



State of New Jersey
School Employees' Health Benefits
Program
Mid-Year Experience Analysis
For Plan Year 2025

As Presented on March 23, 2026

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School Employees' Health Benefits Program

Mid-Year Experience Analysis for Plan Year 2025

Section 1: Executive Summary

The purpose of this analysis is to review and update projected costs for Plan Years (calendar years) 2024, 2025, and 2026, using the Mid-Year experience of the Medical and Prescription Drug Program offered to Local Education Active Employees and Retirees by the New Jersey School Employees' Health Benefits Program (SEHBP). For this Mid-Year Analysis, projections are based on medical claims and prescription drug claims paid through September 30, 2025, and monthly census data provided by the State through October 2025. The 2026 projections reflect January 2026 census data provided by the State. Except as otherwise noted, all assumptions and methods are the same as outlined in the Plan Year 2026 Rate Setting Recommendation Analysis, Local Education Employee Group, as approved on September 5, 2025.

Key observations from this analysis include:

- Emerging Active experience has continued to trend unfavorably. The Active Plan Year 2025 loss is now projected to be \$155 million, which is \$7M higher than the \$148 million loss estimated in the Plan Year 2026 Rate Setting Analysis.
- Significant premium increases were implemented for 2026 reflecting adverse 2024 claims experience and an additional 6.0% premium margin intended to produce a surplus to improve the Active CSR funding by \$121M. The updated experience and enrollment in this analysis have reduced the projected Active surplus to just \$40 million in Plan Year 2026. While significant membership reductions have resulted in a \$241 million decrease in projected Active plan costs compared to the prior analysis, it has simultaneously resulted in a \$321 million reduction in projected Active collected premium, driving the \$80M decrease in the surplus. These changes will not allow the Local Education Active plan to achieve the target CSR levels expected with the approved rate increases for Plan Year 2026. Current projections estimate the 12/31/2026 CSR balance to be more than \$30 million in the negative at the end of 2026.
- The reduced CSR projections are driven by three key factors:
 - Local Education employers have continued to elect to leave the SEHBP in favor of more affordable coverage they can attain for their specific population in the competitive private market. Active plan membership decreased 8% in 2025 and

another 12% as of January 2026. The employers leaving the SEHBP are motivated by lower achievable open market rates because their populations can be shown to be less costly than the SEHBP on average. Thus, as more less-costly groups leave, the average cost of the population that remains is driven up. This is apparent in recent reported claims drivers such as the very high inpatient hospital cost trends discussed later in this analysis.

- Experience trends continue to run higher than expected, with rolling-12 Active medical and prescription drug claim increases of 12% and 24%, respectively. The high trends are the result of increased utilization and rising unit costs in key medical and drug categories, including higher inpatient and outpatient facility spending, increased specialty physician and behavioral health utilization, and high increases in GLP-1 prescription drug utilization.
- There has also been high migration into the NJEHP, which reduces the total premiums the SEHBP takes in. While claims cost may be reduced in this lower value but still rich plan, those cost reductions will be lower than the premium reductions if the newly migrating employees are higher cost than low utilizers who have elected the NJEHP in the past.

The Mid-Year experience of the State Group, Local Government Group, and the Dental Plans is addressed in separate analyses.

Financial Results

Plan Year 2026

The experience of Local Education Actives Employees has continued to deteriorate since the Plan Year 2026 Rate Setting Analysis which was based on experience incurred through December 31, 2024. There has been a significant reduction in Active membership, and aggregate Active gross costs are projected to 12.7% lower compared to the Plan Year 2026 Rate Setting Analysis reflecting a 12.8% reduction in plan membership. With the significant change in membership, the anti-selection adjustment was increased to 300 basis points for Plan Year 2026. Active claim experience trends also continue to be high, even as employees have migrated to lower cost plan options.

With these changes, the 6.0% margin built into the 2026 Local Education Active Premium Rates to fund the Claims Stabilization Reserve (CSR) is now projected to produce a surplus of 2.4%. As a result, the projected CSR accrued balance as of 12/31/2026 has dropped from \$79M to -\$32M, equivalent to -0.2 months of plan costs.

Retiree experience has been favorable, with average PMPM costs projected to be 1% lower compared to the Plan Year 2026 Rate Setting Analysis.

Plan Year 2025

Plan Year 2025 costs reflect additional actual 2025 claim data through September 2025 and actual enrollment data through October 2025. In total, the projected cost for Plan Year 2025 has decreased 1.0% from the results shown in the Plan Year 2026 Rate Setting Analysis.

Plan Year 2024

The updated data used in this Mid-Year Analysis impacted projected Plan Year 2024 costs mainly through additional run-out claim data and updated Rebate and EGWP amounts. Total projected aggregate costs decreased 0.5% from the most recent projected costs provided in the Plan Year 2026 Rate Setting Analysis.

Claim Stabilization Reserve

The updated financial results have produced a projected claim stabilization reserve at December 31, 2026 below the recommended level of 2.0 months of plan costs and a 0.7 month decline from the 0.5 months of total plan costs projected in the Plan Year 2026 Rate Setting Analysis. The claim stabilization reserve as of December 31, 2024 is based on balances as of June 30, 2024 provided by the Division. The projected reserves as of December 31, 2025 and 2026 are based on the reserve balance as of June 30, 2025 provided by the Division. The claims stabilization reserve as of December 31, 2026 is estimated based off projected gains and losses in the active plans, which reflect the 6.0% margin included in the final approved 2026 premiums. The CSR balances below are intended to illustrate how the claims stabilization reserve may fluctuate due to gains and losses in the active plans. Actual balances as of December 31, 2025 and December 31, 2026 may differ.

SEHBP Local Education Employer Projected Active Stabilization Reserve
(in \$ millions)

| Claim Stabilization Reserve (\$ millions) | Reserve Balance |
|---|-----------------|
| 12/31/2024 | \$110 |
| 12/31/2025 | (\$72) |
| 12/31/2026 | (\$32) |
| Months of Plan Cost as of 12/31/2026 | (0.2) |

Additional detail regarding the gains and losses from the Plan Year 2026 Rate Setting Analysis are included in Sections 2 and 4 of this analysis.

Benefit Plans Maintained by the SEHBP

For purposes of this analysis, it is assumed self-insured medical plan options are administered by Horizon and Aetna, all fully insured Medicare Advantage plans are administered by Aetna, and the prescription drug program is administered by Optum. Additionally, Aetna administers the Garden State Health Plan, effective July 1, 2022. The State of New Jersey operates the SEHBP as a multiple-option program for participating Local Education Employees and Retirees, with the following medical plan options assumed to be offered in Plan Year 2026:

| Plan Type | Horizon | Aetna |
|------------------------|-----------------|---------------|
| NJEHP | Horizon NJEHP | Aetna NJEHP |
| GSHP | N/A | Aetna GSHP |
| PPO10 | NJDIRECT10 | Freedom 10 |
| PPO15 | NJDIRECT15 | Freedom 15 |
| PPO1525 (Retiree Only) | NJDIRECT1525 | N/A |
| PPO2030 (Retiree Only) | NJDIRECT2030 | N/A |
| HMO10 (Retiree Only) | Horizon HMO10 | Aetna HMO10 |
| HMO1525 (Retiree Only) | Horizon HMO1525 | Aetna HMO1525 |
| HMO2030 (Retiree Only) | Horizon HMO2030 | N/A |

- All Medicare Advantage PPO and HMO plan options for Medicare-eligible members in Plan Year 2026 will be administered by Aetna: PPO10, PPO15, HMO10 and HMO1525. HMO plans offer no out-of-network coverage.
- Medicare-eligible members enrolled in Horizon’s PPO or HMO plans are covered under Horizon’s self-insured Medicare Supplement plans: HMO10, PPO1525, HMO1525, PPO2030 and HMO2030. HMO plans offer no out-of-network coverage.
- Active Employees may also be enrolled in a Prescription Drug Plan, which is administered by Optum. Local Education employers may select this plan, sign up for the prescription drug coverage under the medical plan (called MMRx), or purchase prescription drug coverage from an outside vendor. If an employer selects SEHBP prescription drug coverage, the prescription drug benefit option is linked to the medical plan selection. SEHBP Retirees also have Prescription Drug Plan options which are linked to the medical plan selection.

Additional Disclosures

The projections in this analysis are measured on an incurred basis and are consistent with the assumptions and methodology disclosed herein. Future projections may differ significantly from the current projections presented in this analysis due to (but not limited to) such factors as the following:

- Plan experience differing from that anticipated by the economic or demographic assumptions;
- Changes in actuarial methods or in economic or demographic assumptions;
- Changes in plan provisions or applicable law.

This analysis contains the primary actuarial assumptions and methods used to develop the cost projections but may not include a comprehensive list of these methodologies and assumptions. Aon provided guidance with respect to these assumptions, and it is our belief that the assumptions represent reasonable expectations of anticipated plan experience.

Section 2: Plan Overview

The benefits and plan adjustments, vendor assumptions, and federal and state mandates listed in the Plan Year 2026 Rate Setting Analysis have been incorporated into this 2025 Mid-Year Analysis without change except as noted below.

Enrollment Changes

Exhibit 1A shows historical enrollment patterns among the SEHBP benefit offerings during Plan Years 2023 through 2025 and includes Aon's projection of Plan Year 2026 enrollment. The enrollment assumptions for Plan Years 2023 through 2025 are equal to monthly snapshot census data through October 2025 provided by the State. Projected Plan Year 2026 enrollment is equal to January 2026 census data provided by the Division. Based on the 2026 census, Local Education Active enrollment will decrease by 11.7% in Plan Year 2026. Early Retiree enrollment is projected to increase 0.7% in Plan Year 2026, and Medicare Retiree enrollment is projected to increase 0.4% in Plan Year 2026.

Exhibit 1B shows the projected distribution of enrollment among benefit options in Plan Year 2026. Approximately 81% of Local Education Actives are enrolled in the NJEHP and GSHP and 19% remain in the PPO10 and PPO15. Approximately 12% of Local Education Retirees are enrolled in the NJEHP and GSHP plan, while 69% of the Local Education Retiree population is assumed to be enrolled in either the PPO10 or PPO15 plan.

Exhibit 1C shows the 2026 enrollment distribution by benefit option and coverage tier.

Dependents per Subscriber reflect ratios using monthly provided dependent and census data through January 2026 provided by the Division.

