

Final Renewal 2026-2027

March 19, 2026

Agenda

1. **Public Comments**
2. **Approve 01/28/2026 Preliminary Renewal Meeting Minutes**
3. **Final Renewal Projections – July 1, 2026**
 - **State of the pharmacy market**
 - **Your Money Line Recap**
4. **Value Added Program Review**
5. **BCBS Legislative Updates**
6. **2026–2027 Budget**
7. **Approval Items**
8. **Executive Committee At-Large Positions – Term 7/1/2026 – 6/30/2028**

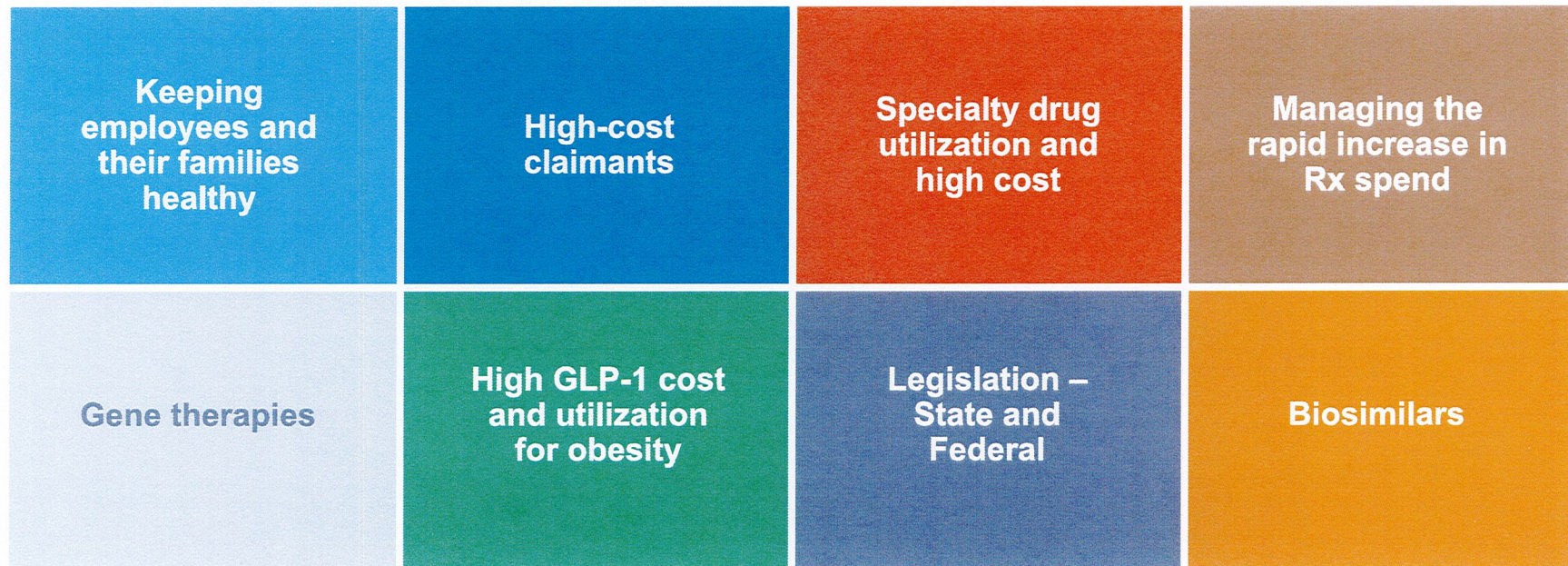


Final Renewal Projections – July 1, 2026

State of the Pharmacy Market Update



Key factors driving rapid change in the PBM marketplace



Final Renewal Projections – July 1, 2026

Executive Summary

PPO Medical	HMO Medical	Dental	Basic Life/AD&D
<p>+16.2% EBC Final Average Adjustment</p> <p>EBC Average Loss Ratio: 109.0%</p>	<p>+16.4% EBC Final Average Adjustment</p> <p>EBC Average Loss Ratio: 105.7%</p>	<p>+3.9% EBC Final Average Adjustment</p> <p>EBC Average Loss Ratio: 98.7%</p>	<p>0.0% Current rates extended through 6/30/2027</p>

Exhibit A: EBC Experience Period

1/1/2025 – 12/31/2025

<u>PPO</u>		
A	Revenue	\$431,316,574
B	Claims Under \$1,000,000	\$470,140,880
C	Paid Claim Loss Ratio (B/A)	109.0% Pool Loss Ratio which becomes the center of the Banding Formula (Exhibit C)
<u>HMO</u>		
A	Revenue	\$ 172,501,186
B	Claims Under \$350,000 plus Physician Services Fees	\$ 182,419,604
C	Paid Claim Loss Ratio (B/A)	105.7% Pool Loss Ratio which becomes the center of the Banding Formula (Exhibit C)
<u>DENTAL</u>		
A	Revenue	\$ 13,674,772
B	Claims	\$ 13,503,358
C	Paid Claim Loss Ratio (B/A)	98.7% Pool Loss Ratio which becomes the center of the Banding Formula (Exhibit C)

