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February 21, 2024

Evan Rowe  
Deputy Commissioner  
Workforce Services and Transformation  
Minnesota Department of Employment and Economic Development  
Great Northern Building, 180 E Fifth St., Suite 1200  
St. Paul MN 55101

**RE: Actuarial Analysis for Minnesota PFML Program Options**

Dear Evan,

At your request, we have estimated contribution rates and developed financial projections for three new program design options for the Minnesota Paid Family and Medical Leave (PFML) program. These options are described below:

- Option 1: Retroactive Benefit Payments for Qualifying Non-Bonding Claims

For claims other than bonding claims, we assume a 7-day qualifying period to be eligible for benefits and retroactive benefit payments for the qualifying period. We also assume bonding claims do not have to satisfy a 7-day qualifying period to be eligible for benefits.

- Option 2: No Waiting Period for Family Claims and 7-Day Waiting Period for Medical Claims

We assume a 7-day unpaid waiting period for all medical claims and no waiting period for family claims, which include claims for bonding, care, military exigency, and safety leave.

- Option 3: No Waiting Period for Family and Medical Claims

We assume no waiting period for all PFML claims.

These options feature a different design than the PFML program design assumed in our initial analysis for the Minnesota PFML program (see Milliman's report to DEED dated October 27, 2023). In our initial analysis, we assumed no waiting period for bonding claims and a 7-day unpaid

waiting period for all other claims. Based on early conversations we DEED, we did not assume retroactive benefit payments for non-bonding claims because Minnesota Statute Chapter 268B, which defines the PFML benefit structure in Minnesota, does not explicitly state that retroactive benefits will be paid, and because other PFML programs that include a 7-day waiting period for non-bonding claims do not feature retroactive benefits<sup>1</sup>. We used the same data and modeling methods to estimate contribution rates for the new program options as our initial analysis. Documentation of the data, modeling methods, and actuarial assumptions is included in our report from October 27, 2023. In addition, we estimated contribution rates for the new program options based on the same rating methods as the initial analysis:

1. 268B - The 2026 contribution rate is 0.70% of taxable wages and the premium formula defined in Chapter 268B was used to compute contribution rates for 2027 and beyond; and
2. Alternative - We estimated contribution rates by targeting a higher fund balance in 2026, because there is greater uncertainty when the program begins, and additional margin seems prudent when benefits become effective. We adjusted the contribution rates in later years to maintain a fund ratio (i.e., ratio of fund balance to total expenditure from previous 12 months) of approximately 25%. This approach produces a less volatile pattern of contribution rates for employers and employees than the premium formula defined in Chapter 268B. Note that this approach includes two policy changes: (1) the initial contribution rate is greater than 0.70% and (2) a premium formula was not used to compute rates in future years.

In addition, at your request, we have provided detail on the assumptions and methods used for estimating excluded wages for employers with fewer than 30 employees. In our analysis, we assumed that excluded wages represent approximately 13% of overall taxable wages. The final section of this letter contains details on how we developed this assumption, and an estimate of the reduction in premium collected in 2026 due to the excluded wages for small employers.

Appendix A of this report contains financial projections for the Minnesota PFML program options described above, and Appendix B contains the original contribution rates included in the October 27, 2023 report.

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<sup>1</sup> In New Jersey, claims open for three consecutive weeks following the waiting period may be eligible for retroactive benefit payments.

## Option 1: Retroactive Benefit Payments for Qualifying Non-Bonding Claims

Tables 1A, 1B, and 1C contain estimated contribution rates for a PFML program that provides retroactive benefit payments for non-bonding claims that satisfy the 7-day qualifying period. Table 1A contains overall contribution rates; Table 1B contains contribution rates for family benefits; and Table 1C contains contribution rates for medical benefits. Financial projections for Option 1 are included in Appendix A of this report.

We calculated the contribution rates shown below by assuming non-bonding claims would be eligible for retroactive benefit payments for the 7-day qualifying period. We also assumed retroactive benefit payments can exacerbate moral hazard risk; therefore, we increased the expected claim costs by 5% for non-bonding claims, based on an assumption that 50% of claims that would have terminated after five days if retroactive benefits were not payable would remain on claim in order to satisfy the qualifying period and become eligible for benefits.

<b>Table 1A</b> Estimated Overall Contribution Rates Retroactive Benefit Payments for Qualifying Claims Taxable Wages: OASDI								
Scenario	2026	2027	2028	2029	2030	2031	2032	2033+
268B	0.70%	1.14%	0.88%	0.95%	0.94%	0.93%	0.94%	0.93%
Alternative	0.88%	0.88%	0.88%	0.93%	0.93%	0.93%	0.93%	0.93%

<b>Table 1B</b> Estimated Family Contribution Rates Retroactive Benefit Payments for Qualifying Claims Taxable Wages: OASDI								
Scenario	2026	2027	2028	2029	2030	2031	2032	2033+
268B	0.30%	0.35%	0.27%	0.29%	0.29%	0.28%	0.29%	0.28%
Alternative	0.27%	0.27%	0.27%	0.28%	0.28%	0.28%	0.28%	0.28%

<b>Table 1C</b> Estimated Medical Contribution Rates Retroactive Benefit Payments for Qualifying Claims Taxable Wages: OASDI								
Scenario	2026	2027	2028	2029	2030	2031	2032	2033+
268B	0.40%	0.79%	0.61%	0.66%	0.65%	0.65%	0.66%	0.65%
Alternative	0.61%	0.61%	0.61%	0.65%	0.65%	0.65%	0.65%	0.65%

## Option 2: No Waiting Period for Family Claims and 7-Day Waiting Period for Medical Claims

Tables 2A, 2B, and 2C contain estimated contribution rates for a PFML program that features no waiting period for family claims and a 7-day unpaid waiting period for medical claims. Option 2 features the same design as the PFML programs in California, New Jersey, New York, and Maine<sup>2</sup>. Financial projections for Option 2 are included in Appendix A of this report.

The contribution rates in Table 2C are slightly different than the contribution rates in Table B3 of Appendix B, which contains our original contribution rates for the medical program. This is because family and medical contribution rates will be determined each year based on the relative proportion of expenditures for each program during the preceding year, and the relative proportion of expenditures for each program is different between Option 2 and our initial analysis.