Section 3: Trend Analysis

Trend assumptions have been reviewed from the Plan Year 2026 Rate Setting Analysis based on a combination of updated experience data, expectations of future trends, Aon national trend guidance, and Horizon and Optum trend rate recommendations. The following table shows the current trend assumptions:

| | Plan Year 2025 | | Plan Year 2026 | |
|--------------------------------|----------------|--------------------|----------------|--------------------|
| | Medical | Prescription Drugs | Medical | Prescription Drugs |
| PPO Actives* | 9.50% | 23.00% | 9.50% | 19.00% |
| PPO Early Retirees | 9.50% | 21.00% | 9.50% | 17.00% |
| Self-Insured Medicare Retirees | 5.50% | 17.50% | 6.00% | 4.00% |

*The trend rates shown above reflect the trend to get from the prior year to the Plan Year specified above. For example, Plan Year 2026 trend corresponds to the trend increase from Plan Year 2025 to Plan Year 2026.

For purposes of this analysis, the recommended medical and Rx trends are consistent with the Final Plan Year 2026 Rate Setting Analysis.

The Medicare Retiree medical trend assumptions do not apply to the fully insured Medicare Advantage plans as these premium rates are provided by Aetna. The Medicare Advantage rates in Plan Years 2025 and 2026 have not changed since the Plan Year 2026 Rate Setting Analysis.

Additional Trend Adjustments: To reflect potential additions and terminations of Local Employers, the Active medical and prescription drug trends will be increased by 225 basis points in Plan Year 2025, no change from the Rate Setting Analysis, and by 300 basis points in Plan Year 2026, an increase from the 150 basis point assumption in the Plan Year 2026 Rate Setting Analysis. These adjustments reflect anti-selection risk and change in average health status of the population resulting from Local Employers entering or terminating coverage under the State-sponsored plans based on their own favorable or unfavorable claims experience.

Section 4: Financial Projections

Aggregate Financial Projections

Using the key assumptions shown in Section 3 and the methodology described in Section 5 (Cost Projection Methodology), the updated estimated costs for Plan Years 2024, 2025 and 2026 are shown below. These updated projections assume that premiums are fully funded for all years:

SEHBP Projected Financial Results

(in \$ millions)

| | NJEHP / GSHP | PPO 10 | PPO 15 | Legacy HMOs | Other Plans | Total |
|----------------------------|-------------------------|---------------|---------------|------------------------|------------------------|--------------|
| Plan Year 2024 | | | | | | |
| Premium Rates x Enrollment | \$1,214.0 | \$970.4 | \$242.7 | \$26.9 | \$148.2 | \$2,602.2 |
| Incurred Claims | \$1,227.3 | \$1,015.1 | \$267.2 | \$23.5 | \$135.1 | \$2,668.2 |
| Administrative Charges | \$23.8 | \$21.3 | \$4.4 | \$0.8 | \$9.4 | \$59.7 |
| Net Gain (Loss) | (\$37.1) | (\$66.0) | (\$28.9) | \$2.6 | \$3.7 | (\$125.7) |
| Plan Year 2025 | | | | | | |
| Premium Rates x Enrollment | \$1,401.8 | \$935.2 | \$207.1 | \$26.7 | \$167.0 | \$2,737.8 |
| Incurred Claims | \$1,502.9 | \$972.9 | \$227.2 | \$24.0 | \$158.0 | \$2,885.0 |
| Administrative Charges | \$26.4 | \$20.0 | \$3.3 | \$0.8 | \$9.4 | \$59.9 |
| Net Gain (Loss) | (\$127.5) | (\$57.7) | (\$23.4) | \$1.9 | (\$0.4) | (\$207.1) |
| Plan Year 2026 | | | | | | |
| Premium Rates x Enrollment | \$1,871.5 | \$936.1 | \$151.3 | \$31.4 | \$188.2 | \$3,178.5 |
| Incurred Claims | \$1,808.2 | \$896.8 | \$148.1 | \$28.7 | \$177.8 | \$3,059.6 |
| Administrative Charges | \$24.2 | \$17.0 | \$2.1 | \$0.7 | \$9.8 | \$53.8 |
| Net Gain (Loss) | \$39.1 | \$22.3 | \$1.1 | \$2.0 | \$0.6 | \$65.1 |

Notes:

- Other Plans include Medicare Medical MA and Medicare Supplement plans
- Incurred claims includes medical claims, prescription drug claims, capitation, MA premiums, rebates, education surcharges, and EGWP credits
- Plan Year 2024 active premium rates include margin of 0.6%
- Plan Year 2025 active premium rates include margin of 2.0%
- Plan Year 2026 active premium rates include margin of 6.0%

Updated Plan Year 2024 cost decreased by \$13.6 million from the Plan Year 2026 Rate Setting Analysis. Plan Year 2025 cost has decreased \$30.0 million from the projected cost shown in the 2026 Rate Setting Analysis.

The Plan Year 2026 Active and Retiree total premiums are projected to decrease by 8.7% with updated enrollment projections from those shown in the Plan Year 2026 Rate Setting Analysis while total plan costs reflecting updated claims experience are projected to be 7.3% lower. The combined overall projected net gain for Plan Year 2026 is \$65.1 million. The Plan Year 2026 Rate Setting Analysis showed a combined overall projected net gain of \$120.5 million, reflecting the

6.0% margin added to active premiums to address the below-target Claims Stabilization Reserve balance.

The updated financial results have produced a total projected claim stabilization reserve at December 31, 2026 equal to -0.2 months of plan costs, below the recommended 2.0 months. The Plan Year 2026 Rate Setting Analysis showed a projected claims stabilization reserve balance at December 31, 2026 equivalent to 0.5 months of plan costs.

More detailed aggregate projections are provided in Exhibit 3.

Cost Driver Analysis

The premium rates outlined in the Plan Year 2026 Rate Setting Analysis were developed using 2024 incurred claims projected to 2025 and 2026. The updated projections outlined in this analysis reflect updated claims experience through September 2025 and updated assumptions where appropriate. Differences between the projected 2025 claims experience in the Plan Year 2026 Rate Setting Analysis and the actual experience as well as updated assumptions contribute to Plan Year 2026 gains and losses.

Active Medical

For Plan Year 2025, actual and projected Active per member per month (PMPM) medical claims experience was 0.6% higher than expected. Based on YTD September reporting provided by Horizon, which reflects 93.5% of active membership, medical claim experience was driven by the following:

- Inpatient medical claims increased 8%, driven by a 9% increase in the average cost per visit.
- Medical claims for outpatient services also increased, with a total annual trend of 11%, including a 6% increase in utilization and a 4% increase in the cost per visit. Among outpatient services, utilization increased for ambulatory (+11% utilization), outpatient lab (+15% utilization), and behavioral health (+6% utilization).
- Professional visits increased 5% while the average cost per visit increased 10% for an overall PMPM increase of 15%. Specialist Physician services were the biggest driver of the increase.

Overall, the 2026 Medical claims are projected to be 0.1% lower than what was projected in the Plan Year 2026 Rate Setting Analysis, as savings from significant migration into the lower cost NJEHP plan are offset by a higher anti-selection assumption.

Active Rx

For Plan Year 2025, actual Active PMPM prescription drug claims experience was 1.6% lower than expected. Based on YTD September 2025 Optum reporting, Rx claim increases were driven by the following:

- When combined by disease state, drugs for inflammatory conditions rank number one, and PMPM claims spend for inflammatory conditions increased 20.7% in 2025. The top drugs in this category were Dupixent, Stelara, Humira Pen, and Skyrizi Pen.
- PMPM drug spend for weight loss drugs (such as high cost GLP-1 medications) increased 94.7%.

- Among all drugs, Zepbound, Wegovy, and Mounjaro, all GLP-1 drugs, ranked first, second, and third in terms of individual drug spend.
- Overall specialty drug claims PMPM increased 17.5%, driven by inflammatory conditions (noted above), oncology, and growth hormone deficiency.

For plan year 2026, Rx claims net of rebates are 0.6% higher compared to the Plan Year 2026 rate setting analysis, as savings from significant migration into the lower cost NJEHP plan are offset by a higher anti-selection assumption and lower projected rebates.

Early Retiree Medical

For Plan Year 2025, actual and projected Early Retiree PMPM medical claims experience is 0.1% lower than expected. Based on YTD September data provided by Horizon, which reflects 73.9% of Early Retiree membership, medical claim experience was driven by the following:

- Inpatient claims decreased 7%, as a 19% reduction in utilization was partially offset by a 16% increase in the cost per visit.
- Medical claims for outpatient services increased, with a total trend of 12%. Utilization increased 5%, with increases in outpatient ambulatory (+7%), outpatient surgery (+3%), and behavioral health (+12%).
- Professional trends were 14%, with increases in both utilization (+5%) and the average cost per visit (+8%). Specialist Physician services were the biggest driver of the increase.

Overall, the 2026 Medical claims are projected to be 0.3% lower than what was projected in the Plan Year 2026 Rate Setting Analysis.

Early Retiree Rx

For Plan Year 2025, actual and projected Early Retiree PMPM medical claims experience is 1.3% lower than expected. Based on YTD September 2025 reporting provided by Optum, Rx claim increases were driven by the following:

- When combined by disease state, drugs for inflammatory conditions rank number one in terms of spend, and PMPM claims spend for inflammatory conditions increased 12.5% in 2025. The top drugs in this category were Dupixent, Skyrizi Pen, Humira Pen, Rinvoq, and Tremfya.
- PMPM Drug Spend for weight loss drugs (such as high cost GLP-1 medications) increased 125.7%.
- Among all drugs, Wegovy, Zepbound, Mounjaro, and Ozempic are the top four medication in terms of individual drug spend.

- Overall specialty drug claims PMPM increased 18.1%, which was driven by inflammatory conditions (noted above) and oncology.

Plan Year 2026 Rx claims net of rebates are 3.9% higher compared to Plan Year 2026 Rate Setting Projections, driven by lower projected rebates.

Medicare Retiree Medical

81.3% of Medicare Retiree Members are enrolled in Medicare Advantage plans, and the majority of the medical plan cost is equal to the Medicare Advantage Premium multiplied by membership.

Medicare Retiree Rx

For Plan Year 2025, actual Medicare Retiree PMPM prescription drug claims experience was 3.9% lower than expected. Based on data provided by Optum, Rx claim increases were driven by the following:

- Drugs for oncology and diabetes rank number one and two in terms of spend by disease state, and PMPM claims spend increased 10.2% and 10.6% in 2025, respectively.
- Specialty drug claims PMPM increased 16.8%, driven by increases in spend for oncology (noted above), inflammatory conditions, cardiovascular and immune globulin drugs.

In addition to updated claims experience, projected 2026 EGWP credits provided by Optum are estimated to be 0.3% higher than expected, which is offset by lower than projected rebates. Overall, 2026 claims net of rebates and EGWP credits are projected to be 6.8% lower than expected.

