



Joe Lombardo
Governor

NEVADA HEALTH AUTHORITY
PUBLIC EMPLOYEES' BENEFITS PROGRAM

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Director



Theresa Carsten
Executive Officer

MEETING NOTICE AND AGENDA – Amended 2/18/26

Name of Organization: Public Employees' Benefits Program

Date and Time of Meeting: February 24, 2026 1:00 p.m.

Physical Meeting Location: 3427 Goni Road, Suite 117, Carson City, Nevada

Video Conferencing: **This meeting will also be available by means of a remote technology system pursuant to NRS 241.023 using video- and tele-conference. Instructions for both are below. This meeting can be viewed live over the Internet on the PEBP YouTube channel at <https://www.youtube.com/live/hX4KRqd6OAY>**

To submit written public comment, please upload your document to the *Public Comment Upload Form* located under *Contact Us* on the PEBP website, <https://pebp.nv.gov>, no later than two business days prior to the meeting.

To listen to and view the PEBP Board Meeting please click on the YouTube Link located in “Video Conferencing” field above.

There are two agenda items designated for public comment. If you wish to provide verbal public comment during those agenda items, please follow the instructions below:

Option #1 Join the webinar as an attendee <https://us06web.zoom.us/j/84256986200>
This link is only for those who want to make public comment. If you are just listening to the webinar, please use the YouTube Link located in the “Video Conferencing” field above.

Option #2 Dial: (669) 900-6833. When prompted to provide your Meeting ID, please enter: 842 5698 6200 then press #. When prompted for a Participant ID, please enter #.

Participants that call in will be muted until it is time for public comment. A moderator will then unmute callers one at a time for public comment.

To resolve any issues related to dialing in to provide public comment for this meeting, please call (775) 684-7016 or email jcrane@nvha.nv.gov

AGENDA

1. Open Meeting; Roll Call.

2. Public Comment.

Public comment will be taken during this agenda item. No action may be taken on any matter raised under this item unless the matter is included on a future agenda as an item on which action may be taken. Public comments to the Board will be taken under advisement but will not be answered during the meeting. Comments may be limited to three minutes per person at the discretion of the chairperson. Additional three-minute comment periods may be allowed on individual agenda items at the discretion of the chairperson. These additional comment periods shall be limited to comments relevant to the agenda item under consideration by the Board. The total time allotted to public comment may be limited to one hour at the discretion of the chairperson. As noted above, members of the public may make public comment by using the call-in number provided above. Persons unable to attend the meeting in person or by telephone and persons whose comments may extend past the three-minute time limit may submit their public comment in writing by uploading your document to the [Public Comment Upload Form](#) located under [Contact Us](#) on the PEBP website, <https://pebp.nv.gov>, no later than two business days prior to the meeting. **If you need ADA accommodation, please let us know by 4:00 pm two days before the board meeting so that we may make appropriate arrangements.** Persons making public comment need to state and spell their name for the record at the beginning of their testimony.

3. PEBP Board disclosures for applicable Board meeting agenda items. (Jose Rivera, Deputy Attorney General) (Information/Discussion)

4. Presentation on potential plan design changes and rate methodology for Plan Year 2027. (Richard Ward, Segal) (**For Possible Action**)

5. Public Comment.

Public comment will be taken during this agenda item. Comments may be limited to three minutes per person at the discretion of the chairperson. Persons making public comment need to state and spell their name for the record at the beginning of their testimony.

6. Adjournment.

<p>The supporting material to this agenda, also known as the Board Packet, is available, at no charge, on the PEBP website at https://pebp.nv.gov/Meetings/current-board-meetings/ (under the Board Meeting date referenced above). Contact Jessica Crane at PEBP, 3427 Goni Rd, Suite 109, Carson City, NV 89706 (775) 684-7020 or (800) 326-5496</p>
<p>An item raised during a report or public comment may be discussed but may not be deliberated or acted upon unless it is on the agenda as an action item.</p>
<p>All times are approximate. The Board reserves the right to take items in a different order or to combine two or more agenda items for consideration to accomplish business in the most efficient manner. The Board may remove an item from the agenda or delay discussion relating to an item on the agenda at any time.</p>
<p>We are pleased to make reasonable efforts to assist and accommodate persons with physical disabilities who wish to participate in the meeting. If special arrangements for the meeting are necessary, please notify the PEBP in writing, at 3427 Goni Rd, Suite 109, Carson City, NV 89706, or call Jessica Crane at (775) 684-7020 or (800) 326-5496, as soon as possible so that reasonable efforts can be made to accommodate the request.</p>
<p>Copies of both the PEBP Meeting Action Minutes and Meeting Transcripts, if such transcripts are prepared, are available for inspection, at no charge, at the PEBP Office, 3427 Goni Rd, Suite 109, Carson City, NV 89706 or on the PEBP website at https://pebp.nv.gov. For additional information, contact Jessica Crane at (775) 684-7020 or (800) 326-5496.</p>
<p>Notice of this meeting was posted on or before 9:00 a.m. on the third working day before the meeting on the PEBP website at https://pebp.nv.gov, at the office of the public body and to the public notice website for meetings at https://notice.nv.gov. In addition, the agenda was mailed to groups and individuals as requested.</p>

1.

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2.

2. Public Comment.

3.

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4. Presentation on potential plan design changes and rate methodology for Plan Year 2027. (Richard Ward, Segal) (**For Possible Action**)

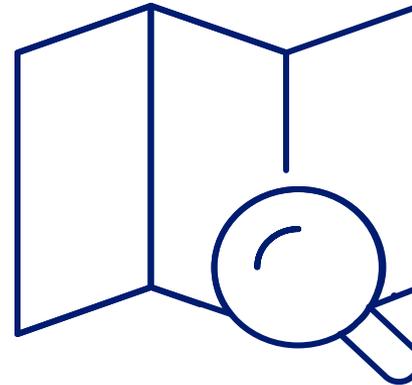


Nevada Public Employees' Benefits Program

February 24, 2026

Today's Topics

- Updated baseline projections
- Review current plan designs, premiums and internal subsidies
- Consider additional plan changes for PY2027
- Consider alternative method(s) for determining employee/retiree premiums