<b>Table 2A</b> Estimated Overall Contribution Rates No Waiting Period for Family Claims and 7-Day Waiting Period for Medical Claims Taxable Wages: OASDI								
Scenario	2026	2027	2028	2029	2030	2031	2032	2033+
268B	0.70%	1.00%	0.81%	0.88%	0.87%	0.86%	0.87%	0.86%
Alternative	0.81%	0.81%	0.81%	0.86%	0.86%	0.86%	0.86%	0.86%

<b>Table 2B</b> Estimated Family Contribution Rates No Waiting Period for Family Claims and 7-Day Waiting Period for Medical Claims Taxable Wages: OASDI								
Scenario	2026	2027	2028	2029	2030	2031	2032	2033+
268B	0.30%	0.35%	0.28%	0.31%	0.30%	0.30%	0.30%	0.30%
Alternative	0.28%	0.28%	0.28%	0.30%	0.30%	0.30%	0.30%	0.30%

<b>Table 2C</b> Estimated Medical Contribution Rates No Waiting Period for Family Claims and 7-Day Waiting Period for Medical Claims Taxable Wages: OASDI								
Scenario	2026	2027	2028	2029	2030	2031	2032	2033+
268B	0.40%	0.65%	0.52%	0.58%	0.56%	0.56%	0.57%	0.56%
Alternative	0.53%	0.53%	0.53%	0.56%	0.56%	0.56%	0.56%	0.56%

<sup>2</sup> In Washington, there is no waiting period for maternity claims and there is a 7-day waiting period for all other medical claims.

### Option 3: No Waiting Period for Family and Medical Claims

Tables 3A, 3B, and 3C contain estimated contribution rates for a PFML program that features no waiting period for both family and medical claims. Option 3 features the same design as the PFML programs in Colorado, Connecticut, District of Columbia, Delaware, Maryland, and Oregon. The overall contribution rate for 2027 under rating scenario 268B is capped at the statutory maximum rate of 1.20%, although the premium formula would suggest a higher rate than 1.20% for 2027. Financial projections for Option 3 are included in Appendix A of this report.

The contribution rates in Table 3B are slightly different than the contribution rates in Table 2B because family and medical contribution rates will be determined each year based on the relative proportion of expenditures for each program during the preceding year, and the relative proportion of expenditures for each program is different between Option 2 and Option 3.

<b>Table 3A</b> Estimated Overall Contribution Rates No Waiting Period for Family and Medical Claims Taxable Wages: OASDI								
Scenario	2026	2027	2028	2029	2030	2031	2032	2033+
268B	0.70%	1.20%	1.06%	1.03%	1.01%	1.01%	1.02%	1.01%
Alternative	0.96%	0.96%	0.96%	1.01%	1.01%	1.01%	1.01%	1.01%

<b>Table 3B</b> Estimated Family Contribution Rates No Waiting Period for Family and Medical Claims Taxable Wages: OASDI								
Scenario	2026	2027	2028	2029	2030	2031	2032	2033+
268B	0.30%	0.36%	0.32%	0.31%	0.30%	0.30%	0.30%	0.30%
Alternative	0.29%	0.29%	0.29%	0.30%	0.30%	0.30%	0.30%	0.30%

<b>Table 3C</b> Estimated Medical Contribution Rates No Waiting Period for Family and Medical Claims Taxable Wages: OASDI								
Scenario	2026	2027	2028	2029	2030	2031	2032	2033+
268B	0.40%	0.84%	0.74%	0.72%	0.71%	0.71%	0.72%	0.71%
Alternative	0.67%	0.67%	0.67%	0.71%	0.71%	0.71%	0.71%	0.71%

## Small Business Exclusions

This section contains additional detail on the assumptions and methods we used for estimating excluded wages for employers with fewer than 30 employees. We used Minnesota employment data from 2022 provided to Milliman by DEED to estimate the wage exclusions for determining premium payments for employers with fewer than 30 employees. This data is split by employer type (covered, independent contractors, and self-employed workers) and size (zero jobs, 1 to 20 jobs, 21 to 29 jobs, and 30 or more jobs). We estimated excluded wages for employers with fewer than 30 employees based on the following parameters:

1. For employers with fewer than 30 employees, the amount of wages upon which quarterly employer premium is required is reduced by the premium rate to be paid by the employer multiplied by the lesser of:
  - a) \$12,500 multiplied by the number of employees; or
  - b) \$120,000.
2. For each employee over 20 employees, the exclusion is reduced by \$12,000.
3. The premium paid by the employer as a result of the reduction allowed under this subdivision must not be less than zero.
4. The reduction in premiums paid by the employer is for the sole benefit of the employer and does not relieve the employer from deducting the employee portion of the premium.

The following table provides details of the data and estimated excluded wages for covered employers. We performed similar calculations for independent contractors and self-employed workers.

Size	Number of Employers	Average Monthly Employment	Average Quarterly Wages	Estimated Quarterly Excluded Wages
Zero jobs	4,201	13,696	\$196,999,771	\$171,200,000
1 to 20 jobs	96,397	447,823	\$6,607,029,315	\$5,597,787,500
21 to 29 jobs	4,377	111,420	\$1,605,603,299	\$238,680,000
30 or more jobs	11,863	2,138,206	\$38,841,031,787	\$0

Based on our analysis, we assumed overall taxable wages would be reduced by approximately 13% for determining employer contributions. We have estimated that premium collected in 2026 would be reduced by approximately \$84 million due to the excluded wages for small employers.

## Limitations

In performing this analysis, Milliman relied on publicly available data from PFML programs in states with mandated benefits, as well as Minnesota employment statistics and forecasts from DEED. Milliman did not audit or independently verify any of the data and other information, except that we did review the data for reasonableness and consistency. To the extent that any of the data or other information is incorrect or inaccurate, the results of our analysis could be affected and may need to be revised.

Milliman's work is prepared solely for the use and benefit of DEED, for the purpose of evaluating contribution rates for Minnesota's PFML program. Milliman recognizes that this letter may be public records subject to disclosure to third parties. Milliman does not intend to benefit and assumes no duty or liability to any third-party recipients of the report. To the extent that this report is not subject to disclosure under applicable public records laws, DEED shall not disclose Milliman's work to any third parties without our prior written consent.

The projections included in this letter are estimates based on carefully constructed assumptions about PFML experience in Minnesota. Actual experience, however, will almost certainly differ from those assumptions. As such, actual costs may be either higher or lower than the amounts included in this letter.

I certify that all costs, liabilities, and other factors used or provided in this report have been determined on the basis of actuarial assumptions and methods that are individually reasonable and which, in combination, offer our best estimate of anticipated experience of the Minnesota PFML program. I also certify that the development and use of models for performing our analysis conform to the standards established in Actuarial Standards of Practice No. 56 of the Actuarial Standards Board. I further certify that, to the best of my knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the Actuarial Standards of Practice promulgated by the Actuarial Standards Board and the applicable Guides to Professional Conduct, and supporting Recommendations of the American Academy of Actuaries.

