INVESTMENTS & PENSIONS OVERSIGHT COMMITTEE

Representative Cynthia Borrego, Chair

Senator Roberto "Bobby" J. Gonzales, Vice Chair

The Retiree Health Care Authority: Final Update

November 9, 2026

NEW MEXICO RETIREE HEALTH CARE AUTHORITY

Dr. Lee Caruana, President

Dr. Tomas Salazar, Vice President

Lance A. Pyle, Secretary

Neil Kueffer, Executive Director

AGENDA

- BOARD OF DIRECTORS
- HISTORICAL CONTRIBUTIONS
- PARTICIPATION BY PLAN – THEN AND NOW
- BENEFITS OFFERED FOR 2027
- 2027 BENEFIT PLAN CHANGES AND PREMIUMS
- 2026 SOLVENCY SCENARIO - BOARD APPROVED
- SENSITIVITY ANALYSIS
- FY28 SOLVENCY SCENARIO (Alternative Funding Model)
- INVESTMENT PERFORMANCE
- BENEFITS TRUST FUND
- GASB 74 UPDATE



BOARD OF DIRECTORS



Dr. Tomas Salazar, Vice President
NM Association of Education Retirees



Dr. Lee Caruana, President
Retired Public Employees of NM



Mr. Lance Pyle, Secretary
NM Association of Counties

- Ms. Laura Montoya, *New Mexico State Treasurer*
- Dr. Gerry Washburn, *NM Superintendent Association*
- Ms. Renee Garcia, *NM Educational Retirement Board*
- Ms. Kate Brassington, *Public Employees Retirement Association of NM*
- Ms. Donna Sandoval, *NM Municipal League*
- Ms. JoLou Trujillo-Ottino, *NM Health Care Authority*
- Ms. Heather Vigil Clark, *NM Classified Employee*
- Ms. Therese Saunders, *NEA NM, Classroom Teachers Association, Federation of Educational Employees*

HISTORICAL CONTRIBUTIONS

Employee & employer contributions since creation of Retiree Health Care Act: Initially served more than 15,000 members

Non-Enhanced Retirement Plan			
	Employee	**Employer**	**Total**
1990-2002 (12 years)	0.500%	1.000%	1.500%
2002-2010 (8years)	0.650%	1.300%	1.950%
2010-2011 (1 year)	0.833%	1.666%	2.499%
2011-2012 (1 year)	0.917%	1.834%	2.751%
2012-2026 (14 years)	1.000%	2.000%	3.000%

Enhanced Retirement Plan			
	Employee	**Employer**	**Total**
1990-2002 (12 years)	0.500%	1.000%	1.500%
2002-2010 (8years)	0.650%	1.300%	1.950%
2010-2011 (1 year)	1.042%	2.084%	3.126%
2011-2012 (1 year)	1.146%	2.292%	3.438%
2012-2026 (14 years)	1.250%	2.500%	3.750%

- No prefunded trust fund or reserves
- No trust fund or reserves
- Payroll contributions for comprehensive and affordable benefits in retirement
- Currently over 65,000 members on plans

PARTICIPATION BY PLAN – THEN AND NOW

November 1, 2016				
Description	Retiree	Spouse	Dependent	Grand Total
BCBS Premier Plus	1,995	554	206	2,755
BCBS Premier	4,090	1,753	1,011	6,854
Presbyterian Premier Plus	1,071	238	98	1,407
Presbyterian Premier	4,085	1,294	1,009	6,388
BCBS Medicare Supplemental Plan	17,721	5,742	21	23,484
BCBS Medicare Advantage I	1,845	799	2	2,646
BCBS Medicare Advantage II	1,063	432	3	1,498
Humana Medicare Advantage I	-	-	-	-
Humana Medicare Advantage II	5			5
Presbyterian Medicare Advantage I	3,357	1,111	5	4,473
Presbyterian Medicare Advantage II	1,169	412	2	1,583
United Healthcare Medicare Advantage I	996	431	2	1,429
United Healthcare Medicare Advantage II	931	342	4	1,277
Grand Total	38,328	13,108	2,363	53,799
Voluntary	4,377	2,083	633	7,093
Total Enrollment	42,705	15,191	2,996	60,892
Non-Medicare				17,404
Medicare				36,395

November 1, 2026				
Medical Plan	**Retiree**	**Spouse**	**Dependent**	**Grand Total**
BCBS Premier PPO	3,048	833	429	4,310
Presbyterian Premier PPO	1,845	335	190	2,370
BCBS Value HMO	485	159	74	718
Presbyterian Value HMO	1,351	374	192	1,917
BCBS Medicare Supplemental Plan	15,672	3,249	5	18,926
BCBS Medicare Advantage I (HMO)	2,312	693	3	3,008
BCBS Medicare Advantage PPO	2,838	953	4	3,795
Humana Medicare Advantage I (PPO)	1,308	400		1,708
Presbyterian Medicare Advantage I (PPO)	6,842	1,728	4	8,574
United Healthcare Medicare Advantage I (PPO)	3,455	964	2	4,421
Grand Total	**39,156**	**9,688**	**903**	**49,747**
Voluntary	9,269	5,611	924	15,804
Total Enrollment	**48,425**	**15,299**	**1,827**	**65,551**
Non-Medicare				9,315
Medicare				40,432

Enrollment Counts	
As of 11/3/2026	
Year	**Annual Total**
2024	**1678**
2025	**1947**
2026	**1646**

Contract Holder Death Counts	
As of 11/06/2026	
Year	**Annual Total**
2024	**1462**
2025	**1439**
2026	**1044**

*2026 are YTD

BENEFITS OFFERED FOR 2027

Pre-Medicare Medical (pre-65/non-disabled)

- *2 - Value HMO Plans*
  - *Choice between Presbyterian Health Plan & BlueCross BlueShield NM (BCBS NM)*
- *2 - PPO Plans*
  - *Choice between Presbyterian Health Plan & BCBS NM*

Medicare Medical (65+/disabled)

- *1 – Supplement Plan*
  - *BCBS NM*
- *4 – Medicare Advantage Plans*
  - *Choice between UnitedHealthcare PPO+PDP, Humana PPO+PDP, and BCBS NM MAPD HMO and BCBS NM MAPD PPO*

Voluntary Benefits

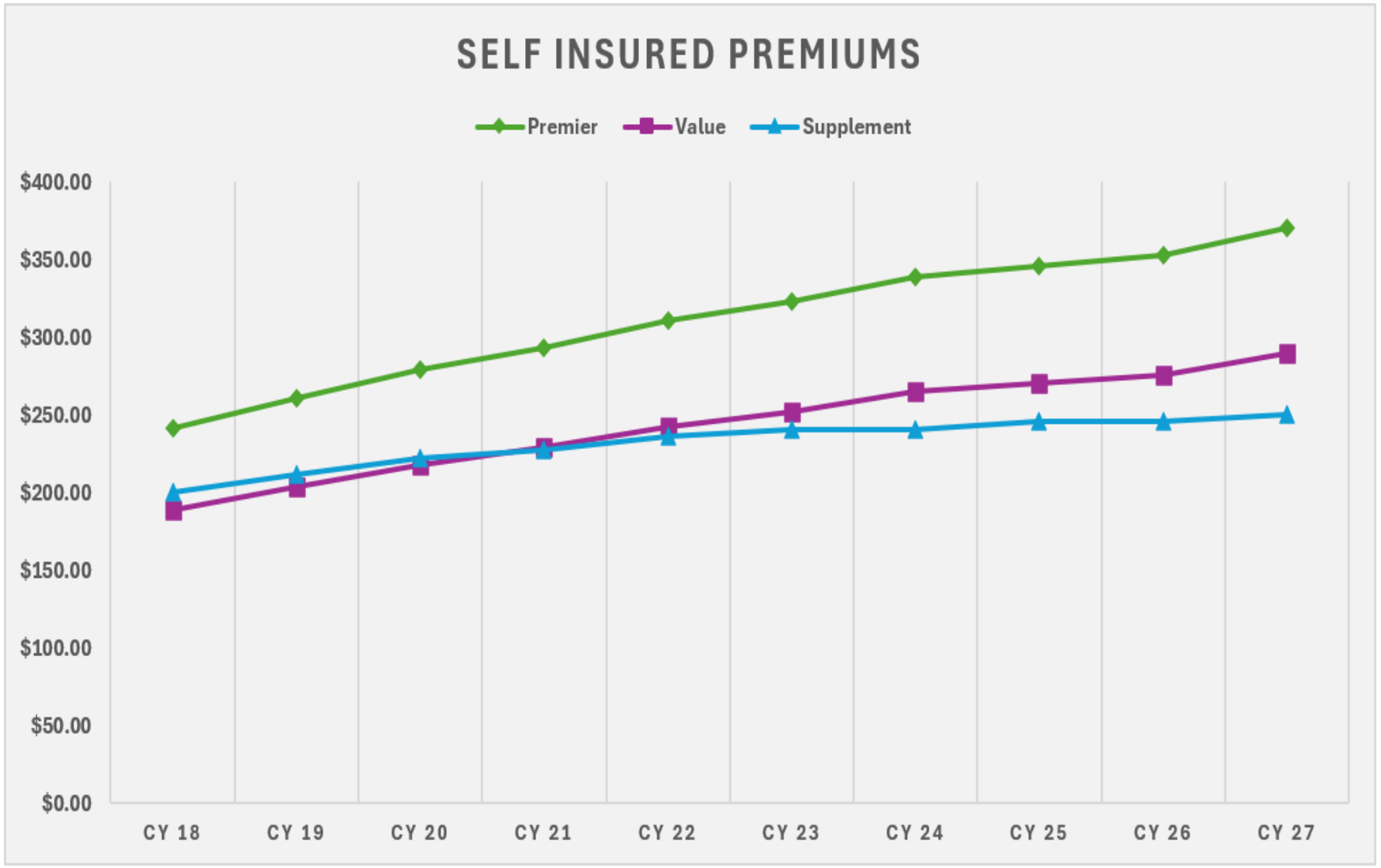
- *Dental – Delta & BCBS NM*
  - *Basic*
  - *Comprehensive*
- *Vision – Davis*
- *Supplemental Term Life Insurance – Standard Insurance Company*

