (120.6) - Decrease in HMO Plan
 - (2.4) - Decrease in Premium Payments
 - (2.3) - Decrease due to lower projected enrollment from 29,631 to 29,459
 - 1.5 - Increase due to new contract rates effective January 2023
 - (1.6) - Decrease due to shifts in enrollment categories
 - (78.4) - Decrease in Medical Claims
 - (24.0) - Decrease due to lower projected enrollment from 57,448 to 56,277
 - 0.6 - Increase due to lower projected Shared Savings
 - (55.0) - Decrease due to lower projected claims experience
 - (0.1) - Decrease in ASO Fees
 - (0.5) - Decrease due to lower projected enrollment from 57,448 to 56,277
 - 0.4 - Increase due to shifts between HMO plans
 - (39.7) - Decrease in Prescription Drug Claims
 - (11.5) - Decrease due to lower projected enrollment from 81,656 to 80,072
 - (9.0) - Decrease due to lower growth factor from 11.90% to 10.10%
 - (19.2) - Decrease due to lower claims experience
 - 0.3 - Increase in MA-PD Premium Payments
 - 0.1 - Increase due to higher projected enrollment from 3,798 to 3,845
 - 0.2 - Increase due to new contract rates effective January 2023
 - 1.4 - Increase in Shared Savings Program
 - 0.4 - Increase in Bundled Service claims based on higher projected utilization
 - 1.0 - Increase in Shared Savings to Employees due to higher utilization
 - 0.6 - Increase in Other Expense Categories and Enrollee HSA Deposits
 - 0.6 - Increase due to higher projected employer and enrollee HSA Deposits

(986.7) - Ending Cash Balance ⁽¹⁾

⁽ⁱ⁾ Self-Insurance Estimating Conference held in August 2022.

**Exhibit IX
Comparison of Financial Outlooks
Fiscal Year 2026-27
(In Millions)**

\$ (1,441.0) - Previous Ending Cash Balance Forecast ⁽ⁱ⁾

- (38.0) - Decrease in Revenue Forecast
 - (26.2) - Net Decrease in Insurance Premiums
 - (11.8) - Decrease in employer and enrollee Insurance Premiums due to lower projected enrollment from 171,684 to 170,905
 - 0.7 - Increase in projected employer and enrollee HSA contributions
 - (15.1) - Decrease in Insurance Premiums due to shifts in enrollment categories
 - (0.6) - Decrease in PPO - TPA Refunds
 - 0.1 - Increase due to higher projected enrollment from 80,689 to 81,178
 - (0.7) - Decrease due to lower projected activity
 - (3.9) - Decrease in PPO - PBM Rebates
 - 0.9 - Increase due to higher projected enrollment from 80,689 to 81,178
 - (4.8) - Decrease due to lower projected activity
 - (0.1) - Decrease in HMO - Self-Insured Refunds
 - (0.2) - Decrease due to lower projected enrollment from 57,229 to 56,046
 - 0.1 - Increase due to higher projected activity
 - (7.2) - Decrease in HMO - PBM Rebates
 - (4.1) - Decrease due to lower projected enrollment from 81,148 to 78,634
 - (3.1) - Decrease due to lower projected activity
 - (0.1) - Decrease in PPO - Medicare Part D Subsidy
 - (0.2) - Decrease due to lower projected Medicare enrollment from 19,438 to 19,233
 - 0.1 - Increase due to higher projected per member subsidy
 - 0.1 - Increase in HMO - Medicare Part D Subsidy due to higher projected per member subsidy
- (244.1) - Decrease in Expense Forecast
 - (90.5) - Decrease in State PPO Plan
 - (23.8) - Decrease in Medical Claims
 - 7.1 - Increase due to higher projected enrollment from 80,689 to 81,178
 - (0.4) - Decrease due to higher projected Shared Savings
 - (30.5) - Decrease due to lower claims experience
 - 0.1 - Increase in ASO Fee Expense due to higher projected enrollment from 80,689 to 81,178
 - (66.8) - Decrease in Prescription Drug Claims
 - 4.6 - Increase due to higher projected enrollment from 80,689 to 81,178
 - (20.6) - Decrease due to lower growth factor from 11.60% to 8.40%
 - (50.8) - Decrease due to lower claims experience
 - (156.2) - Decrease in HMO Plan
 - (2.5) - Decrease in Premium Payments
 - (2.0) - Decrease due to lower projected enrollment from 29,465 to 28,323
 - 1.6 - Increase due to new contract rates effective January 2023
 - (2.1) - Decrease due to shifts in enrollment categories
 - (83.6) - Decrease in Medical Claims
 - (25.9) - Decrease due to lower projected enrollment from 57,229 to 56,046
 - 1.0 - Increase due to lower projected Shared Savings
 - (58.7) - Decrease due to lower projected claims experience
 - (0.1) - Decrease in ASO Fees
 - (0.5) - Decrease due to lower projected enrollment from 57,229 to 56,046
 - 0.4 - Increase due to shifts between HMO plans
 - (70.0) - Decrease in Prescription Drug Claims
 - (20.4) - Decrease due to lower projected enrollment from 81,148 to 78,634
 - (18.5) - Decrease due to lower growth factor from 12.10% to 8.70%
 - (31.1) - Decrease due to lower claims experience
 - 0.4 - Increase in MA-PD Premium Payments
 - 0.1 - Increase due to higher projected enrollment from 4,318 to 4,365
 - 0.3 - Increase due to new contract rates effective January 2023
 - 1.5 - Increase in Shared Savings Program
 - 0.5 - Increase in Bundled Service claims based on higher projected utilization
 - 1.0 - Increase in Shared Savings rewards to Employees
 - 0.7 - Increase in Other Expense Categories and Enrollee HSA Deposits
 - 0.7 - Increase due to higher projected employer and enrollee HSA Deposits

(1,234.9) - Ending Cash Balance⁽¹⁾

⁽ⁱ⁾ Self-Insurance Estimating Conference held in August 2022.

STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

PREMIUM RATE TABLE



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

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

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

Notes

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

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

| Medicare Monthly Premium Rates | | | | | |
|---------------------------------|------------------------------|------------------|--------------------|-------------------|------------|
| Plan Name | Plan Type | Medicare I | Medicare II | Medicare III | MA-PD Plan |
| | | One Eligible (5) | One Under/Over (6) | 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 (Retiree Advantage) | 282.62 | 1,118.13 | 565.24 | |
| | HDHP (Retiree Advantage) | 257.23 | 1,007.87 | 514.46 | |
| | MA-PD (9) (Classic) | | | | 165.00 |
| Humana | MA-PD (9) | | | | 44.63 |
| UnitedHealthcare | MA-PD (9) | | | | 195.00 |
| COBRA Self-Insured PPO/HMO (3) | Standard | 438.78 | 1,268.50 | 877.56 | |
| | HDHP | 330.75 | 1,082.28 | 661.49 | |
| COBRA Capital Health Plan (3,8) | Standard | 288.27 | 1,140.49 | 576.54 | |
| | HDHP | 262.37 | 1,028.03 | 524.75 | |

Notes

- 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
- SES/SMS – Includes executive, legislative and judicial branch agencies for employees with enhanced benefits, excluding Spouse Program participants.
- Includes an additional 2% for administrative costs as permitted by federal regulations.
- 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.
- Single coverage for participant eligible for Medicare Parts A and B. Does not include monthly Medicare Part B premium.
- 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.
- Family coverage for two participants and both are eligible for Medicare Parts A and B. Does not include Medicare Part B premium.
- Must be enrolled in Medicare and must complete the HMO's Retiree Advantage application process to be eligible for this coverage.
- 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.