



State of New Jersey  
State Health Benefits Program  
Local Government Employer Group  
Mid-Year Experience Analysis  
For Plan Year 2025

As Presented on March 30, 2026

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# Local Government Employer Group

## *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 Government Active Employees and Retirees by the New Jersey State Health Benefits Program (SHBP). 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 Government Employee Group, as approved on September 3, 2025.

Key observations from this analysis include:

- Significant premium increases were implemented for 2026 reflecting adverse 2024 claims experience and a 15.4% margin intended to produce sufficient surplus funds to repay the \$200 million owed under Ch 86 and improve CSR funding by \$140M. However, incorporating the updated experience and enrollment in this analysis has reduced the originally projected \$340 million gain to now just \$202 million in Plan Year 2026. While significant headcount reductions have resulted in a \$490 million reduction in projected plan costs compared to the prior analysis, it has simultaneously resulted in a \$628 million reduction in projected collected premium, driving the \$138M decrease in the aforementioned gain. These changes will not allow the Local Government plan to achieve the target CSR levels expected with the approved rate increases for Plan Year 2026. Current projections estimate only a \$2 million improvement to CSR funding after the Ch 86 repayment is made. As such, the CSR is again projected to be more than \$200 million in the negative at the end of 2026.
- The projected losses and reduced CSR projections are driven by two key factors:
  - Local Government employers have continued to elect to leave the plan in favor of more affordable coverage they can attain for their specific population in the competitive private market. Active and Retiree plan membership decreased 7% in 2025 and another 21% as of January 2026. The employers leaving the SHBP are motivated by lower achievable open market rates because their populations can be shown to be less costly than the SHBP on average. Thus, as more less-costly groups leave, the average cost of the population for those who remain is driven up as the

remaining population has a higher proportion of higher-cost groups. This is apparent in recent reported claims drivers such as the very high inpatient hospital cost trends discussed later in this report.

- There has also been a high level of member migration to lower premium plans, such as the HDHigh and Tiered Network plans, which reduces the total revenue from premiums the SHBP takes in. While claims cost may be somewhat reduced in these lower value, but still rich plans, the premium reductions will be greater than these claim cost reductions if the newly migrating employees are higher cost than low utilizers who have elected those lower value plans in the past.
- Finally, medical and prescription drug trends continue to be high, driven by 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.

The Mid-Year experience of the State Employer Group, the School Employees' Health Benefits Program, and the Dental Plans is addressed in separate analyses.

## Financial Results

### Plan Year 2026

The 2026 premium rates were originally set 15.4% higher than the projected medical and prescription drug costs for Actives and Retirees. This included a 6.0% margin to help build the CSR balance, along with an additional amount to repay a \$200 million transfer that was authorized under Chapter 86.

The experience of Local Government Active Employees continues to be significantly impacted by employers leaving the SHBP. For Plan Year 2026, aggregate gross costs are projected to be 23.8% lower than the Plan Year 2026 Rate Setting Analysis, driven by a 23.7% reduction in participating membership. Total costs per member are projected to be 0.1% lower compared to the Plan Year 2026 Rate Setting Analysis, driven by lower-than-expected claim trends and migration into lower cost plans offset by an increase in the anti-selection assumption. However, per member premium rates are 5.1% lower than expected because of the enrollment changes and migration. This difference has led to a deterioration of the margin that was reflected in the Plan Year 2026 rate setting analysis, and premiums are now projected to be 9.7% higher than projected costs compared to 15.4% in the prior analysis.

For Local Government Retirees, membership has decreased 17.8% driving a 19.1% reduction in total gross plan costs. Overall Retiree experience has been favorable, and projected costs are estimated to be 16.0% higher than premiums compared to 15.4% in the Plan Year 2026 Rate Setting Analysis.

With these changes, total Active and Retiree premium rates are projected to be 11.8% higher than projected costs, producing a total gain of \$202 million. \$200 million is assumed to be owed for repayment under Ch. 86. The additional \$2 million is assumed to be used to fund the Claims Stabilization Reserve (CSR). The Plan Year 2026 Rate Setting Analysis projected premium rates 15.4% higher than projected costs and a total gain of \$339.9 million. As a result, the projected CSR accrued balance as of 12/31/2026 has dropped from -\$48M in the Plan Year 2026 Rate Setting Analysis to -\$209M, equivalent to -1.5 months of plan costs (-0.5 months for Actives and -3.4 months for Retirees).

#### 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 4.7% from the results shown in the Plan Year 2026 Rate Setting Analysis, driven by a 3.5% decrease in membership.

#### Plan Year 2024

The updated data used in this Mid-Year Analysis impacted projected Plan Year 2024 costs by including additional actual 2024 run-out claim data. Total projected aggregate costs decreased 0.3% from the most recent projected costs provided in the Plan Year 2026 Rate Setting Analysis.

#### Claims Stabilization Reserve

The updated financial results have produced a total projected claims stabilization reserve as of December 31, 2026 less than the recommended level of 2.0 months of plan costs and a 1.2 month decline from the -0.3 months of total plan costs projected in the Plan Year 2026 Rate Setting Analysis. The claims stabilization reserve as of December 31, 2024 is estimated based on actual 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 and retiree plans, which reflect the 15.4% margin included in the final approved 2026 premiums, \$200 million of which is assumed to be used to pay back amounts owed under Ch. 86. The CSR balances below are intended to illustrate how the claims stabilization reserve may fluctuate due to gains and losses in the active and retiree plans. Actual balances as of December 31, 2025 and December 31, 2026 may differ.

**SHBP Local Government Employer Projected Active and Retiree Stabilization Reserve**  
(in \$ millions)

	Active	Retiree	Total
12/31/2024	\$39	(\$167)	(\$128)
12/31/2025	(\$26)	(\$185)	(\$211)
12/31/2026	(\$46)	(\$163)	(\$209)
Months of Plan Cost as of 12/31/2026	(0.5)	(3.4)	(1.5)

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 SHBP

The State of New Jersey operates the SHBP as a multiple-option program for participating Local Government Employees and Retirees. For purposes of this analysis, it is assumed that 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. The following medical plan options are assumed to be offered in Plan Year 2026:

Plan Type	Horizon	Aetna
Unity PPO	CWA Unity / NJDIRECT <sup>2</sup> 26 CWA Unity / 26 NJDIRECT <sup>1</sup>	CWA Unity Freedom / Freedom <sup>2</sup> 26 CWA Unity Freedom / 26 Freedom <sup>1</sup>
Unity 2019 PPO	CWA Unity 2019 / NJDIRECT 2019 <sup>2</sup>	CWA Unity Freedom 2019 / Freedom 2019 <sup>2</sup>
PPO10	NJDIRECT10 26 NJDIRECT10 <sup>1</sup>	Freedom 10 26 Freedom 10 <sup>1</sup>
PPO15	NJDIRECT15 26 NJDIRECT15 <sup>1</sup>	Freedom 15 26 Freedom 15 <sup>1</sup>
PPO1525	NJDIRECT1525 26 NJDIRECT1525 <sup>1</sup>	Freedom 1525 26 Freedom 1525 <sup>1</sup>
PPO2030	NJDIRECT2030 26 NJDIRECT 2030 <sup>1</sup>	Freedom 2030 26 Freedom 2030 <sup>1</sup>
PPO2035 (Active Only)	NJDIRECT2035 26 NJDIRECT 2035 <sup>1</sup>	Freedom 2035 26 Freedom 2035 <sup>1</sup>
HDLow	Horizon HDLow 26 Horizon HDLow <sup>1</sup>	Freedom HDLow 26 Freedom HDLow <sup>1</sup>
HDHigh	Horizon HDHigh 26 Horizon HDHigh <sup>1</sup>	Freedom HDHigh 26 Freedom HDHigh <sup>1</sup>
HMO10 (Retiree Only)	Horizon HMO10 26 Horizon HMO10 <sup>1</sup>	Aetna HMO10 26 Aetna HMO10 <sup>1</sup>
HMO15 (Active Only)	Horizon HMO15 26 Horizon HMO15 <sup>1</sup>	Aetna HMO15 26 Aetna HMO15 <sup>1</sup>
HMO1525 (Retiree Only)	Horizon HMO1525	Aetna HMO1525
HMO2030 (Retiree Only)	Horizon HMO2030	Aetna HMO2030
Tiered Network	Horizon OMNIA 26 Horizon OMNIA <sup>1</sup>	Aetna Liberty 26 Aetna Liberty <sup>1</sup>

<sup>1</sup> Plan options effective 7/1/2026

<sup>2</sup> Plan options only available to Retirees effective 7/1/2026. CWA Unity options are only offered to members from NJ Water Supply Authority and NJ Infrastructure Bank, who negotiate collective bargaining agreements with the Office of Employee Relations

- All Medicare Advantage PPO and HMO plan options for Medicare-eligible members in Plan Year 2025 will be administered by Aetna: PPO10, PPO15, HMO10 and HMO1525.
- 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.
- Active Employees and Retirees are also enrolled in a Prescription Drug Plan, which is administered by Optum. The prescription drug card benefit options 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.

### Plan Benefit and Other Changes

On September 24, 2025, the State Health Benefits Plan Design Committee (SHBP PDC) approved Resolutions 2025-9 through 2025-13 which included medical and prescription drug plan design changes. For Local Government Actives and Early Retirees, these plan design changes resulted in the creation of new plan options offered alongside the current plan options beginning July 1, 2026 through December 31, 2026. No adjustment has been made to projected Active and Retiree enrollment and costs as a result of these changes. Additionally, these changes do not impact Medicare Retirees.

- Resolution 2025-9: This resolution confirms that certain resolutions that previously were required to be reaffirmed each year no longer require annual reaffirming and are made permanent. This resolution has no impact on the updated Plan Year 2026 projected costs.
- Resolution 2025-10: This resolution outlines changes to medical plan deductibles, out-of-pocket maximums, in-network laboratory and imaging copays, and limits on out-of-network physical therapy limits. Impacts for these changes are based on Aon's Actuarial Value model. The impact of the proposed lab copay change has been excluded from this analysis.
- Resolution 2025-11: This resolution outlines changes to the prescription drug plan out-of-pocket maximums, copay changes that vary by drug tier (i.e., generic, preferred brand, non-preferred brand, and specialty), and requirements for maintenance medications to be filled through mail order. The impact of these changes, other than for non-diabetic GLP-1<sup>1</sup> copays discussed below, are based on Aon's Actuarial Value model. Note, only the mandatory mail change is assumed to apply to the HDLow, HDHigh, and Local Government Active MMRx coinsurance-based Rx plan designs.

The resolution also establishes a separate \$45 non-diabetic GLP-1 copay tier. The impact of the \$45 GLP-1 copay is estimated using information provided by Optum on November 24, 2025 and

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<sup>1</sup> Non-diabetic GLP-1s refer to glucagon-like peptide-1 (GLP-1) receptor agonists and dual GLP-1/glucose-dependent insulinotropic polypeptide (GIP) receptor agonists indicated for therapeutic use in conditions other than diabetes—primarily for chronic weight management and obesity-related comorbidities—and include, but are not limited to, Zepbound, Wegovy, and Saxenda.

January 7, 2026. The estimated impacts assume 20% of total prescription drug claims (net of rebates) are attributable to non-diabetic GLP-1 therapies. Note, it is assumed this change does not apply to the HDLow, HDHigh, and Local Government Active MMRx coinsurance-based Rx plan designs. For Local Government Actives and Local Government Early Retirees, the GLP-1 copay change is assumed to be applicable to the new plan options beginning July 1, 2026.