State Funding

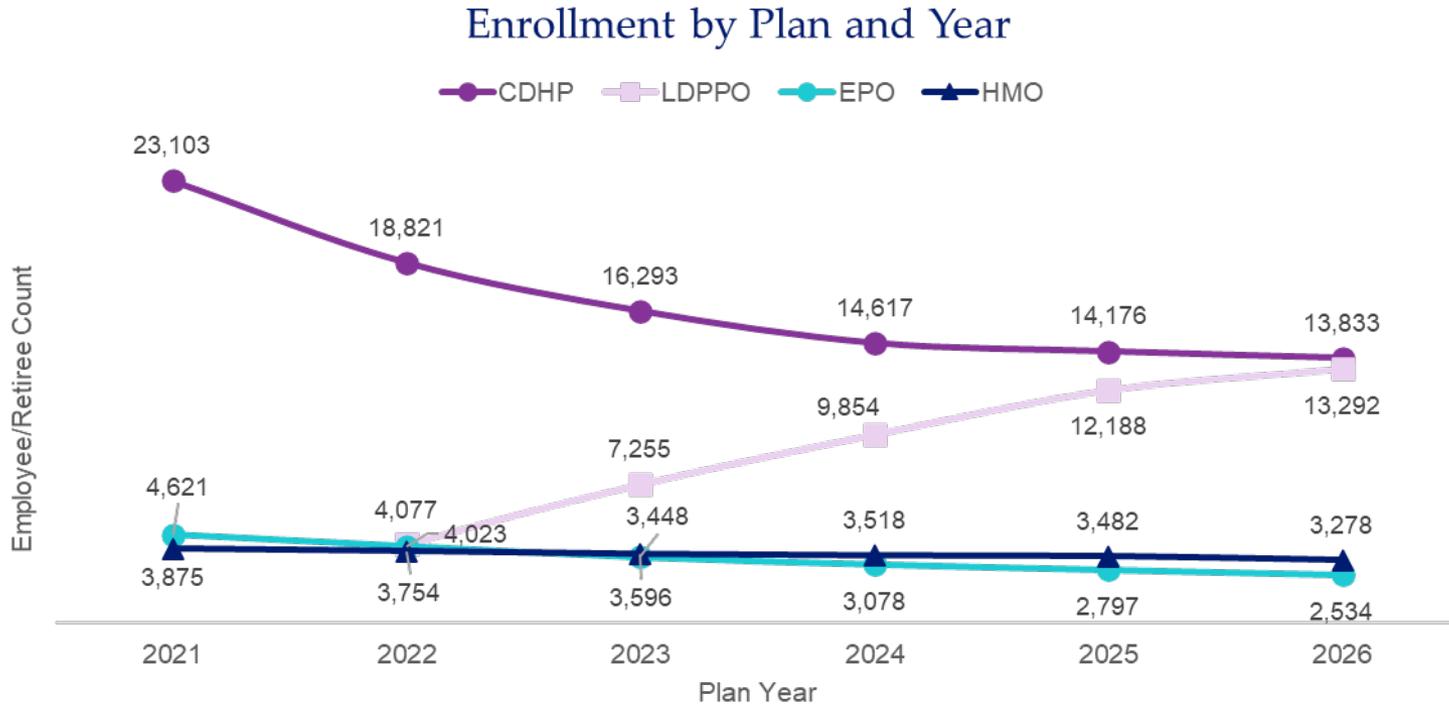
- Final PY2026-2027 AEGIS and REGI were recently made available to Segal
- Final AEGIS/REGI are lower than initially communicated, which were used in rate development for PY2026 and all previous analysis prior to this meeting
- As a result, State funding is lower than initially projected by:
 - PY2026: \$27M (3%)
 - PY2027: \$29M (4%)
 - Total for 2026-27 biennium: \$56M

		FY2026	FY2027
AEGIS	Previous	\$1,022	\$982
	Final	\$991	\$943
REGI	Previous	\$1,007	\$1,023
	Final	\$650	\$700

- State funding for FY2026 increased by \$37M (30%)

Migration to the LDPPO

- AEGIS/REGI are fixed on a per employee basis
- Migration from the CDHP to the LDPPO increases costs without corresponding increase in revenue



Members are migrating to the LDPPO from both the EPO/HMO and the CDHP

PY2027 Plan Designs

In-network benefits

In December, Board approved plan changes expected to result in \$5M (~1%) in annual savings

	CDHP	LDPP0	EPO	HMO
Actuarial Value	77.8%	83.1%	89.1%	91.4%
Service Area	Global	Global	Northern Nevada	Southern Nevada
HSA/HRA Contribution	\$700 PEPY +\$200 per dep (max 3)	N/A	N/A	N/A
Annual Deductible	\$1,700 Individual \$3,400 Family \$3,400 Individual Family Member Deductible	\$300 Individual \$600 Family	\$100 Individual \$200 Family \$100 Individual Family Member Deductible	N/A With exception of Tier 4 prescription drug coverage
Medical Coinsurance	20% after deductible	20% after deductible	20% after deductible	N/A
Out-of-Pocket Maximum	\$5,000 Individual \$10,000 Family	\$5,000 Individual \$10,000 Family	\$4,000 Individual \$8,000 Family	\$5,000 Individual \$10,000 Family
Primary Care/ Specialist Office Visit	20% after deductible	\$30/ \$50 copay per visit	\$20/ \$40 copay per visit	\$25/ \$40 (\$25 with referral) copay per visit
Urgent Care Visit	20% after deductible	\$80 copay per visit	\$50 copay per visit	\$50 copay per visit
Emergency Room Visit	20% after deductible	\$750 copay per visit	\$600 copay per visit	\$600 copay per visit
In-Patient Hospital	20% after deductible	20% after deductible	\$600 copay per visit	\$600 copay per visit
Outpatient Surgery	20% after deductible	\$500 copay per visit	\$350 copay per visit	Ambulatory Facility \$50 copay Hospital \$350 copay
PY2026 Employee Only Premium	\$55.26	\$91.79	\$219.91	\$219.91

PY2027 Plan Changes

PY2027 plan changes approved at the December 2025 Board meeting

Option	Description	PY27 Cost/(Savings)
UMR Rx Coupon Program	Variable Coupon Program for medical Rx, similar to SaveOnSP for outpatient Rx	Net PEBP: (\$840,000) Members: (\$400,000)
Prior Authorizations	Remove PAs for biopsies, MRIs and Dialysis	\$0
Out-of-Network Lab	Pay first OON lab annually at network benefit and educate member on network access and savings	\$2,000
Diagnostic colonoscopies and breast imaging	Cover at 100% (deducible applies in CDHP for colonoscopies)	\$350,000
Modify Current Plans	Adjust deductibles/OPMaxes	(\$5.5M)
	Total Net Impact	(\$5.0M)

Plan Year 2025 to Plan Year 2026

State Actives and Retirees

Between PY2025 to PY2026, State funding increased by 30% and employee/retiree premiums increased 14% on average.