2027 NON-MEDICARE PLAN CHANGES

	CARRIER	PLAN	PLAN CHANGE	PREMIUM CHANGE		
				PERCENT CHANGE	AMOUNT OF MONTHLY CHANGE*	2027 MONTHLY PREMIUM*
PRE-MEDICARE PLANS						
PRE-MEDICARE PLANS	Presbyterian & Blue Cross Blue Shield	Value Plan	No Medical or Rx changes	5% increase	$13.78 Retiree $26.15 Spouse $13.62 Child	$289.38 Retiree $549.21 Spouse $285.93 Child
		Premier Plan		5% increase	$17.64 Retiree $33.48 Spouse $17.46 Child	$370.45 Retiree $703.12 Spouse $366.66 Child

*Rate for maximum years of service

MEDICAL & PRESCRIPTION SELF-INSURED PLANS



Self Insured Premiums for Member			
	Premier Plan	Value Plan	Supplement
CY 18	$241.44	$188.60	$199.96
CY 19	$260.76	$203.69	$211.96
CY 20	$279.01	$217.95	$222.55
CY 21	$292.96	$228.85	$227.00
CY 22	$310.54	$242.58	$236.08
CY 23	$322.96	$252.28	$240.80
CY 24	$339.11	$264.89	$240.80
CY 25	$345.90	$270.19	$245.61
CY 26	$352.81	$275.60	$245.61
CY 27	$370.45	$289.38	$250.52

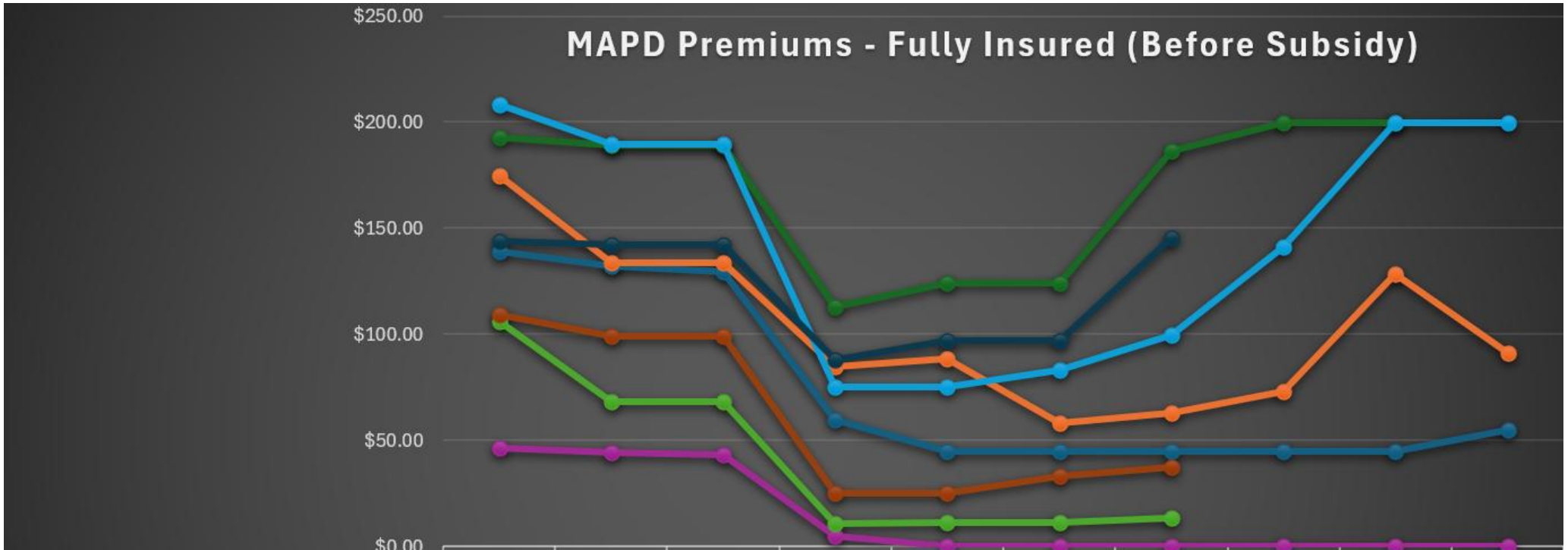
Average Annual Growth Rate to CY27: Premier Plan and Value Plan = 4.37%, Supplement Plan = 2.28%

2027 MEDICARE PLAN CHANGES

	CARRIER	PLAN	PLAN CHANGE	PREMIUM CHANGE		
				PERCENT CHANGE	AMOUNT OF MONTHLY CHANGE*	2027 MONTHLY PREMIUM*
MEDICARE PLANS						
MEDICARE PLANS	Blue Cross Blue Shield	Supplement	No Medical changes. Rx change $2400 annual out-of-pocket max per IRA**.	2% increase	$4.91 Retiree $7.37 Spouse $9.82 Child	$250.52 Retiree $375.79 Spouse $501.05 Child
MEDICARE PLANS	Blue Cross Blue Shield	Medicare Advantage HMO	No medical changes. Rx change $2400 annual out-of-pocket max per IRA**.	0% increase	$0.00 Retiree $0.00 Spouse $0.00 Child	$0.00 Retiree $0.00 Spouse $0.00 Child
MEDICARE PLANS	Blue Cross Blue Shield	Medicare Advantage PPO	No medical changes. Rx change $2400 annual out-of-pocket max per IRA**.	22.2% increase	$5.00 Retiree $7.50 Spouse $10.00 Child	$27.50 Retiree $41.25 Spouse $55.00 Child
MEDICARE PLANS	United HealthCare	Medicare Advatage + PDP	No medical changes. Rx change $2400 annual out-of-pocket max per IRA**.	0% increase	$0.00 Retiree $ 0.00 Spouse $0.00 Child	$99.95 Retiree $149.92 Spouse $199.90 Child
MEDICARE PLANS	Humana	Medicare Advatage + PDP	No medical changes. Rx change $2400 annual out-of-pocket max per IRA**.	29.2% decrease	$-18.78 Retiree $ -28.16 Spouse $-37.56 Child	$45.53 Retiree $68.29 Spouse $91.06 Child
MEDICARE PLANS	Presbyterian	Medicare Advantage HMO-POS	Presbyterian Medicare Advantage plan will no longer be offered through NMRHCA effective January 1, 2027. Members who take no action to select another plan will be defaulted to UnitedHealthcare Medicare Advantage PPO as of 1/1/2027.			

*Rate for maximum years of service

MEDICARE ADVANTAGE PRESCRIPTION DRUG PLANS



	CY 18	CY 19	CY 20	CY 21	CY 22	CY 23	CY 24	CY 25	CY 26	CY 27
Blue Cross Blue Sheild MAPD (PPO CY25)	$139.20	$132.20	$129.60	$60.00	$45.00	$45.00	$45.00	$45.00	$45.00	$55.00
Humana MAPD 1	$174.90	$133.65	$133.65	$84.94	$88.26	$58.22	$62.72	$73.23	$128.62	$91.06
Presbyterian MAPD 1	$193.00	$189.00	$189.00	$113.00	$124.30	$124.30	$186.45	$199.49	$199.49	
United Healthcare MAPD 1	$208.33	$189.37	$189.37	$75.00	$75.00	$83.00	$99.60	$141.00	$199.90	$199.90
Blue Cross Blue Sheild MAPD HMO	$46.60	$44.30	$43.40	$5.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Humana MAPD 2	$106.12	$68.15	$68.15	$10.76	$11.54	$11.54	$13.62			
Presbyterian MAPD 2	$144.00	$142.00	$142.00	$88.00	$96.80	$96.80	$145.20			
United Healthcare MAPD 2	$109.30	$99.31	$99.31	$25.00	$25.00	$33.00	$37.60			

Total Membership - 21,506
Enrollment as of 11/1/26
3,795
1,708
8,574
4,421
3,008
0
0
0

Average Annual Growth Rate CY18 to CY27: BCBS PPO = -8.87%, Humana = -6.32%, UHC = -.41%, BCBS HMO = -100%

MEDICARE ADVANTAGE UPDATES

Decoupling of Humana and UnitedHealthcare (UHC) Medicare Advantage Plans
- Helps to control costs
- Medical and Prescription are still one choice but separated into standalone plans
- No change to covered benefits resulting from the decoupling

Humana Medicare Advantage PPO to Humana Medicare Advantage PPO + Prescription Drug Plan (PDP)
- A single card for both plans