- The resolution requires the implementation of a separate lifestyle management program which creates a new dual tier non-diabetic GLP-1 copay. The impact of this program and dual tier non-diabetic GLP-1 copays have been excluded from this analysis due to uncertainty around timing of implementation and administration.
- Resolution 2025-12: This resolution requires that members pay 50% coinsurance when using an in-network or out-of-network hospital for a Covered Procedure that is also covered through an in-network outpatient Ambulatory Surgical Center (ASC), with certain exceptions. ASC impacts are based on 2024 ASC and non-ASC claims provided, which were used to measure the differential between ASC and non-ASC settings and to develop an expected impact. This estimate assumes that 50% of current non-ASC utilization is performed at an ASC. Estimated impacts are applied to 2026 claims and are assumed to apply to both Horizon and Aetna.
- Resolution 2025-13: This resolution establishes a Centers of Excellence (COE) pilot program. The impact of the COE has been excluded from this analysis due to uncertainty around the timing of contract award, implementation, and administration.
- Additional Fees: Additional vendor fees will be incurred related to changes outlined in resolutions 2025-10 and 2025-12, including implementation fees and ongoing administrative fees. The full implementation fee and half of the ongoing administrative fees are reflected in the new premium rates effective 7/1/2026-12/31/2026. For this analysis, these amounts have been allocated to the different groups based on enrollment distribution:
  - Local Government Actives = \$0.8M
  - Local Government Early Retirees = \$0.2M

## Enrollment Changes

Exhibit 1A shows historical enrollment patterns among the SHBP 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 provided by the State. Projected Plan Year 2026 enrollment is equal to January 2026 census data provided by the State. Based on the January 2026 census, Local Government Active Employee enrollment has decreased 20.5%, Local Government Early Retirees

have decreased by 18.6%, and Local Government Medicare Retirees have decreased 15.0% compared to Plan Year 2025 enrollment.

Exhibit 1B reflects the distribution of projected Plan Year 2026 enrollment among benefit options. Approximately 53% of Local Government Actives are assumed to be enrolled in the PPO10 plan and 12% of Local Government Actives are assumed to be enrolled in the PPO15 plan. The HMO10 plan is projected to be 2% of the total Active enrollment. Approximately 82% of Local Government Retirees are assumed to be enrolled in the PPO10 plan or the PPO15 plan.

Exhibit 1C shows the January 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%	18.00%	6.00%	3.00%
HMO/Tiered Network Actives	9.50%	23.00%	9.50%	19.00%
HMO/Tiered Network Early Retirees	9.50%	21.00%	9.50%	17.00%

\* Does not include anti-selection trend adjustments outlined below.

\*\*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.

The Medicare Retiree medical trend assumptions do not apply to the fully insured Medicare Advantage plans as these premium rates are provided by Aetna.

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

The Medicare Advantage rates in Plan Years 2025 and 2026 were provided by Aetna and 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 and Early Retiree medical and prescription drug trends will be increased by 200 basis points in Plan Year 2025, no change from the Rate Setting Analysis, and by 500 basis points in Plan Year 2026, an increase from the 375 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 and the methodology described in Section 5 (Cost Projection Methodology), the updated estimated costs for Plan Years 2024, 2025 and 2026 are shown below.

#### SHBP Local Government Employer Projected Financial Results

(in \$ millions)

	PPO 10	PPO 15	Legacy HMOs	Other Plans	Total
<b>Plan Year 2024</b>					
Premium Rates x Enrollment	\$1,129.7	\$295.5	\$46.8	\$257.3	\$1,729.3
Incurred Claims	\$1,173.9	\$300.8	\$46.3	\$235.6	\$1,756.6
Administrative Charges	\$26.0	\$7.1	\$1.4	\$8.2	\$42.7
Net Gain (Loss)	(\$70.2)	(\$12.4)	(\$0.9)	\$13.5	(\$70.0)
<b>Plan Year 2025</b>					
Premium Rates x Enrollment	\$1,186.1	\$274.9	\$42.5	\$339.8	\$1,843.3
Incurred Claims	\$1,203.7	\$269.5	\$39.2	\$326.7	\$1,839.1
Administrative Charges	\$24.2	\$5.8	\$1.1	\$9.7	\$40.8
Net Gain (Loss)	(\$41.8)	(\$0.4)	\$2.2	\$3.4	(\$36.6)
<b>Plan Year 2026</b>					
Premium Rates x Enrollment	\$1,177.6	\$251.3	\$46.5	\$436.8	\$1,912.2
Incurred Claims	\$1,026.7	\$211.4	\$36.4	\$400.6	\$1,675.1
Administrative Charges	\$19.0	\$4.3	\$1.0	\$10.7	\$35.0
Chapter 86 Repayment	\$123.2	\$26.3	\$4.9	\$45.7	\$200.0
Net Gain (Loss)	\$8.7	\$9.3	\$4.2	(\$20.2)	\$2.1

Notes:

- Other Plans include the 15/25 PPO, 15/25 HMO, 20/30 PPO, 20/30 HMO, 20/35 PPO, HD1500/HDLow, HD4000/HDHigh, Tiered Network, Unity PPO, and Unity 2019 PPO plan options.
- Plan Year 2024, 2025 and 2026 premium rates include margin of 3.0%, 3.0% and 15.4%, respectively.
- Incurred Claims includes medical claims, Rx claims, MA premiums, capitation, and Rx rebates.
- Totals may not add due to rounding.

Updated Plan Year 2024 cost decreased \$5.4 million from the Plan Year 2026 Rate Setting Analysis, but still result in a \$70 million loss. Plan Year 2025 cost has decreased approximately \$93.3 million from the projected cost shown in the 2026 Rate Setting Analysis, leaving a projected loss of \$36.6 million.

The Plan Year 2026 Active and Retiree total premiums are projected to decrease by 24.7% 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 22.3% lower. The combined overall projected net gain for Plan Year 2026 is \$202.1 million. The Plan Year 2026 Rate Setting Analysis showed a combined overall projected net gain of \$339.9 million, reflecting

the 15.4% margin added to pay back amounts owed under Ch. 86 and address the below-target Claims Stabilization Reserve balance.

The updated financial results have produced a total projected claim stabilization reserve at December 31, 2026 equivalent to -1.5 months of plan costs (-0.5 months for Actives and -3.4 months for Retirees). This is less than the recommended level of 2.0 months of plan costs. The Plan Year 2026 Rate Setting Analysis showed a projected claims stabilization reserve balance at December 31, 2026 equivalent to -0.3 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. 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 0.9% lower than expected. Based YTD September 2025 reporting provided by Horizon, which represents 97.0% of Active membership, medical claim experience was driven by the following:

- Medical claims for inpatient services increased 12%, driven by a 10% increase in the average cost per visit.
- Medical claims for outpatient services increased, with a total annual trend of 12%, including a 4% increase in the cost per visit and an 8% increase in utilization. Utilization increased across almost all outpatient service categories, including outpatient ambulatory (+6% utilization), Outpatient Surgery (+3% utilization), and Behavioral Health (+20% utilization).
- Professional visits increased 5% while average cost per visit increased 10%. Specialist Physician was the largest driver of professional increases.

Overall, the 2026 Medical claims are projected to be 1.4% lower than what was projected in the Plan Year 2026 Rate Setting Analysis, as favorable experience and migration to lower cost plans is partially offset by a higher anti-selection assumption.

### **Active Rx**

For Plan Year 2025, while drug trends remain high, actual and projected Active PMPM prescription drug claims experience was 0.8% lower than expected. Based on YTD September 2025 Optum reporting, Rx claim increases were driven by the following:

- Drugs for inflammatory conditions rank number one in terms of spend by disease state, and PMPM claims spend for inflammatory conditions increased 20.0% in 2025. The top drugs in this category were Dupixent, Skyrizi Pen, Humira Pen and Stelara

- PMPM Drug Spend for weight loss drugs (such as high cost GLP-1 medications) increased 87.1%.
- Among all medications, Wegovy, Zepbound, Mounjaro, and Ozempic, all GLP-1 Drugs, were the top four drugs by spend.
- Overall specialty drug claims PMPM increased 19.0%, which was driven by inflammatory conditions (noted above).

For plan year 2026, Rx claims net of rebates are 0.5% higher compared to the Plan Year 2026 rate setting analysis, as favorable experience and migration to lower cost plans is offset by lower projected rebates and a higher anti-selection assumption.

#### **Early Retiree Medical**

For Plan Year 2025, actual and projected Early Retiree PMPM medical claims experience was 0.5% higher than expected. Based on YTD September 2025 reporting provided by Horizon, which represents 85.8% of Early Retiree membership, medical claim experience was driven by the following:

- Inpatient medical claims increased 5%, driven by a 5% increase in the average cost per visit.
- Medical claims for outpatient services increased, with a total annual trend of 12%, including a 9% increase in the cost per visit and 3% increase in utilization. Outpatient Ambulatory utilization increased 9% and Outpatient Medical Pharmacy utilization increased 4%.
- Professional claims increased 22%, driven by a 25% increase in Specialist Physician services.

Overall, the 2026 Medical claims are projected to be 1.2% higher than what was projected in the Plan Year 2026 Rate Setting Analysis driven by a higher anti-selection assumption.

#### **Early Retiree Rx**

For Plan Year 2025, actual and projected Early Retiree PMPM prescription drug claims experience was 0.5% lower than expected. Based on YTD September 2025 data provided by Optum, Rx claim increases were driven by the following:

- Drugs for inflammatory conditions rank number one in terms of spend by disease state, and PMPM claims spend for inflammatory conditions increased 15.7% in 2025. The top drugs in this category were Dupixent, Humira Pen, and Rinvoq.



- PMPM Drug Spend for weight loss drugs (such as high cost GLP-1 medications) increased 105.8%.
- Among all drugs, Wegovy, Zepbound, Mounjaro, and Ozempic, all GLP-1 drugs, were the top 4 ranked drugs based on plan spend, respectively.
- Overall specialty drug claims PMPM increased 12.9%, which was driven by inflammatory conditions (noted above) and Oncology.

Plan Year 2026 Rx claims net of rebates are 4.8% higher compared to expected driven by lower projected rebates and a higher anti-selection assumptions.

#### **Medicare Retiree Medical**

88% 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 and projected Medicare Retiree PMPM prescription drug claims experience is 3.5% lower than what was projected in the Plan Year 2026 Rate setting analysis. Based on data provided by Optum, Rx claim increases were driven by the following:

- Drugs for diabetes rank number one in terms of spend by disease state, and PMPM claims spend increased 9.0% in 2025.
- Specialty drug claims PMPM increased 19.1% driven by increases in spend for oncology, inflammatory conditions, and cardiovascular drugs.

In addition to updated claims experience, projected 2026 EGWP credits provided by Optum are estimated to be 4.1% higher than expected, which is offset by lower than expected rebates. Overall, 2026 claims net of rebates and EGWP credits are projected to be 10.1% 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

### **Other Fees**

Additional medical vendor fees will be incurred related to changes outlined in resolutions 2025-10 and 2025-12, including implementation fees and ongoing administrative fees. The full implementation fee and half of the ongoing administrative fees are reflected in the new premium rates effective 7/1/2026-12/31/2026. For this analysis, these amounts are assumed to be:

- Local Government Actives = \$0.8M
- Local Government Early Retirees = \$0.2M

## Section 5: Cost Projection Methodology

### Rating Methodology

Exhibit 3 shows the aggregate projected costs for Plan Years 2024, 2025, and 2026, separately for each PPO, Tiered Network, HMO and High Deductible plan. Costs are also projected separately for Actives, Early Retirees and Medicare Retirees, and separately 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, Aon estimated completed and projected incurred claims through 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.
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 DPCMH 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 amounts 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 estimates 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 \$183.54 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 \$124.55 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 2026 credits are assumed to be \$116.78 PMPM.
  - d. Low Income Cost Sharing Payments: 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 \$0.30 PMPM.
11. Total SHBP 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.

