

# PPO PERSCare Plan 2020 Premiums and Use of Surplus Reserves

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# Background: PPO Surplus Reserves



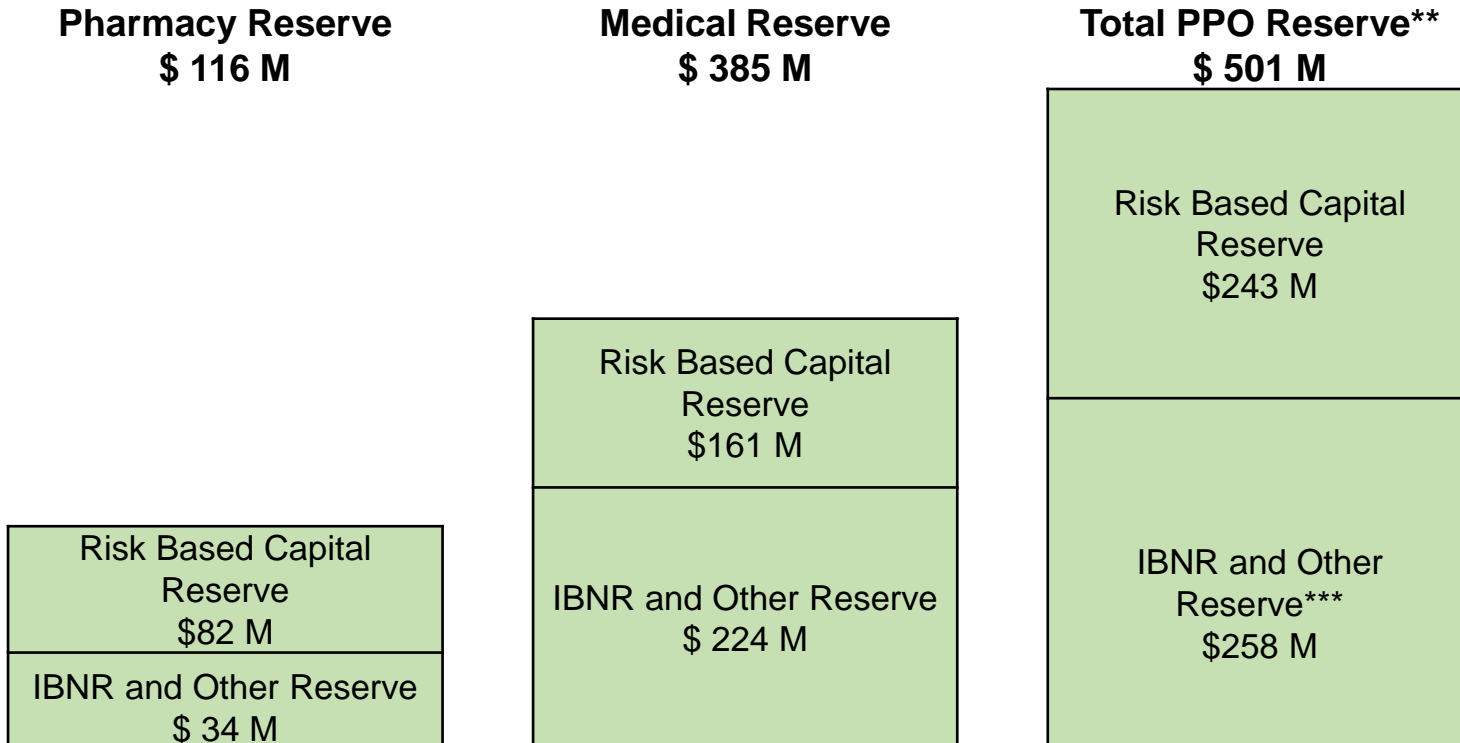
Health Care Fund  
Reserve Policy



Previous Use of  
Surplus Reserves

**Total PPO Health Care Fund (HCF) Balance (as of December 31, 2018)\*  
\$585 M**

**Total PPO Surplus  
\$84 M**



Notes:

\* Total PPO Health Care Fund Balance includes projected assets and liabilities maintained in the HCF, Surplus Money Investment Fund (SMIF) and State Street Investment Account.

\*\* Total PPO Reserve is the Sum of the Medical and Pharmacy RBC, IBNR and Other Reserves

\*\*\*Other Reserve includes Continuity of Care Liability and Administrative Liability, Claim Liability, Continuity of Care Liability and Administrative Liability.

## Preliminary 2020 PERSCare Premium **without Spend Down**

<b>PPO Basic</b>	<b>2019 Single-Party Premium *</b>	<b>Projected 2020 Single-Party Premium without Spend Down</b>	<b>Percentage Change</b>
<b>PERSCare</b>	\$ 929.89	\$ 1,151.82	23.9%

**Notes:**

\* 2019 Single-Party Premium reflects the 2019 premium smoothing.

## Preliminary 2020 PERSCare Premium **with \$44 M Spend Down**

<b>PPO Basic</b>	<b>2019 Single-Party Premium *</b>	<b>Projected 2020 Single-Party Premium with Spend Down</b>	<b>Percentage Change</b>
<b>PERSCare</b>	\$ 929.89	\$ 1,017.20	9.4%

**Notes:**

\* 2019 Single-Party Premium reflects the 2019 premium smoothing.

# Next Steps

