



JOINT COMMITTEE
ON GOVERNMENT & FINANCE
INTERIM BOOK

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August 25, 2024



Joint Committee on Government & Finance Interim Book

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West Virginia Department of Economic Development
Office of Broadband
Report to the
Joint Committee on Government and Finance

Prepared by the
West Virginia Office of Broadband
August 21, 2024

<https://broadband.wv.gov>

<https://internetforallwv.wv.gov>

American Rescue Plan Act (ARPA) Funding

The West Virginia Legislature's allocation of State Local Fiscal Recovery Funds (SLFRF) and General Revenue funding provided a historic \$100 million investment for broadband development in West Virginia. This funding will complement West Virginia's allocation of funds through the Capital Projects Funds (CPF), also part of the American Rescue Plan Act (ARPA). West Virginia was among the first four states in the nation to receive approval from the U.S. Treasury for funding under the ARPA CPF program in June 2022. West Virginia received \$136 million in ARPA CPF funding to support broadband development.

The ARPA SLFRF and CPF broadband funding allocations represent a major transition to state-led broadband development through which states will oversee the investment of broadband funding. CPF funding, combined with the Legislature's allocation of SLFRF funding in the amount of \$90 million and General Revenue Funding in the amount of \$10 million, provides a combined total of \$236 million for broadband development in West Virginia under ARPA.

To carry out the Governor's Billion Dollar Broadband Strategy, the West Virginia Department of Economic Development, Office of Broadband, in coordination with the West Virginia Broadband Enhancement Council, developed and launched the West Virginia Broadband Investment Plan (WVBIP). The WVBIP is designed to:

- Leverage Private Investment
- Involve Local Governments
- Encourage Public-Private Partnerships
- Connect the Unconnected

The WVBIP includes three separate programs for projects that can be awarded funding from Capital Projects Fund or State and Local Fiscal Recovery Fund (SLFRF). The programs were developed to align with ARPA rules and guidance and contain three well defined infrastructure grant initiatives.

Following Treasury guidelines, ARPA programs focus on last mile connections to locations without access to reliable wireline service of 25/3 Mbps. Deployed networks will deliver a minimum of 100/20 Mbps and are scalable to symmetrical 100 Mbps.

ARPA Key Performance Indicators

Progress reports are collected from grantees and submitted to the U.S. Treasury on a quarterly basis. The WVDED has awarded 42 ARPA funded projects.

Total investment to date includes \$108.1 million in U.S. Treasury Capital Projects Funds and \$64.4 million in State Local Fiscal Recovery Funds. Private investment has exceeded \$68 million, for a total investment of \$236 million under West Virginia's ARPA initiative.

Below lists the project status for active projects in construction:

LEAD Citynet Green Valley Line Extension - **Complete**
 LEAD Comcast Brooke, Hancock, Marshall, Ohio Line Extension - **Construction**
 LEAD Comcast Cabell, Kanawha, Morgan, Putnam Line Extension - **Construction**

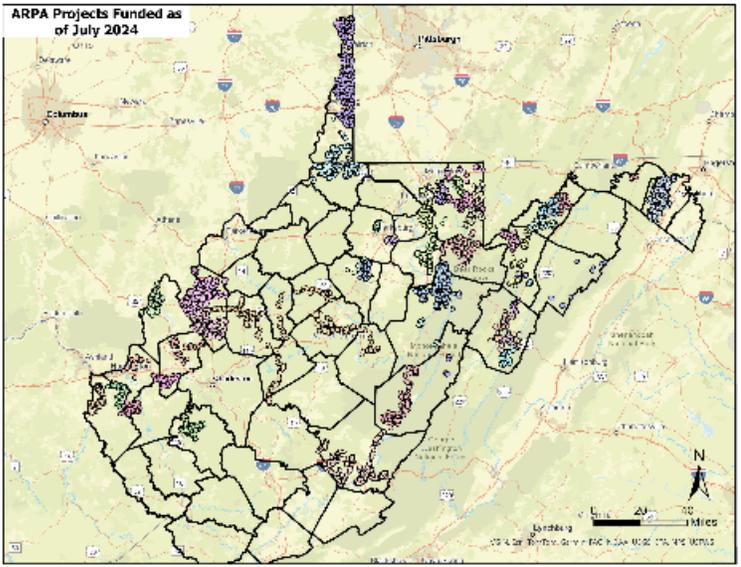
- LEAD Prodigy North-Central Preston Extensions - **Construction**
- LEAD Prodigy West Preston-Valley District Extension - **Construction**
- LEAD Hardy Telecommunications - East Hardy Line Extension - **Complete**
- LEAD Citynet Shavers Fork, Helvetta, Crestview Line Extension - **Complete**
- LEAD Shentel North Fork - **Complete**
- LEAD Hardy Telecommunications - South Mill Creek Road Line Extension - **Construction**
- LEAD Prodigy East Monongalia and East Preston Rural Broadband - **Construction**
- LEAD Prodigy Preston to Barbour Rural Expansion - **Construction**
- MBPS Frontier Boone County - Turtle Creek - **Construction**
- MBPS Frontier West Mason - **Construction**
- MBPS Citynet Thornton, Gladesville & Morgantown South - **Construction**
- MBPS Micrologic Randolph County MBPS - **Construction**

Projects not under construction are currently in permitting through the West Virginia Division of Highways (WVDOH) and utility pole owners.

Current ARPA Projects

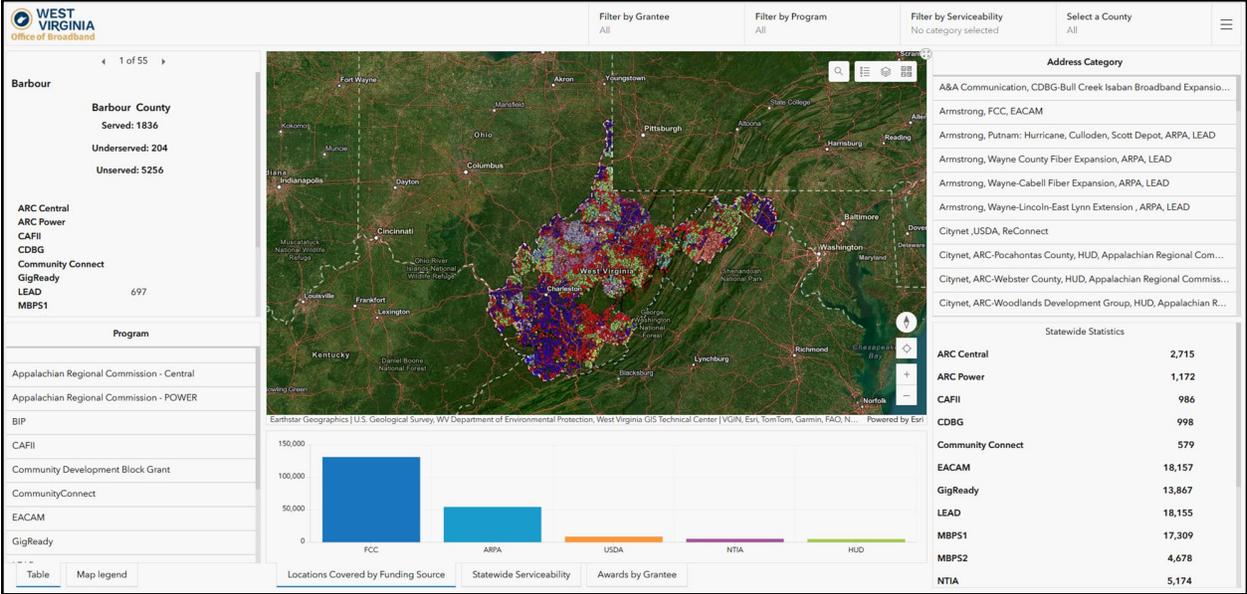
ARPA Funds Awarded to Date

- \$172.46 Million
 - \$108.1 Million CPF
 - \$64.4 Million SLFRF
- Matching Funds \$68.01 Million
- Total Investment \$236.28 Million
- Last-Mile Projects 42
- Total Miles of New Plant 3,875
- 41 Counties
- 39,617 Targeted Locations



West Virginia Broadband Dashboard

To demonstrate broadband availability across West Virginia, the WVDED has created an interactive application for end users to learn more about all funding sources including ARPA project details. Using the CostQuest Fabric data, broadband availability is represented at the address level. The data is currently under review by CostQuest to ensure compliance with the License User Agreement. This dashboard will be available at broadband.wv.gov.



Infrastructure Investment and Jobs Act (IIJA) Broadband Programs

In June 2023, NTIA announced that West Virginia would be awarded \$1.2 billion in federal Broadband Equity, Access and Deployment (BEAD) funding for broadband development in West Virginia. BEAD is administered by the National Telecommunication and Information Administration (NTIA). This historic investment in broadband infrastructure and related digital inclusion efforts will support West Virginia’s universal broadband access vision:

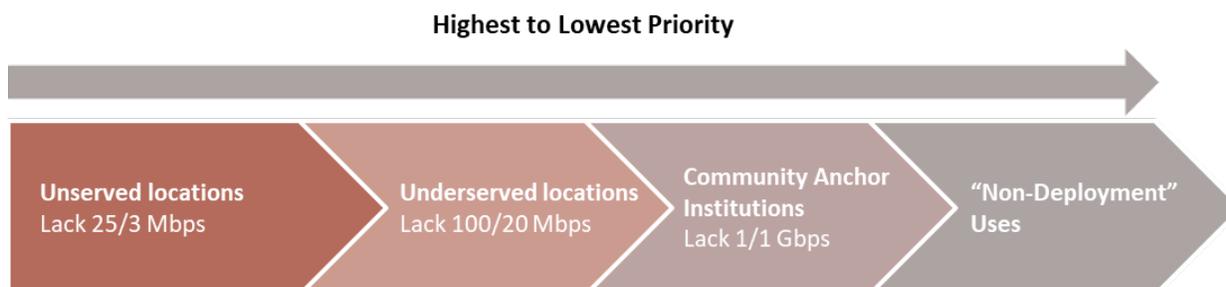
West Virginia Vision for Digital Equity and BEAD

Achieve universal broadband coverage and digital equity throughout the State through aggressive broadband deployment goals and a commitment to closing the digital divide through robust equity and inclusion initiatives.

The BEAD application requires several steps: a Five-Year Action Plan, Initial Proposal Volumes I and II, followed by a Final Proposal. Additionally, the BEAD Program requires states to coordinate efforts with

Digital Equity planning, capacity building, and workforce development. West Virginia’s Initial Proposal Volumes I and II will build upon the goals, objectives, and strategies outlined in West Virginia’s BEAD Five-Year Action Plan.

As directed by NTIA, BEAD funding places the highest priority on expanding broadband to unserved locations, followed by underserved locations, community anchor institutions, and non-deployment uses.



West Virginia’s broadband access gap is significant, and the State currently ranks near the bottom of broadband availability in the U.S.¹ As of December 31, 2022, Federal Communications Commission (FCC) data shows that only 65.3% of West Virginia’s Broadband Serviceable Locations (BSLs) are classified as fully served.²

To be considered fully served, a BSL must have a terrestrial or licensed fixed wireless internet service provider that provides, or could easily provide, a minimum connection speed of 100/20 Mbps, with latency less than or equal to 100 milliseconds. Underserved locations are subsequently defined as BSLs with maximum speeds between 25/3 Mbps, and 100/20 Mbps. Finally, unserved locations are defined by the BEAD program as BSLs with speeds less than 25/3 Mbps.³

Unserved and underserved locations exclude those with existing enforceable federal, state, or local commitments to provide service.⁴ Ongoing state and federal investments are projected to increase the number of connected BSLs, but there is still a long way to go to reach 100%.⁵ This gap in broadband access impedes full participation in an increasingly digital society, preventing access to telemedicine, remote work, personal connections, and online news media, among other things. West Virginia’s Five-Year Action Plan serves as a guide to achieve universal connectivity and close the digital divide.

The IIJA includes three major programs:

¹ West Virginia is 50th of 50 states, Washington, D.C., and Puerto Rico.

² West Virginia’s broadband availability falls short; of all 50 states, the District of Columbia, and Puerto Rico, West Virginia ranks 50th. This number reflects residential broadband availability rankings; the FCC does not provide data for statewide combined residential, mixed-use, and non-residential rankings.

³ <https://broadbandusa.ntia.doc.gov/sites/default/files/2022-05/BEAD%20NOFO.pdf>, p16 and p17

⁴ NTIA, Notice of Funding Opportunity (NOFO) Broadband Equity, Access, and Deployment Program, <https://broadbandusa.ntia.doc.gov/sites/default/files/2022-05/BEAD%20NOFO.pdf>, p36

⁵ Derived from calculations by WVDED. For more details, please see Section 3.1.

1. **Broadband Equity, Access, and Deployment (BEAD) Program (\$42.5 billion)**
2. **State Digital Equity Act programs (Digital Equity Capacity Grant and Digital Equity Competitive Grant (\$2.75 billion))**
3. **Enabling Middle Mile Broadband Infrastructure Program (BIP)**

Each program is briefly detailed below:

1. **Broadband, Equity, Access, and Deployment (BEAD)**
 - a. The BEAD program provides funding for broadband planning, deployment, mapping, equity, and adoption activities.
 - b. On June 26, 2023, NTIA announced that West Virginia will receive \$1,210,800,969.15 in BEAD funding.
 - c. West Virginia's Five-Year Action Plan is approved by NTIA. The plan is posted at broadband.wv.gov.
 - d. **West Virginia was among the first states in the nation to gain NTIA approval of its Initial Proposal Volume 1.** The plan approval date was January 29, 2024, and is posted at broadband.wv.gov.
 - e. **West Virginia was among the first states in the nation to begin its BEAD Challenge Process.** The process began on February 10 and concluded on April 14, 2024. A list of all challenged locations was publicly posted at broadband.wv.gov on April 24, 2024.
 - f. NTIA approved West Virginia's post-challenge results on August 20, 2024.
 - g. West Virginia's Initial Proposal Volume 2 is posted at <https://broadband.wv.gov/>. NTIA announced approval of the state's BEAD IPV II on April 18, 2024.
 - h. **West Virginia was among the first states in the nation to achieve approval of Initial Approval Volume 2.**

Key Takeaways from the BEAD Planning Process

- WVDED is coordinating the deployment of BEAD funding with other existing broadband infrastructure programs in the State.
- Only 65% of broadband serviceable locations in West Virginia are served, according to NTIA's definitions.
- **BEAD funding will support deployment to unserved and underserved locations following adjustments from the challenge process, existing enforceable commitments, and areas newly served since the initial BEAD assessment.**
- In addition to NTIA's community anchor institution categories, WVDED will consider adding correctional and rehabilitation facilities, courthouses, job training centers, and senior centers because they facilitate greater use of broadband service by vulnerable populations.
- **To ensure "future-proof" broadband service, any location served through DSL will be considered "underserved" for the purposes of the BEAD program.**

Recent BEAD Benchmarks

- The Office of Broadband opened the BEAD Pre-application Phase and submission portal on March 18, initially for a period of 30 days. On May 9, 2024, WVDED announced the pre-application deadline was extended through May 30, 2024. WVDED has conducted three training sessions on the BEAD Pre-application Process, two virtual on February 29 and April 10, 2024, and one in-person on March 28, 2024, at the Robert H. Mollohan Research Center in Fairmont, WV.
- On May 3, 2024, WVDED held virtual Pre-application Office Hours to provide assistance and respond to the ongoing intake of questions and inquiries through an online BEAD question intake form available at broadband.wv.gov.
- Four BEAD Full Deployment Funding Application webinar and workshop events were held in June 2024, including onsite in South Charleston and Morgantown. Attendance by potential ISP applicants was strong, especially among those who registered to pre-apply, and other interested partners.

Next Steps for BEAD

Since March 18, 2024, West Virginia has collected and remediated required Pre-applications, prepared for the BEAD Application Phase through a slate of upcoming workshops and webinars, as well as document and material preparation in anticipation of the deployment full application phase.

Draft versions of BEAD Deployment Program Procedures are available at broadband.wv.gov, subject to change pending final approval by NTIA. Significant coordination is still ongoing with partner funding agencies, such as ARC, and existing funding sources to ensure that West Virginia maximizes use of available funds in partnership with, or in complement with BEAD funding to maximize deployment efforts in the mission to serve all West Virginians with Broadband.

The West Virginia Broadband Summit will be held October 22-23, 2024, at the Charleston Embassy Suites, and serve to convene partners and stakeholders for informative speakers, environmental training, updates on pole attachment efforts and policy, and coordination for the upcoming non-deployment application process.

BEAD Non-Deployment

The West Virginia Office of Broadband has posted draft procedures for BEAD Non-Deployment Programs broadband.wv.gov including Workforce Development, Device Distribution, and Digital Skills and Navigators. While WVDED expects that BEAD funds will be available for these non-deployment programs, the final budget will not be known until funds are budgeted for BEAD deployment projects for all unserved and underserved locations statewide. To facilitate the efficient and impactful deployment of anticipated non-deployment activities, WVDED has been awarded Appalachian Regional Commission (ARC) funding to complement BEAD efforts to provide technical assistance to applicants, and is pursuing funding to create and implement a Broadband Industry Career Exploration Program through the West Virginia Department of Education. Priorities are being refined and Workforce needs explored in part through the West Virginia Broadband Workforce Council, in particular through a Workforce Committee which is meeting quarterly.

West Virginia's Digital Equity Program

The Digital Equity Act is a component of the Infrastructure Investment and Jobs Act (IIJA). The goal of the Digital Equity Act is to close the “digital divide” across the nation, ensuring that everyone has access to affordable, high-speed internet service, affordable digital devices, and the tools and training necessary to make full use of the internet’s benefits—all of which should be accessible to everyone, regardless of their background.

West Virginia Vision for Digital Equity

Ensure that all West Virginians have the resources they need to participate in the digital world and achieve the economic benefits of digital equity

High quality, accessible, and affordable broadband is critical for a more just and equitable West Virginia, a healthier society, and a stronger economy that offers opportunity for everyone. West Virginia’s low rate of access to broadband, coupled with its demographic profile, creates many challenges for digital equity⁶:

1. 97% of West Virginians fall into one or more of the Digital Equity Act’s covered populations categories—the highest of any state in the country.
2. More than 35% of West Virginians live in unserved or underserved areas as defined by the NTIA.⁷
3. West Virginia has the highest percentage of individuals living in a rural area (90%) in the country.⁸

The Digital Equity Act contains three grant programs:

1. The Digital Equity Planning Grant (\$60 million)
2. The Digital Equity Capacity Grant (\$1.44 billion)
3. The Digital Equity Competitive Grant (\$1.25 billion)

Digital Equity Planning Grant

West Virginia was allocated over \$700,000 to complete a State Digital Equity Plan. Grant funds were used to collect data, coordinate with partners and relevant stakeholders, and draft the plan. After a public comment period, multiple rounds of revisions, and two rounds of curing, the West Virginia Digital Equity Plan was completed and submitted to NTIA on December 14, 2023. **West Virginia’s Plan was approved by NTIA on February 29, 2024—one of the first six states to be granted approval.** WVDED completed the remaining reports and requirements to close out the Digital Equity Planning Grant on April 26, 2024.

Digital Equity Capacity Grant

⁶ NTIA defines digital equity as a condition in which all individuals and communities have the information technology capacity needed for full participation in our society, democracy, and economy. Digital equity is necessary for access to essential services, civic and cultural participation, employment, and lifelong learning.

⁷ Calculated using National Broadband Availability Data provided by the Federal Communications Commission, available at <https://broadband477map.fcc.gov/#/data-download>.

⁸ Ibid.

On March 29, 2024, NTIA released the Notice of Funding Opportunity (NOFO) for the \$1.44 billion Digital Equity Capacity Grant Program. This grant program is for each state and territory to implement its Digital Equity Plan.

The first of three NOFOs under the program has **tentatively allocated over \$9 million to West Virginia to increase adoption of high-speed internet through affordability, digital skills training, and device access programs**. West Virginia's funding allocation was determined by its total population, percentage of covered populations, and lack of broadband availability and adoption compared to other states. **The Office of Broadband submitted the application for DE Capacity Grant funding on May 15, 2024—well ahead of the May 28 deadline**. WVDED is awaiting final approval.

With the official wind-down of the Affordable Connectivity Program (ACP), WVDED will be exploring new methods of ensuring affordability of high-speed internet service, including spreading awareness of existing affordable internet packages and other relevant consumer information.

WVDED will invest funds to support:

1. Digital Equity (DE) Plan Updates and Data Collection
2. Grant Program Development, Implementation and Evaluation
3. Broadband Affordability Awareness.

WVDED will design three grant programs that empower local organizations to serve Covered Populations, as described in both the State's DE Plan and BEAD Initial Proposal Volume II.

Digital Skills and Navigators Program: WVDED is prioritizing implementation of a Digital Skills subgrant program to address a “lack of technical knowledge,” as identified in the DE Plan Needs Assessment. This program will leverage experienced West Virginia organizations to provide training and education to members of the Covered Populations on the use of digital tools, accessing online resources, and practicing safe and responsible online behavior.

Local Digital Equity Planning: This grant program will be available to local governments (e.g. municipal, county) to support the development of local Digital Equity plans. Successful plans will include strategies and key activities aligned with the State DE Plan so that subgrantees are prepared to secure implementation funding, such as the DE Competitive Grant Program. The goal of the program is to ensure interest and activity in digital inclusion work at the local level after the end of the Digital Equity Act programs.

Pilot Device Program: WVDED will pilot its Affordable Device Program to provide eligible residents with new, used, or refurbished devices. The program, connected to the digital skills training program, will ensure participants have the technical assistance needed to operate their new devices. This program, targeted for low-income individuals as defined by the “Covered Households” category of the DEA, will be scaled in subsequent years based on best practices learned from the pilot.

DE Plan Updates and Data Collection: WVDED will revise the State's DE Plan, specifically regarding affordability activities, the Local DE Planning Program, and implementation timeline. Additionally, WVDED will continue to collect data and administer surveys to establish more precise baseline figures and subsequent monitoring of Key Performance Indicators (KPIs). WVDED will partner with the National

Digital Inclusion Alliance (NDIA), the Digital Equity Research Center (DERC), Merit Network, and six other states to create a State Evaluation Tool to assist with evaluating both individual projects and overall statewide progress.

Highlights:

- a. The Digital Equity Capacity Grant Program is meant to fund implementation and revision of each state Digital Equity Plan (https://broadbandusa.ntia.doc.gov/funding-programs/Digital_Equity_Capacity_Grant_Program)
- b. NTIA announced the opening of the application period and released the Notice of Funding Opportunity (NOFO) on March 29, 2024. Applications from States are due by May 28, 2024.
- c. West Virginia has tentatively been allocated over \$9 million to carry out the State Digital Equity Plan for the next five years. Two more funding allocations will become available in 2025 and 2026.
- d. The Office of Broadband has completed the Capacity Grant application. The Program structure features three subgrant programs and data collection activities to annually update the State Digital Equity Plan.

Digital Equity Competitive Grant

The Digital Equity Competitive Grant Program will allocate \$1.25 billion to state agencies, local governments, community anchor institutions, nonprofit organizations, local education agencies, workforce development entities, and partnerships to implement digital inclusion projects. **NTIA released the Notice of Funding Opportunity (NOFO) for the DE Competitive Grant Program on July 24, 2024. Applicants must submit their applications by September 23, 2024.**

Applicants may request between \$5 million and \$12 million, with smaller or larger awards allowed with sufficient justification. Eligible uses of funding include educational and workforce development activities, constructing public computer labs, providing broadband service at low or no cost, broadband adoption programs, and a wide variety of digital inclusion projects—all of which must focus on serving members of the DEA covered populations.

Among other scoring criteria, **NTIA will place priority on projects that identify and fill a gap in the State Digital Equity Plan.** The program is meant to fill implementation gaps and remove systemic barriers to digital equity across the country.

The first round of funding will allocate \$750 million across U.S. States, territories, and tribal entities. Depending on Congressional approval, an additional \$250 million—allocated for Fiscal Year 2025—may be awarded under this initial round of funding. If unauthorized, this funding will be allocated in a second round of awards. There will be at least one more round of awards totaling \$250 million for Fiscal Year 2026.

NTIA anticipated granting 150 to 200 awards in total. NTIA anticipates announcing awards on a rolling basis beginning Winter 2024.

The West Virginia Office of Broadband is strongly encouraging state agencies, local governments, nonprofit organizations, and other eligible entities to consider applying for the program. The DE

Competitive Grant Program is a major opportunity to bring federal funds to West Virginia for education, workforce development, and digital inclusion programs. The Office of Broadband is currently spreading awareness and providing assistance to potential applicants.

Highlights:

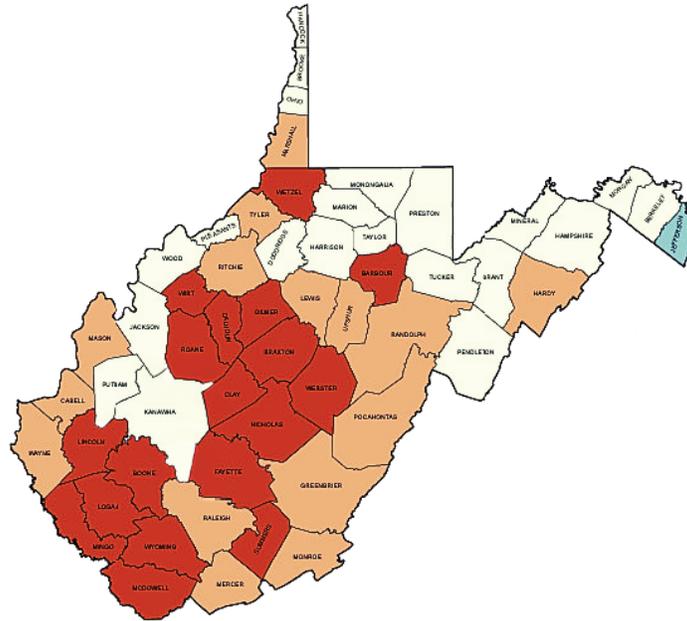
- a. The DE Competitive Grant Program is meant to fund digital inclusion projects from state agencies, nonprofit organizations, community anchor institutions, and partnerships. ([https://broadbandusa.ntia.doc.gov/funding-programs/Digital Equity Competitive Grant Program](https://broadbandusa.ntia.doc.gov/funding-programs/Digital-Equity-Competitive-Grant-Program))
- b. NTIA announced the opening of the application period and released the NOFO on July 24, 2024. Applications from eligible entities are due to NTIA by September 23, 2024.
- c. Awards will be between \$5 to \$12 million. The first round of awards will allocate \$750 million across the country. An additional \$250 million will be awarded either under this round, or in 2025. A final round of awards, totaling \$250 million, will be awarded in either 2025 or 2026.
- d. NTIA will begin announcing awards on a rolling basis in Winter 2024.
- e. WVDED is currently promoting the DE Competitive Grant Program, monitoring potential applicants, and providing assistance wherever possible.

Connect Humanity - Appalachia Digital Accelerator Project

Connect Humanity, a national nonprofit organization working to assist communities with broadband access and adoption, was awarded a \$6.3 million Appalachian Regional Commission (ARC) ARISE grant in 2023 to assist communities throughout Appalachia. Connect Humanity launched the **Appalachia Digital Accelerator Project**, working with trusted partners in each state to close the digital divide. More information: <https://connecthumanity.fund/appalachia-digital-accelerator/>

In West Virginia, Connect Humanity has partnered with Generation WV, Regional Optical Communications (ROC), and WVDED. Because broadband infrastructure deployment has been largely planned out by WVDED and ROC through BEAD program planning, Connect Humanity's project in West Virginia has focused on digital equity planning.

The core goal of the Appalachia Digital Accelerator Project in West Virginia is to convene stakeholders, gather data, and draft a county-level digital equity plan for each of the state's 18 ARC distressed counties from Fiscal Year 2023. The digital equity plans will assist each county in coordinating digital inclusion activities and assist with applying for upcoming grant opportunities.



Map of West Virginia by ARC economic status (FY 2023). Targeted counties shown in red.

Targeted counties include: Barbour; Boone; Braxton; Calhoun; Clay; Fayette; Gilmer; Lincoln; Logan; McDowell; Mingo; Nicholas; Roane; Summers; Webster; Wetzels; Wirt; Wyoming.

The core planning team, consisting of Generation WV, WVDED, and ROC, has convened county level steering committees in each of the 18 counties. These steering committees include public officials, local educators, community leaders, and more. County steering committees have met monthly, helping guide each county's priorities and potential projects. In June 2024, Generation WV hosted 3 planning workshops across the state. These were held:

- On June 24 at the Progressive Women's Association Uptown Event Center in Clarksburg, WV
- On June 25 at Hawks Nest State Park in Ansted, WV
- On June 26 at the Larry Joe Harless Community Center in Gilbert, WV

The core planning team, as well as visiting staff from Connect Humanity and NDIA, spoke to county steering committee members from across the state about a variety of topics. These included digital equity basics, best practices, upcoming grant opportunities, statewide goals, data collection, and ideal project structure. Local leaders discussed local barriers to broadband adoption, potential digital inclusion projects, funding sources, and partners. The first drafts of all 18 county-level digital equity plans are currently available for public comment here: <https://generationwv.org/appalachia-digital-accelerator-project/>

Highlights:

- a. Connect Humanity was awarded a \$6.3 million ARC ARISE grant to assist communities across Appalachia with broadband access and adoption. Through the Appalachia Digital Accelerator Project, Connect Humanity has convened partners in each state to carry out activities.

- b. West Virginia's core planning team under this project consists of Generation WV, WVDED, and ROC, with support from Connect Humanity and NDIA.
- c. The goal of the project is to create a county-level digital equity plan for each of the state's 18 ARC distressed counties from FY 2023. These plans identify county specific barriers to digital equity and propose local goals and activities to address these barriers. These plans will also support each county in applying for grant funding.
- d. Generation WV hosted three planning workshops in June 2024. Staff from Connect Humanity and NDIA visited to speak to local leaders about digital equity best practices from projects across the country.
- e. The first drafts of all 18 county-level plans are currently available for public comment.

JOINT COMMITTEE ON GOVERNMENT AND FINANCE

(Speaker Hanshaw)

April 14, 2024

5:00 p.m. – 6:00 p.m.

| Senate | House |
|------------------|---------------------|
| Blair, Chair | Hanshaw, Chair |
| Nelson | Criss |
| Takubo (absent) | Hornbuckle (absent) |
| Tarr | Householder |
| Trump | Howell |
| Weld (absent) | Phillips |
| Woelfel (absent) | Summers |

Speaker Hanshaw: “...Chair will note for the record the presence of a quorum today for this meeting. Let's begin with the minutes of our January 7th meeting which are in your packets that have been distributed. So, if everyone will take a moment and familiarize yourself with that draft. Questions from any members about the draft set of minutes? No questions? Chair will recognize President Blair.”

President Blair: “Mr. Speaker, I move that the minutes for January the 7th, 2024, meeting of the Joint Committee on Government Finance as contained in the members packets, be approved.”

Speaker Hanshaw: “The President moves the draft of the January 7th, 2024, meeting minutes be approved as distributed. Is there discussion on the motion? If not, those in favor of adoption of the motion will please say aye, those opposed please say no, the ayes have it, that motion is adopted. Let's take our regular report on general and federal funds. Mr. Muchow, welcome back. I see you have new help with you.”

Deputy Secretary Muchow: “Yes, I do. I have somebody to...to make me do better. So, good addition to the...”

Speaker Hanshaw: “Well, welcome to both of you.”

Deputy Secretary Muchow: “Thank you. Mark Muchow, Department of Revenue, and here to talk about the March general revenue and March State Road Fund. Start with the General Revenue Fund. March was a very good month for state general revenues, we collected \$487.4 million dollars. The estimate was \$392.6 million, so we ended up 94...almost \$94.9 million above estimate. Compared to last year, we were down only 5.9%, that's...that would be one of our better months for the year. On the individual, for the...for the year to date, we've now collected \$4.068 billion, and the estimate was \$3.54 billion, that's \$522.9 million above estimate. Compared to last year, down 11.8%, but certainly the revenues for this year incorporate the 21 1/4% reduction in personal income tax and then the severance tax revenues, which were very high last year, have come back down to a more normal type level. On the individual components, I'll start with the sales tax. The sales tax in March, we collected \$147.2 million, that was almost \$5.6 million above estimate, 5.3% ahead of last year, which puts us...one of the better months for sales tax this year. Year to date, we've collected \$1.315 billion, that's \$23.7 million above estimate, 3.7% ahead of last year. Personal income tax we collected \$198.3 million in

March, the estimate was one hundred forty-nine and a half. That was our...our best performing component (...inaudible...) estimate we were \$48.8 million above estimate. We were only 1% below last year and I do mention that...you know...we passed some legislation a year or so ago involving elective pass-through entities, allowing them to pay tax on behalf of the individual owners. The annual return due date for most elective pass-through entities would be in March. So, you...a lot of annual payments came in March, whereas in previous years some of those payments may have come in April. Year to date on personal income tax \$1.635 billion, that's \$184.1 million above estimate, only 9.4% below last year, which is pretty good...21 1/4% tax cut is built in there. Moving down the list here, I'm going to go to the severance tax. We collected \$48.2 million in March, that was above estimate by \$26 million dollars. Compared to last year, down 43.2% which is a better performance than we've had in previous months. Year to date on severance, we're now at two hundred forty-seven and a half million compared to the estimate of \$222.3. So, severance is running \$25.2 million ahead of last year. Compared to previous year, we're down sixty-eight and a half percent. The severance numbers have gotten better in recent months, particularly compared to...to last year. Of course, last year in the second half of the year, the severance tax started to...to slow down a little bit and we're now comparing this year with a slower level of revenue last year. So, that helps...helps the numbers out a bit. Corporate income tax we collected \$15.4 million in March, that was \$6.9 million above estimate. It actually was a little bit lower than last year, but year to date corporate income tax...one of our best performing taxes...is almost \$259 million dollars. We're \$131.4 million above estimate and 11.2% ahead of last year. So, that's our double-digit growth component. I'll also mention insurance premium tax, the...the due date for

the latest installment of insurance premium tax is March 1st...because it's March 1st, some money comes in February, some money comes in March...and this particular year more money came in February, a little less money came in March but overall, the numbers were pretty good. Insurance premium tax we collected \$20.7 million, versus an estimate of \$23.7, that was \$3 million below estimate and 10% below last year but moving to the year-to-date numbers, we've collected almost eighty-nine and a half million for general revenue, versus an \$85.4 million estimate, that's a little over \$4 million above estimate, and 8% ahead of last year. So, that's also doing well and I...I do note that there are some folks that are concerned about volunteer fire departments. Volunteer fire departments receive some insurance premium taxes. So, when the insurance premium tax grows, volunteer fire departments will receive additional money when it grows. So, their numbers this year should be up compared to last year. I will move to the State Road Fund unless there is any questions on the General Revenue Fund?"

Speaker Hanshaw: "...just a moment. Questions of Mr. Muchow? All right, let's go ahead and take the road fund then."

Deputy Secretary Muchow: "Okay, the road fund I'm mainly going to talk about the revenues this year compared to last year because the revenue estimates have been updated two different times, but I will mention that in March, the overall collections including federal reimbursement were \$129.1 million. The estimate was 171, so it's technically \$42 million below estimate, but that's because of a huge revision upward by DOT in their estimate of federal funds received. On the federal funds received in March, we had forty-five and a half million dollars compared to \$62.2 million last year. So, it was a little less than last year on...on federal funds received, but for the year to date on federal

funds received, 500 and...almost \$577 million dollars, which is 19.4% ahead of last year. So, we're going to...we're still on pace for a record year for federal reimbursements. On the state components, the...the motor fuel tax in March, we collected \$28.8 million, that was a little bit below estimate, about \$800,000 below estimate. Year to date we've collected \$325.8 million, which is about \$9 million below estimate but 2% ahead of last year. So, we've still collected more than last year and by the year end we should be pretty much on...on the estimate for the fuel tax. Registration fees we collected \$11.9 million in March, that was 10.2% less than last March. For the year to date, total collections on license and registration fees are \$89.8 million, which is 7.6% below last year. Motor vehicle sales tax, when...when interest rates rise, that tends to slow down big...big ticket items in terms of discretionary spending, and also the other factor is used cars prices which were very high a year or two ago...used car prices have come down. So, lower prices mean lower sales tax, higher interest rates mean a little bit less sales tax on motor vehicles as well. In March we collected \$23.6 million, the...that was down 19 and 1/2% from last year when we collected \$29.3 million. For the year to date, we collected \$230.5 million, which is still about \$2.3 million above the revised estimate, but it's about 2 1/2% below last year's collection levels and... and then the miscellaneous line...year to date, we've collected \$229.4 million versus \$167.5 million last year, and the biggest item there is...in both years...is a \$150 million appropriation from the legislature for...for both years. So, with that I'll open up to any questions you might have.”

Speaker Hanshaw: “Okay. Questions from any member about either of the presentations? No? Okay. Mr. Muchow, thank you very much.”

Deputy Secretary Muchow: “Thank you.”

Speaker Hanshaw: “All of the remainder of the periodic reports that we receive are presented for review by the members in the packets today. So, at this time, the chair will ask if there is interest from any member in bringing any representative of any of the various reports contained in the packet today for further explanation? If there's not, I'll recognize the President.”

President Blair: “Mr. Speaker, I move we adjourn.”

Speaker Hanshaw: “President's motion is that the meeting adjourn. Those in favor will please say aye, those opposed please say no. The ayes have it, we are adjourned. Thank you.”

WEST VIRGINIA LEGISLATURE

Office of the Legislative Auditor



*Budget Division
Building 1, Room 314-West Wing
1900 Kanawha Blvd. East
Charleston, WV 25301*

304-347-4870

August 20, 2024

Executive Summary WV Lottery, Unemployment Trust, General Revenue and State Road Fund

- **West Virginia Lottery as of July 31, 2024**
Gross profit as of July 31, 2024, was \$48.4 million. Gross profit as of June 30, 2023, was \$52.3 million.
- **West Virginia Unemployment Compensation Fund as of June 30, 2024**
Total disbursements were \$80.9 million higher than in fiscal year 2023. Overall ending trust fund balance was \$14 million higher on June 30, 2024, than on June 30, 2023.
- **General Revenue Fund as of July 31, 2024**
The general revenue collections ended the first month of fiscal year 2025 at 101% of the estimate for the year. Total collections were \$5 million above the estimate for the fiscal year.
- **State Road Fund as of July 31, 2024**
The road revenue collections ended the first month of fiscal year 2025 at 99% of the estimate for the year. Total collections were \$562 thousand below the estimate for the fiscal year.