	PY2025 Premiums			Current PY2026 Premiums		
State Actives	CDHP	LDPPO	EPO/HMO	CDHP	LDPPO	EPO/HMO
Participant	\$55.26	\$85.26	\$181.24	\$55.26	\$91.79	\$219.91
Participant + Spouse	\$271.27	\$331.28	\$523.25	\$313.94	\$386.99	\$643.23
Participant + Children	\$136.26	\$177.52	\$309.50	\$152.27	\$202.48	\$378.65
Participant + Family	\$352.28	\$423.54	\$651.51	\$410.94	\$497.68	\$801.97
State Retirees	CDHP	LDPPO	EPO/HMO	CDHP	LDPPO	EPO/HMO
Participant	\$263.82	\$293.82	\$389.80	\$278.06	\$314.58	\$442.70
Participant + Spouse	\$635.73	\$695.72	\$887.69	\$702.81	\$775.85	\$1,032.09
Participant + Children	\$403.27	\$444.52	\$576.52	\$437.34	\$487.56	\$663.73
Participant + Family	\$775.19	\$846.44	\$1,074.41	\$862.09	\$948.83	\$1,253.12

	PY2025	PY2026	% Change
EE/Ret Average Premiums	\$198.00	\$225.71	14%
AEGIS	\$759.00	\$991.00	31%
REGI	\$545.00	\$650.00	19%
AEGIS/REGI Average	\$741.88	\$963.72	30%

Considerations for PY2027

- Remove internal subsidies between plans
 - Larger increases for LDPPO and EPO
 - Table shows PY2026 published rates (used for premiums) and PY2027 experience-based costs by plan

	PY2026 (PEPM) Published	PY2027 (PEPM) Experience	Change
CDHP	\$1,075	\$1,041	-3%
LDPPO	\$1,206	\$1,384	15%
EPO/HMO	\$1,314	\$1,889	44%
Total	\$1,182	\$1,371	17%

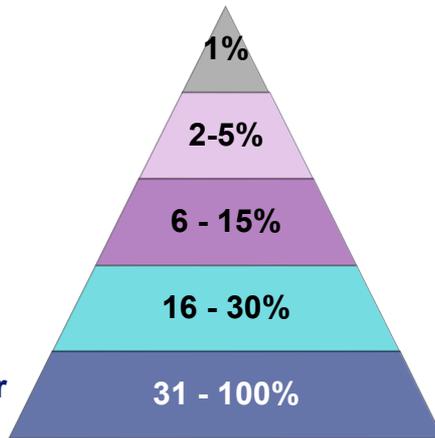
Larger than trend increase is due to AEGIS/REGI being overstated in rate setting for PY2026

- Consider additional plan changes to mitigate premium increases
- Employee and Retiree premiums could be defined percentage(s) of total cost rates, varying by
 - Plan option
 - Subscriber and dependent
 - Employees and Retirees

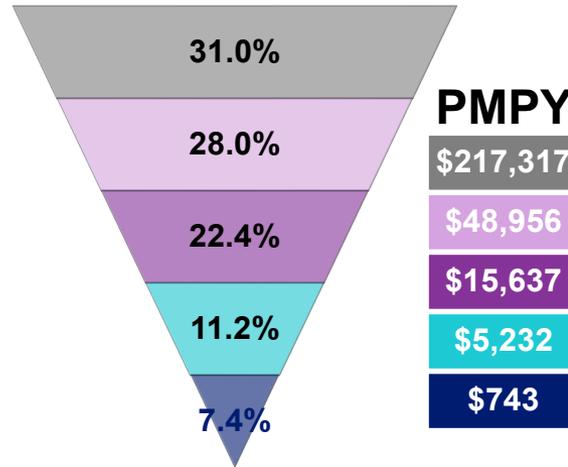
Claim Pyramids

- Top 1% of membership account for 31% of total costs (\$217,317 pmpy in PY2025)
- Bottom 85% of membership account for 18.6% of total costs (\$3,400 pmpy)

% of Membership



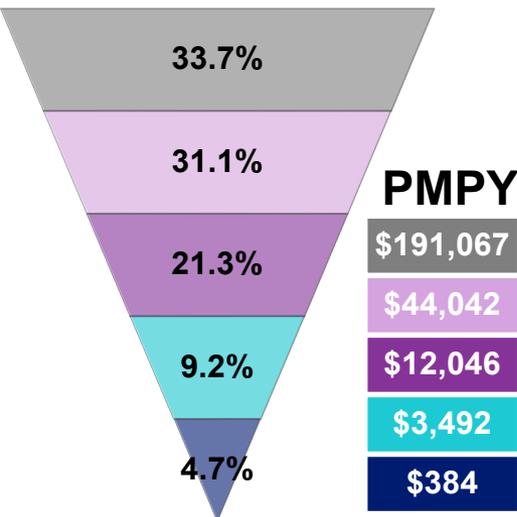
All Plans Combined



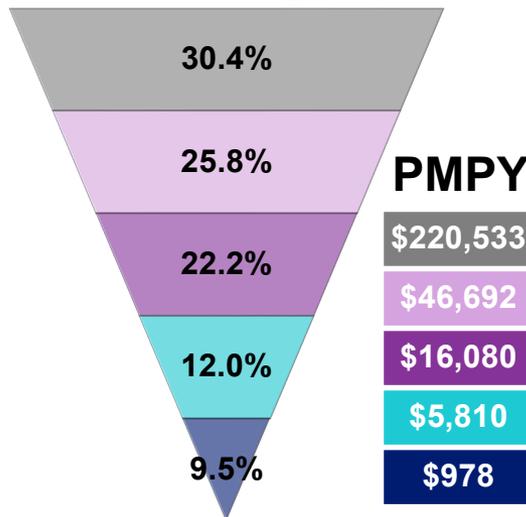
- EPO has the lowest portion of total costs attributed to the top 1%
- EPO costs are highest for all claimant bands

- The top 1% of CDHP claimants account for a larger portion of the total CDHP costs.
- CDHP costs are lowest for all claimant bands

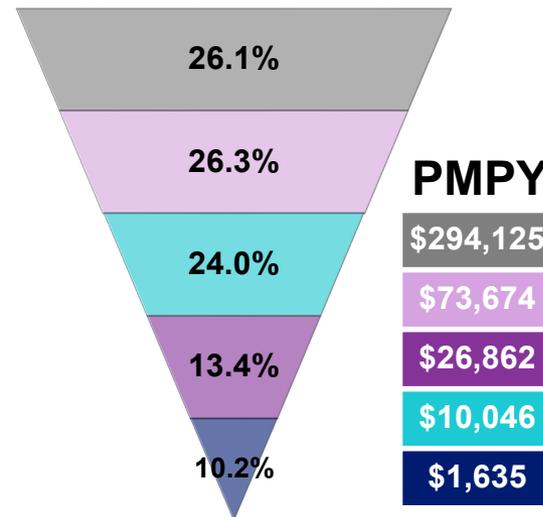
CDHP



LDPPO



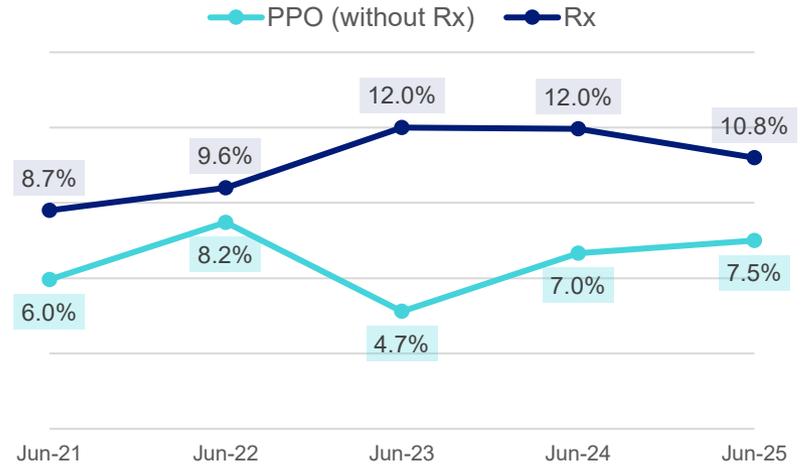
EPO



Medical/Rx Cost Trends

- Rx trend drivers¹
 - The number of patients utilizing Mounjaro and Ozempic continues to rise (2-3x that of prior period)
 - Specialty patients increasing by 15-20% in FY25
- Medical trend drivers²
 - HCCs account for \$2M increase between FY24/FY25
 - Cancer prevalence is 7.9% of members
 - Diabetes prevalence is 6.4% of members
 - MSK prevalence is 18.9% of members