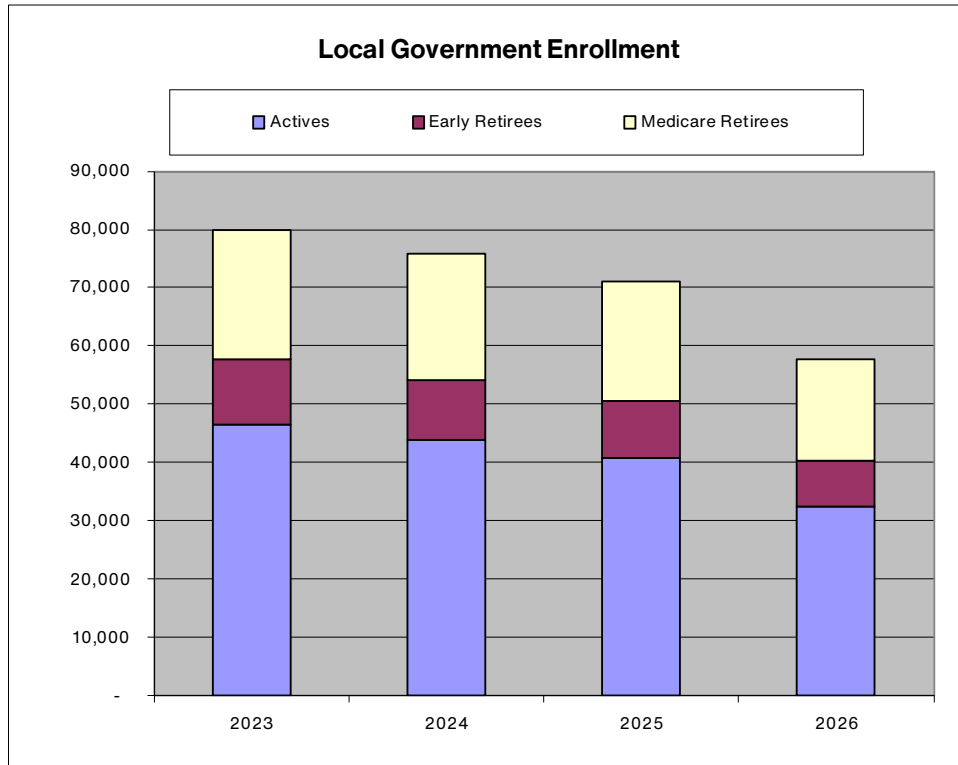
12. Due to small enrollment and claims data, projected claims for some plans are based on claims experience from larger plans adjusted for the expected relative plan cost differences. These include:
  - a. Local Government Actives:
    - The Tiered Network's projected costs are based a blend of actual claim experience (50% weight) and PPO15 claims adjusted for plan design differences (50%).
    - PPO2035 projected costs in Plan Year 2026 reflect 25% of actual medical and prescription drug claim experience blended with 75% of PPO15 claims experience adjusted for the difference in plan design.
    - The HDHigh, HDLow, Unity PPO, and Unity 2019 PPO plan options reflect 100% of PPO15 claims experience adjusted for the difference in plan design.
  - b. The Local Government Early Retirees plans reflect 100% of PPO15 claims experience adjusted for the difference in plan design: HDHigh, HDLow, Tiered Network, and Unity PPO plan options
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 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 \$7.1 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 \$3.5 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 25 Local Government employers (a total of 559 Employees) were eligible for this discount. The Plan Year 2025 costs have been adjusted to reflect the total number of Employees who will receive the 1% premium discount in Plan Year 2025. 1% of Employees are assumed 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

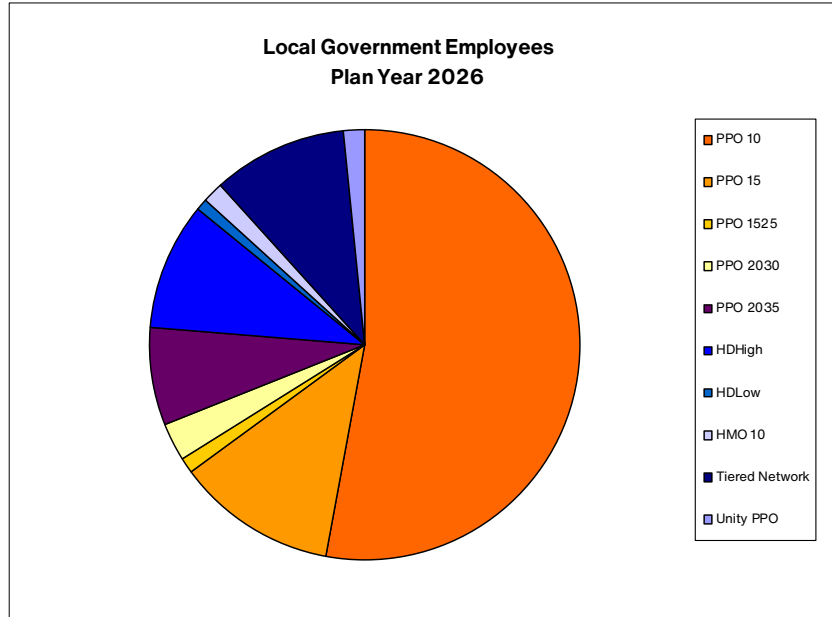
### SHBP Plan Year 2025 Mid-Year Experience Analysis Exhibit 1A – Enrollment Projections



**Annual Change in Enrollment**

	Actual <u>2023 to 2024</u>	Actual <u>2024 to 2025</u>	Assumed <u>2025 to 2026</u>
Actives	(5.7%)	(6.8%)	(20.5%)
Early Retirees	(6.5%)	(7.1%)	(18.6%)
Medicare Retirees	(3.2%)	(4.5%)	(15.0%)

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



Assumes approximately 54% of Employees will remain in the \$10 copay plans.

Assumes approximately 78% of Employees will enroll in the PPO plans, 2% in the HMO plans, 10% in the Tiered Network plans, and less than 1% in the High Deductible plans.

Assumes approximately 67% of Employees will enroll in the PPO 10, PPO 15, and HMO 10 plans and approximately 33% in the other benefit options.

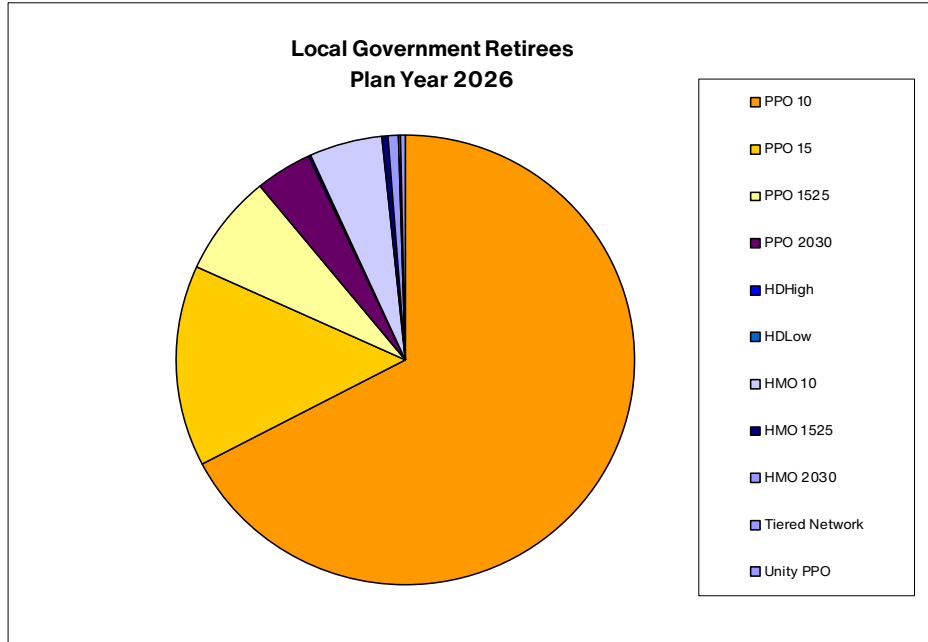
Actives	Horizon	Aetna	Total
PPO 10	51.6%	1.3%	52.9%
PPO 15	11.8%	0.2%	12.1%
PPO 1525	1.1%	0.1%	1.2%
PPO 2030	2.7%	0.1%	2.9%
PPO 2035	7.2%	0.1%	7.3%
HDHigh	9.2%	0.4%	9.6%
HDLow	0.8%	0.1%	0.9%
HMO 10	1.5%	0.1%	1.6%
Tiered Network	9.4%	0.8%	10.1%
Unity PPO	<u>1.5%</u>	<u>0.1%</u>	<u>1.6%</u>
<b>Total</b>	<b>96.8%</b>	<b>3.2%</b>	<b>100.0%</b>

\*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



## SHBP Plan Year 2025 Mid-Year Experience Analysis

### Exhibit 1B (Cont'd) – Retiree Enrollment Distribution



Assumes approximately 93% of Retirees will enroll in the PPO plans, 6% in the HMO plans, and less than 1% in the High Deductible plan.

Assumes approximately 87% of Retirees will enroll in the PPO 10, PPO15, and HMO 10 plans and approximately 13% in the other benefit options.

Retirees	Horizon	Aetna	Total
PPO 10	19.5%	47.9%	67.4%
PPO 15	4.2%	10.3%	14.5%
PPO 1525	7.2%	0.0%	7.3%
PPO 2030	3.8%	0.2%	4.0%
HDHigh	0.2%	0.0%	0.2%
HDLow	0.0%	0.0%	0.0%
HMO 10	1.2%	4.0%	5.1%
HMO 1525	0.2%	0.3%	0.4%
HMO 2030	0.6%	0.1%	0.7%
Tiered Network	0.1%	0.0%	0.1%
Unity PPO	<u>0.3%</u>	<u>0.1%</u>	<u>0.3%</u>
<b>Total</b>	<b>37.1%</b>	<b>62.9%</b>	<b>100.0%</b>

\*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

## SHBP 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
<b>LOCAL GOVERNMENT - ACTIVE &amp; COBRA</b>					
<b>Medical Plans</b>					
Horizon PPO10	7,091	2,609	4,868	2,212	16,780
Horizon PPO15	1,551	702	1,136	460	3,849
Horizon PPO1525	173	44	95	41	353
Horizon PPO2030	426	126	217	113	882
Horizon PPO2035	954	396	672	321	2,343
Horizon PPO HDHigh	1,072	418	1,173	334	2,997
Horizon PPO HDLow	93	36	122	16	267
Horizon Legacy HMO (10)	217	76	103	78	474
Horizon Tiered Network	1,421	393	913	312	3,039
Horizon Unity PPO	56	40	75	28	199
Horizon Unity 2019 PPO	178	40	47	27	292
<b>Horizon Total</b>	<b>13,232</b>	<b>4,880</b>	<b>9,421</b>	<b>3,942</b>	<b>31,475</b>
Aetna PPO10	182	44	136	59	421
Aetna PPO15	22	11	27	7	67
Aetna PPO1525	7	3	8	4	22
Aetna PPO2030	17	5	19	6	47
Aetna PPO2035	19	4	13	6	42
Aetna PPO HDHigh	39	5	60	13	117
Aetna PPO HDLow	6	2	5	2	15
Aetna Legacy HMO (10)	16	5	9	3	33
Aetna Tiered Network	138	19	62	28	247
Aetna Unity PPO	3	2	2	1	8
Aetna Unity 2019 PPO	9	1	4	3	17
<b>Aetna Total</b>	<b>458</b>	<b>101</b>	<b>345</b>	<b>132</b>	<b>1,036</b>
<b>Total</b>	<b>13,690</b>	<b>4,981</b>	<b>9,766</b>	<b>4,074</b>	<b>32,511</b>