Self-Insured Vendor Administrative Fees and Claim Charges

Plan Year 2026 administrative fees and other claim charges have not changed since the Plan Year 2026 Rate Setting Analysis except as noted below:

Aetna Medical PEPM Fees

Aetna's per-employee-per-month (PEPM) administrative fees are tiered based on the total Aetna medical subscriber count. Using the January 2026 enrollment census, the Plan Year 2026 fees have been updated to reflect the 20,000–30,000 subscriber band, with the following PEPM amounts:

- PPO: \$35.62
- HMO: \$51.49
- Tiered: \$58.22
- HDHP: \$37.57

Prescription Drug Fees

Prescription drug administrative fees have been updated to reflect the final amounts confirmed by Optum for Plan Year 2026. The fees are as follows:

- Commercial: \$5.25 PEPM
- EGWP: \$8.00 PMPM

Section 5: Cost Projection Methodology

Exhibit 3 shows the aggregate projected costs and premiums for Plan Years 2024, 2025 and 2026, separately for each PPO and HMO plan and vendor. Costs were projected separately for Active Employees, Early Retirees, and Medicare Retirees; and for medical claims, prescription drug claims, and administrative costs.

Medical and Prescription Drug Claim Projections

1. Using 12 months of claims data paid through September 2025 provided by Horizon, Aetna, and Optum, incurred claims were completed and projected for Plan Year 2025, separately for each benefit plan, for medical versus prescription drugs, and for Actives, Early Retirees, and Medicare Retirees.
2. Capitation and other similar fixed claim charges were added to the incurred claims.
3. Estimated incurred claims in Plan Year 2025 were divided by average covered members to get average claims per member per year. Covered members were based on historical monthly snapshot census data and adjusted with assumptions for the number of members per coverage tier.
4. Claims per member were projected from the mid-point of the experience period to the mid-point of Plan Year 2026 using the annual trend rates listed in the Trend Analysis section of this document and incorporate the impact of any plan design changes.
 - a. The projected Plan Year 2026 Education Active PPO10, PPO15, and NJEHP costs were adjusted for the migration between plan options between Plan Year 2025 and Plan Year 2026. No additional migration is assumed in this analysis. Projected Plan Year 2026 PPO10 and PPO15 costs reflect a 6% selection adjustment to account for higher average costs of those remaining in the plan compared to pre-migration average cost.
 - b. Due to small enrollment and claims data, projected Plan Year 2026 claims for the Active GSHP are based on 50% of actual claims and 50% of NJEHP experience adjusted for the expected relative plan cost differences. Projected claims for the Early Retiree GSHP are based entirely on NJEHP claims adjusted for the expected relative plan cost differences.
5. Aggregate claims for Plan Year 2026 are the product of projected enrollment and the projected claims per member.

6. Projected value-based claims charges including outcomes-based payments, specialty payment program amounts, and DPCHM claims, were added to the aggregate projected 2026 medical claims. Projected amounts are based on actual Horizon paid data trended forward to 2026 using medical claims trends. Actual Aetna non-claim charges are reported through the claims wire and are included in the projected claims experience.
7. Plan Year 2026 projected Medicare Advantage fully insured premiums are based on rates provided by Aetna.
8. Prescription drug rebates for Plan Year 2024 and 2025 are based on actual rebate payment data received from Optum. Plan Year 2026 projected rebates are based on data provided by Optum.
9. Prescription drug rebates paid through the medical plan for Plan Year 2024 and 2025 are based on actual rebate payment data provided by Horizon. Actual Aetna rebates are reported in the claim wire and are captured in the underlying claims. Prescription Drug Rebates estimated to be paid through the medical plan for Plan Year 2026 are incorporated in the medical claim projections based on these actual amounts.
10. EGWP projections include monthly CMS capitation payments per Medicare-eligible Retiree for prescription drug coverage, prescription drug manufacturers' coverage gap reimbursement payments, an annual CMS payment for reinsurance on catastrophic claims, and CMS Low Income Cost Sharing (LICS) payments. These amounts are equal to recommendations from Optum for Plan Years 2024, 2025 and 2026.
 - a. CMS per capita payments: Plan Years 2024, 2025 and 2026 actual and expected CMS per capita payments were provided by Optum. The Plan Year 2026 CMS per capita payment is assumed to be a reduction of \$169.27 Per Member Per Month (PMPM).
 - b. Coverage Gap Discount: Plan Years 2024, 2025 and 2026 actual and expected coverage gap payments were provided by Optum. The Plan Year 2026 credits are assumed to be \$112.60 PMPM.
 - c. Catastrophic Reinsurance: This payment has a very long lag, and the Plan Year 2024 credit is not expected to be fully paid until the beginning of Plan Year 2026. Plan Years 2024, 2025 and 2026 expected catastrophic reinsurance payments were provided by Optum. The Plan Year 2025 credits are assumed to be \$110.19 PMPM.
 - d. Low Income Cost Sharing (LICS): Plan Years 2024, 2025 and 2026 actual and expected LICS payments were provided by Optum. For Plan Year 2026, the subsidy payment is assumed to be \$0.20 PMPM.

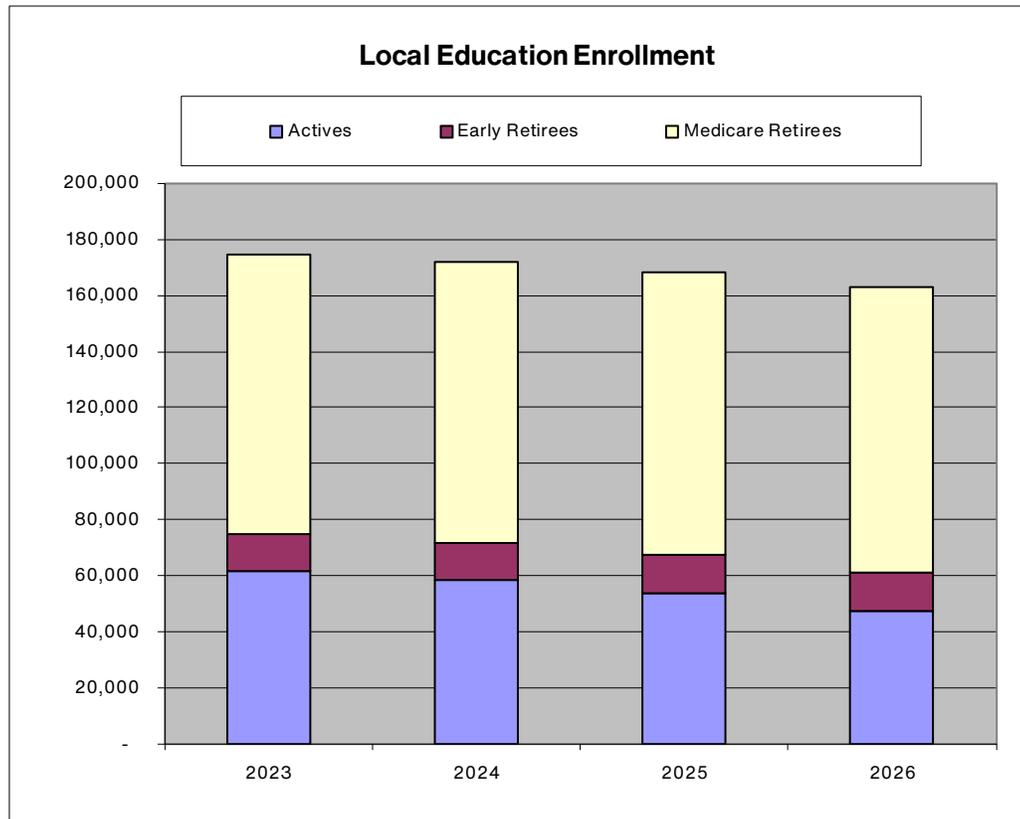
11. The Plan Year 2026 projected Education Surcharge is approximately \$39.8 million, and this is used as a credit against projected Early Retiree costs.
12. Total SEHBP projected Plan Year 2026 claim costs are the sum of projected medical and prescription drug claims, capitation charges, payments from CMS related to EGWP Plus Wrap, and prescription drug rebates.
13. Base administrative fees per subscriber per month or per member per month are multiplied by the projected average enrollment for the applicable projection Plan Year. Plan Year 2026 administrative fees per employee per month and per member per month were provided by Horizon, Aetna, and Optum.
14. Overhead charges, which are internal State of New Jersey administrative costs charged against the plans, are projected at \$13.4 million for Plan Year 2026.
15. Other fees and claim charges reported by the vendors have been reflected in the projections.
16. Projected investment income of \$19.5 million was used to reduce projected administrative costs for Plan Year 2026.
17. Based on participation in NJWELL, employers are eligible for a 1% discount on their premium rates in the following plan year. Plan Year 2024 participation showed 7 Local Education employers (a total of 303 Employees) were eligible for this discount. The Plan Year 2024 costs have been adjusted to reflect the total number of Employees who will receive the 1% premium discount in Plan Year 2025. 0.5% of employees are expected to be eligible for this discount in Plan Year 2026.

Projected Gains/Losses

For each year, the projected gain or loss is equal to projected aggregate premiums (projected premium rates times projected enrollment) minus projected total aggregate costs.

Section 6: Exhibits

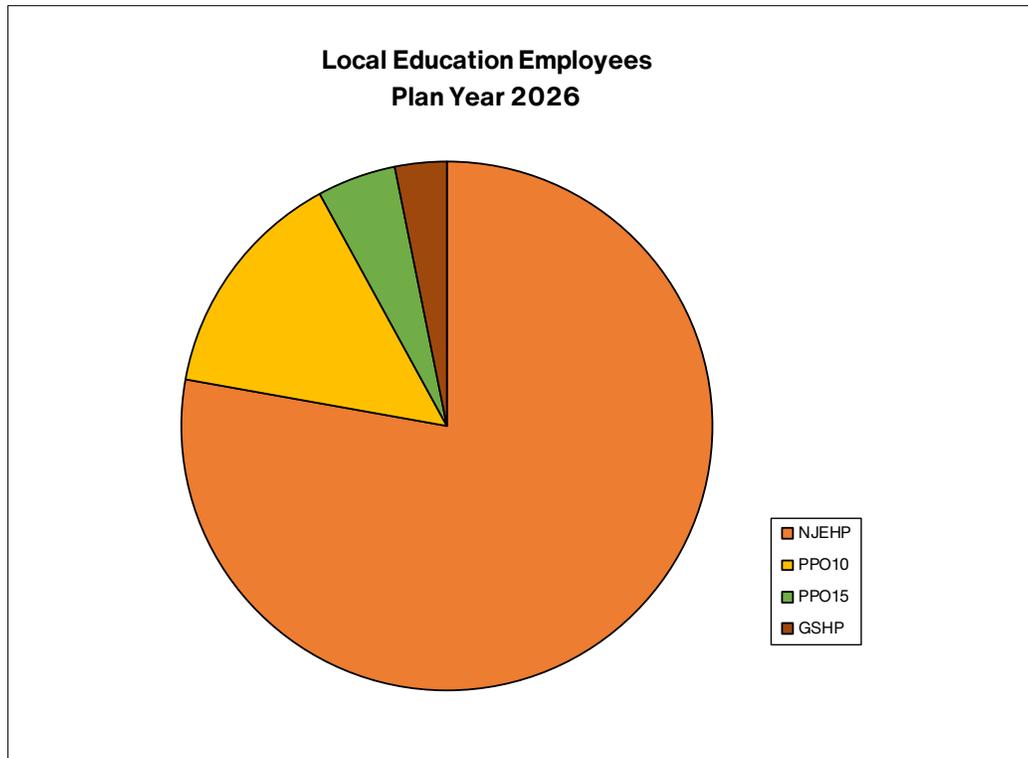
SEHBP Plan Year 2025 Mid-Year Experience Analysis Exhibit 1A – Enrollment Projections



