

State of Arkansas Employee Benefits Division

CY2022 Planning

Arkansas State Board of Finance Meeting

Arkansas State Employees (ASE) and Public-School Employees (PSE)

Courtney White, FSA, MAAA
Paul Sakhrani, FSA, MAAA

22 JUNE 2021



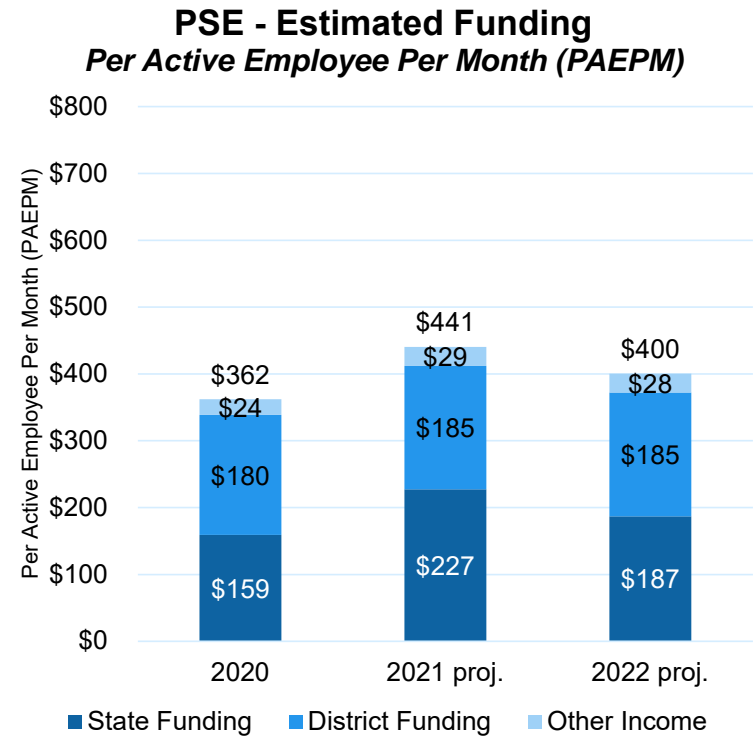
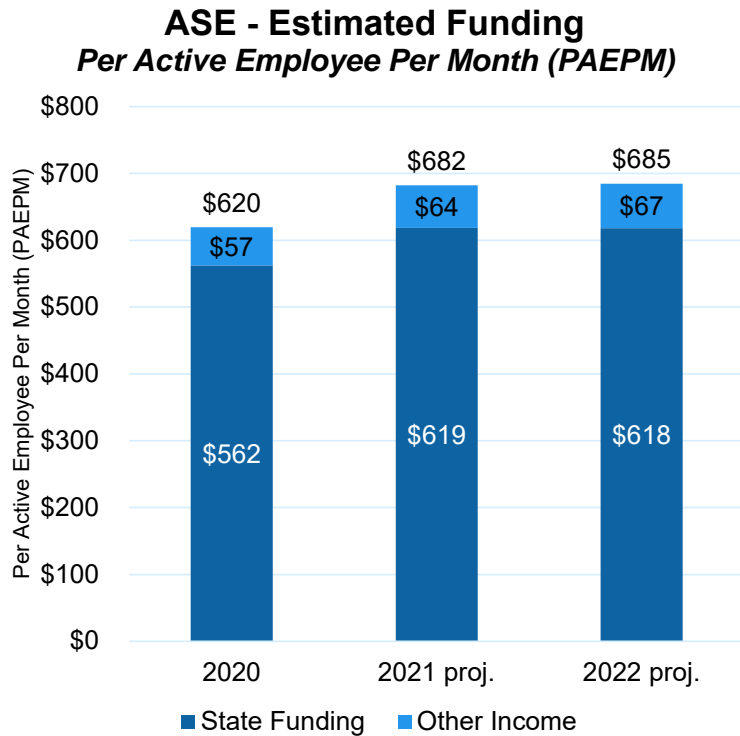
Agenda

- ASE and PSE Funding Comparison
- PSE Modeling Scenario 1
- PSE Modeling Scenario 2
- Interactive Modeling
- Appendices