WEST VIRGINIA LEGISLATURE
Office of the Legislative Auditor



*Budget Division
Building 1, Room 314-West Wing
1900 Kanawha Blvd. East
Charleston, WV 25305-0590*

MEMORANDUM

To: Honorable Chairmen and Members of the Joint Committee on
Government and Finance

From: William Spencer, CPA
Director Budget Division
Legislative Auditor's Office

Date: August 20, 2024

Re: Review of West Virginia Lottery Financial Information
As of July 31, 2024

We performed an analysis of the Statement of Revenues, Expenses and Changes in Fund Net Position for July 31, 2024, from monthly unaudited financial reports furnished to our office by the West Virginia Lottery Commission. The results are as follows:

Lottery Revenues:

Gross lottery revenues are receipts from on-line games, instant games, table games and video lottery. These gross receipts totaled \$106 million for July of fiscal year 2024-2025. Table games accounted for \$2.3 million of this total. Historic Resort Hotel video lottery accounted for \$468 thousand of total gross receipts. Gross lottery revenue has decreased by \$10.6 million or -9.1% when compared with July of fiscal year 2023-2024. This number does not include commission and prize deductions. Gross profit (gross revenues minus commissions and prize costs) for July was \$48.4 million; for July of last fiscal year, it was \$52.3 million. Expressed as a percentage, gross profit is -7.5% lower for fiscal year 2025 than for fiscal year 2024.

Lottery continued

Operating Transfers to the State of West Virginia:

A total of \$46,473,000.00 has been accrued to the state of West Virginia for fiscal year 2024-2025. This is on an accrual basis and may not correspond to the actual cash transfers made during the same time period. Amount owed to the different accounts according to the Lottery Act are calculated monthly and accrued to the state; actual cash transfers are often made based upon actual cash flow needs of the day-to-day operation of the lottery.

A schedule of cash transfers follows:

State Lottery Fund

| | |
|--|------------------------|
| Bureau of Senior Services | \$21,185,000.00 |
| Community and Technical College | \$499,000.00 |
| Department of Education | \$4,664,000.00 |
| Library Commission | \$3,640,000.00 |
| Higher Education-Policy Commission | \$2,381,000.00 |
| Tourism | \$2,240,000.00 |
| Department of Natural Resources | \$1,234,000.00 |
| Division of Culture and History | \$1,357,000.00 |
| General Revenue Fund | \$000.00 |
| Economic Development Authority | \$1,000,000.00 |
| School Building Authority | \$1,800,000.00 |
| <u>SUBTOTAL BUDGETARY TRANSFERS</u> | \$40,000,000.00 |

Lottery continued

Excess Lottery Fund

| | |
|--|-----------------------|
| Economic Development Fund | \$2,102,000.00 |
| Higher Education Improvement Fund | \$1,500,000.00 |
| Economic Development Authority | \$439,000.00 |
| General Purpose Fund | \$000.00 |
| Higher Education Improvement Fund | \$000.00 |
| State Park Improvement Fund | \$000.00 |
| School Building Authority | \$1,764,000.00 |
| Refundable Credit | \$000.00 |
| WV Racing Commission | \$000.00 |
| WV DHHR | \$000.00 |
| Teacher's Retirement Savings | \$000.00 |
| Division of Human Services | \$000.00 |
| WV Lottery Statutory Transfers | \$000.00 |
| Economic Development Authority | \$000.00 |
| General Revenue Fund | \$000.00 |
| Office of Technology | \$000.00 |
| Excess Lottery Surplus | \$000.00 |
| WV Infrastructure Council Fund | \$599,000.00 |
| Total State Excess Lottery Revenue Fund | \$6,404,000.00 |

| | |
|--------------------------------|-------------------------|
| Total Budgetary Distributions: | \$46,404,000.00 |
| Veterans Instant Ticket Fund | \$37,000.00 |
| Pension Plan | \$00.00 |
| TOTAL TRANSFERS | *\$46,441,000.00 |

Lottery continued

* CASH BASIS

| | |
|------------------------------------|------------------|
| Total Accrued last FY 2023: | \$190,015,000.00 |
| Total Cash Distributions FY 2024: | \$46,441,000.00 |
| Applied to FY 2024: | \$46,441,000.00 |
| Applied to FY 2025: | \$000.00 |
| Accrued for FY 2024 as of July 31: | \$143,574,000.00 |
| Accrued for FY 2025 as of July 31: | \$46,473,000.00 |



P.O. BOX 2067
CHARLESTON, WV 25327

JOHN A. MYERS
DIRECTOR

PHONE: 304.558.0500
wvlottery.com

MEMORANDUM

TO: Joint Committee on Government and Finance
 FROM: John A. Myers, Director *John A. Myers*
 RE: Monthly Report on Lottery Operations
 Month Ending July 31, 2024
 DATE: August 16, 2024

This report of the Lottery operations is provided pursuant to the State Lottery Act.

Financial statements of the Lottery for the month ending July 31, 2024 are attached. Lottery revenue, which includes on-line, instant, video lottery sales, table games, and historic resort, sports wagering, and interactive gaming was \$105,989,479 for the month of July.

Transfers of lottery revenue totaling \$46,441,067 made for the month of July to the designated state agencies per Senate Bill 160, Veterans Instant Ticket Fund, Racetrack Video Lottery Act (§29-22A-10), and the Racetrack Table Games Act (§29-22C-27). The amount transferred to each agency is shown in Note 12 on pages 20 and 21 of the attached financial statements.

The number of traditional and limited retailers active as of July 31, 2024 was 1,496 and 1,181 respectively.

A listing of the names and amounts of prize winners has been provided to the Clerk of the Senate, the Clerk of the House and Legislative Services.

If any member of the Committee has questions concerning the Lottery, please call me. Also if any members of the Legislature wish to visit the Lottery offices, I would be pleased to show them our facilities and discuss the Lottery with them.

JAM
Attachment

pc: Honorable Jim Justice, Governor
 Larry Pack, Cabinet Secretary – Dept. of Revenue
 Riley Moore, Treasurer
 J. B. McCuskey, Auditor
 Members of the West Virginia Lottery Commission

WEST VIRGINIA LOTTERY

STATE OF WEST VIRGINIA

**FINANCIAL STATEMENTS
-UNAUDITED-**

July 31, 2024

WEST VIRGINIA LOTTERY

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WEST VIRGINIA LOTTERY
STATEMENT OF NET POSITION
(In Thousands)
-Unaudited-

| ASSETS | July 31, 2024 | June 30, 2024 |
|---|-------------------|-------------------|
| Current Assets: | | |
| Cash and cash equivalents | \$ 229,166 | \$ 227,763 |
| Accounts receivable | 33,405 | 38,583 |
| Inventory | 1,327 | 1,330 |
| Other assets | 213 | 213 |
| Total Current Assets | <u>264,111</u> | <u>267,889</u> |
| Capital assets | 63,919 | 63,915 |
| Less accumulated depreciation and amortization | <u>(23,685)</u> | <u>(23,544)</u> |
| Net Capital Assets | <u>40,234</u> | <u>40,371</u> |
| Net Pension Asset | 24 | 24 |
| Net OPEB Asset | <u>204</u> | <u>204</u> |
| Total Noncurrent Assets | <u>40,462</u> | <u>40,599</u> |
| Total Assets | <u>\$ 304,573</u> | <u>\$ 308,488</u> |
| Deferred outflows of resources | <u>\$ 1,471</u> | <u>\$ 1,471</u> |
| Total assets and deferred outflows | <u>\$ 306,044</u> | <u>\$ 309,959</u> |
| Current Liabilities: | | |
| Accrued nonoperating distributions to the State of West Virginia | \$ 190,047 | \$ 190,015 |
| Estimated prize claims | 20,294 | 19,293 |
| Accounts payable | 2,419 | 5,104 |
| Other accrued liabilities | <u>31,382</u> | <u>33,645</u> |
| Total Current Liabilities | <u>244,142</u> | <u>248,057</u> |
| Deferred inflows | <u>\$ 370</u> | <u>370</u> |
| Net Position: | | |
| Net Investment in capital assets | 40,234 | 40,371 |
| Unrestricted | <u>21,298</u> | <u>21,161</u> |
| Total Net Position | <u>61,532</u> | <u>61,532</u> |
| Total net position, liabilities, and deferred inflows | <u>\$ 306,044</u> | <u>\$ 309,959</u> |

The accompanying notes are an integral part of these financial statements.

WEST VIRGINIA LOTTERY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE ONE MONTH PERIOD ENDED JULY 31, 2024
(In Thousands)
-Unaudited-

| | CURRENT MONTH | | YEAR TO DATE | |
|--|------------------|------------------|------------------|------------------|
| | FY 2025 | FY 2024 | FY 2025 | FY 2024 |
| Lottery revenues | | | | |
| On-line games | \$ 5,396 | \$ 12,318 | \$ 5,396 | \$ 12,318 |
| Instant games | 14,169 | 14,052 | 14,169 | 14,052 |
| Racetrack video lottery | 40,831 | 44,081 | 40,831 | 44,081 |
| Limited video lottery | 39,479 | 40,527 | 39,479 | 40,527 |
| Table games | 2,327 | 3,043 | 2,327 | 3,043 |
| Historic resort | 468 | 636 | 468 | 636 |
| Sports Wagering | 305 | 262 | 305 | 262 |
| Interactive Wagering | 3,015 | 1,718 | 3,015 | 1,718 |
| | <u>105,990</u> | <u>116,637</u> | <u>105,990</u> | <u>116,637</u> |
| Less commissions | | | | |
| On-line games | 375 | 886 | 375 | 886 |
| Instant games | 992 | 984 | 992 | 984 |
| Racetrack video lottery | 22,401 | 24,184 | 22,401 | 24,184 |
| Limited video lottery | 19,345 | 19,858 | 19,345 | 19,858 |
| Table games | 993 | 1,296 | 993 | 1,296 |
| Historic resort | 225 | 328 | 225 | 328 |
| | <u>44,331</u> | <u>47,536</u> | <u>44,331</u> | <u>47,536</u> |
| Less on-line prizes | 2,703 | 5,956 | 2,703 | 5,956 |
| Less instant prizes | 9,731 | 9,624 | 9,731 | 9,624 |
| Less ticket costs | 165 | 133 | 165 | 133 |
| Less vendor fees and costs | 682 | 1,064 | 682 | 1,064 |
| | <u>13,281</u> | <u>16,777</u> | <u>13,281</u> | <u>16,777</u> |
| Gross profit | <u>48,378</u> | <u>52,324</u> | <u>48,378</u> | <u>52,324</u> |
| Administrative expenses | | | | |
| Advertising and promotions | 537 | 341 | 537 | 341 |
| Wages and related benefits | 722 | 1,034 | 722 | 1,034 |
| Telecommunications | 126 | 53 | 126 | 53 |
| Contractual and professional | 972 | 905 | 972 | 905 |
| Rental | 10 | 22 | 10 | 22 |
| Depreciation and amortization | 141 | 141 | 141 | 141 |
| Other administrative expenses | (25) | 880 | (25) | 880 |
| | <u>2,483</u> | <u>3,376</u> | <u>2,483</u> | <u>3,376</u> |
| Other Operating Income | <u>385</u> | <u>641</u> | <u>385</u> | <u>641</u> |
| Operating Income | <u>46,280</u> | <u>49,589</u> | <u>46,280</u> | <u>49,589</u> |
| Nonoperating income (expense) | | | | |
| Investment income | 1,006 | 1,216 | 1,006 | 1,216 |
| Distributions to municipalities and counties | (774) | (794) | (774) | (794) |
| Distributions -capital reinvestment | (39) | (36) | (39) | (36) |
| Distributions to the State of West Virginia | (46,473) | (49,975) | (46,473) | (49,975) |
| | <u>(46,280)</u> | <u>(49,589)</u> | <u>(46,280)</u> | <u>(49,589)</u> |
| Net income | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net position, beginning of period | <u>61,532</u> | <u>61,430</u> | <u>61,532</u> | <u>61,430</u> |
| Net position, end of period | <u>\$ 61,532</u> | <u>\$ 61,430</u> | <u>\$ 61,532</u> | <u>\$ 61,430</u> |

The accompanying notes are an integral part of these financial statements.

WEST VIRGINIA LOTTERY
STATEMENTS OF CASH FLOWS
FOR THE ONE MONTH PERIOD ENDED JULY 31, 2024

(In Thousands)

-Unaudited-

| | 2025 | 2024 |
|---|-------------------|-------------------|
| Cash flows from operating activities: | | |
| Cash received from customers and other sources | \$ 111,553 | \$ 109,510 |
| Cash payments for: | | |
| Personnel costs | (722) | (1,034) |
| Suppliers | (2,503) | (2,602) |
| Other operating costs | (54,349) | (59,983) |
| Cash provided by operating activities | <u>53,979</u> | <u>45,891</u> |
| Cash flows from noncapital financing activities: | | |
| Nonoperating distributions to the State of West Virginia | (46,441) | (46,581) |
| Distributions to municipalities and counties | (791) | (791) |
| Distributions to racetrack from racetrack cap. reinv. fund | (6,346) | (1,749) |
| Cash used in noncapital financing activities | <u>(53,578)</u> | <u>(49,121)</u> |
| Cash flows from capital and related financing activities: | | |
| Purchases of capital assets | <u>(4)</u> | <u>(8)</u> |
| Cash flows from investing activities: | | |
| Investment earnings received | <u>1,006</u> | <u>1,216</u> |
| Cash provided by investing activities | <u>1,006</u> | <u>1,216</u> |
| Increase (decrease) in cash and cash equivalents | 1,403 | (2,022) |
| Cash and cash equivalents - beginning of period | <u>227,763</u> | <u>288,680</u> |
| Cash and cash equivalents - end of period | <u>\$ 229,166</u> | <u>\$ 286,658</u> |
| Reconciliation of operating income to net cash provided by operating activities: | | |
| Operating income | \$ 46,280 | \$ 49,589 |
| Adjustments to reconcile operating income to cash provided by operating activities: | | |
| Depreciation and amortization | 141 | 141 |
| Changes in operating assets and liabilities: | | |
| (Increase) decrease in accounts receivable | 5,178 | (7,768) |
| (Increase) decrease in inventory | 3 | 132 |
| (Increase) decrease in other assets | | |
| Increase (decrease) in estimated prize claims | 1,001 | 662 |
| Increase (decrease) in accounts payable | (2,685) | (1,296) |
| Increase (decrease) in other accrued liabilities | 4,061 | 4,431 |
| Cash provided by operating activities | <u>\$ 53,979</u> | <u>\$ 45,891</u> |

The accompanying notes are an integral part of these financial statements.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 1 - LEGISLATIVE ENACTMENT

The West Virginia Lottery (Lottery) was established by the State Lottery Act (Act) passed April 13, 1985, which created a special fund in the State Treasury designated as the "State Lottery Fund." The purpose of the Act was to establish and implement a state-operated lottery under the supervision of a state lottery commission (Commission) and a director. The Commission consisting of seven members and the Director are appointed by the Governor. Under the Act, the Commission has certain powers and the duty to establish rules for conducting games, to select the type and number of gaming systems or games and to enter into contracts and agreements, and to do all acts necessary or incidental to the performance of its duties and exercise of its power and duty to operate the Lottery in a highly efficient manner. The Act provides that a minimum annual average of 45% of the gross amount received from each lottery shall be allocated for prizes and also provides for certain limitations on expenses necessary for operation and administration of the Lottery. To the extent available, remaining net profits are to be distributed to the State of West Virginia. As the State is able to impose its will over the Lottery, the Lottery is considered a component unit of the State and its financial statements are presented in the comprehensive annual financial report of the State as a blended proprietary fund component unit.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies of the Lottery is presented below.

BASIS OF PRESENTATION – The West Virginia Lottery is a component unit of the State of West Virginia, and is accounted for as a proprietary fund special purpose government engaged in business type activities. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments," and with accounting principles generally accepted in the United States of America, the financial statements are prepared on the accrual basis of accounting which requires recognition of revenue when earned and expenses when incurred. As permitted by Governmental Accounting Standards Board (GASB) Statement No. 20, "*Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*," the Lottery has elected not to adopt Financial Accounting Standards Board (FASB) statements and interpretations issued after November 30, 1989 unless the GASB specifically adopts such FASB statements or interpretations.

The Lottery is included in the State's basic financial statements as a proprietary fund and business type activity using the accrual basis of accounting. Because of the Lottery's presentation in these financial statements as a special purpose government engaged in business type activities, there may be differences in presentation of amounts reported in these financial statements and the basic financial statements of the State as a result of major fund determination.

USE OF ESTIMATES – The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and develop assumptions that affect the amounts reported in the financial statements and related notes to financial statements. Actual results could differ from management's estimates.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

LOTTERY GAME OPERATIONS – The West Virginia Lottery derives its revenues from four basic types of lottery games: instant, on-line, video type games, and table games. The Lottery develops multiple game themes and prize structures to comply with its enabling legislation, including aggregate annual minimum prize provisions. All bonded retailers and agents comprised principally of grocery and convenience stores serve as the primary distribution channel for instant and on-line lottery sales to the general public.

The Lottery has contracted with a private vendor to manufacture, distribute, and provide data processing support for instant and on-line games. Under the terms of the agreements, the Lottery pays a percentage of gross revenues or gross profits for the processing and manufacture of the games.

Revenue from instant games is recognized when game tickets are sold to the retailers, and the related prize expense is recorded based on the specific game prize structure. Instant ticket sales and related prizes do not include the value of free plays issued for the purpose of increasing the odds of winning a prize.

Sales of on-line lottery tickets are made by licensed agents to the public with the use of computerized terminals. On-line games include POWERBALL®, a multi-state “jackpot” game; Mega Millions®, a multi-state “jackpot” game; Cash25 “lotto” game; Daily 3 and 4 “numbers” games; and Travel, a daily “keno” game. Revenue is recognized when the agent sells the tickets to the public. Prize expense is recognized on the basis of actual drawing results.

Commissions are paid to instant game retailers and on-line agents at the rate of seven percent of gross sales. A portion of the commission not to exceed one and one quarter percent of gross sales may be paid from unclaimed prize moneys. The amount paid from unclaimed prize moneys is credited against prize costs. In addition, retailers and agents are paid limited bonus incentives that include prize shares on winning tickets they sold and a ticket cashing bonus on winning tickets they cash. On a weekly basis, retailers and agents must remit amounts due to the Lottery. Retailers may not be able to order additional instant tickets if payment has not been made for the previous billing period, while an agent’s on-line terminal may be rendered inactive if payment is not received each week. No one retailer or agent accounts for a significant amount of the Lottery’s sales or accounts receivable. Historically credit losses have been nominal and no allowance for doubtful accounts receivable is considered necessary.

Video lottery is a self-activated video version of lottery games which is operated by an authorized licensee. The board-operated games allow a player to place bets for the chance to be awarded credits which can either be redeemed for cash or be replayed as additional bets. The coin operated games allow a player to use coins, currency, or tokens to place bets for the chance to receive coin or token awards which may be redeemed for cash or used for replay in the coin operated games. The video lottery games’ prize structures are designed to award prizes, or credits, at a stipulated rate of total bets played, and prize expense is netted against total video credits played. The Lottery recognizes as video lottery revenue “gross terminal income” equivalent to all wagers, net of related prizes. Amounts required by statute to be paid to the private and local government entities are reported as commissions. WV Lottery statutes have established specific requirements for video lottery and imposed certain restrictions limiting the licensing for operation of video lottery games to horse and dog racetracks in West Virginia (subject to local county elections permitting the same), limited licensed retailer areas restricted for adult amusement, and licensed historic resort hotels as defined by WV Code.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The legislation further stipulates the distribution of revenues from video lottery games, and requires any video lottery licensee to be responsible for acquiring the necessary equipment and bearing the risk associated with the costs of operating and marketing the games.

Table games are lotteries as each game involves consideration, the possibility of a prize, and their outcome is determined predominantly by chance, which the common law of West Virginia has long held are the three essential elements of a lottery. Table games are the exclusive intangible intellectual property of the state of West Virginia. Table games legislation has established specific requirements for table games and imposed certain restrictions limiting the licensing for operation of table games to horse and dog racetracks in West Virginia (subject to local county elections permitting the same), and licensed historic resort hotels as defined by WV Code. Each licensee as an agent of the Lottery Commission to operate West Virginia table games shall have written rules of play for each table game it operates which must be approved by the Commission. All wagers and pay-offs of winning wagers shall be made according to those rules of play. For the privilege of holding a table games license, there is levied a privilege tax of thirty-five percent of each licensee's adjusted gross receipts for the operation of West Virginia Lottery table games. Amounts required by statute to be paid to private and local government entities are reported as commissions. The legislation further stipulates the distribution of revenues from West Virginia table games, and requires any licensee to be responsible for acquiring the necessary equipment and bearing the risk associated with the costs of operating and marketing the games.

CASH AND CASH EQUIVALENTS – Cash and cash equivalents primarily consist of interest-earning deposits in an external investment pool maintained by the West Virginia Board of Treasury Investments (BTI). The BTI pool is a 2a-7 like pool carried at amortized cost which approximates fair value of the underlying securities.

INVENTORY – Inventory consists of instant game tickets available for sale to approved Lottery retailers and is carried at cost as determined by the specific identification method.

OTHER ASSETS – Other assets consist of deposits restricted for payment of certain Multi-State Lottery Association activities and prepaid expenses.

CAPITAL ASSETS – The Lottery has adopted a policy of capitalizing assets with individual amounts exceeding \$25,000. These assets include leasehold improvements and purchased equipment, comprised principally of technology property, office furnishings and equipment necessary to administer lottery games, are carried at cost. Depreciation is computed by the straight-line method using three to ten year lives.

ADVERTISING AND PROMOTIONS – The Lottery expenses the costs of advertising and promotions as they are incurred.

COMPENSATED ABSENCES – The Lottery has accrued \$887,847 and \$807,352 at June 30, 2024 and 2023, respectively, for estimated obligations that may arise in connection with compensated absences for vacation at the current rate of employee pay. Employees fully vest in all earned but unused vacation. To the extent that accumulated sick leave is expected to be converted to benefits on termination or retirement, the Lottery participates in another postemployment benefits plan.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

NET POSITION – Net position is presented as restricted, unrestricted and net investment in capital assets which represent the net book value of all property and equipment of the Lottery. When an expense is incurred for purposes for which both restricted and unrestricted net position are available, restricted resources are applied first.

OPERATING REVENUES AND EXPENSES – Operating revenues and expenses for proprietary funds such as the Lottery are revenues and expenses that result from providing services and producing and delivering goods and/or services. Operating revenues for the Lottery are derived from providing various types of lottery games. Operating expenses include commissions, prize costs, other direct costs of providing lottery games, and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTE 3 - CASH AND CASH EQUIVALENTS

At July 31, 2024 the carrying amounts of deposits (overdraft) with financial institutions were \$499 thousand with a bank balance (overdraft) of \$518 thousand. Of this balance \$250 thousand was covered by federal depository insurance with the remaining balance collateralized with securities held by the State of West Virginia's agent in the State's name.

A summary of the amount on deposit with the West Virginia Board of Treasury Investments (BTI) is as follows (in thousands):

| | July 31, 2024 | June 30, 2024 |
|---|---------------|---------------|
| Deposits with financial institutions | \$ 499 | \$ 491 |
| Cash on hand at the Treasurer's Office | 5,430 | 4,236 |
| Investments with BTI reported as cash equivalents | 223,237 | 223,036 |
| | \$ 229,166 | \$ 227,763 |

The deposits with the BTI are part of the State of West Virginia's consolidated investment cash liquidity pool. Investment income is pro-rated to the Lottery at rates specified by the BTI based on the balance of the deposits maintained in relation to the total deposits of all state agencies participating in the pool. Such funds are available to the Lottery with overnight notice.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
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NOTE 4 – CAPITAL ASSETS

A summary of capital asset activity for the month ended July 31, 2024 is as follows (in thousands):

Capital Assets:

| | Historical Cost At June 30, 2024 | Additions | Deletions | Historical Cost At July 31, 2024 |
|--------------------------|-------------------------------------|-------------|-------------|-------------------------------------|
| Construction in Progress | 2,812 | 3 | - | 2,815 |
| Buildings | 48,243 | - | - | 48,243 |
| Land | 1,681 | - | - | 1,681 |
| Equipment | 11,180 | - | - | 11,180 |
| | <u>\$ 63,916</u> | <u>\$ 3</u> | <u>\$ -</u> | <u>\$ 63,919</u> |

Accumulated
Depreciation:

| | Historical Cost At June 30, 2024 | Additions | Deletions | Historical Cost At July 31, 2024 |
|-----------|-------------------------------------|---------------|-------------|-------------------------------------|
| Buildings | \$ 13,865 | \$ 102 | \$ - | \$ 13,967 |
| Equipment | 9,679 | 39 | - | 9,718 |
| | <u>\$ 23,544</u> | <u>\$ 141</u> | <u>\$ -</u> | <u>\$ 23,685</u> |

NOTE 5 - PARTICIPATION IN THE MULTI-STATE LOTTERY

The Lottery is a member of the Multi-State Lottery (MUSL), which operates the semi-weekly POWERBALL® jackpot lotto game, the LOTTO AMERICA® game, and the MEGA MILLIONS® jackpot game on behalf of participating state lotteries. MUSL is currently comprised of 33 member state lotteries, including the District of Columbia and the United States Virgin Islands. MUSL is managed by a Board of Directors, which is comprised of the lottery directors or their designee from each of the party states. The Board of Directors' responsibilities to administer the Multi-State Lottery Powerball, Lotto America, and Mega Millions games are performed by advisory committees or panels staffed by officers and independent contractors appointed by the board. These officers and consultants serve at the pleasure of the board and the board prescribes their powers, duties and qualifications. The Executive Committee carries out the budgeting and financing of MUSL, while the board contracts the annual independent audit. A copy of the audit may be obtained by writing to the Multi-State Lottery Association, 1701-48th Street, Suite 210, West Des Moines, Iowa 50266-6723.

Each MUSL member sells game tickets through its agents and makes weekly wire transfers to the MUSL in an amount equivalent to the total prize pool less the amount of prizes won in each state. Lesser prizes are paid directly to the winners by each member lottery. The prize pool for POWERBALL®, LOTTO AMERICA®, and MEGA MILLIONS® is 50% of each drawing period's sales, with minimum jackpot levels. The Lottery's revenues and expenses from MUSL games participation for the month ended July 31, 2024 and fiscal year-to-date is as follows:

WEST VIRGINIA LOTTERY
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NOTE 5 - PARTICIPATION IN THE MULTI-STATE LOTTERY (continued)

| <u>Revenues</u> | <u>Month</u> | <u>Y-T-D</u> |
|-----------------|--------------|--------------|
| Powerball | \$ 1,782,630 | \$ 1,782,630 |
| Lotto America | 464,301 | 464,301 |
| Mega Millions | 1,245,631 | 1,245,631 |
| Total | \$ 3,492,562 | \$ 3,492,562 |

| <u>Expenses (Prizes)</u> | <u>Month</u> | <u>Y-T-D</u> |
|--------------------------|--------------|--------------|
| Powerball | \$ 894,886 | \$ 894,886 |
| Lotto America | 232,151 | 232,151 |
| Mega Millions | 622,822 | 622,822 |
| Total | \$ 1,749,859 | \$ 1,749,859 |

MUSL places a percentage of game sales from each game in separate prize reserve funds that serve as a contingency reserve to protect the respective MUSL Product Groups from unforeseen prize liabilities. These funds can only be used at the discretion of the respective MUSL Product Group. Once the prize reserve funds exceed the designated limit, the excess becomes part of that particular prize pool. Prize reserve fund monies are refundable to MUSL Product Group members if the MUSL disbands or, after one year, if a member leaves the MUSL. The applicable sales percentage contribution as well as the reserve fund limit for the MUSL games is as follows:

| | <u>PowerBall</u> | <u>Lotto America</u> | <u>Mega Millions</u> |
|------------------------------------|------------------|----------------------|----------------------|
| Required Contribution (% of sales) | 2% | 3% | 1% |
| Reserve Fund Cap | \$132,000,000 | \$12,000,000 | \$110,000,000 |

At July 31, 2024, the Lotteries share of the prize reserve fund balances were as follows:

| Game | <u>Total Prize Reserve</u> | <u>Lottery Share</u> |
|---------------|----------------------------|----------------------|
| Powerball | \$ 127,055,280 | \$ 1,137,959 |
| Lotto America | 8,936,378 | 687,378 |
| Mega Millions | 100,268,801 | 752,555 |
| Total | <u>\$ 236,260,459</u> | <u>\$ 2,577,892</u> |

Lottery prize reserves held by the MUSL are invested according to a Trust agreement the Lottery has with MUSL outlining investment policies. The policies restrict investments to direct obligations of the United States Government, perfected repurchase agreements, and obligations issued or guaranteed as to payment of

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
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NOTE 5 - PARTICIPATION IN THE MULTI-STATE LOTTERY (continued)

principal and interest by agencies or instrumentalities of the United States Government, and mutual funds of approved investments. The average portfolio maturity is never more than one year, except that up to one third of the portfolio may have an average maturity of up to two years. The maximum maturity for any one security does not exceed five years.

The interest earned on prize reserve fund monies is used to pay MUSL operating expenses and any amounts over and above that are credited to an unreserved fund. The Lottery records this as interest when earned. This fund had a balance of \$23,147,833 at July 31, 2024, of which the Lottery's share was \$213,100.

NOTE 6 - RACETRACK VIDEO LOTTERY

The Racetrack Video Lottery legislation stipulates the distribution of racetrack video lottery revenues. This legislation has been amended since inception to restate revenue distribution based on revenue benchmarks and has been amended again by HB 101 as passed during the first extraordinary session of 2014. For a complete summary of the impacts of HB 101, see Note 11 titled "Summary Impact of Recent Legislation." Initially, four percent (4%) of gross terminal revenue is allocated for lottery administrative costs. Sixty-six percent (66%) of net terminal revenue (gross less 4%) is allocated in lieu of commissions to: the racetracks (46.5%); other private entities associated with the racing industry (8.7%); and the local county and municipal governments (2%). The remaining revenues (42.8%) of net terminal revenue is allocated for distribution to State as specified in the Racetrack Video Lottery Act or subsequent State budget, as described in the Note 11 titled "Nonoperating Distributions to the State of West Virginia."

The first benchmark occurs when the current year net terminal revenue meets the fiscal year 1999 net terminal revenue. The counties and incorporated municipalities split 50/50 the two percent (2%) net terminal revenue.

The second benchmark occurs when the current year gross terminal revenue meets the fiscal year 2001 gross terminal revenue. The four percent (4%) is no longer allocated for lottery administrative costs; instead the State receives this for distribution as specified by legislation or the State budget.

The final benchmark occurs when the current year net terminal revenue meets the fiscal year 2001 net terminal revenue. At this point a 10% surcharge is applied to net terminal revenue, with 58% of the surcharge allocated for distribution to the State as specified by legislation or the State budget, and 42% of the surcharge allocated to separate capital reinvestment funds for each licensed racetrack.

After deduction of the surcharge, 49% of net terminal revenue is allocated in lieu of commissions to: the racetracks (42%); other private entities associated with the racing industry (5%); and the local county and incorporated municipality governments (2%).

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
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NOTE 6 - RACETRACK VIDEO LOTTERY (continued)

The remaining net terminal revenue (51%) is allocated for distribution to the State as specified in the Racetrack Video Lottery Act or subsequent State budget, as described in Note 12.

Amounts from the capital reinvestment fund may be distributed to each racetrack if qualifying expenditures are made within the statutory timeframe; otherwise, amounts accumulated in the fund revert to the state excess lottery revenue fund.

A summary of racetrack video lottery revenues for the month ended July 31, 2024 and fiscal year-to-date follows (in thousands):

| | Current Month | | Year-to-Date | |
|----------------------------------|------------------|------------------|------------------|------------------|
| | 2025 | 2024 | 2025 | 2024 |
| Total credits played | \$ 490,677 | \$ 516,641 | \$ 490,677 | \$ 516,641 |
| Credits (prizes) won | (441,807) | (464,755) | (441,807) | (464,755) |
| Promotional credits played | (8,039) | (7,805) | (8,039) | (7,805) |
| Gross terminal income | 40,831 | 44,081 | 40,831 | 44,081 |
| Administrative costs | (1,633) | (1,763) | (1,633) | (1,763) |
| Net Terminal Income | 39,198 | 42,318 | 39,198 | 42,318 |
| Less distribution to agents | (22,401) | (24,184) | (22,401) | (24,184) |
| Racetrack video lottery revenues | <u>\$ 16,797</u> | <u>\$ 18,134</u> | <u>\$ 16,797</u> | <u>\$ 18,134</u> |

A summary of video lottery revenues paid or accrued for certain state funds to conform to the legislation as follows (in thousands):

| | Current Month | Year-to-Date |
|-----------------------------------|------------------|------------------|
| State Lottery Fund | \$ 11,760 | \$ 11,760 |
| State Excess Lottery Revenue Fund | 5,037 | 5,037 |
| Capital Reinvestment Fund | - | - |
| Total nonoperating distributions | <u>\$ 16,797</u> | <u>\$ 16,797</u> |

NOTE 7 - LIMITED VIDEO LOTTERY

Limited video lottery legislation passed in 2001 has established specific requirements imposing certain restrictions limiting the licensing for the operation of limited video lottery games to 9,000 terminals placed in licensed retailers. These licensed retailers must hold a qualifying permit for the sale and consumption on premises of alcohol or non-intoxicating beer. The Lottery has been charged with the administration, monitoring and regulation of these machines. The legislation further stipulates the distribution of revenues from the limited video lottery games, and requires any licensees to comply with all related rules and regulations of the Lottery in order to continue its retailer status. The Limited Video Lottery legislation

WEST VIRGINIA LOTTERY
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NOTE 7 - LIMITED VIDEO LOTTERY (continued)

stipulates that 2% of gross terminal income be deposited into the state lottery fund for administrative costs. Then, the state share percentage of gross profit is to be transferred to the State Excess Lottery Revenue Fund. This percentage is 50 percent. Two percent is distributed to counties and incorporated municipalities in the manner prescribed by the statute. The remaining amount of gross profit is paid to retailers and/or operators as prescribed in the Act, and is recorded as limited video lottery commissions in the financial statements. Municipal and county distributions are accounted for as nonoperating expenses.

A summary of limited video lottery revenues for the month ended July 31, 2024 and fiscal year-to-date follows (in thousands):

| | Current Month | | Year-to-Date | |
|--------------------------------|------------------|------------------|------------------|------------------|
| | 2025 | 2024 | 2025 | 2024 |
| Total credits played | \$ 533,431 | \$ 538,670 | \$ 533,431 | \$ 538,670 |
| Credits (prizes) won | (493,952) | (498,143) | (493,952) | (498,143) |
| Gross terminal income | \$ 39,479 | \$ 40,527 | \$ 39,479 | \$ 40,527 |
| Administrative costs | (790) | (811) | (790) | (811) |
| Gross Profit | 38,689 | 39,716 | 38,689 | 39,716 |
| Commissions | (19,345) | (19,858) | (19,345) | (19,858) |
| Municipalities and Counties | (774) | (794) | (774) | (794) |
| Limited video lottery revenues | <u>\$ 18,570</u> | <u>\$ 19,064</u> | <u>\$ 18,570</u> | <u>\$ 19,064</u> |

NOTE 8 – TABLE GAMES

Table Games legislation passed in 2007 per House Bill 2718. Table games include blackjack, roulette, craps, and various types of poker. Each racetrack licensee is subject to a privilege tax of thirty five percent (35%) of adjusted gross receipts which will be deposited weekly into the Racetrack Table Games Fund.

From the gross amounts deposited into the Racetrack Table Games Fund, the Commission, on a monthly basis shall:

Retain 3% of the adjusted gross receipts for administrative expenses of which at least \$100,000 and not more than \$500,000 annually will be transferred to the Compulsive Gambling Treatment Fund. Transfer two percent of the adjusted gross receipts from each licensed racetrack to the county commissions of the counties where racetracks with West Virginia Lottery table games are located. Transfer three percent of the adjusted gross receipts from each licensed racetrack to the governing bodies of municipalities within counties where racetracks with West Virginia Lottery table games are located as prescribed by statute. And transfer one-half of one percent of the adjusted gross receipts to the governing bodies of municipalities in which a racetrack table games licensee is located to be divided equally among the municipalities. The commission will distribute the remaining amounts, hereinafter referred to as the net amounts in the Racetrack Table Games Funds as follows:

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
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NOTE 8 – TABLE GAMES (continued)

- 1) Transfer four percent into a special fund to be established by the Racing Commission to be used for payment into the pension plan for all employees of each licensed racing association;
- 2) Transfer ten percent, to be divided and paid in equal shares, to each county commission in the state where table games are not located;
- 3) Transfer ten percent, to be divided and paid in equal shares, to the governing bodies of each municipality in the state where table games are not located; and
- 4) Transfer seventy-six percent to the State Excess Lottery Revenue Fund.

The cash transferred to the State Excess Lottery Revenue Fund in the current month is included in Note 12- Nonoperating Distributions to the State of West Virginia. The table games adjusted gross receipts for the month and year ended July 31, 2024 were \$6,649,584 and \$6,649,584, respectively. The following table shows the month and year totals of the privilege tax and the accrued distributions (in thousands) to be transferred in the subsequent month:

| | Current Month | | Year-to-Date | |
|--|-----------------|-----------------|-----------------|-----------------|
| | 2025 | 2024 | 2025 | 2024 |
| Table Games Privilege Tax | \$ 2,327 | \$ 3,043 | \$ 2,327 | \$ 3,043 |
| Interest on Table Games Fund | 25 | 28 | 25 | 28 |
| Administrative costs | (199) | (261) | (199) | (261) |
| Total Available for Distribution | <u>2,153</u> | <u>2,810</u> | <u>2,153</u> | <u>2,810</u> |
| <u>Less Distributions:</u> | | | | |
| Racetrack Purse Funds | 150 | 196 | 150 | 196 |
| Thoroughbred & Greyhound Development Funds | 120 | 157 | 120 | 157 |
| Racing Association Pension Plan | 60 | 78 | 60 | 78 |
| Municipalities/ Counties | <u>663</u> | <u>865</u> | <u>663</u> | <u>865</u> |
| Total Distributions | 993 | 1,296 | 993 | 1,296 |
| Excess Lottery Fund | <u>\$ 1,160</u> | <u>\$ 1,514</u> | <u>\$ 1,160</u> | <u>\$ 1,514</u> |

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
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NOTE 9 – HISTORIC RESORT HOTEL

In 2009, the Legislature passed Senate Bill 575 which permits video lottery and table games at a licensed historic resort hotel which is defined as “a resort hotel registered with the United States Department of the Interior as a national historic landmark in its National Registry of Historic Places having not fewer than five hundred guest rooms under common ownership and having substantial recreational guest amenities in addition to the gaming facility.”

Historic Resort Video Lottery

According to Senate Bill 575, thirty six percent (36%) of gross terminal income is allocated to Historic Resort Hotel Fund and seventeen percent (17%) of gross terminal income is allocated to the Human Resource Benefit Fund. The remaining forty-seven percent (47%) of gross terminal income is then subject to a ten percent (10%) surcharge which is allocated to separate capital reinvestment funds for each licensed historic resort hotel. The remaining forty-two and three-tenths percent (42.3%) of gross terminal income is retained by the historic resort hotel.