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

**SHBP 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
<b>LOCAL GOVERNMENT RETIREES</b>					
<b>Medical Plans</b>					
Horizon PPO10	1,202	1,311	1,893	508	4,914
Horizon PPO15	293	260	397	99	1,049
Horizon PPO1525	848	760	170	52	1,830
Horizon PPO2030	178	381	344	60	963
Horizon PPO HDHigh	11	18	9	2	40
Horizon PPO HDLow	0	0	0	0	0
Horizon Legacy HMO (10)	107	95	70	20	292
Horizon 1525 HMO	19	13	9	4	45
Horizon 2030 HMO	35	46	60	15	156
OMNIA Health	15	6	9	1	31
Horizon Unity PPO	25	14	14	11	64
<b>Horizon Total</b>	<b>2,733</b>	<b>2,904</b>	<b>2,975</b>	<b>772</b>	<b>9,384</b>
MA PPO 10	6,347	5,103	449	206	12,105
MA PPO 15	1,338	1,139	92	36	2,605
Aetna PPO 1525	1	3	6	0	10
Aetna PPO 2030	4	7	32	2	45
Aetna PPO HDHigh	0	1	0	0	1
Aetna PPO HDLow	0	0	0	0	0
MA HMO (10)	580	374	33	18	1,005
MA 1525 HMO	19	35	7	1	62
Aetna 2030 HMO	3	4	19	1	27
Aetna Tiered Network	3	0	1	0	4
Aetna Unity PPO	1	17	2	2	22
<b>Aetna Total</b>	<b>8,296</b>	<b>6,683</b>	<b>641</b>	<b>266</b>	<b>15,886</b>
<b>Total</b>	<b>11,029</b>	<b>9,587</b>	<b>3,616</b>	<b>1,038</b>	<b>25,270</b>

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

## SHBP Plan Year 2025 Mid-Year Experience Analysis

### Exhibit 2A – Medical Claim and Capitation 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, 2024. 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
<b><u>PPO Active</u></b>			
12 months through 09/2024 vs 09/2023	10.2%	0.3%	9.9%
12 months through 09/2025 vs 09/2024	12.0%	0.5%	11.5%
Recommended 2026 Trend Assumption			<b>9.5%</b>
<b><u>PPO Early Retiree</u></b>			
12 months through 09/2024 vs 09/2023	9.6%	0.0%	9.6%
12 months through 09/2025 vs 09/2024	11.1%	0.0%	11.1%
Recommended 2026 Trend Assumption			<b>9.5%</b>
<b><u>HMO Active</u></b>			
12 months through 09/2024 vs 09/2023	9.7%	0.3%	9.4%
12 months through 09/2025 vs 09/2024	25.4%	0.6%	24.7%
Recommended 2026 Trend Assumption			<b>9.5%</b>
<b><u>HMO Early Retiree</u></b>			
12 months through 09/2024 vs 09/2023	18.4%	0.0%	18.4%
12 months through 09/2025 vs 09/2024	7.8%	0.0%	7.8%
Recommended 2026 Trend Assumption			<b>9.5%</b>

**Normalizing Adjustments**

4/1/2024: NJ State Mandate S2535

7/1/2024: NJ State Mandate A5235

## SHBP Plan Year 2025 Mid-Year Experience 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, 2024. 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
<b>Active Rx</b>			
12 months through 09/2024 vs 09/2023	20.5%	0.0%	20.5%
12 months through 09/2025 vs 09/2024	24.9%	0.0%	24.9%
Recommended 2026 Trend Assumption			<b>19.0%</b>

<b>Early Retiree Rx</b>			
12 months through 09/2024 vs 09/2023	22.9%	0.0%	22.9%
12 months through 09/2025 vs 09/2024	20.9%	0.0%	20.9%
Recommended 2026 Trend Assumption			<b>17.0%</b>

<b>EGWP Rx</b>			
12 months through 09/2024 vs 09/2023	16.7%	0.0%	16.7%
12 months through 09/2025 vs 09/2024	13.4%	0.0%	13.4%
Recommended 2026 Trend Assumption			<b>3.0%</b>

Normalizing Adjustments:

None

## SHBP Plan Year 2025 Mid-Year Experience Analysis

### Exhibit 3A – Plan Year 2024 Aggregate Costs, page 1 of 3

	Legacy Plans								1525			
	Total	Aetna PPO10	Aetna PPO15	Horizon PPO10	Horizon PPO15	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO	
<b>Employees and Retirees</b>												
Average Medical Members	162,672	23,093	4,895	80,611	22,741	1,709	3,072	53	5,654	108	111	
Incurred Medical Claims	\$1,402,275,000	\$56,531,000	\$11,816,000	\$881,918,000	\$230,417,000	\$5,464,000	\$28,261,000	\$429,000	\$34,907,000	\$330,000	\$1,028,000	
Capitation and Other Claim Based Fees	\$23,963,000	\$87,000	\$15,000	\$14,354,000	\$4,084,000	\$9,000	\$627,000	\$4,000	\$1,055,000	\$1,000	\$20,000	
Incurred Prescription Drug Claims	\$670,194,000	\$192,713,000	\$42,139,000	\$259,373,000	\$66,081,000	\$15,887,000	\$10,424,000	\$174,000	\$30,219,000	\$546,000	\$409,000	
Prescription Drug Rebates	(\$234,820,000)	(\$57,481,000)	(\$12,519,000)	(\$100,720,000)	(\$25,612,000)	(\$4,709,000)	(\$3,994,000)	(\$68,000)	(\$9,495,000)	(\$168,000)	(\$148,000)	
EGWP Credits	(\$105,010,000)	(\$72,885,000)	(\$15,558,000)	N/A	N/A	(\$5,417,000)	(\$306,000)	\$0	(\$8,725,000)	(\$302,000)	(\$108,000)	
Administrative Fees	\$42,745,000	\$3,893,000	\$820,000	\$22,092,000	\$6,303,000	\$304,000	\$1,075,000	\$11,000	\$1,926,000	\$18,000	\$34,000	
<b>Total Cost</b>	<b>\$1,799,347,000</b>	<b>\$122,858,000</b>	<b>\$26,713,000</b>	<b>\$1,077,017,000</b>	<b>\$281,273,000</b>	<b>\$11,538,000</b>	<b>\$36,087,000</b>	<b>\$550,000</b>	<b>\$49,887,000</b>	<b>\$425,000</b>	<b>\$1,235,000</b>	
Total Premium	\$1,729,338,000	\$133,709,000	\$26,960,000	\$995,946,000	\$268,589,000	\$10,757,000	\$36,006,000	\$536,000	\$51,534,000	\$654,000	\$1,046,000	
Gain (Loss)	(\$70,009,000)	\$10,851,000	\$247,000	(\$81,071,000)	(\$12,684,000)	(\$781,000)	(\$81,000)	(\$14,000)	\$1,647,000	\$229,000	(\$189,000)	
<b>Employees</b>												
Average Medical Members	102,840	725	133	62,596	18,452	52	2,045	39	2,182	N/A	N/A	
Incurred Medical Claims	\$1,008,719,000	\$4,840,000	\$1,093,000	\$668,533,000	\$180,798,000	\$1,468,000	\$17,185,000	\$372,000	\$17,382,000	N/A	N/A	
Capitation and Other Claim Based Fees	\$18,830,000	\$60,000	\$10,000	\$11,475,000	\$3,393,000	\$5,000	\$425,000	\$3,000	\$403,000	N/A	N/A	
Incurred Prescription Drug Claims	\$278,757,000	\$2,107,000	\$192,000	\$180,154,000	\$49,718,000	\$136,000	\$5,554,000	\$84,000	\$3,648,000	N/A	N/A	
Prescription Drug Rebates	(\$107,186,000)	(\$810,000)	(\$74,000)	(\$69,273,000)	(\$19,117,000)	(\$52,000)	(\$2,136,000)	(\$32,000)	(\$1,403,000)	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	N/A	
Administrative Fees	\$29,451,000	\$177,000	\$30,000	\$17,511,000	\$5,174,000	\$15,000	\$734,000	\$8,000	\$635,000	N/A	N/A	
<b>Total Cost</b>	<b>\$1,228,571,000</b>	<b>\$6,374,000</b>	<b>\$1,251,000</b>	<b>\$808,400,000</b>	<b>\$219,966,000</b>	<b>\$1,572,000</b>	<b>\$21,762,000</b>	<b>\$435,000</b>	<b>\$20,665,000</b>	<b>N/A</b>	<b>N/A</b>	
Total Premium	\$1,177,881,000	\$8,334,000	\$1,476,000	\$748,232,000	\$212,371,000	\$585,000	\$23,074,000	\$385,000	\$23,328,000	N/A	N/A	
Gain (Loss)	(\$50,690,000)	\$1,960,000	\$225,000	(\$60,168,000)	(\$7,595,000)	(\$987,000)	\$1,312,000	(\$50,000)	\$2,663,000	N/A	N/A	
<b>Early Retirees</b>												
Average Medical Members	29,864	1,568	322	18,015	4,289	111	940	14	982	22	80	
Incurred Medical Claims	\$338,072,000	\$14,702,000	\$3,752,000	\$213,385,000	\$49,619,000	\$799,000	\$10,912,000	\$57,000	\$10,557,000	\$197,000	\$979,000	
Capitation and Other Claim Based Fees	\$4,572,000	\$27,000	\$5,000	\$2,879,000	\$691,000	\$4,000	\$186,000	\$1,000	\$205,000	\$1,000	\$13,000	
Incurred Prescription Drug Claims	\$124,195,000	\$7,735,000	\$1,443,000	\$79,219,000	\$16,363,000	\$391,000	\$4,141,000	\$90,000	\$2,927,000	\$77,000	\$266,000	
Prescription Drug Rebates	(\$49,304,000)	(\$3,071,000)	(\$573,000)	(\$31,447,000)	(\$6,495,000)	(\$155,000)	(\$1,644,000)	(\$36,000)	(\$1,162,000)	(\$31,000)	(\$106,000)	
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Administrative Fees	\$7,207,000	\$45,000	\$7,000	\$4,581,000	\$1,129,000	\$15,000	\$309,000	\$3,000	\$204,000	\$3,000	\$18,000	
<b>Total Cost</b>	<b>\$424,742,000</b>	<b>\$19,438,000</b>	<b>\$4,634,000</b>	<b>\$268,617,000</b>	<b>\$61,307,000</b>	<b>\$1,054,000</b>	<b>\$13,904,000</b>	<b>\$115,000</b>	<b>\$12,731,000</b>	<b>\$237,000</b>	<b>\$1,170,000</b>	
Total Premium	\$398,336,000	\$22,158,000	\$4,419,000	\$247,714,000	\$56,218,000	\$1,308,000	\$12,248,000	\$151,000	\$12,496,000	\$245,000	\$887,000	
Gain (Loss)	(\$26,406,000)	\$2,720,000	(\$215,000)	(\$20,903,000)	(\$5,089,000)	\$254,000	(\$1,656,000)	\$36,000	(\$235,000)	\$8,000	(\$283,000)	
<b>Medicare Retirees</b>												
Average Medical Members	29,968	20,800	4,440	N/A	N/A	1,546	87	N/A	2,490	86	31	
Incurred Medical Claims	\$55,484,000	\$36,989,000	\$6,971,000	N/A	N/A	\$3,197,000	\$164,000	N/A	\$6,968,000	\$143,000	\$49,000	
Capitation and Other Claim Based Fees	\$561,000	\$0	\$0	N/A	N/A	\$0	\$16,000	N/A	\$447,000	\$0	\$7,000	
Incurred Prescription Drug Claims	\$267,242,000	\$182,871,000	\$40,504,000	N/A	N/A	\$15,360,000	\$729,000	N/A	\$23,644,000	\$469,000	\$143,000	
Prescription Drug Rebates	(\$78,330,000)	(\$53,600,000)	(\$11,872,000)	N/A	N/A	(\$4,502,000)	(\$214,000)	N/A	(\$6,930,000)	(\$137,000)	(\$42,000)	
EGWP Credits	(\$105,010,000)	(\$72,885,000)	(\$15,558,000)	N/A	N/A	(\$5,417,000)	(\$306,000)	N/A	(\$8,725,000)	(\$302,000)	(\$108,000)	
Administrative Fees	\$6,087,000	\$3,671,000	\$783,000	N/A	N/A	\$274,000	\$32,000	N/A	\$1,087,000	\$15,000	\$16,000	
<b>Total Cost</b>	<b>\$146,034,000</b>	<b>\$97,046,000</b>	<b>\$20,828,000</b>	<b>N/A</b>	<b>N/A</b>	<b>\$8,912,000</b>	<b>\$421,000</b>	<b>N/A</b>	<b>\$16,491,000</b>	<b>\$188,000</b>	<b>\$65,000</b>	
Total Premium	\$153,121,000	\$103,217,000	\$21,065,000	N/A	N/A	\$8,864,000	\$684,000	N/A	\$15,710,000	\$409,000	\$159,000	
Gain (Loss)	\$7,087,000	\$6,171,000	\$2,237,000	N/A	N/A	(\$48,000)	\$263,000	N/A	(\$781,000)	\$221,000	\$94,000	