Industry Medical and Rx Annual Trend



Medical



Prescription Drug



¹ Based on ESI reporting through December 31, 2025

² Based on UMR reporting through December 31, 2025

Fixed Cost Plan Elements

Trended from PY2022 Compared to Approved for PY2027

	PY2027			Illustrative: PY2022 if Trended to PY2027		
	CDHP	LDPPO	EPO	CDHP	LDPPO	EPO
HSA/HRA Contributions	\$700 PEPY +\$200 per dependent (max 3)	--	--	\$722 PEPY	--	--
Annual Deductible	\$1,700 Individual \$3,400 Family	\$300 Individual \$600 Family	\$100 Individual \$200 Family	\$2,100 Individual \$4,200 Family	\$600 Individual \$1,200 Family	\$180 Individual \$360 Family
Out-of-Pocket Maximum	\$5,000 Individual \$10,000 Family	\$5,000 Individual \$10,000 Family	\$4,000 Individual \$8,000 Family	\$6,000 Individual \$12,000 Family	\$6,000 Individual \$12,000 Family	\$6,000 Individual \$12,000 Family
Primary Care/ Specialist Office Visit	20% coinsurance	\$30/ \$50 copay per visit	\$25/ \$40 copay per visit	20% coinsurance	\$36/ \$60 copay per visit	\$30/ \$48 copay per visit
Urgent Care Visit	20% coinsurance	\$80 copay per visit	\$50 copay per visit	20% coinsurance	\$96 copay per visit	\$60 copay per visit
Emergency Room Visit	20% coinsurance	\$750 copay per visit	\$750 copay per visit	20% coinsurance	\$900 copay per visit	\$900 copay per visit
In-Patient Hospital	20% coinsurance	20% coinsurance	\$750 copay per visit	20% coinsurance	20% coinsurance	\$900 copay per visit
Outpatient Surgery	20% coinsurance	\$500 copay per visit	\$350 copay per visit	20% coinsurance	\$600 copay per visit	\$420 copay per visit
Prescription Drug						
Retail30	20% coinsurance	\$10 / \$40 / \$75	\$10 / \$40 / \$75	20% coinsurance	\$15 / \$62 / \$116	\$15 / \$62 / \$116
Retail90/Mail	20% coinsurance	\$20 / \$80 / \$150	\$20 / \$80 / \$150	20% coinsurance	\$30 / \$124 / \$232	\$30 / \$124 / \$232
Specialty	30% coinsurance (\$100 min/\$250 max) ¹	30% coinsurance (\$100 min/\$250 max) ¹	30% coinsurance (\$100 min/\$250 max) ¹	20% coinsurance	30% coinsurance	30% coinsurance

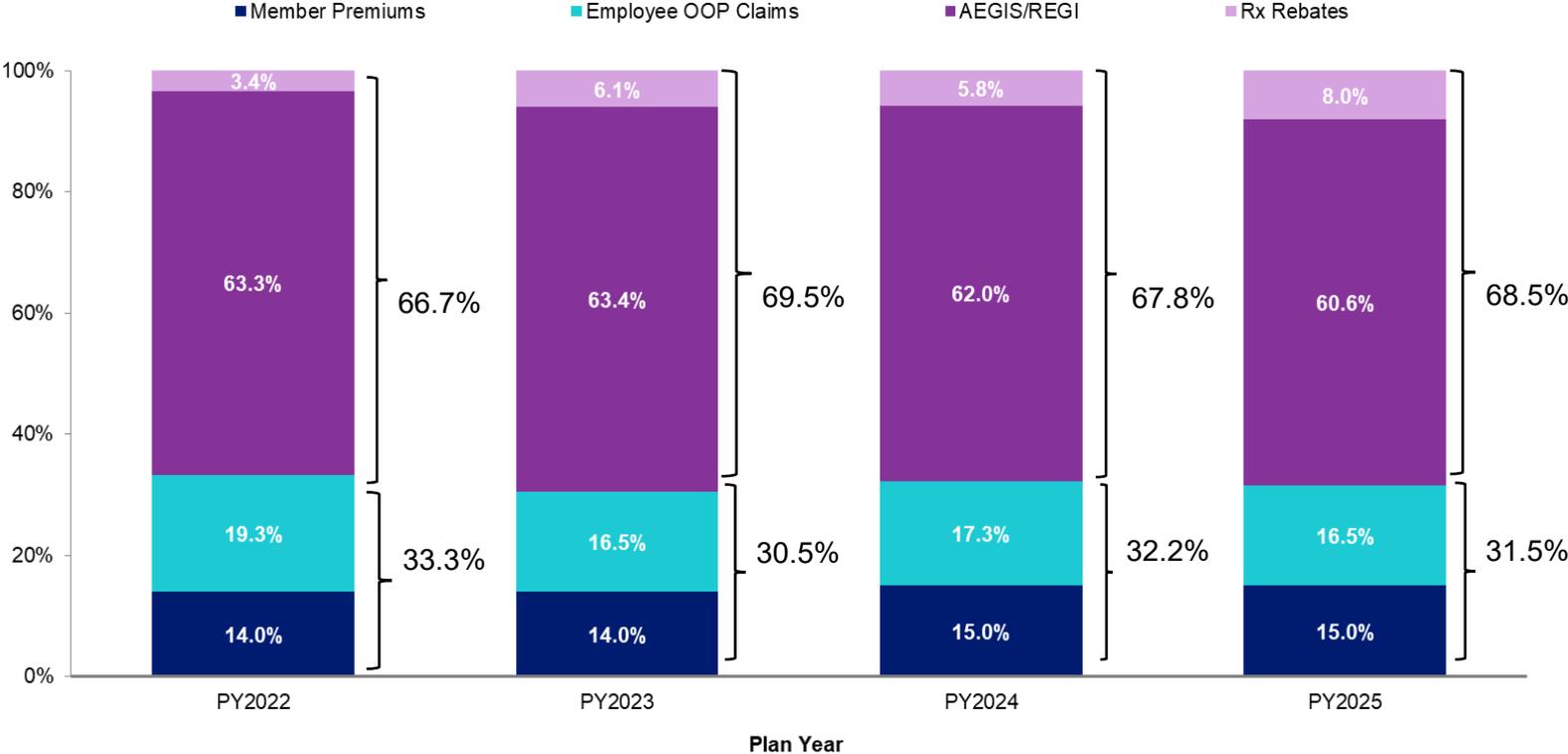
¹ Min/Max applies for specialty drugs not included in the SaveOnSP program with ESI.