Annual Change in Enrollment

| | <u>Actual</u> <u>2023 to 2024</u> | <u>Actual</u> <u>2024 to 2025</u> | <u>Assumed</u> <u>2025 to 2026</u> |
|-------------------|--------------------------------------|--------------------------------------|---------------------------------------|
| Actives | (5.3%) | (8.0%) | (11.7%) |
| Early Retirees | 0.3% | 2.2% | 0.7% |
| Medicare Retirees | 0.7% | 0.7% | 0.4% |

SEHBP Plan Year 2025 Mid-Year Experience Analysis
Exhibit 1B – Active Employee Enrollment Distribution



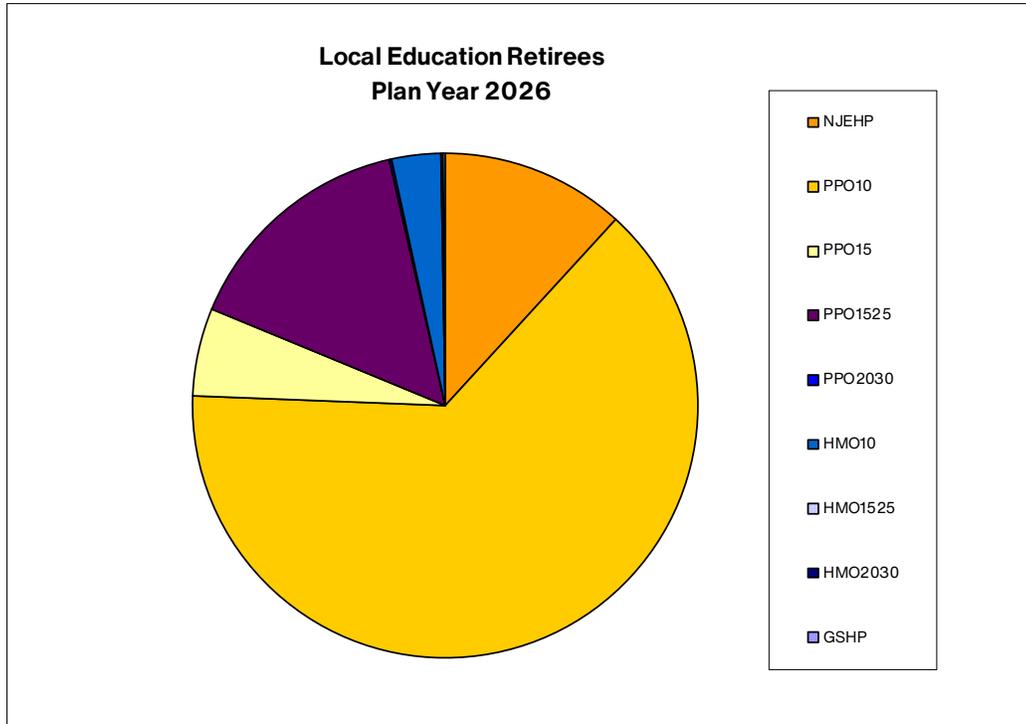
Assumes approximately 78% of Employees enroll in the NJEHP and 3% enroll in the Garden State Health Plan.

Assumes approximately 14% of Employees will remain in the \$10 copay plan.

| Actives | Aetna | Horizon | Total |
|----------------|--------------|----------------|---------------|
| NJEHP | 4.7% | 73.2% | 77.8% |
| PPO10 | 2.1% | 12.1% | 14.2% |
| PPO15 | 0.1% | 4.7% | 4.8% |
| GSHP | 3.2% | 0.0% | 3.2% |
| Total | 10.0% | 90.0% | 100.0% |

*Numbers may not add due to rounding

**SEHBP Plan Year 2025 Mid-Year Experience Analysis
Exhibit 1B (Cont'd) – Retiree Enrollment Distribution**



Assumes approximately 12% of Retirees enroll in the NJEHP and less than 1% of Retirees enroll in the Garden State Health Plan.

Assumes approximately 73% of Retirees will enroll in the PPO 10, PPO 15, and HMO 10 plans.

| Retirees | Horizon | Aetna | Total |
|--------------|--------------|--------------|---------------|
| NJEHP | 10.0% | 1.8% | 11.8% |
| PPO10 | 0.0% | 63.8% | 63.8% |
| PPO15 | 0.0% | 5.6% | 5.6% |
| PPO1525 | 15.2% | 0.0% | 15.2% |
| PPO2030 | 0.2% | 0.0% | 0.2% |
| HMO10 | 0.1% | 3.0% | 3.1% |
| HMO1525 | 0.1% | 0.0% | 0.1% |
| HMO2030 | 0.0% | 0.0% | 0.0% |
| GSHP | 0.0% | 0.1% | 0.1% |
| Total | 25.6% | 74.4% | 100.0% |

*Some plans may show 0.0% enrollment. These plans may include low enrollment which rounds to 0.0%. Numbers may not add due to rounding

**SEHBP Plan Year 2025 Mid-Year Experience Analysis
Exhibit 1C – Active Employee Enrollment Distribution**

| | 2026 Estimated Average Number of Contracts | | | | |
|---------------------------------------|--|----------------------|---------------|--------------------------|---------------|
| | Single | Employee + Spouse | Family | Employee + Child(ren) | Total |
| EDUCATION - ACTIVE & COBRA | | | | | |
| Medical Plans | | | | | |
| Horizon NJEHP | 11,940 | 4,765 | 13,973 | 3,878 | 34,556 |
| Horizon PPO10 | 2,075 | 1,338 | 1,787 | 523 | 5,723 |
| Horizon PPO15 | 797 | 501 | 743 | 198 | 2,239 |
| Horizon Total | 14,812 | 6,604 | 16,503 | 4,599 | 42,518 |
| Aetna NJEHP | 987 | 177 | 760 | 281 | 2,205 |
| Aetna PPO10 | 301 | 137 | 391 | 172 | 1,001 |
| Aetna PPO15 | 3 | 11 | 12 | 2 | 28 |
| Aetna GSHP | 889 | 146 | 312 | 143 | 1,490 |
| Aetna Total | 2,180 | 471 | 1,475 | 598 | 4,724 |
| Total | 16,992 | 7,075 | 17,978 | 5,197 | 47,242 |

* 2026 total plan enrollments are based on January 2026 census data.

**SEHBP Plan Year 2025 Mid-Year Experience Analysis
Exhibit 1C (Cont'd) – Retiree Enrollment Distribution**

| | 2026 Estimated Average Number of Contracts | | | | |
|---------------------------|--|----------------------|--------------|--------------------------|----------------|
| | Single | Employee + Spouse | Family | Employee + Child(ren) | Total |
| EDUCATION RETIREES | | | | | |
| Medical Plans | | | | | |
| Horizon NJEHP | 3,450 | 4,385 | 2,950 | 790 | 11,575 |
| Horizon PPO1525 | 9,961 | 7,073 | 379 | 148 | 17,561 |
| Horizon PPO2030 | 100 | 64 | 4 | 3 | 171 |
| Horizon Legacy HMO (10) | 95 | 63 | 4 | 2 | 164 |
| Horizon HMO1525 | 56 | 35 | 0 | 1 | 92 |
| Horizon HMO2030 | 7 | 6 | 3 | 0 | 16 |
| Horizon Total | 13,669 | 11,626 | 3,340 | 944 | 29,579 |
| MA PPO10 | 41,921 | 30,137 | 1,142 | 556 | 73,756 |
| MA PPO15 | 4,080 | 2,321 | 60 | 40 | 6,501 |
| MA HMO (10) | 2,203 | 1,208 | 32 | 19 | 3,462 |
| MA HMO1525 | 41 | 8 | 0 | 0 | 49 |
| Aetna NJEHP | 455 | 874 | 575 | 142 | 2,046 |
| GSHP | 55 | 45 | 39 | 17 | 156 |
| Aetna Total | 48,755 | 34,593 | 1,848 | 774 | 85,970 |
| Total | 62,424 | 46,219 | 5,188 | 1,718 | 115,549 |

* 2026 total plan enrollments are based on January 2026 census data.

SEHBP Plan Year 2025 Mid-Year Analysis
Exhibit 2A – Medical Trend

The chart below shows the rolling 12-month medical claims experience trends for the Active and Early Retiree populations. The exhibit reflects estimated completed incurred claims through September 30, 2025. Column (A) shows the overall Per Member Per Month (PMPM) claims increase. Column (B) shows the estimated impact of plan design and vendor changes that occurred during the claim periods. These impacts are listed below in the "Normalizing Adjustments" section. Column (C) shows the estimated gross trend attributable to claims experience and capitation which is based on the overall PMPM increase grossed up for the plan changes.

| | (A) Increase in Claims | (B) Plan Changes | (C) = (A) - (B) Claim Trend |
|--------------------------------------|---------------------------|---------------------|--------------------------------|
| <u>PPO Active</u> | | | |
| 12 months through 09/2024 vs 09/2023 | 9.6% | 0.3% | 9.3% |
| 12 months through 09/2025 vs 09/2024 | 12.6% | 0.5% | 12.1% |
| Recommended 2026 Trend Assumption | | | 9.5% |
| <u>PPO Early Retiree</u> | | | |
| 12 months through 09/2024 vs 09/2023 | 11.8% | 0.0% | 11.8% |
| 12 months through 09/2025 vs 09/2024 | 11.4% | 0.0% | 11.4% |
| Recommended 2026 Trend Assumption | | | 9.5% |

Normalizing Adjustments

4/1/2024: NJ State Mandate S2535

7/1/2024: NJ State Mandate A5235

SEHBP Plan Year 2025 Mid-Year Analysis
Exhibit 2B – Prescription Drug Trend

The chart below shows the rolling 12-month prescription drug claims experience trends for the Active, Early Retiree, and EGWP Retiree populations. The exhibit reflects estimated completed incurred claims through September 30, 2025. Column (A) shows the overall Per Member Per Month (PMPM) claims increase. Column (B) shows the estimated impact of plan design and vendor changes that occurred during the claim periods. These impacts are listed below in the "Normalizing Adjustments" section. Column (C) shows the estimated gross trend attributable to claims experience and capitation which is based on the overall PMPM increase grossed up for the plan changes.