I, Paul Correia, am a consulting actuary for Milliman, Inc. and a member of the American Academy of Actuaries. I meet the qualification standards of these organizations for rendering the actuarial opinions contained herein.

\* \* \*

Please let me know if you have any questions. I can be reached at [paul.correia@milliman.com](mailto:paul.correia@milliman.com) or (207) 771-1204. Thank you.

Sincerely,



Paul Correia, FSA, MAAA  
Principal and Consulting Actuary

## **Appendix A Financial Projections**

This appendix includes financial projections for the Minnesota PFML program options described above. Projections are included for the following program options and contribution rate scenarios:

- Option 1 based on 268B premium formula.
- Option 1 based on Alternative premium method.
- Option 2 based on 268B premium formula.
- Option 2 based on Alternative premium method.
- Option 3 based on 268B premium formula.
- Option 3 based on Alternative premium method.

The financial projections shown below depend on a variety of actuarial assumptions about future experience, including but not limited to employment and wage growth, PFML claim experience, expenses, and investment income. It is certain that actual experience will vary from these assumptions, meaning that the program's actual fund balance will be higher or lower than the illustrated values.



**Projection 1: Option 1 based on 268B premium formula**

	<u>2024 - 2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>
<b>Eligible Employees</b>		2,451,776	2,465,430	2,479,159	2,492,965	2,506,847	2,520,807	2,534,845	2,548,961	2,563,155	2,577,428
<b>Taxable Wages (\$ millions)</b>		\$174,693.8	\$182,869.0	\$191,242.8	\$200,000.1	\$209,158.4	\$216,632.8	\$224,374.4	\$232,392.6	\$240,697.3	\$249,298.8
<b>Claims</b>											
Family		48,113	42,205	43,713	44,396	44,644	44,892	45,142	45,394	45,646	45,901
Medical		83,755	88,432	91,593	93,024	93,542	94,063	94,586	95,113	95,643	96,175
<b>Total</b>		<b>131,868</b>	<b>130,638</b>	<b>135,306</b>	<b>137,420</b>	<b>138,185</b>	<b>138,955</b>	<b>139,729</b>	<b>140,507</b>	<b>141,289</b>	<b>142,076</b>
<b>Benefit Payments (\$ millions)</b>											
Family		\$503.1	\$459.4	\$495.3	\$523.2	\$547.1	\$572.2	\$592.6	\$613.8	\$635.7	\$658.4
Medical		\$957.0	\$1,051.8	\$1,134.1	\$1,197.9	\$1,252.7	\$1,310.1	\$1,356.9	\$1,405.4	\$1,455.6	\$1,507.7
<b>Total</b>		<b>\$1,460.0</b>	<b>\$1,511.2</b>	<b>\$1,629.4</b>	<b>\$1,721.1</b>	<b>\$1,799.9</b>	<b>\$1,882.3</b>	<b>\$1,949.5</b>	<b>\$2,019.2</b>	<b>\$2,091.4</b>	<b>\$2,166.1</b>
<b>Expenses (\$ millions)</b>											
Start-up	\$128.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Family		\$35.2	\$32.2	\$34.7	\$36.6	\$38.3	\$40.1	\$41.5	\$43.0	\$44.5	\$46.1
Medical		\$67.0	\$73.6	\$79.4	\$83.9	\$87.7	\$91.7	\$95.0	\$98.4	\$101.9	\$105.5
<b>Total</b>		<b>\$102.2</b>	<b>\$105.8</b>	<b>\$114.1</b>	<b>\$120.5</b>	<b>\$126.0</b>	<b>\$131.8</b>	<b>\$136.5</b>	<b>\$141.3</b>	<b>\$146.4</b>	<b>\$151.6</b>
<b>Total Expenditure (\$ millions)</b>											
Family		\$538.3	\$491.5	\$530.0	\$559.8	\$585.4	\$612.2	\$634.1	\$656.8	\$680.2	\$704.5
Medical		\$1,024.0	\$1,125.5	\$1,213.5	\$1,281.7	\$1,340.4	\$1,401.8	\$1,451.9	\$1,503.8	\$1,557.5	\$1,613.2
Assistance Grants		\$3.1	\$3.1	\$3.2	\$3.2	\$3.3	\$3.3	\$3.3	\$3.3	\$3.3	\$3.3
<b>Total</b>		<b>\$1,565.3</b>	<b>\$1,620.1</b>	<b>\$1,746.6</b>	<b>\$1,844.8</b>	<b>\$1,929.1</b>	<b>\$2,017.3</b>	<b>\$2,089.3</b>	<b>\$2,163.9</b>	<b>\$2,241.1</b>	<b>\$2,321.1</b>
<b>Contribution Rates</b>											
Family		0.30%	0.35%	0.27%	0.29%	0.29%	0.28%	0.29%	0.28%	0.28%	0.28%
Medical		0.40%	0.79%	0.61%	0.66%	0.65%	0.65%	0.66%	0.65%	0.65%	0.65%
<b>Total</b>		<b>0.70%</b>	<b>1.14%</b>	<b>0.88%</b>	<b>0.95%</b>	<b>0.94%</b>	<b>0.93%</b>	<b>0.94%</b>	<b>0.93%</b>	<b>0.93%</b>	<b>0.93%</b>
<b>Contributions (\$ millions)</b>		<b>\$1,223.2</b>	<b>\$2,078.2</b>	<b>\$1,684.1</b>	<b>\$1,909.6</b>	<b>\$1,960.9</b>	<b>\$2,023.2</b>	<b>\$2,116.7</b>	<b>\$2,163.5</b>	<b>\$2,241.2</b>	<b>\$2,321.1</b>
<b>Transfer from General Fund (\$ millions)</b>	\$668.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Appropriations (\$ millions)</b>	\$128.5	\$64.7	\$8.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7
<b>Investment Income (\$ millions)</b>	\$51.8	\$6.9	\$24.1	\$21.3	\$26.8	\$28.8	\$29.2	\$30.8	\$31.5	\$32.6	\$33.8
<b>Fund Balance (\$ millions)</b>	<b>\$591.6</b>	<b>\$191.6</b>	<b>\$665.1</b>	<b>\$623.1</b>	<b>\$714.0</b>	<b>\$774.0</b>	<b>\$808.4</b>	<b>\$866.0</b>	<b>\$896.5</b>	<b>\$928.5</b>	<b>\$961.6</b>
<b>Fund Balance % of Total Expenditure</b>		12%	41%	36%	39%	40%	40%	41%	41%	41%	41%