Many fixed dollar provisions have not been updated over the last several years to keep pace with trend, resulting in higher trend increases for PEBP.

Historic Cost Share

- **Stable plan provisions and premiums leveraged cost increases to PEBP**
- **Member share of total costs has declined from 33.3% to 31.5%**

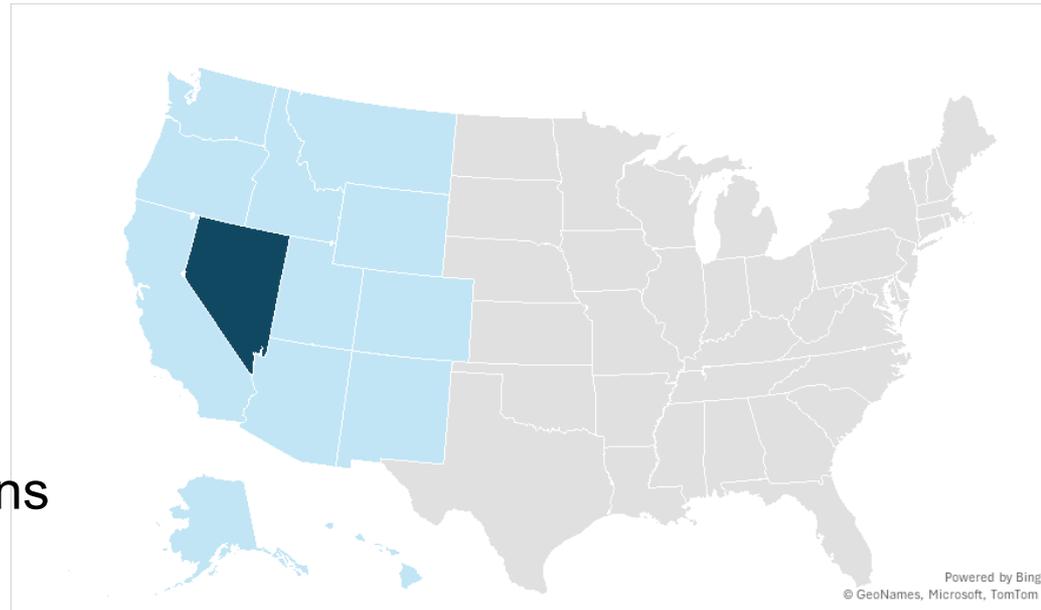
Distribution of Revenue Sources



¹ Some member utilize HSA/HRA funding to pay deductibles, copay and coinsurance.
² Supplemental funding to HSA/HRA accounts were provided in both PY2024 and PY2025.

Benchmarking Overview

- Segal conducted a benchmarking review of the current medical and pharmacy benefits provided by plans of comparable size to Nevada PEBP.
- Segal analyzed the statewide plans offered for the following states:
 - Alaska
 - Arizona
 - California
 - Colorado
 - Hawaii
 - Idaho
 - Montana
 - New Mexico
 - Oregon
 - Utah
 - Washington
 - Wyoming
- Peer data from 2026
- Compared PPO and CDHP options



Summary of Network Plan Designs and Premiums

PPO Comparison

	LDPPO	Benchmarking Data		
		Richest	Leanest	Average
Actuarial Value	83.1%	92.6%	73.5%	81.3%
Annual Deductible (Med)	\$300 / \$600	\$0 / \$0	\$4,000 / \$8,000	\$733 / \$1,612
Annual Deductible (Rx)	N/A	\$0 / \$0	\$250 / \$750	\$20 / \$60
Coinsurance	20%	0%	30%	18%
Out-of-Pocket Maximum (Med)	\$5,000 / \$10,000	\$1,750 / \$3,500	\$7,350 / \$14,700	\$3,431 / \$7,240
Out-of-Pocket Maximum (Rx)	N/A	\$0 / \$0	\$4,350 / \$8,700	\$1,745 / \$3,252
PCP / Specialist	\$30 / \$50	\$10 / \$35	\$50 / \$75	\$29 / \$48
Urgent Care Visit	\$80	\$20	\$80	\$62
Emergency Room Visit	\$750	\$250	\$1,000	\$525
Prescription Drug	\$10 / \$40 / \$75 / 30%	\$5 / \$20 / \$50 / \$60	\$25 / \$75 / \$60 / \$200	\$10 / \$31 / \$54 / \$105
2026 Employee Only Premium	\$92	\$535	\$0	\$120
2026 Family Premium	\$498	\$1,658	\$0	\$399

Coinsurances and mixed copay/coinsurances were excluded from minimum, maximum, and average calculations.

Each plan element in the comparison data is shown independently. Multiple plans may be represented across the richest and leanest comparison columns.

Benchmark plan designs and contributions effective on January 1, 2026.

Summary of Current Plan Designs and Premiums

CDHP Comparison

	CDHP	Benchmarking Data		
		Richest	Leanest	Average
Actuarial Value	77.8%	84.4%	64.0%	75.3%
Annual Deductible	\$1,700 / \$3,400	\$1,650 / \$3,300	\$3,000 / \$6,000	\$1,988 / \$4,175
Base HSA/HRA	\$700 / \$1,300	\$0 / \$0	\$1,935 / \$3,987	\$795 / \$1,496
Coinsurance	20%	10%	30%	21%
Out-of-Pocket Maximum	\$5,000 / \$10,000	\$3,000 / \$7,000	\$7,400 / \$14,800	\$4,731 / \$9,588
PCP / Specialist	20% / 20%	10% / 10%	30% / 30%	21% / 21%
Urgent Care Visit	20%	10%	30%	21%
Emergency Room Visit	20%	10%	30%	21%
Prescription Drug*	20% / 20% / 100% / 30%	\$10 / \$35 / \$60	\$15 / \$40 / \$60	\$12 / \$38 / \$60
2026 Employee Only Premium	\$55	\$80	\$0	\$31
2026 Family Premium	\$410	\$289	\$52	\$127

*Only generic / preferred brand / non-preferred brand are shown due to lack of specialty copay only tiers in benchmark data.

Coinsurances and mixed copay/coinsurances were excluded from minimum, maximum, and average calculations.

Each plan element in the comparison data is shown independently. Multiple plans may be represented across the richest and leanest comparison columns.

Benchmark plan designs and contributions effective on January 1, 2026.