A summary of historic resort hotel video lottery revenues for the month ended July 31, 2024 and fiscal year-to-date follows (in thousands):

| | Current Month | | Year-to-Date | |
|-----------------------------|---------------|----------|--------------|----------|
| | 2025 | 2024 | 2025 | 2024 |
| Total credits played | \$ 3,523 | \$ 6,094 | \$ 3,523 | \$ 6,094 |
| Credits (prizes) won | (3,182) | (5,548) | (3,182) | (5,548) |
| Promotional credits played | (60) | (107) | (60) | (107) |
| Gross terminal income | 281 | 439 | 281 | 439 |
| Capital reinvestment | (13) | (21) | (13) | (21) |
| Excess Lottery Fund | (3) | (4) | (3) | (4) |
| Administrative costs | (15) | (24) | (15) | (24) |
| Hotel commissions | (119) | (186) | (119) | (186) |
| Net terminal income | 131 | 204 | 131 | 204 |
| Historic Resort Hotel Fund | 83 | 129 | 83 | 129 |
| Human Resource Benefit Fund | 48 | 75 | 48 | 75 |

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
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NOTE 9 – HISTORIC RESORT HOTEL (continued)

Historic Resort Table Games

Each historic resort hotel licensee is subject to a privilege tax of thirty five percent (35%) of adjusted gross receipts, of which thirty percent (30%) is deposited directly into the Historic Resort Hotel Fund and five percent (5%) is deposited directly into the Human Resource Benefit Fund. The historic resort hotel table games adjusted gross receipts for the month and year ended July 31, 2024 were \$534,512 and \$534,512 respectively.

The following table shows the month and fiscal year -to- date totals of the privilege tax and the accrued distributions (in thousands) to be transferred in the subsequent month:

| | Current Month | | Year-to-Date | |
|----------------------------------|---------------|--------|--------------|--------|
| | 2025 | 2024 | 2025 | 2024 |
| Table games privilege tax | \$ 187 | \$ 197 | \$ 187 | \$ 197 |
| Administrative Costs | (24) | (25) | (24) | (25) |
| Total Available for Distribution | 163 | 172 | 163 | 172 |
| Historic Resort Hotel Fund | 136 | 144 | 136 | 144 |
| Human Resource Benefit Fund | 27 | 28 | 27 | 28 |

Historic Resort Hotel Fund

Of the monies deposited into the Historic Resort Hotel Fund, fifteen percent (15%) is allocated for lottery administrative costs. The remaining Historic Resort Hotel Fund net income (gross deposits less 15%) is distributed as follows:

- 1) Eighty-six percent (86%) is paid to the State Excess Lottery Revenue Fund;
- 2) Four percent (4%) is paid to the county where the gaming facility is located;
- 3) Two and one-half percent (2.5%) is paid to the municipality where the gaming facility is located as prescribed by statute;
- 4) Two and one-half percent (2.5%) is divided and paid in equal shares to the remaining municipalities in the county where the gaming facility is located;
- 5) Two and one-half percent (2.5%) is divided and paid in equal shares, to each county commission in the state where the gaming facility is not located;
- 6) Two and one-half percent (2.5%) is divided and paid in equal shares, to each municipality in the state not already receiving a distribution as described in item five (5) or item six (6) above.

A summary of Historic Resort Hotel Fund revenues and related distributions is as follows (in thousands):

| | Current Month | Year-to-Date |
|--|---------------|---------------|
| Historic Resort Hotel Video Lottery | \$ 83 | \$ 83 |
| Historic Resort Table Games | 136 | 136 |
| Interest on Historic Resort Hotel Fund | 5 | 5 |
| Historic Resort Hotel Fund Net Income | 224 | 224 |
| Municipalities/ Counties | 31 | 31 |
| Excess Lottery Fund | 193 | 193 |
| Total Distributions | <u>\$ 224</u> | <u>\$ 224</u> |

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
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NOTE 10– SPORTS WAGERING

Sports Wagering legislation passed in 2018 per Senate Bill 415. Each racetrack and historic resort hotel licensee is subject to a privilege tax of ten percent (10%) of adjusted gross wagering receipts which will be deposited weekly into the Sports Wagering Fund.

From the privilege tax deposited into the Sports Wagering Fund, the Commission, on a monthly basis shall:

Retain 15% for administrative expenses of which any surplus in excess of \$250,000 shall be reported to the Joint Committee on Government and Finance and remitted to the State Treasurer.

After the reduction for administrative expenses, the net profit shall be deposited into the State Lottery Fund until a total of \$15 million is deposited. The remainder of net profit shall be deposited into the Public Employees Insurance Agency Financial Stability Fund.

The Sports Wagering adjusted gross wagering receipts for the month and year-to-date periods ended July 31, 2024 were \$3,046,039 and \$3,046,039, respectively. The following table shows the month and year-to-date totals of the privilege tax and the accrued distributions (in thousands) to be transferred in the subsequent month:

| | Current Month | | Year-to-Date | |
|----------------------------------|---------------|--------|--------------|--------|
| | 2025 | 2024 | 2025 | 2024 |
| Sports Wagering Privilege Tax | \$ 305 | \$ 262 | \$ 305 | \$ 262 |
| Interest on Sports Waging Fund | 7 | 6 | 7 | 6 |
| Administrative Costs | (46) | (39) | (46) | (39) |
| Total Available for Distribution | 266 | 229 | 266 | 229 |

WEST VIRGINIA LOTTERY
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NOTE 11– INTERACTIVE WAGERING

Interactive Wagering legislation passed in 2019 per House Bill 2934. Each racetrack and historic resort hotel licensee is subject to a privilege tax of fifteen percent (15%) of adjusted gross interactive gaming receipts which will be deposited weekly into the Interactive Wagering Fund.

From the privilege tax deposited into the Interactive Wagering Fund, the Commission, on a monthly basis shall:

Retain 15% for administrative expenses of which any surplus in excess of \$250,000 shall be reported to the Joint Committee on Government and Finance and remitted to the State Treasurer.

In each fiscal year, the Lottery Commission shall deposit one-quarter of a percent of the net profit into each of the four special funds established by the Racing Commission, pursuant to §29-22A-10 and §29-22C-27 to be used for payment into the pension plan for the employees of the licensed racing associations in this state.

After the reduction for administrative expenses and the pension plans for the racing associations, the net profit shall be deposited into the State Lottery Fund.

The Interactive Wagering adjusted gross interactive gaming receipts for the month and year-to-date periods ended July 31, 2024 were \$20,102,108 and \$20,102,108 respectively. The following table shows the month and year-to-date totals of the privilege tax and the accrued distributions (in thousands) to be transferred in the subsequent month:

| | Current Month | | Year-to-Date | |
|---------------------------------------|---------------|--------------|--------------|--------------|
| | 2025 | 2024 | 2025 | 2024 |
| Interactive Wagering Privilege Tax | \$ 3,015 | \$ 1,718 | \$ 3,015 | \$ 1,718 |
| Interest on Interactive Wagering Fund | 51 | 44 | 51 | 44 |
| Administrative Costs | <u>(452)</u> | <u>(258)</u> | <u>(452)</u> | <u>(258)</u> |
| Total Available for Distribution | 2,614 | 1,504 | 2,614 | 1,504 |

A summary of Interactive Gaming Fund related distributions is as follows (in thousands):

| | Current Month | Year-to-Date |
|---------------------|-----------------|-----------------|
| Pensions | 26 | 26 |
| Lottery Fund | 2,588 | 2,588 |
| Total Distributions | <u>\$ 2,614</u> | <u>\$ 2,614</u> |

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 12- NONOPERATING DISTRIBUTIONS TO THE STATE OF WEST VIRGINIA

The Lottery periodically distributes surplus funds, exclusive of amounts incurred and derived from limited video lottery and a portion of racetrack video lottery funds, to the State of West Virginia in accordance with the legislation. For the year ending June 30, 2025 the State Legislature budgeted \$149,094,042 of estimated profits of the Lottery for distributions to designated special revenue accounts of the State of West Virginia. With regard to the State Lottery Fund, legislation stipulates that debt service payments be given a priority over all other transfers in instances where estimated profits are not sufficient to provide for payment of all appropriated distributions. Debt service payments of \$1,800,000, \$1,000,000, and \$500,000 per month for the first ten months of each fiscal year currently have such priority. Transfers made pursuant to the State Excess Lottery Revenue Fund have similar requirements; currently payments are \$6,404,184 per month for the first ten months of each fiscal year. In addition, Legislation provides that, if in any month, there is a shortage of funds in the State Excess Lottery Revenue Fund to make debt service payments, the necessary amount shall be transferred from the State Lottery Fund to cover such shortfall, after the State Lottery Fund debt service payments have been made. Repayments to the State Lottery Fund are required to be made in subsequent months as funds become available. For the month ended July 31, 2024 the Lottery has accrued additional distributions of \$190,046,616. The Lottery is a non-appropriated state agency and therefore does not have a legally adopted annual budget.

A summary of the cash distributions made to certain state agencies to conform to the legislation follows (in thousands):

| <u>BUDGETARY DISTRIBUTIONS</u> | <u>July 31, 2024</u> | <u>Year-to-Date</u> |
|------------------------------------|----------------------|---------------------|
| <u>State Lottery Fund:</u> | | |
| Community and Technical College | \$ 499 | \$ 499 |
| Bureau of Senior Services | 21,185 | 21,185 |
| Department of Education | 4,664 | 4,664 |
| Library Commission | 3,640 | 3,640 |
| Higher Education-Policy Commission | 2,381 | 2,381 |
| Tourism | 2,240 | 2,240 |
| General Revenue | | |
| Natural Resources | 1,234 | 1,234 |
| Fire Protection Fund | | |
| Division of Culture & History | 1,357 | 1,357 |
| Economic Development Authority | 1,000 | 1,000 |
| School Building Authority | 1,800 | 1,800 |
| Total State Lottery Fund | <u>\$ 40,000</u> | <u>\$ 40,000</u> |

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

State Excess Lottery Revenue Fund:

| | | |
|--|-------------------------|-------------------------|
| Economic Development Fund | \$ 2,102 | \$ 2,102 |
| Higher Education Improvement Fund | 1,500 | 1,500 |
| Economic Development Authority | 439 | 439 |
| General Purpose Account | | |
| Higher Education Improvement Fund | | |
| State Park Improvement Fund | | |
| School Building Authority | 1,764 | 1,764 |
| Refundable Credit | | |
| WV Racing Commission | | |
| Division of Human Services | | |
| WV Lottery Statutory Transfers | | |
| General Revenue Fund | | |
| West Va. Infrastructure Council | 599 | 599 |
| Total State Excess Lottery Revenue Fund | <u>\$ 6,404</u> | <u>\$ 6,404</u> |
| Total Budgetary distributions: | <u>\$ 46,404</u> | <u>\$ 46,404</u> |
| Veterans Instant Ticket Fund | \$ 37 | \$ 37 |
| Total nonoperating distributions to the State of West Virginia (cash basis) | \$ 46,441 | \$ 46,441 |
| Accrued nonoperating distributions, beginning | (190,015) | (190,015) |
| Accrued nonoperating distributions, end | <u>190,047</u> | <u>190,047</u> |
| | <u><u>\$ 46,473</u></u> | <u><u>\$ 46,473</u></u> |

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 13 – LEASES

The Lottery leases, under a cancelable operating lease, its office and warehouse facilities. The Lottery also leases various office equipment under agreements considered to be cancellable operating leases. Rental expense for the fiscal year-to-date ended July 31, 2024 and July 31, 2023 approximated \$9,865 and \$22,248 respectively.

The Lottery leases office space under the terms of a non-cancellable operating lease to various tenants. Rental revenues for the fiscal year-to-date ended July 31, 2024 and July 31, 2023 approximated \$103,152 and \$78,690 respectively.

NOTE 14 – COMMITMENTS

For the years ended June 30, 2024 and June 30, 2023 the Lottery Commission has not designated any unexpended administrative funds for the acquisition of capital assets. As of June 30, 2024 and 2023, \$5,321,574 and \$5,986,994, respectively, are included in unrestricted net position and net investment in capital assets for this purpose.

NOTE 15 - RETIREMENT BENEFITS

All full-time Lottery employees are eligible to participate in the State of West Virginia Public Employees' Retirement System (PERS), a cost-sharing multiple-employer defined benefit public employee retirement system. The PERS is one of several plans administered by the West Virginia Consolidated Public Retirement (CPRB) under the direction of its Board of Trustees, which consists of the Governor, State Auditor, State Treasurer, Secretary of the Department of Administration, and nine members appointed by the Governor. CPRB prepares separately issued financial statements covering all retirement systems it administers, which can be obtained from Consolidated Public Retirement Board, 4101 MacCorkle Ave. S.E., Charleston, West Virginia 25304-1636.

Employees who retire at or after age sixty with five or more years of contributory service or who retire at or after age fifty-five and have completed twenty-five years of credited service with age and credited service equal to eighty or greater are eligible for retirement benefits as established by State statute. Retirement benefits are payable monthly for life, in the form of a straight-line annuity equal to two percent of the employee's average annual salary from the highest 36 consecutive months within the last 10 years of employment, multiplied by the number of years of the employee's credited service at the time of retirement.

Covered employees hired prior to July 1, 2015 are required to contribute 4.5% of their salary to the PERS. Covered employees hired on or after July 1, 2015 will contribute 6.0% of their salary to the PERS Tier II. The Lottery is required to contribute 10% of covered employees' salaries to the PERS. The required employee and employer contribution percentages have been established and changed from time to time by action of the State Legislature. The required contributions are not actuarially determined; however, actuarial valuations are performed to assist the Legislature in determining appropriate contributions. The Lottery and employee contributions, for the month ending July 31, 2024 and fiscal year-to-date are as follows (in thousands):

| | July 31, 2024 | Year-to-Date |
|------------------------|---------------|--------------|
| Employee contributions | \$ 46 | \$ 46 |
| Lottery contributions | 85 | 85 |
| Total contributions | \$ 131 | \$ 131 |

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 16 - RISK MANAGEMENT

The Lottery is exposed to various risks of loss related to torts; theft of, or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Lottery participates in several risk management programs administered by the State of West Virginia. Each of these risk pools has issued separate audited financial reports on their operations. Those reports include the required supplementary information concerning the reconciliation of claims liabilities by type of contract and ten-year claim development information. Complete financial statements of the individual insurance enterprise funds can be obtained directly from their respective administrative offices.

WORKERS' COMPENSATION INSURANCE

The Lottery carries workers compensation insurance coverage through a commercial insurance carrier. The commercial insurance carrier is paid a monthly rated premium to provide compensation for injuries sustained in the course of employment.

PUBLIC EMPLOYEES' INSURANCE AGENCY (PEIA)

The Lottery participates in the Public Employees' Insurance Agency which provides an employee benefit insurance program to employees. PEIA was established by the State of West Virginia for State agencies, institutions of higher education, Boards of Education and component units of the State. In addition, local governmental entities and certain charitable and public service organizations may request to be covered by PEIA. PEIA provides a base employee benefit insurance program which includes hospital, surgical, major medical, prescription drug and basic life and accidental death. Underwriting and rate setting policies are established by PEIA. The cost of all coverage as determined by PEIA shall be paid by the participants. Premiums are established by PEIA and are paid monthly, and are dependent upon, among other things, coverage required, number of dependents, state vs. non state employees and active employees vs. retired employees and level of compensation. Coverage under these programs is limited to \$1 million lifetime for health and \$10,000 of life insurance coverage.

The PEIA risk pool retains all risks for the health and prescription features of its indemnity plan. PEIA has fully transferred the risks of coverage to the Managed Care Organization (MCO) Plan to the plan provider, and has transferred the risks of the life insurance coverage to a third party insurer. PEIA presently charges equivalent premiums for participants in either the indemnity plan or the MCO Plan. Altogether, PEIA insures approximately 205,000 individuals, including participants and dependents.

BOARD OF RISK AND INSURANCE MANAGEMENT (BRIM)

The Lottery participates in the West Virginia Board of Risk and Insurance Management (BRIM), a common risk pool currently operating as a common risk management and insurance program for all State agencies, component units, and other local governmental agencies who wish to participate. The Lottery pays an annual premium to BRIM for its general insurance coverage. Fund underwriting and rate setting policies are established by BRIM. The cost of all coverage as determined by BRIM shall be paid by the participants. The BRIM risk pool retains the risk of the first \$1 million per property event and purchases excess insurance on losses above that level. Excess coverage, through an outside insurer under this program is limited to \$200 million per event, subject to limits on certain property. BRIM has \$1 million per occurrence coverage maximum on all third-party liability claims.

**SCHEDULE OF REVENUES AND NET REVENUES OF THE
 LOTTERY FUND AND EXCESS LOTTERY FUND
 FOR THE ONE MONTH PERIOD ENDED JULY 31, 2024
 (In Thousands)**

| | Current Month | | FISCAL YEAR | |
|---|----------------|----------------|----------------|----------------|
| | Actual | Projected | Actual | Projected |
| Gross Revenues | | | | |
| Instant games | 14,169 | 12,500 | 14,169 | 12,500 |
| On-line games | 5,396 | 5,833 | 5,396 | 5,833 |
| Racetrack video lottery | 40,831 | 40,977 | 40,831 | 40,977 |
| Limited video lottery | 39,479 | 37,967 | 39,479 | 37,967 |
| Racetrack table games | 2,327 | 2,272 | 2,327 | 2,272 |
| Historic resort | 468 | 330 | 468 | 330 |
| Sports wagering | 305 | 182 | 305 | 182 |
| Interactive wagering | 3,015 | 1,012 | 3,015 | 1,012 |
| Total gross revenues | 105,990 | 101,073 | 105,990 | 101,073 |
| Net Revenues - Lottery Fund and Excess Lottery Fund | | | | |
| Lottery Fund | | | | |
| Instant games | 1,529 | 1,223 | 1,529 | 1,223 |
| On-line games | 1,666 | 1,674 | 1,666 | 1,674 |
| Racetrack Video Lottery | 12,034 | 11,201 | 12,034 | 11,201 |
| Sports wagering | 266 | 253 | 266 | 253 |
| Interactive wagering | 2,588 | 852 | 2,588 | 852 |
| Total Lottery Fund net revenues | 18,083 | 15,203 | 18,083 | 15,203 |
| Excess Lottery Fund | | | | |
| Racetrack Video Lottery | 5,142 | 4,798 | 5,142 | 4,798 |
| Limited Video Lottery | 18,879 | 17,860 | 18,879 | 17,860 |
| Limited Video Lottery Fees | 28 | - | 28 | - |
| Racetrack table games | 1,160 | 1,115 | 1,160 | 1,115 |
| Historic resort | 196 | 126 | 196 | 126 |
| Total Excess Lottery Fund Net Revenues | 25,405 | 23,899 | 25,405 | 23,899 |
| Total Net Revenues | 43,488 | 39,102 | 43,488 | 39,102 |

WEST VIRGINIA LEGISLATURE
Office of the Legislative Auditor



*Budget Division
Building 1, Room 314-West Wing
1900 Kanawha Blvd. East
Charleston, WV 25305-0590*

304-347-4870

Memorandum

To: Honorable Chairmen and Members of the Joint Committee on
Government and Finance

From: William Spencer, C.P.A., Director, Budget Division
Legislative Auditor's Office

Date: August 13, 2024

Re: Status of General Revenue Fund and State Road Fund as of
July 31, 2024 (FY 25)

We have read the cash flow of the West Virginia general revenue fund as of July 31, 2024, which is the first month of the fiscal year. The status of the fund collections for the month is as follows:

The net collections were 101% of the estimate for the fiscal year. Total collections were \$5 million above the estimate for the fiscal year.

Personal Income Tax collections were \$8.9 million below the estimate for the fiscal year.

Consumer sales and use tax collections were \$2 million below the estimate for the year.

Severance Tax was \$1.3 million below the estimate for the fiscal year.

Corporate Income and Business Franchise Tax collections were \$8.4 million above the estimate for the fiscal year.

State Road Fund

The state road fund collections were 99% of the estimate for the fiscal year. Total collections were \$562 thousand below the estimate for the fiscal year.

Rainy Day and Personal Income Tax Reserve

Revenue Shortfall Reserve **Fund A** (Rainy Day Fund) had a cash balance of \$632,535,125.35 as of July 31, 2024.

| | |
|--------------------------------|--------------------|
| Balance July 1, 2024 | \$ 706,059,828.24 |
| * Fiscal year 24 Surplus | \$ 00.00 |
| **Loan to General Revenue Fund | \$ (78,500,000.00) |
| Earnings/(Loss) | \$4,975,297.11 |
| Balance July 31, 2024 | \$ 632,535,125.35 |

***No transfer in accordance with SB 1015.**

****\$78.5 million loan to state General Revenue Fund 7/01/2024 for beginning of the year cash flow, to be repaid within 90 days.**

Revenue Shortfall Reserve **Fund B** (Tobacco Settlement Monies) had a cash balance of \$554,466,295.47 as of July 31, 2024.

| | |
|-----------------------|-------------------|
| Balance July 1, 2024 | \$ 550,104,765.71 |
| Earnings | \$4,361,529.76 |
| Balance July 31, 2024 | \$ 554,466,295.47 |

The **Personal Income Tax Reserve** Fund had a \$452,857,518.79 cash balance as of July 31, 2024.

| | |
|--------------------------------|------------------|
| Balance July 1, 2024 | \$460,000,000.00 |
| **Loan to General Revenue Fund | \$7,142,481.21 |
| Balance July 31, 2024 | \$452,857,518.79 |

****\$7+ million loan 7/01/2024 for beginning of year cash flow, to pay income tax refunds, and is expected to be repaid later this year in a similar manner to the funds borrowed from the Rainy Day Fund.**

REVENUE COLLECTIONS
FISCAL YEAR 2025
as of July 31, 2024

GENERAL REVENUE FUND

FINAL

| | MONTH ESTIMATES | ACTUAL MONTH COLLECTIONS | MONTHLY COLLECTIONS OVER ESTIMATES | | YTD ESTIMATES | ACTUAL YTD COLLECTIONS | YTD COLLECTIONS OVER ESTIMATES | | YTD PERCENT COLLECTED |
|-----------------------------------|-----------------------|--------------------------|------------------------------------|---|-----------------------|------------------------|--------------------------------|------|-----------------------|
| | | | \$ | % | | | \$ | % | |
| Personal Income Tax | 151,800,000 | 142,892,767 | (8,907,233) | | 151,800,000 | 142,892,767 | (8,907,233) | 94% | |
| Consumer Sales Tax & Use Tax | 94,700,000 | 92,694,148 | (2,005,852) | | 94,700,000 | 92,694,148 | (2,005,852) | 98% | |
| Severance Tax | 4,400,000 | 3,127,470 | (1,272,530) | | 4,400,000 | 3,127,470 | (1,272,530) | 71% | |
| Corporate Net Income Tax | 10,600,000 | 18,965,061 | 8,365,061 | | 10,600,000 | 18,965,061 | 8,365,061 | 179% | |
| Insurance Tax | 26,000,000 | 28,649,193 | 2,649,193 | | 26,000,000 | 28,649,193 | 2,649,193 | 110% | |
| Tobacco Products Tax | 13,200,000 | 11,852,674 | (1,347,326) | | 13,200,000 | 11,852,674 | (1,347,326) | 90% | |
| Business and Occupation | 9,000,000 | 9,858,900 | 858,900 | | 9,000,000 | 9,858,900 | 858,900 | 110% | |
| Liquor Profit Transfers | 3,500,000 | 3,830,880 | 330,880 | | 3,500,000 | 3,830,880 | 330,880 | 109% | |
| Departmental Collections | 1,250,000 | 1,233,105 | (16,895) | | 1,250,000 | 1,233,105 | (16,895) | 99% | |
| Property Transfer Tax | 550,000 | 1,043,624 | 493,624 | | 550,000 | 1,043,624 | 493,624 | 190% | |
| Property Tax | 160,000 | 100,044 | (59,956) | | 160,000 | 100,044 | (59,956) | 63% | |
| Beer Tax and Licenses | 700,000 | 700,851 | 851 | | 700,000 | 700,851 | 851 | 100% | |
| Miscellaneous Transfers | 40,000 | 184,700 | 144,700 | | 40,000 | 184,700 | 144,700 | 462% | |
| Interest Income | 12,200,000 | 18,824,388 | 6,624,388 | | 12,200,000 | 18,824,388 | 6,624,388 | 154% | |
| Refundable Credit Reimb Liability | 0 | - | - | | 0 | - | - | 0% | |
| HB 102 - Lottery Transfers | 0 | - | - | | 0 | - | - | 0% | |
| Miscellaneous | 1,590,000 | 88,528 | (1,501,472) | | 1,590,000 | 88,528 | (1,501,472) | 6% | |
| Business Franchise Fees | 100,000 | 8,444 | (91,556) | | 100,000 | 8,444 | (91,556) | 8% | |
| Estate & Inheritance Tax | - | - | - | | - | - | - | 0% | |
| Liquor License Renewal | 91,000 | 98,757 | 7,757 | | 91,000 | 98,757 | 7,757 | 109% | |
| Special Revenue Transfers | - | - | - | | - | - | - | 0% | |
| Charter Tax | - | 226 | 226 | | - | 226 | 226 | 0% | |
| Telecommunications Tax | - | - | - | | - | - | - | 0% | |
| Video Lottery Transfers | - | (40,674) | (40,674) | | - | (40,674) | (40,674) | 0% | |
| July-Dec Retro Rev Adj | - | - | - | | - | - | - | 0% | |
| Cash Flow Transfer | - | 78,500,000 | - | | - | 78,500,000 | - | 0% | |
| Soft Drink Excise Tax | 500,000 | 1,215,372 | 715,372 | | 500,000 | 1,215,372 | 715,372 | 243% | |
| SUBTOTALS | \$ 330,381,000 | \$ 413,828,456 | \$ 4,947,456 | | \$ 330,381,000 | \$ 413,828,456 | \$ 4,947,456 | | |
| Less: Cash Flow Transfer | - | 78,500,000 | - | | - | 78,500,000 | - | | |
| Less: Special Revenue Transfer | - | - | - | | - | - | - | | |
| TOTALS | \$ 330,381,000 | \$ 335,328,456 | \$ 4,947,456 | | \$ 330,381,000 | \$ 335,328,456 | \$ 4,947,456 | | |
| Percent of Estimates | | | | | | | | 101% | |
| Collections this day | | \$ 53,552,063 | | | | | | | |

Source: WV OASIS
Prepared by: Legislative Auditor's Office, Budget Division
August 01, 2024

**STATE OF WEST VIRGINIA
COMPARISON OF REVENUE
JULY 2023 vs JULY 2024**

GENERAL REVENUE FUND

| | Actual Collections July 2023 | Actual Collections July 2024 | Actual Collections 1 Month July 2023 | Actual Collections 1 Month July 2024 | YTD \$ Increase (Decrease) over prior period | YTD % Increase (Decrease) over prior period |
|---------------------------------------|------------------------------------|------------------------------------|---|---|---|--|
| Personal Income Tax | \$ 145,584,092 | \$ 142,892,767 | \$ 145,584,092 | \$ 142,892,767 | \$ (2,691,326) | -2% |
| Consumer Sales Tax & Use Tax | 93,635,895 | 92,694,148 | 93,635,895 | 92,694,148 | (941,748) | -1% |
| Severance Tax | 3,755,900 | 3,127,470 | 3,755,900 | 3,127,470 | (628,430) | -17% |
| Corporate Net Income Tax | 18,984,678 | 18,965,061 | 18,984,678 | 18,965,061 | (19,617) | 0% |
| Insurance Tax | 25,501,099 | 28,649,193 | 25,501,099 | 28,649,193 | 3,148,094 | 12% |
| Tobacco Products Tax | 13,719,796 | 11,852,674 | 13,719,796 | 11,852,674 | (1,867,122) | -14% |
| Business and Occupation | 8,993,916 | 9,858,900 | 8,993,916 | 9,858,900 | 864,984 | 10% |
| Liquor Profit Transfers | 3,732,744 | 3,830,880 | 3,732,744 | 3,830,880 | 98,136 | 3% |
| Departmental Collections | 1,165,550 | 1,233,105 | 1,165,550 | 1,233,105 | 67,554 | 6% |
| Property Transfer Tax | 744,821 | 1,043,624 | 744,821 | 1,043,624 | 298,803 | 40% |
| Property Tax | 202,127 | 100,044 | 202,127 | 100,044 | (102,083) | -51% |
| Beer Tax and Licenses | 707,325 | 700,851 | 707,325 | 700,851 | (6,473) | -1% |
| Miscellaneous Transfers | - | 184,700 | - | 184,700 | 184,700 | 0% |
| Interest Income | 16,723,799 | 18,824,388 | 16,723,799 | 18,824,388 | 2,100,589 | 13% |
| Refundable Credit Reimb Liability | - | - | - | - | - | 0% |
| HB 102 - Lottery Transfers | - | - | - | - | - | 0% |
| Miscellaneous | 125,135 | 88,528 | 125,135 | 88,528 | (36,607) | -29% |
| Business Franchise Fees | 106,448 | 8,444 | 106,448 | 8,444 | (98,004) | -92% |
| Estate & Inheritance Tax | - | - | - | - | - | 0% |
| Liquor License Renewal | 98,757 | 98,757 | 98,757 | 98,757 | 0 | 0% |
| Special Revenue Transfers | - | - | - | - | - | 0% |
| Charter Tax | 206 | 226 | 206 | 226 | 19 | 9% |
| Video Lottery Transfers | 17,513 | (40,674) | 17,513 | (40,674) | (58,187) | 0% |
| July-Dec Retro Rev Adj | - | - | - | - | - | 0% |
| Cash Flow Transfer | 70,000,000 | 78,500,000 | 70,000,000 | 78,500,000 | 8,500,000 | 0% |
| Soft Drink Excise Tax | 1,194,637 | 1,215,372 | 1,194,637 | 1,215,372 | 20,735 | 100% |
| SUBTOTALS | \$ 404,994,440 | \$ 413,828,457 | \$ 404,994,440 | \$ 413,828,457 | \$ 8,834,017 | |
| Less: Cash Flow Transfer | 70,000,000 | 78,500,000 | 70,000,000 | 78,500,000 | 8,500,000 | |
| Less: Special Revenue Transfer | - | - | - | - | - | |
| TOTALS | \$ 334,994,440 | \$ 335,328,457 | \$ 334,994,440 | \$ 335,328,457 | \$ 334,017 | |
| | | | | | | |
| Increase/Decrease over Prior Period | | \$ 334,017 | | \$ 334,017 | | |
| % Increase/Decrease over Prior Period | | 0.10% | | 0.10% | | |

Source: WV OASIS
Prepared by: Legislative Auditor's Office, Budget Division
August 05, 2024

**REVENUE COLLECTIONS
FISCAL YEAR 2025
as of July 31, 2024**

STATE ROAD FUND

| | MONTH ESTIMATES | NET MONTH COLLECTIONS | FINAL COLLECTIONS OVER ESTIMATES | YTD ESTIMATES | NET YTD COLLECTIONS | YEARLY COLLECTIONS OVER ESTIMATES | YTD PERCENT COLLECTED |
|------------------------------------|-----------------------|-----------------------------|--|-----------------------|---------------------------|--|-----------------------------|
| Motor Fuel Tax | \$ 41,900,000 | \$ 44,798,898 | \$ 2,898,898 | \$ 41,900,000 | \$ 44,798,898 | \$ 2,898,898 | 107% |
| Sales/Privilege Tax | 25,500,000 | 29,268,314 | 3,768,314 | 25,500,000 | 29,268,314 | 3,768,314 | 115% |
| Licenses & Registration | 15,000,000 | 15,806,204 | 806,204 | 15,000,000 | 15,806,204 | 806,204 | 105% |
| Miscellaneous | 8,000,000 | (72,009) | (8,072,009) | 8,000,000 | (72,009) | (8,072,009) | -1% |
| Highway Litter Control | 160,000 | 196,391 | 36,391 | 160,000 | 196,391 | 36,391 | 123% |
| Federal Reimbursement | 71,500,000 | 71,487,748 | (12,252) | 71,500,000 | 71,487,748 | (12,252) | 100% |
| SUBTOTALS | \$ 162,060,000 | \$ 161,485,545 | \$ (574,455) | \$ 162,060,000 | \$ 161,485,545 | \$ (574,455) | |
| Less: Federal Reimbursement | 71,500,000 | 71,487,748 | (12,252) | 71,500,000 | 71,487,748 | (12,252) | |
| TOTALS | \$ 90,560,000 | \$ 89,997,798 | \$ (562,202) | \$ 90,560,000 | \$ 89,997,798 | \$ (562,202) | |
| Percent of Estimates | | 99% | | | 99% | | |

Collections this day \$ 6,923,578

REVENUE SHORTFALL RESERVE FUND 7005, Part A as of July 31, 2024 : \$632,535,125.35

\$78.5 million loan to General Revenue fund 7/1/24 for beginning of the year cash flow, to be repaid within 90 days, not reflected.

REVENUE SHORTFALL RESERVE FUND 7006, Part B as of July 31, 2024: \$ 554,466,295.47

SPECIAL INCOME TAX REFUND RESERVE FUND as of July 31, 2024: \$452,857,518.79

\$400 million appropriated on 9/8/23 - HB 2024 will be used to pay for the first year of the Personal Income Tax and Personal Property Tax Exemption.

Source: WV OASIS

Prepared by: Legislative Auditor's Office, Budget Division

August 01, 2024

**STATE OF WEST VIRGINIA
COMPARISON OF REVENUE
JULY 2023 vs JULY 2024**

STATE ROAD FUND

| | Actual Collections July 2023 | Actual Collections July 2024 | Actual Collections 1 Month July 2023 | Actual Collections 1 month July 2024 | YTD Increase (Decrease) over prior period | YTD % Increase (Decrease) over prior period |
|--|------------------------------------|------------------------------------|---|---|--|--|
| Gasoline & Motor Carrier Rd Tax | \$ 52,378,359 | \$ 44,798,898 | \$ 52,378,359 | \$ 44,798,898 | \$ (7,579,461) | -14% |
| Privilege Tax | 27,716,010 | 29,268,314 | 27,716,010 | 29,268,314 | 1,552,304 | 6% |
| Licenses & Registration | 11,412,054 | 15,806,204 | 11,412,054 | 15,806,204 | 4,394,150 | 39% |
| Miscellaneous | 10,377,828 | (72,009) | 10,377,828 | (72,009) | (10,449,838) | -101% |
| Highway Litter Control | 166,248 | 196,391 | 166,248 | 196,391 | 30,142 | 18% |
| Federal Reimbursement | 58,898,440 | 71,487,748 | 58,898,440 | 71,487,748 | 12,589,307 | 21% |
| SUBTOTALS | \$ 160,948,939 | \$ 161,485,545 | \$ 160,948,939 | \$ 161,485,545 | \$ 536,606 | |
| Less: Federal Reimbursement | 58,898,440 | 71,487,748 | 58,898,440 | 71,487,748 | 12,589,307 | |
| TOTALS | \$ 102,050,499 | \$ 89,997,798 | \$ 102,050,499 | \$ 89,997,798 | \$ (12,052,701) | |
| Increase/Decrease over Prior Period | | \$ (12,052,701) | | \$ (12,052,701) | | |
| % Increase/Decrease over Prior Period | | -11.8% | | -11.8% | | |

Source: WV OASIS
Prepared by: Legislative Auditor's Office, Budget Division
August 05, 2024

Office of the Legislative Auditor



Budget Division
 Building 1, Room 314-West Wing
 1900 Kanawha Blvd. East
 Charleston, WV 25305-0590
 304-347-4870

To: Honorable Chairmen and Members of the Joint Committee on
 Government and Finance

From: William Spencer, C.P.A.
 Director Budget Division
 Legislative Auditor's Office

Date: July 31, 2023

Re: West Virginia Unemployment Compensation Trust Fund

We have reviewed the June 30, 2024, monthly report of the Unemployment Compensation Trust Fund we received from WorkForce West Virginia.

As of June 30, 2024, of fiscal year 2023-2024, the trust fund cash flow was as follows:

| | |
|--|-------------------|
| Trust Fund Beginning Cash Balance 7-1-2023 | \$ 419,876,988.10 |
| Receipts July 1,2023 thru June 30, 2024 | \$ 476,754,066.91 |
| Disbursements July 1,2023 thru June 30, 2024 | \$ 462,577,531.22 |
| Balance June 30, 2024 | \$ 434,053,523.79 |

ITEMS OF NOTE:

Regular benefits paid for July-June 2024 were \$ 40.3 million more than July-June 2023.

Federal emergency benefits totaled \$22 thousand for July-June 2024. For July-June 2023, federal emergency benefits totaled \$0.

Total disbursements were \$81 million more in July-June 2024 than the preceding July-June 2023.

Receipts as of July-June 2024, were \$53 million more than in July-June 2023. Overall ending trust fund balance was \$14 million higher on June 30, 2024, than on June 30, 2023.

Seasonally adjusted unemployment rates for June 2024 were 4.1 percent for West Virginia and 4.1 percent nationally.

Since June 2023, employment has increased by 7,800. Employment increases included 6,900 in private education and health services, 1,600 in construction, 3,000 in government, 700 in leisure and hospitality, 200 mining and logging, and 300 in financial activities. Employment declines included 2,600 in trade, transportation, and utilities, 100 in other services, 600 in professional and business services, 1,300 in manufacturing, and 300 in information.