UHC Medicare Advantage PPO to UHC Medicare Advantage PPO + Prescription Drug Plan (PDP)
- Two cards – one for each plan

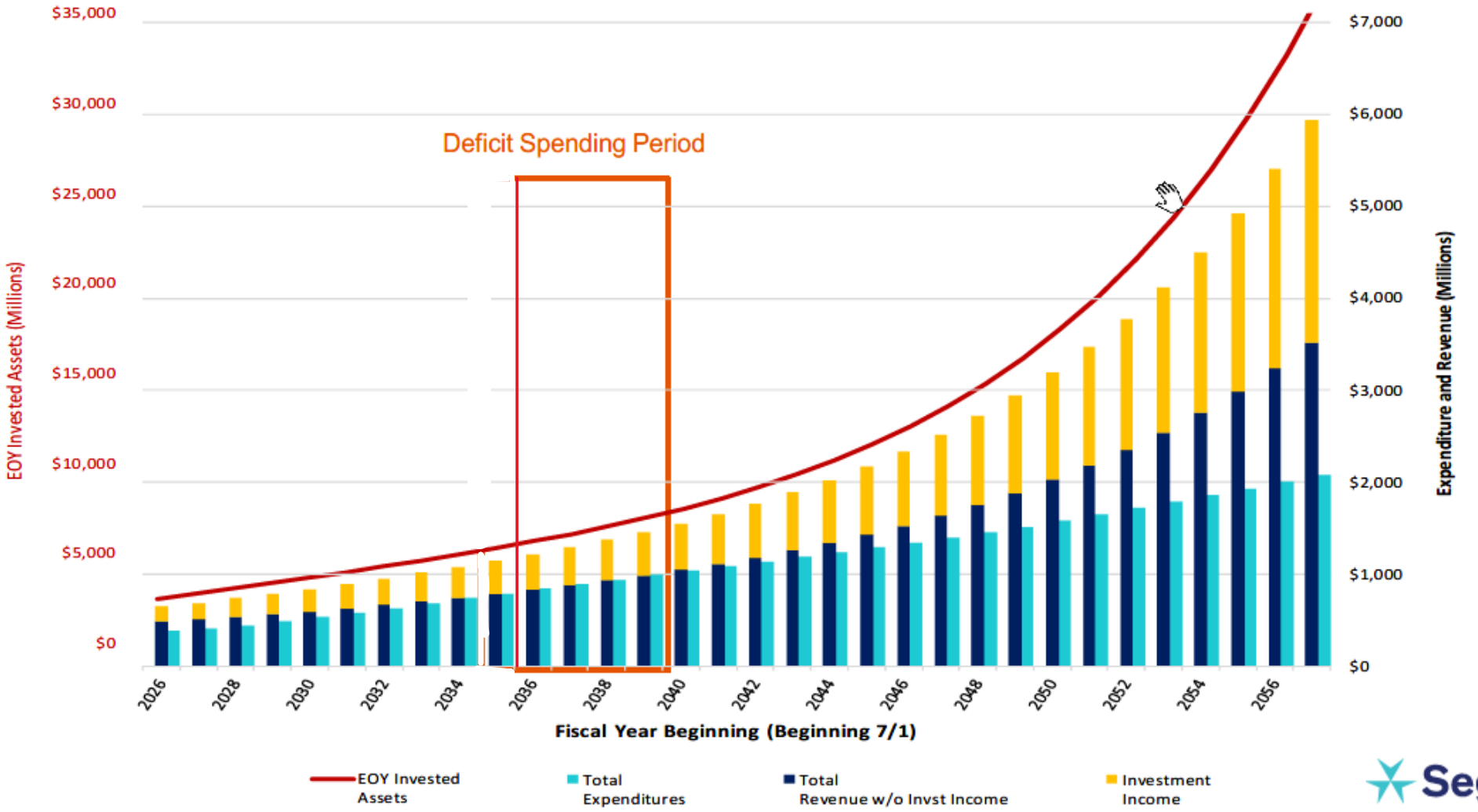
Presbyterian Medicare Advantage Prescription Drug (MAPD) Plan
- Starting January 1, 2027, the plan is discontinued for all members
- Plan options with Presbyterian provider network access
  - UHC Medicare Advantage PPO + Prescription Drug Plan
  - BCBS NM Medicare Advantage PPO Plan
  - BCBS NM Medicare Supplement Plan
- Members enrolled in Presbyterian MAPD who do not elect another plan for 2027 will be defaulted to UHC Medicare Advantage PPO + Prescription Drug Plan

2027 VOLUNTARY PLAN CHANGES

	CARRIER	PLAN	PLAN CHANGE	PREMIUM CHANGE		
				PERCENT CHANGE	AMOUNT OF MONTHLY CHANGE	2027 MONTHLY PREMIUM
VOLUNTARY BENEFITS						
VOLUNTARY BENEFITS	Delta Dental	Basic	No change	0% increase	$0 Single $0 2-Party $0 Family	$24.04 Single $45.68 2-Party $68.51 Family
VOLUNTARY BENEFITS	Delta Dental	Comprehensive	No change	4.5% increase	$1.97 Single $3.74 2-Party $5.61 Family	$45.67 Single $86.79 2-Party $130.18 Family
VOLUNTARY BENEFITS	Blue Cross Blue Shield Dental	Basic	No change	0% increase	$0 Single $0 2-Party $0 Family	$19.98 Single $37.95 2-Party $56.93 Family
VOLUNTARY BENEFITS	Blue Cross Blue Shield Dental	Comprehensive	No change	0% increase	$0 Single $0 2-Party $0 Family	$38.46 Single $73.07 2-Party $109.56 Family
VOLUNTARY BENEFITS	Davis Vision	Vision Plan	No change	0% increase	$0 Single $0 2-Party $0 Family	$4.91 Single $9.24 2-Party $13.61 Family
VOLUNTARY BENEFITS	The Standard Life	Multiple Levels of Coverage Available	No change			

2026 SOLVENCY SCENARIO – BOARD APPROVED

5% Non-Medicare retiree and spouse, 5% Non-Medicare dependent, 2% Med Supp Rate Increases



Segal

2026 SOLVENCY SCENARIO – BOARD APPROVED

Projected Year of Insolvency: Exceeds Projection Period

Scenario: Board Approved - Using the starting balance as of June 30, 2026

Description: NonMedicare Medical: 8.5% trend until CY2029, decreasing 0.25% each year until a 4.5% ultimate trend; Medicare Medical : 7% trend until CY2029, decreasing 0.25% each year until a 4.5% ultimate trend; NonMedicare Rx: 18% trend through CY2029, decreasing 1.0% through 2035, decreasing 0.25% each year until 4.5% ultimate trend; Medicare Rx: 11% trend through CY2029, decreasing 0.25% each year until 4.5% ultimate trend; No Annual Plan Changes; Annual Non-Medicare Rate Increases of 5% in CY2027, and 5% thereafter, Medicare Rate Increase of 2% in CY2027, and 2% thereafter; Rate of return of 7.25%; Payroll growth of 2.75% for Public Safety and 1.72% for Other Occupations in FY2026 and 2.75% beginning FY2027 overall; 12% Pension Tax Revenue; Includes financial impact from 2026 approved legislation.