Plan Changes to Consider for PY2027

CDHP

CDHP Provision	PY2027 Approved ¹	PY2027 Alternative	Comments	Impact
Deductible	\$1,700/\$3,400	\$2,000/\$4,000	<ul style="list-style-type: none"> Aligns with state peers' average (\$1,988) Would be \$2,100 if trended 	(\$1.1M)
Out-of-Pocket Maximum	\$5,000/\$10,000	\$6,000/\$12,000	<ul style="list-style-type: none"> Would be \$6,000 if trended 	(\$0.5M)
HSA Contribution	\$700 PEPY +\$200 per dep (max 3)	\$800 PEPY +\$250 per dep (max 3)	<ul style="list-style-type: none"> State peers' average: (\$795 single/\$1,496 family) State peers have lower OPMax (\$4,731) Would be \$722 if trended Higher HSA/HRA to attract enrollment 	\$1.4M
Actuarial Value	77.8%	77.5%	<ul style="list-style-type: none"> Increasing HSA/HRA and Deductible/OPMax maintain overall plan value 	

¹ Approved at the December 2025 Board meeting

Total Projected Additional PY2027 Net Savings = \$0.2M (no migration)

Plan Changes to Consider for PY2027

LDPPO

LDPPO Provision	PY2027 Approved ¹	PY2027 Alternative	Comments	Impact
Deductible	\$300/\$600	\$500/\$1,000	<ul style="list-style-type: none"> State peers' average is \$700 Would be \$600 if trended 	(\$1.6M)
Office Visits (PCP/Spc)	\$30/\$50	\$35/\$70	<ul style="list-style-type: none"> State peers' average = \$30/\$50 Would be \$35/\$60 if trended Specialist 2x PCP incentives PCP util 	(\$1.2M)
Urgent Care	\$80	\$100	<ul style="list-style-type: none"> Would be \$96 if trended 	(\$0.1M)
Outpatient Surgery	\$500	\$600	<ul style="list-style-type: none"> Would be \$600 if trended 	(\$0.1M)
Rx Copays (Gen, Pref Brand, NP Brand)	\$10/\$40/\$75	\$15/\$60/100%	<ul style="list-style-type: none"> Would be \$15/\$62/\$115 if trended 100% for NPB aligns with CDHP and incentivizes PB and Generic util 	(\$0.6M)
Rx Deductible	\$0	\$200	<ul style="list-style-type: none"> Annual Rx deductible introduces consumerism to plan Annual medical deductible less than state peers' average 	(\$1.0M)
Actuarial Value	83.1%	80.5%	<ul style="list-style-type: none"> Better aligns with state peers' average (81.3%) 	

¹ Approved at the December 2025 Board meeting

Total Projected PY2027 Net Savings = \$4.6M (no migration)

Plan Changes to Consider for PY2027

EPO

EPO Provision	PY2027 Approved ¹	PY2027 Alternative	Comments	Impact
Deductible	\$100/\$200	\$250/\$500	<ul style="list-style-type: none"> State peers' PPO average is \$700 Would be \$0 if trended 	(\$0.8M)
Office Visits (PCP/Spc)	\$20/\$40	\$30/\$60	<ul style="list-style-type: none"> State peers' PPO average = \$30/\$50 Would be \$30/\$48 if trended Specialist 2x PCP incentives PCP util 	(\$0.4M)
Urgent Care	\$50	\$75	<ul style="list-style-type: none"> Would be \$60 if trended Higher than PCP/Spc to incentivize physician utilization when feasible 	(\$40K)
Outpatient Surgery	\$350	\$400	<ul style="list-style-type: none"> Would be \$420 if trended 	(\$30K)
Rx Copays (Gen, Pref Brand, NP Brand)	\$10/\$40/\$75	\$15/\$60/100%	<ul style="list-style-type: none"> Would be \$15/\$62/\$115 if trended 100% for NPB aligns with CDHP and incentivizes PB and Generic util 	(\$0.2M)
Rx Deductible	\$0	\$100	<ul style="list-style-type: none"> Annual Rx deductible introduces consumerism to plan Annual medical deductible less than state peers' average 	(\$0.3M)
Actuarial Value	89.1%	86.6%	<ul style="list-style-type: none"> Remains higher than state peers' PPO average (81.3%) Maintains spread in value with LDPPO 	

¹ Approved at the December 2025 Board meeting

Total Projected PY2027 Net Savings = \$1.8M (no migration)

Illustrative PY2027 Premiums: *Experience Based*

Plan Changes Approved in December

State Actives

State Actives	Current PY2026 Rates				Illustrative PY2027 Rates		
	Published Rates	Base Subsidy	Excess Subsidy	Participant Premium	Illustrative Rates	Base Subsidy	Participant Premium
CDHP							
Participant	\$849.22	\$806.24	(\$12.28)	\$55.26	\$827.11	\$766.84	\$60.27
Participant + Spouse	\$1,683.52	\$1,390.76	(\$21.18)	\$313.94	\$1,639.43	\$1,322.80	\$316.63
Participant + Children	\$1,162.09	\$1,025.44	(\$15.62)	\$152.27	\$1,131.73	\$975.32	\$156.41
Participant + Family	\$1,996.38	\$1,609.96	(\$24.52)	\$410.94	\$1,944.04	\$1,531.28	\$412.76
LDPPO/Copay							
Participant	\$885.75	\$806.24	(\$12.28)	\$91.79	\$1,023.61	\$766.84	\$256.77
Participant + Spouse	\$1,756.57	\$1,390.76	(\$21.18)	\$386.99	\$2,029.59	\$1,322.80	\$706.79
Participant + Children	\$1,212.30	\$1,025.44	(\$15.62)	\$202.48	\$1,400.85	\$975.32	\$425.53
Participant + Family	\$2,083.12	\$1,609.96	(\$24.52)	\$497.68	\$2,406.82	\$1,531.28	\$875.54
EPO/HMO							
Participant	\$1,013.87	\$806.24	(\$12.28)	\$219.91	\$1,460.01	\$766.84	\$693.17
Participant + Spouse	\$2,012.81	\$1,390.76	(\$21.18)	\$643.23	\$2,898.59	\$1,322.80	\$1,575.79
Participant + Children	\$1,388.47	\$1,025.44	(\$15.62)	\$378.65	\$1,999.48	\$975.32	\$1,024.16
Participant + Family	\$2,387.41	\$1,609.96	(\$24.52)	\$801.97	\$3,438.06	\$1,531.28	\$1,906.78

For Plan Year 2027:

- Experience-based rates by plan (no cross-subsidies)
- Full application of AEGIS/REGI
- Projected to cover PY2027 expenses
- Migration not yet considered

