WHAT TO EXPECT

• FISCAL YEAR JULY 1-JUNE 30
• DATA GATHERING/GUIDANCE FROM THE GOVERNOR AUG./SEPT.
• OCTOBER BOARD MEETING
• NOVEMBER PUBLIC HEARING
• DECEMBER BOARD MEETING

RECENT HISTORY

• DECEMBER 2011 12-13 FISCAL YEAR
   $18 M-$5 M EMPLOYEE
• DECEMBER 2012 13-14 FISCAL YEAR
• DECEMBER 2013 14-15 FISCAL YEAR
• DECEMBER 2014 15-16 FISCAL YEAR
• DECEMBER 2015 16-17 FISCAL YEAR
PARTICIPANTS

2012-2013
229,557

2015-2016
233,189

3,632 ADDITIONAL PARTICIPANTS

INFLATION

$1,000,000,000 PLAN
6% INFLATION =
+$60,000,000
every year

RESERVE FUND

PEIA HAS DRAWN DOWN THE RESERVE FUND
THE PAST FEW YEARS.

BY LAW, THE RESERVE FUND CANNOT GO
BELOW A CERTAIN LEVEL.

THERE IS NO HELP THIS YEAR FROM THE
RESERVE FUND.

3,632 ADDITIONAL PLAN PARTICIPANTS

TRIPLE WHAMMY

NO ADDITIONAL FUNDS FROM THE
LEGISLATURE

PEIA CAN NO LONGER DRAW FROM THE
RESERVE FUND
**LIKELY CUTS**

- $40 MILLION — MEDICAL BENEFIT CUTS
- $26.6 MILLION — RX BENEFIT CUTS
- $4.2 MILLION — INCREASE PREM. RETIREE
- $21 MILLION — RETIREE BEN. CUTS
  - MEDICARE
  - NON-MEDICARE (SAME AS ACTIVES)

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**2016 ELECTION YEAR**

TO GET RE-ELECTED, IT IS LIKELY MONEY FOR A RAISE WILL BE FOUND.

- $50 MILLION
- $500/PERSON

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**RAISE DEDUCTIBLE**

- $250 $10 MILLION
- $150 $3.44 MILLION
- $125 $1.72 MILLION
- $1,000 $40 MILLION
RAISE MAX OUT-OF-POCKET
$1,500     $8.8 MILLION

WE ARE DROWNING

SCENARIOS?
- APPLY THE $50 MILLION RAISE TO PEIA NEEDS INSTEAD
- PEIA WOULD STILL NEED TO CUT YOUR BENEFITS BY $40 MILLION

SCENARIOS
- RAISE PREMIUMS FOR EVERYONE IN ORDER TO DISTRIBUTE THE PAIN EQUITABLY
- NO. BECAUSE OF THE 80/20 RULE, WE CANNOT RAISE PREMIUMS
SCENARIOS

• CHANGE THE 80/20 LAW TO 70/30.

• NO BECAUSE WE RISK 70/30 BECOMING 60/40, THEN 50/50 AND WORSE.

SCENARIOS

• CHANGE THE LAW SO THAT THE LEGISLATURE MUST CONTRIBUTE A CERTAIN DOLLAR AMOUNT PER PARTICIPANT.

• DIFFICULT

SCENARIOS

• TAKE ACTION

• ATTEND PEIA OPEN HEARINGS EN MASSE

• PRESSURE YOUR LEGISLATORS TO ATTEND THE OPEN HEARINGS

THIS WOULD BE ONLY A FIRST STEP

EDUCATE!

• INFORM YOUR FRIENDS AND COLLEAGUES ABOUT THE COMING CUTS

• ENCOURAGE FRIENDS AND COLLEAGUES TO ATTEND LOCAL PEIA OPEN HEARINGS

• ENCOURAGE LOCAL LEGISLATORS TO ATTEND OPEN PEIA HEARINGS
TAKE ACTION

THIS IS YOUR PAYCHECK
THIS IS YOUR FAMILY'S HEALTH
THIS IS YOUR HEALTH
DO NOT SIT THIS ONE OUT
START BY ATTENDING AN OPEN HEARING. BE THERE.

TOGETHER, WE CAN