Exhibit B: EBC Final Renewal Projection

7/1/2026 – 6/30/2027

<u>PPO</u>		
A	Projected Revenue	\$449,148,389
B	Projected Total Costs (Claims + Expenses)	\$521,986,848
C	Rate Increase (B/A)	16.2% <small>Pool Average Rate Increase which becomes the center of the Banding Formula (See Exhibit C)</small>
<u>HMO</u>		
A	Projected Revenue	\$ 177,534,505
B	Projected Total Costs (Claims + Expenses)	\$ 206,648,863
C	Rate Increase (B/A)	16.4% <small>Pool Average Rate Increase which becomes the center of the Banding Formula (See Exhibit C)</small>
<u>DENTAL</u>		
A	Projected Revenue	\$ 14,639,386
B	Projected Total Costs (Claims + Expenses)	\$ 15,208,198
C	Rate Increase (B/A)	3.9% <small>Pool Average Rate Increase which becomes the center of the Banding Formula (See Exhibit C)</small>

Exhibit C: PPO Rate Adjustment

(See Appendix Exhibit 16, 17, & 18 for Individual District Rate Adjustments)

PPO Average Loss Ratio = 109.0%		
<u>Paid Claim Loss Ratio</u>	<u>Rate Adjustment</u>	<u># of Members in Band</u>
0.0% to 79.0%	11.2%	0
79.1% to 85.5%	12.2%	2
85.6% to 92.0%	13.2%	6
92.1% to 98.5%	14.2%	14
98.6% to 105.0%	15.2%	26
105.1% to 113.0%	16.2%	43
113.1% to 119.5%	17.2%	10
119.6% to 126.0%	18.2%	13
126.1% to 132.5%	19.2%	5
132.6% to 139.0%	20.2%	5
139.1% +	21.2%	2

Exhibit C: HMO Rate Adjustment

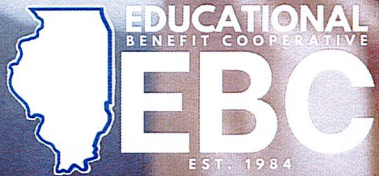
(See Appendix Exhibit 16,17, & 18 for Individual District Rate Adjustments)

HMO Average Loss Ratio = 105.7%		
<u>Paid Claim Loss Ratio</u>	<u>Rate Adjustment</u>	<u># of Members in Band</u>
0.0% to 75.7%	11.4%	7
75.8% to 82.2%	12.4%	7
82.3% to 88.7%	13.4%	3
88.8% to 95.2%	14.4%	14
95.3% to 101.7%	15.4%	17
101.8% to 109.7%	16.4%	20
109.8% to 116.2%	17.4%	19
116.3% to 122.7%	18.4%	11
122.8% to 129.2%	19.4%	4
129.3% to 135.7%	20.4%	5
135.8% +	21.4%	2

Exhibit C: Dental Rate Adjustment

(See Appendix Exhibit 16,17, & 18 for Individual District Rate Adjustments)

DENTAL Average Loss Ratio = 98.7%		
<u>Paid Claim Loss Ratio</u>	<u>Rate Adjustment</u>	<u># of Members in Band</u>
0.0% to 68.7%	-1.1%	0
68.8% to 83.7%	1.4%	11
83.8% to 113.7%	3.9%	51
113.8% to 128.7%	6.4%	8
128.8% +	8.9%	0



Your Money Line

Kelsey Smith, Benefit Consultant

Your Money Line

Comprehensive Financial Assistance Program

Past

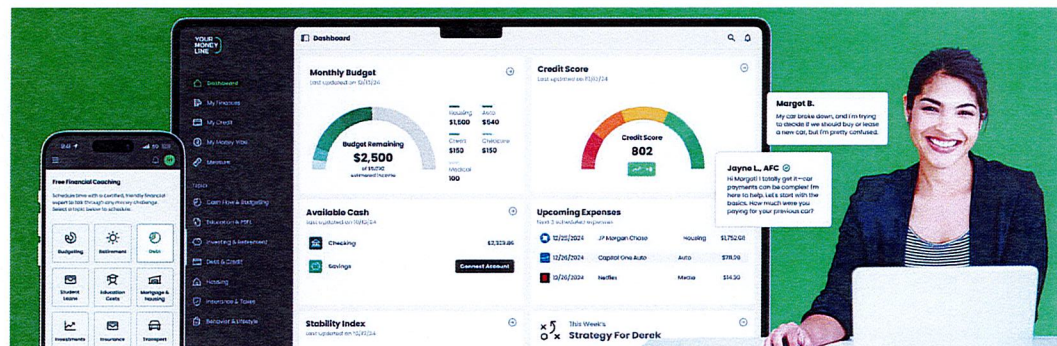
- Credit Card Debit
- Student Loans

Present

- Medical Expenses
- Public Service Loan Forgiveness

Future

- Emergency Savings Fund
- Large Purchases (Car/House)
- Retirement Planning



Your Money Line Features



Financial Coaching

- Budgeting
- Goal-setting
- Credit building
- Life transitions
- Saving efficiently
- Skill-building & literacy
- Troubleshooting financial emergencies



