

West Virginia Public Employees Insurance Agency
Financial Plan

Employer & Employee Premiums Remain Unchanged in FY 2009 & PEIA/Medicaid Hospital Bill Extension

Three Year Phase-In of Local Premium Increases to Reestablish Reserve

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Additional Employer Premiums	\$ -	\$ -	\$ 36,000,000	\$ 55,000,000	\$ 55,000,000
Increase	0%	0%	11%	16%	14%
Local Fund Premium Increase	\$ -	\$ 6,000,000	\$ 12,000,000	\$ 12,000,000	\$ 11,000,000
Increase	0%	10%	19%	17%	13%
Employee Premiums	\$ -	\$ -	\$ 11,000,000	\$ 13,800,000	\$ 13,800,000
Increase	0%	0%	15%	17%	15%
Direct Transfer	\$ -	\$ -	\$ -	\$ -	\$ -
Managed Care Capitations	\$ 2,652,579	\$ 5,570,416	\$ 6,127,457	\$ 6,740,203	\$ 7,414,223
Increase	5%	10%	10%	10%	10%
Administrative Increases	\$ 913,978	\$ 959,677	\$ 1,007,661	\$ 1,058,044	\$ 1,110,947
Increase	5%	5%	5%	5%	5%

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Beginning Reserve	\$ 282,241,586	\$ 154,816,888	\$ 122,900,471	\$ 92,765,532	\$ 78,889,974
Fiscal Year Results	19,504,047	(31,916,417)	(30,134,939)	(13,875,557)	(6,310,803)
Ending Reserve	154,816,888	122,900,471	92,765,532	78,889,975	72,579,171
Percent of Expenses	31%	23%	16%	12%	10%
Required Reserve	\$ 50,204,772	\$ 54,352,473	\$ 59,100,641	\$ 64,544,863	\$ 70,799,403
Deficiency	\$ -	\$ -	\$ -	\$ -	\$ -
Local Agency Reserve	\$ 5,990,953	\$ 1,447,834	\$ 1,303,999	\$ 4,775,589	\$ 9,889,039
Percent of Expenses	9%	2%	2%	5%	10%
State Share	79%	81%	80%	80%	80%
Employee Share	21%	19%	20%	20%	20%
Growth In Program Expenses	5.7%	8.2%	8.3%	8.7%	9.2%