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

## SHBP Plan Year 2025 Mid-Year Experience Analysis

### Exhibit 3A – Plan Year 2024 Aggregate Costs, page 2 of 3

	2030				PPO 2035		HDHigh	
	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO	Aetna	Horizon	Aetna	Horizon
<b>Employees and Retirees</b>								
Average Medical Members	200	9,681	37	489	90	4,684	5	212
Incurred Medical Claims	\$1,259,000	\$79,358,000	\$255,000	\$3,361,000	\$518,000	\$34,583,000	\$16,000	\$474,000
Capitation and Other Claim Based Fees	\$16,000	\$1,675,000	\$3,000	\$90,000	\$7,000	\$847,000	\$0	\$40,000
Incurred Prescription Drug Claims	\$401,000	\$24,515,000	\$150,000	\$1,929,000	\$178,000	\$13,689,000	\$0	\$67,000
Prescription Drug Rebates	(\$157,000)	(\$9,220,000)	(\$60,000)	(\$747,000)	(\$68,000)	(\$5,264,000)	\$0	(\$26,000)
EGWP Credits	\$0	(\$1,632,000)	\$0	(\$77,000)	N/A	N/A	N/A	N/A
Administrative Fees	\$45,000	\$2,680,000	\$10,000	\$147,000	\$20,000	\$1,354,000	\$2,000	\$81,000
Total Cost	\$1,564,000	\$97,376,000	\$358,000	\$4,703,000	\$655,000	\$45,209,000	\$18,000	\$636,000
Total Premium	\$2,035,000	\$101,545,000	\$369,000	\$5,160,000	\$770,000	\$43,075,000	\$30,000	\$1,413,000
Gain (Loss)	\$471,000	\$4,169,000	\$11,000	\$457,000	\$115,000	(\$2,134,000)	\$12,000	\$777,000
<b>Employees</b>								
Average Medical Members	138	6,565	N/A	N/A	90	4,684	5	163
Incurred Medical Claims	\$889,000	\$52,839,000	N/A	N/A	\$518,000	\$34,583,000	\$16,000	\$438,000
Capitation and Other Claim Based Fees	\$11,000	\$1,179,000	N/A	N/A	\$7,000	\$847,000	\$0	\$31,000
Incurred Prescription Drug Claims	\$190,000	\$13,296,000	N/A	N/A	\$178,000	\$13,689,000	\$0	\$25,000
Prescription Drug Rebates	(\$73,000)	(\$5,113,000)	N/A	N/A	(\$68,000)	(\$5,264,000)	\$0	(\$9,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$32,000	\$1,857,000	N/A	N/A	\$20,000	\$1,354,000	\$2,000	\$61,000
Total Cost	\$1,049,000	\$64,058,000	N/A	N/A	\$655,000	\$45,209,000	\$18,000	\$546,000
Total Premium	\$1,375,000	\$67,706,000	N/A	N/A	\$770,000	\$43,075,000	\$30,000	\$1,008,000
Gain (Loss)	\$326,000	\$3,648,000	N/A	N/A	\$115,000	(\$2,134,000)	\$12,000	\$462,000
<b>Early Retirees</b>								
Average Medical Members	62	2,650	37	467	N/A	N/A	-	49
Incurred Medical Claims	\$370,000	\$25,585,000	\$255,000	\$3,292,000	N/A	N/A	\$0	\$36,000
Capitation	\$5,000	\$410,000	\$3,000	\$85,000	N/A	N/A	\$0	\$9,000
Incurred Prescription Drug Claims	\$211,000	\$7,880,000	\$150,000	\$1,746,000	N/A	N/A	\$0	\$42,000
Prescription Drug Rebates	(\$84,000)	(\$3,128,000)	(\$60,000)	(\$693,000)	N/A	N/A	\$0	(\$17,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$13,000	\$623,000	\$10,000	\$138,000	N/A	N/A	\$0	\$20,000
Total Cost	\$515,000	\$31,370,000	\$358,000	\$4,568,000	N/A	N/A	\$0	\$90,000
Total Premium	\$660,000	\$30,983,000	\$369,000	\$5,003,000	N/A	N/A	\$0	\$405,000
Gain (Loss)	\$145,000	(\$387,000)	\$11,000	\$435,000	N/A	N/A	\$0	\$315,000
<b>Medicare Retirees</b>								
Average Medical Members	N/A	466	N/A	22	N/A	N/A	N/A	N/A
Incurred Medical Claims	N/A	\$934,000	N/A	\$69,000	N/A	N/A	N/A	N/A
Capitation and Other Claim Based Fees	N/A	\$86,000	N/A	\$5,000	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	N/A	\$3,339,000	N/A	\$183,000	N/A	N/A	N/A	N/A
Prescription Drug Rebates	N/A	(\$979,000)	N/A	(\$54,000)	N/A	N/A	N/A	N/A
EGWP Credits	N/A	(\$1,632,000)	N/A	(\$77,000)	N/A	N/A	N/A	N/A
Administrative Fees	N/A	\$200,000	N/A	\$9,000	N/A	N/A	N/A	N/A
Total Cost	N/A	\$1,948,000	N/A	\$135,000	N/A	N/A	N/A	N/A
Total Premium	N/A	\$2,856,000	N/A	\$157,000	N/A	N/A	N/A	N/A
Gain (Loss)	N/A	\$908,000	N/A	\$22,000	N/A	N/A	N/A	N/A

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

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

	HDLow		Tiered Network		Unity PPO			
	Aetna	Horizon	Aetna	Horizon	Aetna Unity PPO	Horizon Unity PPO	Aetna Unity 2019 PPO	Horizon Unity 2019 PPO
<b>Employees and Retirees</b>								
Average Medical Members	-	37	139	3,651	54	752	10	584
Incurred Medical Claims	\$0	\$92,000	\$1,221,000	\$19,217,000	\$632,000	\$5,875,000	\$64,000	\$4,249,000
Capitation and Other Claim Based Fees	\$0	\$7,000	\$13,000	\$745,000	\$7,000	\$148,000	\$1,000	\$108,000
Incurred Prescription Drug Claims	\$0	\$14,000	\$173,000	\$6,998,000	\$127,000	\$2,575,000	\$12,000	\$1,401,000
Prescription Drug Rebates	\$0	(\$5,000)	(\$67,000)	(\$2,696,000)	(\$50,000)	(\$1,002,000)	(\$5,000)	(\$539,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$0	\$15,000	\$56,000	\$1,402,000	\$19,000	\$205,000	\$3,000	\$230,000
Total Cost	\$0	\$123,000	\$1,396,000	\$25,666,000	\$735,000	\$7,801,000	\$75,000	\$5,449,000
Total Premium	\$0	\$352,000	\$1,143,000	\$32,016,000	\$695,000	\$8,190,000	\$109,000	\$6,699,000
Gain (Loss)	\$0	\$229,000	(\$253,000)	\$6,350,000	(\$40,000)	\$389,000	\$34,000	\$1,250,000
<b>Employees</b>								
Average Medical Members	-	37	135	3,582	25	598	10	584
Incurred Medical Claims	\$0	\$92,000	\$683,000	\$18,619,000	\$144,000	\$3,914,000	\$64,000	\$4,249,000
Capitation and Other Claim Based Fees	\$0	\$7,000	\$13,000	\$731,000	\$2,000	\$119,000	\$1,000	\$108,000
Incurred Prescription Drug Claims	\$0	\$14,000	\$167,000	\$6,588,000	\$32,000	\$1,572,000	\$12,000	\$1,401,000
Prescription Drug Rebates	\$0	(\$5,000)	(\$64,000)	(\$2,533,000)	(\$12,000)	(\$604,000)	(\$5,000)	(\$539,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$0	\$15,000	\$56,000	\$1,377,000	\$5,000	\$155,000	\$3,000	\$230,000
Total Cost	\$0	\$123,000	\$855,000	\$24,782,000	\$171,000	\$5,156,000	\$75,000	\$5,449,000
Total Premium	\$0	\$352,000	\$1,110,000	\$31,273,000	\$248,000	\$6,341,000	\$109,000	\$6,699,000
Gain (Loss)	\$0	\$229,000	\$255,000	\$6,491,000	\$77,000	\$1,185,000	\$34,000	\$1,250,000
<b>Early Retirees</b>								
Average Medical Members	N/A	N/A	4	69	29	154	N/A	N/A
Incurred Medical Claims	N/A	N/A	\$538,000	\$598,000	\$488,000	\$1,961,000	N/A	N/A
Capitation	N/A	N/A	\$0	\$14,000	\$5,000	\$29,000	N/A	N/A
Incurred Prescription Drug Claims	N/A	N/A	\$6,000	\$410,000	\$95,000	\$1,003,000	N/A	N/A
Prescription Drug Rebates	N/A	N/A	(\$3,000)	(\$163,000)	(\$38,000)	(\$398,000)	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	N/A	N/A	\$0	\$25,000	\$14,000	\$50,000	N/A	N/A
Total Cost	N/A	N/A	\$541,000	\$884,000	\$564,000	\$2,645,000	N/A	N/A
Total Premium	N/A	N/A	\$33,000	\$743,000	\$447,000	\$1,849,000	N/A	N/A
Gain (Loss)	N/A	N/A	(\$508,000)	(\$141,000)	(\$117,000)	(\$796,000)	N/A	N/A
<b>Medicare Retirees</b>								
Average Medical Members	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	N/A	N/A	N/A	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	N/A	N/A	N/A
Incurred Prescription Drug Claims	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	N/A	N/A	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
Administrative Fees	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Cost	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Premium	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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