## Projection 2: Option 1 based on Alternative premium method

	<u>2024 - 2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>
<b>Eligible Employees</b>	2,451,776	2,465,430	2,479,159	2,492,965	2,506,847	2,520,807	2,534,845	2,548,961	2,563,155	2,577,428	
<b>Taxable Wages (\$ millions)</b>	\$174,693.8	\$182,869.0	\$191,242.8	\$200,000.1	\$209,158.4	\$216,632.8	\$224,374.4	\$232,392.6	\$240,697.3	\$249,298.8	
<b>Claims</b>											
Family	48,113	42,205	43,713	44,396	44,644	44,892	45,142	45,394	45,646	45,901	
<u>Medical</u>	<u>83,755</u>	<u>88,432</u>	<u>91,593</u>	<u>93,024</u>	<u>93,542</u>	<u>94,063</u>	<u>94,586</u>	<u>95,113</u>	<u>95,643</u>	<u>96,175</u>	
<b>Total</b>	<b>131,868</b>	<b>130,638</b>	<b>135,306</b>	<b>137,420</b>	<b>138,185</b>	<b>138,955</b>	<b>139,729</b>	<b>140,507</b>	<b>141,289</b>	<b>142,076</b>	
<b>Benefit Payments (\$ millions)</b>											
Family	\$503.1	\$459.4	\$495.3	\$523.2	\$547.1	\$572.2	\$592.6	\$613.8	\$635.7	\$658.4	
<u>Medical</u>	<u>\$957.0</u>	<u>\$1,051.8</u>	<u>\$1,134.1</u>	<u>\$1,197.9</u>	<u>\$1,252.7</u>	<u>\$1,310.1</u>	<u>\$1,356.9</u>	<u>\$1,405.4</u>	<u>\$1,455.6</u>	<u>\$1,507.7</u>	
<b>Total</b>	<b>\$1,460.0</b>	<b>\$1,511.2</b>	<b>\$1,629.4</b>	<b>\$1,721.1</b>	<b>\$1,799.9</b>	<b>\$1,882.3</b>	<b>\$1,949.5</b>	<b>\$2,019.2</b>	<b>\$2,091.4</b>	<b>\$2,166.1</b>	
<b>Expenses (\$ millions)</b>											
Start-up	\$128.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Family		\$35.2	\$32.2	\$34.7	\$36.6	\$38.3	\$40.1	\$41.5	\$43.0	\$44.5	\$46.1
<u>Medical</u>		<u>\$67.0</u>	<u>\$73.6</u>	<u>\$79.4</u>	<u>\$83.9</u>	<u>\$87.7</u>	<u>\$91.7</u>	<u>\$95.0</u>	<u>\$98.4</u>	<u>\$101.9</u>	<u>\$105.5</u>
<b>Total</b>		<b>\$102.2</b>	<b>\$105.8</b>	<b>\$114.1</b>	<b>\$120.5</b>	<b>\$126.0</b>	<b>\$131.8</b>	<b>\$136.5</b>	<b>\$141.3</b>	<b>\$146.4</b>	<b>\$151.6</b>
<b>Total Expenditure (\$ millions)</b>											
Family		\$538.3	\$491.5	\$530.0	\$559.8	\$585.4	\$612.2	\$634.1	\$656.8	\$680.2	\$704.5
Medical		\$1,024.0	\$1,125.5	\$1,213.5	\$1,281.7	\$1,340.4	\$1,401.8	\$1,451.9	\$1,503.8	\$1,557.5	\$1,613.2
<u>Assistance Grants</u>		<u>\$3.1</u>	<u>\$3.1</u>	<u>\$3.2</u>	<u>\$3.2</u>	<u>\$3.3</u>	<u>\$3.3</u>	<u>\$3.3</u>	<u>\$3.3</u>	<u>\$3.3</u>	<u>\$3.3</u>
<b>Total</b>		<b>\$1,565.3</b>	<b>\$1,620.1</b>	<b>\$1,746.6</b>	<b>\$1,844.8</b>	<b>\$1,929.1</b>	<b>\$2,017.3</b>	<b>\$2,089.3</b>	<b>\$2,163.9</b>	<b>\$2,241.1</b>	<b>\$2,321.1</b>
<b>Contribution Rates</b>											
Family		0.27%	0.27%	0.27%	0.28%	0.28%	0.28%	0.28%	0.28%	0.28%	0.28%
<u>Medical</u>		<u>0.61%</u>	<u>0.61%</u>	<u>0.61%</u>	<u>0.65%</u>	<u>0.65%</u>	<u>0.65%</u>	<u>0.65%</u>	<u>0.65%</u>	<u>0.65%</u>	<u>0.65%</u>
<b>Total</b>		<b>0.88%</b>	<b>0.88%</b>	<b>0.88%</b>	<b>0.93%</b>	<b>0.93%</b>	<b>0.93%</b>	<b>0.93%</b>	<b>0.93%</b>	<b>0.93%</b>	<b>0.93%</b>
<b>Contributions (\$ millions)</b>		<b>\$1,532.9</b>	<b>\$1,604.6</b>	<b>\$1,678.1</b>	<b>\$1,857.2</b>	<b>\$1,942.2</b>	<b>\$2,011.6</b>	<b>\$2,083.5</b>	<b>\$2,157.9</b>	<b>\$2,235.1</b>	<b>\$2,314.9</b>
<b>Transfer from General Fund (\$ millions)</b>	\$668.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Appropriations (\$ millions)</b>	\$128.5	\$64.7	\$8.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7
<b>Investment Income (\$ millions)</b>	\$51.8	\$18.4	\$18.4	\$15.5	\$18.1	\$19.2	\$19.0	\$19.2	\$19.4	\$19.9	\$20.4
<b>Fund Balance (\$ millions)</b>	<b>\$591.6</b>	<b>\$512.8</b>	<b>\$507.0</b>	<b>\$453.3</b>	<b>\$483.1</b>	<b>\$514.8</b>	<b>\$527.5</b>	<b>\$540.2</b>	<b>\$553.1</b>	<b>\$566.3</b>	<b>\$579.8</b>
<b>Fund Balance % of Total Expenditure</b>		33%	31%	26%	26%	27%	26%	26%	26%	25%	25%