ASE and PSE Funding Comparison

ASE and PSE Funding Comparison

Per Active Employee Per Month

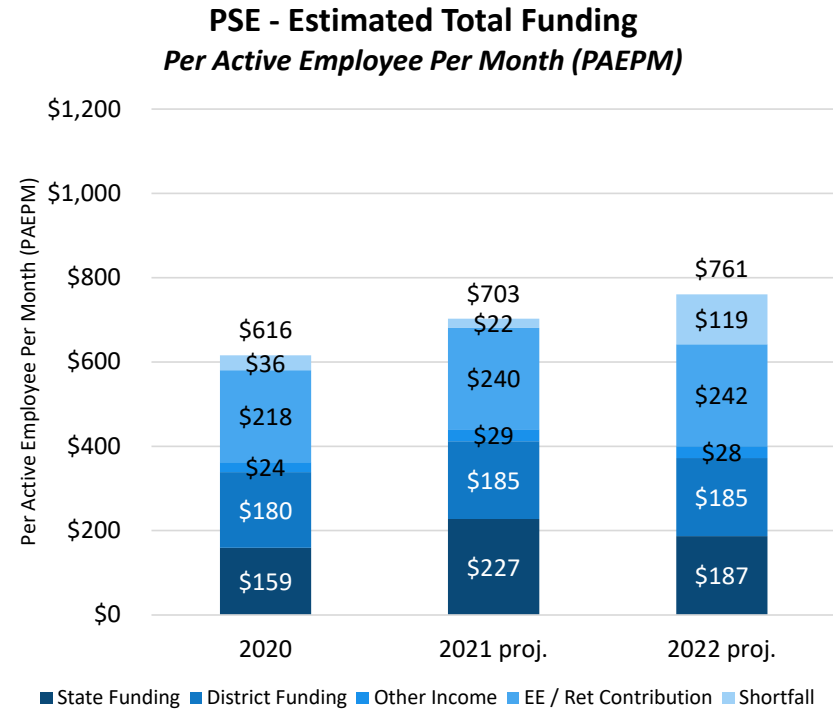
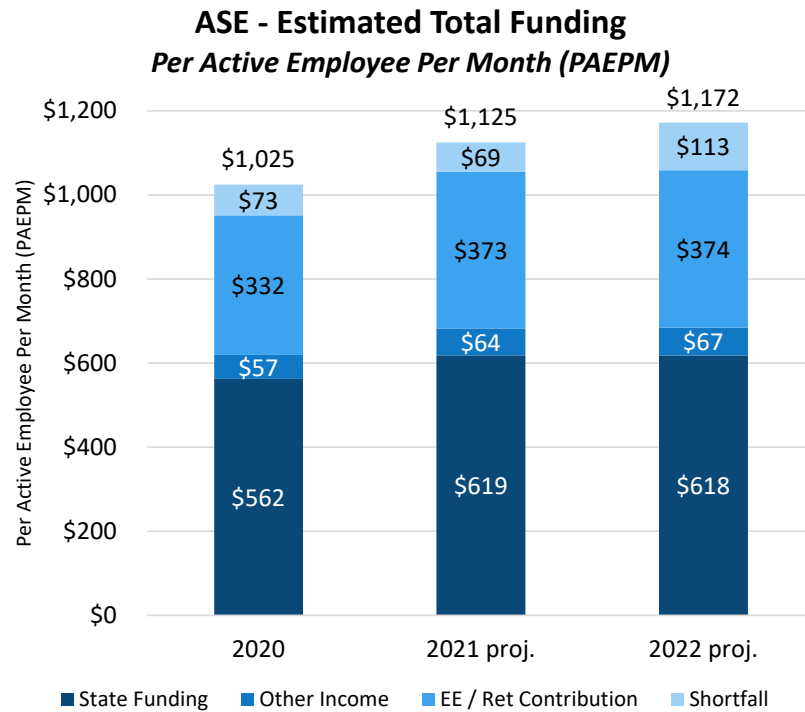


Per Capita Funding is based on Active Enrolled Employees Per Month (i.e. funding / average active subscribers)

2022 reflects baseline scenario. PSE district funding includes both the minimum funding and the amount above the minimum. Baseline scenario, assumes the district funding is flat on a per active enrolled basis when compared to 2021

ASE and PSE Total Funding Comparison

Per Active Employee Per Month



Per Capita Funding is based on Active Enrolled Employees Per Month (i.e. funding / average active subscribers)

2022 reflects baseline scenario. PSE district funding includes both the minimum funding and the amount above the minimum. Baseline scenario, assumes the district funding is flat on a per active enrolled basis when compared to 2021

PSE Modeling Scenario 1

PSE - Summary of Initiatives from June 8th Board Meeting

Scenario 1

- Baseline 2022 PSE Surplus/Deficit Estimate: **(\$70.1M)**
- Baseline 2022 PSE Reserve Estimate: \$3.8M / 0.8% of expenses / 3 days
- 2022 PSE Surplus/Deficit Estimate After Initiatives: **(\$10.5M)**
- 2022 Reserve Estimate After Initiatives: \$63.3M / 14.1% / 52 days

Initiative	2022 Estimated	
	Savings	Balance
5% Active Contribution Increase	\$5.7M	(\$64.4M)
5% Pre-65 and Post-65 Retiree Contribution Increase	\$1.8M	(\$62.6M)
Reduction in Wellness Credit for Actives from \$50 to \$25 per month	\$11.7M	(\$50.9M)
Add Non-Wellness Contribution for Actives (\$25 per month)	\$3.1M	(\$47.8M)
Wellness Visit Required Through Physician for Wellness Credit	\$2.2M	(\$45.6M)
Request \$35M from Restricted Reserve	<u>\$35.0M</u>	(\$10.6M)
Total	\$59.5M	

Contribution changes do not reflect migration between benefit plans or tier

Add Non-Wellness Contribution impacts the spread between employees who earn the wellness incentive and those who do not earn the wellness incentive.

PSE - Active Wellness (Scenario 1)

Tier	Projected Employees	2021 Contribution	2022 Contribution	Contribution Change (\$)	Contribution Change (%)
<u>Premium</u>					
Employee	10,687	\$208.46	\$243.88	\$35.42	17.0%
Employee & Spouse	167	\$856.20	\$924.01	\$67.81	7.9%
Employee & Child(ren)	1,869	\$495.54	\$545.32	\$49.78	10.0%
Family	335	\$858.44	\$926.36	\$67.92	7.9%
<u>Classic</u>					
Employee	12,550	\$71.02	\$99.57	\$28.55	40.2%
Employee & Spouse	1,276	\$379.62	\$423.60	\$43.98	11.6%
Employee & Child(ren)	5,642	\$183.42	\$217.59	\$34.17	18.6%
Family	2,626	\$383.32	\$427.49	\$44.17	11.5%
<u>Basic</u>					
Employee	2,897	\$36.26	\$63.07	\$26.81	73.9%
Employee & Spouse	195	\$297.78	\$337.67	\$39.89	13.4%
Employee & Child(ren)	485	\$146.86	\$179.20	\$32.34	22.0%
Family	277	\$300.62	\$340.65	\$40.03	13.3%

PSE - Active Non-Wellness (Scenario 1)

