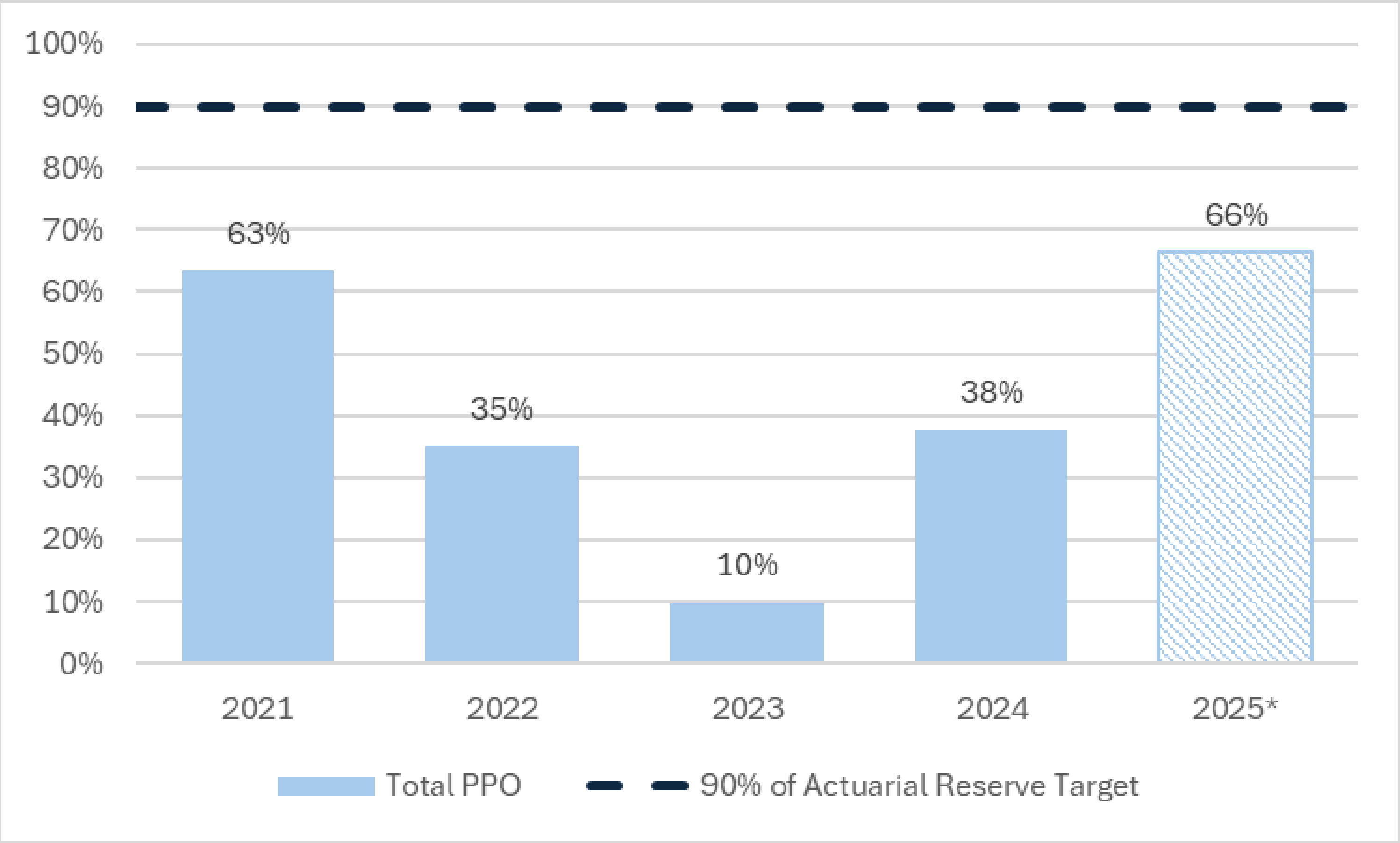
Semi-Annual Health Plan Financial Report

Finance and Administration Committee

November 18, 2025

Historical PPO Fund Balance to Actuarial Reserve Ratio



* 2021-2024 figures as of 12/31. 2025 figure as of 6/30.

Health Care Fund Status as of June 30, 2025

(in millions)	Estimated Health Care Fund Balance 6/30/2025	Estimated Claims Liability (HMO) and Actuarial Reserves (PPO) 6/30/2025	Estimated Surplus (Deficit) 6/30/2025
Total HMO Basic	$278	($111)	$167
PPO Basic	$437	($589)	($152)
PPO Medicare	$84	($196)	($112)
Total PPO	$521*	($785)	($264)

*The PPO fund balance to actuarial reserve ratio is 66%.

PPO Basic Estimated Surplus/(Deficit) as of June 30, 2025

(in millions)	Estimated Surplus/(Deficit)
Surplus/(Deficit) as of 12/31/2024 as Reported at April 2025 FAC	**($359)**
Updated Claims Run-Out	**$100**
Updated Surplus/(Deficit) as of 12/31/2024	**($259)**
Surplus/(Deficit) Activities Jan – Jun 2025	
Medical	$42
Pharmacy	$10
2025 Premium Surcharge	$55
Increase/(Decrease) in Basic PPO Surplus/(Deficit)	**$107**
Surplus/(Deficit) as of 6/30/2025	**($152)**

PPO Medicare Estimated Surplus/(Deficit) as of June 30, 2025

(in millions)	**Estimated Surplus/(Deficit)**
Surplus/(Deficit) as of 12/31/2024 as Reported at April 2025 FAC	**($152)**
Updated Claims Run-Out	**$0**
Updated Surplus/(Deficit) as of 12/31/2024	**($152)**
Surplus/(Deficit) Activities Jan – Jun 2025	
Medical	($2)
Pharmacy	$42
Increase/(Decrease) in Basic PPO Surplus/(Deficit)	**$40**
Surplus/(Deficit) as of 6/30/2025	**($112)**

Addressing the Deficit

Premium surcharge in place to restore the fund

Incorporated financial performance guarantees into 2025-2029 PPO contracts

Incorporated financial performance guarantees into 2026-2030 PBM contract