### Projection 3: Option 2 based on 268B premium formula

	<u>2024 - 2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>
<b>Eligible Employees</b>	2,451,776	2,465,430	2,479,159	2,492,965	2,506,847	2,520,807	2,534,845	2,548,961	2,563,155	2,577,428	
<b>Taxable Wages (\$ millions)</b>	\$174,693.8	\$182,869.0	\$191,242.8	\$200,000.1	\$209,158.4	\$216,632.8	\$224,374.4	\$232,392.6	\$240,697.3	\$249,298.8	
<b>Claims</b>											
Family	52,479	46,035	47,680	48,425	48,695	48,966	49,239	49,513	49,789	50,066	
<u>Medical</u>	<u>80,728</u>	<u>85,236</u>	<u>88,282</u>	<u>89,661</u>	<u>90,161</u>	<u>90,663</u>	<u>91,168</u>	<u>91,675</u>	<u>92,186</u>	<u>92,699</u>	
<b>Total</b>	<b>133,207</b>	<b>131,271</b>	<b>135,962</b>	<b>138,087</b>	<b>138,856</b>	<b>139,629</b>	<b>140,407</b>	<b>141,188</b>	<b>141,975</b>	<b>142,765</b>	
<b>Benefit Payments (\$ millions)</b>											
Family	\$534.8	\$488.4	\$526.6	\$556.2	\$581.7	\$608.3	\$630.1	\$652.6	\$675.9	\$700.0	
<u>Medical</u>	<u>\$828.0</u>	<u>\$910.1</u>	<u>\$981.3</u>	<u>\$1,036.5</u>	<u>\$1,083.9</u>	<u>\$1,133.6</u>	<u>\$1,174.1</u>	<u>\$1,216.0</u>	<u>\$1,259.5</u>	<u>\$1,304.5</u>	
<b>Total</b>	<b>\$1,362.9</b>	<b>\$1,398.5</b>	<b>\$1,507.9</b>	<b>\$1,592.7</b>	<b>\$1,665.6</b>	<b>\$1,741.9</b>	<b>\$1,804.1</b>	<b>\$1,868.6</b>	<b>\$1,935.4</b>	<b>\$2,004.5</b>	
<b>Expenses (\$ millions)</b>											
Start-up	\$128.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Family		\$37.4	\$34.2	\$36.9	\$38.9	\$40.7	\$42.6	\$44.1	\$45.7	\$47.3	\$49.0
<u>Medical</u>		<u>\$58.0</u>	<u>\$63.7</u>	<u>\$68.7</u>	<u>\$72.6</u>	<u>\$75.9</u>	<u>\$79.3</u>	<u>\$82.2</u>	<u>\$85.1</u>	<u>\$88.2</u>	<u>\$91.3</u>
<b>Total</b>		<b>\$95.4</b>	<b>\$97.9</b>	<b>\$105.6</b>	<b>\$111.5</b>	<b>\$116.6</b>	<b>\$121.9</b>	<b>\$126.3</b>	<b>\$130.8</b>	<b>\$135.5</b>	<b>\$140.3</b>
<b>Total Expenditure (\$ millions)</b>											
Family		\$572.3	\$522.6	\$563.4	\$595.1	\$622.4	\$650.9	\$674.2	\$698.2	\$723.2	\$749.0
Medical		\$886.0	\$973.8	\$1,050.0	\$1,109.0	\$1,159.8	\$1,212.9	\$1,256.3	\$1,301.2	\$1,347.7	\$1,395.8
<u>Assistance Grants</u>		<u>\$3.1</u>	<u>\$3.1</u>	<u>\$3.2</u>	<u>\$3.3</u>	<u>\$3.3</u>	<u>\$3.3</u>	<u>\$3.3</u>	<u>\$3.3</u>	<u>\$3.3</u>	<u>\$3.4</u>
<b>Total</b>		<b>\$1,461.4</b>	<b>\$1,499.5</b>	<b>\$1,616.6</b>	<b>\$1,707.4</b>	<b>\$1,785.5</b>	<b>\$1,867.1</b>	<b>\$1,933.7</b>	<b>\$2,002.7</b>	<b>\$2,074.2</b>	<b>\$2,148.2</b>
<b>Contribution Rates</b>											
Family		0.30%	0.35%	0.28%	0.31%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
<u>Medical</u>		<u>0.40%</u>	<u>0.65%</u>	<u>0.52%</u>	<u>0.58%</u>	<u>0.56%</u>	<u>0.56%</u>	<u>0.57%</u>	<u>0.56%</u>	<u>0.56%</u>	<u>0.56%</u>
<b>Total</b>		<b>0.70%</b>	<b>1.00%</b>	<b>0.81%</b>	<b>0.88%</b>	<b>0.87%</b>	<b>0.86%</b>	<b>0.87%</b>	<b>0.86%</b>	<b>0.86%</b>	<b>0.86%</b>
<b>Contributions (\$ millions)</b>		<b>\$1,223.2</b>	<b>\$1,819.6</b>	<b>\$1,540.5</b>	<b>\$1,767.4</b>	<b>\$1,814.9</b>	<b>\$1,872.6</b>	<b>\$1,959.1</b>	<b>\$2,002.4</b>	<b>\$2,074.3</b>	<b>\$2,148.3</b>
<b>Transfer from General Fund (\$ millions)</b>	\$668.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Appropriations (\$ millions)</b>	\$128.5	\$64.7	\$8.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7
<b>Investment Income (\$ millions)</b>	\$51.8	\$10.7	\$23.0	\$19.7	\$24.8	\$26.7	\$27.0	\$28.5	\$29.1	\$30.2	\$31.3
<b>Fund Balance (\$ millions)</b>	<b>\$591.6</b>	<b>\$299.4</b>	<b>\$633.8</b>	<b>\$576.7</b>	<b>\$660.8</b>	<b>\$716.3</b>	<b>\$748.2</b>	<b>\$801.5</b>	<b>\$829.7</b>	<b>\$859.3</b>	<b>\$890.0</b>
<b>Fund Balance % of Total Expenditure</b>		20%	42%	36%	39%	40%	40%	41%	41%	41%	41%