Tier	Projected Employees	2021 Contribution	2022 Contribution	Contribution Change (\$)	Contribution Change (%)
<u>Premium</u>					
Employee	2,916	\$258.46	\$293.88	\$35.42	13.7%
Employee & Spouse	82	\$906.20	\$974.01	\$67.81	7.5%
Employee & Child(ren)	453	\$545.54	\$595.32	\$49.78	9.1%
Family	188	\$908.44	\$976.36	\$67.92	7.5%
<u>Classic</u>					
Employee	2,739	\$121.02	\$149.57	\$28.55	23.6%
Employee & Spouse	440	\$429.62	\$473.60	\$43.98	10.2%
Employee & Child(ren)	1,013	\$233.42	\$267.59	\$34.17	14.6%
Family	1,153	\$433.32	\$477.49	\$44.17	10.2%
<u>Basic</u>					
Employee	880	\$86.26	\$113.07	\$26.81	31.1%
Employee & Spouse	92	\$347.78	\$387.67	\$39.89	11.5%
Employee & Child(ren)	128	\$196.86	\$229.20	\$32.34	16.4%
Family	162	\$350.62	\$390.65	\$40.03	11.4%

PSE - Pre-65 Retirees (Scenario 1)

Tier	Projected Retirees	2021 Contribution	2022 Contribution	Contribution Change (\$)	Contribution Change (%)
<u>Premium</u>					
Retiree	387	\$641.14	\$673.20	\$32.06	5.0%
Retiree & NME Spouse	13	\$1,457.18	\$1,530.04	\$72.86	5.0%
Retiree & Child(ren)	8	\$1,192.60	\$1,252.23	\$59.63	5.0%
Retiree & NME Spouse & Child(ren)	2	\$2,008.64	\$2,109.07	\$100.43	5.0%
Retiree & ME Spouse	62	\$795.12	\$834.88	\$39.76	5.0%
Retiree & ME Spouse & Child(ren)	1	\$1,346.58	\$1,413.91	\$67.33	5.0%
<u>Classic</u>					
Retiree	2,014	\$273.30	\$286.97	\$13.67	5.0%
Retiree & Spouse	306	\$565.78	\$594.07	\$28.29	5.0%
Retiree & Child(ren)	72	\$469.82	\$493.31	\$23.49	5.0%
Family	40	\$746.20	\$783.51	\$37.31	5.0%
<u>Basic</u>					
Retiree	422	\$148.50	\$155.93	\$7.43	5.0%
Retiree & Spouse	66	\$269.72	\$283.21	\$13.49	5.0%
Retiree & Child(ren)	22	\$238.52	\$250.45	\$11.93	5.0%
Family	23	\$335.72	\$352.51	\$16.79	5.0%

PSE - Post-65 Retirees (Scenario 1)

Tier	Projected Retirees	2021 Contribution	2022 Contribution	Contribution Change (\$)	Contribution Change (%)
<u>Primary</u>					
Retiree	14,116	\$100.78	\$105.82	\$5.04	5.0%
Retiree & Non-Medicare Spouse	92	\$783.92	\$823.12	\$39.20	5.0%
Retiree & Child(ren)	13	\$757.10	\$794.96	\$37.86	5.0%
Retiree & Non-Medicare Spouse & Child(ren)	6	\$1,521.48	\$1,597.55	\$76.07	5.0%
Retiree & Medicare Spouse	1,224	\$263.04	\$276.19	\$13.15	5.0%
Retiree & Medicare Spouse & Child(ren)	3	\$888.58	\$933.01	\$44.43	5.0%

PSE Modeling Scenario 2

PSE - Summary of Initiatives from June 8th Board Meeting Scenario 2

- Baseline 2022 PSE Surplus/Deficit Estimate: **(\$70.1M)**
- Baseline 2022 PSE Reserve Estimate: \$3.8M / 0.8% of expenses / 3 days
- 2022 PSE Surplus/Deficit Estimate After Initiatives: **(\$3.0M)**
- 2022 Reserve Estimate After Initiatives: \$70.8M / 15.8% / 58 days

Initiative	2022 Estimated	
	Savings	Balance
10% Active Contribution Increase	\$11.4M	(\$58.7M)
10% Pre-65 and Post-65 Retiree Contribution Increase	\$3.7M	(\$55.0M)
Reduction in Wellness Credit for Actives from \$50 to \$25 per month	\$11.7M	(\$43.3M)
Add Non-Wellness Contribution for Actives (\$25 per month)	\$3.1M	(\$40.2M)
Wellness Visit Required Through Physician for Wellness Credit	\$2.2M	(\$38.0M)
Request \$35M from Restricted Reserve	<u>\$35.0M</u>	(\$3.0M)
Total	\$67.0M	

Contribution changes do not reflect migration between benefit plans or tier

Add Non-Wellness Contribution impacts the spread between employees who earn the wellness incentive and those who do not earn the wellness incentive.

PSE - Active Wellness (Scenario 2)

Tier	Projected Employees	2021 Contribution	2022 Contribution	Contribution Change (\$)	Contribution Change (%)
<u>Premium</u>					
Employee	10,687	\$208.46	\$254.31	\$45.85	22.0%
Employee & Spouse	167	\$856.20	\$966.82	\$110.62	12.9%
Employee & Child(ren)	1,869	\$495.54	\$570.09	\$74.55	15.0%
Family	335	\$858.44	\$969.28	\$110.84	12.9%
<u>Classic</u>					
Employee	12,550	\$71.02	\$103.12	\$32.10	45.2%
Employee & Spouse	1,276	\$379.62	\$442.58	\$62.96	16.6%
Employee & Child(ren)	5,642	\$183.42	\$226.76	\$43.34	23.6%
Family	2,626	\$383.32	\$446.65	\$63.33	16.5%
<u>Basic</u>					
Employee	2,897	\$36.26	\$64.89	\$28.63	78.9%
Employee & Spouse	195	\$297.78	\$352.56	\$54.78	18.4%
Employee & Child(ren)	485	\$146.86	\$186.55	\$39.69	27.0%
Family	277	\$300.62	\$355.68	\$55.06	18.3%