		REVENUE									EXPENDITURES						
Fiscal Year Beginning	BOY Invested Assets	Employer Contribution	Employee Contribution	Retiree Medical	Retiree Ancillary	Tax Revenue	Medicare PDP & Manufacturers Discount	Miscellaneous	Total Revenue w/o Invst Income	Investment Income	Medical/Rx	Ancillary Premiums	ASO & HC Reform Fees	Program Support	Total Expenditures	Rev. - Exp. Excluding Inv. Income	EOY Invested Assets
7/1/2026	$2,176,751,684	$138,025,921	$69,012,960	$133,119,346	$40,229,040	$65,009,436	$39,215,330	$117,050	$484,729,082	$161,452,228	$324,233,242	$40,229,040	$15,428,007	$4,487,600	$384,377,889	$100,351,193	$2,438,555,105
7/1/2027	$2,438,555,105	$141,821,634	$70,910,817	$137,714,113	$41,740,108	$72,810,568	$40,674,103	$115,276	$505,786,619	$180,332,896	$346,125,398	$41,740,108	$15,730,960	$4,599,790	$408,196,257	$97,590,363	$2,716,478,363
7/1/2028	$2,716,478,363	$145,721,729	$72,860,864	$143,423,941	$43,639,557	$81,547,837	$45,686,161	$114,279	$532,994,368	$200,196,341	$378,856,324	$43,639,557	$16,082,735	$4,714,785	$443,293,400	$89,700,968	$3,006,375,673
7/1/2029	$3,006,375,673	$149,729,076	$74,864,538	$149,253,683	$45,830,949	$91,333,577	$51,227,794	$113,126	$562,352,744	$220,826,190	$416,245,209	$45,830,949	$16,438,301	$4,832,654	$483,347,115	$79,005,629	$3,306,207,492
7/1/2030	$3,306,207,492	$153,846,626	$76,923,313	$155,486,473	$48,115,130	$102,293,606	$57,114,972	$113,818	$593,893,938	$242,092,117	$457,981,151	$48,115,130	$16,855,947	$4,953,471	$527,905,699	$65,988,239	$3,614,287,848
7/1/2031	$3,614,287,848	$158,077,408	$79,038,704	$161,912,828	$50,464,391	$114,568,839	$63,385,248	$114,391	$627,561,810	$263,911,325	$503,002,971	$50,464,391	$17,280,422	$5,077,307	$575,825,092	$51,736,718	$3,929,935,891
7/1/2032	$3,929,935,891	$162,424,537	$81,212,268	$168,521,809	$52,888,119	$128,317,100	$70,001,235	$115,519	$663,460,587	$286,228,518	$551,592,313	$52,868,119	$17,708,589	$5,204,240	$627,373,241	$36,087,345	$4,252,251,755
7/1/2033	$4,252,251,755	$166,891,211	$83,445,606	$175,104,000	$55,355,941	$143,715,152	$77,055,809	$116,077	$701,683,796	$309,039,660	$602,146,151	$55,355,941	$18,118,865	$5,334,346	$680,955,303	$20,728,493	$4,582,019,908
7/1/2034	$4,582,019,908	$171,460,720	$85,740,360	$181,259,148	$57,873,854	$160,960,970	$84,595,025	$115,446	$742,025,522	$332,482,715	$652,315,688	$57,873,854	$18,471,137	$5,467,705	$734,128,383	$7,897,139	$4,922,399,761
7/1/2035	$4,922,399,761	$176,196,439	$88,098,220	$186,954,960	$60,459,103	$180,276,286	$92,653,690	$113,915	$784,752,613	$356,832,892	$701,053,669	$60,459,103	$18,768,983	$5,604,397	$785,886,152	($1,133,539)	$5,278,099,113
7/1/2036	$5,278,099,113	$181,041,842	$90,520,921	$192,246,769	$63,087,802	$201,909,441	$101,175,510	$111,813	$830,094,097	$382,438,379	$748,414,263	$63,087,802	$19,021,494	$5,744,507	$836,268,066	($6,173,970)	$5,654,363,523
7/1/2037	$5,654,363,523	$186,020,492	$93,010,246	$197,392,766	$65,756,568	$226,138,574	$110,017,892	$109,881	$878,446,418	$409,647,710	$795,649,673	$65,756,568	$19,252,617	$5,888,120	$886,546,978	($8,100,560)	$6,055,910,673
7/1/2038	$6,055,910,673	$191,136,056	$95,568,028	$202,527,532	$68,512,316	$253,275,203	$119,194,602	$108,009	$930,321,745	$438,797,282	$843,368,672	$68,512,316	$19,474,174	$6,035,323	$937,390,485	($7,068,739)	$6,487,639,216
7/1/2039	$6,487,639,216	$196,392,297	$98,196,149	$207,376,030	$71,348,981	$283,668,227	$128,797,003	$105,567	$985,884,254	$470,333,259	$889,251,987	$71,348,981	$19,664,917	$6,186,206	$986,452,091	($567,837)	$6,957,404,638
7/1/2040	$6,957,404,638	$201,793,085	$100,896,543	$212,185,953	$74,262,875	$317,708,414	$138,675,250	$103,428	$1,045,625,549	$504,779,832	$935,024,684	$74,262,875	$19,845,514	$6,340,861	$1,035,473,935	$10,151,614	$7,472,336,084
7/1/2041	$7,472,336,084	$207,342,395	$103,671,198	$217,044,646	$77,322,276	$355,833,424	$148,900,098	$101,290	$1,110,215,327	$542,653,856	$981,279,111	$77,322,276	$20,025,193	$6,499,383	$1,085,125,963	$25,089,364	$8,040,079,303
7/1/2042	$8,040,079,303	$213,044,311	$106,522,156	$221,916,579	$80,539,775	$398,533,435	$159,527,375	$99,066	$1,180,182,696	$584,549,322	$1,027,439,683	$80,539,775	$20,201,443	$6,661,867	$1,134,842,768	$45,339,928	$8,669,968,553
7/1/2043	$8,669,968,553	$218,903,030	$109,451,515	$226,993,197	$83,977,553	$446,357,447	$170,586,159	$97,013	$1,256,365,913	$631,127,556	$1,074,691,425	$83,977,553	$20,390,285	$6,828,414	$1,185,887,678	$70,478,236	$9,371,574,345
7/1/2044	$9,371,574,345	$224,922,863	$112,461,432	$231,988,315	$87,604,991	$499,920,340	$182,118,812	$94,607	$1,339,111,360	$683,142,001	$1,121,787,279	$87,604,991	$20,572,082	$6,999,124	$1,236,963,476	$102,147,884	$10,156,864,229
7/1/2045	$10,156,864,229	$231,108,242	$115,554,121	$237,054,669	$91,468,868	$559,910,781	$194,095,619	$92,237	$1,429,284,538	$741,468,881	$1,169,299,004	$91,468,868	$20,757,056	$7,174,103	$1,288,699,030	$140,585,508	$11,038,918,618
7/1/2046	$11,038,918,618	$237,463,718	$118,731,859	$242,221,642	$95,541,077	$627,100,075	$206,406,256	$89,892	$1,527,554,518	$807,055,694	$1,217,946,364	$95,541,077	$20,945,509	$7,353,455	$1,341,786,405	$185,768,114	$12,031,742,426
7/1/2047	$12,031,742,426	$243,993,971	$121,996,985	$247,598,505	$99,863,340	$702,352,084	$219,006,895	$87,693	$1,634,899,474	$880,945,754	$1,267,887,875	$99,863,340	$21,143,982	$7,537,292	$1,396,432,489	$238,466,984	$13,151,155,164
7/1/2048	$13,151,155,164	$250,703,805	$125,351,902	$253,233,197	$104,526,562	$786,634,334	$232,052,028	$85,506	$1,752,587,334	$964,341,023	$1,318,774,915	$104,526,562	$21,359,486	$7,725,724	$1,452,386,687	$300,200,647	$14,415,696,834
7/1/2049	$14,415,696,834	$257,598,160	$128,799,080	$259,627,676	$109,514,242	$881,030,454	$245,269,823	$84,011	$1,881,923,446	$1,058,526,388	$1,373,539,315	$109,514,242	$21,616,746	$7,918,867	$1,512,589,170	$369,334,276	$15,843,557,498
7/1/2050	$15,843,557,498	$264,682,109	$132,341,054	$266,684,034	$114,922,744	$986,754,109	$258,822,990	$82,675	$2,024,289,714	$1,164,895,336	$1,431,410,165	$114,922,744	$21,911,223	$8,116,839	$1,576,360,971	$447,928,743	$17,456,381,577
7/1/2051	$17,456,381,577	$271,960,867	$135,980,433	$274,681,774	$120,699,530	$1,105,164,602	$272,433,571	$81,982	$2,181,002,759	$1,285,012,260	$1,493,881,549	$120,699,530	$22,251,009	$8,319,760	$1,645,151,848	$535,850,912	$19,277,244,748
7/1/2052	$19,277,244,748	$279,439,791	$139,719,895	$282,632,019	$126,919,201	$1,237,784,354	$286,554,654	$80,548	$2,353,130,462	$1,420,792,370	$1,555,313,979	$126,919,201	$22,586,751	$8,527,754	$1,713,347,685	$639,782,777	$21,337,819,895
7/1/2053	$21,337,819,895	$287,124,385	$143,562,192	$290,918,970	$133,499,462	$1,386,318,476	$300,758,539	$79,370	$2,542,261,395	$1,574,526,152	$1,617,525,175	$133,499,462	$22,931,397	$8,740,947	$1,782,696,982	$759,564,413	$23,671,910,461
7/1/2054	$23,671,910,461	$295,020,306	$147,510,153	$299,663,644	$140,640,164	$1,552,676,693	$315,263,828	$78,094	$2,750,852,881	$1,748,728,497	$1,680,990,270	$140,640,164	$23,297,764	$8,959,471	$1,853,887,669	$896,965,213	$26,317,604,171
7/1/2055	$26,317,604,171	$303,133,364	$151,566,682	$308,706,670	$148,196,314	$1,738,997,896	$330,012,050	$76,838	$2,980,689,815	$1,946,236,922	$1,745,548,404	$148,196,314	$23,675,576	$9,183,458	$1,926,603,752	$1,054,086,063	$29,317,927,157
7/1/2056	$29,317,927,157	$311,469,531	$155,734,766	$318,013,504	$156,192,079	$1,947,677,644	$345,449,742	$75,603	$3,234,612,870	$2,170,218,687	$1,812,699,242	$156,192,079	$24,061,116	$9,413,044	$2,002,365,481	$1,232,247,388	$32,720,393,232
7/1/2057	$32,720,393,232	$320,034,944	$160,017,472	$327,590,050	$164,653,034	$2,181,398,961	$361,609,114	$74,388	$3,515,377,963	$2,424,214,889	$1,882,514,985	$164,653,034	$24,454,547	$9,648,370	$2,081,270,937	$1,434,107,026	$36,578,715,147