## SHBP Plan Year 2025 Mid-Year Experience Analysis

### Exhibit 3B – Plan Year 2025 Aggregate Costs, page 1 of 3

	Total	Legacy Plans						1525			
		Aetna PPO10	Aetna PPO15	Horizon PPO10	Horizon PPO15	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Employees and Retirees</b>											
Average Medical Members	150,771	23,761	5,005	70,026	17,278	1,707	2,127	117	5,378	125	89
Incurred Medical Claims	\$1,447,278,000	\$81,615,000	\$17,754,000	\$871,602,000	\$193,028,000	\$6,324,000	\$21,495,000	\$1,139,000	\$34,083,000	\$712,000	\$863,000
Capitation and Other Claim Based Fee	\$27,892,000	\$0	\$0	\$15,972,000	\$4,268,000	\$0	\$569,000	\$0	\$1,370,000	\$0	\$23,000
Incurred Prescription Drug Claims	\$747,120,000	\$217,147,000	\$46,206,000	\$270,180,000	\$64,888,000	\$16,378,000	\$8,808,000	\$268,000	\$37,235,000	\$676,000	\$229,000
Prescription Drug Rebates	(\$264,032,000)	(\$64,304,000)	(\$13,564,000)	(\$107,209,000)	(\$25,740,000)	(\$4,807,000)	(\$3,395,000)	(\$107,000)	(\$11,347,000)	(\$215,000)	(\$74,000)
EGWP Credits	(\$119,163,000)	(\$81,260,000)	(\$17,336,000)	N/A	N/A	(\$5,897,000)	(\$341,000)	\$0	(\$11,852,000)	(\$356,000)	(\$147,000)
Administrative Fees	\$40,776,000	\$4,808,000	\$991,000	\$19,381,000	\$4,828,000	\$376,000	\$773,000	\$34,000	\$1,751,000	\$30,000	\$30,000
Total Cost	\$1,879,871,000	\$158,006,000	\$34,051,000	\$1,069,926,000	\$241,272,000	\$12,374,000	\$27,909,000	\$1,334,000	\$51,240,000	\$847,000	\$924,000
Total Premium	\$1,843,281,000	\$175,443,000	\$35,207,000	\$1,010,651,000	\$239,740,000	\$13,111,000	\$29,367,000	\$1,425,000	\$53,570,000	\$1,017,000	\$939,000
Gain (Loss)	(\$36,590,000)	\$17,437,000	\$1,156,000	(\$59,275,000)	(\$1,532,000)	\$737,000	\$1,458,000	\$91,000	\$2,330,000	\$170,000	\$15,000
<b>Employees</b>											
Average Medical Members	94,303	1,368	242	54,543	13,862	103	1,373	89	1,652	N/A	N/A
Incurred Medical Claims	\$1,035,049,000	\$11,331,000	\$2,802,000	\$664,888,000	\$148,888,000	\$1,749,000	\$12,823,000	\$943,000	\$15,117,000	N/A	N/A
Capitation and Other Claim Based Fee	\$22,234,000	\$0	\$0	\$13,165,000	\$3,322,000	\$0	\$383,000	\$0	\$412,000	N/A	N/A
Incurred Prescription Drug Claims	\$316,283,000	\$4,824,000	\$428,000	\$188,818,000	\$47,771,000	\$533,000	\$4,134,000	\$83,000	\$2,979,000	N/A	N/A
Prescription Drug Rebates	(\$125,195,000)	(\$1,909,000)	(\$169,000)	(\$74,742,000)	(\$18,910,000)	(\$211,000)	(\$1,636,000)	(\$33,000)	(\$1,179,000)	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	N/A
Administrative Fees	\$27,597,000	\$445,000	\$68,000	\$15,384,000	\$3,923,000	\$44,000	\$512,000	\$27,000	\$494,000	N/A	N/A
Total Cost	\$1,275,968,000	\$14,691,000	\$3,129,000	\$807,513,000	\$184,994,000	\$2,115,000	\$16,216,000	\$1,020,000	\$17,823,000	N/A	N/A
Total Premium	\$1,241,169,000	\$18,941,000	\$3,183,000	\$760,591,000	\$187,285,000	\$1,369,000	\$18,109,000	\$1,044,000	\$20,312,000	N/A	N/A
Gain (Loss)	(\$34,799,000)	\$4,250,000	\$54,000	(\$46,922,000)	\$2,291,000	(\$746,000)	\$1,893,000	\$24,000	\$2,489,000	N/A	N/A
<b>Early Retirees</b>											
Average Medical Members	27,737	2,801	583	15,483	3,416	182	672	28	868	39	54
Incurred Medical Claims	\$355,533,000	\$33,092,000	\$7,888,000	\$206,714,000	\$44,140,000	\$1,464,000	\$8,437,000	\$196,000	\$11,281,000	\$559,000	\$818,000
Capitation	\$4,830,000	\$0	\$0	\$2,807,000	\$946,000	\$0	\$167,000	\$0	\$283,000	\$0	\$11,000
Incurred Prescription Drug Claims	\$139,117,000	\$15,393,000	\$2,818,000	\$81,362,000	\$17,117,000	\$615,000	\$3,740,000	\$185,000	\$3,384,000	\$194,000	\$84,000
Prescription Drug Rebates	(\$55,510,000)	(\$6,143,000)	(\$1,124,000)	(\$32,467,000)	(\$6,830,000)	(\$246,000)	(\$1,492,000)	(\$74,000)	(\$1,350,000)	(\$77,000)	(\$33,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$7,169,000	\$723,000	\$146,000	\$3,997,000	\$905,000	\$67,000	\$234,000	\$7,000	\$176,000	\$14,000	\$13,000
Total Cost	\$451,139,000	\$43,065,000	\$9,728,000	\$262,413,000	\$56,278,000	\$1,900,000	\$11,086,000	\$314,000	\$13,774,000	\$690,000	\$893,000
Total Premium	\$435,752,000	\$46,729,000	\$9,502,000	\$250,060,000	\$52,455,000	\$2,566,000	\$10,536,000	\$381,000	\$13,060,000	\$556,000	\$729,000
Gain (Loss)	(\$15,387,000)	\$3,664,000	(\$226,000)	(\$12,353,000)	(\$3,823,000)	\$666,000	(\$550,000)	\$67,000	(\$714,000)	(\$134,000)	(\$164,000)
<b>Medicare Retirees</b>											
Average Medical Members	28,731	19,592	4,180	N/A	N/A	1,422	82	N/A	2,858	86	35
Incurred Medical Claims	\$56,696,000	\$37,192,000	\$7,064,000	N/A	N/A	\$3,111,000	\$235,000	N/A	\$7,685,000	\$153,000	\$45,000
Capitation and Other Claim Based Fee	\$828,000	\$0	\$0	N/A	N/A	\$0	\$19,000	N/A	\$675,000	\$0	\$12,000
Incurred Prescription Drug Claims	\$291,720,000	\$196,930,000	\$42,960,000	N/A	N/A	\$15,230,000	\$934,000	N/A	\$30,872,000	\$482,000	\$145,000
Prescription Drug Rebates	(\$83,327,000)	(\$56,252,000)	(\$12,271,000)	N/A	N/A	(\$4,350,000)	(\$267,000)	N/A	(\$8,818,000)	(\$138,000)	(\$41,000)
EGWP Credits	(\$119,163,000)	(\$81,260,000)	(\$17,336,000)	N/A	N/A	(\$5,897,000)	(\$341,000)	N/A	(\$11,852,000)	(\$356,000)	(\$147,000)
Administrative Fees	\$6,010,000	\$3,640,000	\$777,000	N/A	N/A	\$265,000	\$27,000	N/A	\$1,081,000	\$16,000	\$17,000
Total Cost	\$152,764,000	\$100,250,000	\$21,194,000	N/A	N/A	\$8,359,000	\$607,000	N/A	\$19,643,000	\$157,000	\$31,000
Total Premium	\$166,380,000	\$109,773,000	\$22,522,000	N/A	N/A	\$9,176,000	\$722,000	N/A	\$20,198,000	\$461,000	\$210,000
Gain (Loss)	\$13,596,000	\$9,523,000	\$1,328,000	N/A	N/A	\$817,000	\$115,000	N/A	\$555,000	\$304,000	\$179,000

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

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

	2030				PPO 2035		HDHigh	
	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO	Aetna	Horizon	Aetna	Horizon
<b>Employees and Retirees</b>								
Average Medical Members	367	8,040	75	412	336	10,058	18	311
Incurred Medical Claims	\$2,587,000	\$80,144,000	\$372,000	\$3,865,000	\$2,023,000	\$90,071,000	\$526,000	\$1,207,000
Capitation and Other Claim Based Fees	\$0	\$1,787,000	\$0	\$95,000	\$0	\$2,407,000	\$0	\$71,000
Incurred Prescription Drug Claims	\$887,000	\$25,746,000	\$339,000	\$1,952,000	\$978,000	\$39,283,000	\$82,000	\$273,000
Prescription Drug Rebates	(\$352,000)	(\$9,783,000)	(\$135,000)	(\$758,000)	(\$387,000)	(\$15,550,000)	(\$32,000)	(\$108,000)
EGWP Credits	\$0	(\$1,881,000)	\$0	(\$93,000)	N/A	N/A	N/A	N/A
Administrative Fees	\$99,000	\$2,226,000	\$24,000	\$122,000	\$98,000	\$2,872,000	\$8,000	\$103,000
<b>Total Cost</b>	<b>\$3,221,000</b>	<b>\$98,239,000</b>	<b>\$600,000</b>	<b>\$5,183,000</b>	<b>\$2,712,000</b>	<b>\$119,083,000</b>	<b>\$584,000</b>	<b>\$1,546,000</b>
<b>Total Premium</b>	<b>\$4,496,000</b>	<b>\$99,184,000</b>	<b>\$895,000</b>	<b>\$5,240,000</b>	<b>\$3,438,000</b>	<b>\$107,779,000</b>	<b>\$148,000</b>	<b>\$2,340,000</b>
<b>Gain (Loss)</b>	<b>\$1,275,000</b>	<b>\$945,000</b>	<b>\$295,000</b>	<b>\$57,000</b>	<b>\$726,000</b>	<b>(\$11,304,000)</b>	<b>(\$436,000)</b>	<b>\$794,000</b>
<b>Employees</b>								
Average Medical Members	227	4,931	N/A	N/A	336	10,058	15	256
Incurred Medical Claims	\$1,515,000	\$47,995,000	N/A	N/A	\$2,023,000	\$90,071,000	\$526,000	\$1,106,000
Capitation and Other Claim Based Fees	\$0	\$1,204,000	N/A	N/A	\$0	\$2,407,000	\$0	\$60,000
Incurred Prescription Drug Claims	\$437,000	\$11,917,000	N/A	N/A	\$978,000	\$39,283,000	\$82,000	\$205,000
Prescription Drug Rebates	(\$173,000)	(\$4,717,000)	N/A	N/A	(\$387,000)	(\$15,550,000)	(\$32,000)	(\$81,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$66,000	\$1,458,000	N/A	N/A	\$98,000	\$2,872,000	\$7,000	\$82,000
<b>Total Cost</b>	<b>\$1,845,000</b>	<b>\$57,857,000</b>	<b>N/A</b>	<b>N/A</b>	<b>\$2,712,000</b>	<b>\$119,083,000</b>	<b>\$583,000</b>	<b>\$1,372,000</b>
<b>Total Premium</b>	<b>\$2,690,000</b>	<b>\$59,389,000</b>	<b>N/A</b>	<b>N/A</b>	<b>\$3,438,000</b>	<b>\$107,779,000</b>	<b>\$117,000</b>	<b>\$1,820,000</b>
<b>Gain (Loss)</b>	<b>\$845,000</b>	<b>\$1,532,000</b>	<b>N/A</b>	<b>N/A</b>	<b>\$726,000</b>	<b>(\$11,304,000)</b>	<b>(\$466,000)</b>	<b>\$448,000</b>
<b>Early Retirees</b>								
Average Medical Members	140	2,655	75	390	N/A	N/A	3	55
Incurred Medical Claims	\$1,072,000	\$31,002,000	\$372,000	\$3,801,000	N/A	N/A	\$0	\$101,000
Capitation	\$0	\$468,000	\$0	\$88,000	N/A	N/A	\$0	\$11,000
Incurred Prescription Drug Claims	\$450,000	\$9,842,000	\$339,000	\$1,772,000	N/A	N/A	\$0	\$68,000
Prescription Drug Rebates	(\$179,000)	(\$3,927,000)	(\$135,000)	(\$707,000)	N/A	N/A	\$0	(\$27,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$33,000	\$590,000	\$24,000	\$113,000	N/A	N/A	\$1,000	\$21,000
<b>Total Cost</b>	<b>\$1,376,000</b>	<b>\$37,975,000</b>	<b>\$600,000</b>	<b>\$5,067,000</b>	<b>N/A</b>	<b>N/A</b>	<b>\$1,000</b>	<b>\$174,000</b>
<b>Total Premium</b>	<b>\$1,806,000</b>	<b>\$36,674,000</b>	<b>\$895,000</b>	<b>\$5,063,000</b>	<b>N/A</b>	<b>N/A</b>	<b>\$31,000</b>	<b>\$520,000</b>
<b>Gain (Loss)</b>	<b>\$430,000</b>	<b>(\$1,301,000)</b>	<b>\$295,000</b>	<b>(\$4,000)</b>	<b>N/A</b>	<b>N/A</b>	<b>\$30,000</b>	<b>\$346,000</b>
<b>Medicare Retirees</b>								
Average Medical Members	N/A	454	N/A	22	N/A	N/A	N/A	N/A
Incurred Medical Claims	N/A	\$1,147,000	N/A	\$64,000	N/A	N/A	N/A	N/A
Capitation and Other Claim Based Fees	N/A	\$115,000	N/A	\$7,000	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	N/A	\$3,987,000	N/A	\$180,000	N/A	N/A	N/A	N/A
Prescription Drug Rebates	N/A	(\$1,139,000)	N/A	(\$51,000)	N/A	N/A	N/A	N/A
EGWP Credits	N/A	(\$1,881,000)	N/A	(\$93,000)	N/A	N/A	N/A	N/A
Administrative Fees	N/A	\$178,000	N/A	\$9,000	N/A	N/A	N/A	N/A
<b>Total Cost</b>	<b>N/A</b>	<b>\$2,407,000</b>	<b>N/A</b>	<b>\$116,000</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Total Premium</b>	<b>N/A</b>	<b>\$3,121,000</b>	<b>N/A</b>	<b>\$177,000</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Gain (Loss)</b>	<b>N/A</b>	<b>\$714,000</b>	<b>N/A</b>	<b>\$61,000</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