PSE - Active Non-Wellness (Scenario 2)

Tier	Projected Employees	2021 Contribution	2022 Contribution	Contribution Change (\$)	Contribution Change (%)
<u>Premium</u>					
Employee	2,916	\$258.46	\$304.31	\$45.85	17.7%
Employee & Spouse	82	\$906.20	\$1,016.82	\$110.62	12.2%
Employee & Child(ren)	453	\$545.54	\$620.09	\$74.55	13.7%
Family	188	\$908.44	\$1,019.28	\$110.84	12.2%
<u>Classic</u>					
Employee	2,739	\$121.02	\$153.12	\$32.10	26.5%
Employee & Spouse	440	\$429.62	\$492.58	\$62.96	14.7%
Employee & Child(ren)	1,013	\$233.42	\$276.76	\$43.34	18.6%
Family	1,153	\$433.32	\$496.65	\$63.33	14.6%
<u>Basic</u>					
Employee	880	\$86.26	\$114.89	\$28.63	33.2%
Employee & Spouse	92	\$347.78	\$402.56	\$54.78	15.8%
Employee & Child(ren)	128	\$196.86	\$236.55	\$39.69	20.2%
Family	162	\$350.62	\$405.68	\$55.06	15.7%

PSE - Pre-65 Retirees (Scenario 2)

Tier	Projected Retirees	2021 Contribution	2022 Contribution	Contribution Change (\$)	Contribution Change (%)
<u>Premium</u>					
Retiree	387	\$641.14	\$705.25	\$64.11	10.0%
Retiree & NME Spouse	13	\$1,457.18	\$1,602.90	\$145.72	10.0%
Retiree & Child(ren)	8	\$1,192.60	\$1,311.86	\$119.26	10.0%
Retiree & NME Spouse & Child(ren)	2	\$2,008.64	\$2,209.50	\$200.86	10.0%
Retiree & ME Spouse	62	\$795.12	\$874.63	\$79.51	10.0%
Retiree & ME Spouse & Child(ren)	1	\$1,346.58	\$1,481.24	\$134.66	10.0%
<u>Classic</u>					
Retiree	2,014	\$273.30	\$300.63	\$27.33	10.0%
Retiree & Spouse	306	\$565.78	\$622.36	\$56.58	10.0%
Retiree & Child(ren)	72	\$469.82	\$516.80	\$46.98	10.0%
Family	40	\$746.20	\$820.82	\$74.62	10.0%
<u>Basic</u>					
Retiree	422	\$148.50	\$163.35	\$14.85	10.0%
Retiree & Spouse	66	\$269.72	\$296.69	\$26.97	10.0%
Retiree & Child(ren)	22	\$238.52	\$262.37	\$23.85	10.0%
Family	23	\$335.72	\$369.29	\$33.57	10.0%

PSE - Post-65 Retirees (Scenario 2)

Tier	Projected Retirees	2021 Contribution	2022 Contribution	Contribution Change (\$)	Contribution Change (%)
<u>Primary</u>					
Retiree	14,116	\$100.78	\$110.86	\$10.08	10.0%
Retiree & Non-Medicare Spouse	92	\$783.92	\$862.31	\$78.39	10.0%
Retiree & Child(ren)	13	\$757.10	\$832.81	\$75.71	10.0%
Retiree & Non-Medicare Spouse & Child(ren)	6	\$1,521.48	\$1,673.63	\$152.15	10.0%
Retiree & Medicare Spouse	1,224	\$263.04	\$289.34	\$26.30	10.0%
Retiree & Medicare Spouse & Child(ren)	3	\$888.58	\$977.44	\$88.86	10.0%

PSE Modeling Scenario 3

PSE - Summary of Initiatives from June 8th Board Meeting Scenario 3

- Baseline 2022 PSE Surplus/Deficit Estimate: **(\$70.1M)**
- Baseline 2022 PSE Reserve Estimate: \$3.8M / 0.8% of expenses / 3 days
- 2022 PSE Surplus/Deficit Estimate After Initiatives: **(\$7.6M)**
- 2022 Reserve Estimate After Initiatives: \$66.2M / 14.8% / 54 days

Initiative	2022 Estimated	
	Savings	Balance
5% Active Contribution Increase	\$5.7M	(\$64.4M)
10% Pre-65 and 15% Post-65 Retiree Contribution Increase	\$4.8M	(\$59.6M)
Reduction in Wellness Credit for Actives from \$50 to \$25 per month	\$11.7M	(\$47.9M)
Add Non-Wellness Contribution for Actives (\$25 per month)	\$3.1M	(\$44.8M)
Wellness Visit Required Through Physician for Wellness Credit	\$2.2M	(\$42.6M)
Request \$35M from Restricted Reserve	<u>\$35.0M</u>	(\$7.6M)
Total	\$62.4M	

Contribution changes do not reflect migration between benefit plans or tier

Add Non-Wellness Contribution impacts the spread between employees who earn the wellness incentive and those who do not earn the wellness incentive.