| | (A) Increase in Claims | (B) Plan Changes | (C) = (A) - (B) Claim Trend |
|--------------------------------------|------------------------------|---------------------|--------------------------------|
| Active Rx | | | |
| 12 months through 09/2024 vs 09/2023 | 19.3% | 0.0% | 19.3% |
| 12 months through 09/2025 vs 09/2024 | 23.9% | 0.0% | 23.9% |
| Recommended 2026 Trend Assumption | | | 19.0% |

| | | | |
|--------------------------------------|-------|------|--------------|
| Early Retiree Rx | | | |
| 12 months through 09/2024 vs 09/2023 | 13.5% | 0.0% | 13.5% |
| 12 months through 09/2025 vs 09/2024 | 21.7% | 0.0% | 21.7% |
| Recommended 2026 Trend Assumption | | | 17.0% |

| | | | |
|--------------------------------------|-------|------|-------------|
| EGWP Retiree Rx | | | |
| 12 months through 09/2024 vs 09/2023 | 13.6% | 0.0% | 13.6% |
| 12 months through 09/2025 vs 09/2024 | 12.6% | 0.0% | 12.6% |
| Recommended 2026 Trend Assumption | | | 4.0% |

Normalizing Adjustments:

None

SEHBP Plan Year 2025 Mid-Year Experience Analysis
Exhibit 3A – Plan Year 2024 Aggregate Costs, page 1 of 2

| | Total | NJEHP | | GSHP | Legacy Plans | | | | | |
|--------------------------------------|------------------------|---------------------|------------------------|---------------------|----------------------|---------------------|----------------------|----------------------|---------------------|--------------------|
| | | Aetna PPO | Horizon PPO | Aetna PPO | Aetna PPO10 | Aetna PPO15 | Horizon PPO10 | Horizon PPO15 | Aetna HMO | Horizon HMO |
| Employees and Retirees | | | | | | | | | | |
| Average Medical Members | 321,033 | 5,206 | 109,747 | 3,235 | 102,792 | 9,164 | 42,880 | 18,198 | 5,118 | 235 |
| Incurred Medical Claims | \$1,977,847,000 | \$47,080,000 | \$980,198,000 | \$21,981,000 | \$137,096,000 | \$10,126,000 | \$504,508,000 | \$200,601,000 | \$8,455,000 | \$1,122,000 |
| Capitation and Other Claim Based Fee | \$31,324,000 | \$176,000 | \$18,324,000 | \$13,000 | \$14,000 | \$3,000 | \$7,552,000 | \$3,216,000 | \$0 | \$27,000 |
| Incurred Prescription Drug Claims | \$1,659,967,000 | \$17,708,000 | \$284,546,000 | \$4,099,000 | \$858,190,000 | \$75,079,000 | \$128,690,000 | \$45,811,000 | \$42,076,000 | \$1,344,000 |
| Prescription Drug Rebates | (\$509,271,000) | (\$6,533,000) | (\$105,447,000) | (\$1,521,000) | (\$240,744,000) | (\$21,071,000) | (\$47,934,000) | (\$17,063,000) | (\$11,802,000) | (\$377,000) |
| EGWP Credits | (\$458,370,000) | N/A | N/A | N/A | (\$332,284,000) | (\$29,559,000) | N/A | N/A | (\$16,571,000) | (\$760,000) |
| Education Surcharge | (\$33,311,000) | (\$4,001,000) | (\$28,943,000) | (\$367,000) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Administrative Fees | \$59,749,000 | \$366,000 | \$22,536,000 | \$899,000 | \$14,363,000 | \$1,319,000 | \$6,965,000 | \$3,068,000 | \$711,000 | \$89,000 |
| Total Cost | \$2,727,935,000 | \$54,796,000 | \$1,171,214,000 | \$25,104,000 | \$436,635,000 | \$35,897,000 | \$599,781,000 | \$235,633,000 | \$22,869,000 | \$1,445,000 |
| Total Premium | \$2,602,240,000 | \$56,997,000 | \$1,127,504,000 | \$29,474,000 | \$469,610,000 | \$39,815,000 | \$500,784,000 | \$202,838,000 | \$25,240,000 | \$1,679,000 |
| Gain (Loss) | (\$125,695,000) | \$2,201,000 | (\$43,710,000) | \$4,370,000 | \$32,975,000 | \$3,918,000 | (\$98,997,000) | (\$32,795,000) | \$2,371,000 | \$234,000 |
| Employees | | | | | | | | | | |
| Average Medical Members | 146,414 | 1,235 | 81,021 | 2,871 | 174 | 35 | 42,880 | 18,198 | N/A | N/A |
| Incurred Medical Claims | \$1,366,828,000 | \$8,389,000 | \$634,041,000 | \$17,626,000 | \$1,444,000 | \$219,000 | \$504,508,000 | \$200,601,000 | N/A | N/A |
| Capitation and Other Claim Based Fee | \$25,107,000 | \$104,000 | \$14,206,000 | \$12,000 | \$14,000 | \$3,000 | \$7,552,000 | \$3,216,000 | N/A | N/A |
| Incurred Prescription Drug Claims | \$331,569,000 | \$2,198,000 | \$151,579,000 | \$2,906,000 | \$258,000 | \$127,000 | \$128,690,000 | \$45,811,000 | N/A | N/A |
| Prescription Drug Rebates | (\$123,500,000) | (\$819,000) | (\$56,459,000) | (\$1,082,000) | (\$96,000) | (\$47,000) | (\$47,934,000) | (\$17,063,000) | N/A | N/A |
| EGWP Credits | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Education Surcharge | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Administrative Fees | \$28,250,000 | \$244,000 | \$17,127,000 | \$813,000 | \$27,000 | \$6,000 | \$6,965,000 | \$3,068,000 | N/A | N/A |
| Total Cost | \$1,628,254,000 | \$10,116,000 | \$760,494,000 | \$20,275,000 | \$1,647,000 | \$308,000 | \$599,781,000 | \$235,633,000 | N/A | N/A |
| Total Premium | \$1,515,435,000 | \$11,475,000 | \$772,621,000 | \$25,486,000 | \$1,865,000 | \$366,000 | \$500,784,000 | \$202,838,000 | N/A | N/A |
| Gain (Loss) | (\$112,819,000) | \$1,359,000 | \$12,127,000 | \$5,211,000 | \$218,000 | \$58,000 | (\$98,997,000) | (\$32,795,000) | N/A | N/A |
| Early Retirees | | | | | | | | | | |
| Average Medical Members | 33,061 | 3,971 | 28,726 | 364 | N/A | N/A | N/A | N/A | N/A | N/A |
| Incurred Medical Claims | \$389,203,000 | \$38,691,000 | \$346,157,000 | \$4,355,000 | N/A | N/A | N/A | N/A | N/A | N/A |
| Capitation and Other Claim Based Fee | \$4,191,000 | \$72,000 | \$4,118,000 | \$1,000 | N/A | N/A | N/A | N/A | N/A | N/A |
| Incurred Prescription Drug Claims | \$149,670,000 | \$15,510,000 | \$132,967,000 | \$1,193,000 | N/A | N/A | N/A | N/A | N/A | N/A |
| Prescription Drug Rebates | (\$55,141,000) | (\$5,714,000) | (\$48,988,000) | (\$439,000) | N/A | N/A | N/A | N/A | N/A | N/A |
| EGWP Credits | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Education Surcharge | (\$33,311,000) | (\$4,001,000) | (\$28,943,000) | (\$367,000) | N/A | N/A | N/A | N/A | N/A | N/A |
| Administrative Fees | \$5,617,000 | \$122,000 | \$5,409,000 | \$86,000 | N/A | N/A | N/A | N/A | N/A | N/A |
| Total Cost | \$460,229,000 | \$44,680,000 | \$410,720,000 | \$4,829,000 | N/A | N/A | N/A | N/A | N/A | N/A |
| Total Premium | \$404,393,000 | \$45,522,000 | \$354,883,000 | \$3,988,000 | N/A | N/A | N/A | N/A | N/A | N/A |
| Gain (Loss) | (\$55,836,000) | \$842,000 | (\$55,837,000) | (\$841,000) | N/A | N/A | N/A | N/A | N/A | N/A |
| Medicare Retirees | | | | | | | | | | |
| Average Medical Members | 141,558 | N/A | N/A | N/A | 102,618 | 9,129 | N/A | N/A | 5,118 | 235 |
| Incurred Medical Claims | \$221,816,000 | N/A | N/A | N/A | \$135,652,000 | \$9,907,000 | N/A | N/A | \$8,455,000 | \$1,122,000 |
| Capitation and Other Claim Based Fee | \$2,026,000 | N/A | N/A | N/A | \$0 | \$0 | N/A | N/A | \$0 | \$27,000 |
| Incurred Prescription Drug Claims | \$1,178,728,000 | N/A | N/A | N/A | \$857,932,000 | \$74,952,000 | N/A | N/A | \$42,076,000 | \$1,344,000 |
| Prescription Drug Rebates | (\$330,630,000) | N/A | N/A | N/A | (\$240,648,000) | (\$21,024,000) | N/A | N/A | (\$11,802,000) | (\$377,000) |
| EGWP Credits | (\$458,370,000) | N/A | N/A | N/A | (\$332,284,000) | (\$29,559,000) | N/A | N/A | (\$16,571,000) | (\$760,000) |
| Education Surcharge | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Administrative Fees | \$25,882,000 | N/A | N/A | N/A | \$14,336,000 | \$1,313,000 | N/A | N/A | \$711,000 | \$89,000 |
| Total Cost | \$639,452,000 | N/A | N/A | N/A | \$434,988,000 | \$35,589,000 | N/A | N/A | \$22,869,000 | \$1,445,000 |
| Total Premium | \$682,412,000 | N/A | N/A | N/A | \$467,745,000 | \$39,449,000 | N/A | N/A | \$25,240,000 | \$1,679,000 |
| Gain (Loss) | \$42,960,000 | N/A | N/A | N/A | \$32,757,000 | \$3,860,000 | N/A | N/A | \$2,371,000 | \$234,000 |

Some plans may show \$0 in certain cost categories. These plans may have costs which are under \$500 and are rounded to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