Assumptions with Fiscal Year Basis:	FY2027	FY2028	FY2029	FY2030	FY2031+
Public Safety, et al Annual Payroll Growth	2.75%	2.75%	2.75%	2.75%	2.75%
Other Occupations Annual Payroll Growth	1.72%	2.75%	2.75%	2.75%	2.75%
Public Safety, et al Employer Rate	2.50%	2.50%	2.50%	2.50%	2.50%
Public Safety, et al Employee Rate	1.25%	1.25%	1.25%	1.25%	1.25%
Other Occupations Employer Rate	2.00%	2.00%	2.00%	2.00%	2.00%
Other Occupations Employee Rate	1.00%	1.00%	1.00%	1.00%	1.00%
Annual Investment Return	7.25%	7.25%	7.25%	7.25%	7.25%
Annual Growth in Retirees under age 65	-2.62%	-1.52%	-0.86%	-1.01%	varies
Annual Growth in Retirees age 65+	1.55%	1.24%	0.99%	0.92%	varies
Non-Medicare Prescription Drug Rebate Trend	34.86%	18.51%	18.00%	18.00%	varies
Medicare Prescription Drug Rebate Trend	-0.10%	2.23%	11.00%	11.00%	varies

Assumptions with Calendar Year Basis:	CY2027	CY2028	CY2029	CY2030	CY2031+
Non-Medicare Medical Claims Trend	8.50%	8.50%	8.50%	8.25%	8.0% to 4.5%
Non-Medicare Prescription Drug Claims Trend	18.00%	18.00%	18.00%	17.00%	16.0% to 4.5%
Medicare Medical Claims Trend	7.00%	7.00%	7.00%	6.75%	6.5% to 4.5%
Medicare Prescription Drug Claims Trend	11.00%	11.00%	11.00%	10.75%	10.50% to 4.5%
EGWP Subsidies as a Percentage of Claims[1]	36.00%	36.00%	36.00%	36.00%	36.00%
Humana Medicare Advantage Premium Increase	-29.20%	6.00%	6.00%	6.00%	6.00%
BCBS Medicare Advantage Premium Increase	22.22%	6.00%	6.00%	6.00%	6.00%
Presbyterian Medicare Advantage Premium Increase	0.21%				
United Healthcare Medicare Advantage Premium Increase	0.00%	6.00%	6.00%	6.00%	6.00%

Member Rate-Share for Self-funded Plans effective 1/1:	CY2027	CY2028	CY2029	CY2030	CY2031+
Non-Medicare Retiree Rate Share (20+ years of service)	36.00%	36.00%	36.00%	36.00%	36.00%
Non-Medicare Spouse Rate Share (20+ years of service)	64.00%	64.00%	64.00%	64.00%	64.00%
Medicare Retiree Rate Share (20+ years of service)	50.00%	50.00%	50.00%	50.00%	50.00%
Medicare Spouse Rate Share (20+ years of service)	75.00%	75.00%	75.00%	75.00%	75.00%
Premium Rates for Self-funded Plans effective 1/1:	**CY2027**	**CY2028**	**CY2029**	**CY2030**	**CY2031+**
Non-Medicare Retiree % Increase	5.00%	5.00%	5.00%	5.00%	5% to 5%
Non-Medicare Spouse % Increase	5.00%	5.00%	5.00%	5.00%	5% to 5%
Non-Medicare Child % Increase	5.00%	5.00%	5.00%	5.00%	5% to 5%
Medicare Supplement % Increase	2.00%	2.00%	2.00%	2.00%	2% to 2%

Self-funded Plan Benefit Modifications effective 1/1:	CY2027	CY2028	CY2029	CY2030	CY2031+
Non-Medicare Premier	0.00%	0.00%	0.00%	0.00%	0% to 0%
Non-Medicare Value	0.00%	0.00%	0.00%	0.00%	0% to 0%
Non-Medicare Prescription Drug	0.00%	0.00%	0.00%	0.00%	0% to 0%
Medicare Supplement	0.00%	0.00%	0.00%	0.00%	0% to 0%
Medicare Prescription Drug	0.00%	0.00%	0.00%	0.00%	0% to 0%

Segal

SENSITIVITY ANALYSIS *(1 OF 2)*

2026 Baseline Solvency Model Sensitivity to Assumption Changes

	Baseline Scenario	Low Trend: -1%	High Trend: +1%	Low Payroll Growth: -0.5%	Increase Non-Medicare Retiree Rate Share: +4%	Increase Non-Medicare Spouse Rate Share: +6%
Changing Trends:						
Non-Medicare Medical/Rx Claims Trend	8.50% / 18.00%	7.50% / 17.00%	9.50% / 19.00%	8.50% / 18.00%	8.50% / 18.00%	8.50% / 18.00%
Medicare Medical/Rx Claims Trend	7.00% / 11.00%	6.00% / 10.00%	8.00% / 12.00%	7.00% / 11.00%	7.00% / 11.00%	7.00% / 11.00%
Annual Payroll Growth - Starting FY2028	2.75%	2.75%	2.75%	2.25%	2.75%	2.75%
Medicare Advantage Premium Increase - CY2028 and beyond	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Non-Medicare Retiree Rate Share	36.00%	36.00%	36.00%	36.00%	40.00%	36.00%
Non-Medicare Spouse Rate Share	64.00%	64.00%	64.00%	64.00%	64.00%	70.00%
Non-Medicare Rate Increase	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Medicare Supplement Rate Increase	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Annual Investment Return	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%
Results:						
Projected Year of Deficit Spending	2034	2036	2033	2033	2034	2034
Projected Year of Fiscal Insolvency	Exceeds Projection Period	Exceeds Projection Period	Exceeds Projection Period	Exceeds Projection Period	Exceeds Projection Period	Exceeds Projection Period
Ending Balance of Projection Period	$28,747,915,448	$37,093,796,159	$18,858,157,685	$26,883,884,313	$29,064,444,816	$28,875,562,021

