

**APPENDIX - BASELINE SCENARIO  
PEIA - ACTIVE LOCAL AND STATE**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY  
FINANCIAL FORECAST  
FISCAL YEAR 2010**

**PERIOD 7/1/2009 - 6/30/2010**

	<b>Active Local Fund</b>	<b>State Fund</b>	<b>PEIA Total</b>
<u>Revenues</u>			
Employer Premiums - PPB	\$ 80,196,291	\$ 320,377,934	\$ 400,574,225
Employer Premiums - MCO	4,330,641	41,281,399	45,612,040
Employee Premiums - PPB	-	81,619,778	81,619,778
Employee Premiums - MCO	-	11,579,125	11,579,125
Direct Transfers	-	-	-
Investment Income	2,372,841	14,017,578	16,390,419
COBRA Premiums	323,091	1,341,529	1,664,620
Administrative Fees	662,376	4,006,624	4,669,000
<b>Total Revenue</b>	<b>\$ 87,885,240</b>	<b>\$ 474,223,967</b>	<b>\$ 562,109,207</b>
<u>Program Expenses</u>			
Medical Claims	\$ 50,858,656	\$ 278,428,428	\$ 329,287,084
Prescription Drug Claims	14,577,007	90,475,423	105,052,430
Managed Care Capitations	3,479,821	51,678,397	55,158,218
Administration	3,489,242	20,576,430	24,065,672
Life Insurance	716,808	4,901,057	5,617,865
Wellness	307,964	1,816,099	2,124,063
Director's Discretionary Fund	63,579	358,435	422,014
<b>Total Expenses</b>	<b>\$ 73,493,077</b>	<b>\$ 448,234,269</b>	<b>\$ 521,727,345</b>
Initial UAAL OPEB Funding	\$ -	\$ -	\$ -
PEIA Mandatory Transfer to WV RHBT 2009	-	-	-
<b>Fiscal Year Results</b>	<b>\$ 14,392,163</b>	<b>\$ 25,989,698</b>	<b>\$ 40,381,862</b>
Beginning Plan Reserve	17,803,554	107,016,726	124,820,280
Ending Plan Reserve	\$ 32,195,717	\$ 133,006,424	\$ 165,202,142

**KEY ASSUMPTIONS**

Additional State Employer Premiums	\$ 27,000,000	<b>Claim and Other Expense Trends</b>		
Additional Local Agency Revenue	\$ 10,000,000	<u>Eligibility</u>	<u>Medical</u>	<u>Drugs</u>
Additional State Employee Premiums	\$ 8,800,000	Active Local	6.0%	11.0%
Direct Transfers	\$ -	State	6.0%	11.0%
		Capitations		8.0%
		Administrative Expense		5.0%

**APPENDIX - BASELINE SCENARIO**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2010**

**PERIOD 7/1/2009 - 6/30/2010**

	<b>TRUST Total</b>
<u>Revenues</u>	
Local Agencies - Pay Go Premiums	\$ 19,079,419
State Agencies Employers - Pay Go Premiums	85,156,276
State Agencies Employees - Pay Go Premiums	21,944,606
Retiree Premiums - PPB	64,230,055
Retiree Premiums - MCO	2,822,332
Non Par Premiums	3,141,475
Investment Income	25,523,034
<b>Total Revenue</b>	<b>\$ 221,897,197</b>
<u>Program Expenses</u>	
Non-Medicare Medical Claims	\$ 57,508,988
Non-Medicare Prescription Drug Claims	22,754,871
Medicare Medical Claims	5,405,892
Medicare Prescription Drug Claims	4,123,497
Non-Medicare Managed Care Capitations	6,148,733
MAPD Capitations	102,899,551
Administration	5,976,509
Life Insurance	904,333
Retiree Assistance Program	2,368,081
Director's Discretionary Fund	77,986
<b>Total Expenses</b>	<b>\$ 208,168,441</b>
Fiscal Year Results	\$ 13,728,756
Beginning Plan Reserve	397,414,286
Ending Plan Reserve	\$ 411,143,042
Accrued Actuarial Liability (AAL)	\$ 7,854,000,000
Funded Status	5.2%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium	\$ 139.69	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 2,694,586	<u>Eligibility</u>	<u>Medical</u>	<u>Drugs</u>
		Non-Medicare	6.0%	11.0%
		Medicare	6.0%	11.0%
		Capitations		13.3%
		Administrative Expense		5.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		-15.9%