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

## SHBP Plan Year 2025 Mid-Year Experience Analysis

### Exhibit 3B – Plan Year 2025 Aggregate Costs, page 3 of 3

	HDLow		Tiered Network		Unity PPO			
	Aetna	Horizon	Aetna	Horizon	Aetna Unity PPO	Horizon Unity PPO	Aetna Unity 2019 PPO	Horizon Unity 2019 PPO
<b>Employees and Retirees</b>								
Average Medical Members	12	60	396	3,694	100	655	25	599
Incurred Medical Claims	\$21,000	\$125,000	\$2,723,000	\$22,258,000	\$1,063,000	\$6,966,000	\$119,000	\$4,593,000
Capitation and Other Claim Based Fees	\$0	\$16,000	\$0	\$999,000	\$0	\$161,000	\$0	\$154,000
Incurred Prescription Drug Claims	\$148,000	\$16,000	\$981,000	\$8,783,000	\$316,000	\$2,881,000	\$39,000	\$2,401,000
Prescription Drug Rebates	(\$59,000)	(\$6,000)	(\$388,000)	(\$3,478,000)	(\$126,000)	(\$1,143,000)	(\$15,000)	(\$950,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$5,000	\$21,000	\$205,000	\$1,535,000	\$38,000	\$177,000	\$9,000	\$232,000
Total Cost	\$115,000	\$172,000	\$3,521,000	\$30,097,000	\$1,291,000	\$9,042,000	\$152,000	\$6,430,000
Total Premium	\$132,000	\$639,000	\$3,781,000	\$36,511,000	\$1,482,000	\$8,431,000	\$319,000	\$7,996,000
Gain (Loss)	\$17,000	\$467,000	\$260,000	\$6,414,000	\$191,000	(\$611,000)	\$167,000	\$1,566,000
<b>Employees</b>								
Average Medical Members	12	60	389	3,632	31	500	25	599
Incurred Medical Claims	\$21,000	\$125,000	\$2,522,000	\$21,510,000	\$206,000	\$4,176,000	\$119,000	\$4,593,000
Capitation and Other Claim Based Fees	\$0	\$16,000	\$0	\$984,000	\$0	\$127,000	\$0	\$154,000
Incurred Prescription Drug Claims	\$148,000	\$16,000	\$945,000	\$8,369,000	\$51,000	\$1,842,000	\$39,000	\$2,401,000
Prescription Drug Rebates	(\$59,000)	(\$6,000)	(\$374,000)	(\$3,313,000)	(\$20,000)	(\$729,000)	(\$15,000)	(\$950,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$5,000	\$21,000	\$201,000	\$1,510,000	\$8,000	\$131,000	\$9,000	\$232,000
Total Cost	\$115,000	\$172,000	\$3,294,000	\$29,060,000	\$245,000	\$5,547,000	\$152,000	\$6,430,000
Total Premium	\$132,000	\$639,000	\$3,700,000	\$35,722,000	\$373,000	\$6,221,000	\$319,000	\$7,996,000
Gain (Loss)	\$17,000	\$467,000	\$406,000	\$6,662,000	\$128,000	\$674,000	\$167,000	\$1,566,000
<b>Early Retirees</b>								
Average Medical Members	N/A	N/A	7	62	69	155	N/A	N/A
Incurred Medical Claims	N/A	N/A	\$201,000	\$748,000	\$857,000	\$2,790,000	N/A	N/A
Capitation	N/A	N/A	\$0	\$15,000	\$0	\$34,000	N/A	N/A
Incurred Prescription Drug Claims	N/A	N/A	\$36,000	\$414,000	\$265,000	\$1,039,000	N/A	N/A
Prescription Drug Rebates	N/A	N/A	(\$14,000)	(\$165,000)	(\$106,000)	(\$414,000)	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	N/A	N/A	\$4,000	\$25,000	\$30,000	\$46,000	N/A	N/A
Total Cost	N/A	N/A	\$227,000	\$1,037,000	\$1,046,000	\$3,495,000	N/A	N/A
Total Premium	N/A	N/A	\$81,000	\$789,000	\$1,109,000	\$2,210,000	N/A	N/A
Gain (Loss)	N/A	N/A	(\$146,000)	(\$248,000)	\$63,000	(\$1,285,000)	N/A	N/A
<b>Medicare Retirees</b>								
Average Medical Members	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	N/A	N/A	N/A	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	N/A	N/A	N/A
Incurred Prescription Drug Claims	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	N/A	N/A	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
Administrative Fees	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Cost	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Premium	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

## SHBP Plan Year 2025 Mid-Year Experience Analysis

### Exhibit 3C - Plan Year 2026 Aggregate Costs, page 1 of 3

	Legacy Plans						1525				
	Total	Aetna PPO10	Aetna PPO15	Horizon PPO10	Horizon PPO15	Aetna HMO	Horizon HMO	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO
<b>Employees and Retirees</b>											
Average Medical Members	119,535	19,541	4,196	49,695	11,231	1,559	1,599	85	4,052	117	89
Incurred Medical Claims	\$1,288,134,000	\$81,931,000	\$18,117,000	\$711,245,000	\$144,305,000	\$6,626,000	\$18,531,000	\$1,085,000	\$26,805,000	\$742,000	\$1,004,000
Capitation and Other Claim Based Fees	\$26,119,000	\$0	\$0	\$13,741,000	\$3,393,000	\$0	\$517,000	\$0	\$1,164,000	\$0	\$26,000
Incurred Prescription Drug Claims	\$695,617,000	\$188,639,000	\$40,810,000	\$243,686,000	\$49,457,000	\$15,705,000	\$8,301,000	\$357,000	\$34,854,000	\$682,000	\$247,000
Prescription Drug Rebates	(\$210,241,000)	(\$39,640,000)	(\$8,405,000)	(\$89,273,000)	(\$18,114,000)	(\$3,227,000)	(\$2,904,000)	(\$132,000)	(\$7,858,000)	(\$167,000)	(\$67,000)
EGWP Credits	(\$124,556,000)	(\$83,628,000)	(\$18,163,000)	N/A	N/A	(\$6,714,000)	(\$383,000)	\$0	(\$12,969,000)	(\$429,000)	(\$173,000)
Administrative Fees	\$35,037,000	\$3,781,000	\$796,000	\$15,234,000	\$3,474,000	\$326,000	\$638,000	\$21,000	\$1,439,000	\$25,000	\$33,000
Total Cost	\$1,710,110,000	\$151,083,000	\$33,155,000	\$894,633,000	\$182,515,000	\$12,716,000	\$24,700,000	\$1,331,000	\$43,435,000	\$853,000	\$1,070,000
Total Premium	\$1,912,224,000	\$191,917,000	\$39,218,000	\$985,663,000	\$212,106,000	\$15,943,000	\$30,511,000	\$1,541,000	\$49,830,000	\$1,242,000	\$1,243,000
Gain (Loss)	\$202,114,000	\$40,834,000	\$6,063,000	\$91,030,000	\$29,591,000	\$3,227,000	\$5,811,000	\$210,000	\$6,395,000	\$389,000	\$173,000
<b>Employees</b>											
Average Medical Members	72,961	963	169	37,362	8,654	69	981	55	744	N/A	N/A
Incurred Medical Claims	\$899,791,000	\$9,275,000	\$2,262,000	\$522,712,000	\$106,167,000	\$1,190,000	\$10,491,000	\$845,000	\$8,161,000	N/A	N/A
Capitation and Other Claim Based Fees	\$20,695,000	\$0	\$0	\$11,036,000	\$2,544,000	\$0	\$333,000	\$0	\$227,000	N/A	N/A
Incurred Prescription Drug Claims	\$304,941,000	\$4,286,000	\$366,000	\$164,620,000	\$33,699,000	\$470,000	\$3,735,000	\$115,000	\$2,925,000	N/A	N/A
Prescription Drug Rebates	(\$110,520,000)	(\$1,553,000)	(\$133,000)	(\$59,663,000)	(\$12,213,000)	(\$170,000)	(\$1,354,000)	(\$42,000)	(\$1,060,000)	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	N/A
Administrative Fees	\$23,823,000	\$291,000	\$44,000	\$11,782,000	\$2,730,000	\$28,000	\$401,000	\$14,000	\$255,000	N/A	N/A
Total Cost	\$1,138,730,000	\$12,299,000	\$2,539,000	\$650,487,000	\$132,927,000	\$1,518,000	\$13,606,000	\$932,000	\$10,508,000	N/A	N/A
Total Premium	\$1,249,643,000	\$18,290,000	\$3,067,000	\$713,766,000	\$157,901,000	\$1,263,000	\$17,885,000	\$943,000	\$13,112,000	N/A	N/A
Gain (Loss)	\$110,913,000	\$5,991,000	\$528,000	\$63,279,000	\$24,974,000	(\$255,000)	\$4,279,000	\$11,000	\$2,604,000	N/A	N/A
<b>Early Retirees</b>											
Average Medical Members	22,161	2,187	467	12,333	2,577	174	543	30	766	33	55
Incurred Medical Claims	\$323,968,000	\$29,575,000	\$7,239,000	\$188,533,000	\$38,138,000	\$1,596,000	\$7,813,000	\$240,000	\$11,398,000	\$532,000	\$959,000
Capitation	\$4,638,000	\$0	\$0	\$2,705,000	\$849,000	\$0	\$164,000	\$0	\$295,000	\$0	\$14,000
Incurred Prescription Drug Claims	\$135,279,000	\$14,658,000	\$2,756,000	\$79,066,000	\$15,758,000	\$715,000	\$3,690,000	\$242,000	\$3,643,000	\$197,000	\$104,000
Prescription Drug Rebates	(\$50,660,000)	(\$5,490,000)	(\$1,032,000)	(\$29,610,000)	(\$5,901,000)	(\$268,000)	(\$1,382,000)	(\$90,000)	(\$1,364,000)	(\$74,000)	(\$39,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$6,014,000	\$437,000	\$91,000	\$3,452,000	\$744,000	\$52,000	\$209,000	\$7,000	\$172,000	\$10,000	\$16,000
Total Cost	\$419,239,000	\$39,180,000	\$9,054,000	\$244,146,000	\$49,588,000	\$2,095,000	\$10,494,000	\$399,000	\$14,144,000	\$665,000	\$1,054,000
Total Premium	\$475,782,000	\$50,172,000	\$10,193,000	\$271,897,000	\$54,205,000	\$3,432,000	\$11,853,000	\$598,000	\$15,567,000	\$633,000	\$999,000
Gain (Loss)	\$56,543,000	\$10,992,000	\$1,139,000	\$27,751,000	\$4,617,000	\$1,337,000	\$1,359,000	\$199,000	\$1,423,000	(\$32,000)	(\$55,000)
<b>Medicare Retirees</b>											
Average Medical Members	24,413	16,391	3,560	N/A	N/A	1,316	75	N/A	2,542	84	34
Incurred Medical Claims	\$64,375,000	\$43,081,000	\$8,616,000	N/A	N/A	\$3,840,000	\$227,000	N/A	\$7,246,000	\$210,000	\$45,000
Capitation and Other Claim Based Fees	\$786,000	\$0	\$0	N/A	N/A	\$0	\$20,000	N/A	\$642,000	\$0	\$12,000
Incurred Prescription Drug Claims	\$255,397,000	\$169,695,000	\$37,688,000	N/A	N/A	\$14,520,000	\$876,000	N/A	\$28,286,000	\$485,000	\$143,000
Prescription Drug Rebates	(\$49,061,000)	(\$32,597,000)	(\$7,240,000)	N/A	N/A	(\$2,789,000)	(\$168,000)	N/A	(\$5,434,000)	(\$93,000)	(\$28,000)
EGWP Credits	(\$124,556,000)	(\$83,628,000)	(\$18,163,000)	N/A	N/A	(\$6,714,000)	(\$383,000)	N/A	(\$12,969,000)	(\$429,000)	(\$173,000)
Administrative Fees	\$5,200,000	\$3,053,000	\$661,000	N/A	N/A	\$246,000	\$28,000	N/A	\$1,012,000	\$15,000	\$17,000
Total Cost	\$152,141,000	\$99,604,000	\$21,562,000	N/A	N/A	\$9,103,000	\$600,000	N/A	\$18,783,000	\$188,000	\$16,000
Total Premium	\$186,799,000	\$123,455,000	\$25,958,000	N/A	N/A	\$11,248,000	\$773,000	N/A	\$21,151,000	\$609,000	\$244,000
Gain (Loss)	\$34,658,000	\$23,851,000	\$4,396,000	N/A	N/A	\$2,145,000	\$173,000	N/A	\$2,368,000	\$421,000	\$228,000