PSE - Active Wellness (Scenario 3)

Tier	Projected Employees	2021 Contribution	2022 Contribution	Contribution Change (\$)	Contribution Change (%)
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Employee	10,687	\$208.46	\$243.88	\$35.42	17.0%
Employee & Spouse	167	\$856.20	\$924.01	\$67.81	7.9%
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PSE - Pre-65 Retirees (Scenario 3)

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<u>Premium</u>					
Retiree	387	\$641.14	\$705.25	\$64.11	10.0%
Retiree & NME Spouse	13	\$1,457.18	\$1,602.90	\$145.72	10.0%
Retiree & Child(ren)	8	\$1,192.60	\$1,311.86	\$119.26	10.0%
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Family	23	\$335.72	\$369.29	\$33.57	10.0%

PSE - Post-65 Retirees (Scenario 3)

Tier	Projected Retirees	2021 Contribution	2022 Contribution	Contribution Change (\$)	Contribution Change (%)
<u>Primary</u>					
Retiree	14,116	\$100.78	\$115.90	\$15.12	15.0%
Retiree & Non-Medicare Spouse	92	\$783.92	\$901.51	\$117.59	15.0%
Retiree & Child(ren)	13	\$757.10	\$870.67	\$113.57	15.0%
Retiree & Non-Medicare Spouse & Child(ren)	6	\$1,521.48	\$1,749.70	\$228.22	15.0%
Retiree & Medicare Spouse	1,224	\$263.04	\$302.50	\$39.46	15.0%
Retiree & Medicare Spouse & Child(ren)	3	\$888.58	\$1,021.87	\$133.29	15.0%

All Initiatives

Summary of All Initiatives Modeled YTD

An interactive contribution and state funding model was developed that allowed the board to host working sessions to evaluate different contributions and state funding impacts.

Initiative	2022 Estimated Savings
10% Contribution Increase for Actives, Pre-65 Retirees, and Post-65 Retirees	\$15.1M
Reduction in Wellness Credit from \$50 to \$25 ¹	\$11.7M
Eliminate Wellness Preventive Screening Requirement	\$4.4M
Increase Non-Wellness Contribution for Actives (\$25 per month)	\$3.1M
\$250 Deductible & OOPM Increase for Actives/Pre-65 Retirees	\$5.1M
Post-65 Retiree Coordination of Benefit Change	\$11.0M
Eliminate Basic Plan for Actives/Pre-65 Retirees	(\$1.1M)
Wellness Visit Required Through Physician for Wellness Credit	\$2.2M
Reduce Post-65 Retiree Contributions by \$25 per month	(\$4.6M)

¹ Not recommending elimination of wellness program, showing value of change to credit

Limitations

Courtney White and Paul Sakhrani are Members of the American Academy of Actuaries and Fellows of the Society of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render actuarial opinion contained herein. To the best of our knowledge and belief, this analysis is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices.

The assumptions used in the development of the 2020, 2021, 2022 budgets relied on historical ASE and PSE medical and pharmacy claims from ABCBS and MedImpact, respectively; funding and plan administration from EBD; historical ASE and PSE members by benefit plan, age/gender, and by month from EBD; 2019, 2020, and 2021 ASE and PSE benefit plan summaries from EBD; 2020, 2021, and 2022 fees and administrative expenses from EBD; conversations with EBD regarding the program, and actuarial judgment.

While we reviewed the ABCBS, MedImpact, and EBD information for reasonableness, we have not audited or verified this data and other information. If the underlying data or information is inaccurate or incomplete, the results of our analysis may likewise be inaccurate or incomplete.

Expected outcomes are sensitive to the underlying assumptions used. Differences between our projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual experience will not conform exactly to the assumptions used in this analysis. Actual amounts will differ from projected amounts to the extent that actual experience deviates from expected experience.

Any reader of this report should possess a certain level of expertise in areas relevant to this analysis to appreciate the significance of the assumptions and the impact of these assumptions on the illustrated results. The reader should also be advised by their own actuaries or other qualified professionals competent in the subject matter of this report, so as to properly interpret the material.

The terms of Milliman's Consulting Services Agreement as a subcontractor to Health Advantage, an affiliate of ABCBS, for the State of Arkansas dated October 29, 2019 apply to this email and its use.

This presentation has been provided for the internal use of the management of the State of Arkansas Employee Benefits Division for CY2022 benefit planning and setting the ASE and PSE budget for CY2020, CY2021, and CY2022. The information contained in this presentation is confidential and proprietary. This information may not be appropriate for other uses and should not be distributed to or relied on by any other parties without Milliman's prior written consent. We do not intend this information to benefit any third party even if we permit the distribution of our work product to such third party. If this analysis is distributed internally or to a third party, we request that it be distributed in its entirety.



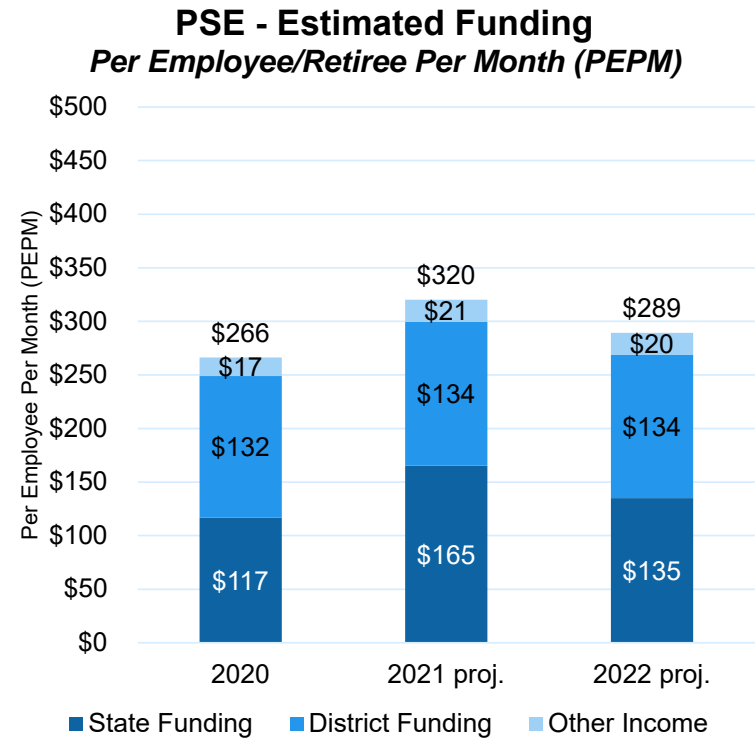
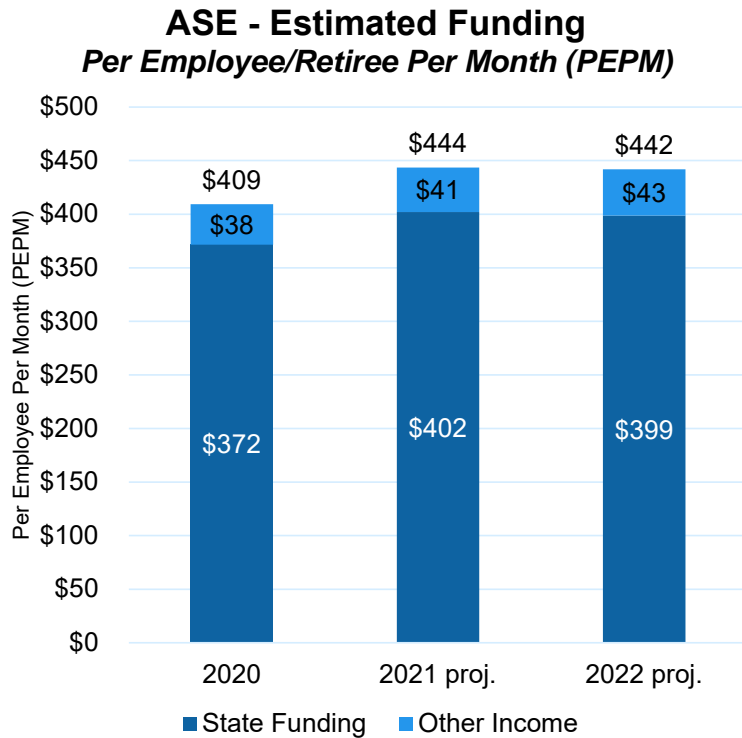
Thank you

