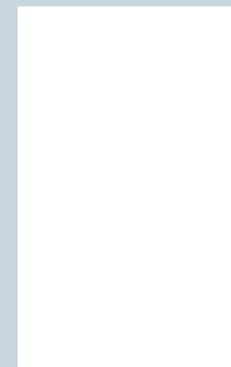
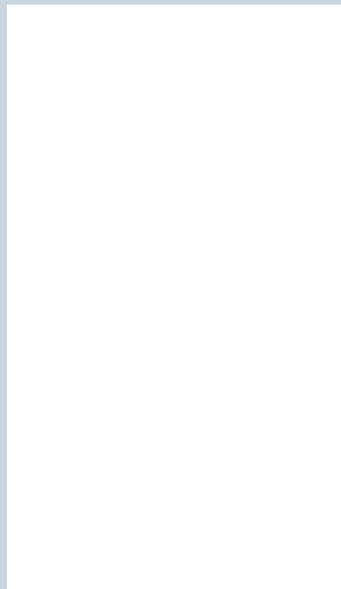


# Michigan Public School Employees Retirement System

March 24, 2016

## Health Financial Report Summary



## What is the Health Financial Report?

- The Michigan Public School Employees Retirement system operates its medical/prescription drug, dental and vision plans on a self-insured basis. HMO options are available on a fully-insured basis
- The financial report is a tool designed to assist in the financial management of the plans

## Goals for this Presentation

- Explain the layout of the Michigan Public School Employees Retirement Systems' financial report
- Provide high level view of the financial management of the health insurance fund
- Highlight key aspects of the report as of December 31, 2015

## Health Financial Report

- Sections 1 & 2: Health insurance expenditures and revenues – recent history, current results, and future projections

Fiscal Year	Expenditures (Net of Medicare Revenue)
2014	\$805.3 million
2015	\$843.0 million
Projected 2016	\$897.8 million

## Health Financial Report (Continued)

### Section 3: Analysis of the health insurance fund status

- Projected FY 2016 = \$4,633.7 million
- Satisfies minimum Incurred But Not Reported (IBNR) Reserve
- Satisfies the Rate Stabilization Reserve requirements

## Health Financial Report (Continued)

- Section 4: Health benefit payments as a percentage of payroll
- Section 5: Employer health contribution requirements

## Health Financial Report (Continued)

- Sections 6-9: Cost history and projections for FY 2011 through FY 2018
- Section 10: Retiree withholdings history and projections for CY 2007 through CY 2018
- Sections 11-17: Health insurance expenditures by benefit plan for FY 2010 through FY 2016
- Sections 18-19: Detail on assumptions and methods