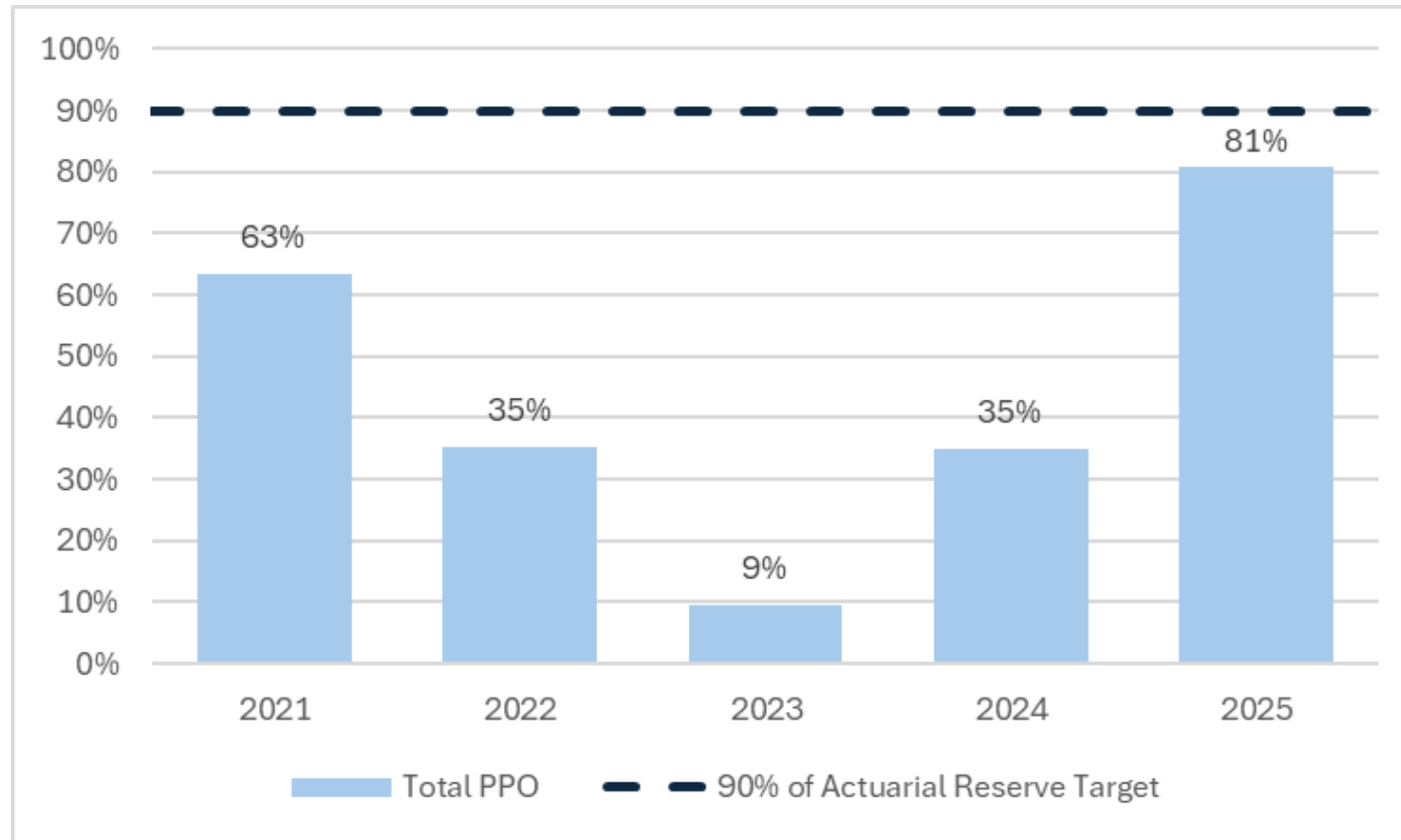


Semi-Annual Health Plan Financial Report

Finance and Administration Committee

April 13, 2026

Historical PPO Fund Balance to Actuarial Reserve Ratio



* 2021-2025 figures as of 12/31.

Health Care Fund Status as of December 31, 2025

(in millions)	Estimated Health Care Fund Balance 12/31/2025	Estimated Claims Liability (HMO) and Actuarial Reserves (PPO) 12/31/2025	Estimated Surplus (Deficit) 12/31/2025	Fund Balance to Actuarial Reserves Ratio 12/31/2025
Total HMO Basic	\$269	(\$122)	\$148	-
PPO Basic	\$437	(\$602)	(\$165)	73%
PPO Medicare	\$217	(\$206)	\$11	105%
Total PPO	\$654	(\$809)	(\$155)	81%

Next Steps



Monitoring financial performance guarantees in 2025-2029 PPO contracts



Monitoring financial performance guarantees in 2026-2030 PBM contract



Preparing options to reduce PPO surcharge during 2027 rate development process in PHBC