**Projection 4: Option 2 based on Alternative premium formula**

	<u>2024 - 2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>
<b>Eligible Employees</b>	2,451,776	2,465,430	2,479,159	2,492,965	2,506,847	2,520,807	2,534,845	2,548,961	2,563,155	2,577,428	
<b>Taxable Wages (\$ millions)</b>	\$174,693.8	\$182,869.0	\$191,242.8	\$200,000.1	\$209,158.4	\$216,632.8	\$224,374.4	\$232,392.6	\$240,697.3	\$249,298.8	
<b>Claims</b>											
Family	52,479	46,035	47,680	48,425	48,695	48,966	49,239	49,513	49,789	50,066	
<u>Medical</u>	<u>80,728</u>	<u>85,236</u>	<u>88,282</u>	<u>89,661</u>	<u>90,161</u>	<u>90,663</u>	<u>91,168</u>	<u>91,675</u>	<u>92,186</u>	<u>92,699</u>	
<b>Total</b>	<b>133,207</b>	<b>131,271</b>	<b>135,962</b>	<b>138,087</b>	<b>138,856</b>	<b>139,629</b>	<b>140,407</b>	<b>141,188</b>	<b>141,975</b>	<b>142,765</b>	
<b>Benefit Payments (\$ millions)</b>											
Family	\$534.8	\$488.4	\$526.6	\$556.2	\$581.7	\$608.3	\$630.1	\$652.6	\$675.9	\$700.0	
<u>Medical</u>	<u>\$828.0</u>	<u>\$910.1</u>	<u>\$981.3</u>	<u>\$1,036.5</u>	<u>\$1,083.9</u>	<u>\$1,133.6</u>	<u>\$1,174.1</u>	<u>\$1,216.0</u>	<u>\$1,259.5</u>	<u>\$1,304.5</u>	
<b>Total</b>	<b>\$1,362.9</b>	<b>\$1,398.5</b>	<b>\$1,507.9</b>	<b>\$1,592.7</b>	<b>\$1,665.6</b>	<b>\$1,741.9</b>	<b>\$1,804.1</b>	<b>\$1,868.6</b>	<b>\$1,935.4</b>	<b>\$2,004.5</b>	
<b>Expenses (\$ millions)</b>											
Start-up	\$128.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Family	\$37.4	\$34.2	\$36.9	\$38.9	\$40.7	\$42.6	\$44.1	\$45.7	\$47.3	\$49.0	
<u>Medical</u>	<u>\$58.0</u>	<u>\$63.7</u>	<u>\$68.7</u>	<u>\$72.6</u>	<u>\$75.9</u>	<u>\$79.3</u>	<u>\$82.2</u>	<u>\$85.1</u>	<u>\$88.2</u>	<u>\$91.3</u>	
<b>Total</b>	<b>\$95.4</b>	<b>\$97.9</b>	<b>\$105.6</b>	<b>\$111.5</b>	<b>\$116.6</b>	<b>\$121.9</b>	<b>\$126.3</b>	<b>\$130.8</b>	<b>\$135.5</b>	<b>\$140.3</b>	
<b>Total Expenditure (\$ millions)</b>											
Family	\$572.3	\$522.6	\$563.4	\$595.1	\$622.4	\$650.9	\$674.2	\$698.2	\$723.2	\$749.0	
Medical	\$886.0	\$973.8	\$1,050.0	\$1,109.0	\$1,159.8	\$1,212.9	\$1,256.3	\$1,301.2	\$1,347.7	\$1,395.8	
<u>Assistance Grants</u>	<u>\$3.1</u>	<u>\$3.1</u>	<u>\$3.2</u>	<u>\$3.3</u>	<u>\$3.3</u>	<u>\$3.3</u>	<u>\$3.3</u>	<u>\$3.3</u>	<u>\$3.3</u>	<u>\$3.4</u>	
<b>Total</b>	<b>\$1,461.4</b>	<b>\$1,499.5</b>	<b>\$1,616.6</b>	<b>\$1,707.4</b>	<b>\$1,785.5</b>	<b>\$1,867.1</b>	<b>\$1,933.7</b>	<b>\$2,002.7</b>	<b>\$2,074.2</b>	<b>\$2,148.2</b>	
<b>Contribution Rates</b>											
Family	0.28%	0.28%	0.28%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
<u>Medical</u>	<u>0.53%</u>	<u>0.53%</u>	<u>0.53%</u>	<u>0.56%</u>	<u>0.56%</u>	<u>0.56%</u>	<u>0.56%</u>	<u>0.56%</u>	<u>0.56%</u>	<u>0.56%</u>	<u>0.56%</u>
<b>Total</b>	<b>0.81%</b>	<b>0.81%</b>	<b>0.81%</b>	<b>0.86%</b>	<b>0.86%</b>	<b>0.86%</b>	<b>0.86%</b>	<b>0.86%</b>	<b>0.86%</b>	<b>0.86%</b>	<b>0.86%</b>
<b>Contributions (\$ millions)</b>	<b>\$1,422.7</b>	<b>\$1,480.7</b>	<b>\$1,548.5</b>	<b>\$1,716.7</b>	<b>\$1,795.4</b>	<b>\$1,859.5</b>	<b>\$1,926.0</b>	<b>\$1,994.8</b>	<b>\$2,066.1</b>	<b>\$2,139.9</b>	
<b>Transfer from General Fund (\$ millions)</b>	\$668.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Appropriations (\$ millions)</b>	\$128.5	\$64.7	\$8.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7
<b>Investment Income (\$ millions)</b>	\$51.8	\$18.1	\$18.0	\$15.1	\$17.6	\$18.5	\$18.3	\$18.4	\$18.5	\$18.9	\$19.2
<b>Fund Balance (\$ millions)</b>	<b>\$591.6</b>	<b>\$506.3</b>	<b>\$496.8</b>	<b>\$443.1</b>	<b>\$469.4</b>	<b>\$497.2</b>	<b>\$507.3</b>	<b>\$517.3</b>	<b>\$527.2</b>	<b>\$537.3</b>	<b>\$547.6</b>
<b>Fund Balance % of Total Expenditure</b>	35%	33%	27%	27%	28%	27%	27%	26%	26%	25%	