Illustrative PY2027 Premiums: *Experience Based*

Plan Changes Approved in December

State Retirees

State Retirees	Current PY2026 Rates			Illustrative PY2027 Rates		
	Published Rates	Base Subsidy	Participant Premium	Illustrative Rates	Base Subsidy	Participant Premium
CDHP						
Participant	\$842.96	\$564.90	\$278.06	\$820.91	\$569.69	\$251.22
Participant + Spouse	\$1,677.26	\$974.45	\$702.81	\$1,633.24	\$982.72	\$650.52
Participant + Children	\$1,155.82	\$718.48	\$437.34	\$1,125.53	\$724.57	\$400.96
Participant + Family	\$1,990.12	\$1,128.03	\$862.09	\$1,937.85	\$1,137.60	\$800.25
LDPPO/Copay						
Participant	\$879.48	\$564.90	\$314.58	\$1,016.22	\$569.69	\$446.53
Participant + Spouse	\$1,750.30	\$974.45	\$775.85	\$2,022.20	\$982.72	\$1,039.48
Participant + Children	\$1,206.04	\$718.48	\$487.56	\$1,393.47	\$724.57	\$668.90
Participant + Family	\$2,076.86	\$1,128.03	\$948.83	\$2,399.44	\$1,137.60	\$1,261.84
EPO/HMO						
Participant	\$1,007.60	\$564.90	\$442.70	\$1,451.00	\$569.69	\$881.31
Participant + Spouse	\$2,006.54	\$974.45	\$1,032.09	\$2,889.58	\$982.72	\$1,906.86
Participant + Children	\$1,382.21	\$718.48	\$663.73	\$1,990.49	\$724.57	\$1,265.92
Participant + Family	\$2,381.15	\$1,128.03	\$1,253.12	\$3,429.07	\$1,137.60	\$2,291.47

For Plan Year 2027:

- Experience-based rates by plan (no cross-subsidies)
- Full application of AEGIS/REGI
- Projected to cover PY2027 expenses
- Migration not yet considered

Illustrative PY2027 Premiums: *Experience Based*

Additional Plan Change Considerations

State Actives

State Actives	Current PY2026 Rates				Illustrative PY2027 Rates		
	Published Rates	Base Subsidy	Excess Subsidy	Participant Premium	Illustrative Rates	Base Subsidy	Participant Premium
CDHP							
Participant	\$849.22	\$806.24	(\$12.28)	\$55.26	\$824.25	\$766.84	\$57.41
Participant + Spouse	\$1,683.52	\$1,390.76	(\$21.18)	\$313.94	\$1,633.70	\$1,322.80	\$310.90
Participant + Children	\$1,162.09	\$1,025.44	(\$15.62)	\$152.27	\$1,127.80	\$975.32	\$152.48
Participant + Family	\$1,996.38	\$1,609.96	(\$24.52)	\$410.94	\$1,937.24	\$1,531.28	\$405.96
LDPPO/Copay							
Participant	\$885.75	\$806.24	(\$12.28)	\$91.79	\$991.56	\$766.84	\$224.72
Participant + Spouse	\$1,756.57	\$1,390.76	(\$21.18)	\$386.99	\$1,965.55	\$1,322.80	\$642.75
Participant + Children	\$1,212.30	\$1,025.44	(\$15.62)	\$202.48	\$1,356.80	\$975.32	\$381.48
Participant + Family	\$2,083.12	\$1,609.96	(\$24.52)	\$497.68	\$2,330.78	\$1,531.28	\$799.50
EPO/HMO							
Participant	\$1,013.87	\$806.24	(\$12.28)	\$219.91	\$1,443.14	\$766.84	\$676.30
Participant + Spouse	\$2,012.81	\$1,390.76	(\$21.18)	\$643.23	\$2,864.88	\$1,322.80	\$1,542.08
Participant + Children	\$1,388.47	\$1,025.44	(\$15.62)	\$378.65	\$1,976.29	\$975.32	\$1,000.97
Participant + Family	\$2,387.41	\$1,609.96	(\$24.52)	\$801.97	\$3,398.03	\$1,531.28	\$1,866.75

For Plan Year 2027:

- Experience-based rates by plan (no cross-subsidies)
- Full application of AEGIS/REGI
- Projected to cover PY2027 expenses
- Migration not yet considered

Illustrative PY2027 Premiums: *Experience Based*

Additional Plan Change Considerations

State Retirees

State Retirees	Current PY2026 Rates			Illustrative PY2027 Rates		
	Published Rates	Base Subsidy	Participant Premium	Illustrative Rates	Base Subsidy	Participant Premium
CDHP						
Participant	\$842.96	\$564.90	\$278.06	\$818.05	\$569.69	\$248.36
Participant + Spouse	\$1,677.26	\$974.45	\$702.81	\$1,627.50	\$982.72	\$644.78
Participant + Children	\$1,155.82	\$718.48	\$437.34	\$1,121.60	\$724.57	\$397.03
Participant + Family	\$1,990.12	\$1,128.03	\$862.09	\$1,931.05	\$1,137.60	\$793.45
LDPPO/Copay						
Participant	\$879.48	\$564.90	\$314.58	\$984.21	\$569.69	\$414.52
Participant + Spouse	\$1,750.30	\$974.45	\$775.85	\$1,958.20	\$982.72	\$975.48
Participant + Children	\$1,206.04	\$718.48	\$487.56	\$1,349.46	\$724.57	\$624.89
Participant + Family	\$2,076.86	\$1,128.03	\$948.83	\$2,323.44	\$1,137.60	\$1,185.84
EPO/HMO						
Participant	\$1,007.60	\$564.90	\$442.70	\$1,434.16	\$569.69	\$864.47
Participant + Spouse	\$2,006.54	\$974.45	\$1,032.09	\$2,855.90	\$982.72	\$1,873.18
Participant + Children	\$1,382.21	\$718.48	\$663.73	\$1,967.33	\$724.57	\$1,242.76
Participant + Family	\$2,381.15	\$1,128.03	\$1,253.12	\$3,389.08	\$1,137.60	\$2,251.48

For Plan Year 2027:

- Experience-based rates by plan (no cross-subsidies)
- Full application of AEGIS/REGI
- Projected to cover PY2027 expenses
- Migration not yet considered

Premium Methodology Considerations

- Develop experienced-based rates by plan (no cross-subsidies)
 - Current approach results in CDHP rate subsidizing the rates for the other plans
- Determine employee and retiree premiums based on percentages of total cost rates. These can vary by
 - Subscriber and dependent
 - Plan option
 - Employees and Retiree groups
- Consider \$0 Participant-Only CDHP option
- Current approach results in somewhat ad-hoc variation
- Consider multi-year phase-in to ultimate desired structure



Participant Premium Percentages

- Current Base/Buy-up approach with internal subsidies has resulted in a mix of subsidy levels
- Dependent % for CDHP disproportionate to Employee %
- Dependent % for EPO/HMO compressed compared to Employee %
- Opportunity to consider subsidies by plan, subscriber/dependent and active/retiree as percent of each plan's expected true costs

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**Current PY2026 Premium
(as a % of PUBLISHED rates)**

State	CDHP	LDPPO	EPO/HMO
Employees	6.5%	10.4%	21.7%
Dependents	31.0%	33.9%	42.4%
Retirees	33.0%	35.8%	43.9%
Dependents	44.1%	46.0%	68.4%