Courtney White, FSA, MAAA
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Appendices

ASE and PSE Funding Comparison

Per Employee/Retiree Per Month



Per Capita Funding is based on Active Enrolled Employees Per Month (i.e. funding / average subscribers).

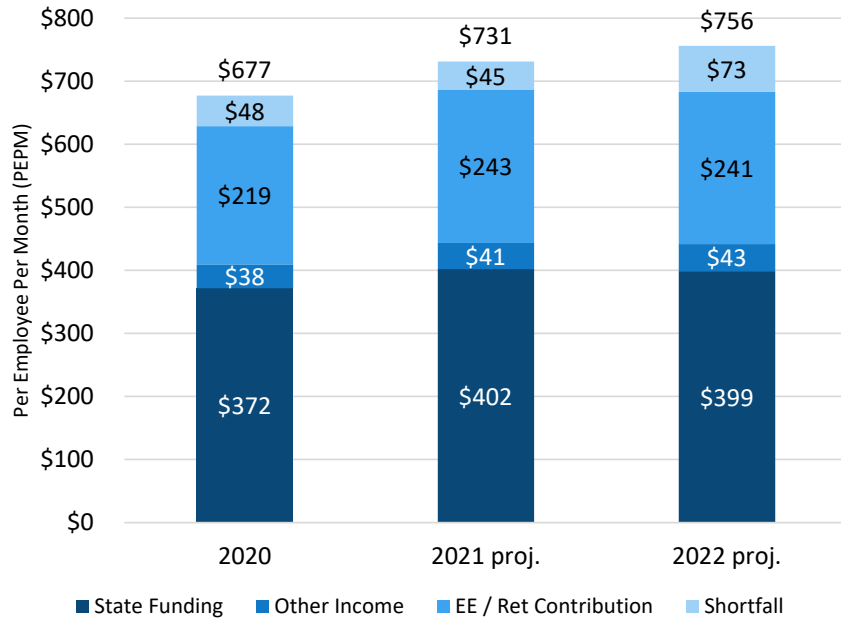
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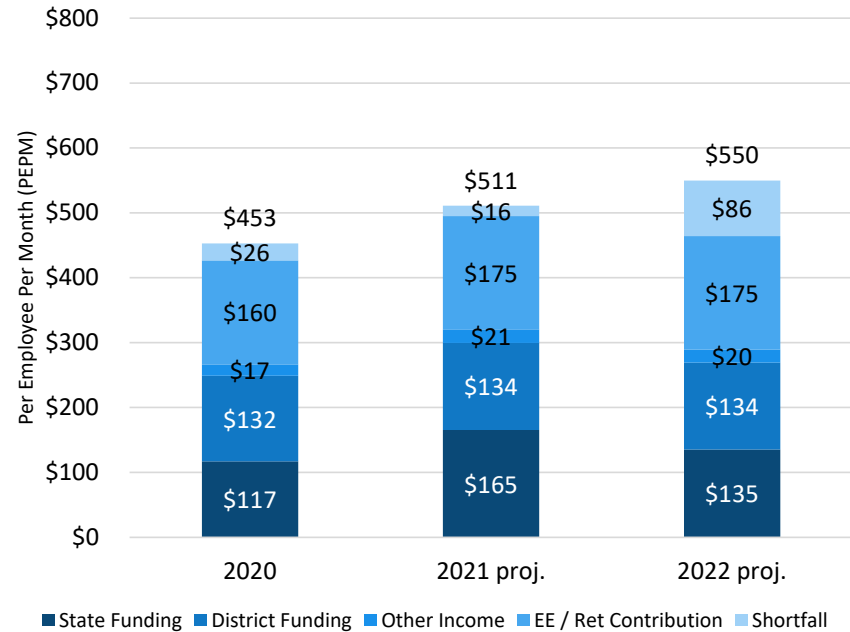
ASE and PSE Total Funding Comparison

Per Employee/Retiree Per Month

ASE - Estimated Total Funding
Per Employee/Retiree Per Month (PEPM)



PSE - Estimated Total Funding
Per Employee/Retiree Per Month (PEPM)



Per Capita Funding is based on Active Enrolled Employees Per Month (i.e. funding / average subscribers).