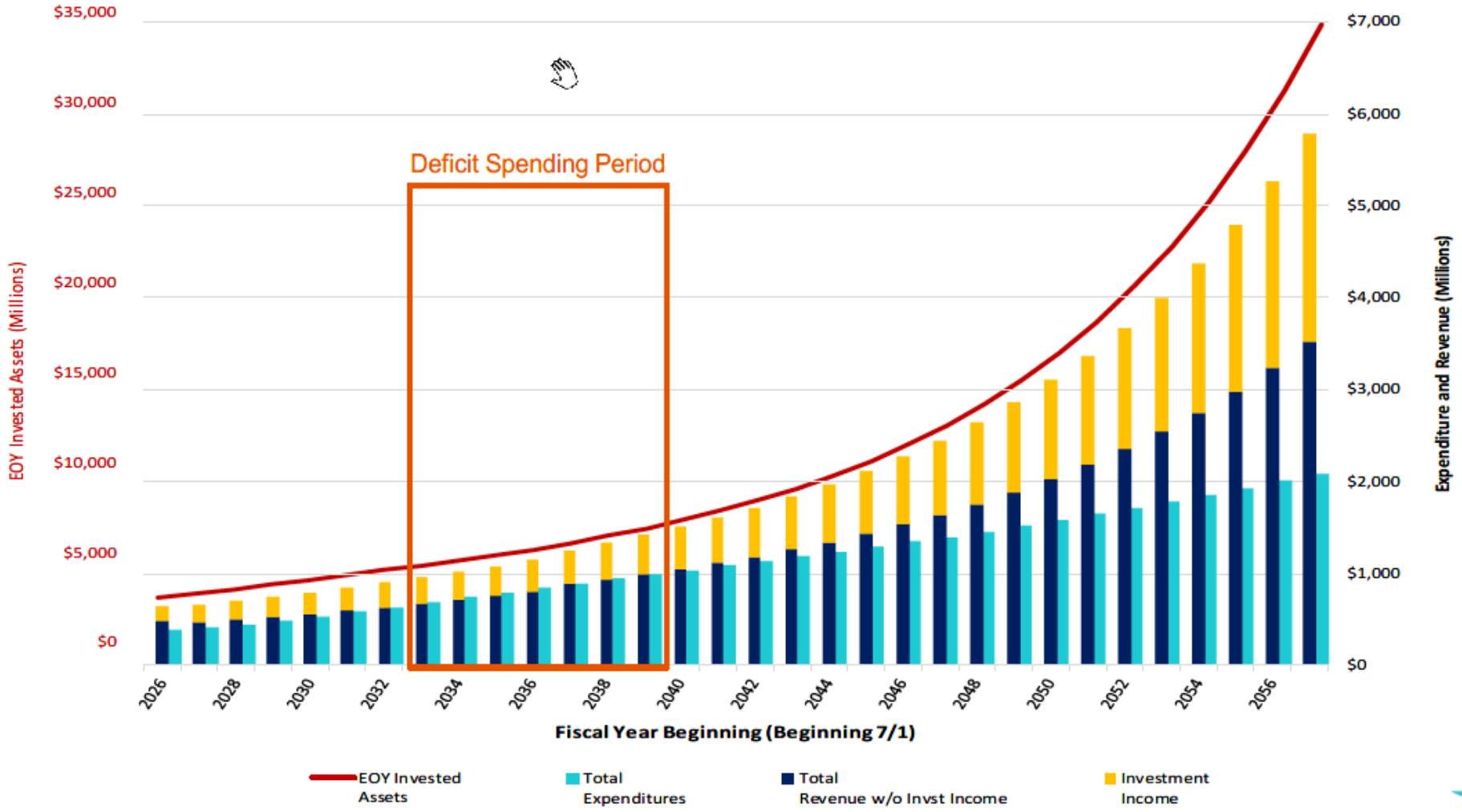
SENSITIVITY ANALYSIS *(2 OF 2)*

2026 Baseline Solvency Model Sensitivity to Assumption Changes

	Baseline Scenario	Increase Non-Medicare Rate Change: +1%	Decrease Non-Medicare Rate Change: -1%	Increase Medicare Supplement Rate Change: +1%	Decrease Medicare Supplement Rate Change: -1%	Low Investment Return: -1%	Very Low Investment Return: -2%
Changing Trends:							
Non-Medicare Medical/Rx Claims Trend	8.50% / 18.00%	8.50% / 18.00%	8.50% / 18.00%	8.50% / 18.00%	8.50% / 18.00%	8.50% / 18.00%	8.50% / 18.00%
Medicare Medical/Rx Claims Trend	7.00% / 11.00%	7.00% / 11.00%	7.00% / 11.00%	7.00% / 11.00%	7.00% / 11.00%	7.00% / 11.00%	7.00% / 11.00%
Annual Payroll Growth - Starting FY2028	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Medicare Advantage Premium Increase - CY2028 and beyond	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Non-Medicare Retiree Rate Share	36.00%	36.00%	36.00%	36.00%	36.00%	36.00%	36.00%
Non-Medicare Spouse Rate Share	64.00%	64.00%	64.00%	64.00%	64.00%	64.00%	64.00%
Non-Medicare Rate Increase	0.00%	1.00%	-1.00%	0.00%	0.00%	0.00%	0.00%
Medicare Supplement Rate Increase	0.00%	0.00%	0.00%	1.00%	-1.00%	0.00%	0.00%
Annual Investment Return	7.25%	7.25%	7.25%	7.25%	7.25%	6.25%	5.25%
Results:							
Projected Year of Deficit Spending	2034	2034	2034	2034	2034	2034	2034
Projected Year of Fiscal Insolvency	Exceeds Projection Period	Exceeds Projection Period	Exceeds Projection Period	Exceeds Projection Period	Exceeds Projection Period	Exceeds Projection Period	Exceeds Projection Period
Ending Balance of Projection Period	$28,747,915,448	$29,283,297,160	$28,286,410,000	$29,676,413,495	$27,956,075,986	$23,089,003,427	$18,807,659,253

FY28 SOLVENCY SCENARIO (Alternative Funding Model)

Tax Revenue assumption reduced by $35M in FY28 through FY37, then increased by $35M for the remaining years with 12% trend for all years



FY28 SOLVENCY SCENARIO (Alternative Funding Model)

Projected Year of Insolvency: Exceeds Projection Period

Scenario: Tax Revenue Scenario 5 - Using the starting balance as of June 30, 2026

Description: NonMedicare Medical: 8.5% trend until CY2029, decreasing 0.25% each year until a 4.5% ultimate trend; Medicare Medical : 7% trend until CY2029, decreasing 0.25% each year until a 4.5% ultimate trend; NonMedicare Rx: 18% trend through CY2029, decreasing 1.0% through 2035, decreasing 0.25% each year until 4.5% ultimate trend; Medicare Rx: 11% trend through CY2029, decreasing 0.25% each year until 4.5% ultimate trend; No Annual Plan Changes; Annual Non-Medicare Rate Increases of 5% in CY2027, and 5% thereafter, Medicare Rate Increase of 2% in CY2027, and 2% thereafter; Rate of return of 7.25%; Payroll growth of 2.75% for Public Safety and 1.72% for Other Occupations in FY2026 and 2.75% beginning FY2027 overall; 12% Pension Tax Revenue, Reduced by $35M in FY28, Increased by $35M in FY38; Includes financial impact from 2026 approved legislation.

		REVENUE									EXPENDITURES						
Fiscal Year Beginning	BOY Invested Assets	Employer Contribution	Employee Contribution	Retiree Medical	Retiree Ancillary	Tax Revenue	Medicare PDP & Manufacturers Discount	Miscellaneous	Total Revenue w/o Invst Income	Investment Income	Medical/Rx	Ancillary Premiums	ASO & HC Reform Fees	Program Support	Total Expenditures	Rev. - Exp. Excluding Inv. Income	EOY Invested Assets
7/1/2026	$2,176,751,684	$138,025,921	$69,012,960	$133,119,346	$40,229,040	$65,009,436	$39,215,330	$117,050	$484,729,082	$161,452,228	$324,233,242	$40,229,040	$15,428,007	$4,487,600	$384,377,889	$100,351,193	$2,438,555,105
7/1/2027	$2,438,555,105	$141,821,634	$70,910,817	$137,714,113	$41,740,108	$37,810,568	$40,674,103	$115,276	$470,786,619	$179,064,146	$346,125,398	$41,740,108	$15,730,960	$4,599,790	$408,196,257	$62,590,363	$2,680,209,613
7/1/2028	$2,680,209,613	$145,721,729	$72,860,864	$143,423,941	$43,639,557	$46,547,837	$45,686,161	$114,279	$497,994,368	$196,298,107	$378,856,324	$43,639,557	$16,082,735	$4,714,785	$443,293,400	$54,700,968	$2,931,208,688
7/1/2029	$2,931,208,688	$149,729,076	$74,864,538	$149,253,683	$45,830,949	$56,333,577	$51,227,794	$113,126	$527,352,744	$214,107,834	$416,245,209	$45,830,949	$16,438,301	$4,832,654	$483,347,115	$44,005,629	$3,189,322,152
7/1/2030	$3,189,322,152	$153,846,626	$76,923,313	$155,486,473	$48,115,130	$67,293,606	$57,114,972	$113,818	$558,893,938	$232,349,180	$457,981,151	$48,115,130	$16,855,947	$4,953,471	$527,905,699	$30,988,239	$3,452,659,570
7/1/2031	$3,452,659,570	$158,077,408	$79,038,704	$161,912,828	$50,464,391	$79,568,839	$63,385,248	$114,391	$592,561,810	$250,924,525	$503,002,971	$50,464,391	$17,280,422	$5,077,307	$575,825,092	$16,736,718	$3,720,320,813
7/1/2032	$3,720,320,813	$162,424,537	$81,212,268	$168,521,809	$52,868,119	$93,317,100	$70,001,235	$115,519	$628,460,587	$269,762,675	$551,592,313	$52,868,119	$17,708,569	$5,204,240	$627,373,241	$1,087,345	$3,991,170,833
7/1/2033	$3,991,170,833	$166,891,211	$83,445,606	$175,104,000	$55,355,941	$108,715,152	$77,055,809	$116,077	$666,683,796	$288,842,543	$602,146,151	$55,355,941	$18,118,865	$5,334,346	$680,955,303	($14,271,507)	$4,265,741,870
7/1/2034	$4,265,741,870	$171,480,720	$85,740,360	$181,259,148	$57,873,854	$125,960,970	$84,595,025	$115,446	$707,025,522	$308,283,807	$652,315,688	$57,873,854	$18,471,137	$5,467,705	$734,128,383	($27,102,861)	$4,546,922,815
7/1/2035	$4,546,922,815	$176,196,439	$88,098,220	$186,954,960	$60,459,103	$145,276,286	$92,653,690	$113,915	$749,752,613	$328,342,063	$701,053,669	$60,459,103	$18,768,983	$5,604,397	$785,886,152	($36,133,539)	$4,839,131,339
7/1/2036	$4,839,131,339	$181,041,842	$90,520,921	$192,246,769	$63,087,802	$166,909,441	$101,175,510	$111,813	$795,094,097	$349,344,466	$748,414,263	$63,087,802	$19,021,494	$5,744,507	$836,268,066	($41,173,970)	$5,147,301,835
7/1/2037	$5,147,301,835	$186,020,492	$93,010,246	$197,392,766	$65,756,568	$226,138,574	$110,017,892	$109,881	$878,446,418	$372,885,738	$795,649,673	$65,756,568	$19,252,617	$5,888,120	$886,546,978	($8,100,560)	$5,512,087,013
7/1/2038	$5,512,087,013	$191,136,056	$95,568,028	$202,527,532	$68,512,316	$253,275,203	$119,194,602	$108,009	$930,321,745	$399,370,067	$843,368,672	$68,512,316	$19,474,174	$6,035,323	$937,390,485	($7,068,739)	$5,904,388,340
7/1/2039	$5,904,388,340	$196,392,297	$98,196,149	$207,376,030	$71,348,981	$283,668,227	$128,797,003	$105,567	$985,884,254	$428,047,571	$889,251,987	$71,348,981	$19,664,917	$6,186,206	$986,452,091	($567,837)	$6,331,868,073
7/1/2040	$6,331,868,073	$201,793,085	$100,896,543	$212,185,953	$74,262,875	$317,708,414	$138,675,250	$103,428	$1,045,625,549	$459,428,431	$935,024,684	$74,262,875	$19,845,514	$6,340,861	$1,035,473,935	$10,151,614	$6,801,448,118
7/1/2041	$6,801,448,118	$207,342,395	$103,671,198	$217,044,646	$77,322,276	$355,833,424	$148,900,098	$101,290	$1,110,215,327	$494,014,478	$981,279,111	$77,322,276	$20,025,193	$6,499,383	$1,085,125,963	$25,089,364	$7,320,551,960
7/1/2042	$7,320,551,960	$213,044,311	$106,522,156	$221,916,579	$80,539,775	$398,533,435	$159,527,375	$99,066	$1,180,182,696	$532,383,590	$1,027,439,683	$80,539,775	$20,201,443	$6,661,867	$1,134,842,768	$45,339,928	$7,898,275,478
7/1/2043	$7,898,275,478	$218,903,030	$109,451,515	$226,993,197	$83,977,553	$446,357,447	$170,586,159	$97,013	$1,256,365,913	$575,179,808	$1,074,691,425	$83,977,553	$20,390,285	$6,828,414	$1,185,887,678	$70,478,236	$8,543,933,522
7/1/2044	$8,543,933,522	$224,922,863	$112,461,432	$231,988,315	$87,604,991	$499,920,340	$182,118,812	$94,607	$1,339,111,360	$623,138,041	$1,121,787,279	$87,604,991	$20,572,082	$6,999,124	$1,236,963,476	$102,147,884	$9,269,219,447
7/1/2045	$9,269,219,447	$231,108,242	$115,554,121	$237,054,669	$91,468,868	$559,910,781	$194,095,619	$92,237	$1,429,284,538	$677,114,635	$1,169,299,004	$91,468,868	$20,757,056	$7,174,103	$1,288,699,030	$140,585,508	$10,086,919,589
7/1/2046	$10,086,919,589	$237,463,718	$118,731,859	$242,221,642	$95,541,077	$627,100,075	$206,406,256	$89,892	$1,527,554,518	$738,035,764	$1,217,946,364	$95,541,077	$20,945,509	$7,353,455	$1,341,786,405	$185,768,114	$11,010,723,467
7/1/2047	$11,010,723,467	$243,993,971	$121,996,985	$247,598,505	$99,863,340	$702,352,084	$219,006,895	$87,693	$1,634,899,474	$806,921,880	$1,267,887,875	$99,863,340	$21,143,982	$7,537,292	$1,396,432,489	$238,466,984	$12,056,112,331
7/1/2048	$12,056,112,331	$250,703,805	$125,351,902	$253,233,197	$104,526,562	$786,634,334	$232,052,028	$85,506	$1,752,587,334	$884,950,417	$1,318,774,915	$104,526,562	$21,359,486	$7,725,724	$1,452,386,687	$300,200,647	$13,241,263,395
7/1/2049	$13,241,263,395	$257,598,160	$128,799,080	$259,627,676	$109,514,242	$881,030,454	$245,269,823	$84,011	$1,881,923,446	$973,379,964	$1,373,539,315	$109,514,242	$21,616,746	$7,918,867	$1,512,589,170	$369,334,276	$14,583,977,635
7/1/2050	$14,583,977,635	$264,682,109	$132,341,054	$266,684,034	$114,922,744	$986,754,109	$258,822,990	$82,675	$2,024,289,714	$1,073,575,795	$1,431,410,165	$114,922,744	$21,911,223	$8,116,839	$1,576,360,971	$447,928,743	$16,105,482,173
7/1/2051	$16,105,482,173	$271,960,867	$135,980,433	$274,681,774	$120,699,530	$1,105,164,602	$272,433,571	$81,982	$2,181,002,759	$1,187,072,053	$1,493,881,549	$120,699,530	$22,251,009	$8,319,760	$1,645,151,848	$535,850,912	$17,828,405,138
7/1/2052	$17,828,405,138	$279,439,791	$139,719,895	$282,632,019	$126,919,201	$1,237,784,354	$286,554,654	$80,548	$2,353,130,462	$1,315,751,498	$1,555,313,979	$126,919,201	$22,586,751	$8,527,754	$1,713,347,685	$639,782,777	$19,783,939,414
7/1/2053	$19,783,939,414	$287,124,385	$143,562,192	$290,918,970	$133,499,462	$1,386,318,476	$300,758,539	$79,370	$2,542,261,395	$1,461,869,817	$1,617,525,175	$133,499,462	$22,931,397	$8,740,947	$1,782,696,982	$759,564,413	$22,005,373,644
7/1/2054	$22,005,373,644	$295,020,306	$147,510,153	$299,663,644	$140,640,164	$1,552,676,693	$315,263,828	$78,094	$2,750,852,881	$1,627,904,578	$1,680,990,270	$140,640,164	$23,297,764	$8,959,471	$1,853,887,669	$896,965,213	$24,530,243,435
7/1/2055	$24,530,243,435	$303,133,364	$151,566,682	$308,706,670	$148,196,314	$1,738,997,896	$330,012,050	$76,838	$2,980,689,815	$1,816,653,269	$1,745,548,404	$148,196,314	$23,675,576	$9,183,458	$1,926,603,752	$1,054,086,063	$27,400,982,768
7/1/2056	$27,400,982,768	$311,469,531	$155,734,766	$318,013,504	$156,192,079	$1,947,677,644	$345,449,742	$75,603	$3,234,612,870	$2,031,240,218	$1,812,699,242	$156,192,079	$24,061,116	$9,413,044	$2,002,365,481	$1,232,247,388	$30,664,470,375
7/1/2057	$30,664,470,375	$320,034,944	$160,017,472	$327,590,050	$164,653,034	$2,181,398,961	$361,609,114	$74,388	$3,515,377,963	$2,275,160,482	$1,882,514,985	$164,653,034	$24,454,547	$9,648,370	$2,081,270,937	$1,434,107,026	$34,373,737,883