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State Actives	CDHP	LDPPO	EPO/HMO
Participant	6.5%	10.4%	21.7%
Participant + Spouse	18.6%	22.0%	32.0%
Participant + Children	13.1%	16.7%	27.3%
Participant + Family	20.6%	23.9%	33.6%

State Retirees	CDHP	LDPPO	EPO/HMO
Participant	33.0%	35.8%	43.9%
Participant + Spouse	41.9%	44.3%	51.4%
Participant + Children	37.8%	40.4%	48.0%
Participant + Family	43.3%	45.7%	52.6%

Increases overall EE/Ret premium share from 19.3% to 30.0%

**Preliminary PY2027 Premiums
(as a % of experience-based rates)**

CDHP	LDPPO	EPO/HMO
10.0%	20.0%	30.0%
30.0%	40.0%	50.0%
40.0%	60.0%	70.0%
60.0%	70.0%	80.0%

CDHP	LDPPO	EPO/HMO
10.0%	20.0%	30.0%
20.0%	30.0%	40.0%
22.6%	32.7%	42.7%
25.1%	35.0%	45.2%

CDHP	LDPPO	EPO/HMO
40.0%	60.0%	70.0%
50.0%	65.0%	75.0%
52.0%	66.4%	76.4%
54.9%	67.5%	77.6%

3

4

Phase-in Over 2 Years

- Transitioning to the desired plan/member premium share may be better accomplished over multiple years, perhaps into the next biennium

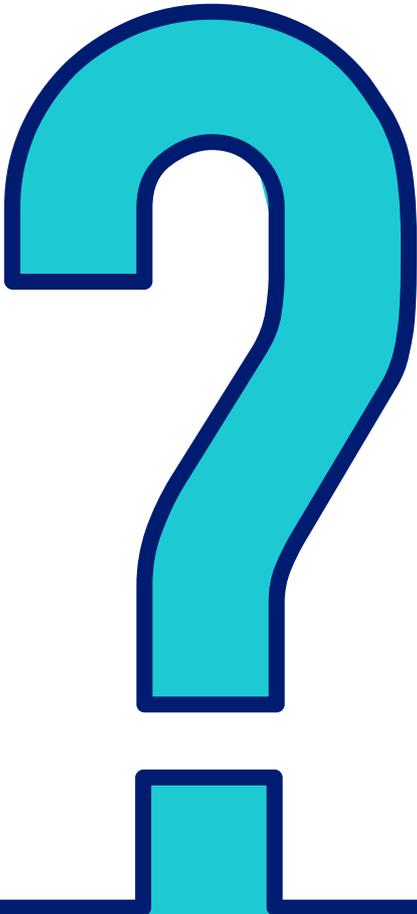
	PY2026 Current			PY2027 (1/2 of the difference from PY2026-PY2028)			Ultimate Rates in PY2028		
State	CDHP	LDPPO	EPO/HMO	CDHP	LDPPO	EPO/HMO	CDHP	LDPPO	EPO/HMO
Employees	6.5%	10.4%	21.7%	8.3%	15.2%	25.9%	10.0%	20.0%	30.0%
Dependents	31.0%	33.9%	42.4%	30.5%	37.0%	46.2%	30.0%	40.0%	50.0%
Retirees	33.0%	35.8%	43.9%	36.5%	47.9%	57.0%	40.0%	60.0%	70.0%
Dependents	44.1%	46.0%	68.4%	52.1%	58.0%	74.2%	60.0%	70.0%	80.0%
State Actives	CDHP	LDPPO	EPO/HMO	CDHP	LDPPO	EPO/HMO	CDHP	LDPPO	EPO/HMO
Participant	6.5%	10.4%	21.7%	8.3%	15.2%	25.9%	10.0%	20.0%	30.0%
Participant + Spouse	18.6%	22.0%	32.0%	19.3%	26.0%	36.0%	20.0%	30.0%	40.0%
Participant + Children	13.1%	16.7%	27.3%	17.9%	24.7%	35.0%	22.6%	32.7%	42.7%
Participant + Family	20.6%	23.9%	33.6%	22.9%	29.5%	39.4%	25.1%	35.0%	45.2%
State Retirees	CDHP	LDPPO	EPO/HMO	CDHP	LDPPO	EPO/HMO	CDHP	LDPPO	EPO/HMO
Participant	33.0%	35.8%	43.9%	36.5%	47.9%	57.0%	40.0%	60.0%	70.0%
Participant + Spouse	41.9%	44.3%	51.4%	46.0%	54.7%	63.2%	50.0%	65.0%	75.0%
Participant + Children	37.8%	40.4%	48.0%	44.9%	53.4%	62.2%	52.0%	66.4%	76.4%
Participant + Family	43.3%	45.7%	52.6%	49.1%	56.6%	65.1%	54.9%	67.5%	77.6%

Phase-in Over 3 Years

- Transitioning to the desired plan/member premium share may be better accomplished over multiple years, perhaps into the next biennium

	PY2026 Current			PY2027 (1/3 of the difference from PY2026-PY2029)			Ultimate Rates in PY2029		
State	CDHP	LDPPO	EPO/HMO	CDHP	LDPPO	EPO/HMO	CDHP	LDPPO	EPO/HMO
Employees	6.5%	10.4%	21.7%	7.7%	13.6%	24.5%	10.0%	20.0%	30.0%
Dependents	31.0%	33.9%	42.4%	30.7%	35.9%	44.9%	30.0%	40.0%	50.0%
Retirees	33.0%	35.8%	43.9%	35.3%	43.9%	52.6%	40.0%	60.0%	70.0%
Dependents	44.1%	46.0%	68.4%	49.4%	54.0%	72.3%	60.0%	70.0%	80.0%
State Actives	CDHP	LDPPO	EPO/HMO	CDHP	LDPPO	EPO/HMO	CDHP	LDPPO	EPO/HMO
Participant	6.5%	10.4%	21.7%	7.7%	13.6%	24.5%	10.0%	20.0%	30.0%
Participant + Spouse	18.6%	22.0%	32.0%	19.1%	24.7%	34.7%	20.0%	30.0%	40.0%
Participant + Children	13.1%	16.7%	27.3%	16.3%	22.0%	32.4%	22.6%	32.7%	42.7%
Participant + Family	20.6%	23.9%	33.6%	22.1%	27.6%	37.5%	25.1%	35.0%	45.2%
State Retirees	CDHP	LDPPO	EPO/HMO	CDHP	LDPPO	EPO/HMO	CDHP	LDPPO	EPO/HMO
Participant	33.0%	35.8%	43.9%	35.3%	43.9%	52.6%	40.0%	60.0%	70.0%
Participant + Spouse	41.9%	44.3%	51.4%	44.6%	51.2%	59.3%	50.0%	65.0%	75.0%
Participant + Children	37.8%	40.4%	48.0%	42.5%	49.1%	57.5%	52.0%	66.4%	76.4%
Participant + Family	43.3%	45.7%	52.6%	47.2%	53.0%	60.9%	54.9%	67.5%	77.6%

Questions



5.

5. Public Comment.

6.

6. Adjournment.