

Division of Health Care Finance
Projected Reserve Calculation
Medical, Pharmacy, Dental and Vision
Projection using data thru February 2020
Statement of Ops as of February 2020

Plan Year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Factors and Assumptions											
Interest Rate on Reserves	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
Admin/Contract Fee Trend	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Medical cost trend rate	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
Rx cost trend rate	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%
Additional Trend by Changing Wellness Requirement											
Plan A			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Plan C, N, J and Q			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Migration to Plan A			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Policy Choices	<i>Future Policy Choices.....</i>										
Employer Contr. % incr. (eff. July 1) (State/non-State)											
Employee	3.3%	4.5%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%
Employee + Spouse	3.3%	4.5%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%
Employee + Child(ren)	3.3%	4.5%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%
Employee + Family	3.3%	4.5%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%
Active Employee Contribution % Inc. (eff. Jan 1)											
Active Employee Only											
Employee	3.3%	0.0%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%
Employee + Spouse	16.7%	-6.0%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%
Employee + Child(ren)	3.3%	0.0%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%
Employee + Family	16.7%	-6.0%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%
Retiree Rate Increase	6.7%	-6.0%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%
Dental											
Employer Contr. % incr. (eff. July 1) (State/non-State)	3.2%	3.2%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%
Employee Contribution % Inc. (eff. Jan 1)	3.2%	3.2%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%
Beginning Total Reserve Balance*	31,425,318	41,518,655	53,412,110	65,081,473	78,685,927	90,226,615	99,200,038	105,045,941	107,142,032	104,798,252	97,250,541
Projected Cash Flow											
Total Employer Contributions	337,851,042	353,069,533	369,536,711	386,997,244	405,278,427	424,418,928	444,459,244	465,441,781	487,410,948	510,413,251	534,497,392
Total Participant Contributions	138,576,547	131,387,418	137,731,191	144,508,153	151,616,363	159,072,399	166,893,687	175,098,544	183,706,222	192,736,960	202,212,033
Total Contributions	476,427,589	484,456,951	507,267,902	531,505,398	556,894,790	583,491,328	611,352,932	640,540,325	671,117,170	703,150,210	736,709,425
Total Plan Expenses (Claims, ASO fees & contracted expenses)	467,145,863	472,907,577	495,999,130	518,389,054	545,944,247	575,194,604	606,251,029	639,232,078	674,264,515	711,483,909	751,035,271
Interest on Reserves	558,571	344,080	400,591	488,111	590,144	676,700	744,000	787,845	803,565	785,987	729,379
Net Cash Flow	9,840,297	11,893,455	11,669,363	13,604,455	11,540,688	8,973,423	5,845,903	2,096,092	(2,343,780)	(7,547,711)	(13,596,467)
Projected Reserve Balance											
Reserve Ending Balance	41,265,616	53,412,110	65,081,473	78,685,927	90,226,615	99,200,038	105,045,941	107,142,032	104,798,252	97,250,541	83,654,074
Target Reserve	50,507,912	50,699,949	53,026,597	55,661,872	58,955,184	62,454,674	66,173,970	70,127,651	74,331,312	78,801,641	83,654,073
IBNR Claim Reserve	29,139,180	29,249,970	30,592,267	32,112,618	34,012,606	36,031,543	38,177,291	40,458,260	42,883,449	45,462,485	48,261,965
Claim Fluctuation Reserve	21,368,732	21,449,978	22,434,329	23,549,254	24,942,578	26,423,131	27,996,680	29,669,391	31,447,863	33,339,156	35,392,108