Assumptions with Fiscal Year Basis:	FY2027	FY2028	FY2029	FY2030	FY2031+
Public Safety, et al Annual Payroll Growth	2.75%	2.75%	2.75%	2.75%	2.75%
Other Occupations Annual Payroll Growth	1.72%	2.75%	2.75%	2.75%	2.75%
Public Safety, et al Employer Rate	2.50%	2.50%	2.50%	2.50%	2.50%
Public Safety, et al Employee Rate	1.25%	1.25%	1.25%	1.25%	1.25%
Other Occupations Employer Rate	2.00%	2.00%	2.00%	2.00%	2.00%
Other Occupations Employee Rate	1.00%	1.00%	1.00%	1.00%	1.00%
Annual Investment Return	7.25%	7.25%	7.25%	7.25%	7.25%
Annual Growth in Retirees under age 65	-2.62%	-1.52%	-0.86%	-1.01%	varies
Annual Growth in Retirees age 65+	1.55%	1.24%	0.99%	0.92%	varies
Non-Medicare Prescription Drug Rebate Trend	34.86%	18.51%	18.00%	18.00%	varies
Medicare Prescription Drug Rebate Trend	-0.10%	2.23%	11.00%	11.00%	varies

Assumptions with Calendar Year Basis:	CY2027	CY2028	CY2029	CY2030	CY2031+
Non-Medicare Medical Claims Trend	8.50%	8.50%	8.50%	8.25%	8.0% to 4.5%
Non-Medicare Prescription Drug Claims Trend	18.00%	18.00%	18.00%	17.00%	16.0% to 4.5%
Medicare Medical Claims Trend	7.00%	7.00%	7.00%	6.75%	6.5% to 4.5%
Medicare Prescription Drug Claims Trend	11.00%	11.00%	11.00%	10.75%	10.50% to 4.5%
EGWP Subsidies as a Percentage of Claims[1]	36.00%	36.00%	36.00%	36.00%	36.00%
Humana Medicare Advantage Premium Increase	-29.20%	6.00%	6.00%	6.00%	6.00%
BCBS Medicare Advantage Premium Increase	22.22%	6.00%	6.00%	6.00%	6.00%
Presbyterian Medicare Advantage Premium Increase	0.21%				
United Healthcare Medicare Advantage Premium Increase	0.00%	6.00%	6.00%	6.00%	6.00%

Member Rate-Share for Self-funded Plans effective 1/1:	CY2027	CY2028	CY2029	CY2030	CY2031+
Non-Medicare Retiree Rate Share (20+ years of service)	36.00%	36.00%	36.00%	36.00%	36.00%
Non-Medicare Spouse Rate Share (20+ years of service)	64.00%	64.00%	64.00%	64.00%	64.00%
Medicare Retiree Rate Share (20+ years of service)	50.00%	50.00%	50.00%	50.00%	50.00%
Medicare Spouse Rate Share (20+ years of service)	75.00%	75.00%	75.00%	75.00%	75.00%
Premium Rates for Self-funded Plans effective 1/1:	**CY2027**	**CY2028**	**CY2029**	**CY2030**	**CY2031+**
Non-Medicare Retiree % Increase	5.00%	5.00%	5.00%	5.00%	5% to 5%
Non-Medicare Spouse % Increase	5.00%	5.00%	5.00%	5.00%	5% to 5%
Non-Medicare Child % Increase	5.00%	5.00%	5.00%	5.00%	5% to 5%
Medicare Supplement % Increase	2.00%	2.00%	2.00%	2.00%	2% to 2%

Self-funded Plan Benefit Modifications effective 1/1:	CY2027	CY2028	CY2029	CY2030	CY2031+
Non-Medicare Premier	0.00%	0.00%	0.00%	0.00%	0% to 0%
Non-Medicare Value	0.00%	0.00%	0.00%	0.00%	0% to 0%
Non-Medicare Prescription Drug	0.00%	0.00%	0.00%	0.00%	0% to 0%
Medicare Supplement	0.00%	0.00%	0.00%	0.00%	0% to 0%
Medicare Prescription Drug	0.00%	0.00%	0.00%	0.00%	0% to 0%