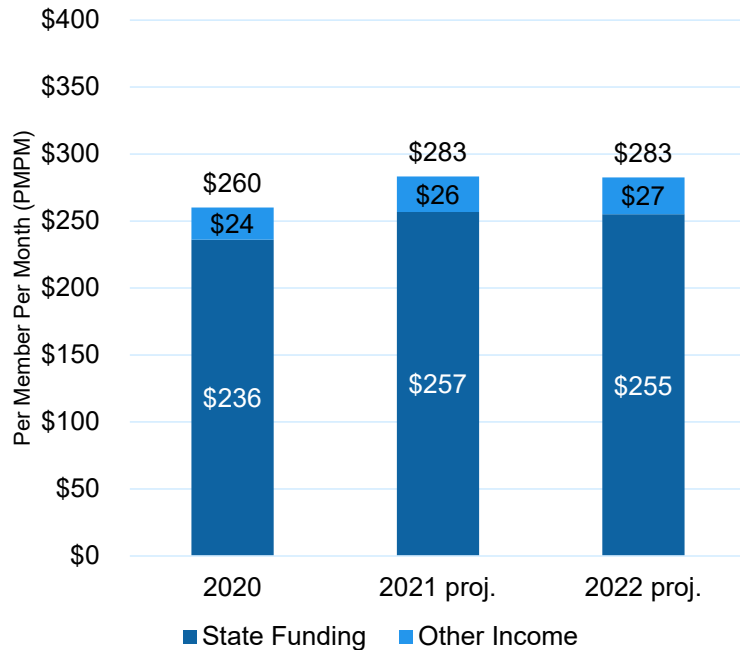
Subscriber = Active Enrolled Employees + Enrolled Retirees (Former State / Public-School Employees)

2022 reflects baseline scenario. PSE district funding includes both the minimum funding and the amount above the minimum. Baseline scenario, assumes the district funding is flat on a per active enrolled basis when compared to 2021

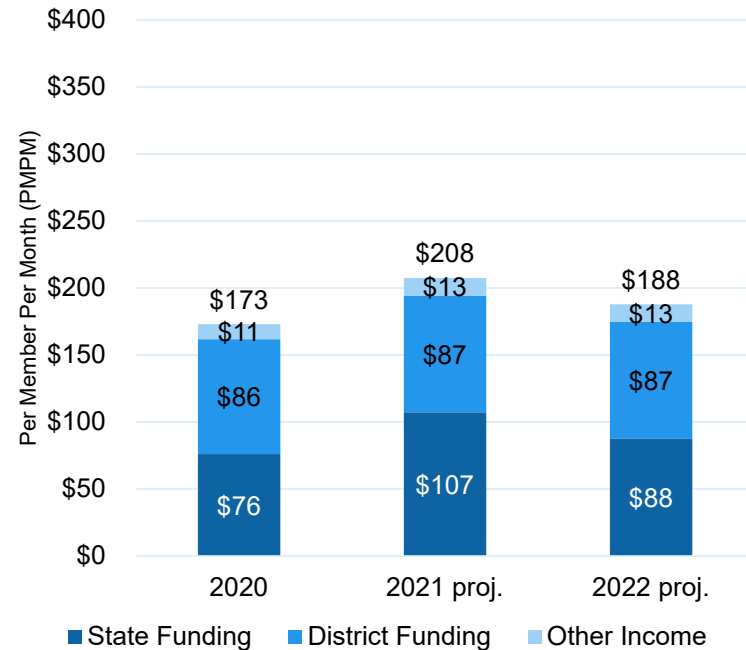
ASE and PSE Funding Comparison

Per Member Per Month

ASE - Estimated Funding
Per Member Per Month (PMPM)



PSE - Estimated Funding
Per Member Per Month (PMPM)



Per Capita Funding is based on Active Enrolled Employees Per Month (i.e. funding / average members).

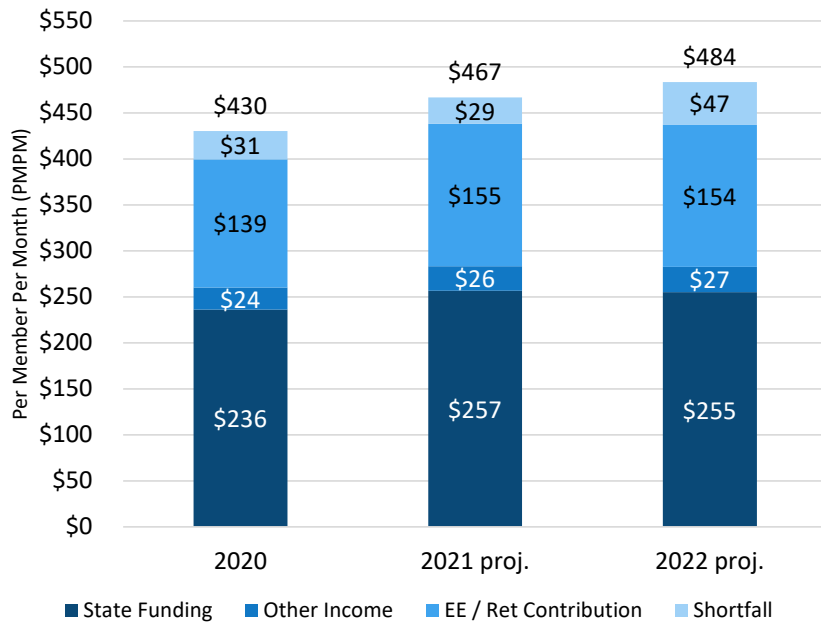
Members = Active Enrolled Employees + Enrolled Retirees (Former State / Public-School Employees) + Enrolled Dependents