**MONTHLY STATUS REPORT FOR THE JOINT COMMITTEE ON GOVERNMENT AND FINANCE
FOR THREE MONTHS STARTING APRIL 2023 AND APRIL 2024**

| | APRIL 2023 | MAY 2023 | JUNE 2023 | APRIL 2024 | MAY 2024 | JUNE 2024 | THREE MONTH TOTAL VARIANCE * | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------|---------------------------------|---|
| Balance Forward | <u>\$ 369,307,771.02</u> | <u>\$ 361,700,928.24</u> | <u>\$ 426,178,943.04</u> | <u>\$ 389,689,669.95</u> | <u>\$ 377,424,125.28</u> | <u>\$438,824,870.99</u> | <u>\$ 48,751,023.92</u> | |
| Add Receipts: | | | | | | | | |
| 1. Bond Assessment | | | | | | | \$ - | 1. Bond Assessment |
| 2. Regular Contributions: | 23,588,230.66 | 62,174,094.45 | 1,577,841.26 | 58,949,201.61 | 29,911,356.31 | 1,449,214.25 | 2,969,605.80 | 2. Regular Contributions: |
| 3. Federal Emergency Benefits (PEUC) | 259.00 | 7,237.85 | 78.00 | - | 3,818.58 | 3,256.00 | (500.27) | 3. Federal Emergency Benefits (PEUC) |
| 4. Federal Share Extended Benefits (EB) | - | - | - | - | - | - | - | 4. Federal Share Extended Benefits (EB) |
| 5. Federal Additional Compensation - FPUC | 48,181.51 | 44,789.43 | 13,431.68 | (16,350.47) | (4,798.58) | 3,300.00 | (124,251.67) | 5. Federal Additional Compensation - FPUC |
| 6. Pandemic Unemployment Assistance PUA | (1,650.00) | (2,424.00) | (1,432.00) | (7,809.00) | (6,466.00) | 39,921.00 | 31,152.00 | 6. Pandemic Unemployment Assistance PUA |
| 7. UCFE (Federal Agencies) | 71,799.69 | 49,129.46 | 44,166.47 | 88,840.54 | 43,746.82 | 34,135.22 | 1,626.96 | 7. UCFE (Federal Agencies) |
| 8. TSFR From Non-Invstd FUA | - | - | - | - | - | - | - | 8. TSFR From Non-Invstd FUA |
| 9. EUISAA - EMER US RELIEF/STC | - | - | - | - | - | - | - | 9. EUISAA - EMER US RELIEF/STC |
| 10. Treasury Interest Credits | - | - | 1,989,729.86 | - | - | 2,913,562.02 | 923,832.16 | 10. Treasury Interest Credits |
| 11. UCX (Military Agencies) | 36,617.02 | 40,608.98 | 27,124.41 | 58,990.43 | 61,943.86 | 58,852.98 | 75,436.86 | 11. UCX (Military Agencies) |
| 12. Temporary Compensation | - | - | - | - | - | 5,000,000.00 | 5,000,000.00 | 12. Temporary Compensation |
| 13. BT to State UI Account | - | - | - | - | - | - | - | 13. BT to State UI Account |
| 14. UI Modernization | - | - | - | - | - | - | - | 14. UI Modernization |
| 15. Loan Advance | - | - | - | - | - | - | - | 15. Loan Advance |
| 16. Return of Overpayments FPUC/PUA/EUO | - | - | - | - | - | - | - | 16. Return of Overpayments FPUC/PUA/EUO |
| Total Monthly Receipts | <u>\$ 53,423,465.78</u> | <u>\$ 135,614,881.96</u> | <u>\$ 14,588,998.76</u> | <u>\$ 127,728,175.38</u> | <u>\$ 74,642,045.82</u> | <u>\$ 27,730,470.16</u> | <u>\$ 26,473,344.86</u> | Total Monthly Receipts |
| Less Disbursements: | | | | | | | | |
| Debt Bond Repayment | (Retired) | (Retired) | (Retired) | (Retired) | (Retired) | (Retired) | (Retired) | Debt Bond Repayment |
| Regular Benefits: | \$ 11,528,405.85 | \$ 9,741,270.73 | \$ 9,813,390.56 | \$ 14,960,820.45 | \$ 12,469,873.03 | \$ 14,092,450.03 | 10,440,076.37 | Regular Benefits: |
| Federal Emergency Compensation - PEUC | (384.10) | 7,880.95 | 78.00 | - | 3,818.58 | 3,256.00 | (500.27) | PEUC |
| Federal Additional Compensation - FPUC | 45,253.58 | 50,278.16 | 4,711.89 | - | (4,798.58) | 3,300.00 | (101,742.21) | FPUC |
| Pandemic Unemployment Assistance PUA | (2,192.00) | (1,767.00) | (1,432.00) | (7,809.00) | (6,466.00) | 39,921.00 | 31,037.00 | PUA |
| Federal Emergency Benefits (EUC08) | - | - | - | - | - | 22,404.00 | 22,404.00 | Federal Emergency Benefits (EUC08) |
| Federal Extended - 2112 | - | - | - | - | - | - | - | Federal Extended - 2112 |
| Emergency Benefits (TEUC) | - | - | - | - | - | - | - | Emergency Benefits (TEUC) |
| UCFE (Federal Workers) Benefits | 77,815.10 | 44,073.02 | 47,097.23 | 86,517.23 | 44,122.02 | 44,991.04 | 6,644.94 | UCFE (Federal Workers) Benefits |
| UCX (Military Workers) Benefits | 42,721.65 | 34,504.35 | 29,005.17 | 54,812.97 | 60,769.86 | 67,266.60 | 76,618.26 | UCX (Military Workers) Benefits |
| Reed Act Funds | - | - | - | - | - | - | - | Reed Act Funds |
| EUISAA Title IX/STC | 5,283.93 | 5,715.03 | 60,043.77 | 20,067.83 | - | - | (50,974.90) | EUISAA Title IX/STC |
| Total Monthly Disbursements | <u>\$41,376,931.91</u> | <u>\$ 83,183,401.03</u> | <u>\$20,890,953.70</u> | <u>\$83,769,711.75</u> | <u>\$57,199,763.74</u> | <u>\$32,501,817.36</u> | <u>\$ 28,020,006.21</u> | Total Monthly Disbursements |
| Trust Fund Balance | <u>\$373,747,462.11</u> | <u>\$ 426,178,943.04</u> | <u>\$419,876,988.10</u> | <u>\$421,382,588.91</u> | <u>\$438,824,870.99</u> | <u>\$434,053,523.79</u> | <u>\$ 47,204,362.57</u> | Trust Fund Balance |

* Three month total variance column is the difference between the sum of the previous year's three months data for each category and the current year's three months data. The purpose of the report is to show significant changes in receipts, disbursements, or balances.

Indicates prior month values that have been updated

**Note: UI Trust Fund Balance Includes Trust Fund Loan from the Revenue Shortfall Reserve Fund per Senate Bill 558 passed March 9, 2016:

Borrowed on 3/11/2016
Repaid on 5/17/2016
Borrowed on 12/5/2016
Repaid on 5/4/2017
Outstanding Loan from Revenue Shortfall Reserve Fund

**Note: Reed Act funds of \$549,468.24 previously drawn down were unexpended and returned to Trust Fund on deposit with the U.S. Treasury.

UC TRUST FUND – 2024

| Month | Receipts | Disbursements | Trust Fund Balance |
|-------------------------|-----------------------|-----------------------|-----------------------|
| 2023 | | | |
| Balance 1/1/2023 | | | \$ 382,161,959 |
| January | \$ 35,795,306 | \$ 41,052,758 | \$ 376,904,507 |
| February | \$ 25,495,204 | \$ 33,091,940 | \$ 369,307,771 |
| March | \$ 17,679,370 | \$ 25,286,212 | \$ 361,700,928 |
| April | \$ 53,423,465 | \$ 41,376,931 | \$ 373,747,462 |
| May | \$ 135,614,882 | \$ 83,183,401 | \$ 426,178,943 |
| June | \$ 14,588,998 | \$ 20,890,953 | \$ 419,876,988 |
| July | \$ 40,323,764 | \$ 37,362,605 | \$ 422,838,147 |
| August | \$ 31,593,212 | \$ 30,899,660 | \$ 423,531,699 |
| September | \$ 13,233,259 | \$ 19,721,305 | \$ 417,043,653 |
| October | \$ 37,545,497 | \$ 33,067,426 | \$ 421,521,724 |
| November | \$ 21,846,092 | \$ 26,399,918 | \$ 416,967,898 |
| December | \$ 16,677,941 | \$ 27,336,411 | \$ 406,309,428 |
| Totals - 2023 | \$ 443,816,990 | \$ 419,669,520 | \$ 406,309,428 |
| 2024 | | | |
| January | \$ 41,041,993 | \$ 47,064,592 | \$ 400,286,829 |
| February | \$ 28,824,885 | \$ 37,422,044 | \$ 389,689,670 |
| March | \$ 17,566,730 | \$ 29,810,943 | \$ 377,424,125 |
| April | \$ 127,728,175 | \$ 83,769,711 | \$ 421,382,589 |
| May | \$ 74,642,045 | \$ 57,199,763 | \$ 438,824,871 |
| June | \$ 27,730,470 | \$ 32,501,817 | \$ 434,053,524 |
| July | \$ | \$ | \$ |
| August | \$ | \$ | \$ |
| September | \$ | \$ | \$ |
| October | \$ | \$ | \$ |
| November | \$ | \$ | \$ |
| December | \$ | \$ | \$ |
| Totals - 2024 | \$ | \$ | \$ |

Benefits and Technical Support Section • Unemployment Compensation Division
 1900 Kanawha Blvd., East • Building 3, Room 300 • Charleston, West Virginia 25305
 Telephone: (304) 558-3309 • Fax: (304) 558-3252

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**MONTHLY STATUS REPORT FOR THE JOINT COMMITTEE ON GOVERNMENT AND FINANCE
FOR THREE MONTHS STARTING APRIL 2023 AND APRIL 2024**

| | APRIL 2023 | MAY 2023 | JUNE 2023 | APRIL 2024 | MAY 2024 | JUNE 2024 | THREE MONTH TOTAL VARIANCE * | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------|---------------------------------|---|
| Balance Forward | <u>\$ 369,307,771.02</u> | <u>\$ 361,700,928.24</u> | <u>\$ 426,178,943.04</u> | <u>\$ 389,689,669.95</u> | <u>\$ 377,424,125.28</u> | <u>\$438,824,870.99</u> | <u>\$ 48,751,023.92</u> | |
| Add Receipts: | | | | | | | | |
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| 2. Regular Contributions: | 23,588,230.66 | 62,174,094.45 | 1,577,841.26 | 58,949,201.61 | 29,911,356.31 | 1,449,214.25 | 2,969,605.80 | 2. Regular Contributions: |
| 3. Federal Emergency Benefits (PEUC) | 259.00 | 7,237.85 | 78.00 | - | 3,818.58 | 3,256.00 | (500.27) | 3. Federal Emergency Benefits (PEUC) |
| 4. Federal Share Extended Benefits (EB) | - | - | - | - | - | - | - | 4. Federal Share Extended Benefits (EB) |
| 5. Federal Additional Compensation - FPUC | 48,181.51 | 44,789.43 | 13,431.68 | (16,350.47) | (4,798.58) | 3,300.00 | (124,251.67) | 5. Federal Additional Compensation - FPUC |
| 6. Pandemic Unemployment Assistance PUA | (1,650.00) | (2,424.00) | (1,432.00) | (7,809.00) | (6,466.00) | 39,921.00 | 31,152.00 | 6. Pandemic Unemployment Assistance PUA |
| 7. UCFE (Federal Agencies) | 71,799.69 | 49,129.46 | 44,166.47 | 88,840.54 | 43,746.82 | 34,135.22 | 1,626.96 | 7. UCFE (Federal Agencies) |
| 8. TSFR From Non-Invstd FUA | - | - | - | - | - | - | - | 8. TSFR From Non-Invstd FUA |
| 9. EUISAA - EMER US RELIEF/STC | - | - | - | - | - | - | - | 9. EUISAA - EMER US RELIEF/STC |
| 10. Treasury Interest Credits | - | - | 1,989,729.86 | - | - | 2,913,562.02 | 923,832.16 | 10. Treasury Interest Credits |
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| 12. Temporary Compensation | - | - | - | - | - | 5,000,000.00 | 5,000,000.00 | 12. Temporary Compensation |
| 13. BT to State UI Account | - | - | - | - | - | - | - | 13. BT to State UI Account |
| 14. UI Modernization | - | - | - | - | - | - | - | 14. UI Modernization |
| 15. Loan Advance | - | - | - | - | - | - | - | 15. Loan Advance |
| 16. Return of Overpayments FPUC/PUA/EUO | - | - | - | - | - | - | - | 16. Return of Overpayments FPUC/PUA/EUO |
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| Emergency Benefits (TEUC) | - | - | - | - | - | - | - | Emergency Benefits (TEUC) |
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| Reed Act Funds | - | - | - | - | - | - | - | Reed Act Funds |
| EUISAA Title IX/STC | 5,283.93 | 5,715.03 | 60,043.77 | 20,067.83 | - | - | (50,974.90) | EUISAA Title IX/STC |
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Repaid on 5/4/2017
Outstanding Loan from Revenue Shortfall Reserve Fund

**Note: Reed Act funds of \$549,468.24 previously drawn down were unexpended and returned to Trust Fund on deposit with the U.S. Treasury.

FOR RELEASE: July 16, 2024
Contact: Andy Malinoski
Andy.E.Malinoski@wv.gov
304-553-9305

State Unemployment Rate Inches Downward in June 2024

West Virginia's seasonally adjusted unemployment rate inched downward one-tenth of a percentage point to 4.1 percent in June 2024. The number of unemployed state residents fell 300 to 32,700. Total employment slipped 100 over the month. The national seasonally adjusted unemployment rate inched upward one-tenth of a percentage point to 4.1 percent in June 2024.

Total nonfarm payroll employment fell 1,400 in June, with declines of 900 in the goods-producing sector and 500 in the service-providing sector.

Within the goods-producing sector, declines of 700 in manufacturing and 300 in construction overpowered a slight gain of 100 in mining and logging.

Within the service-providing sector, employment gains included 1,400 in private education and health services, 600 in leisure and hospitality, 100 in professional and business services, and 100 in other services. Employment declines included 1,900 in government, the result of May primary election poll workers dropping from the sample, 600 in trade, transportation, and utilities, 100 in information, and 100 in financial activities.

Since June 2023, total nonfarm payroll employment has risen 7,800. Employment gains included 6,900 in private education and health services, 3,000 in government, 1,600 in construction, 700 in leisure and hospitality, 300 in financial activities, and 200 in mining and logging. Employment declines included 2,600 in trade, transportation, and utilities, 1,300 in manufacturing, 600 in professional and business services, 300 in information, and 100 in other services.

West Virginia's not seasonally adjusted unemployment rate climbed seven-tenths of a percentage point to 4.5 percent in June.

The state's seasonally adjusted labor force participation rate remained at 55.1 percent in June 2024.

Research, Information and Analysis, 1900 Kanawha Blvd. East Building 3
Suite 300, Charleston, WV 25305 Telephone (304) 558-2660 ~ Fax (304) 558-1343

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WEST VIRGINIA
(In Thousands - Seasonally Adjusted)
June 2024

| | Prelim. Jun 2024 | Revised May 2024 | Revised Jun 2023 | Change from: | |
|---|------------------------|------------------------|------------------------|--------------|-------------|
| | | | | May 2024 | Jun 2023 |
| Civilian Labor Force | 788.7 | 789.2 | 785.1 | -0.5 | 3.6 |
| Total Employment | 756.0 | 756.1 | 755.2 | -0.1 | 0.8 |
| Total Unemployment | 32.7 | 33.0 | 29.9 | -0.3 | 2.8 |
| Unemployment Rate | 4.1 | 4.2 | 3.8 | xx | xx |
| Labor Force Participation Rate | 55.1 | 55.1 | 54.9 | xx | xx |
| NONFARM PAYROLL EMPLOYMENT BY INDUSTRY | | | | | |
| Total Nonfarm | 719.3 | 720.7 | 711.5 | -1.4 | 7.8 |
| Total Private | 564.0 | 563.5 | 559.2 | 0.5 | 4.8 |
| Goods Producing | 99.8 | 100.7 | 99.3 | -0.9 | 0.5 |
| Mining and Logging | 21.6 | 21.5 | 21.4 | 0.1 | 0.2 |
| Construction | 33.4 | 33.7 | 31.8 | -0.3 | 1.6 |
| Manufacturing | 44.8 | 45.5 | 46.1 | -0.7 | -1.3 |
| Durable Goods | 27.1 | 27.8 | 28.2 | -0.7 | -1.1 |
| Non-Durable Goods | 17.7 | 17.7 | 17.9 | 0.0 | -0.2 |
| Service-Providing | 619.5 | 620.0 | 612.2 | -0.5 | 7.3 |
| Private Service-Providing | 464.2 | 462.8 | 459.9 | 1.4 | 4.3 |
| Trade, Transportation, and Utilities | 120.6 | 121.2 | 123.2 | -0.6 | -2.6 |
| Wholesale Trade | 18.9 | 19.0 | 19.2 | -0.1 | -0.3 |
| Retail Trade | 76.8 | 77.2 | 78.2 | -0.4 | -1.4 |
| Transportation, Warehousing, and Utilities | 24.9 | 25.0 | 25.8 | -0.1 | -0.9 |
| Information | 7.6 | 7.7 | 7.9 | -0.1 | -0.3 |
| Financial Activities | 25.9 | 26.0 | 25.6 | -0.1 | 0.3 |
| Finance and Insurance | 19.1 | 19.2 | 18.8 | -0.1 | 0.3 |
| Real Estate and Rental and Leasing | 6.8 | 6.8 | 6.8 | 0.0 | 0.0 |
| Professional and Business Services | 72.9 | 72.8 | 73.5 | 0.1 | -0.6 |
| Professional, Scientific & Technical Services | 30.2 | 30.3 | 29.7 | -0.1 | 0.5 |
| Administrative and Support and Waste Mgmt | 35.4 | 35.4 | 36.4 | 0.0 | -1.0 |
| Private Education and Health Services | 140.5 | 139.1 | 133.6 | 1.4 | 6.9 |
| Educational Services | 7.2 | 7.0 | 6.9 | 0.2 | 0.3 |
| Health Care and Social Assistance | 133.3 | 132.1 | 126.7 | 1.2 | 6.6 |
| Leisure and Hospitality | 72.6 | 72.0 | 71.9 | 0.6 | 0.7 |
| Arts, Entertainment, and Recreation | 8.9 | 8.8 | 8.9 | 0.1 | 0.0 |
| Accommodation and Food Service | 63.7 | 63.2 | 63.0 | 0.5 | 0.7 |
| Other Services | 24.1 | 24.0 | 24.2 | 0.1 | -0.1 |
| Government | 155.3 | 157.2 | 152.3 | -1.9 | 3.0 |
| Federal Government | 26.6 | 26.6 | 25.7 | 0.0 | 0.9 |
| State Government | 48.1 | 46.3 | 47.6 | 1.8 | 0.5 |
| Local Government | 80.6 | 84.3 | 79.0 | -3.7 | 1.6 |

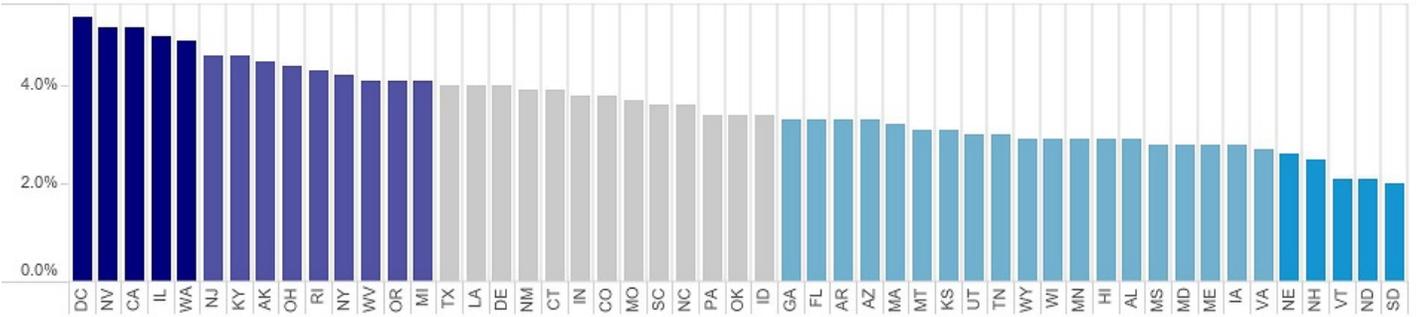
**West Virginia Labor Force Statistics by Calendar Year
Seasonally Adjusted**

| 2024 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
|--------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Labor Force | 790,900 | 790,500 | 790,500 | 789,600 | 789,200 | 788,700 | | | | | | | |
| Employment | 756,800 | 756,400 | 756,200 | 756,000 | 756,100 | 756,000 | | | | | | | |
| Unemployment | 34,000 | 34,100 | 34,300 | 33,600 | 33,000 | 32,700 | | | | | | | |
| Rate | 4.3 | 4.3 | 4.3 | 4.3 | 4.2 | 4.1 | | | | | | | |
| Participation Rate | 55.3 | 55.2 | 55.2 | 55.2 | 55.1 | 55.1 | | | | | | | |
| 2023 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 779,400 | 780,100 | 780,800 | 781,900 | 783,300 | 785,100 | 786,900 | 788,600 | 789,900 | 790,600 | 790,500 | 790,200 | 786,700 |
| Employment | 751,500 | 752,800 | 753,800 | 754,500 | 754,800 | 755,200 | 755,500 | 755,900 | 756,200 | 756,400 | 756,400 | 756,300 | 756,900 |
| Unemployment | 27,900 | 27,200 | 27,000 | 27,400 | 28,500 | 29,900 | 31,400 | 32,700 | 33,700 | 34,200 | 34,100 | 33,900 | 29,800 |
| Rate | 3.6 | 3.5 | 3.5 | 3.5 | 3.6 | 3.8 | 4.0 | 4.2 | 4.3 | 4.3 | 4.3 | 4.3 | 3.8 |
| Participation Rate | 54.5 | 54.5 | 54.6 | 54.7 | 54.8 | 54.9 | 55.0 | 55.1 | 55.2 | 55.2 | 55.2 | 55.2 | 54.9 |
| 2022 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 777,400 | 778,700 | 779,500 | 779,700 | 779,400 | 778,800 | 778,300 | 778,000 | 777,800 | 777,900 | 778,300 | 778,800 | 778,700 |
| Employment | 747,000 | 748,900 | 750,000 | 750,200 | 749,500 | 748,400 | 747,300 | 746,500 | 746,400 | 747,000 | 748,300 | 750,000 | 748,300 |
| Unemployment | 30,400 | 29,700 | 29,400 | 29,500 | 29,900 | 30,400 | 31,000 | 31,400 | 31,400 | 30,900 | 30,000 | 28,900 | 30,400 |
| Rate | 3.9 | 3.8 | 3.8 | 3.8 | 3.8 | 3.9 | 4.0 | 4.0 | 4.0 | 4.0 | 3.8 | 3.7 | 3.9 |
| Participation Rate | 54.2 | 54.3 | 54.4 | 54.4 | 54.4 | 54.4 | 54.4 | 54.4 | 54.3 | 54.3 | 54.4 | 54.4 | 54.4 |
| 2021 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 771,500 | 771,600 | 772,600 | 773,800 | 774,800 | 775,400 | 774,900 | 774,300 | 773,800 | 774,000 | 774,800 | 775,900 | 788,800 |
| Employment | 724,400 | 725,600 | 727,400 | 729,600 | 731,900 | 733,800 | 735,200 | 736,600 | 738,200 | 740,100 | 742,300 | 744,600 | 749,100 |
| Unemployment | 47,100 | 46,100 | 45,300 | 44,300 | 43,000 | 41,600 | 39,700 | 37,600 | 35,600 | 33,800 | 32,400 | 31,300 | 39,700 |
| Rate | 6.1 | 6.0 | 5.9 | 5.7 | 5.5 | 5.4 | 5.1 | 4.9 | 4.6 | 4.4 | 4.2 | 4.0 | 5.0 |
| Participation Rate | 53.6 | 53.6 | 53.7 | 53.8 | 53.9 | 53.9 | 53.9 | 53.8 | 53.8 | 53.9 | 53.9 | 54.0 | 54.7 |
| 2020 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 797,900 | 795,900 | 792,900 | 759,100 | 772,900 | 769,700 | 772,800 | 771,500 | 773,700 | 772,500 | 772,300 | 772,400 | 792,200 |
| Employment | 755,800 | 753,300 | 750,400 | 639,200 | 676,900 | 689,000 | 700,200 | 708,800 | 715,400 | 719,400 | 721,900 | 723,300 | 726,000 |
| Unemployment | 42,100 | 42,500 | 42,500 | 119,900 | 96,000 | 80,700 | 72,600 | 62,700 | 58,300 | 53,100 | 50,500 | 49,000 | 66,100 |
| Rate | 5.3 | 5.3 | 5.4 | 15.8 | 12.4 | 10.5 | 9.4 | 8.1 | 7.5 | 6.9 | 6.5 | 6.3 | 8.3 |
| Participation Rate | 55.0 | 54.9 | 54.7 | 52.6 | 53.6 | 53.4 | 53.6 | 53.5 | 53.7 | 53.6 | 53.6 | 53.6 | 54.1 |
| 2019 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 793,400 | 792,500 | 791,700 | 791,700 | 792,300 | 793,600 | 795,100 | 796,500 | 797,600 | 798,500 | 798,900 | 798,800 | 798,300 |
| Employment | 753,700 | 753,400 | 753,400 | 753,800 | 754,700 | 755,800 | 756,600 | 757,100 | 757,700 | 758,100 | 758,200 | 757,500 | 759,000 |
| Unemployment | 39,700 | 39,100 | 38,400 | 37,800 | 37,600 | 37,800 | 38,500 | 39,300 | 39,900 | 40,300 | 40,800 | 41,400 | 39,300 |
| Rate | 5.0 | 4.9 | 4.8 | 4.8 | 4.7 | 4.8 | 4.8 | 4.9 | 5.0 | 5.1 | 5.1 | 5.2 | 4.9 |
| Participation Rate | 54.5 | 54.5 | 54.4 | 54.5 | 54.5 | 54.6 | 54.7 | 54.9 | 54.9 | 55.0 | 55.0 | 55.1 | 54.8 |
| 2018 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 788,500 | 789,900 | 791,700 | 793,400 | 794,500 | 795,000 | 794,900 | 794,600 | 794,500 | 794,600 | 794,700 | 794,500 | 793,400 |
| Employment | 746,000 | 747,400 | 749,400 | 751,500 | 753,100 | 754,200 | 754,700 | 754,900 | 754,800 | 754,700 | 754,500 | 754,300 | 752,200 |
| Unemployment | 42,500 | 42,500 | 42,300 | 41,900 | 41,400 | 40,800 | 40,200 | 39,800 | 39,700 | 39,900 | 40,200 | 40,200 | 41,200 |
| Rate | 5.4 | 5.4 | 5.3 | 5.3 | 5.2 | 5.1 | 5.1 | 5.0 | 5.0 | 5.0 | 5.1 | 5.1 | 5.2 |
| Participation Rate | 53.9 | 54.0 | 54.2 | 54.3 | 54.4 | 54.5 | 54.5 | 54.5 | 54.5 | 54.5 | 54.5 | 54.6 | 54.4 |
| 2017 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 782,300 | 781,900 | 781,700 | 781,900 | 782,800 | 783,900 | 785,300 | 786,400 | 787,200 | 787,400 | 787,400 | 787,500 | 783,800 |
| Employment | 739,900 | 741,000 | 741,800 | 742,500 | 743,400 | 744,300 | 745,000 | 745,500 | 745,700 | 745,500 | 745,100 | 745,000 | 742,700 |
| Unemployment | 42,300 | 40,900 | 39,900 | 39,400 | 39,400 | 39,700 | 40,200 | 40,900 | 41,500 | 41,900 | 42,300 | 42,500 | 41,000 |
| Rate | 5.4 | 5.2 | 5.1 | 5.0 | 5.0 | 5.1 | 5.1 | 5.2 | 5.3 | 5.3 | 5.4 | 5.4 | 5.2 |
| Participation Rate | 53.2 | 53.2 | 53.2 | 53.2 | 53.3 | 53.4 | 53.5 | 53.6 | 53.7 | 53.7 | 53.8 | 53.8 | 53.5 |
| 2016 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 789,400 | 789,400 | 788,800 | 787,500 | 785,900 | 784,600 | 783,600 | 783,000 | 782,600 | 782,300 | 782,000 | 781,700 | 785,100 |
| Employment | 739,200 | 739,300 | 739,000 | 738,300 | 737,300 | 736,300 | 735,600 | 735,300 | 735,400 | 735,800 | 736,700 | 737,800 | 737,200 |
| Unemployment | 50,200 | 50,100 | 49,700 | 49,200 | 48,700 | 48,300 | 48,000 | 47,700 | 47,200 | 46,400 | 45,300 | 44,000 | 47,900 |
| Rate | 6.4 | 6.3 | 6.3 | 6.2 | 6.2 | 6.2 | 6.1 | 6.1 | 6.0 | 5.9 | 5.8 | 5.6 | 6.1 |
| Participation Rate | 53.4 | 53.5 | 53.4 | 53.4 | 53.3 | 53.2 | 53.2 | 53.1 | 53.1 | 53.1 | 53.2 | 53.2 | 53.3 |
| 2015 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 793,800 | 793,600 | 793,800 | 794,000 | 794,000 | 793,300 | 792,000 | 790,400 | 789,000 | 788,300 | 788,300 | 788,800 | 791,500 |
| Employment | 742,900 | 741,800 | 740,900 | 740,200 | 739,800 | 739,300 | 738,700 | 738,200 | 737,900 | 737,900 | 738,200 | 738,700 | 739,500 |
| Unemployment | 50,900 | 51,800 | 52,900 | 53,800 | 54,200 | 54,000 | 53,200 | 52,200 | 51,200 | 50,500 | 50,200 | 50,100 | 52,100 |
| Rate | 6.4 | 6.5 | 6.7 | 6.8 | 6.8 | 6.8 | 6.7 | 6.6 | 6.5 | 6.4 | 6.4 | 6.4 | 6.6 |
| Participation Rate | 53.5 | 53.5 | 53.6 | 53.6 | 53.6 | 53.6 | 53.5 | 53.4 | 53.3 | 53.3 | 53.3 | 53.4 | 53.5 |
| 2014 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 797,600 | 797,900 | 797,800 | 797,100 | 796,000 | 795,000 | 794,400 | 794,300 | 794,500 | 794,700 | 794,600 | 794,200 | 795,700 |
| Employment | 743,700 | 744,300 | 744,600 | 744,400 | 743,900 | 743,400 | 743,200 | 743,300 | 743,700 | 744,100 | 744,200 | 743,800 | 744,000 |
| Unemployment | 53,800 | 53,700 | 53,200 | 52,700 | 52,100 | 51,500 | 51,100 | 50,900 | 50,800 | 50,600 | 50,400 | 50,500 | 51,800 |
| Rate | 6.7 | 6.7 | 6.7 | 6.6 | 6.5 | 6.5 | 6.4 | 6.4 | 6.4 | 6.4 | 6.3 | 6.4 | 6.5 |
| Participation Rate | 53.7 | 53.7 | 53.7 | 53.7 | 53.6 | 53.5 | 53.5 | 53.5 | 53.5 | 53.5 | 53.5 | 53.5 | 53.6 |
| 2013 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 804,800 | 802,800 | 801,200 | 800,300 | 799,900 | 799,700 | 799,500 | 798,900 | 798,000 | 797,100 | 796,800 | 797,000 | 799,500 |
| Employment | 747,900 | 747,100 | 746,600 | 746,800 | 747,100 | 747,200 | 746,900 | 746,200 | 745,100 | 744,100 | 743,400 | 743,300 | 745,800 |
| Unemployment | 56,900 | 55,700 | 54,600 | 53,500 | 52,800 | 52,500 | 52,600 | 52,700 | 52,800 | 53,000 | 53,300 | 53,700 | 53,600 |
| Rate | 7.1 | 6.9 | 6.8 | 6.7 | 6.6 | 6.6 | 6.6 | 6.6 | 6.6 | 6.7 | 6.7 | 6.7 | 6.7 |
| Participation Rate | 54.1 | 54.0 | 53.9 | 53.8 | 53.8 | 53.8 | 53.8 | 53.7 | 53.7 | 53.6 | 53.6 | 53.6 | 53.8 |
| 2012 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 808,100 | 807,800 | 807,900 | 808,200 | 808,600 | 808,900 | 808,900 | 808,800 | 808,700 | 808,400 | 807,800 | 806,600 | 808,000 |
| Employment | 750,900 | 751,000 | 750,900 | 750,300 | 749,700 | 749,300 | 749,000 | 749,000 | 749,100 | 749,200 | 749,100 | 748,700 | 749,600 |
| Unemployment | 57,200 | 56,800 | 57,000 | 57,900 | 58,900 | 59,600 | 59,900 | 59,800 | 59,600 | 59,200 | 58,700 | 57,900 | 58,4 |

**West Virginia Labor Force Statistics by Calendar Year
Not Seasonally Adjusted**

| 2024 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
|--------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Labor Force | 782,500 | 783,900 | 784,900 | 784,500 | 789,300 | 800,600 | | | | | | | |
| Employment | 745,200 | 744,800 | 746,500 | 754,500 | 759,500 | 764,600 | | | | | | | |
| Unemployment | 37,200 | 39,100 | 38,300 | 30,000 | 29,900 | 36,000 | | | | | | | |
| Rate | 4.8 | 5.0 | 4.9 | 3.8 | 3.8 | 4.5 | | | | | | | |
| Participation Rate | 54.7 | 54.8 | 54.8 | 54.8 | 55.2 | 55.9 | | | | | | | |
| 2023 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 770,000 | 776,400 | 775,400 | 781,100 | 783,600 | 797,900 | 793,000 | 794,400 | 793,400 | 793,100 | 787,100 | 782,300 | 786,700 |
| Employment | 738,700 | 744,300 | 744,500 | 753,600 | 755,600 | 765,000 | 761,600 | 759,200 | 763,900 | 763,700 | 758,300 | 751,500 | 756,900 |
| Unemployment | 31,300 | 32,100 | 30,900 | 27,500 | 28,000 | 32,900 | 31,400 | 35,300 | 29,500 | 29,400 | 28,800 | 30,800 | 29,800 |
| Rate | 4.1 | 4.1 | 4.0 | 3.5 | 3.6 | 4.1 | 4.0 | 4.4 | 3.7 | 3.7 | 3.7 | 3.9 | 3.8 |
| Participation Rate | 53.8 | 54.3 | 54.2 | 54.6 | 54.8 | 55.8 | 55.4 | 55.5 | 55.4 | 55.4 | 55.0 | 54.7 | 54.9 |
| 2022 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 770,500 | 776,300 | 773,200 | 776,500 | 781,700 | 792,200 | 784,800 | 782,800 | 779,500 | 781,000 | 774,200 | 771,800 | 778,700 |
| Employment | 734,700 | 739,900 | 740,500 | 747,200 | 753,900 | 758,100 | 752,200 | 749,300 | 753,900 | 755,000 | 748,100 | 746,500 | 748,300 |
| Unemployment | 35,800 | 36,400 | 32,600 | 29,400 | 27,800 | 34,200 | 32,500 | 33,500 | 25,600 | 26,000 | 26,100 | 25,300 | 30,400 |
| Rate | 4.6 | 4.7 | 4.2 | 3.8 | 3.6 | 4.3 | 4.1 | 4.3 | 3.3 | 3.3 | 3.4 | 3.3 | 3.9 |
| Participation Rate | 53.7 | 54.2 | 54.0 | 54.2 | 54.6 | 55.3 | 54.8 | 54.7 | 54.5 | 54.6 | 54.1 | 53.9 | 54.4 |
| 2021 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 760,700 | 767,900 | 765,700 | 773,800 | 775,200 | 787,900 | 783,700 | 779,000 | 776,100 | 775,300 | 770,100 | 768,000 | 788,800 |
| Employment | 708,700 | 715,500 | 716,900 | 728,300 | 733,400 | 742,800 | 743,600 | 740,500 | 745,600 | 747,000 | 742,600 | 741,200 | 749,100 |
| Unemployment | 52,000 | 52,400 | 48,800 | 45,500 | 41,800 | 45,100 | 40,200 | 38,500 | 30,600 | 28,300 | 27,500 | 26,800 | 39,700 |
| Rate | 6.8 | 6.8 | 6.4 | 5.9 | 5.4 | 5.7 | 5.1 | 4.9 | 3.9 | 3.6 | 3.6 | 3.5 | 5.0 |
| Participation Rate | 52.8 | 53.4 | 53.2 | 53.8 | 53.9 | 54.8 | 54.5 | 54.2 | 54.0 | 54.0 | 53.6 | 53.5 | 54.7 |
| 2020 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 790,800 | 795,500 | 785,800 | 754,900 | 772,700 | 781,300 | 778,400 | 777,400 | 776,900 | 778,700 | 768,100 | 765,100 | 792,200 |
| Employment | 745,200 | 749,000 | 733,000 | 636,800 | 674,400 | 703,000 | 703,700 | 715,800 | 721,700 | 732,100 | 723,400 | 718,400 | 726,000 |
| Unemployment | 45,600 | 46,400 | 52,800 | 118,100 | 98,300 | 78,400 | 74,800 | 61,600 | 55,200 | 46,600 | 44,700 | 46,700 | 66,100 |
| Rate | 5.8 | 5.8 | 6.7 | 15.6 | 12.7 | 10.0 | 9.6 | 7.9 | 7.1 | 6.0 | 5.8 | 6.1 | 8.3 |
| Participation Rate | 54.5 | 54.9 | 54.2 | 52.3 | 53.6 | 54.2 | 54.0 | 53.9 | 53.9 | 54.0 | 53.3 | 53.1 | 54.1 |
| 2019 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 786,600 | 789,900 | 783,000 | 786,800 | 791,400 | 807,000 | 804,200 | 800,400 | 800,200 | 803,000 | 793,900 | 792,000 | 798,300 |
| Employment | 739,400 | 743,300 | 740,400 | 751,000 | 755,700 | 766,400 | 764,500 | 761,200 | 766,300 | 767,000 | 757,200 | 753,600 | 759,000 |
| Unemployment | 47,200 | 46,600 | 42,600 | 35,800 | 35,600 | 40,600 | 39,700 | 39,200 | 33,900 | 35,900 | 36,700 | 38,400 | 39,300 |
| Rate | 6.0 | 5.9 | 5.4 | 4.5 | 4.5 | 5.0 | 4.9 | 4.9 | 4.2 | 4.5 | 4.6 | 4.8 | 4.9 |
| Participation Rate | 54.0 | 54.3 | 53.8 | 54.1 | 54.5 | 55.6 | 55.4 | 55.1 | 55.1 | 55.3 | 54.7 | 54.6 | 54.8 |
| 2018 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 779,100 | 789,200 | 783,600 | 790,400 | 794,700 | 808,800 | 805,300 | 794,500 | 795,600 | 799,400 | 791,300 | 789,200 | 793,400 |
| Employment | 731,800 | 738,000 | 736,000 | 748,900 | 756,800 | 765,100 | 763,800 | 755,700 | 762,000 | 764,800 | 757,000 | 751,200 | 752,200 |
| Unemployment | 47,300 | 51,300 | 47,600 | 41,500 | 37,800 | 43,600 | 41,400 | 38,800 | 33,600 | 34,600 | 34,300 | 38,000 | 41,200 |
| Rate | 6.1 | 6.5 | 6.1 | 5.3 | 4.8 | 5.4 | 5.1 | 4.9 | 4.2 | 4.3 | 4.3 | 4.8 | 5.2 |
| Participation Rate | 53.3 | 54.0 | 53.6 | 54.1 | 54.5 | 55.4 | 55.2 | 54.5 | 54.6 | 54.9 | 54.3 | 54.2 | 54.4 |
| 2017 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 775,600 | 779,900 | 775,100 | 781,500 | 780,000 | 795,200 | 792,500 | 790,400 | 792,900 | 789,400 | 784,100 | 780,400 | 783,800 |
| Employment | 726,200 | 730,700 | 731,100 | 743,000 | 744,500 | 753,600 | 751,500 | 747,700 | 757,600 | 754,300 | 745,400 | 739,900 | 742,700 |
| Unemployment | 49,300 | 49,200 | 44,000 | 38,500 | 35,500 | 41,600 | 41,100 | 42,700 | 35,300 | 35,100 | 38,700 | 40,400 | 41,000 |
| Rate | 6.4 | 6.3 | 5.7 | 4.9 | 4.6 | 5.2 | 5.2 | 5.4 | 4.5 | 4.4 | 4.9 | 5.2 | 5.2 |
| Participation Rate | 52.7 | 53.0 | 52.7 | 53.2 | 53.1 | 54.2 | 54.0 | 53.9 | 54.1 | 53.9 | 53.5 | 53.3 | 53.5 |
| 2016 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 782,600 | 787,400 | 782,200 | 786,200 | 788,300 | 796,900 | 789,000 | 785,800 | 784,800 | 786,700 | 778,300 | 773,100 | 785,100 |
| Employment | 726,500 | 728,800 | 727,800 | 737,800 | 742,300 | 746,200 | 741,700 | 737,600 | 741,600 | 744,500 | 739,100 | 732,500 | 737,200 |
| Unemployment | 56,100 | 58,500 | 54,400 | 48,400 | 45,900 | 50,700 | 47,300 | 48,300 | 43,200 | 42,200 | 39,300 | 40,600 | 47,900 |
| Rate | 7.2 | 7.4 | 7.0 | 6.2 | 5.8 | 6.4 | 6.0 | 6.1 | 5.5 | 5.4 | 5.0 | 5.2 | 6.1 |
| Participation Rate | 53.0 | 53.3 | 53.0 | 53.3 | 53.4 | 54.0 | 53.5 | 53.3 | 53.3 | 53.4 | 52.9 | 52.6 | 53.3 |
| 2015 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 787,000 | 789,700 | 784,900 | 793,800 | 797,700 | 806,900 | 799,800 | 793,900 | 788,100 | 790,200 | 783,900 | 782,400 | 791,500 |
| Employment | 730,400 | 730,400 | 727,800 | 741,200 | 744,400 | 750,700 | 744,400 | 741,500 | 743,100 | 745,900 | 738,400 | 735,300 | 739,500 |
| Unemployment | 56,600 | 59,300 | 57,100 | 52,600 | 53,300 | 56,200 | 55,400 | 52,400 | 45,000 | 44,400 | 45,500 | 47,100 | 52,100 |
| Rate | 7.2 | 7.5 | 7.3 | 6.6 | 6.7 | 7.0 | 6.9 | 6.6 | 5.7 | 5.6 | 5.8 | 6.0 | 6.6 |
| Participation Rate | 53.1 | 53.3 | 53.0 | 53.6 | 53.9 | 54.5 | 54.0 | 53.6 | 53.3 | 53.4 | 53.0 | 52.9 | 53.5 |
| 2014 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 789,400 | 795,700 | 792,000 | 795,300 | 800,800 | 805,300 | 800,900 | 796,900 | 795,800 | 799,900 | 791,000 | 785,700 | 795,700 |
| Employment | 730,800 | 732,700 | 733,300 | 745,400 | 750,400 | 753,500 | 748,000 | 744,200 | 749,900 | 754,700 | 745,000 | 739,600 | 744,000 |
| Unemployment | 58,700 | 63,100 | 58,700 | 49,900 | 50,400 | 51,800 | 52,900 | 52,700 | 45,900 | 45,200 | 46,000 | 46,100 | 51,800 |
| Rate | 7.4 | 7.9 | 7.4 | 6.3 | 6.3 | 6.4 | 6.6 | 6.6 | 5.8 | 5.7 | 5.8 | 5.9 | 6.5 |
| Participation Rate | 53.1 | 53.6 | 53.3 | 53.5 | 53.9 | 54.2 | 53.9 | 53.7 | 53.6 | 53.9 | 53.3 | 53.0 | 53.6 |
| 2013 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 798,800 | 798,000 | 790,900 | 799,200 | 802,400 | 814,200 | 807,700 | 802,100 | 800,700 | 798,100 | 792,900 | 788,800 | 799,500 |
| Employment | 734,500 | 734,900 | 733,800 | 747,400 | 752,100 | 758,400 | 754,200 | 749,400 | 752,500 | 749,100 | 744,500 | 739,200 | 745,800 |
| Unemployment | 64,300 | 63,100 | 57,100 | 51,800 | 50,300 | 55,800 | 53,500 | 52,700 | 48,100 | 49,000 | 48,400 | 49,600 | 53,600 |
| Rate | 8.0 | 7.9 | 7.2 | 6.5 | 6.3 | 6.9 | 6.6 | 6.6 | 6.0 | 6.1 | 6.1 | 6.3 | 6.7 |
| Participation Rate | 53.7 | 53.6 | 53.2 | 53.7 | 54.0 | 54.8 | 54.3 | 53.9 | 53.8 | 53.7 | 53.3 | 53.1 | 53.8 |
| 2012 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | AVG |
| Labor Force | 797,500 | 802,500 | 799,100 | 806,600 | 815,200 | 822,700 | 815,800 | 809,500 | 811,600 | 813,000 | 802,600 | 800,200 | 808,000 |
| Employment | 736,100 | 738,000 | 738,900 | 750,500 | 757,200 | 760,400 | 754,300 | 749,300 | 757,500 | 759,400 | 749,400 | 744,000 | 749,600 |
| Unemployment | 61,400 | 64,500 | 60,200 | 56,100 | 58,000 | 62,300 | 61,500 | 60,200 | 54,100 | 53,600 | 53,200 | 56,100 | 58 |