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

## SHBP Plan Year 2025 Mid-Year Experience Analysis

### Exhibit 3C – Plan Year 2026 Aggregate Costs, page 2 of 3

	2030				PPO 2035		HDHigh	
	Aetna PPO	Horizon PPO	Aetna HMO	Horizon HMO	Aetna	Horizon	Aetna	Horizon
<b>Employees and Retirees</b>								
Average Medical Members	266	4,251	87	398	94	5,245	322	7,509
Incurred Medical Claims	\$2,117,000	\$48,730,000	\$496,000	\$4,273,000	\$1,011,000	\$58,065,000	\$3,643,000	\$75,270,000
Capitation and Other Claim Based Fees	\$0	\$1,105,000	\$0	\$108,000	\$0	\$1,555,000	\$0	\$1,939,000
Incurred Prescription Drug Claims	\$828,000	\$19,516,000	\$482,000	\$2,271,000	\$224,000	\$24,525,000	\$667,000	\$30,338,000
Prescription Drug Rebates	(\$307,000)	(\$6,584,000)	(\$181,000)	(\$817,000)	(\$81,000)	(\$8,889,000)	(\$242,000)	(\$11,001,000)
EGWP Credits	\$0	(\$1,985,000)	\$0	(\$112,000)	N/A	N/A	N/A	N/A
Administrative Fees	\$62,000	\$1,323,000	\$24,000	\$129,000	\$29,000	\$1,703,000	\$82,000	\$2,307,000
Total Cost	\$2,700,000	\$62,105,000	\$821,000	\$5,852,000	\$1,183,000	\$76,959,000	\$4,150,000	\$98,853,000
Total Premium	\$4,601,000	\$75,268,000	\$1,425,000	\$6,883,000	\$1,561,000	\$88,886,000	\$3,008,000	\$72,837,000
Gain (Loss)	\$1,901,000	\$13,163,000	\$604,000	\$1,031,000	\$378,000	\$11,927,000	(\$1,142,000)	(\$26,016,000)
<b>Employees</b>								
Average Medical Members	118	1,832	N/A	N/A	94	5,245	320	7,424
Incurred Medical Claims	\$826,000	\$20,552,000	N/A	N/A	\$1,011,000	\$58,065,000	\$3,616,000	\$74,153,000
Capitation and Other Claim Based Fees	\$0	\$563,000	N/A	N/A	\$0	\$1,555,000	\$0	\$1,920,000
Incurred Prescription Drug Claims	\$251,000	\$6,815,000	N/A	N/A	\$224,000	\$24,525,000	\$656,000	\$29,859,000
Prescription Drug Rebates	(\$91,000)	(\$2,470,000)	N/A	N/A	(\$81,000)	(\$8,889,000)	(\$238,000)	(\$10,822,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$33,000	\$642,000	N/A	N/A	\$29,000	\$1,703,000	\$81,000	\$2,277,000
Total Cost	\$1,019,000	\$26,102,000	N/A	N/A	\$1,183,000	\$76,959,000	\$4,115,000	\$97,387,000
Total Premium	\$2,015,000	\$32,883,000	N/A	N/A	\$1,561,000	\$88,886,000	\$2,976,000	\$71,747,000
Gain (Loss)	\$996,000	\$6,781,000	N/A	N/A	\$378,000	\$11,927,000	(\$1,139,000)	(\$25,640,000)
<b>Early Retirees</b>								
Average Medical Members	148	2,030	87	376	N/A	N/A	2	85
Incurred Medical Claims	\$1,291,000	\$27,135,000	\$496,000	\$4,206,000	N/A	N/A	\$27,000	\$1,117,000
Capitation	\$0	\$437,000	\$0	\$101,000	N/A	N/A	\$0	\$19,000
Incurred Prescription Drug Claims	\$577,000	\$9,179,000	\$482,000	\$2,089,000	N/A	N/A	\$11,000	\$479,000
Prescription Drug Rebates	(\$216,000)	(\$3,437,000)	(\$181,000)	(\$782,000)	N/A	N/A	(\$4,000)	(\$179,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$29,000	\$522,000	\$24,000	\$120,000	N/A	N/A	\$1,000	\$30,000
Total Cost	\$1,681,000	\$33,836,000	\$821,000	\$5,734,000	N/A	N/A	\$35,000	\$1,466,000
Total Premium	\$2,586,000	\$39,228,000	\$1,425,000	\$6,679,000	N/A	N/A	\$32,000	\$1,090,000
Gain (Loss)	\$905,000	\$5,392,000	\$604,000	\$945,000	N/A	N/A	(\$3,000)	(\$376,000)
<b>Medicare Retirees</b>								
Average Medical Members	N/A	389	N/A	22	N/A	N/A	N/A	N/A
Incurred Medical Claims	N/A	\$1,043,000	N/A	\$67,000	N/A	N/A	N/A	N/A
Capitation and Other Claim Based Fees	N/A	\$105,000	N/A	\$7,000	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	N/A	\$3,522,000	N/A	\$182,000	N/A	N/A	N/A	N/A
Prescription Drug Rebates	N/A	(\$677,000)	N/A	(\$35,000)	N/A	N/A	N/A	N/A
EGWP Credits	N/A	(\$1,985,000)	N/A	(\$112,000)	N/A	N/A	N/A	N/A
Administrative Fees	N/A	\$159,000	N/A	\$9,000	N/A	N/A	N/A	N/A
Total Cost	N/A	\$2,167,000	N/A	\$118,000	N/A	N/A	N/A	N/A
Total Premium	N/A	\$3,157,000	N/A	\$204,000	N/A	N/A	N/A	N/A
Gain (Loss)	N/A	\$990,000	N/A	\$86,000	N/A	N/A	N/A	N/A

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

## SHBP Plan Year 2025 Mid-Year Experience Analysis

### Exhibit 3C – Plan Year 2026 Aggregate Costs, page 3 of 3

	HDLow		Tiered Network		Unity PPO			
	Aetna	Horizon	Aetna	Horizon	Aetna Unity PPO	Horizon Unity PPO	Aetna Unity 2019 PPO	Horizon Unity 2019 PPO
Average Medical Members	35	690	502	6,700	81	641	35	515
Incurred Medical Claims	\$433,000	\$7,541,000	\$4,511,000	\$56,462,000	\$1,146,000	\$7,718,000	\$431,000	\$5,896,000
Capitation and Other Claim Based Fees	\$0	\$183,000	\$0	\$2,038,000	\$0	\$188,000	\$0	\$162,000
Incurred Prescription Drug Claims	\$79,000	\$3,040,000	\$1,253,000	\$23,862,000	\$416,000	\$3,105,000	\$75,000	\$2,198,000
Prescription Drug Rebates	(\$28,000)	(\$1,102,000)	(\$454,000)	(\$8,653,000)	(\$155,000)	(\$1,136,000)	(\$27,000)	(\$797,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$11,000	\$200,000	\$245,000	\$2,714,000	\$26,000	\$188,000	\$12,000	\$215,000
Total Cost	\$495,000	\$9,862,000	\$5,555,000	\$76,423,000	\$1,433,000	\$10,063,000	\$491,000	\$7,674,000
Total Premium	\$507,000	\$9,834,000	\$6,746,000	\$88,587,000	\$1,641,000	\$11,260,000	\$596,000	\$9,370,000
Gain (Loss)	\$12,000	(\$28,000)	\$1,191,000	\$12,164,000	\$208,000	\$1,197,000	\$105,000	\$1,696,000
<b>Employees</b>								
Average Medical Members	35	690	495	6,637	18	506	35	515
Incurred Medical Claims	\$433,000	\$7,541,000	\$4,422,000	\$55,692,000	\$224,000	\$5,826,000	\$431,000	\$5,896,000
Capitation and Other Claim Based Fees	\$0	\$183,000	\$0	\$2,020,000	\$0	\$152,000	\$0	\$162,000
Incurred Prescription Drug Claims	\$79,000	\$3,040,000	\$1,212,000	\$23,477,000	\$42,000	\$2,272,000	\$75,000	\$2,198,000
Prescription Drug Rebates	(\$28,000)	(\$1,102,000)	(\$439,000)	(\$8,509,000)	(\$15,000)	(\$824,000)	(\$27,000)	(\$797,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$11,000	\$200,000	\$241,000	\$2,687,000	\$5,000	\$142,000	\$12,000	\$215,000
Total Cost	\$495,000	\$9,862,000	\$5,436,000	\$75,367,000	\$256,000	\$7,568,000	\$491,000	\$7,674,000
Total Premium	\$507,000	\$9,834,000	\$6,628,000	\$87,510,000	\$315,000	\$8,588,000	\$596,000	\$9,370,000
Gain (Loss)	\$12,000	(\$28,000)	\$1,192,000	\$12,143,000	\$59,000	\$1,020,000	\$105,000	\$1,696,000
<b>Early Retirees</b>								
Average Medical Members	N/A	N/A	7	63	63	135	N/A	N/A
Incurred Medical Claims	N/A	N/A	\$89,000	\$770,000	\$922,000	\$1,892,000	N/A	N/A
Capitation	N/A	N/A	\$0	\$18,000	\$0	\$36,000	N/A	N/A
Incurred Prescription Drug Claims	N/A	N/A	\$41,000	\$385,000	\$374,000	\$833,000	N/A	N/A
Prescription Drug Rebates	N/A	N/A	(\$15,000)	(\$144,000)	(\$140,000)	(\$312,000)	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	N/A	N/A	\$4,000	\$27,000	\$21,000	\$46,000	N/A	N/A
Total Cost	N/A	N/A	\$119,000	\$1,056,000	\$1,177,000	\$2,495,000	N/A	N/A
Total Premium	N/A	N/A	\$118,000	\$1,077,000	\$1,326,000	\$2,672,000	N/A	N/A
Gain (Loss)	N/A	N/A	(\$1,000)	\$21,000	\$149,000	\$177,000	N/A	N/A
<b>Medicare Retirees</b>								
Average Medical Members	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	N/A	N/A	N/A	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	N/A	N/A	N/A
Incurred Prescription Drug Claims	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	N/A	N/A	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
Administrative Fees	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Cost	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Premium	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round 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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