**Projection 5: Option 3 based on 268B premium formula**

	<u>2024 - 2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>
<b>Eligible Employees</b>		2,451,776	2,465,430	2,479,159	2,492,965	2,506,847	2,520,807	2,534,845	2,548,961	2,563,155	2,577,428
<b>Taxable Wages (\$ millions)</b>		\$174,693.8	\$182,869.0	\$191,242.8	\$200,000.1	\$209,158.4	\$216,632.8	\$224,374.4	\$232,392.6	\$240,697.3	\$249,298.8
<b>Claims</b>											
Family		52,479	46,035	47,680	48,425	48,695	48,966	49,239	49,513	49,789	50,066
<u>Medical</u>		<u>101,598</u>	<u>107,272</u>	<u>111,106</u>	<u>112,842</u>	<u>113,470</u>	<u>114,102</u>	<u>114,737</u>	<u>115,376</u>	<u>116,019</u>	<u>116,665</u>
<b>Total</b>		<b>154,078</b>	<b>153,307</b>	<b>158,786</b>	<b>161,267</b>	<b>162,165</b>	<b>163,068</b>	<b>163,976</b>	<b>164,889</b>	<b>165,808</b>	<b>166,731</b>
<b>Benefit Payments (\$ millions)</b>											
Family		\$534.8	\$488.4	\$526.6	\$556.2	\$581.7	\$608.3	\$630.1	\$652.6	\$675.9	\$700.0
<u>Medical</u>		<u>\$1,042.1</u>	<u>\$1,145.4</u>	<u>\$1,235.0</u>	<u>\$1,304.4</u>	<u>\$1,364.2</u>	<u>\$1,426.6</u>	<u>\$1,477.6</u>	<u>\$1,530.4</u>	<u>\$1,585.1</u>	<u>\$1,641.8</u>
<b>Total</b>		<b>\$1,576.9</b>	<b>\$1,633.8</b>	<b>\$1,761.6</b>	<b>\$1,860.6</b>	<b>\$1,945.8</b>	<b>\$2,034.9</b>	<b>\$2,107.7</b>	<b>\$2,183.0</b>	<b>\$2,261.0</b>	<b>\$2,341.8</b>
<b>Expenses (\$ millions)</b>											
Start-up	\$128.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Family		\$37.4	\$34.2	\$36.9	\$38.9	\$40.7	\$42.6	\$44.1	\$45.7	\$47.3	\$49.0
<u>Medical</u>		<u>\$72.9</u>	<u>\$80.2</u>	<u>\$86.4</u>	<u>\$91.3</u>	<u>\$95.5</u>	<u>\$99.9</u>	<u>\$103.4</u>	<u>\$107.1</u>	<u>\$111.0</u>	<u>\$114.9</u>
<b>Total</b>		<b>\$110.4</b>	<b>\$114.4</b>	<b>\$123.3</b>	<b>\$130.2</b>	<b>\$136.2</b>	<b>\$142.4</b>	<b>\$147.5</b>	<b>\$152.8</b>	<b>\$158.3</b>	<b>\$163.9</b>
<b>Total Expenditure (\$ millions)</b>											
Family		\$572.3	\$522.6	\$563.4	\$595.1	\$622.4	\$650.9	\$674.2	\$698.2	\$723.2	\$749.0
Medical		\$1,115.0	\$1,225.6	\$1,321.4	\$1,395.7	\$1,459.7	\$1,526.5	\$1,581.0	\$1,637.5	\$1,696.1	\$1,756.7
<u>Assistance Grants</u>		<u>\$3.6</u>	<u>\$3.6</u>	<u>\$3.7</u>	<u>\$3.8</u>	<u>\$3.8</u>	<u>\$3.8</u>	<u>\$3.9</u>	<u>\$3.9</u>	<u>\$3.9</u>	<u>\$3.9</u>
<b>Total</b>		<b>\$1,690.9</b>	<b>\$1,751.8</b>	<b>\$1,888.6</b>	<b>\$1,994.7</b>	<b>\$2,085.9</b>	<b>\$2,181.2</b>	<b>\$2,259.1</b>	<b>\$2,339.7</b>	<b>\$2,423.2</b>	<b>\$2,509.6</b>
<b>Contribution Rates</b>											
Family		0.30%	0.36%	0.32%	0.31%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
<u>Medical</u>		<u>0.40%</u>	<u>0.84%</u>	<u>0.74%</u>	<u>0.72%</u>	<u>0.71%</u>	<u>0.71%</u>	<u>0.72%</u>	<u>0.71%</u>	<u>0.71%</u>	<u>0.71%</u>
<b>Total</b>		<b>0.70%</b>	<b>1.20%</b>	<b>1.06%</b>	<b>1.03%</b>	<b>1.01%</b>	<b>1.01%</b>	<b>1.02%</b>	<b>1.01%</b>	<b>1.01%</b>	<b>1.01%</b>
<b>Contributions (\$ millions)</b>		<b>\$1,223.2</b>	<b>\$2,194.4</b>	<b>\$2,026.1</b>	<b>\$2,064.7</b>	<b>\$2,120.2</b>	<b>\$2,187.6</b>	<b>\$2,288.6</b>	<b>\$2,339.2</b>	<b>\$2,423.2</b>	<b>\$2,509.6</b>
<b>Transfer from General Fund (\$ millions)</b>	\$668.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Appropriations (\$ millions)</b>	\$128.5	\$64.7	\$8.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7
<b>Investment Income (\$ millions)</b>	\$51.8	\$2.2	\$18.6	\$23.0	\$29.0	\$31.2	\$31.6	\$33.4	\$34.0	\$35.3	\$36.5
<b>Fund Balance (\$ millions)</b>	<b>\$591.6</b>	<b>\$61.3</b>	<b>\$513.9</b>	<b>\$673.8</b>	<b>\$772.1</b>	<b>\$837.0</b>	<b>\$874.2</b>	<b>\$936.4</b>	<b>\$969.4</b>	<b>\$1,004.0</b>	<b>\$1,039.8</b>
<b>Fund Balance % of Total Expenditure</b>		4%	29%	36%	39%	40%	40%	41%	41%	41%	41%