Segal

INVESTMENT PERFORMANCE

New Mexico State Investment Council
Retiree Health Care Authority Total Fund Comp

As of June 30, 2026

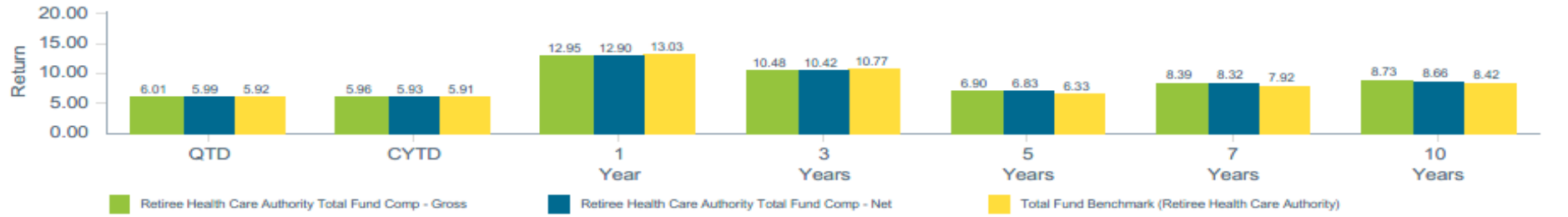
Overview

The New Mexico Retiree Health Care Authority (NMRHCA) was established in 1990 to provide health care coverage to retirees of state agencies and eligible participating public entities. Approximately 300 public entities including cities, counties, universities and charter schools participate in NMRHCA. The agency provides medical plans for both non Medicare and Medicare eligible retirees and their dependents as well as dental, vision and life insurance. The Authority currently provides coverage to approximately 58,000 retirees and their dependents.

Asset Allocation vs. Target Allocation

	Market Value ($)	Allocation (%)	Target (%)	Difference (%)
US Large Cap Passive	434,288,940	19.95	19.00	0.95
US SMID Cap Alt Wtd Index	76,404,458	3.51	3.00	0.51
Non-US Large Cap Active	116,753,142	5.36	5.00	0.36
Non-US Large Cap Passive	165,753,277	7.61	7.00	0.61
Non-US SMID Cap Active	28,197,442	1.30	1.00	0.30
Non-US SMID Cap Passive	42,912,385	1.97	2.00	-0.03
US Core Bonds	405,897,924	18.65	20.00	-1.35
Credit Plus	101,709,108	4.67	5.00	-0.33
Private Debt	255,146,969	11.72	12.00	-0.28
Real Assets	110,949,899	5.10	5.00	0.10
Real Estate	201,133,321	9.24	10.00	-0.76
Private Equity	237,604,935	10.92	11.00	-0.08
Total Fund	**2,176,751,802**	**100.00**	**100.00**	**0.00**

Comparative Performance



Comparative Performance

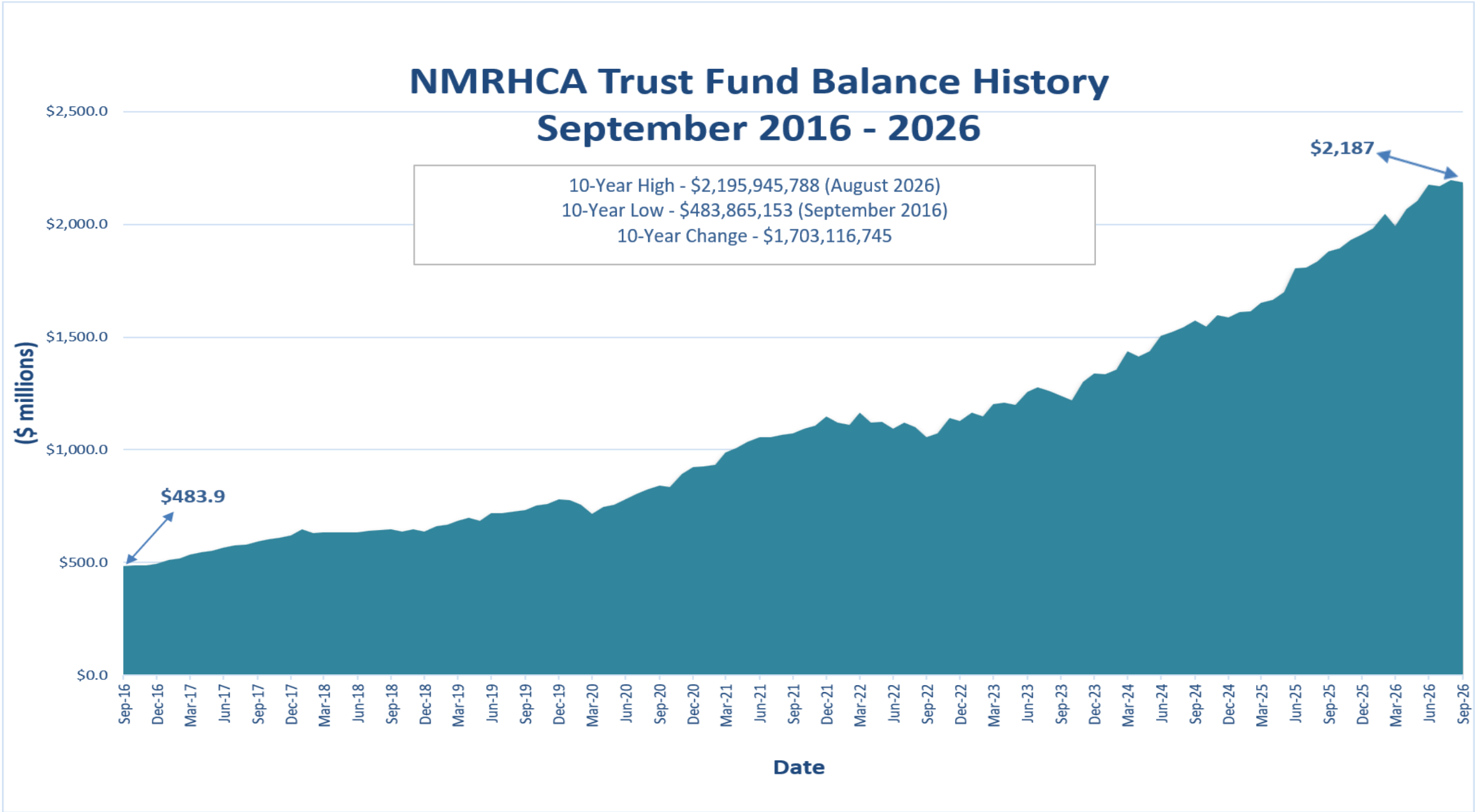
	QTD	CYTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Incep.	Inception Date
Retiree Health Care Authority Total Fund Comp - Gross	**6.01**	**5.96**	**12.95**	**10.48**	**6.90**	**8.39**	**8.73**	**7.76**	**07/01/1992**
Total Fund Benchmark (Retiree Health Care Authority)	5.92	5.91	13.03	10.77	6.33	7.92	8.42	7.88	
Difference	0.10	0.05	-0.07	-0.29	0.57	0.46	0.31	-0.13	
Retiree Health Care Authority Total Fund Comp - Net	**5.99**	**5.93**	**12.90**	**10.42**	**6.83**	**8.32**	**8.66**	**7.64**	**07/01/1992**
Total Fund Benchmark (Retiree Health Care Authority)	5.92	5.91	13.03	10.77	6.33	7.92	8.42	7.88	
Difference	0.08	0.02	-0.13	-0.35	0.50	0.40	0.24	-0.24	

Schedule of Investable Assets

Periods Ending	Beginning Market Value ($)	Net Cash Flow ($)	Gain/Loss ($)	Ending Market Value ($)	% Return
CYTD	**1,953,918,382**	**105,000,000**	**117,833,421**	**2,176,751,802**	**5.93**

Allocations shown may not sum up to 100% exactly due to rounding. Performance shown is net of fees, except where noted otherwise. Performance includes receipt of additional units of the US Large Cap Passive Pool effective July 1, 2020.

BENEFITS TRUST FUND



GASB 74 UPDATE

Governmental Accounting Standards Board (GASB)

- Actuarial Valuation Review of Other Postemployment Benefits (OPEB)
  - Beginning 2006, NMRHCA reported OPEB obligations under GASB Statement No. 43
  - In 2017, GASB 74 replaced GASB 43
    - Actuarial Accrued Liability = Total OPEB Liability
    - Actuarial Value of Assets = Plan Fiduciary Net Position
    - Unfunded Actuarial Accrued Liability = Net OPEB Liability

	2006	2017	2025
GASB Statement	43	74	74
Actuarial Accrued Liability	$ 4,264,180,967	$ 5,111,141,659	$ 3,422,408,572
Actuarial Value of Assets	$ 154,538,668	$ 579,468,641	$ 1,865,731,998
Unfunded Actuarial Accrued Liability	$ 4,109,642,299	$ 4,531,673,018	$ 1,556,676,574
Funded Ratio	3.62%	11.34%	54.52%
Covered Payroll	$ 4,073,731,873	$ 4,165,647,340	$ 6,246,364,057
Total Participants	140,292	160,035	163,679

NEW MEXICO
RETIREE
HEALTH CARE
AUTHORITY

THANK YOU!

Neil Kueffer, Executive Director

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505-222-6408

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