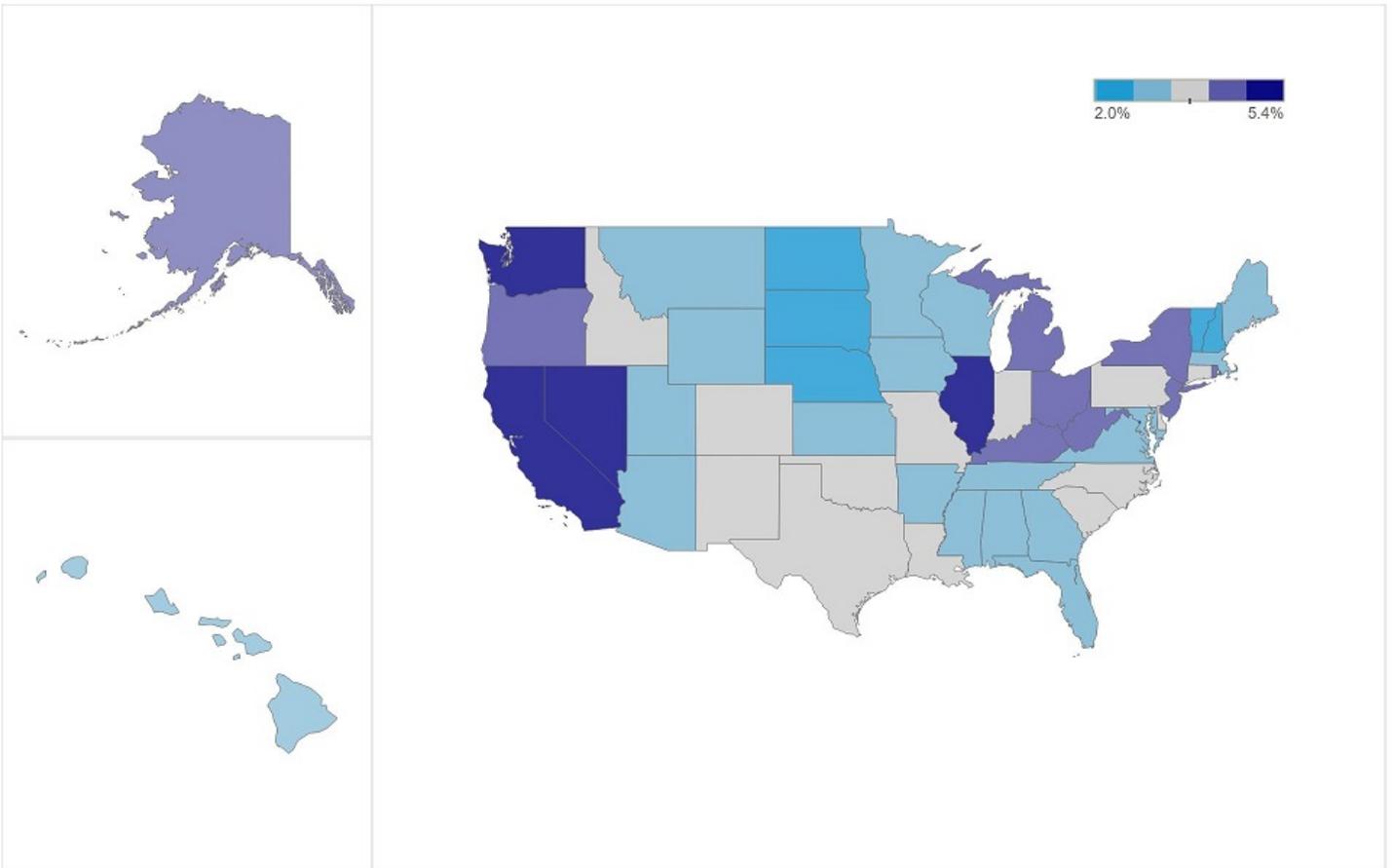
State Unemployment Rates (percent, seasonally adjusted)
 The national unemployment rate was 4.1 percent as of June 2024



MONTH
June

YEAR
2024

UNITED STATES
4.1%



BRIM
August 2024
Interim Packet

West Virginia Board of Risk and Insurance Management
UNAUDITED BALANCE SHEET AND INCOME STATEMENT
For the Twelve Months Ending June 30, 2024

Talking Points for Joint Committee on Government and Finance Meeting
August 2024

1. **Premium Revenue** for June reflects the premiums earned for the twelve months of the current fiscal year. BRIM premiums in FY'24 reflect an increase in premium revenue including an increase in premium to fund the higher actuarially estimated losses for the current year.
2. **Claims Expense** reflects net claims payments made through June plus estimated accruals for the twelve months of the fiscal year and the March quarterly reserve adjustments to agree our reserves to the actuarial report year to date through March . Claim payments through June were lower than through June of last year based on the information we have received to this point. Please note that claims expense does not include the reserve adjustment for the fourth quarter as we have not yet received the reserve study report from our actuaries. This adjustment could have a significant impact on our financial statements.
3. **Investments** reflect a gain of \$16.9 million year to date. The gain shown on our financial statements includes income from a preliminary statement from the WV IMB as we have not yet received our final statement for June. The investment gains could change when we receive our final statement. Investment returns through June of last year were lower than through June of this year. Interest rates fluctuated, but at a slower pace, and the volatility of the equities markets made for an uncertain outlook for investment income for FY'24.
4. BRIM continues to pursue pro-active loss control initiatives.

West Virginia Board of Risk and Insurance Management

Statements of Net Position

For the Twelve Months Ended June 30th

| | 2024 | 2023 |
|--|-----------------------|-----------|
| | <i>(In Thousands)</i> | |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 26,030 | \$ 24,728 |
| Advance deposits with insurance company and trustee | 258,498 | 235,648 |
| Receivables | 21,582 | 3,258 |
| Prepaid insurance | 00 | 0 |
| Restricted cash and cash equivalents | 8,563 | 5,447 |
| Premiums due from other entities | 1,534 | 1,534 |
| Total current assets | 316,208 | 270,616 |
| Noncurrent assets: | | |
| Equity position in internal investments pools | 58,249 | 154,103 |
| Restricted investments | 32,557 | 29,754 |
| Total noncurrent assets | 90,806 | 183,857 |
| Total assets | 407,014 | 454,472 |
| Deferred Outflows of Resources | 399 | 399 |
| Deferred Outflows of Resources - OPEB | 59 | 59 |
| Liabilities | | |
| Current liabilities: | | |
| Estimated unpaid claims and claims adjustment expense | 189,423 | 189,423 |
| Unearned premiums | 16,811 | 16,638 |
| Agent commissions payable | 1,520 | 1,646 |
| Claims Payable | 0 | 0 |
| Accrued expenses and other liabilities | 19,491 | 690 |
| Total current liabilities | 227,244 | 208,396 |
| Estimated unpaid claims and claims adjustment expense net of current portion | 98,705 | 177,257 |
| Compensated absences | 182 | 192 |
| Net pension liability | 148 | 148 |
| Total noncurrent liabilities | 99,035 | 177,596 |
| Total liabilities | 326,279 | 385,992 |
| Deferred Inflows of Resources | 0 | 0 |
| Deferred Inflows of Resources - OPEB | 137 | 137 |
| Net position: | | |
| Restricted by State code for mine subsidence coverage | 32,363 | 75,988 |
| Unrestricted | 36,438 | 75,415 |
| Net Assets (Deficiency) | 12,256 | (82,602) |
| Net position | \$ 81,057 | \$ 68,801 |

Unaudited

West Virginia Board of Risk and Insurance Management
 Statements of Revenues, Expenses, and Changes in Net Position
 For the Twelve Months Ended June 30th

| | 2024 | 2023 |
|---------------------------------------|-----------------------|-----------|
| | <i>(In Thousands)</i> | |
| Operating revenues | | |
| Premiums | \$ 115,403 | \$ 95,502 |
| Less coverage/reinsurance programs | (15,003) | (8,969) |
| Net operating revenues | 100,400 | 86,533 |
| Operating expenses | | |
| Claims and claims adjustment expense | 99,312 | 171,253 |
| General and administrative | 5,805 | 5,845 |
| Total operating expenses | 105,117 | 177,098 |
| Operating income (loss) | (4,717) | (90,566) |
| Nonoperating revenues | | |
| Investment income | 16,973 | 7,986 |
| Legislative Appropriation | 0 | 0 |
| OPEB Non Operating Income | 0 | (22) |
| Net nonoperating revenues | 16,973 | 7,964 |
| Changes in net position | 12,256 | (82,602) |
| Total net position, beginning of year | 68,801 | 151,403 |
| Total net position, end of period | \$ 81,057 | \$ 68,801 |

Unaudited

PEIA
August 2024
Interim Packet

PEIA August Interim Talking Points

- **PEIA and RHBT FY 2024 preliminary year end financial statements for June 30, 2024, are available for your review.**
- **PEIA statements indicate PEIA will finish behind plan by \$51 million. This is due to higher than forecast claims expense.**
- **RHBT statements indicate RHBT will finish ahead of plan by \$65 million. This is due to higher than forecast investment income.**
- **The 2024 year-end reserve for the State Fund, non-State Fund and RHBT is projected to be \$77, \$11 and \$202 million respectively.**
- **These reserve levels represent 10%, 6% and 115% of the respective funds' expenses. The required reserve for the State Fund is 12% of expenses.**

West Virginia Retiree Health Benefit Trust Fund
STATEMENT OF CHANGES IN PLAN NET POSITION
For Twelve Months Ending Sunday, June 30, 2024
PRELIMINARY 7.25.24

| ACTUAL | BUDGET | PRIOR YR | | BUDGET VARIANCE | | PRIOR YR VARIANCE | |
|--------------------|--------------------|--------------------|---|-----------------|--------------|-------------------|--------------|
| | | | | \$ | % | \$ | % |
| | | | ADDITIONS | | | | |
| | | | Employer Premiums: | | | | |
| \$2,032 | \$1,978 | \$2,026 | Health premiums - Non Par | \$54 | 3% | \$6 | 0% |
| 7,518 | 8,164 | 8,870 | Health Premiums - RLC Health, Life | (646) | (8%) | (1,352) | (15%) |
| - | - | 59,390 | Pay Go Premiums | - | 0% | (59,390) | (100%) |
| 30,000 | 30,000 | 30,000 | State appropriation - OPEB | - | 0% | - | 0% |
| 39,550 | 40,142 | 100,286 | Total Employer Premiums | (592) | (1%) | (60,736) | (61%) |
| | | | Other Additions: | | | | |
| 429 | 1,000 | 501 | Retiree Drug Subsidy | (571) | (57%) | (72) | (14%) |
| 200,346 | 124,077 | 137,501 | Investment Income | 76,269 | 61% | 62,845 | 46% |
| 240,325 | 165,219 | 238,288 | TOTAL ADDITIONS | 75,106 | 45% | 2,037 | 1% |
| | | | DEDUCTIONS | | | | |
| 53,545 | 52,315 | 46,725 | Payments to Managed Care Org. | (1,230) | (2%) | (6,820) | (15%) |
| 26,305 | 27,629 | 26,312 | Life Insurance Expense | 1,324 | 5% | 7 | 0% |
| 64,633 | 60,216 | 53,000 | Medical Claims Expense | (4,417) | (7%) | (11,633) | (22%) |
| 27,574 | 25,599 | 21,162 | Pharmacy Claims Expense | (1,975) | (8%) | (6,412) | (30%) |
| 1,512 | 1,825 | 2,140 | Administrative Service Fees (External) | 313 | 17% | 628 | 29% |
| (57,578) | (59,117) | (58,035) | Member Health premiums | (1,539) | 3% | (457) | 1% |
| (26,318) | (27,701) | (26,326) | Member Life Insurance Premiums | (1,383) | 5% | (8) | 0% |
| 2,756 | 2,141 | 2,615 | Other Operating Expenses | (615) | (29%) | (141) | (5%) |
| 92,429 | 82,907 | 67,593 | TOTAL DEDUCTIONS | (9,522) | (11%) | (24,836) | (37%) |
| 147,896 | 82,312 | 170,695 | NET POSITION INCREASE (DECREASE) | 65,584 | 80% | (22,799) | (13%) |
| | | | Net Position Restricted for | | | | |
| | | | Post Employment Benefits | | | | |
| 1,795,666 | 1,795,666 | 1,624,972 | Beginning of Period Total Net Position | - | 0% | 170,694 | 11% |
| 1,741,454 | 1,675,870 | 1,513,560 | End of Period Net Position - Restricted | 65,584 | 4% | 227,894 | 15% |
| 202,108 | 202,108 | 282,107 | End of Period Net Position - PSR | - | 0% | (79,999) | (28%) |
| \$1,943,562 | \$1,877,978 | \$1,795,667 | End of Period Total Net Position | \$65,584 | 3% | \$147,895 | 8% |

West Virginia Public Employees Insurance Agency
DRAFT- Statement of Changes in Plan Net Position
For the Twelve Months Ending Sunday, June 30, 2024
(Dollars in Thousands)
(Unaudited-For Internal Use Only)

| ACTUAL | BUDGET | PRIOR YR | | BUDGET VARIANCE | | PRIOR YR VARIANCE | |
|------------------------------|------------------|------------------|---|-------------------|---------------|-------------------|---------------|
| | | | | \$ | % | \$ | % |
| OPERATING REVENUE | | | | | | | |
| Premium Revenue | | | | | | | |
| \$600,773 | \$590,757 | \$437,659 | Health Insurance - State Gov. - Employers | \$10,016 | 2% | \$163,114 | 37% |
| 147,244 | 147,574 | 119,189 | Health Insurance - State Gov. - Employees | (330) | (0%) | 28,055 | 24% |
| 163,779 | 166,559 | 136,682 | Health Insurance - Local Gov. - All | (2,780) | (2%) | 27,097 | 20% |
| 4,955 | 4,776 | 4,969 | Administrative Fees, Net of Refunds | 179 | 4% | (14) | (0%) |
| 2,553 | 2,764 | 2,664 | Other Premium Revenue | (211) | (8%) | (111) | (4%) |
| 919,304 | 912,430 | 701,163 | Total Operating Revenue | 6,874 | 1% | 218,141 | 31% |
| NON-OPERATING REVENUE | | | | | | | |
| 2,365 | 2,106 | 2,020 | Life Insurance | 259 | 12% | 345 | 17% |
| 0 | 0 | 52,000 | Direct Transfer | 0 | 0% | (52,000) | (100%) |
| 14,539 | 8,416 | 8,182 | Interest and Investment Income | 6,123 | 73% | 6,357 | 78% |
| 16,904 | 10,522 | 62,202 | Total Non-Operating Revenue | 6,382 | 61% | (45,298) | (73%) |
| 936,208 | 922,952 | 763,365 | TOTAL REVENUE | 13,256 | 1% | 172,843 | 23% |
| EXPENSES | | | | | | | |
| 637,560 | 604,984 | 468,987 | Claims Expense - Medical | (32,576) | (5%) | (168,573) | (36%) |
| 246,696 | 210,735 | 173,249 | Claims Expense - Drugs | (35,961) | (17%) | (73,447) | (42%) |
| 64,226 | 67,748 | 54,401 | Payments to Managed Care Org. | 3,522 | 5% | (9,825) | (18%) |
| 21,974 | 23,271 | 27,264 | Administrative Service Fees | 1,297 | 6% | 5,290 | 19% |
| 407 | 93 | 476 | Wellness and Disease Management | (314) | (338%) | 69 | 14% |
| 6,016 | 5,547 | 5,249 | Other Operating Expenses | (469) | (8%) | (767) | (15%) |
| 1,844 | 2,182 | 1,836 | Life Insurance Expense | 338 | 15% | (8) | (0%) |
| 514 | 477 | 498 | ACA Comparative Effectiveness Fee | (37) | (8%) | (16) | (3%) |
| 979,237 | 915,037 | 731,960 | TOTAL EXPENSES | (64,200) | (7%) | (247,277) | (34%) |
| (43,028) | 7,915 | 31,405 | YTD Surplus (Deficit) | (50,943) | (644%) | (74,433) | (237%) |
| 124,830 | 124,830 | 93,425 | Total Net Position, Beginning of Period | 0 | 0% | 31,405 | 34% |
| \$81,802 | \$132,745 | \$124,830 | Total Net Position, End of Period | (\$50,943) | (38%) | (\$43,028) | (34%) |

Real Estate Division
August 2024
Interim Packet

Department of Administration Real Estate Division Leasing Report
For the period of July 1 - 31, 2024

There are 24 leasing changes for this period, and they are as follows:

- 2 - Straight Renewal - DOA OWNED
- 2 - Straight Renewal
- 4 - Renewal with Increase in Rent
- 6 - Renewal with Decrease in Rent - DOA OWNED
- 1 - Renewal with Increase in Rent and Decrease in Square Feet - DOA OWNED
- 1 - Renewal with Decrease in Rent and Increase in Square Feet - DOA OWNED
- 1 - Renewal with Increase in Square Feet
- 1 - Increase in Square Feet
- 4 - Cancellation
- 2 - Non-Renewal

Department of Administration Real Estate Division Leasing Report

For the period of July 1 - 31, 2024

STRAIGHT RENEWAL – DOA OWNED

OFFICES OF THE INSURANCE COMMISSIONER

INS-040 Renewal consisting of 245 square feet of storage space at the current annual per square foot rate of \$7.26, annual cost \$1,778.70 and shall continue until updated, full service, Building #86, 1124 Smith Street, in the City of Charleston, Kanawha County, West Virginia.

LOTTERY COMMISSION

LOT-009 Renewal consisting of 2,978 square feet of office space at the current annual per square foot rate of \$17.83, annual cost \$53,097.74 and shall continue until updated, full service, Building #34, 100 Municipal Plaza, in the City of Weirton, Hancock County, West Virginia.

STRAIGHT RENEWAL

LOTTERY COMMISSION

LOT-006 Renewal for 3 years consisting of 190 square feet of office space at the current annual per square foot rate of \$8.00, annual cost \$1,520.00, full service, 1 South Stone Street, in the City of Wheeling, Ohio County, West Virginia.

DIVISION OF NATURAL RESOURCES

NAT-135 Renewal for 10 years consisting of 600 square feet of storage space at the current monthly rate of \$100.00, annual cost \$1,200.00, full service, 3562 Greenhills Road, in the City of Ravenswood, Jackson County, West Virginia.

RENEWAL WITH INCREASE IN RENT

STATE ATHLETIC COMMISSION

SAC-001 Renewal for 3 years consisting of 359 square feet of office space with an increase in the annual per square foot rate from \$12.50 to \$13.00, annual cost \$4,667.00, full service, street address, in the City of Charleston, Kanawha County, West Virginia.

DEPARTMENT OF HUMAN SERVICES

HUM-003 Renewal for 10 years consisting of 6,287 square feet of group home and office space at the current annual per square foot rate of \$17.50, annual cost \$110,022.48, for years 1-5 then an increase in the annual per square foot rate to \$18.99, annual cost \$119,390.16, for years 6-10, 243 American Way, in the City of Weirton, Brooke County, West Virginia.

AVIATION DIVISION

AVD-002 Renewal for 5 years consisting of 2,040 square feet of office space with an increase in the annual per square foot rate from \$16.50 to \$19.00, annual cost \$38,760.00, utilities included, 400 Eagle Mountain Road, in the City of Charleston, Kanawha County, West Virginia.

RENEWAL WITH INCREASE IN RENT - Continued

DIVISION OF FORESTRY

FOR-086 Renewal for 10 years consisting of 2,371 square feet of office/storage space with an increase in the annual per square foot rate from \$7.59 to \$9.11, annual cost \$21,599.81, for years 1-5, and an increase in the annual per square foot rate to \$10.12, annual cost \$23,994.52 for years 6-10, Tenant pays janitorial services and supplies, 61 5th Street, in the City of Buckhannon, Upshur County, West Virginia.

RENEWAL WITH DECREASE IN RENT- DOA OWNED

DIVISION OF CORRECTIONS AND REHABILITATION

COR-085 Renewal consisting of 24,722 square feet of office and storage space with a decrease in the annual per square foot rate from \$11.29 to \$10.73, annual cost \$265,267.06, for year 1, then a decrease in the annual per square foot rate to \$10.19, annual cost \$251,917.18 for year 2 and shall continue until updated, full service, 1409 Greenbrier Street, in the City of Charleston, Kanawha County, West Virginia.

SOLID WASTE MANAGEMENT BOARD

SWM-001 Renewal consisting of 3,065 square feet of office space with a decrease in the annual per square foot rate from \$15.05 to \$14.30, annual cost \$43,829.50 for year 1, with a decrease in the annual per square foot rate to \$13.71, annual cost \$42,021.15 for year 2 and shall continue until updated, full service, Building #37, 601 57th Street, SE, in the City of Charleston, Kanawha County, West Virginia.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

DEP-160 Renewal consisting of 130,604 square feet of office space with a decrease in the annual per square foot rate from \$15.05 to \$14.30, annual cost \$1,867,637.20 for year 1, with a decrease in the annual per square foot rate to \$13.71, annual cost \$1,790,580.84 for year 2 and shall continue until updated, full service, Building #37, 601 57th Street, SE, in the City of Charleston, Kanawha County, West Virginia.

PUBLIC EMPLOYEES INSURANCE AGENCY

PEI-003 Renewal consisting of 16,638 square feet of office space with a decrease in the annual per square foot rate from \$15.05 to \$14.30, annual cost \$237,923.40 for year 1, with a decrease in the annual per square foot rate to \$13.71, annual cost \$228,106.98 for year 2 and shall continue until updated, full service, Building #37, 601 57th Street, SE, in the City of Charleston, Kanawha County, West Virginia.

WEST VIRGINIA OFFICE OF TECHNOLOGY

OOT-003 Renewal consisting of 23,443 square feet of office space with a decrease in the annual per square foot rate from \$11.16 to \$10.60, annual cost \$248,495.80 for year 1, with a decrease in the annual per square foot rate to \$10.07, annual cost \$236,071.01 for year 2 and shall continue until updated, full service, Building #5, 1900 Kanawha Boulevard, East, in the City of Charleston, Kanawha County, West Virginia.

OFFICES OF THE INSURANCE COMMISSIONER

INS-033 Renewal consisting of 2,798 square feet of office space with an increase in the annual per square foot rate from \$22.99 to \$25.29, annual cost \$70,761.42 for year 1, with an increase in the annual per square foot rate to \$27.82, annual cost \$77,840.36 for year 2 and shall continue until updated, full service, Building #54, 416 Adams Street, in the City of Fairmont, Marion County, West Virginia.

RENEWAL WITH INCREASE IN RENT AND DECREASE IN SQUARE FEET - DOA OWNED

PROSECUTING ATTORNEYS INSTITUTE

PAI-003 Renewal with a decrease of square feet from 2,144 square feet of office space to 1,372 square feet of office space (and 200 square feet of storage space at no cost) and an increase in the annual per square foot rate of from \$14.00 to \$14.80, annual cost \$20,305.56 and shall continue until updated, full service, Building #86, 1124 Smith Street, in the City of Charleston, Kanawha County, West Virginia.

RENEWAL WITH DECREASE IN RENT AND INCREASE IN SQUARE FEET - DOA OWNED

DIVISION OF HIGHWAYS

HWY-001 Renewal with increase in square feet from 210,550 square feet to 212,686 square feet of office space with a decrease in the rate from \$11.16 to \$10.60, annual cost \$2,254,472.00 for year 1, and from \$10.60 to \$10.07, annual cost \$2,141,748.00 for year 2 and shall continue until updated, full service, 1900 Kanawha Boulevard, East, in the City of Charleston, Kanawha County, West Virginia.

RENEWAL WITH INCREASE IN SQUARE FEET

DIVISION OF CORRECTIONS AND REHABILITATION, BUREAU OF JUVENILE SERVICES

BJS-041 Renewal for 3 years with an increase of square feet from 5,436 square feet to 5,684 square feet of office and classroom space at the current monthly rate of \$700.00, annual cost \$8,400.00, water, sewer, and dumpster service is included, 2507 9th Avenue, in the City of Parkersburg, Wood County, West Virginia.

INCREASE IN SQUARE FEET

DIVISION OF CORRECTIONS AND REHABILITATION, BUREAU OF JUVENILE SERVICES

BJS-038 Increase of square feet from 3,401 square feet to 3,641 square feet of office and classroom space at the current annual per square foot rate of \$16.80, annual cost \$61,168.80, for year 1, then an increase in the annual per square foot rate to \$17.80, annual cost \$64,809.80, for years 3-5, utilities included, 408 EB Saunders Way, in the City of City of Clarksburg, Harrison County, West Virginia.

CANCELLATION

DEPARTMENT OF ENVIRONMENTAL PROTECTION

DEP-191 Lease cancellation consisting of 80 square feet of storage space, at the monthly rate of \$25.00, annual cost \$300.00, 101 Cambridge Place, in the City of Bridgeport, Harrison County, West Virginia.

DEP-186 Lease cancellation consisting of 4,960 square feet of office space, at the annual per square foot rate of \$17.96, annual cost \$89,081.60, 101 Cambridge Place, in the City of Bridgeport, Harrison County, West Virginia.

CANCELLATION - Continued

DEPARTMENT OF ENVIRONMENTAL PROTECTION

DEP-149 Lease cancellation consisting of 11,922 square feet of office and storage space, at the annual per square foot rate of \$13.68 annual cost \$163,092.96, full service, 2031 Pleasant Valley Road, in the City of Fairmont, Marion County, West Virginia.

DEPARTMENT OF HEALTH AND HUMAN RESOURCES

HHR-165 Lease cancellation consisting of 3,402 square feet of office/storage space, at the annual per square foot rate of \$11.32 annual cost \$38,510.64, full service, 808 B Street, in the City of St. Albans, Kanawha County, West Virginia.

NON-RENEWAL

WEST VIRGINIA STATE POLICE

PSA-023 Lease non-renewal consisting of 1 acre of land for a communication tower and an equipment building, at the annual rate of \$1,600.00 Union District, in the City of Wayne, Wayne County, West Virginia.

DEPARTMENT OF HEALTH AND HUMAN RESOURCES

HHR-262 Lease non-renewal consisting of 7,800 square feet of office space, at the annual per square foot rate of \$12.42 annual cost \$96,909.48, utilities included, 2001 Union Carbide Drive, in the City of South Charleston, Kanawha County, West Virginia.

Real Estate Division
 Monthly Summary of Lease Activity
 July 1 - 31, 2024

| # of Transactions | Agency | Lease # | County | Square Feet | Rental Rate | Annual Rent | Term in years | Total Aggregate | |
|-------------------|--|---------|----------|-------------|-------------|-------------|---------------|-----------------|------|
| 1 | Offices of the Insurance Commissioner | INS-040 | Kanawha | 245 | 7.26 | 1,779 | 2.00 | 3,557 | ** |
| 2 | Lottery Commission | LOT-009 | Hancock | 2,978 | 17.83 | 53,098 | 2.00 | 106,195 | ** |
| 3 | Lottery Commission | LOT-006 | Ohio | 190 | 8.00 | 1,520 | 3.00 | 4,560 | |
| 4 | Division of Natural Resources | NAT-135 | Jackson | 600 | 2.00 | 1,200 | 10.00 | 12,000 | |
| 5 | State Athletic Commission | SAC-001 | Kanawha | 359 | 13.00 | 4,667 | 3.00 | 14,001 | |
| 6 | Department of Human Resources | HUM-003 | Brooke | 6,287 | 17.50 | 110,023 | 5.00 | 550,113 | * |
| | Department of Human Resources | HUM-003 | Brooke | 6,287 | 18.99 | 119,390 | 5.00 | 596,951 | * |
| 7 | Aviation Division | AVD-002 | Kanawha | 2,040 | 19.00 | 38,760 | 5.00 | 193,800 | |
| 8 | Division of Forestry | FOR-086 | Upshur | 2,371 | 9.11 | 21,600 | 5.00 | 107,999 | |
| | Division of Forestry | FOR-086 | Upshur | 2,371 | 10.12 | 23,995 | 5.00 | 119,973 | |
| 9 | Division of Corrections and Rehabilitation | COR-086 | Kanawha | 24,722 | 10.73 | 265,267 | 1.00 | 265,267 | |
| | Division of Corrections and Rehabilitation | COR-086 | Kanawha | 24,722 | 10.19 | 251,917 | 1.00 | 251,917 | ** |
| 10 | Solid Waste Management Board | SWM-001 | Kanawha | 3,065 | 14.30 | 43,830 | 1.00 | 43,830 | |
| | Solid Waste Management Board | SWM-001 | Kanawha | 3,065 | 13.71 | 42,021 | 1.00 | 42,021 | ** |
| 11 | Department of Environmental Protection | DEP-160 | Kanawha | 130,604 | 14.30 | 1,867,637 | 1.00 | 1,867,637 | * |
| | Department of Environmental Protection | DEP-160 | Kanawha | 130,604 | 13.71 | 1,790,581 | 1.00 | 1,790,581 | */** |
| 12 | Public Employees Insurance Agency | PEI-003 | Kanawha | 16,638 | 14.30 | 237,923 | 1.00 | 237,923 | |
| | Public Employees Insurance Agency | PEI-003 | Kanawha | 16,638 | 13.71 | 228,107 | 1.00 | 228,107 | ** |
| 13 | WV Office of Technology | OOT-003 | Kanawha | 23,443 | 10.60 | 248,496 | 1.00 | 248,496 | |
| | WV Office of Technology | OOT-003 | Kanawha | 23,443 | 10.07 | 236,071 | 1.00 | 236,071 | ** |
| 14 | Offices of the Insurance Commissioner | INS-033 | Marion | 2,798 | 25.29 | 70,761 | 1.00 | 70,761 | |
| | Offices of the Insurance Commissioner | INS-033 | Marion | 2,798 | 27.82 | 77,840 | 1.00 | 77,840 | ** |
| 15 | Prosecuting Attorneys Institute | PAI-003 | Kanawha | 1,372 | 14.80 | 20,306 | 1.00 | 20,306 | ** |
| 16 | Division of Highways | HWY-001 | Kanawha | 212,686 | 10.60 | 2,254,472 | 1.00 | 2,254,472 | * |
| | Division of Highways | HWY-001 | Kanawha | 212,686 | 10.07 | 2,141,748 | 1.00 | 2,141,748 | */** |
| 17 | DOCR, Bureau of Juvenile Services | BJS-041 | Wood | 5,684 | 1.48 | 8,400 | 3.00 | 25,200 | |
| 18 | DOCR, Bureau of Juvenile Services | BJS-038 | Harrison | 3,641 | 16.80 | 61,169 | 1.00 | 61,169 | |
| | DOCR, Bureau of Juvenile Services | BJS-038 | Harrison | 3,641 | 17.80 | 64,810 | 3.00 | 194,429 | |

373.09
Total Rentable : 865,978
Average Annual Rental Rate 26.65
Total Annual Rent 10,287,386

* Indicates the rental rate will exceed \$1,000,000.00 within the term of the lease.
 **Indicates the lease automatically renews at the rate listed until updated by RED.