Financial Therapy

- Financial Anxiety
- Money Conflict
- Shame/Money Guilt
- Financial Enmeshment
- Compulsive Financial Behaviors
- Self-Sabotage
- Overspending



Financial Strategy

- Building a long-term road map
- Investment basics
- Risk management strategy
- Cash flow planning
- Introduction to tax planning
- Retirement projections



Financial Check-ups

- Yearly reviews
- Financial terminology (eg. "What is...")
- Student Loan Status
- Benchmarking (eg. "How much should I save for retirement?")
- General financial questions

Investment for the Future



- Financial stress is the number 1 source of stress in the U.S today
- **88%** of employees say their financial stress directly impacts their mental health
- When employees lack financial stability, small issues escalate faster into medical claims, pharmacy usage and missed work
- Employers see an estimated **\$18,000** per year in added costs per financially stressed employee, including lost productivity and absenteeism and **\$413** per year increase in healthcare costs

With YML, you can create meaningful change.

97%

of participants feel more confident after meeting with a financial guide.



\$97,770,420+

in student loans forgiven
(and counting)



Employees who use YML contribute **11% more** to retirement after 1 year.



14.3%

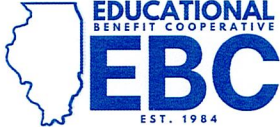
average increase in financial stability users see in 1 year.



YML users are **44% less stressed** about making ends meet every month.



EBC Historical Analysis



For Years Ending 2018 – 2027 Budget

EBC
Analysis of Revenues, Expenses and Net Position
FYE 2018 - 2027 Budget

	<u>2018 *</u>	<u>2019 *</u>	<u>2020 *</u>	<u>2021 *</u>	<u>2022 *</u>	<u>2023 *</u>	<u>2024*</u>	<u>2025</u>	<u>Trend 2026**</u>	<u>Budget 2027</u>
Revenues	\$ 368,470,124	\$ 377,129,555	\$ 413,508,882	\$ 441,603,087	\$ 437,305,751	\$ 471,563,005	\$ 556,996,565	\$ 623,731,479	\$ 653,933,056	\$ 751,818,909
Expenses	355,434,255	372,639,598	397,794,792	431,844,501	480,081,428	498,188,191	531,746,082	630,412,097	666,578,249	726,865,626
Actual/Projected net income/(loss)	\$ 13,035,869	\$ 4,489,957	\$ 15,714,090	\$ 9,758,586	\$ (42,775,677)	\$ (26,625,186)	\$ 25,250,483	\$ (6,680,618)	\$ (12,645,193)	N/A
Budgeted net income/(loss)	(1,164,502)	(1,310,511)	(865,635)	(747,441)	(6,768,182)	(2,369,878)	(1,934,822)	2,424,135	4,687,841	24,953,283
Net position	\$ 56,532,584	\$ 61,022,541	\$ 76,736,631	\$ 86,495,217	\$ 43,719,540	\$ 17,094,354	\$ 42,344,837	\$ 31,802,334	\$ 19,157,141	\$ 44,110,424
Net position as % of expenses	15.91%	16.38%	19.29%	20.03%	9.11%	3.43%	7.96%	5.04%	2.87%	6.07%

* - excludes fair value adjustments
 ** - trend based upon January 2026 financial statements

Annual Approval Motion



I move that the following items be approved in the 2026-2027 EBC final renewal:

- ✓ Contribution adjustments from the members for the fiscal year beginning July 1, 2026, be set at 16.2% for PPO, 16.4% for HMO, and 3.9% for Dental
- ✓ Businessolver Renewal through 6/30/2031
- ✓ Teladoc Renewal through 6/30/2029
- ✓ Navigate Renewal through 6/30/2029
- ✓ Wellness incentive program through 6/30/2028
- ✓ Your Money Line commencing 7/1/2026 (3 years)
- ✓ Continuation of the Educational Benefit Cooperative through 6/30/2038
- ✓ Proposed budget for 2026-2027

That no funds be allocated this fiscal year from reserve funds (working cash), and that contribution fees be collected from each Member in accordance with this motion.