SEHBP Plan Year 2025 Mid-Year Experience Analysis
Exhibit 3A – Plan Year 2024 Aggregate Costs, page 2 of 2

| | 1525 | | | 2030 | |
|---------------------------------------|----------------|-------------|-------------|-------------|-------------|
| | Horizon PPO | Aetna HMO | Horizon HMO | Horizon PPO | Horizon HMO |
| Employees and Retirees | | | | | |
| Average Medical Members | 24,090 | 54 | 115 | 183 | 16 |
| Incurred Medical Claims | \$65,843,000 | \$66,000 | \$355,000 | \$392,000 | \$24,000 |
| Capitation and Other Claim Based Fees | \$1,970,000 | \$0 | \$11,000 | \$16,000 | \$2,000 |
| Incurred Prescription Drug Claims | \$199,664,000 | \$438,000 | \$807,000 | \$1,454,000 | \$61,000 |
| Prescription Drug Rebates | (\$56,005,000) | (\$123,000) | (\$226,000) | (\$408,000) | (\$17,000) |
| EGWP Credits | (\$78,005,000) | (\$173,000) | (\$373,000) | (\$593,000) | (\$52,000) |
| Education Surcharge | \$0 | \$0 | \$0 | \$0 | \$0 |
| Administrative Fees | \$9,294,000 | \$8,000 | \$46,000 | \$79,000 | \$6,000 |
| Total Cost | \$142,761,000 | \$216,000 | \$620,000 | \$940,000 | \$24,000 |
| Total Premium | \$146,310,000 | \$241,000 | \$562,000 | \$1,085,000 | \$101,000 |
| Gain (Loss) | \$3,549,000 | \$25,000 | (\$58,000) | \$145,000 | \$77,000 |
| Employees | | | | | |
| Average Medical Members | N/A | N/A | N/A | N/A | N/A |
| Incurred Medical Claims | N/A | N/A | N/A | N/A | N/A |
| Capitation and Other Claim Based Fees | N/A | N/A | N/A | N/A | N/A |
| Incurred Prescription Drug Claims | N/A | N/A | N/A | N/A | N/A |
| Prescription Drug Rebates | N/A | N/A | N/A | N/A | N/A |
| EGWP Credits | N/A | N/A | N/A | N/A | N/A |
| Education Surcharge | N/A | N/A | N/A | N/A | N/A |
| Administrative Fees | N/A | N/A | N/A | N/A | N/A |
| Total Cost | N/A | N/A | N/A | N/A | N/A |
| Total Premium | N/A | N/A | N/A | N/A | N/A |
| Gain (Loss) | N/A | N/A | N/A | N/A | N/A |
| Early Retirees | | | | | |
| Average Medical Members | N/A | N/A | N/A | N/A | N/A |
| Incurred Medical Claims | N/A | N/A | N/A | N/A | N/A |
| Capitation and Other Claim Based Fees | N/A | N/A | N/A | N/A | N/A |
| Incurred Prescription Drug Claims | N/A | N/A | N/A | N/A | N/A |
| Prescription Drug Rebates | N/A | N/A | N/A | N/A | N/A |
| EGWP Credits | N/A | N/A | N/A | N/A | N/A |
| Education Surcharge | N/A | N/A | N/A | N/A | N/A |
| Administrative Fees | N/A | N/A | N/A | N/A | N/A |
| Total Cost | N/A | N/A | N/A | N/A | N/A |
| Total Premium | N/A | N/A | N/A | N/A | N/A |
| Gain (Loss) | N/A | N/A | N/A | N/A | N/A |
| Medicare Retirees | | | | | |
| Average Medical Members | 24,090 | 54 | 115 | 183 | 16 |
| Incurred Medical Claims | \$65,843,000 | \$66,000 | \$355,000 | \$392,000 | \$24,000 |
| Capitation and Other Claim Based Fees | \$1,970,000 | \$0 | \$11,000 | \$16,000 | \$2,000 |
| Incurred Prescription Drug Claims | \$199,664,000 | \$438,000 | \$807,000 | \$1,454,000 | \$61,000 |
| Prescription Drug Rebates | (\$56,005,000) | (\$123,000) | (\$226,000) | (\$408,000) | (\$17,000) |
| EGWP Credits | (\$78,005,000) | (\$173,000) | (\$373,000) | (\$593,000) | (\$52,000) |
| Education Surcharge | N/A | N/A | N/A | N/A | N/A |
| Administrative Fees | \$9,294,000 | \$8,000 | \$46,000 | \$79,000 | \$6,000 |
| Total Cost | \$142,761,000 | \$216,000 | \$620,000 | \$940,000 | \$24,000 |
| Total Premium | \$146,310,000 | \$241,000 | \$562,000 | \$1,085,000 | \$101,000 |
| Gain (Loss) | \$3,549,000 | \$25,000 | (\$58,000) | \$145,000 | \$77,000 |

Some plans may show \$0 in certain cost categories. These plans may have costs which are under \$500 and are rounded to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

SEHBP Plan Year 2025 Mid-Year Experience Analysis
Exhibit 3B – Plan Year 2025 Aggregate Costs, page 1 of 2

| | NJEHP | | | GSHP | Legacy Plans | | | | | |
|--------------------------------------|------------------------|----------------------|------------------------|---------------------|----------------------|---------------------|----------------------|----------------------|---------------------|------------------|
| | Total | Aetna PPO | Horizon PPO | Aetna PPO | Aetna PPO10 | Aetna PPO15 | Horizon PPO10 | Horizon PPO15 | Aetna HMO | Horizon HMO |
| Employees and Retirees | | | | | | | | | | |
| Average Medical Members | 310,509 | 12,594 | 109,003 | 3,260 | 104,284 | 9,041 | 29,259 | 11,980 | 4,840 | 228 |
| Incurred Medical Claims | \$2,103,498,000 | \$140,035,000 | \$1,093,954,000 | \$21,596,000 | \$169,423,000 | \$12,031,000 | \$417,471,000 | \$160,432,000 | \$8,577,000 | \$750,000 |
| Capitation and Other Claim Based Fee | \$39,377,000 | \$5,000 | \$25,523,000 | \$0 | \$0 | \$0 | \$7,402,000 | \$3,042,000 | \$0 | \$39,000 |
| Incurred Prescription Drug Claims | \$1,914,662,000 | \$48,578,000 | \$358,557,000 | \$5,280,000 | \$973,226,000 | \$83,884,000 | \$114,049,000 | \$41,384,000 | \$45,968,000 | \$1,271,000 |
| Prescription Drug Rebates | (\$587,702,000) | (\$18,008,000) | (\$135,744,000) | (\$2,016,000) | (\$268,812,000) | (\$23,180,000) | (\$44,093,000) | (\$16,000,000) | (\$12,670,000) | (\$350,000) |
| EGWP Credits | (\$549,866,000) | N/A | N/A | N/A | (\$395,661,000) | (\$34,438,000) | N/A | N/A | (\$18,646,000) | (\$878,000) |
| Education Surcharge | (\$34,898,000) | (\$8,708,000) | (\$25,805,000) | (\$385,000) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Administrative Fees | \$59,866,000 | \$2,868,000 | \$22,608,000 | \$924,000 | \$15,445,000 | \$1,370,000 | \$4,505,000 | \$1,942,000 | \$710,000 | \$64,000 |
| Total Cost | \$2,944,937,000 | \$164,770,000 | \$1,339,093,000 | \$25,399,000 | \$493,621,000 | \$39,667,000 | \$499,334,000 | \$190,800,000 | \$23,939,000 | \$896,000 |
| Total Premium | \$2,737,814,000 | \$152,823,000 | \$1,216,423,000 | \$32,529,000 | \$514,708,000 | \$42,068,000 | \$420,506,000 | \$165,007,000 | \$24,989,000 | \$1,729,000 |
| Gain (Loss) | (\$207,123,000) | (\$11,947,000) | (\$122,670,000) | \$7,130,000 | \$21,087,000 | \$2,401,000 | (\$78,828,000) | (\$25,793,000) | \$1,050,000 | \$833,000 |
| Employees | | | | | | | | | | |
| Average Medical Members | 133,921 | 4,144 | 83,963 | 2,886 | 1,587 | 102 | 29,259 | 11,980 | N/A | N/A |
| Incurred Medical Claims | \$1,409,332,000 | \$34,904,000 | \$756,281,000 | \$17,643,000 | \$21,343,000 | \$1,258,000 | \$417,471,000 | \$160,432,000 | N/A | N/A |
| Capitation and Other Claim Based Fee | \$31,498,000 | \$2,000 | \$21,052,000 | \$0 | \$0 | \$0 | \$7,402,000 | \$3,042,000 | N/A | N/A |
| Incurred Prescription Drug Claims | \$386,263,000 | \$9,242,000 | \$211,954,000 | \$3,989,000 | \$5,107,000 | \$538,000 | \$114,049,000 | \$41,384,000 | N/A | N/A |
| Prescription Drug Rebates | (\$149,335,000) | (\$3,573,000) | (\$81,945,000) | (\$1,542,000) | (\$1,974,000) | (\$208,000) | (\$44,093,000) | (\$16,000,000) | N/A | N/A |
| EGWP Credits | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Education Surcharge | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Administrative Fees | \$25,485,000 | \$1,052,000 | \$16,846,000 | \$833,000 | \$290,000 | \$17,000 | \$4,505,000 | \$1,942,000 | N/A | N/A |
| Total Cost | \$1,703,243,000 | \$41,627,000 | \$924,188,000 | \$20,923,000 | \$24,766,000 | \$1,605,000 | \$499,334,000 | \$190,800,000 | N/A | N/A |
| Total Premium | \$1,547,759,000 | \$42,814,000 | \$866,994,000 | \$28,034,000 | \$23,017,000 | \$1,387,000 | \$420,506,000 | \$165,007,000 | N/A | N/A |
| Gain (Loss) | (\$155,484,000) | \$1,187,000 | (\$57,194,000) | \$7,111,000 | (\$1,749,000) | (\$218,000) | (\$78,828,000) | (\$25,793,000) | N/A | N/A |
| Early Retirees | | | | | | | | | | |
| Average Medical Members | 33,864 | 8,450 | 25,040 | 374 | N/A | N/A | N/A | N/A | N/A | N/A |
| Incurred Medical Claims | \$446,757,000 | \$105,131,000 | \$337,673,000 | \$3,953,000 | N/A | N/A | N/A | N/A | N/A | N/A |
| Capitation and Other Claim Based Fee | \$4,474,000 | \$3,000 | \$4,471,000 | \$0 | N/A | N/A | N/A | N/A | N/A | N/A |
| Incurred Prescription Drug Claims | \$187,230,000 | \$39,336,000 | \$146,603,000 | \$1,291,000 | N/A | N/A | N/A | N/A | N/A | N/A |
| Prescription Drug Rebates | (\$68,708,000) | (\$14,435,000) | (\$53,799,000) | (\$474,000) | N/A | N/A | N/A | N/A | N/A | N/A |
| EGWP Credits | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Education Surcharge | (\$34,898,000) | (\$8,708,000) | (\$25,805,000) | (\$385,000) | N/A | N/A | N/A | N/A | N/A | N/A |
| Administrative Fees | \$7,669,000 | \$1,816,000 | \$5,762,000 | \$91,000 | N/A | N/A | N/A | N/A | N/A | N/A |
| Total Cost | \$542,524,000 | \$123,143,000 | \$414,905,000 | \$4,476,000 | N/A | N/A | N/A | N/A | N/A | N/A |
| Total Premium | \$463,933,000 | \$110,009,000 | \$349,429,000 | \$4,495,000 | N/A | N/A | N/A | N/A | N/A | N/A |
| Gain (Loss) | (\$78,591,000) | (\$13,134,000) | (\$65,476,000) | \$19,000 | N/A | N/A | N/A | N/A | N/A | N/A |
| Medicare Retirees | | | | | | | | | | |
| Average Medical Members | 142,724 | N/A | N/A | N/A | 102,697 | 8,939 | N/A | N/A | 4,840 | 228 |
| Incurred Medical Claims | \$247,409,000 | N/A | N/A | N/A | \$148,080,000 | \$10,773,000 | N/A | N/A | \$8,577,000 | \$750,000 |
| Capitation and Other Claim Based Fee | \$3,405,000 | N/A | N/A | N/A | \$0 | \$0 | N/A | N/A | \$0 | \$39,000 |
| Incurred Prescription Drug Claims | \$1,341,169,000 | N/A | N/A | N/A | \$968,119,000 | \$83,346,000 | N/A | N/A | \$45,968,000 | \$1,271,000 |
| Prescription Drug Rebates | (\$369,659,000) | N/A | N/A | N/A | (\$266,838,000) | (\$22,972,000) | N/A | N/A | (\$12,670,000) | (\$350,000) |
| EGWP Credits | (\$549,866,000) | N/A | N/A | N/A | (\$395,661,000) | (\$34,438,000) | N/A | N/A | (\$18,646,000) | (\$878,000) |
| Education Surcharge | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Administrative Fees | \$26,712,000 | N/A | N/A | N/A | \$15,155,000 | \$1,353,000 | N/A | N/A | \$710,000 | \$64,000 |
| Total Cost | \$699,170,000 | N/A | N/A | N/A | \$468,855,000 | \$38,062,000 | N/A | N/A | \$23,939,000 | \$896,000 |
| Total Premium | \$726,122,000 | N/A | N/A | N/A | \$491,691,000 | \$40,681,000 | N/A | N/A | \$24,989,000 | \$1,729,000 |
| Gain (Loss) | \$26,952,000 | N/A | N/A | N/A | \$22,836,000 | \$2,619,000 | N/A | N/A | \$1,050,000 | \$833,000 |