2022 reflects baseline scenario. PSE district funding includes both the minimum funding and the amount above the minimum. Baseline scenario, assumes the district funding is flat on a per active enrolled basis when compared to 2021

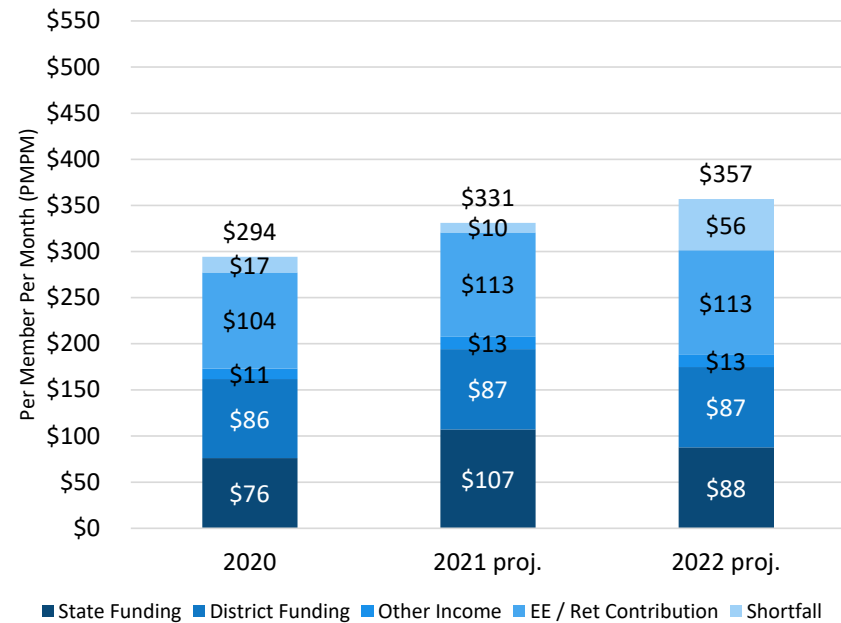
ASE and PSE Total Funding Comparison

Per Member Per Month

ASE - Estimated Total Funding
Per Member Per Month (PMPM)



PSE - Estimated Total Funding
Per Member Per Month (PMPM)



Per Capita Funding is based on Active Enrolled Employees Per Month (i.e. funding / average members).

Members = Active Enrolled Employees + Enrolled Retirees (Former State / Public-School Employees) + Enrolled Dependents

2022 reflects baseline scenario. PSE district funding includes both the minimum funding and the amount above the minimum. Baseline scenario, assumes the district funding is flat on a per active enrolled basis when compared to 2021

Appendix

Monthly Reporting - Assumptions & Methodology

Assumptions & Methodology

Assumptions - Trend

Division	Group	Medical Trend	Pharmacy Trend
ASE	Active/Pre-65 Retirees	5.0%	8.0%
	Post-65 Retirees	5.0%	8.0%
PSE	Active/Pre-65 Retirees	7.0%	8.0%
	Post-65 Retirees	7.0%	8.0%

Assumptions & Methodology

Assumptions – Benefit Plan Changes (2020 to 2022)

- ASE
 - No significant plan cost changes for Active, Pre-65, and Post-65 benefit plans
- PSE
 - No significant plan cost changes for Active, Pre-65, and Post-65 benefit plans

Assumptions & Methodology

Assumptions – Other

- Age/Gender
 - Age/Gender factor based on Milliman Health Cost Guidelines™
- Enrollment Projections
 - Actual enrollment utilized for March 2019 through March 2021
 - Projected April 2021 – December 2022 based on historical patterns
- Program Savings
 - Estimated remaining 2021 program savings of \$5.3 million for ASE and \$3.9 million for PSE
 - Estimated remaining 2022 program savings of \$5.4 million for ASE and \$4.0 million for PSE
 - Program savings offset as initiatives are reflected in the claims experience and projected pharmacy claims cost
- Plan Administration Expense
 - ASE - \$2.17 PMPM for CY 2021 (\$2.16 PMPM for CY 2022); UAMS shifted to Administration Fees PMPM
 - PSE - \$1.47 PMPM for CY 2021 (\$1.47 PMPM for CY 2022); UAMS shifted to Administration Fees PMPM
- Administration Fees include PCORI charges for 2021 and 2022
- Percentage of Population earning wellness incentive
 - ASE – 76.4%
 - PSE – 79.2%
- Minimum District Funding: \$161.87 in 2020 and \$164.66 in 2021 and 2022

Assumptions & Methodology

Methodology

1. Summarized fee-for service (FFS) medical claims incurred from March 1, 2019 to February 29, 2020 and paid March 1, 2019 to March 31, 2021. Medical claims are gross of withholds. Reports reflects the timing of when EBD is expected to pay the withhold.
2. Summarized fee-for-service (FFS) pharmacy claims incurred from February 1, 2020 to January 31, 2021 and paid from February 1, 2020 to March 31, 2021.
3. Converted the paid and incurred claims to incurred claims using completion factors. This incorporates the incurred but not reported (IBNR) claim reserve.
4. Summarized member months for March 2019 to February 2020 (medical) and February 2020 to January 2021 (pharmacy).
5. Divided the summarized incurred claims by the appropriate member months to calculate PMPMs.
6. For 2020, utilized actual claims for January 2020 to December 2020.
7. For 2021, utilized actual claims for January 2021 and projected February – December 2021.
8. 2021 and 2022 projected the incurred claims PMPM from the midpoint of the experience period (September 1, 2019 for medical / August 1, 2020 for pharmacy) to the midpoint of the contract period (July 1, 2021 and July 1, 2022, respectively).
9. Made adjustments for seasonality, benefit changes, and age/gender mix.
10. Accounted for rating period fees and administrative expenses.
11. Where applicable, converted incurred budget to paid budget based on historical payment patterns.