TERMINATIONS

| # of | Agency | Lease # | County | Square | Rental | Annual |
|------|--|---------|----------|--------|----------|---------|
| 19 | Department of Environmental Protection | DEP-191 | Harrison | 80 | 3.75 | 300 |
| 20 | Department of Environmental Protection | DEP-186 | Harrison | 4,960 | 17.96 | 89,082 |
| 21 | Department of Environmental Protection | DEP-149 | Marion | 11,922 | 13.68 | 163,093 |
| 22 | Department of Health and Human Resources | HHR-165 | Kanawha | 3,402 | 11.32 | 38,511 |
| 23 | West Virginia State Police | PSA-023 | Wayne | 1 | 1,600.00 | 1,600 |
| 24 | Department of Health and Human Resources | HHR-262 | Kanawha | 7,800 | 12.42 | 96,909 |

Total Rentable Square Feet 28,165
Total Annual Rent 389,495

MEDICAID REPORT JUNE 2024

August 2024



WEST VIRGINIA DEPARTMENT OF

**HUMAN
SERVICES**

Bureau for Medical Services

Submitted to

Joint Committee on Government and Finance
and

Legislative Oversight Commission on Health and Human
Resources Accountability

WV DEPARTMENT OF HUMAN SERVICES
 BUREAU FOR MEDICAL SERVICES
 EXPENDITURES BY PROVIDER TYPE
 SFY2024

MONTH OF JUNE 2024

| | ACTUALS | TOTAL | ACTUALS | ESTIMATE | ACTUALS | Difference |
|---|---------------|---------------|------------------------------------|------------------------------------|----------------------------------|--------------------------|
| | SFY2023 | SFY2024 | Current Month Ended 06/30/24 | Current Month Ended 06/30/24 | Year To-Date Thru 06/30/24 | Budget vs 06/30/24 |
| EXPENDITURES: | | | | | | |
| Inpatient Hospital - Reg. Payments | 81,103,148 | 92,979,426 | 3,531,076 | 7,438,354 | 80,479,735 | 12,499,691 |
| Inpatient Hospital - DSH | 57,339,873 | 53,500,000 | 607,045 | 4,280,000 | 50,312,786 | 3,187,214 |
| Inpatient Hospital - Supplemental Payments | 1,098,674 | - | - | - | - | - |
| Inpatient Hospital - GME Payments | 14,461,737 | 13,452,984 | - | 1,076,239 | 14,955,984 | (1,503,000) |
| Mental Health Facilities | 6,295,274 | 9,855,666 | 528,210 | 788,453 | 9,257,330 | 598,336 |
| Mental Health Facilities - DSH Adjustment Payments | 16,372,757 | 18,887,045 | - | 1,510,964 | 21,401,331 | (2,514,286) |
| Nursing Facility Services - Regular Payments | 909,736,563 | 910,851,905 | 91,614,050 | 72,868,152 | 1,014,717,191 | (103,865,286) |
| Nursing Facility Services - Supplemental Payments | - | 25,000,000 | - | 2,000,000 | - | 25,000,000 |
| Intermediate Care Facilities - Public Providers | - | - | - | - | - | - |
| Intermediate Care Facilities - Private Providers | 70,285,738 | 61,773,950 | 6,010,890 | 4,941,916 | 72,228,418 | (10,454,468) |
| Intermediate Care Facilities - Supplemental Payments | - | - | - | - | - | - |
| Physicians Services - Regular Payments | 27,303,815 | 27,571,075 | 2,319,271 | 2,205,686 | 31,135,709 | (3,564,634) |
| Physicians Services - Supplemental Payments | - | - | - | - | - | - |
| Physician and Surgical Services - Evaluation and Management | - | - | - | - | - | - |
| Physician and Surgical Services - Vaccine Codes | - | - | - | - | - | - |
| Outpatient Hospital Services - Regular Payments | 34,572,879 | 36,497,510 | 3,144,581 | 2,919,801 | 40,436,045 | (3,938,535) |
| Outpatient Hospital Services - Supplemental Payments | - | - | - | - | - | - |
| Prescribed Drugs | 889,666,463 | 961,587,502 | 58,424,736 | 76,927,000 | 870,683,830 | 90,903,672 |
| Drug Rebate Offset - National Agreement | (591,930,088) | (466,000,000) | (46,588,691) | (37,280,000) | (499,629,885) | 33,629,885 |
| Drug Rebate Offset - State Sidebar Agreement | (97,081,651) | (48,000,000) | (1,919,467) | (3,840,000) | (110,455,674) | 62,455,674 |
| Drug Rebate Offset - MCO National | (8,746,526) | (12,600,000) | (267,848) | (1,008,000) | (6,337,539) | (6,262,461) |
| Drug Rebate Offset - MCO State Sidebar Agreement | 17,601 | - | - | - | - | - |
| ODD Medication Assisted Treatment—Drugs | 86,680,518 | - | 5,567,892 | - | 88,013,226 | (88,013,226) |
| Dental Services | 4,326,025 | 4,399,087 | 409,522 | 351,927 | 4,980,895 | (581,809) |
| Other Practitioners Services - Regular Payments | 146,588,874 | 17,263,355 | 13,460,064 | 1,381,068 | 204,035,871 | (186,772,516) |
| Other Practitioners Services - Supplemental Payments | - | - | - | - | - | - |
| Clinic Services | 2,442,194 | 1,433,269 | 209,371 | 114,662 | 3,424,613 | (1,991,344) |
| Lab & Radiological Services | 5,444,721 | 6,061,343 | 605,738 | 484,907 | 6,345,173 | (283,829) |
| Home Health Services | 22,635,227 | 31,691,744 | 1,689,267 | 2,535,340 | 19,575,013 | 12,116,731 |
| Hysterectomies/Sterilizations | 7,015 | 2,928 | - | 234 | 4,402 | (1,474) |
| Pregnancy Terminations ⁽²⁾ | - | 19,089 | - | 1,527 | - | 19,089 |
| EPSDT Services | 1,214,270 | 771,690 | 109,090 | 61,735 | 1,624,336 | (852,645) |
| Rural Health Clinic Services | 2,449,746 | 2,237,118 | 173,738 | 178,969 | 3,593,379 | (1,356,261) |
| Medicare Health Insurance Payments - Part A Premiums | 28,308,602 | 30,240,573 | 2,748,981 | 2,419,246 | 29,878,225 | 362,348 |
| Medicare Health Insurance Payments - Part B Premiums | 150,906,037 | 170,705,833 | 12,095,845 | 13,656,467 | 147,248,461 | 23,457,372 |
| 120% - 134% Of Poverty | 15,979,491 | 16,226,884 | 1,174,333 | 1,298,151 | 16,268,702 | (41,818) |
| 135% - 175% Of Poverty | - | - | - | - | - | - |
| Coinsurance And Deductibles | 13,687,829 | 12,394,747 | 1,116,507 | 991,580 | 13,872,088 | (1,477,341) |

WV DEPARTMENT OF HUMAN SERVICES
 BUREAU FOR MEDICAL SERVICES
 EXPENDITURES BY PROVIDER TYPE
 SFY2024

| | MONTH OF JUNE 2024 | | ACTUALS | TOTAL | ACTUALS | ESTIMATE | ACTUALS | Difference |
|--|----------------------|----------------------|------------------------------|---------|------------------------------|------------------------------|----------------------------|--------------------|
| | SFY2023 | SFY2024 | Current Month Ended 06/30/24 | SFY2024 | Current Month Ended 06/30/24 | Current Month Ended 06/30/24 | Year To-Date Thru 06/30/24 | Budget vs 06/30/24 |
| Medicaid Health Insurance Payments: Managed Care Organizations (MCO) | 2,699,447,506 | 2,316,592,754 | 231,334,962 | | 185,327,420 | | 2,266,208,133 | 50,384,621 |
| Medicaid MCO - Evaluation and Management | - | - | - | | - | | - | - |
| Medicaid MCO - Vaccine Codes | - | - | - | | - | | - | - |
| Medicaid Health Insurance Payments: Prepaid Ambulatory Health Plan | - | - | - | | - | | - | - |
| Medicaid Health Insurance Payments: Prepaid Inpatient Health Plan | - | - | - | | - | | - | - |
| Medicaid Health Insurance Payments: Group Health Plan Payments | 2,311,560 | 2,219,207 | - | | 177,537 | | 2,557,631 | (338,424) |
| Medicaid Health Insurance Payments: Coinsurance | - | - | - | | - | | - | - |
| Medicaid Health Insurance Payments: Other | - | - | - | | - | | - | - |
| Home & Community-Based Services (IDD) | 399,436,614 | 425,644,479 | 25,197,586 | | 34,051,558 | | 329,748,036 | 95,896,443 |
| Home & Community-Based Services (Aged/Disabled) | 114,651,033 | 162,465,610 | 5,130,541 | | 12,997,249 | | 56,130,703 | 106,334,908 |
| Home & Community-Based Services (Traumatic Brain Injury) | 3,938,462 | 2,368,144 | 80,627 | | 189,451 | | 1,257,727 | 1,110,417 |
| Home & Community-Based Services (State Plan 1915(i) Only) | - | - | - | | - | | - | - |
| Home & Community-Based Services (State Plan 1915(j) Only) | - | - | - | | - | | - | - |
| Community Supported Living Services | - | - | - | | - | | - | - |
| Programs Of All-Inclusive Care Elderly | - | - | - | | - | | - | - |
| Personal Care Services - Regular Payments | 58,767,481 | 86,842,302 | 1,063,568 | | 6,947,384 | | 15,073,912 | 71,768,390 |
| Personal Care Services - SDS 1915(j) | - | - | - | | - | | - | - |
| Targeted Case Management Services - Com. Case Management | - | - | - | | - | | - | - |
| Targeted Case Management Services - State Wide | 1,953,673 | 2,125,804 | 44,897 | | 170,064 | | 675,729 | 1,450,075 |
| Primary Care Case Management Services | - | - | - | | - | | - | - |
| Hospice Benefits | 30,179,762 | 27,812,852 | 4,159,048 | | 2,225,028 | | 37,769,986 | (9,957,134) |
| Emergency Services Undocumented Aliens | 1,591,557 | 599,899 | 128,297 | | 47,992 | | 862,430 | (262,531) |
| Federally Qualified Health Center | 11,339,883 | 6,515,541 | 599,703 | | 521,243 | | 15,863,446 | (9,347,905) |
| Non-Emergency Medical Transportation | 41,612,362 | 42,182,568 | 3,249,310 | | 3,374,605 | | 39,927,459 | 2,255,109 |
| Physical Therapy | 1,001,192 | 985,693 | 68,041 | | 78,855 | | 1,022,382 | (36,689) |
| Occupational Therapy | 417,926 | 408,056 | 25,709 | | 32,644 | | 424,227 | (16,171) |
| Services for Speech, Hearing & Language | 286,823 | 236,711 | 21,243 | | 18,937 | | 285,565 | (48,854) |
| Prosthetic Devices, Dentures, Eyeglasses | 799,272 | 564,182 | 44,041 | | 45,135 | | 830,381 | (266,199) |
| Diagnostic Screening & Preventive Services | 74,116 | 63,414 | 6,510 | | 5,073 | | 92,984 | (29,570) |
| Nurse Mid-Wife | 96,015 | 101,173 | 6,371 | | 8,094 | | 119,754 | (18,581) |
| Emergency Hospital Services | - | - | (192) | | - | | 1,347 | (1,347) |
| Critical Access Hospitals | 23,286,462 | 21,496,408 | 1,521,499 | | 1,719,713 | | 23,286,959 | (1,790,551) |
| Nurse Practitioner Services | 4,696,653 | 3,859,208 | 483,216 | | 308,737 | | 6,088,485 | (2,229,277) |
| School Based Services | 32,482,763 | 29,998,882 | 29,435,238 | | 2,399,911 | | 32,306,546 | (2,307,663) |
| Rehabilitative Services (Non-School Based) | 36,592,651 | 26,807,946 | 2,444,414 | | 2,233,995 | | 32,979,709 | (6,171,764) |
| 2a) Opioid Treatment Program (OTP) - Methadone services | 146,007 | - | 11,878 | | - | | 163,700 | (163,700) |
| 2a) Opioid Treatment Program (OTP) - Peer Recovery Support Services | 2,322,357 | - | - | | - | | 4,567 | (4,567) |
| 2a) Opioid Treatment Program (OTP) - Residential Adult Services | 7,008,425 | - | 904,850 | | - | | 11,203,875 | (11,203,875) |
| 2a) OUD Medicaid Assisted Treatment Services | 16,386,491 | - | 1,040,539 | | - | | 16,943,910 | (16,943,910) |
| 2a) Opioid Treatment Program (OTP) - Other | 629,873 | - | 51,163 | | - | | 689,814 | (689,814) |
| Private Duty Nursing | 4,636,150 | 4,807,324 | 351,190 | | 384,586 | | 5,406,515 | (599,192) |
| Freestanding Birth Centers | - | - | - | | - | | - | - |
| Health Home for Enrollees w Chronic Conditions | 2,657,501 | 2,507,273 | 110,874 | | 200,582 | | 2,022,694 | 484,580 |
| Other Care Services | 26,284,761 | 36,847,337 | 2,522,210 | | 2,947,787 | | 33,133,542 | 3,713,795 |
| Less: Recoupments | - | - | (76,825) | | - | | (937,888) | 937,888 |
| NET MEDICAID EXPENDITURES: | 5,416,202,136 | 5,182,857,492 | 466,724,709 | | 414,717,959 | | 5,060,193,905 | 122,663,587 |

WV DEPARTMENT OF HUMAN SERVICES
 BUREAU FOR MEDICAL SERVICES
 EXPENDITURES BY PROVIDER TYPE
 SFY2024

MONTH OF JUNE 2024

| | ACTUALS | TOTAL | ACTUALS | ESTIMATE | ACTUALS | Difference |
|--|------------------------|------------------------|------------------------------------|------------------------------------|----------------------------------|--------------------------|
| | SFY2023 | SFY2024 | Current Month Ended 06/30/24 | Current Month Ended 06/30/24 | Year To-Date Thru 06/30/24 | Budget vs 06/30/24 |
| Collections: Third Party Liability (line 9A on CMS-64) | (8,071,960) | - | - | - | (4,591,500) | 4,591,500 |
| Collections: Probate (line 9B on CMS-64) | (2,609,787) | - | - | - | (3,093,117) | 3,093,117 |
| Collections: Identified through Fraud & Abuse Effort (line 9C on CMS-64) | (917,727) | - | - | - | (452,365) | 452,365 |
| Collections: Other (line 9D on CMS-64) | (35,290,306) | - | - | - | (28,814,283) | 28,814,283 |
| NET EXPENDITURES and CMS-64 ADJUSTMENTS: | 5,369,312,356 | 5,182,857,492 | 466,724,709 | 414,717,959 | 5,023,242,639 | 159,614,853 |
| Plus: Medicaid Part D Expenditures | 43,535,275 | 52,661,876 | 4,735,583 | 4,212,950 | 52,812,392 | (150,515) |
| Plus: State Only Medicaid Expenditures | 187,230 | 262,845 | 25,798 | 21,028 | 204,570 | 58,275 |
| Plus: Money Follow the Person Expenditures | 1,170,896 | 1,037,688 | 70,507 | 83,015 | 1,049,581 | (11,893) |
| TOTAL MEDICAID EXPENDITURES | \$5,414,205,758 | \$5,236,819,901 | \$471,556,598 | \$419,034,952 | \$5,077,309,182 | \$159,510,719 |
| Plus: Reimbursables ⁽¹⁾ | 4,404,092 | - | 444,270 | - | 5,819,748 | (5,819,748) |
| Plus: NATCEP/PASARR/Eligibility Exams | 241,251 | 29,578 | 5,000 | 2,366 | 242,674 | (213,095) |
| Plus: HIT Incentive Payments | - | - | - | - | - | - |
| TOTAL EXPENDITURES | \$5,418,851,102 | \$5,236,849,480 | \$472,005,868 | \$419,037,318 | \$5,083,371,604 | \$153,477,876 |

(1) This amount will revert to State Only if not reimbursed.

(2) Pregnancy Terminations are State Only expenditures and are not currently claimed.

(3) Of the amount in the 'Nursing Facility Services - Regular Payments' line \$31,776,555 is the amount paid to State Facilities year to date.

**WV DEPARTMENT OF HUMAN SERVICES
BUREAU FOR MEDICAL SERVICES
MEDICAID CASH REPORT
SFY2024**

| MONTH OF JUNE 2024 | ACTUALS | ACTUALS | ACTUALS | Difference | TOTAL |
|---|-------------------------|------------------------------------|----------------------------------|------------------------|-------------------------|
| | SFY2023 | Current Month Ended 06/30/24 | Year-To-Date Thru 06/30/24 | Budget vs Actual | SFY2024 |
| REVENUE SOURCES | | | | | |
| Beg. Bal. (5084/1020 prior mth) | 81,507,579 | 37,949,157 | 127,247,384 | - | 127,247,384 |
| MATCHING FUNDS | | | | | |
| General Revenue (0403/189) | 292,112,801 | 33,890,150 | 267,202,774 | - | 267,202,774 |
| IDD Waiver (0403/466) | 108,541,736 | 11,939,591 | 108,541,736 | - | 108,541,736 |
| Rural Hospitals Under 150 Beds (0403/940) | 2,596,000 | 216,334 | 2,596,000 | - | 2,596,000 |
| Tertiary Funding (0403/547) | 6,356,000 | 529,666 | 6,356,000 | - | 6,356,000 |
| Traumatic Brain Injury (0403/835) | 800,000 | 88,000 | 800,000 | - | 800,000 |
| Title XIX Waiver for Seniors (0403-533) | 13,593,620 | 1,495,299 | 13,593,620 | - | 13,593,620 |
| Medical Services Surplus (0403/633) | 8,800,000 | - | - | - | - |
| Waiver for Senior Citizens Surplus (0403/526) | - | - | - | - | - |
| Lottery Waiver (Less 550,000) (5405/539) | 13,603,501 | - | 23,126,633 | - | 23,126,633 |
| Lottery Waiver (0420/539) | 19,612,957 | - | 10,839,825 | - | 10,839,825 |
| Lottery Transfer (5405/871) | 16,400,070 | - | 16,400,070 | - | 16,400,070 |
| Excess Lottery (5365/189) | 26,697,960 | 26,796,851 | 60,716,750 | - | 60,716,750 |
| Lottery Surplus (5405/68199) | 14,750,000 | - | 14,750,000 | - | 14,750,000 |
| Lottery Surplus (5365/68100) | 16,200,000 | - | 17,000,000 | - | 17,000,000 |
| Trust Fund Appropriation (5185/189) | 14,208,033 | 36,113,612 | 55,000,000 | 16,085,999 | 71,085,999 |
| Provider Tax (5090/189) | 290,400,000 | - | 393,594,315 | 245,657,347 | 639,251,662 |
| NSGO UPL (5084/6717) | - | - | - | - | - |
| Expirations (5084) | - | - | - | - | - |
| Certified Match | 15,218,760 | 8,480,299 | 18,835,700 | (5,129,700) | 13,706,000 |
| Reimbursables - Amount Reimbursed | 7,427,510 | 551,453 | 5,281,103 | (5,281,103) | - |
| Other Revenue (MWIN, Escheated Warrants, etc.) 5084/4010 & 4015 | 10,461 | 62,284 | 512,476 | (512,476) | - |
| CHIP State Share | - | - | - | - | - |
| CMS - 64 Adjustments | 196,666 | - | 1,516,454 | (1,516,454) | - |
| TOTAL MATCHING FUNDS | \$ 949,033,654 | \$ 158,112,697 | \$ 1,143,910,840 | \$ 249,303,613 | \$ 1,393,214,454 |
| FEDERAL FUNDS | 4,596,740,061 | 365,836,961 | 3,991,384,983 | 111,635,340 | 4,103,020,324 |
| TOTAL REVENUE SOURCES | \$ 5,545,773,715 | \$ 523,949,658 | \$ 5,135,295,824 | \$ 360,938,954 | \$ 5,496,234,777 |
| TOTAL EXPENDITURES: | | | | | |
| Provider Payments | \$ 5,418,851,102 | \$ 472,005,868 | \$ 5,083,371,604 | \$ 153,477,876 | \$ 5,236,849,480 |
| TOTAL | \$ 126,922,614 | \$ 51,943,790 | \$ 51,924,219 | \$ 207,461,078 | \$ 259,385,298 |

Note: FMAP (74.10% applicable Jan 2024 - Jun 2024)

MEDICAID WAIVER REPORT JUNE 2024

August 2024



Submitted to

Joint Committee on Government and Finance
and
Legislative Oversight Commission on Health and Human
Resources Accountability

**WV Department of Human Services
Bureau for Medical Services A&D Waiver Program Report**

| Aged & Disabled Waiver Reported June 30, 2024 | | FY2023 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | Mar-24 | Apr-24 | May-24 | Jun-24 | FY2024 YTD |
|--|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|------------|
| Slots Approved By CMS (1) | | 8,500 | 8,500 | 8,500 | 8,500 | 8,500 | 8,500 | 8,500 | 8,750 | 8,750 | 8,750 | 8,750 | 8,750 | 8,750 | 8,750 |
| -Slots Available for Traditional (ADW-WV) enrollees | | 8,424 | 8,424 | 8,424 | 8,424 | 8,424 | 8,424 | 8,424 | 8,674 | 8,674 | 8,674 | 8,674 | 8,674 | 8,674 | 8,674 |
| -Slots reserved for Take Me Home-WV (TMH-WV) enrollees | | 76 | 76 | 76 | 76 | 76 | 76 | 76 | 76 | 76 | 76 | 76 | 76 | 76 | 76 |
| -Slots reserved for Money Follows the Person (MFP-WV) enrollees | | | | | | | | | | | | | | | |
| Total number of members served YTD (unduplicated slots used) (2) <i>YTD Column reflects most recent month's count</i> | | 8,613 | 7,675 | 7,772 | 7,846 | 7,889 | 8,010 | 8,050 | 8,223 | 8,290 | 8,432 | 8,558 | 8,599 | 8,551 | 8,551 |
| Applicants determined eligible this month and added to MEL (3) * 87 of 87 are awaiting Financial Eligibility not yet on MEL | | 2,416 | 137 | 157 | 125 | 151 | 141 | 149 | 179 | 175 | 139 | 169 | 118 | 87 | 87 |
| Applicants determined ineligible | | 123 | 11 | 10 | 7 | 4 | 3 | 7 | 6 | 6 | 8 | 4 | 8 | 2 | 2 |
| ACTIVE MEMBERS | | | | | | | | | | | | | | | |
| Active Traditional Members at the end of the month | | 7,559 | 7,554 | 7,596 | 7,599 | 7,596 | 7,616 | 7,602 | 7,622 | 7,640 | 7,621 | 7,629 | 7,573 | 7,530 | 7,530 |
| Active Take Me Home Members at the end of the month | | 48 | 41 | 44 | 42 | 45 | 46 | 50 | 46 | 47 | 46 | 45 | 45 | 50 | 50 |
| Active Money Follows the Person Members at the end of the month | | | | | | | | | | | | | | | |
| Total Active members at the end of the month (unduplicated slots active) <i>YTD Column reflects most recent month's count</i> | | 7,607 | 7,595 | 7,640 | 7,641 | 7,641 | 7,662 | 7,652 | 7,668 | 7,687 | 7,667 | 7,674 | 7,618 | 7,580 | 7,580 |
| Active members enrolled during the calendar month | | 1,835 | 187 | 195 | 113 | 153 | 127 | 113 | 169 | 159 | 113 | 136 | 75 | 52 | 1,592 |
| -Total Active Traditional members enrolled during the calendar month | | 1,787 | 186 | 190 | 108 | 151 | 120 | 109 | 166 | 153 | 108 | 131 | 72 | 47 | 1,541 |
| -Total Active TMH-WV members enrolled during the calendar month | | 48 | 1 | 5 | 5 | 2 | 7 | 4 | 3 | 6 | 5 | 5 | 3 | 5 | 51 |
| -Total Active MFP-WV members enrolled during the calendar month | | | | | | | | | | | | | | | |
| Members discharged during the calendar month | | 1,516 | 199 | 150 | 112 | 153 | 106 | 123 | 153 | 140 | 133 | 129 | 131 | 90 | 1,619 |
| ADW Members whose case was closed by reason | Member is deceased | 874 | 71 | 31 | 33 | 74 | 63 | 66 | 89 | 77 | 62 | 63 | 71 | 42 | 742 |
| | Other (4) | 642 | 128 | 119 | 79 | 79 | 43 | 57 | 64 | 63 | 71 | 66 | 60 | 48 | 877 |
| MANAGED ENROLLMENT LIST (MEL) | | | | | | | | | | | | | | | |
| # Eligible applicants closed during the calendar month (removed from MEL) | | 2,499 | 248 | 164 | 173 | 178 | 209 | 214 | 211 | 205 | 214 | 218 | 106 | 130 | 2,270 |
| ADW Applicants removed from the MEL | Applicant offered a slot (Traditional + MFP) | 1,330 | 143 | 69 | 74 | 79 | 83 | 105 | 98 | 106 | 96 | 117 | 5 | 35 | 1,010 |
| | Applicant became deceased | 222 | 12 | 8 | 16 | 8 | 13 | 11 | 12 | 4 | 16 | 4 | 12 | 0 | 116 |
| | Other (5) | 947 | 93 | 87 | 83 | 91 | 113 | 98 | 101 | 95 | 102 | 97 | 89 | 95 | 1,144 |
| Applicants on the MEL who are in a nursing facility <i>YTD Column reflects # members in setting during reporting month</i> | | 0 | 0 | 1 | 1 | 1 | 0 | 1 | 0 | 0 | 0 | 6 | 4 | 7 | 7 |
| Applicants on the MEL receiving Personal Care <i>YTD Column reflects # members receiving service during reporting month</i> | | 1 | 0 | 4 | 4 | 0 | 0 | 0 | 1 | 0 | 3 | 4 | 4 | 2 | 2 |
| Applicants on the MEL at the end of month | | 83 | 5 | 25 | 22 | 18 | 20 | 15 | 31 | 36 | 36 | 53 | 161 | 208 | 208 |
| Days - Average time spent on the MEL to date Minus MFP Applicants | | 127 | 28 | 2 | 3 | 1 | 1 | 3 | 1 | 3 | 3 | 5 | 23 | 38 | 9 |

(1) Beginning January 1, 2024, an additional 250 slots were approved by CMS, increasing the total to 8750. Of these slots, 76 are reserved for Money Follows the Person and Rebalancing Demonstration Grant.

(2) Unduplicated slots used refers to the total number of members who accessed services during the fiscal year.

(3) Monthly number added to MEL is being reported in the month an applicant is determined medically eligible; however, the individual's placement date on the managed enrollment list will be based on their initial application date.

(4) Other reasons for closing a case may include, but is not limited to: No services for 180 days, unsafe environment, member non-compliance with program, member no longer desires services, member no longer a WV resident, member no longer medically or financially eligible.

(5) "Other" includes those who are no longer a WV resident, voluntarily decline the program, etc.

**WV Department of Human Services
Bureau for Medical Services /DD Waiver Program Report**

| Intellectual/Developmental Disabilities Waiver Reported June 30, 2024 | FY2023 | July-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | Mar-24 | Apr-24 | May-24 | Jun-24 | YTD2024 |
|--|----------------------------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Slots approved by CMS | 6,115 | 6,115 | 6,115 | 6,115 | 6,115 | 6,115 | 6,115 | 6,115 | 6,115 | 6,115 | 6,115 | 6,115 | 6,115 | 6,115 |
| Total number of members served YTD (unduplicated slots used) (1) | 6,075 | 6,015 | 6,017 | 6,023 | 6,032 | 6,068 | 6,073 | 6,078 | 6,083 | 6,088 | 6,097 | 6,104 | 6,109 | 6,109 |
| Total number of members served YTD in Traditional Slots | 6,073 | 6,013 | 6,015 | 6,021 | 6,029 | 6,065 | 6,070 | 6,074 | 6,078 | 6,083 | 6,091 | 6,096 | 6,101 | 6,101 |
| Total number of members served YTD in Adult Ben H. slots (Active) | 2 | 0 | 1 | 1 | 2 | 2 | 2 | 3 | 3 | 3 | 4 | 5 | 5 | 5 |
| Total number of members served YTD in Children Ben H. slots (Active) | 2 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 2 | 2 | 3 | 3 | 3 |
| Applicants determined eligible (2) | 503 | 31 | 28 | 43 | 37 | 35 | 43 | 34 | 42 | 44 | 41 | 45 | 36 | 459 |
| Applicants determined ineligible (3) | 546 | 40 | 58 | 49 | 61 | 47 | 41 | 38 | 48 | 43 | 44 | 35 | 52 | 556 |
| ACTIVE MEMBERS | | | | | | | | | | | | | | |
| # of active members at the end of the month (unduplicated slots active) (1) | 5,905 | 6,004 | 5,994 | 5,987 | 5,993 | 6,004 | 6,006 | 5,998 | 5,992 | 5,981 | 5,964 | 5,962 | 5,957 | 5,957 |
| Discharged members at the end of the calendar month | 183 | 19 | 14 | 14 | 3 | 27 | 4 | 14 | 12 | 16 | 26 | 9 | 10 | 168 |
| Discharged members who were discharged by reason | Deceased | 67 | 7 | 5 | 5 | 2 | 12 | 2 | 4 | 5 | 6 | 13 | 1 | 63 |
| | Left program to enter a facility | 56 | 4 | 2 | 4 | 0 | 5 | 0 | 2 | 5 | 3 | 5 | 3 | 39 |
| | a. Hospital | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | b. ICF/IID | 30 | 1 | 0 | 3 | 0 | 3 | 0 | 1 | 3 | 0 | 2 | 1 | 18 |
| | c. Nursing Facility | 25 | 3 | 2 | 1 | 0 | 2 | 0 | 1 | 2 | 3 | 3 | 2 | 21 |
| | d. Psychiatric Facility | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | e. Rehabilitation Facility | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | f. Other Facility | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other (6) | 60 | 8 | 7 | 5 | 1 | 10 | 2 | 8 | 2 | 7 | 8 | 5 | 3 | 66 |
| MANAGED ENROLLMENT LIST (MEL) | | | | | | | | | | | | | | |
| Total number of applicants on the MEL at the end of the month | 548 | 459 | 483 | 516 | 540 | 537 | 571 | 588 | 623 | 658 | 686 | 724 | 753 | 753 |
| Number of applicants added to the MEL (4) | 503 | 31 | 28 | 43 | 37 | 35 | 43 | 34 | 42 | 44 | 41 | 45 | 36 | 459 |
| Applicants enrolled (removed from the MEL) | 208 | 118 | 4 | 7 | 9 | 38 | 6 | 6 | 6 | 5 | 9 | 7 | 5 | 220 |
| Applicants removed from the MEL due to Death (5) | 2 | 1 | 0 | 1 | 1 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 4 |
| Applicants removed from the MEL due to Other (6) | 17 | 1 | 0 | 2 | 3 | 0 | 3 | 11 | 1 | 3 | 4 | 0 | 2 | 30 |
| Applicants on the MEL who are in a Nursing Facility | 1 | 3 | 3 | 5 | 4 | 4 | 4 | 3 | 3 | 2 | 1 | 2 | 2 | 2 |
| Applicants on the MEL who are in an ICF/IID Group Home | 20 | 20 | 24 | 22 | 20 | 21 | 25 | 28 | 28 | 39 | 38 | 20 | 23 | 23 |
| Applicants on the MEL receiving Personal Care Services each month | 10 | 10 | 13 | 13 | 8 | 9 | 10 | 6 | 10 | 12 | 13 | 13 | 14 | 14 |
| Longest on the MEL to date (7) | 1173 | 1,204 | 1,235 | 1,265 | 1,296 | 1,326 | 1,357 | 1,213 | 1,242 | 1,273 | 1,303 | 1,068 | 1,098 | 1,098 |

(1) Unduplicated slots used refers to the total number of members who accessed services during the fiscal year.

(2) and (3) Numbers determined medically eligible and ineligible reflect the activity for the month reported. Financial eligibility is not determined until after slot release.

(4) Monthly managed enrollment is being reported in the month an applicant is determined medically eligible; however, the individual's placement date on the managed enrollment list will be based on the date the Medical Eligibility Contract Agent (MECA) determines medical eligibility.

(5) Currently there is no way to track other reasons why someone may leave the MEL for reasons such as moved out of state, decided not to participate in program, etc.

(6) Other reason for program discharge may include, but is not limited to, member is no longer financial or medically eligible, moved out of state, no longer wants the service, etc.

(7) Longest number of days an applicant has been on the MEL.

**WV Department of Human Services
Bureau for Medical Services TBI Waiver Program Report**

| Traumatic Brain Injury Waiver Reported June 30, 2024 | FY2023 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | Mar-24 | Apr-24 | May-24 | Jun-24 | FY2024 YTD |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-------------------|
| Slots Approved By CMS (1) | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 102 | 102 | 102 |
| -Slots Available for Traditional (non TMH-WV) enrollees | 95 | 92 | 92 | 92 | 92 | 92 | 92 | 92 | 94 | 94 | 94 | 100 | 100 | 100 |
| -Slots reserved for Take Me Home-WV (TMH-WV) enrollees | 1 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 2 | 2 | 2 | 2 | 2 | 2 |
| Total number of members served YTD (unduplicated slots used) (2) YTD Column reflects most recent month's count | 96 | 92 | 90 | 93 | 93 | 93 | 94 | 94 | 96 | 96 | 96 | 100 | 100 | 100 |
| Applicants determined eligible this month and added to MEL (3) | 12 | 1 | 3 | 2 | 1 | 2 | 2 | 1 | 0 | 2 | 0 | 0 | 0 | 14 |
| Applicants determined ineligible | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ACTIVE MEMBERS | | | | | | | | | | | | | | |
| Active members at the end of the month (unduplicated slots active) YTD Column reflects most recent month's count | 92 | 92 | 90 | 92 | 92 | 91 | 92 | 91 | 91 | 91 | 90 | 93 | 92 | 92 |
| Active members enrolled during the calendar month | 13 | 0 | 0 | 7 | 0 | 0 | 1 | 0 | 3 | 0 | 0 | 4 | 0 | 15 |
| -Total Active Traditional members enrolled during the calendar month | 12 | 0 | 0 | 6 | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 4 | 0 | 13 |
| -Total Active TMH-WV members enrolled during the calendar month | 1 | 0 | 0 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| Members discharged during the calendar month | 5 | 0 | 2 | 5 | 0 | 1 | 0 | 1 | 3 | 0 | 1 | 1 | 1 | 15 |
| TBIW Members whose case was closed by reason | | | | | | | | | | | | | | |
| Member is deceased | 1 | 0 | 1 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 1 | 1 | 0 | 5 |
| Other (4) | 4 | 0 | 1 | 4 | 0 | 0 | 0 | 1 | 3 | 0 | 0 | 0 | 1 | 10 |
| MANAGED ENROLLMENT LIST (MEL) | | | | | | | | | | | | | | |
| # Eligible applicants closed during the calendar month (removed from MEL) | 0 | 0 | 2 | 4 | 0 | 0 | 1 | 0 | 5 | 0 | 4 | 0 | 0 | 16 |
| TBIW Applicants removed from the MEL | | | | | | | | | | | | | | |
| Applicant offered a slot | 0 | 0 | 2 | 4 | 0 | 0 | 1 | 0 | 5 | 0 | 4 | 0 | 0 | 16 |
| Applicant became deceased | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other (5) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 2 |
| Applicants on the MEL who are in a nursing facility | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Applicants on the MEL receiving Personal Care | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 2 |
| Applicants on the MEL at the end of the month | 2 | 3 | 4 | 2 | 3 | 5 | 6 | 7 | 2 | 4 | 0 | 0 | 0 | 0 |
| Days -Longest time spent on the MEL to date (6) YTD Column reflects average # of days | 15 | 46 | 31 | 23 | 54 | 84 | 115 | 146 | 116 | 147 | 177 | 0 | 0 | 78 |

(1) CMS Approved 96+6=102 slots**. Of the 102 slots approved by CMS, four (4) are reserved for the Money Follows the Person and Rebalancing Demonstration Grant for SFY 2024. 2/2024-two (2) reserved slots released for non TMH applicants. **5/2024-six (6) slots approved by CMS.

(2) Unduplicated slots used refers to the total number of members who accessed services during the fiscal year. Two (2) funded slots became available, no services paid for this SFY .

(3) Monthly number added to MEL is being reported in the month an applicant is determined medically eligible; however, the individual's placement date on the managed enrollment list will be based on their initial application date.

(4) Other reason for closing a case may include, but is not limited to: No services for 180 days, unsafe environment, member non-compliance with program, member no longer desires services, member no longer a WV resident, member no longer medically or financially eligible.

(5) "Other" includes those who are no longer a WV resident, voluntarily decline the program, etc.

(6) Reported in actual number of days on the MEL.