Some plans may show \$0 in certain cost categories. These plans may have costs which are under \$500 and are rounded to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

SEHBP Plan Year 2025 Mid-Year Experience Analysis
Exhibit 3B – Plan Year 2025 Aggregate Costs, page 2 of 2

| | 1525 | | | 2030 | |
|---------------------------------------|----------------|-------------|-------------|-------------|-------------|
| | Horizon PPO | Aetna HMO | Horizon HMO | Horizon PPO | Horizon HMO |
| Employees and Retirees | | | | | |
| Average Medical Members | 25,615 | 58 | 122 | 205 | 20 |
| Incurred Medical Claims | \$78,121,000 | \$78,000 | \$456,000 | \$500,000 | \$74,000 |
| Capitation and Other Claim Based Fees | \$3,314,000 | \$0 | \$19,000 | \$29,000 | \$4,000 |
| Incurred Prescription Drug Claims | \$239,329,000 | \$457,000 | \$842,000 | \$1,627,000 | \$210,000 |
| Prescription Drug Rebates | (\$65,965,000) | (\$126,000) | (\$232,000) | (\$448,000) | (\$58,000) |
| EGWP Credits | (\$98,688,000) | (\$222,000) | (\$468,000) | (\$789,000) | (\$76,000) |
| Education Surcharge | \$0 | \$0 | \$0 | \$0 | \$0 |
| Administrative Fees | \$9,298,000 | \$9,000 | \$34,000 | \$83,000 | \$6,000 |
| Total Cost | \$165,409,000 | \$196,000 | \$651,000 | \$1,002,000 | \$160,000 |
| Total Premium | \$164,711,000 | \$273,000 | \$633,000 | \$1,284,000 | \$131,000 |
| Gain (Loss) | (\$698,000) | \$77,000 | (\$18,000) | \$282,000 | (\$29,000) |
| Employees | | | | | |
| Average Medical Members | N/A | N/A | N/A | N/A | N/A |
| Incurred Medical Claims | N/A | N/A | N/A | N/A | N/A |
| Capitation and Other Claim Based Fees | N/A | N/A | N/A | N/A | N/A |
| Incurred Prescription Drug Claims | N/A | N/A | N/A | N/A | N/A |
| Prescription Drug Rebates | N/A | N/A | N/A | N/A | N/A |
| EGWP Credits | N/A | N/A | N/A | N/A | N/A |
| Education Surcharge | N/A | N/A | N/A | N/A | N/A |
| Administrative Fees | N/A | N/A | N/A | N/A | N/A |
| Total Cost | N/A | N/A | N/A | N/A | N/A |
| Total Premium | N/A | N/A | N/A | N/A | N/A |
| Gain (Loss) | N/A | N/A | N/A | N/A | N/A |
| Early Retirees | | | | | |
| Average Medical Members | N/A | N/A | N/A | N/A | N/A |
| Incurred Medical Claims | N/A | N/A | N/A | N/A | N/A |
| Capitation and Other Claim Based Fees | N/A | N/A | N/A | N/A | N/A |
| Incurred Prescription Drug Claims | N/A | N/A | N/A | N/A | N/A |
| Prescription Drug Rebates | N/A | N/A | N/A | N/A | N/A |
| EGWP Credits | N/A | N/A | N/A | N/A | N/A |
| Education Surcharge | N/A | N/A | N/A | N/A | N/A |
| Administrative Fees | N/A | N/A | N/A | N/A | N/A |
| Total Cost | N/A | N/A | N/A | N/A | N/A |
| Total Premium | N/A | N/A | N/A | N/A | N/A |
| Gain (Loss) | N/A | N/A | N/A | N/A | N/A |
| Medicare Retirees | | | | | |
| Average Medical Members | 25,615 | 58 | 122 | 205 | 20 |
| Incurred Medical Claims | \$78,121,000 | \$78,000 | \$456,000 | \$500,000 | \$74,000 |
| Capitation and Other Claim Based Fees | \$3,314,000 | \$0 | \$19,000 | \$29,000 | \$4,000 |
| Incurred Prescription Drug Claims | \$239,329,000 | \$457,000 | \$842,000 | \$1,627,000 | \$210,000 |
| Prescription Drug Rebates | (\$65,965,000) | (\$126,000) | (\$232,000) | (\$448,000) | (\$58,000) |
| EGWP Credits | (\$98,688,000) | (\$222,000) | (\$468,000) | (\$789,000) | (\$76,000) |
| Education Surcharge | N/A | N/A | N/A | N/A | N/A |
| Administrative Fees | \$9,298,000 | \$9,000 | \$34,000 | \$83,000 | \$6,000 |
| Total Cost | \$165,409,000 | \$196,000 | \$651,000 | \$1,002,000 | \$160,000 |
| Total Premium | \$164,711,000 | \$273,000 | \$633,000 | \$1,284,000 | \$131,000 |
| Gain (Loss) | (\$698,000) | \$77,000 | (\$18,000) | \$282,000 | (\$29,000) |

Some plans may show \$0 in certain cost categories. These plans may have costs which are under \$500 and are rounded to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