## Projection 6: Option 3 based on Alternative premium formula

	<u>2024 - 2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>
<b>Eligible Employees</b>		2,451,776	2,465,430	2,479,159	2,492,965	2,506,847	2,520,807	2,534,845	2,548,961	2,563,155	2,577,428
<b>Taxable Wages (\$ millions)</b>		\$174,693.8	\$182,869.0	\$191,242.8	\$200,000.1	\$209,158.4	\$216,632.8	\$224,374.4	\$232,392.6	\$240,697.3	\$249,298.8
<b>Claims</b>											
Family		52,479	46,035	47,680	48,425	48,695	48,966	49,239	49,513	49,789	50,066
<u>Medical</u>		<u>101,598</u>	<u>107,272</u>	<u>111,106</u>	<u>112,842</u>	<u>113,470</u>	<u>114,102</u>	<u>114,737</u>	<u>115,376</u>	<u>116,019</u>	<u>116,665</u>
<b>Total</b>		<b>154,078</b>	<b>153,307</b>	<b>158,786</b>	<b>161,267</b>	<b>162,165</b>	<b>163,068</b>	<b>163,976</b>	<b>164,889</b>	<b>165,808</b>	<b>166,731</b>
<b>Benefit Payments (\$ millions)</b>											
Family		\$534.8	\$488.4	\$526.6	\$556.2	\$581.7	\$608.3	\$630.1	\$652.6	\$675.9	\$700.0
<u>Medical</u>		<u>\$1,042.1</u>	<u>\$1,145.4</u>	<u>\$1,235.0</u>	<u>\$1,304.4</u>	<u>\$1,364.2</u>	<u>\$1,426.6</u>	<u>\$1,477.6</u>	<u>\$1,530.4</u>	<u>\$1,585.1</u>	<u>\$1,641.8</u>
<b>Total</b>		<b>\$1,576.9</b>	<b>\$1,633.8</b>	<b>\$1,761.6</b>	<b>\$1,860.6</b>	<b>\$1,945.8</b>	<b>\$2,034.9</b>	<b>\$2,107.7</b>	<b>\$2,183.0</b>	<b>\$2,261.0</b>	<b>\$2,341.8</b>
<b>Expenses (\$ millions)</b>											
Start-up	\$128.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Family		\$37.4	\$34.2	\$36.9	\$38.9	\$40.7	\$42.6	\$44.1	\$45.7	\$47.3	\$49.0
<u>Medical</u>		<u>\$72.9</u>	<u>\$80.2</u>	<u>\$86.4</u>	<u>\$91.3</u>	<u>\$95.5</u>	<u>\$99.9</u>	<u>\$103.4</u>	<u>\$107.1</u>	<u>\$111.0</u>	<u>\$114.9</u>
<b>Total</b>		<b>\$110.4</b>	<b>\$114.4</b>	<b>\$123.3</b>	<b>\$130.2</b>	<b>\$136.2</b>	<b>\$142.4</b>	<b>\$147.5</b>	<b>\$152.8</b>	<b>\$158.3</b>	<b>\$163.9</b>
<b>Total Expenditure (\$ millions)</b>											
Family		\$572.3	\$522.6	\$563.4	\$595.1	\$622.4	\$650.9	\$674.2	\$698.2	\$723.2	\$749.0
Medical		\$1,115.0	\$1,225.6	\$1,321.4	\$1,395.7	\$1,459.7	\$1,526.5	\$1,581.0	\$1,637.5	\$1,696.1	\$1,756.7
<u>Assistance Grants</u>		<u>\$3.6</u>	<u>\$3.6</u>	<u>\$3.7</u>	<u>\$3.8</u>	<u>\$3.8</u>	<u>\$3.8</u>	<u>\$3.9</u>	<u>\$3.9</u>	<u>\$3.9</u>	<u>\$3.9</u>
<b>Total</b>		<b>\$1,690.9</b>	<b>\$1,751.8</b>	<b>\$1,888.6</b>	<b>\$1,994.7</b>	<b>\$2,085.9</b>	<b>\$2,181.2</b>	<b>\$2,259.1</b>	<b>\$2,339.7</b>	<b>\$2,423.2</b>	<b>\$2,509.6</b>
<b>Contribution Rates</b>											
Family		0.29%	0.29%	0.29%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
<u>Medical</u>		<u>0.67%</u>	<u>0.67%</u>	<u>0.67%</u>	<u>0.71%</u>	<u>0.71%</u>	<u>0.71%</u>	<u>0.71%</u>	<u>0.71%</u>	<u>0.71%</u>	<u>0.71%</u>
<b>Total</b>		<b>0.96%</b>	<b>0.96%</b>	<b>0.96%</b>	<b>1.01%</b>	<b>1.01%</b>	<b>1.01%</b>	<b>1.01%</b>	<b>1.01%</b>	<b>1.01%</b>	<b>1.01%</b>
<b>Contributions (\$ millions)</b>		<b>\$1,669.6</b>	<b>\$1,747.7</b>	<b>\$1,827.8</b>	<b>\$2,012.5</b>	<b>\$2,104.7</b>	<b>\$2,179.9</b>	<b>\$2,257.8</b>	<b>\$2,338.5</b>	<b>\$2,422.1</b>	<b>\$2,508.6</b>
<b>Transfer from General Fund (\$ millions)</b>	\$668.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Appropriations (\$ millions)</b>	\$128.5	\$64.7	\$8.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7
<b>Investment Income (\$ millions)</b>	\$51.8	\$18.8	\$19.2	\$16.6	\$19.6	\$20.9	\$21.0	\$21.4	\$21.8	\$22.5	\$23.3
<b>Fund Balance (\$ millions)</b>	<b>\$591.6</b>	<b>\$524.3</b>	<b>\$530.8</b>	<b>\$485.9</b>	<b>\$522.7</b>	<b>\$561.8</b>	<b>\$580.8</b>	<b>\$600.3</b>	<b>\$620.3</b>	<b>\$641.0</b>	<b>\$662.6</b>
<b>Fund Balance % of Total Expenditure</b>		31%	30%	26%	26%	27%	27%	27%	27%	26%	26%

**Appendix B**  
**Original Contribution Rates from Milliman’s Report from October 27, 2023**

The contribution rates shown below were included in our report to DEED on October 27, 2023. These rates assume the PFML program would not provide retroactive benefit payments for non-bonding claims that satisfy the 7-day qualifying period – i.e., we assumed the program features a 7-day unpaid waiting period for non-bonding claims. The rates shown below also assume no waiting period for bonding claims.

<b>Table B1</b>								
<b>Estimated Overall Contribution Rates for Minnesota PFML Program</b>								
Taxable Wages: OASDI								
<b>Scenario</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033+</b>
268B	0.70%	0.92%	0.78%	0.86%	0.84%	0.84%	0.84%	0.83%
Alternative	0.78%	0.78%	0.78%	0.83%	0.83%	0.83%	0.83%	0.83%

<b>Table B2</b>								
<b>Estimated Family Contribution Rates for Minnesota PFML Program</b>								
Taxable Wages: OASDI								
<b>Scenario</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033+</b>
268B	0.30%	0.30%	0.26%	0.28%	0.27%	0.27%	0.28%	0.27%
Alternative	0.26%	0.26%	0.26%	0.27%	0.27%	0.27%	0.27%	0.27%

<b>Table B3</b>								
<b>Estimated Medical Contribution Rates for Minnesota PFML Program</b>								
Taxable Wages: OASDI								
<b>Scenario</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033+</b>
268B	0.40%	0.62%	0.53%	0.58%	0.56%	0.56%	0.57%	0.56%
Alternative	0.52%	0.52%	0.52%	0.56%	0.56%	0.56%	0.56%	0.56%