NOTE: All data as reported by the Utilization Management Contractor is point-in-time

MEDICAID REPORT MAY 2024

July 2024



WEST VIRGINIA DEPARTMENT OF

**HUMAN
SERVICES**

Bureau for Medical Services

Submitted to

Joint Committee on Government and Finance
and

Legislative Oversight Commission on Health and Human
Resources Accountability

WV DEPARTMENT OF HUMAN SERVICES
 BUREAU FOR MEDICAL SERVICES
 EXPENDITURES BY PROVIDER TYPE
 SFY2024

MONTH OF MAY 2024

| | ACTUALS | TOTAL | ACTUALS | ESTIMATE | ACTUALS | PROJECTED |
|---|---------------|---------------|------------------------------------|------------------------------------|----------------------------------|-------------------------------|
| | SFY2023 | SFY2024 | Current Month Ended 05/31/24 | Current Month Ended 05/31/24 | Year To-Date Thru 05/31/24 | 06/01/24 Thru 6/30/2024 |
| EXPENDITURES: | | | | | | |
| Inpatient Hospital - Reg. Payments | 81,103,148 | 92,979,426 | 5,114,401 | 8,368,148 | 76,948,659 | 16,030,767 |
| Inpatient Hospital - DSH | 57,339,873 | 53,500,000 | 11,999,998 | 4,815,000 | 49,705,741 | 3,794,259 |
| Inpatient Hospital - Supplemental Payments | 1,098,674 | - | - | - | - | - |
| Inpatient Hospital - GME Payments | 14,461,737 | 13,452,984 | 3,737,007 | 1,210,769 | 14,955,984 | (1,503,000) |
| Mental Health Facilities | 6,295,274 | 9,855,666 | 681,055 | 887,010 | 8,729,120 | 1,126,546 |
| Mental Health Facilities - DSH Adjustment Payments | 16,372,757 | 18,887,045 | - | 1,699,834 | 21,401,331 | (2,514,286) |
| Nursing Facility Services - Regular Payments | 909,736,563 | 910,851,905 | 82,661,576 | 81,976,671 | 923,103,141 | (12,251,236) |
| Nursing Facility Services - Supplemental Payments | - | 25,000,000 | - | 2,250,000 | - | 25,000,000 |
| Intermediate Care Facilities - Public Providers | - | - | - | - | - | - |
| Intermediate Care Facilities - Private Providers | 70,285,738 | 61,773,950 | 6,269,498 | 5,559,656 | 66,217,528 | (4,443,578) |
| Intermediate Care Facilities - Supplemental Payments | - | - | - | - | - | - |
| Physicians Services - Regular Payments | 27,303,815 | 27,571,075 | 2,185,727 | 2,481,397 | 28,816,438 | (1,245,363) |
| Physicians Services - Supplemental Payments | - | - | - | - | - | - |
| Physician and Surgical Services - Evaluation and Management | - | - | - | - | - | - |
| Physician and Surgical Services - Vaccine Codes | - | - | - | - | - | - |
| Outpatient Hospital Services - Regular Payments | 34,572,879 | 36,497,510 | 3,228,294 | 3,284,776 | 37,291,464 | (793,954) |
| Outpatient Hospital Services - Supplemental Payments | - | - | - | - | - | - |
| Prescribed Drugs | 889,666,463 | 961,587,502 | 70,071,119 | 86,542,875 | 812,259,094 | 149,328,408 |
| Drug Rebate Offset - National Agreement | (591,930,088) | (466,000,000) | (2,128,537) | (41,940,000) | (453,041,194) | (12,958,806) |
| Drug Rebate Offset - State Sidebar Agreement | (97,081,651) | (48,000,000) | (26,595,463) | (4,320,000) | (108,536,207) | 60,536,207 |
| Drug Rebate Offset - MCO National | (8,746,526) | (12,600,000) | (7,191) | (1,134,000) | (6,069,691) | (6,530,309) |
| Drug Rebate Offset - MCO State Sidebar Agreement | 17,601 | - | - | - | - | - |
| ODD Medication Assisted Treatment—Drugs | 86,680,518 | - | 6,407,493 | - | 82,445,334 | (82,445,334) |
| Dental Services | 4,326,025 | 4,399,087 | 411,668 | 395,918 | 4,571,373 | (172,287) |
| Other Practitioners Services - Regular Payments | 146,588,874 | 17,263,355 | 13,479,351 | 1,553,702 | 190,575,807 | (173,312,452) |
| Other Practitioners Services - Supplemental Payments | - | - | - | - | - | - |
| Clinic Services | 2,442,194 | 1,433,269 | 222,418 | 128,994 | 3,215,242 | (1,781,973) |
| Lab & Radiological Services | 5,444,721 | 6,061,343 | 446,205 | 545,521 | 5,739,435 | 321,909 |
| Home Health Services | 22,635,227 | 31,691,744 | (61,694) | 2,852,257 | 17,885,746 | 13,805,998 |
| Hysterectomies/Sterilizations | 7,015 | 2,928 | - | 264 | 4,402 | (1,474) |
| Pregnancy Terminations ⁽²⁾ | - | 19,089 | - | 1,718 | - | 19,089 |
| EPSDT Services | 1,214,270 | 771,690 | 136,088 | 69,452 | 1,515,246 | (743,555) |
| Rural Health Clinic Services | 2,449,746 | 2,237,118 | 244,447 | 201,341 | 3,419,641 | (1,182,523) |
| Medicare Health Insurance Payments - Part A Premiums | 28,308,602 | 30,240,573 | 2,323,976 | 2,721,652 | 27,129,244 | 3,111,329 |
| Medicare Health Insurance Payments - Part B Premiums | 150,906,037 | 170,705,833 | 12,416,310 | 15,363,525 | 135,152,616 | 35,553,217 |
| 120% - 134% Of Poverty | 15,979,491 | 16,226,884 | 1,236,177 | 1,460,420 | 15,094,369 | 1,132,515 |
| 135% - 175% Of Poverty | - | - | - | - | - | - |
| Coinsurance And Deductibles | 13,687,829 | 12,394,747 | 1,326,496 | 1,115,527 | 12,755,581 | (360,834) |

WV DEPARTMENT OF HUMAN SERVICES
 BUREAU FOR MEDICAL SERVICES
 EXPENDITURES BY PROVIDER TYPE
 SFY2024

| | MONTH OF MAY 2024 | | ACTUALS | TOTAL | ACTUALS | ESTIMATE | ACTUALS | PROJECTED |
|--|----------------------|----------------------|------------------------------|------------------------------|----------------------------|-------------------------|---------|-----------|
| | SFY2023 | SFY2024 | Current Month Ended 05/31/24 | Current Month Ended 05/31/24 | Year To-Date Thru 05/31/24 | 06/01/24 Thru 6/30/2024 | | |
| Medicaid Health Insurance Payments: Managed Care Organizations (MCO) | 2,699,447,506 | 2,316,592,754 | 146,587,889 | 208,493,348 | 2,034,873,171 | 281,719,583 | | |
| Medicaid MCO - Evaluation and Management | - | - | - | - | - | - | | |
| Medicaid MCO - Vaccine Codes | - | - | - | - | - | - | | |
| Medicaid Health Insurance Payments: Prepaid Ambulatory Health Plan | - | - | - | - | - | - | | |
| Medicaid Health Insurance Payments: Prepaid Inpatient Health Plan | - | - | - | - | - | - | | |
| Medicaid Health Insurance Payments: Group Health Plan Payments | 2,311,560 | 2,219,207 | 206,159 | 199,729 | 2,557,631 | (338,424) | | |
| Medicaid Health Insurance Payments: Coinsurance | - | - | - | - | - | - | | |
| Medicaid Health Insurance Payments: Other | - | - | - | - | - | - | | |
| Home & Community-Based Services (IDD) | 399,436,614 | 425,644,479 | 26,571,157 | 38,308,003 | 304,550,450 | 121,094,029 | | |
| Home & Community-Based Services (Aged/Disabled) | 114,651,033 | 162,465,610 | 5,449,081 | 14,621,905 | 51,000,162 | 111,465,449 | | |
| Home & Community-Based Services (Traumatic Brain Injury) | 3,938,462 | 2,368,144 | 167,265 | 213,133 | 1,177,100 | 1,191,044 | | |
| Home & Community-Based Services (State Plan 1915(i) Only) | - | - | - | - | - | - | | |
| Home & Community-Based Services (State Plan 1915(j) Only) | - | - | - | - | - | - | | |
| Community Supported Living Services | - | - | - | - | - | - | | |
| Programs Of All-Inclusive Care Elderly | - | - | - | - | - | - | | |
| Personal Care Services - Regular Payments | 58,767,481 | 86,842,302 | 1,362,322 | 7,815,807 | 14,010,344 | 72,831,958 | | |
| Personal Care Services - SDS 1915(j) | - | - | - | - | - | - | | |
| Targeted Case Management Services - Com. Case Management | - | - | - | - | - | - | | |
| Targeted Case Management Services - State Wide | 1,953,673 | 2,125,804 | 53,946 | 191,322 | 630,832 | 1,494,972 | | |
| Primary Care Case Management Services | - | - | - | - | - | - | | |
| Hospice Benefits | 30,179,762 | 27,812,852 | 2,505,573 | 2,503,157 | 33,610,938 | (5,798,086) | | |
| Emergency Services Undocumented Aliens | 1,591,557 | 599,899 | 92,629 | 53,991 | 734,133 | (134,234) | | |
| Federally Qualified Health Center | 11,339,883 | 6,515,541 | 691,755 | 586,399 | 15,263,743 | (8,748,202) | | |
| Non-Emergency Medical Transportation | 41,612,362 | 42,182,568 | 3,225,447 | 3,796,431 | 36,678,149 | 5,504,419 | | |
| Physical Therapy | 1,001,192 | 985,693 | 70,510 | 88,712 | 954,341 | 31,352 | | |
| Occupational Therapy | 417,926 | 408,056 | 35,331 | 36,725 | 398,518 | 9,538 | | |
| Services for Speech, Hearing & Language | 286,823 | 236,711 | 19,560 | 21,304 | 264,322 | (27,611) | | |
| Prosthetic Devices, Dentures, Eyeglasses | 799,272 | 564,182 | 54,251 | 50,776 | 786,340 | (222,158) | | |
| Diagnostic Screening & Preventive Services | 74,116 | 63,414 | 6,537 | 5,707 | 86,474 | (23,060) | | |
| Nurse Mid-Wife | 96,015 | 101,173 | 4,575 | 9,106 | 113,383 | (12,210) | | |
| Emergency Hospital Services | - | - | - | - | 1,539 | (1,539) | | |
| Critical Access Hospitals | 23,286,462 | 21,496,408 | 1,880,481 | 1,934,677 | 21,765,460 | (269,052) | | |
| Nurse Practitioner Services | 4,696,653 | 3,859,208 | 446,850 | 347,329 | 5,605,269 | (1,746,061) | | |
| School Based Services | 32,482,763 | 29,998,882 | 278,070 | 2,699,899 | 2,871,308 | 27,127,575 | | |
| Rehabilitative Services (Non-School Based) | 36,592,651 | 26,807,946 | 2,938,716 | 2,233,995 | 30,535,295 | (3,727,350) | | |
| 2a) Opioid Treatment Program (OTP) - Methadone services | 146,007 | - | 32,299 | - | 151,822 | (151,822) | | |
| 2a) Opioid Treatment Program (OTP) - Peer Recovery Support Services | 2,322,357 | - | - | - | 4,567 | (4,567) | | |
| 2a) Opioid Treatment Program (OTP) - Residential Adult Services | 7,008,425 | - | 993,775 | - | 10,299,025 | (10,299,025) | | |
| 2a) OUD Medicaid Assisted Treatment Services | 16,386,491 | - | 956,172 | - | 15,903,371 | (15,903,371) | | |
| 2a) Opioid Treatment Program (OTP) - Other | 629,873 | - | 44,376 | - | 638,651 | (638,651) | | |
| Private Duty Nursing | 4,636,150 | 4,807,324 | 690,128 | 432,659 | 5,055,325 | (248,002) | | |
| Freestanding Birth Centers | - | - | - | - | - | - | | |
| Health Home for Enrollees w Chronic Conditions | 2,657,501 | 2,507,273 | 82,493 | 225,655 | 1,911,820 | 595,454 | | |
| Other Care Services | 26,284,761 | 36,847,337 | 2,823,392 | 3,316,260 | 30,611,332 | 6,236,005 | | |
| Less: Recoupments | - | - | (701,395) | - | (861,063) | 861,063 | | |
| NET MEDICAID EXPENDITURES: | 5,416,202,136 | 5,182,857,492 | 393,375,763 | 466,278,455 | 4,593,469,196 | 589,388,296 | | |

WV DEPARTMENT OF HUMAN SERVICES
 BUREAU FOR MEDICAL SERVICES
 EXPENDITURES BY PROVIDER TYPE
 SFY2024

MONTH OF MAY 2024

| | ACTUALS | TOTAL | ACTUALS | ESTIMATE | ACTUALS | PROJECTED |
|--|------------------------|------------------------|------------------------------------|------------------------------------|----------------------------------|-------------------------------|
| | SFY2023 | SFY2024 | Current Month Ended 05/31/24 | Current Month Ended 05/31/24 | Year To-Date Thru 05/31/24 | 06/01/24 Thru 6/30/2024 |
| Collections: Third Party Liability (line 9A on CMS-64) | (8,071,960) | - | | - | (4,591,500) | 4,591,500 |
| Collections: Probate (line 9B on CMS-64) | (2,609,787) | - | | - | (3,093,117) | 3,093,117 |
| Collections: Identified through Fraud & Abuse Effort (line 9C on CMS-64) | (917,727) | - | | - | (452,365) | 452,365 |
| Collections: Other (line 9D on CMS-64) | (35,290,306) | - | | - | (28,814,283) | 28,814,283 |
| NET EXPENDITURES and CMS-64 ADJUSTMENTS: | 5,369,312,356 | 5,182,857,492 | 393,375,763 | 466,278,455 | 4,556,517,930 | 626,339,562 |
| Plus: Medicaid Part D Expenditures | 43,535,275 | 52,661,876 | 4,727,384 | 4,739,569 | 48,076,808 | 4,585,068 |
| Plus: State Only Medicaid Expenditures | 187,230 | 262,845 | 16,891 | 23,656 | 178,772 | 84,073 |
| Plus: Money Follow the Person Expenditures | 1,170,896 | 1,037,688 | 90,902 | 93,392 | 979,074 | 58,614 |
| TOTAL MEDICAID EXPENDITURES | \$5,414,205,758 | \$5,236,819,901 | \$398,210,939 | \$471,135,071 | \$4,605,752,584 | \$631,067,317 |
| Plus: Reimbursables ⁽¹⁾ | 4,404,092 | - | 493,576 | - | 5,375,478 | (5,375,478) |
| Plus: NATCEP/PASARR/Eligibility Exams | 241,251 | 29,578 | 1,070 | 2,662 | 237,674 | (208,095) |
| Plus: HIT Incentive Payments | - | - | - | - | - | - |
| TOTAL EXPENDITURES | \$5,418,851,102 | \$5,236,849,480 | \$398,705,585 | \$471,137,734 | \$4,611,365,736 | \$625,483,743 |

(1) This amount will revert to State Only if not reimbursed.

(2) Pregnancy Terminations are State Only expenditures and are not currently claimed.

(3) Of the amount in the 'Nursing Facility Services - Regular Payments' line \$29,325,898 is the amount paid to State Facilities year to date.

**WV DEPARTMENT OF HUMAN SERVICES
BUREAU FOR MEDICAL SERVICES
MEDICAID CASH REPORT
SFY2024**

| MONTH OF MAY 2024 | ACTUALS | ACTUALS | ACTUALS | PROJECTED | TOTAL |
|---|-------------------------|------------------------------------|----------------------------------|------------------------------|-------------------------|
| | SFY2023 | Current Month Ended 05/31/24 | Year-To-Date Thru 05/31/24 | 06/01/24 Thru 06/30/24 | SFY2024 |
| REVENUE SOURCES | | | | | |
| Beg. Bal. (5084/1020 prior mth) | 81,507,579 | 16,653,975 | 127,247,384 | - | 127,247,384 |
| MATCHING FUNDS | | | | | |
| General Revenue (0403/189) | 292,112,801 | 33,890,150 | 233,312,624 | 33,890,150 | 267,202,774 |
| IDD Waiver (0403/466) | 108,541,736 | 11,939,591 | 96,602,145 | 11,939,591 | 108,541,736 |
| Rural Hospitals Under 150 Beds (0403/940) | 2,596,000 | 216,333 | 2,379,666 | 216,334 | 2,596,000 |
| Tertiary Funding (0403/547) | 6,356,000 | 529,667 | 5,826,334 | 529,666 | 6,356,000 |
| Traumatic Brain Injury (0403/835) | 800,000 | 88,000 | 712,000 | 88,000 | 800,000 |
| Title XIX Waiver for Seniors (0403-533) | 13,593,620 | 1,495,298 | 12,098,321 | 1,495,299 | 13,593,620 |
| Medical Services Surplus (0403/633) | 8,800,000 | - | - | - | - |
| Waiver for Senior Citizens Surplus (0403/526) | - | - | - | - | - |
| Lottery Waiver (Less 550,000) (5405/539) | 13,603,501 | 5,781,659 | 23,126,633 | - | 23,126,633 |
| Lottery Waiver (0420/539) | 19,612,957 | 2,709,957 | 10,839,825 | - | 10,839,825 |
| Lottery Transfer (5405/871) | 16,400,070 | 4,100,016 | 16,400,070 | - | 16,400,070 |
| Excess Lottery (5365/189) | 26,697,960 | 33,919,899 | 33,919,899 | 26,796,851 | 60,716,750 |
| Lottery Surplus (5405/68199) | 14,750,000 | 14,750,000 | 14,750,000 | - | 14,750,000 |
| Lottery Surplus (5365/68100) | 16,200,000 | - | 17,000,000 | - | 17,000,000 |
| Trust Fund Appropriation (5185/189) | 14,208,033 | - | 18,886,388 | 52,199,611 | 71,085,999 |
| Provider Tax (5090/189) | 290,400,000 | - | 393,594,315 | 245,657,347 | 639,251,662 |
| NSGO UPL (5084/6717) | - | - | - | - | - |
| Expirations (5084) | - | - | - | - | - |
| Certified Match | 15,218,760 | 929,092 | 10,355,401 | 3,350,599 | 13,706,000 |
| Reimbursables - Amount Reimbursed | 7,427,510 | 36,582 | 4,729,649 | (4,729,649) | - |
| Other Revenue (MWIN, Escheated Warrants, etc.) 5084/4010 & 4015 | 10,461 | 65,814 | 450,192 | (450,192) | - |
| CHIP State Share | - | - | - | - | - |
| CMS - 64 Adjustments | 196,666 | - | 1,516,454 | (1,516,454) | - |
| TOTAL MATCHING FUNDS | \$ 949,033,654 | \$ 127,106,033 | \$ 1,023,747,301 | \$ 369,467,153 | \$ 1,393,214,454 |
| FEDERAL FUNDS | 4,596,740,061 | 309,634,578 | 3,625,548,022 | 477,472,302 | 4,103,020,324 |
| TOTAL REVENUE SOURCES | \$ 5,545,773,715 | \$ 436,740,612 | \$ 4,649,295,323 | \$ 846,939,455 | \$ 5,496,234,777 |
| TOTAL EXPENDITURES: | | | | | |
| Provider Payments | \$ 5,418,851,102 | \$ 398,705,585 | \$ 4,611,365,736 | \$ 625,483,743 | \$ 5,236,849,480 |
| TOTAL | \$ 126,922,614 | \$ 38,035,027 | \$ 37,929,587 | \$ 221,455,711 | \$ 259,385,298 |

Note: FMAP (74.10% applicable Jan 2024 - Jun 2024)

MEDICAID WAIVER REPORT MAY 2024

July 2024



Submitted to

Joint Committee on Government and Finance
and
Legislative Oversight Commission on Health and Human
Resources Accountability

**WV Department of Human Services
Bureau for Medical Services A&D Waiver Program Report**

| Aged & Disabled Waiver Reported May 31, 2024 | FY2023 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | Mar-24 | Apr-24 | May-24 | Jun-24 | FY2024 YTD |
|--|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|------------|
| Slots Approved By CMS (1) | 8,500 | 8,500 | 8,500 | 8,500 | 8,500 | 8,500 | 8,500 | 8,750 | 8,750 | 8,750 | 8,750 | 8,750 | | 8,750 |
| -Slots Available for Traditional (ADW-WV) enrollees | 8,424 | 8,424 | 8,424 | 8,424 | 8,424 | 8,424 | 8,424 | 8,674 | 8,674 | 8,674 | 8,674 | 8,674 | | 8,674 |
| -Slots reserved for Take Me Home-WV (TMH-WV) enrollees | 76 | 76 | 76 | 76 | 76 | 76 | 76 | 76 | 76 | 76 | 76 | 76 | | 76 |
| -Slots reserved for Money Follows the Person (MFP-WV) enrollees | | | | | | | | | | | | | | |
| Total number of members served YTD (unduplicated slots used) (2) <i>YTD Column reflects most recent month's count</i> | 8,613 | 7,675 | 7,772 | 7,846 | 7,889 | 8,010 | 8,050 | 8,223 | 8,290 | 8,432 | 8,558 | 8,599 | | 8,599 |
| Applicants determined eligible this month and added to MEL (3) * 118 of 118 are awaiting Financial Eligibility not yet on MEL | 2,416 | 137 | 157 | 125 | 151 | 141 | 149 | 179 | 175 | 139 | 169 | 118* | | 118* |
| Applicants determined ineligible | 123 | 11 | 10 | 7 | 4 | 3 | 7 | 6 | 6 | 8 | 4 | 8 | | 8 |
| ACTIVE MEMBERS | | | | | | | | | | | | | | |
| Active Traditional Members at the end of the month | 7,559 | 7,554 | 7,596 | 7,599 | 7,596 | 7,616 | 7,602 | 7,622 | 7,640 | 7,621 | 7,629 | 7,573 | | 7,573 |
| Active Take Me Home Members at the end of the month | 48 | 41 | 44 | 42 | 45 | 46 | 50 | 46 | 47 | 46 | 45 | 45 | | 45 |
| Active Money Follows the Person Members at the end of the month | | | | | | | | | | | | | | |
| Total Active members at the end of the month (unduplicated slots active) <i>YTD Column reflects most recent month's count</i> | 7,607 | 7,595 | 7,640 | 7,641 | 7,641 | 7,662 | 7,652 | 7,668 | 7,687 | 7,667 | 7,674 | 7,618 | | 7,618 |
| Active members enrolled during the calendar month | 1,835 | 187 | 195 | 113 | 153 | 127 | 113 | 169 | 159 | 113 | 136 | 75 | | 1,540 |
| -Total Active Traditional members enrolled during the calendar month | 1,787 | 186 | 190 | 108 | 151 | 120 | 109 | 166 | 153 | 108 | 131 | 72 | | 1,494 |
| -Total Active TMH-WV members enrolled during the calendar month | 48 | 1 | 5 | 5 | 2 | 7 | 4 | 3 | 6 | 5 | 5 | 3 | | 46 |
| -Total Active MFP-WV members enrolled during the calendar month | | | | | | | | | | | | | | |
| Members discharged during the calendar month | 1,516 | 199 | 150 | 112 | 153 | 106 | 123 | 153 | 140 | 133 | 129 | 131 | | 1,529 |
| ADW Members whose case was closed by reason | Member is deceased | 874 | 71 | 31 | 33 | 74 | 63 | 66 | 89 | 77 | 62 | 63 | 71 | 700 |
| | Other (4) | 642 | 128 | 119 | 79 | 79 | 43 | 57 | 64 | 63 | 71 | 66 | 60 | 829 |
| MANAGED ENROLLMENT LIST (MEL) | | | | | | | | | | | | | | |
| # Eligible applicants closed during the calendar month (removed from MEL) | 2,499 | 248 | 164 | 173 | 178 | 209 | 214 | 211 | 205 | 214 | 218 | 106 | | 2,140 |
| ADW Applicants removed from the MEL | Applicant offered a slot (Traditional + MFP) | 1,330 | 143 | 69 | 74 | 79 | 83 | 105 | 98 | 106 | 96 | 117 | 5 | 975 |
| | Applicant became deceased | 222 | 12 | 8 | 16 | 8 | 13 | 11 | 12 | 4 | 16 | 4 | 12 | 116 |
| | Other (5) | 947 | 93 | 87 | 83 | 91 | 113 | 98 | 101 | 95 | 102 | 97 | 89 | 1,049 |
| Applicants on the MEL who are in a nursing facility <i>YTD Column reflects # members in setting during reporting month</i> | 0 | 0 | 1 | 1 | 1 | 0 | 1 | 0 | 0 | 0 | 6 | 4 | | 4 |
| Applicants on the MEL receiving Personal Care <i>YTD Column reflects # members receiving service during reporting month</i> | 1 | 0 | 4 | 4 | 0 | 0 | 0 | 1 | 0 | 3 | 4 | 4 | | 4 |
| Applicants on the MEL at the end of month | 83 | 5 | 25 | 22 | 18 | 20 | 15 | 31 | 36 | 36 | 53 | 161 | | 161 |
| Days - Average time spent on the MEL to date Minus MFP Applicants | 127 | 28 | 2 | 3 | 1 | 1 | 3 | 1 | 3 | 3 | 5 | 23 | | 7 |

(1) Beginning January 1, 2024, an additional 250 slots were approved by CMS, increasing the total to 8750. Of these slots, 76 are reserved for Money Follows the Person and Rebalancing Demonstration Grant.

(2) Unduplicated slots used refers to the total number of members who accessed services during the fiscal year.

(3) Monthly number added to MEL is being reported in the month an applicant is determined medically eligible; however, the individual's placement date on the managed enrollment list will be based on their initial application date.

(4) Other reasons for closing a case may include, but is not limited to: No services for 180 days, unsafe environment, member non-compliance with program, member no longer desires services, member no longer a WV resident, member no longer medically or financially eligible.

(5) "Other" includes those who are no longer a WV resident, voluntarily decline the program, etc.

**WV Department of Human Services
Bureau for Medical Services /DD Waiver Program Report**

| Intellectual/Developmental Disabilities Waiver Reported May 31, 2024 | FY2023 | July-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | Mar-24 | Apr-24 | May-24 | Jun-24 | YTD2024 |
|---|----------------------------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Slots approved by CMS | 6,115 | 6,115 | 6,115 | 6,115 | 6,115 | 6,115 | 6,115 | 6,115 | 6,115 | 6,115 | 6,115 | 6,115 | | 6,115 |
| Total number of members served YTD (unduplicated slots used) (1) | 6,075 | 6,015 | 6,017 | 6,023 | 6,032 | 6,068 | 6,073 | 6,078 | 6,083 | 6,088 | 6,097 | 6,104 | | 6,104 |
| Total number of members served YTD in Traditional Slots | 6,073 | 6,013 | 6,015 | 6,021 | 6,029 | 6,065 | 6,070 | 6,074 | 6,078 | 6,083 | 6,091 | 6,096 | | 6,096 |
| Total number of members served YTD in Adult Ben H. slots (Active) | 2 | 0 | 1 | 1 | 2 | 2 | 2 | 3 | 3 | 3 | 4 | 5 | | 5 |
| Total number of members served YTD in Children Ben H. slots (Active) | 2 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 2 | 2 | 3 | | 3 |
| Applicants determined eligible (2) | 503 | 31 | 28 | 43 | 37 | 35 | 43 | 34 | 42 | 44 | 41 | 45 | | 423 |
| Applicants determined ineligible (3) | 546 | 40 | 58 | 49 | 61 | 47 | 41 | 38 | 48 | 43 | 44 | 35 | | 504 |
| ACTIVE MEMBERS | | | | | | | | | | | | | | |
| # of active members at the end of the month (unduplicated slots active) (1) | 5,905 | 6,004 | 5,994 | 5,987 | 5,993 | 6,004 | 6,006 | 5,998 | 5,992 | 5,981 | 5,964 | 5,962 | | 5,962 |
| Discharged members at the end of the calendar month | 183 | 19 | 14 | 14 | 3 | 27 | 4 | 14 | 12 | 16 | 26 | 9 | | 158 |
| Discharged members who were discharged by reason | Deceased | 67 | 7 | 5 | 5 | 2 | 12 | 2 | 4 | 5 | 6 | 13 | 1 | 62 |
| | Left program to enter a facility | 56 | 4 | 2 | 4 | 0 | 5 | 0 | 2 | 5 | 3 | 5 | 3 | 33 |
| | a. Hospital | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | b. ICF/IID | 30 | 1 | 0 | 3 | 0 | 3 | 0 | 1 | 3 | 0 | 2 | 1 | 14 |
| | c. Nursing Facility | 25 | 3 | 2 | 1 | 0 | 2 | 0 | 1 | 2 | 3 | 3 | 2 | 19 |
| | d. Psychiatric Facility | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | e. Rehabilitation Facility | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | f. Other Facility | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other (6) | 60 | 8 | 7 | 5 | 1 | 10 | 2 | 8 | 2 | 7 | 8 | 5 | 63 | |
| MANAGED ENROLLMENT LIST (MEL) | | | | | | | | | | | | | | |
| Total number of applicants on the MEL at the end of the month | 548 | 459 | 483 | 516 | 540 | 537 | 571 | 588 | 623 | 658 | 686 | 724 | | 724 |
| Number of applicants added to the MEL (4) | 503 | 31 | 28 | 43 | 37 | 35 | 43 | 34 | 42 | 44 | 41 | 45 | | 423 |
| Applicants enrolled (removed from the MEL) | 208 | 118 | 4 | 7 | 9 | 38 | 6 | 6 | 6 | 5 | 9 | 7 | | 215 |
| Applicants removed from the MEL due to Death (5) | 2 | 1 | 0 | 1 | 1 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | | 4 |
| Applicants removed from the MEL due to Other (6) | 17 | 1 | 0 | 2 | 3 | 0 | 3 | 11 | 1 | 3 | 4 | 0 | | 28 |
| Applicants on the MEL who are in a Nursing Facility | 1 | 3 | 3 | 5 | 4 | 4 | 4 | 3 | 3 | 2 | 1 | 2 | | 2 |
| Applicants on the MEL who are in an ICF/IID Group Home | 20 | 20 | 24 | 22 | 20 | 21 | 25 | 28 | 28 | 39 | 38 | 20 | | 20 |
| Applicants on the MEL receiving Personal Care Services each month | 10 | 10 | 13 | 13 | 8 | 9 | 10 | 6 | 10 | 12 | 13 | 13 | | 13 |
| Longest on the MEL to date (7) | 1173 | 1,204 | 1,235 | 1,265 | 1,296 | 1,326 | 1,357 | 1,213 | 1,242 | 1,273 | 1,303 | 1,068 | | 1,068 |

(1) Unduplicated slots used refers to the total number of members who accessed services during the fiscal year.

(2) and (3) Numbers determined medically eligible and ineligible reflect the activity for the month reported. Financial eligibility is not determined until after slot release.

(4) Monthly managed enrollment is being reported in the month an applicant is determined medically eligible; however, the individual's placement date on the managed enrollment list will be based on the date the Medical Eligibility Contract Agent (MECA) determines medical eligibility.

(5) Currently there is no way to track other reasons why someone may leave the MEL for reasons such as moved out of state, decided not to participate in program, etc.

(6) Other reason for program discharge may include, but is not limited to, member is no longer financial or medically eligible, moved out of state, no longer wants the service, etc.

(7) Longest number of days an applicant has been on the MEL.

**WV Department of Human Services
Bureau for Medical Services TBI Waiver Program Report**

| Traumatic Brain Injury Waiver Reported May 31, 2024 | FY2023 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | Mar-24 | Apr-24 | May-24 | Jun-24 | FY2024 YTD |
|---|---------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-------------------|
| Slots Approved By CMS (1) | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 102 | | 102 |
| -Slots Available for Traditional (non TMH-WV) enrollees | 95 | 92 | 92 | 92 | 92 | 92 | 92 | 92 | 94 | 94 | 94 | 100 | | 100 |
| -Slots reserved for Take Me Home-WV (TMH-WV) enrollees | 1 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 2 | 2 | 2 | 2 | | 2 |
| Total number of members served YTD (unduplicated slots used) (2) YTD Column reflects most recent month's count | 96 | 92 | 90 | 93 | 93 | 93 | 94 | 94 | 96 | 96 | 96 | 100 | | 100 |
| Applicants determined eligible this month and added to MEL (3) | 12 | 1 | 3 | 2 | 1 | 2 | 2 | 1 | 0 | 2 | 0 | 0 | | 14 |
| Applicants determined ineligible | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 |
| ACTIVE MEMBERS | | | | | | | | | | | | | | |
| Active members at the end of the month (unduplicated slots active) YTD Column reflects most recent month's count | 92 | 92 | 90 | 92 | 92 | 91 | 92 | 91 | 91 | 91 | 90 | 93 | | 93 |
| Active members enrolled during the calendar month | 13 | 0 | 0 | 7 | 0 | 0 | 1 | 0 | 3 | 0 | 0 | 4 | | 15 |
| -Total Active Traditional members enrolled during the calendar month | 12 | 0 | 0 | 6 | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 4 | | 13 |
| -Total Active TMH-WV members enrolled during the calendar month | 1 | 0 | 0 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | | 2 |
| Members discharged during the calendar month | 5 | 0 | 2 | 5 | 0 | 1 | 0 | 1 | 3 | 0 | 1 | 1 | | 14 |
| TBIW Members whose case was closed by reason | Member is deceased | 1 | 0 | 1 | 1 | 0 | 1 | 0 | 0 | 0 | 1 | 1 | | 5 |
| | Other (4) | 4 | 0 | 1 | 4 | 0 | 0 | 1 | 3 | 0 | 0 | 0 | | 9 |
| MANAGED ENROLLMENT LIST (MEL) | | | | | | | | | | | | | | |
| # Eligible applicants closed during the calendar month (removed from MEL) | 0 | 0 | 2 | 4 | 0 | 0 | 1 | 0 | 5 | 0 | 4 | 0 | | 16 |
| TBIW Applicants removed from the MEL | Applicant offered a slot | 0 | 0 | 2 | 4 | 0 | 0 | 1 | 0 | 5 | 0 | 4 | 0 | 16 |
| | Applicant became deceased | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Other (5) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 2 |
| Applicants on the MEL who are in a nursing facility | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 1 |
| Applicants on the MEL receiving Personal Care | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | | 2 |
| Applicants on the MEL at the end of the month | 2 | 3 | 4 | 2 | 3 | 5 | 6 | 7 | 2 | 4 | 0 | 0 | | 0 |
| Days -Longest time spent on the MEL to date (6) YTD Column reflects average # of days | 15 | 46 | 31 | 23 | 54 | 84 | 115 | 146 | 116 | 147 | 177 | 0 | | 85 |

(1) CMS Approved 96+6=102 slots**. Of the 102 slots approved by CMS, four (4) are reserved for the Money Follows the Person and Rebalancing Demonstration Grant for SFY 2024. 2/2024-two (2) reserved slots released for non TMH applicants. **5/2024-six (6) slots approved by CMS.

(2) Unduplicated slots used refers to the total number of members who accessed services during the fiscal year. Two (2) funded slots became available, no services paid for this SFY .

(3) Monthly number added to MEL is being reported in the month an applicant is determined medically eligible; however, the individual's placement date on the managed enrollment list will be based on their initial application date.

(4) Other reason for closing a case may include, but is not limited to: No services for 180 days, unsafe environment, member non-compliance with program, member no longer desires services, member no longer a WV resident, member no longer medically or financially eligible.

(5) "Other" includes those who are no longer a WV resident, voluntarily decline the program, etc.

(6) Reported in actual number of days on the MEL.

NOTE: All data as reported by the Utilization Management Contractor is point-in-time

JOINT COMMITTEE ON GOVERNMENT AND FINANCE

August 2024



West Virginia Children's
Health Insurance Program
Stacey Shamblin, Deputy
Commissioner, WVCHIP, BMS

West Virginia Children's Health Insurance Program
Comparative Statement of Revenues, Expenditures, Changes in Fund Balance, and Budget-to-Actual
For the Years Ending June 30, 2024 and June 30, 2023

| | Annual | Budget | Actual | Actual | Actual | | Budget | |
|--|----------------------------|----------------------------|------------------------------|----------------------------|-----------------------------|-------------|---------------------------|-------------|
| | Budget 2024 | Year-to-Date | June 30, 2024 | June 30, 2023 | Variance | % | Variance | % |
| | | | | | \$ | % | \$ | % |
| Beginning Operating Fund Balance | | | \$5,382,999 | \$6,999,256 | (\$1,616,257) | -23% | | |
| Revenues | | | | | | | | |
| Federal Grants | \$57,889,868 | \$57,889,868 | \$65,239,204 | \$42,274,614 | \$22,964,590 | 54% | \$7,349,336 | 13% |
| State Appropriations | \$11,026,842 | \$11,026,842 | \$11,026,832 | \$6,921,508 | \$0 | 0% | (\$10) | 0% |
| Premium Revenues | \$52,500 | \$52,500 | \$128,182 | \$93,746 | \$34,436 | 37% | \$75,682 | 144% |
| Investment Earnings (Interest) | <u>\$100,000</u> | <u>\$100,000</u> | <u>\$24,780</u> | <u>\$37,926</u> | <u>(\$13,147)</u> | <u>-35%</u> | <u>(\$75,220)</u> | <u>-75%</u> |
| Total Operating Fund Revenues | <u>\$69,069,210</u> | <u>\$69,069,210</u> | <u>\$76,418,998</u> | <u>\$49,327,794</u> | <u>\$27,091,204</u> | 55% | <u>\$7,349,788</u> | 11% |
| Expenditures: | | | | | | | | |
| Claims Expenses: | | | | | | | | |
| Managed Care Organizations | | | \$54,635,761 | \$37,307,335 | \$17,328,426 | 46% | | |
| Prescribed Drugs | | | \$13,438,772 | \$9,213,924 | \$4,224,848 | 46% | | |
| Physicians & Surgical | | | \$3,805,922 | \$2,493,965 | \$1,311,957 | 53% | | |
| Medical Transportation | | | \$1,969,256 | \$44,793 | \$1,924,464 | 4296% | | |
| Outpatient Services | | | \$1,463,916 | \$339,141 | \$1,124,776 | 332% | | |
| Inpatient Hospital Services | | | \$1,362,905 | \$616,348 | \$746,557 | 121% | | |
| Dental | | | \$744,089 | \$144,989 | \$599,099 | 413% | | |
| Therapy | | | \$308,661 | \$86,041 | \$222,620 | 259% | | |
| Other Services | | | \$168,885 | \$59,806 | \$109,079 | 182% | | |
| Inpatient Mental Health | | | \$177,778 | \$44,330 | \$133,448 | 301% | | |
| Outpatient Mental Health | | | \$72,524 | \$10,336 | \$62,188 | 602% | | |
| Vision | | | \$39,962 | \$7,804 | \$32,159 | 412% | | |
| Durable & Disposable Med. Equip. | | | \$23,359 | \$4,618 | \$18,740 | 406% | | |
| Less: Other Collections** | | | (\$8,424) | (\$138,117) | \$129,693 | -94% | | |
| Drug Rebates | <u>(\$2,517,954)</u> | <u>(\$2,517,954)</u> | <u>(\$4,809,999)</u> | <u>(\$3,222,763)</u> | <u>(\$1,587,237)</u> | 49% | \$2,300,470 | -91% |
| Total Claims Expenses | <u>\$64,732,739</u> | <u>\$64,732,739</u> | <u>\$73,393,366</u> | <u>\$47,012,550</u> | <u>\$26,380,816</u> | 56% | <u>\$8,660,627</u> | 13% |
| Administrative Expenses: | | | | | | | | |
| Salaries and Benefits | \$557,031 | \$557,031 | \$323,380 | \$326,850 | (\$3,470) | -1% | (\$233,651) | -42% |
| Program Administration | \$4,864,472 | \$4,864,472 | \$4,788,881 | \$3,334,190 | \$1,454,691 | 44% | (\$75,591) | -2% |
| Outreach & Health Promotion | \$0 | \$0 | \$0 | \$0 | \$0 | 0% | \$0 | 0% |
| Health Service Initiative | \$225,000 | \$225,000 | \$225,000 | \$225,000 | \$0 | 0% | \$0 | 0% |
| Current | <u>\$413,409</u> | <u>\$413,409</u> | <u>\$28,212</u> | <u>\$45,460</u> | <u>(\$17,248)</u> | <u>-38%</u> | <u>(\$385,197)</u> | <u>-93%</u> |
| Total Administrative Expenses in Operating Fund | <u>\$6,059,912</u> | <u>\$6,059,912</u> | <u>\$5,365,474</u> | <u>\$3,931,501</u> | <u>\$1,433,973</u> | 36% | <u>(\$694,438)</u> | -11% |
| Total Operating Fund Expenditures | <u>\$70,792,651</u> | <u>\$70,792,651</u> | <u>\$78,758,840</u> | <u>\$50,944,050</u> | <u>\$27,814,789</u> | 55% | <u>\$7,966,189</u> | 11% |
| Adjustments | | | <u>\$212,642</u> | <u>(\$0)</u> | | | | |
| Ending Operating Fund Balance | | | <u>\$3,255,799.09</u> | <u>\$5,382,999</u> | <u>(\$2,127,200)</u> | -40% | | |
| Money Market | | | \$0 | \$3,736,809 | | | | |
| Bond Pool | | | \$2,416,748 | \$0 | | | | |
| Cash on Deposit | | | \$839,051 | \$1,646,190 | | | | |
| Revenues Outside of Operating Funds: | | | | | | | | |
| Federal Grants | | | \$0 | \$1,550,000 | (\$1,550,000) | -100% | | |
| Total WVCHIP Revenues | | | <u>\$76,418,998</u> | <u>\$50,877,794</u> | <u>\$25,541,204</u> | 50% | | |
| Program Expenses outside of Operating Funds: | | | | | | | | |
| Eligibility | <u>\$1,500,000</u> | <u>\$1,500,000</u> | <u>\$2,247,918</u> | <u>\$2,726,279</u> | <u>(\$478,361)</u> | <u>-18%</u> | <u>\$747,918</u> | <u>50%</u> |
| Total Administrative Expenses | <u>\$7,559,912</u> | <u>\$7,559,912</u> | <u>\$7,613,392</u> | <u>\$6,657,780</u> | <u>\$955,612</u> | 14% | <u>\$53,480</u> | 1% |
| Total WVCHIP Expenditures | <u>\$72,292,651</u> | <u>\$72,292,651</u> | <u>\$81,006,758</u> | <u>\$53,670,330</u> | <u>\$27,336,428</u> | 51% | <u>\$8,714,107</u> | 12% |

Footnotes:

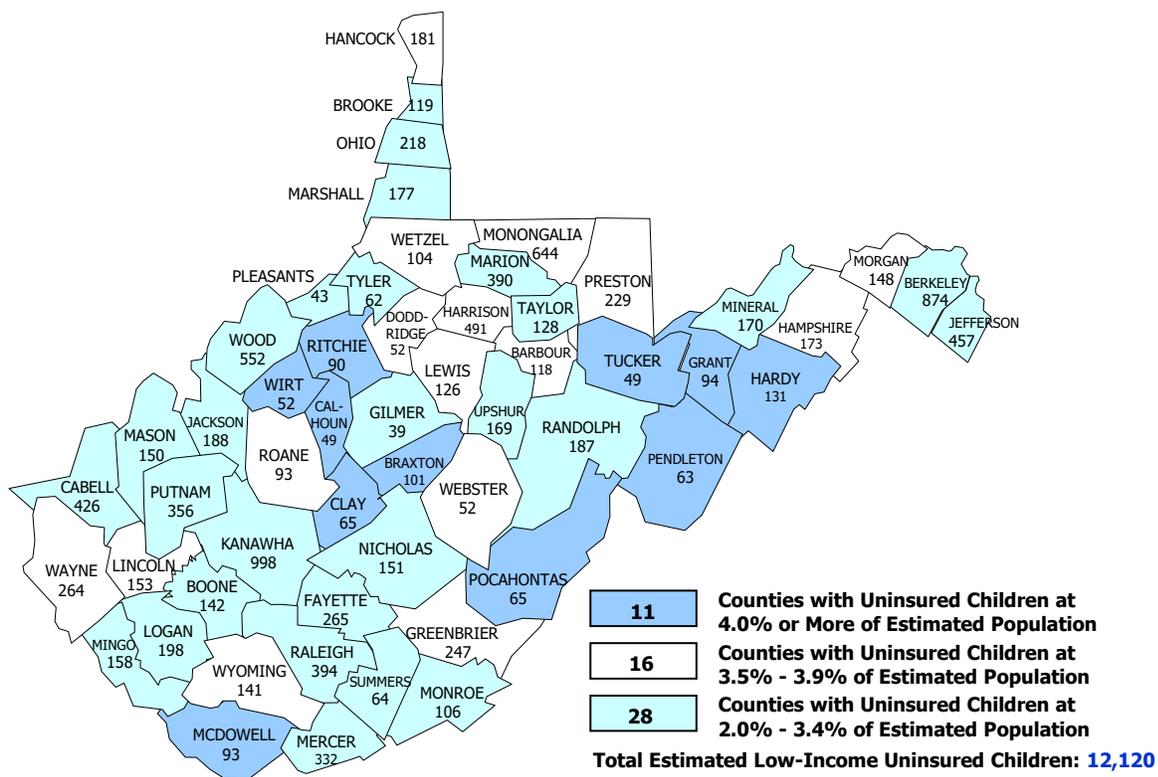
- Statement is on cash basis.
- Estimate of Incurred but Not Reported (IBNR) claims on June 30, 2024 is \$998,704. The June 30, 2023 estimate was \$558,624.
- Administrative Accounts Payable balance on June 30, 2024 was \$209,637. The June 30, 2023 balance was \$558,624.
- 2024 and 2023 adjustments to fund balances represents timing issues between the payment of expense and the draw-down of federal revenues.
- Revenues are primarily federal funds. WVCHIP's Federal Matching Assistance Percentage (FMAP) during SFY24 is 81.87% (1/1/24); 82.92% (10/1/23); 83.56% (7/1/23). SFY23 was 85.00%.
- Other Collections are primarily provider refunds and subrogation (amounts received from other insurers responsible for bills WVCHIP paid - primarily auto).
- Physician & Surgical services include physicians, clinics, lab, Federally Qualified Health Centers (FQHC), and vaccine payments.
- Other Services includes home health, chiropractors, psychologists, podiatrists, and nurse practitioners.
- Eligibility costs outside the fund represent the costs allocated to the WVCHIP for eligibility and enrollment processing (RAPIDS/WVPATH).