**SEHBP Plan Year 2025 Mid-Year Experience Analysis
Exhibit 3C – Plan Year 2026 Aggregate Costs, Page 1 of 2**

| | NJEHP | | GSHP | | Legacy Plans | | | | | |
|--------------------------------------|-----------------|----------------|-----------------|---------------|-----------------|----------------|----------------|---------------|----------------|---------------|
| | Total | Aetna PPO | Horizon PPO | Aetna PPO | Aetna PPO10 | Aetna PPO15 | Horizon PPO10 | Horizon PPO15 | Aetna HMO | Horizon HMO |
| Employees and Retirees | | | | | | | | | | |
| Average Medical Members | 293,677 | 14,095 | 111,746 | 3,164 | 105,714 | 8,897 | 13,255 | 5,283 | 4,655 | 224 |
| Incurred Medical Claims | \$2,172,592,000 | \$172,780,000 | \$1,281,020,000 | \$27,456,000 | \$265,099,000 | \$18,245,000 | \$224,449,000 | \$85,088,000 | \$11,648,000 | \$781,000 |
| Capitation and Other Claim Based Fee | \$40,055,000 | \$0 | \$30,582,000 | \$0 | \$0 | \$0 | \$4,150,000 | \$1,636,000 | \$0 | \$41,000 |
| Incurred Prescription Drug Claims | \$2,023,857,000 | \$63,222,000 | \$445,438,000 | \$9,853,000 | \$1,021,683,000 | \$86,073,000 | \$71,035,000 | \$21,077,000 | \$45,983,000 | \$1,299,000 |
| Prescription Drug Rebates | (\$461,917,000) | (\$21,811,000) | (\$157,082,000) | (\$3,498,000) | (\$178,595,000) | (\$14,982,000) | (\$25,559,000) | (\$7,584,000) | (\$7,949,000) | (\$225,000) |
| EGWP Credits | (\$675,321,000) | \$0 | \$0 | \$0 | (\$485,426,000) | (\$41,512,000) | N/A | N/A | (\$21,912,000) | (\$1,054,000) |
| Education Surcharge | (\$39,758,000) | (\$10,602,000) | (\$28,729,000) | (\$427,000) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Administrative Fees | \$53,830,000 | \$2,454,000 | \$20,954,000 | \$837,000 | \$15,010,000 | \$1,299,000 | \$1,945,000 | \$769,000 | \$660,000 | \$88,000 |
| Total Cost | \$3,113,338,000 | \$206,043,000 | \$1,592,183,000 | \$34,221,000 | \$637,771,000 | \$49,123,000 | \$276,020,000 | \$100,986,000 | \$28,430,000 | \$930,000 |
| Total Premium | \$3,178,482,000 | \$221,407,000 | \$1,608,747,000 | \$41,349,000 | \$666,681,000 | \$51,895,000 | \$269,432,000 | \$99,357,000 | \$29,506,000 | \$1,864,000 |
| Gain (Loss) | \$65,144,000 | \$15,364,000 | \$16,564,000 | \$7,128,000 | \$28,910,000 | \$2,772,000 | (\$6,588,000) | (\$1,629,000) | \$1,076,000 | \$934,000 |
| Employees | | | | | | | | | | |
| Average Medical Members | 116,524 | 5,112 | 87,406 | 2,802 | 2,588 | 78 | 13,255 | 5,283 | N/A | N/A |
| Incurred Medical Claims | \$1,346,681,000 | \$50,401,000 | \$921,612,000 | \$22,845,000 | \$41,109,000 | \$1,177,000 | \$224,449,000 | \$85,088,000 | N/A | N/A |
| Capitation and Other Claim Based Fee | \$31,472,000 | \$0 | \$25,686,000 | \$0 | \$0 | \$0 | \$4,150,000 | \$1,636,000 | N/A | N/A |
| Incurred Prescription Drug Claims | \$403,675,000 | \$14,296,000 | \$278,711,000 | \$7,374,000 | \$10,629,000 | \$553,000 | \$71,035,000 | \$21,077,000 | N/A | N/A |
| Prescription Drug Rebates | (\$145,247,000) | (\$5,144,000) | (\$100,284,000) | (\$2,653,000) | (\$3,824,000) | (\$199,000) | (\$25,559,000) | (\$7,584,000) | N/A | N/A |
| EGWP Credits | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Education Surcharge | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Administrative Fees | \$20,501,000 | \$1,038,000 | \$15,664,000 | \$755,000 | \$322,000 | \$8,000 | \$1,945,000 | \$769,000 | N/A | N/A |
| Total Cost | \$1,657,082,000 | \$60,591,000 | \$1,141,389,000 | \$28,321,000 | \$48,236,000 | \$1,539,000 | \$276,020,000 | \$100,986,000 | N/A | N/A |
| Total Premium | \$1,697,207,000 | \$68,693,000 | \$1,170,176,000 | \$35,735,000 | \$52,366,000 | \$1,448,000 | \$269,432,000 | \$99,357,000 | N/A | N/A |
| Gain (Loss) | \$40,125,000 | \$8,102,000 | \$28,787,000 | \$7,414,000 | \$4,130,000 | (\$91,000) | (\$6,588,000) | (\$1,629,000) | N/A | N/A |
| Early Retirees | | | | | | | | | | |
| Average Medical Members | 33,685 | 8,983 | 24,340 | 362 | N/A | N/A | N/A | N/A | N/A | N/A |
| Incurred Medical Claims | \$486,398,000 | \$122,379,000 | \$359,408,000 | \$4,611,000 | N/A | N/A | N/A | N/A | N/A | N/A |
| Capitation and Other Claim Based Fee | \$4,896,000 | \$0 | \$4,896,000 | \$0 | N/A | N/A | N/A | N/A | N/A | N/A |
| Incurred Prescription Drug Claims | \$218,132,000 | \$48,926,000 | \$166,727,000 | \$2,479,000 | N/A | N/A | N/A | N/A | N/A | N/A |
| Prescription Drug Rebates | (\$74,310,000) | (\$16,667,000) | (\$56,798,000) | (\$845,000) | N/A | N/A | N/A | N/A | N/A | N/A |
| EGWP Credits | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Education Surcharge | (\$39,758,000) | (\$10,602,000) | (\$28,729,000) | (\$427,000) | N/A | N/A | N/A | N/A | N/A | N/A |
| Administrative Fees | \$6,788,000 | \$1,416,000 | \$5,290,000 | \$82,000 | N/A | N/A | N/A | N/A | N/A | N/A |
| Total Cost | \$602,146,000 | \$145,452,000 | \$450,794,000 | \$5,900,000 | N/A | N/A | N/A | N/A | N/A | N/A |
| Total Premium | \$596,899,000 | \$152,714,000 | \$438,571,000 | \$5,614,000 | N/A | N/A | N/A | N/A | N/A | N/A |
| Gain (Loss) | (\$5,247,000) | \$7,262,000 | (\$12,223,000) | (\$286,000) | N/A | N/A | N/A | N/A | N/A | N/A |
| Medicare Retirees | | | | | | | | | | |
| Average Medical Members | 143,468 | N/A | N/A | N/A | 103,126 | 8,819 | N/A | N/A | 4,655 | 224 |
| Incurred Medical Claims | \$339,513,000 | N/A | N/A | N/A | \$223,990,000 | \$17,068,000 | N/A | N/A | \$11,648,000 | \$781,000 |
| Capitation and Other Claim Based Fee | \$3,687,000 | N/A | N/A | N/A | \$0 | \$0 | N/A | N/A | \$0 | \$41,000 |
| Incurred Prescription Drug Claims | \$1,402,050,000 | N/A | N/A | N/A | \$1,011,054,000 | \$85,520,000 | N/A | N/A | \$45,983,000 | \$1,299,000 |
| Prescription Drug Rebates | (\$242,360,000) | N/A | N/A | N/A | (\$174,771,000) | (\$14,783,000) | N/A | N/A | (\$7,949,000) | (\$225,000) |
| EGWP Credits | (\$675,321,000) | N/A | N/A | N/A | (\$485,426,000) | (\$41,512,000) | N/A | N/A | (\$21,912,000) | (\$1,054,000) |
| Education Surcharge | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Administrative Fees | \$26,541,000 | N/A | N/A | N/A | \$14,688,000 | \$1,291,000 | N/A | N/A | \$660,000 | \$88,000 |
| Total Cost | \$854,110,000 | N/A | N/A | N/A | \$589,535,000 | \$47,584,000 | N/A | N/A | \$28,430,000 | \$930,000 |
| Total Premium | \$884,376,000 | N/A | N/A | N/A | \$614,315,000 | \$50,447,000 | N/A | N/A | \$29,506,000 | \$1,864,000 |
| Gain (Loss) | \$30,266,000 | N/A | N/A | N/A | \$24,780,000 | \$2,863,000 | N/A | N/A | \$1,076,000 | \$934,000 |

Some plans may show \$0 in certain cost categories. These plans may have costs which are under \$500 and are rounded to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

SEHBP Plan Year 2025 Mid-Year Experience Analysis
Exhibit 3C – Plan Year 2026 Aggregate Costs, page 2 of 2

| | 1525 | | | 2030 | |
|---------------------------------------|----------------------|------------------|------------------|--------------------|-------------------|
| | Horizon PPO | Aetna HMO | Horizon HMO | Horizon PPO | Horizon HMO |
| Employees and Retirees | | | | | |
| Average Medical Members | 26,209 | 60 | 124 | 229 | 22 |
| Incurred Medical Claims | \$84,729,000 | \$125,000 | \$493,000 | \$592,000 | \$87,000 |
| Capitation and Other Claim Based Fees | \$3,588,000 | \$0 | \$20,000 | \$34,000 | \$4,000 |
| Incurred Prescription Drug Claims | \$254,673,000 | \$495,000 | \$893,000 | \$1,891,000 | \$242,000 |
| Prescription Drug Rebates | (\$44,023,000) | (\$86,000) | (\$154,000) | (\$327,000) | (\$42,000) |
| EGWP Credits | (\$123,369,000) | (\$282,000) | (\$584,000) | (\$1,078,000) | (\$104,000) |
| Education Surcharge | \$0 | \$0 | \$0 | \$0 | \$0 |
| Administrative Fees | \$9,654,000 | \$9,000 | \$49,000 | \$94,000 | \$8,000 |
| Total Cost | \$185,252,000 | \$261,000 | \$717,000 | \$1,206,000 | \$195,000 |
| Total Premium | \$185,420,000 | \$355,000 | \$728,000 | \$1,581,000 | \$160,000 |
| Gain (Loss) | \$168,000 | \$94,000 | \$11,000 | \$375,000 | (\$35,000) |
| Employees | | | | | |
| Average Medical Members | N/A | N/A | N/A | N/A | N/A |
| Incurred Medical Claims | N/A | N/A | N/A | N/A | N/A |
| Capitation and Other Claim Based Fees | N/A | N/A | N/A | N/A | N/A |
| Incurred Prescription Drug Claims | N/A | N/A | N/A | N/A | N/A |
| Prescription Drug Rebates | N/A | N/A | N/A | N/A | N/A |
| EGWP Credits | N/A | N/A | N/A | N/A | N/A |
| Education Surcharge | N/A | N/A | N/A | N/A | N/A |
| Administrative Fees | N/A | N/A | N/A | N/A | N/A |
| Total Cost | N/A | N/A | N/A | N/A | N/A |
| Total Premium | N/A | N/A | N/A | N/A | N/A |
| Gain (Loss) | N/A | N/A | N/A | N/A | N/A |
| Early Retirees | | | | | |
| Average Medical Members | N/A | N/A | N/A | N/A | N/A |
| Incurred Medical Claims | N/A | N/A | N/A | N/A | N/A |
| Capitation and Other Claim Based Fees | N/A | N/A | N/A | N/A | N/A |
| Incurred Prescription Drug Claims | N/A | N/A | N/A | N/A | N/A |
| Prescription Drug Rebates | N/A | N/A | N/A | N/A | N/A |
| EGWP Credits | N/A | N/A | N/A | N/A | N/A |
| Education Surcharge | N/A | N/A | N/A | N/A | N/A |
| Administrative Fees | N/A | N/A | N/A | N/A | N/A |
| Total Cost | N/A | N/A | N/A | N/A | N/A |
| Total Premium | N/A | N/A | N/A | N/A | N/A |
| Gain (Loss) | N/A | N/A | N/A | N/A | N/A |
| Medicare Retirees | | | | | |
| Average Medical Members | 26,209 | 60 | 124 | 229 | 22 |
| Incurred Medical Claims | \$84,729,000 | \$125,000 | \$493,000 | \$592,000 | \$87,000 |
| Capitation and Other Claim Based Fees | \$3,588,000 | \$0 | \$20,000 | \$34,000 | \$4,000 |
| Incurred Prescription Drug Claims | \$254,673,000 | \$495,000 | \$893,000 | \$1,891,000 | \$242,000 |
| Prescription Drug Rebates | (\$44,023,000) | (\$86,000) | (\$154,000) | (\$327,000) | (\$42,000) |
| EGWP Credits | (\$123,369,000) | (\$282,000) | (\$584,000) | (\$1,078,000) | (\$104,000) |
| Education Surcharge | N/A | N/A | N/A | N/A | N/A |
| Administrative Fees | \$9,654,000 | \$9,000 | \$49,000 | \$94,000 | \$8,000 |
| Total Cost | \$185,252,000 | \$261,000 | \$717,000 | \$1,206,000 | \$195,000 |
| Total Premium | \$185,420,000 | \$355,000 | \$728,000 | \$1,581,000 | \$160,000 |
| Gain (Loss) | \$168,000 | \$94,000 | \$11,000 | \$375,000 | (\$35,000) |

Some plans may show \$0 in certain cost categories. These plans may have costs which are under \$500 and are rounded to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

About Aon

[Aon plc](#) (NYSE: AON) exists to shape decisions for the better —to protect and enrich the lives of people around the world. Through actionable analytic insight, globally integrated Risk Capital and Human Capital expertise and locally relevant solutions, our colleagues in over 120 countries and sovereignties provide our clients with the clarity and confidence to make better risk and people decisions that help protect and grow their businesses.

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