Unaudited - For Management Purposes Only
PRELIMINARY STATEMENT

WVCHIP Enrollment Report

JUNE 2024

| County | County Pop. | | | | MATERNITY | | Total CHIP | Total Medicaid | Total | CHIP/Medicaid | 2021 | 2021 |
|---------------|-------------------------|----------------|----------------|----------------|----------------|----------------|----------------------|----------------------|-----------------------------|-----------------|-------------------------|----------------------|
| | 2021 Est. (0-18 Yrs) | BLUE Jul-24 | GOLD Jul-24 | PREM Jul-24 | BLUE Jul-24 | PREM Jul-24 | Enrollment Jul-24 | Enrollment Jul-24 | CHIP/Medicaid Enrollment | % of Population | SAHIE Uninsured Est. | SAHIE % Uninsured |
| Barbour | 3,204 | 113 | 51 | 85 | 2 | 2 | 253 | 1,559 | 1,812 | 56.6% | 107 | 3.3% |
| Berkeley | 30,213 | 1,282 | 472 | 756 | 20 | 19 | 2,549 | 12,221 | 14,770 | 48.9% | 879 | 2.9% |
| Boone | 4,539 | 131 | 54 | 74 | 4 | 1 | 264 | 2,489 | 2,753 | 60.7% | 145 | 3.2% |
| Braxton | 2,378 | 68 | 23 | 44 | 2 | 3 | 140 | 1,235 | 1,375 | 57.8% | 98 | 4.1% |
| Brooke | 4,043 | | | | 0 | 0 | 0 | 0 | 0 | 0.0% | 121 | 3.0% |
| Cabell | 19,300 | 563 | 195 | 329 | 5 | 12 | 1,104 | 8,387 | 9,491 | 49.2% | 562 | 2.9% |
| Calhoun | 1,178 | 63 | 19 | 35 | 1 | 0 | 118 | 668 | 786 | 66.7% | 47 | 4.0% |
| Clay | 1,793 | 60 | 14 | 34 | 2 | 1 | 111 | 1,136 | 1,247 | 69.5% | 76 | 4.2% |
| Doddridge | 1,084 | 46 | 10 | 33 | 0 | 1 | 90 | 669 | 759 | 70.0% | 39 | 3.6% |
| Fayette | 8,467 | 347 | 122 | 173 | 4 | 7 | 653 | 4,394 | 5,047 | 59.6% | 254 | 3.0% |
| Gilmer | 1,140 | 24 | 19 | 33 | 1 | 0 | 77 | 521 | 598 | 52.5% | 35 | 3.1% |
| Grant | 2,230 | 76 | 28 | 73 | 4 | 1 | 182 | 1,071 | 1,253 | 56.2% | 93 | 4.2% |
| Greenbrier | 6,534 | 308 | 110 | 210 | 5 | 9 | 642 | 3,232 | 3,874 | 59.3% | 246 | 3.8% |
| Hampshire | 4,248 | 170 | 57 | 82 | 5 | 2 | 316 | 2,172 | 2,488 | 58.6% | 159 | 3.7% |
| Hancock | 5,604 | 280 | 124 | 158 | 4 | 4 | 570 | 3,591 | 4,161 | 74.3% | 205 | 3.7% |
| Hardy | 2,892 | 125 | 39 | 93 | 2 | 3 | 262 | 1,281 | 1,543 | 53.4% | 139 | 4.8% |
| Harrison | 14,585 | 489 | 164 | 311 | 3 | 11 | 978 | 5,665 | 6,643 | 45.5% | 555 | 3.8% |
| Jackson | 6,181 | 188 | 82 | 115 | 2 | 0 | 387 | 2,614 | 3,001 | 48.6% | 196 | 3.2% |
| Jefferson | 13,328 | 419 | 138 | 251 | 4 | 4 | 816 | 3,570 | 4,386 | 32.9% | 473 | 3.5% |
| Kanawha | 36,989 | 1,195 | 436 | 740 | 26 | 32 | 2,429 | 30,056 | 32,485 | 87.8% | 1103 | 3.0% |
| Lewis | 3,706 | 135 | 75 | 80 | 2 | 2 | 294 | 1,812 | 2,106 | 56.8% | 133 | 3.6% |
| Lincoln | 4,606 | 155 | 40 | 90 | 1 | 9 | 295 | 2,445 | 2,740 | 59.5% | 169 | 3.7% |
| Logan | 6,800 | 202 | 79 | 130 | 7 | 0 | 418 | 3,832 | 4,250 | 62.5% | 225 | 3.3% |
| Marion | 11,652 | 392 | 147 | 237 | 1 | 8 | 785 | 4,821 | 5,606 | 48.1% | 380 | 3.3% |
| Marshall | 5,954 | 151 | 72 | 95 | 2 | 0 | 320 | 2,466 | 2,786 | 46.8% | 154 | 2.6% |
| Mason | 5,368 | 191 | 71 | 87 | 2 | 4 | 355 | 3,769 | 4,124 | 76.8% | 157 | 2.9% |
| McDowell | 3,143 | 104 | 33 | 70 | 2 | 1 | 210 | 2,426 | 2,636 | 83.9% | 128 | 4.1% |
| Mercer | 3,802 | 564 | 210 | 259 | 4 | 11 | 1,048 | 7,222 | 8,270 | 217.5% | 110 | 2.9% |
| Mineral | 12,788 | 203 | 86 | 105 | 0 | 1 | 395 | 2,215 | 2,610 | 20.4% | 433 | 3.4% |
| Mingo | 5,538 | 163 | 50 | 77 | 3 | 4 | 297 | 3,460 | 3,757 | 67.8% | 144 | 2.6% |
| Monongalia | 5,227 | 485 | 199 | 357 | 9 | 11 | 1,061 | 5,314 | 6,375 | 122.0% | 188 | 3.6% |
| Monroe | 18,601 | 105 | 42 | 86 | 1 | 3 | 237 | 1,116 | 1,353 | 7.3% | 540 | 2.9% |
| Morgan | 2,520 | 155 | 53 | 87 | 2 | 0 | 297 | 1,362 | 1,659 | 65.8% | 97 | 3.8% |
| Nicholas | 5,074 | 187 | 68 | 121 | 3 | 5 | 384 | 2,317 | 2,701 | 53.2% | 166 | 3.3% |
| Ohio | 8,461 | 210 | 73 | 122 | 1 | 4 | 410 | 3,361 | 3,771 | 44.6% | 257 | 3.0% |
| Pendleton | 1,195 | 39 | 14 | 45 | 1 | 1 | 100 | 519 | 619 | 51.8% | 60 | 5.0% |
| Pleasants | 1,522 | 35 | 8 | 32 | 1 | 0 | 76 | 629 | 705 | 46.3% | 37 | 2.4% |
| Pocahontas | 1,417 | 53 | 19 | 29 | 0 | 0 | 101 | 635 | 736 | 51.9% | 66 | 4.7% |
| Preston | 6,770 | 248 | 73 | 168 | 2 | 5 | 496 | 2,768 | 3,264 | 48.2% | 238 | 3.5% |
| Putnam | 13,220 | 365 | 159 | 247 | 8 | 8 | 787 | 3,757 | 4,544 | 34.4% | 392 | 3.0% |
| Raleigh | 16,094 | 543 | 195 | 405 | 13 | 7 | 1,163 | 8,099 | 9,262 | 57.5% | 481 | 3.0% |
| Randolph | 5,312 | 239 | 74 | 155 | 3 | 3 | 474 | 2,370 | 2,844 | 53.5% | 176 | 3.3% |
| Ritchie | 1,750 | 63 | 19 | 28 | 1 | 0 | 171 | 871 | 1,042 | 59.5% | 90 | 5.1% |
| Roane | 2,946 | 135 | 50 | 88 | 0 | 4 | 244 | 1,318 | 1,562 | 53.0% | 107 | 3.6% |
| Summers | 1,967 | 91 | 34 | 55 | 1 | 1 | 178 | 1,317 | 1,495 | 76.0% | 65 | 3.3% |
| Taylor | 3,325 | 117 | 53 | 51 | 1 | 3 | 221 | 1,359 | 1,580 | 47.5% | 112 | 3.4% |
| Tucker | 920 | 44 | 30 | 47 | 1 | 1 | 109 | 451 | 560 | 60.9% | 45 | 4.9% |
| Tyler | 1,667 | 51 | 15 | 33 | 0 | 0 | 208 | 707 | 915 | 54.9% | 55 | 3.3% |
| Upshur | 4,995 | 179 | 81 | 142 | 2 | 3 | 405 | 2,463 | 2,868 | 57.4% | 164 | 3.3% |
| Wayne | 8,022 | 308 | 97 | 140 | 3 | 6 | 443 | 4,173 | 4,616 | 57.5% | 300 | 3.7% |
| Webster | 1,639 | 74 | 35 | 29 | 0 | 4 | 168 | 949 | 1,117 | 68.2% | 60 | 3.7% |
| Wetzel | 3,033 | 73 | 26 | 55 | 1 | 5 | 134 | 1,714 | 1,848 | 60.9% | 106 | 3.5% |
| Wirt | 1,108 | 40 | 4 | 29 | 2 | 0 | 391 | 561 | 952 | 85.9% | 44 | 4.0% |
| Wood | 18,255 | 563 | 155 | 345 | 7 | 6 | 886 | 7,723 | 8,609 | 47.2% | 548 | 3.0% |
| Wyoming | 4,418 | 116 | 60 | 155 | 4 | 5 | 340 | 2,019 | 2,359 | 53.4% | 161 | 3.6% |
| Totals | 372,745 | 12,725 | 4,656 | 7,910 | 187 | 237 | 25,715 | 178,871 | 204,586 | 54.9% | 12,120 | 3.3% |

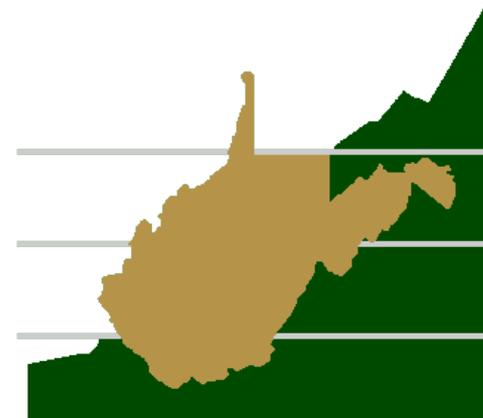


The above map shows the most recent 2021 county level data provided by the U.S. Census Bureau Small Area Health Insurance Estimates (SAHIE) for children under 19 years. While the statewide average for children under 19 is now about 3.3%, the SAHIE data reflects more accurately the variation from county to county depending on the availability of employer-sponsored insurance and should be a more accurate way to target outreach than in previous years.

WEST VIRGINIA INVESTMENT MANAGEMENT BOARD

Participant Plan Performance Report

June 30, 2024



Participant Plans Allocation & Performance Net of Fees - Preliminary

Period Ending: June 30, 2024

| | 6/30/2023 | | 6/30/2024 | | Performance % | | | | | | | |
|---|-------------------|--------------|-------------------|--------------|---------------|---------|------|--------|--------|--------|---------|---------|
| | Asset (\$000) | % | Asset (\$000) | % | 1 Month | 3 Month | FYTD | 1 Year | 3 Year | 5 Year | 10 Year | 20 Year |
| WVIMB Fund Assets | 24,219,305 | 100.0 | 26,296,841 | 100.0 | | | | | | | | |
| Pension Assets | 19,790,811 | 81.7 | 21,401,842 | 81.3 | | | | | | | | |
| Public Employees' Retirement System | 8,398,434 | 34.7 | 9,053,057 | 34.6 | 0.9 | 1.3 | 11.4 | 11.4 | 4.2 | 9.1 | 8.0 | 7.9 |
| Teachers' Retirement System | 9,319,703 | 38.5 | 10,035,292 | 38.0 | 0.9 | 1.3 | 11.4 | 11.4 | 4.2 | 9.1 | 8.0 | 7.7 |
| EMS Retirement System | 125,180 | 0.5 | 142,499 | 0.5 | 0.9 | 1.3 | 11.4 | 11.4 | 4.2 | 9.0 | 8.0 | |
| Public Safety Retirement System | 778,439 | 3.2 | 820,195 | 3.1 | 0.9 | 1.3 | 11.4 | 11.4 | 4.3 | 9.1 | 8.0 | 7.9 |
| Judges' Retirement System | 278,545 | 1.2 | 306,303 | 1.2 | 0.9 | 1.3 | 11.4 | 11.4 | 4.2 | 9.1 | 8.0 | 7.9 |
| State Police Retirement System | 320,094 | 1.3 | 365,264 | 1.4 | 0.9 | 1.3 | 11.4 | 11.4 | 4.2 | 9.1 | 8.0 | 7.9 |
| Deputy Sheriffs' Retirement System | 316,039 | 1.3 | 351,822 | 1.3 | 0.9 | 1.3 | 11.4 | 11.4 | 4.2 | 9.1 | 8.0 | 7.9 |
| Municipal Police & Firefighter Retirement System | 34,945 | 0.1 | 46,163 | 0.2 | 0.9 | 1.3 | 11.4 | 11.4 | 4.2 | 9.0 | 7.9 | |
| Natural Resources Police Office Retirement System | 27,643 | 0.1 | 32,057 | 0.1 | 0.9 | 1.3 | 11.4 | 11.4 | 4.2 | | | |
| Municipal Model A | 189,153 | 0.8 | 245,903 | 0.9 | 0.9 | 1.3 | 11.9 | 11.9 | 4.8 | 9.5 | 8.3 | |
| Municipal Model B | 2,636 | 0.0 | 3,287 | 0.0 | 1.1 | 1.4 | 12.7 | 12.7 | 2.4 | 6.7 | | |
| Insurance Assets | 3,216,097 | 13.3 | 3,327,638 | 12.7 | | | | | | | | |
| Workers' Compensation Old Fund | 851,245 | 3.4 | 836,067 | 3.2 | 0.8 | 1.3 | 9.6 | 9.6 | 1.4 | 5.0 | 4.5 | |
| Workers' Comp. Self-Insured Guaranty Risk Pool | 37,044 | 0.2 | 40,236 | 0.1 | 0.8 | 1.2 | 9.6 | 9.6 | 1.7 | 5.2 | 4.6 | |
| Workers' Comp. Self-Insured Security Risk Pool | 48,517 | 0.2 | 50,713 | 0.2 | 0.8 | 1.2 | 9.6 | 9.6 | 1.7 | 5.2 | 4.6 | |
| Workers' Comp. Uninsured Employers' Fund | 16,767 | 0.1 | 18,633 | 0.1 | 0.8 | 1.2 | 9.6 | 9.6 | 1.7 | 5.2 | 4.5 | |
| Pneumoconiosis | 200,150 | 0.8 | 201,789 | 0.8 | 0.8 | 1.2 | 9.6 | 9.6 | 1.7 | 5.2 | 4.6 | 5.2 |
| Board of Risk & Insurance Management | 183,857 | 0.8 | 90,806 | 0.3 | 0.8 | 1.2 | 9.6 | 9.6 | 1.7 | 5.3 | 4.6 | |
| Public Employees' Insurance Agency | 135,642 | 0.6 | 148,433 | 0.6 | 0.8 | 1.2 | 9.4 | 9.4 | 1.4 | 4.8 | 4.4 | |
| WV Retiree Health Benefit Trust Fund | 1,742,875 | 7.2 | 1,940,961 | 7.4 | 0.9 | 1.3 | 11.4 | 11.4 | 4.2 | 9.1 | 8.0 | |
| Endowment Assets | 1,212,397 | 5.0 | 1,567,361 | 6.0 | | | | | | | | |
| Berkeley County Development Authority | 8,558 | 0.0 | 6,794 | 0.0 | 0.9 | 1.3 | 10.9 | 10.9 | 4.0 | 9.0 | | |
| Wildlife Fund | 72,283 | 0.3 | 74,625 | 0.3 | 0.9 | 1.3 | 11.4 | 11.4 | 4.2 | 9.0 | 8.0 | 7.9 |
| WV State Parks and Recreation Endowment Fund | 35,050 | 0.1 | 47,090 | 0.2 | 0.9 | 1.3 | 11.4 | 11.4 | 4.3 | | | |
| Revenue Shortfall Reserve Fund | 334,187 | 1.4 | 609,682 | 2.3 | 0.8 | 0.9 | 6.5 | 6.5 | (0.3) | 1.4 | 1.9 | |
| Revenue Shortfall Reserve Fund - Part B | 514,884 | 2.2 | 554,466 | 2.1 | 0.8 | 0.9 | 7.7 | 7.7 | (0.2) | 3.6 | 3.8 | |
| WV DEP Trust | 11,478 | 0.0 | 10,990 | 0.1 | 0.9 | 1.5 | 12.2 | 12.2 | 3.4 | 8.2 | 6.8 | |
| WV DEP Agency | 235,957 | 1.0 | 263,714 | 1.0 | 0.9 | 1.4 | 11.8 | 11.8 | 2.4 | 6.2 | 5.4 | |

Composite Asset Allocation & Performance Net of Fees - Preliminary

Period Ending: June 30, 2024

| | Asset (\$000) | % | Performance % | | | | | | | | |
|---|---------------|--------|------------------|------------------|-----------------|-----------------|----------------|-----------------|-----------------|----------------|--|
| | | | 1 Month | 3 Month | FYTD | 1 Year | 3 Year | 5 Year | 10 Year | 20 Year | |
| Investment Pools Composite | 26,307,657 | 100.00 | | | | | | | | | |
| Portable Alpha Composite +/- S&P 500 Index | 5,831,978 | 22.17 | 3.66 0.07 | 3.68 (0.60) | 25.49 0.93 | 25.49 0.93 | 9.61 (0.40) | | | | |
| Large Cap Domestic Equity Composite +/- S&P 500 Index | 335,091 | 1.27 | 3.60 0.01 | 4.32 0.04 | 24.56 0.00 | 24.56 0.00 | 9.94 (0.07) | 15.01 (0.04) | 12.77 (0.09) | 10.33 0.04 | |
| Non-Large Cap Domestic Equity Composite +/- Russell 2500 Index | 1,142,578 | 4.34 | (1.22) 0.28 | (4.83) (0.56) | 13.62 3.15 | 13.62 3.15 | 3.97 4.26 | 10.70 2.39 | 8.64 0.65 | 9.58 0.70 | |
| International Equity Composite +/- MSCI AC World ex US IMI Index (a) | 4,433,766 | 16.85 | (0.66) (0.47) | 1.66 0.54 | 15.06 2.94 | 15.06 2.94 | 1.24 0.54 | 7.20 1.08 | 5.06 0.66 | 7.37 1.07 | |
| Fixed Income Composite +/- Bloomberg Universal (b) | 4,615,394 | 17.55 | 0.77 (0.14) | 0.30 0.11 | 4.75 1.28 | 4.75 1.28 | (1.65) 1.03 | 1.19 1.08 | 2.36 0.73 | 3.87 0.46 | |
| Core Fixed Income Composite +/- Bloomberg US Aggregate | 2,086,554 | 7.93 | 0.98 0.03 | 0.34 0.27 | 3.46 0.83 | 3.46 0.83 | (2.14) 0.88 | 0.69 0.92 | 2.02 0.67 | | |
| Total Return Fixed Income Composite (c) +/- Bloomberg Universal | 2,528,840 | 9.62 | 0.60 (0.31) | 0.27 0.08 | 5.80 2.33 | 5.80 2.33 | (1.22) 1.46 | 1.53 1.42 | 2.56 0.93 | 4.30 0.87 | |
| TIPS Composite +/- Bloomberg US TIPS 1-10 Yr (d) | 513,728 | 1.95 | 0.72 (0.04) | 1.11 (0.01) | 4.27 0.01 | 4.27 0.01 | (0.84) 0.04 | 2.42 0.07 | 2.09 0.04 | | |
| Cash Composite +/- FTSE 3 Month US T-Bill (e) | 263,434 | 1.00 | 0.41 (0.04) | 1.32 (0.05) | 5.37 (0.27) | 5.37 (0.27) | 3.04 (0.13) | 2.09 (0.13) | 1.48 (0.05) | 1.62 (0.03) | |
| Private Equity Composite +/- Russell 3000 + 3% (f, g) | 2,712,308 | 10.31 | 0.00 (3.34) | 1.30 (2.66) | 3.95 (22.17) | 3.95 (22.17) | 5.91 (5.14) | 17.22 0.08 | 16.91 1.76 | | |
| Real Estate Composite +/- NCREIF + 1% (f) | 2,453,471 | 9.33 | (0.05) 0.20 | (1.33) (0.59) | (5.05) 1.11 | (5.05) 1.11 | 1.49 (3.15) | 3.14 (1.62) | 6.18 (1.23) | | |
| Hedge Fund Composite +/- HFRI FOF + 1% (h) | 2,902,134 | 11.03 | 0.38 0.24 | 2.15 1.46 | 13.71 4.21 | 13.71 4.21 | 6.72 3.66 | 7.58 1.80 | 5.33 0.85 | | |
| Private Credit & Income Composite +/- SOFR + 4% (f, i) | 1,103,775 | 4.20 | 0.39 (0.38) | 1.50 (0.84) | 4.90 (4.63) | 4.90 (4.63) | 5.21 (1.07) | 5.89 (0.46) | | | |

Participant Plans Allocation vs. Strategy - Preliminary

Period Ending: June 30, 2024

| | Equity | | Fixed Income | | Private Equity | | Real Estate | | Private Credit & Income | | Hedge Funds | | Cash | |
|--|----------|------------|--------------|------------|----------------|------------|-------------|------------|-------------------------|------------|-------------|------------|----------|------------|
| | Actual % | Strategy % | Actual % | Strategy % | Actual % | Strategy % | Actual % | Strategy % | Actual % | Strategy % | Actual % | Strategy % | Actual % | Strategy % |

Pension Assets

| | | | | | | | | | | | | | | |
|---|------|------|------|------|------|------|------|------|-----|-----|------|------|-----|-----|
| Public Employees' Retirement System | 47.6 | 45.0 | 15.0 | 15.0 | 11.3 | 12.0 | 10.2 | 12.0 | 4.6 | 6.0 | 11.0 | 10.0 | 0.3 | 0.0 |
| Teachers' Retirement System | 47.1 | 45.0 | 14.9 | 15.0 | 11.2 | 12.0 | 10.2 | 12.0 | 4.6 | 6.0 | 10.9 | 10.0 | 1.1 | 0.0 |
| EMS Retirement System | 47.2 | 45.0 | 14.9 | 15.0 | 11.3 | 12.0 | 10.2 | 12.0 | 4.6 | 6.0 | 11.0 | 10.0 | 0.8 | 0.0 |
| Public Safety Retirement System | 47.7 | 45.0 | 14.8 | 15.0 | 11.4 | 12.0 | 10.3 | 12.0 | 4.6 | 6.0 | 11.1 | 10.0 | 0.1 | 0.0 |
| Judges' Retirement System | 47.5 | 45.0 | 15.3 | 15.0 | 11.3 | 12.0 | 10.2 | 12.0 | 4.6 | 6.0 | 11.0 | 10.0 | 0.1 | 0.0 |
| State Police Retirement System | 47.2 | 45.0 | 15.1 | 15.0 | 11.3 | 12.0 | 10.2 | 12.0 | 4.6 | 6.0 | 11.0 | 10.0 | 0.6 | 0.0 |
| Deputy Sheriffs' Retirement System | 47.3 | 45.0 | 15.0 | 15.0 | 11.3 | 12.0 | 10.2 | 12.0 | 4.6 | 6.0 | 11.0 | 10.0 | 0.6 | 0.0 |
| Municipal Police & Firefighter Retirement System | 46.9 | 45.0 | 14.7 | 15.0 | 11.1 | 12.0 | 10.1 | 12.0 | 4.5 | 6.0 | 10.8 | 10.0 | 1.9 | 0.0 |
| Natural Resources Police Office Retirement System | 47.2 | 45.0 | 14.6 | 15.0 | 11.2 | 12.0 | 10.2 | 12.0 | 4.6 | 6.0 | 10.9 | 10.0 | 1.3 | 0.0 |
| Municipal Model A | 47.5 | 45.0 | 15.0 | 15.0 | 11.3 | 12.0 | 10.2 | 12.0 | 4.6 | 6.0 | 11.0 | 10.0 | 0.4 | 0.0 |
| Municipal Model B | 52.8 | 55.0 | 40.9 | 45.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 6.3 | 0.0 |

Insurance Assets

| | | | | | | | | | | | | | | |
|--|------|------|------|------|------|------|------|------|-----|-----|------|------|-----|-----|
| Workers' Compensation Old Fund | 26.6 | 25.0 | 44.1 | 45.0 | 3.8 | 4.0 | 3.4 | 4.0 | 1.5 | 2.0 | 16.6 | 15.0 | 4.0 | 5.0 |
| Workers' Comp. Self-Insured Guaranty Risk Pool | 26.4 | 25.0 | 43.7 | 45.0 | 3.8 | 4.0 | 3.4 | 4.0 | 1.5 | 2.0 | 16.4 | 15.0 | 4.8 | 5.0 |
| Workers' Comp. Self-Insured Security Risk Pool | 26.5 | 25.0 | 43.8 | 45.0 | 3.8 | 4.0 | 3.4 | 4.0 | 1.5 | 2.0 | 16.5 | 15.0 | 4.5 | 5.0 |
| Workers' Comp. Uninsured Employers' Fund | 26.1 | 25.0 | 43.5 | 45.0 | 3.7 | 4.0 | 3.4 | 4.0 | 1.5 | 2.0 | 16.4 | 15.0 | 5.4 | 5.0 |
| Pneumoconiosis | 26.5 | 25.0 | 44.0 | 45.0 | 3.8 | 4.0 | 3.4 | 4.0 | 1.5 | 2.0 | 16.6 | 15.0 | 4.2 | 5.0 |
| Board of Risk & Insurance Management | 26.4 | 25.0 | 43.6 | 45.0 | 3.8 | 4.0 | 3.4 | 4.0 | 1.5 | 2.0 | 16.4 | 15.0 | 4.9 | 5.0 |
| Public Employees' Insurance Agency | 20.9 | 20.0 | 52.8 | 55.0 | 1.9 | 2.0 | 1.7 | 2.0 | 0.8 | 1.0 | 21.9 | 20.0 | 0.0 | 0.0 |
| WV Retiree Health Benefit Trust Fund | 47.4 | 45.0 | 15.5 | 15.0 | 11.3 | 12.0 | 10.2 | 12.0 | 4.6 | 6.0 | 11.0 | 10.0 | 0.0 | 0.0 |

Endowment Assets

| | | | | | | | | | | | | | | |
|--|------|------|------|------|------|------|------|------|-----|-----|------|------|-----|------|
| Berkeley County Development Authority | 47.5 | 45.0 | 15.4 | 15.0 | 11.3 | 12.0 | 10.2 | 12.0 | 4.6 | 6.0 | 11.0 | 10.0 | 0.0 | 0.0 |
| Wildlife Fund | 47.3 | 45.0 | 15.4 | 15.0 | 11.3 | 12.0 | 10.2 | 12.0 | 4.6 | 6.0 | 11.0 | 10.0 | 0.2 | 0.0 |
| WV State Parks and Recreation Endowment Fund | 46.9 | 45.0 | 15.2 | 15.0 | 11.1 | 12.0 | 10.1 | 12.0 | 4.5 | 6.0 | 10.8 | 10.0 | 1.4 | 0.0 |
| Revenue Shortfall Reserve Fund | 10.4 | 10.0 | 79.8 | 80.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 9.8 | 10.0 |
| Revenue Shortfall Reserve Fund - Part B | 18.2 | 17.5 | 71.9 | 72.5 | 1.9 | 2.0 | 1.7 | 2.0 | 0.8 | 1.0 | 5.5 | 5.0 | 0.0 | 0.0 |
| WV DEP Trust | 52.8 | 50.0 | 14.9 | 15.0 | 9.3 | 10.0 | 8.4 | 10.0 | 3.8 | 5.0 | 10.8 | 10.0 | 0.0 | 0.0 |
| WV DEP Agency | 36.0 | 35.0 | 37.8 | 40.0 | 1.9 | 2.0 | 1.7 | 2.0 | 0.8 | 1.0 | 21.8 | 20.0 | 0.0 | 0.0 |

Footnotes

- (a) Prior to January 2014, the index was the MSCIACW ex USA (Standard).
- (b) Prior to April 2008, the index was Bloomberg US Aggregate.
- (c) From October 2015 to March 2017, performance returns from the Opportunistic Income Pool were included in the Total Return Fixed Income Composite.
- (d) Prior to June 2023, the index was Bloomberg US TIPS.
- (e) Prior to January 2014, the index was FTSE 3 Month US T-Bill plus 15 basis points.
- (f) Private Equity, Real Estate, and Private Credit & Income consist primarily of private market investments. The time lag in determining the fair value of these investments makes the comparison to their public market benchmarks less meaningful over shorter time periods.
- (g) Prior to January 2014, the index was S&P 500 plus 500 basis points.
- (h) Prior to January 2014, the index was Libor plus 400 basis points.
- (i) From April 2017 to May 2023, the index was CS Leveraged Loan plus 200 basis points. Prior to April 2017, the index was CS Leveraged Loan plus 250 basis points.

Note: Participant returns are net of fees. Portfolio returns are net of management fees. Returns shorter than one year are unannualized.

Disclaimer

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The information presented may be deemed to contain forward-looking information. Examples of forward looking information include, but are not limited to, (a) projections of or statements regarding return on investment, future earnings, interest income, other income, growth prospects, capital structure and other financial terms, (b) statements of plans or objectives of management, (c) statements of future economic performance, and (d) statements of assumptions, such as economic conditions underlying other statements. Such forward-looking information can be identified by the use of forward looking terminology such as believes, expects, may, will, should, anticipates, or the negative of any of the foregoing or other variations thereon comparable terminology, or by discussion of strategy. No assurance can be given that the future results described by the forward-looking information will be achieved. Such statements are subject to risks, uncertainties, and other factors which could cause the actual results to differ materially from future results expressed or implied by such forward looking information. The findings, rankings, and opinions expressed herein are the intellectual property of Verus and are subject to change without notice. The information presented does not claim to be all-inclusive, nor does it contain all information that clients may desire for their purposes. The information presented should be read in conjunction with any other material provided by Verus, investment managers, and custodians.

Verus will make every reasonable effort to obtain and include accurate market values. However, if managers or custodians are unable to provide the reporting period's market values prior to the report issuance, Verus may use the last reported market value or make estimates based on the manager's stated or estimated returns and other information available at the time. These estimates may differ materially from the actual value. Hedge fund market values presented in this report are provided by the fund manager or custodian. Market values presented for private equity investments reflect the last reported NAV by the custodian or manager net of capital calls and distributions as of the end of the reporting period. These values are estimates and may differ materially from the investments actual value. Private equity managers report performance using an internal rate of return (IRR), which differs from the time-weighted rate of return (TWRR) calculation done by Verus. It is inappropriate to compare IRR and TWRR to each other. IRR figures reported in the illiquid alternative pages are provided by the respective managers, and Verus has not made any attempts to verify these returns. Until a partnership is liquidated (typically over 10-12 years), the IRR is only an interim estimated return. The actual IRR performance of any LP is not known until the final liquidation.

Verus receives universe data from InvMetrics, eVestment Alliance, and Morningstar. We believe this data to be robust and appropriate for peer comparison. Nevertheless, these universes may not be comprehensive of all peer investors/managers but rather of the investors/managers that comprise that database. The resulting universe composition is not static and will change over time. Returns are annualized when they cover more than one year. Investment managers may revise their data after report distribution. Verus will make the appropriate correction to the client account but may or may not disclose the change to the client based on the materiality of the change.



WEST VIRGINIA OFFICES *OF THE* INSURANCE COMMISSIONER

Allan L. McVey
Insurance Commissioner

Insurance Commissioner

August 2024 Report

to

Joint Committee on Government & Finance

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Introduction

The passage of S.B. 1004 in January 2005 brought historic changes to workers' compensation insurance in West Virginia. The State-administered monopolistic system was phased out and the West Virginia workers' compensation insurance market was privatized and opened to full competition beginning in July 2008.

Although workers' compensation insurance in WV was privatized, a large legacy liability existed from the operation of the State-administered monopolistic fund. This legacy liability was retained by the State of West Virginia in what is known as the "Old Fund." The Old Fund consists of all historical claims with dates of injuries or last exposure through June 30, 2005.

As of July 2024, there were 6,104 active claims remaining in the Old Fund. This report provides updates on the status of the various workers' compensation funds and the activities associated with the regulation of workers' compensation insurance by the Insurance Commissioner.

Definitions:

Board of Review: The Board of Review (BOR) is charged with adjudicating objections to claims decisions made by private carriers, self-insured employers or the Insurance Commissioner, if applicable, regarding claims made pursuant to the provisions of W.Va. Coe §23-5-1a. The BOR conducts hearings, receives and weighs evidence, and issues written decisions on objections filed in regard to initial claims management decisions. A final decision of the Board of Review may be appealed to the Intermediate Court of Appeals.

Intermediate Court of Appeals: The Intermediate Court of Appeals (ICA) is the appellate court created in W.Va. Code §51-11-1, et seq., the *West Virginia Appellate Reorganization Act*, with appellate jurisdiction over final orders or decisions of the BOR issued pursuant to W.Va. Code 23-5-1, et seq., after June 30, 2022. Any employer, employee, claimant, or dependent who is aggrieved by a decision of the BOR may appeal to the West Virginia Intermedial Court of Appeals. The ICA may reverse, vacate, modify, or remand a decision of the BOR. Any appeal taken from an ICA final order must be filed with the West Virginia Supreme Court of Appeals.

Claim Reserve: individual claim level cost estimate that is projected on the ultimate probable exposure; must be the best projection based on the facts and findings of the claim. This function is to capture the key components that impact the range of any impending cost in workers' compensation claims. No discounting is applied. The Indemnity Reserve is adjusted to cover the cost of loss or exposure both on a temporary and permanent basis. The reserve should also be adjusted to include the projected cost of any death and/or dependent benefits when appropriate. The Medical Reserve covers medical cost, hospital stays, specialized treatment, rehabilitation, durable medical equipment, and medications, etc. The Expense Reserve is placed for the cost of legal defense and investigations, etc. The reserves may be reduced based on the findings of early mortality factors.

Coal Workers' Pneumoconiosis Fund (CWP): State managed fund into which FBL premiums previously received are held, and out of which FBL benefits are paid. This fund was closed to future liabilities as of December 31, 2005. Because of the latency period between the date of last exposure and the onset of disease, new FBL claims will occur.

Fatal: claim under which the worker died as a result of injury or illness.

FBL: claim for Occupational Pneumoconiosis (Black Lung) benefits under Title IV of the federal Coal Mine Health and Safety Act of 1969, i.e. “Federal Black Lung”, or FBL.

FBL Awarded Claim: an FBL claim that has been awarded but has not yet been accepted by the responsible operator/insurer.

FBL Claim Notice: an FBL claim for which not initial decision has yet been made, but evidence in the claims indicates the potential for an award.

FBL Non-active Claim: an FBL claim for which an award had been sought but was not afforded. Federal statutes permit an appeal process which lasts for 1 year, so the claim would be reopened for consideration upon appeal. Denied FBL claims are closed administratively after 6 months, as the TPA’s bill for claims management services monthly on an open claims basis.

FBL Paying Claim: an FBL claim for which an award has been made and the responsible operator/insurer has accepted liability. Payments are being made to the claimant or dependents.

Indemnity: statutory wage replacement benefits awarded as a result of a worker’s occupational illness or injury.

Med Only: claim under which only the payment of medical benefits was sought or awarded, i.e., no payment of wage replacement benefits (indemnity) is being made.

Old Fund: The residual assets and liabilities of the former Worker’s Compensation Fund are now reported in a fund known as the Workers’ Compensation Old Fund. Disbursements from the Old Fund are related to the liabilities and appropriate administrative expenses necessary for the administration of all claims, actual and incurred but not reported, for any claims with a date of injury on or before June 30, 2005.

OP/OD: claim of Occupational Pneumoconiosis or Occupational Disease. An OP claim could be considered the State level equivalent of an FBL claim; however, State OP claims provide for varying percentages of impairment where the FBL applicant must prove total impairment to be eligible. (State OP claims are awarded more frequently than FBL but afford lesser benefits.) An example of an OD claim would be occupational hearing loss.

PPD: (Permanent Partial Disability) paid to compensate an injured worker for permanent impairment that results from an occupational injury or disease. The American Medical Association defines permanent impairment as impairment that has become static or well stabilized with or without medical treatment and is not likely to remit despite medical treatment. It should be noted, some injuries that are total loss by severance have statutory impairment ratings that are defined per WV Code §23-4-6(f). Payment for PPD is based upon 4 weeks of compensation for each one percent of disability.

PTD: (Permanent Total Disability) A disability which renders a claimant unable to engage in gainful employment requiring skills or abilities which can be acquired, or which are comparable to those of any gainful employment in which the claimant previously engaged with some regularity. While the comparison of pre-injury income and post-disability income is not a factor to be considered in determining whether or not a claimant is permanently and totally disabled, the geographic availability of gainful employment should be considered. Specifically, the geographic availability of gainful employment within a 75-mile driving distance of the claimant's home, or within the distance from the claimant's home to his or her pre-injury employment, whichever is greater, is a factor to be considered in determining whether or not a claimant is PTD.

Self-Insured: an employer who has met certain specific guidelines, and who is then permitted to guarantee their own payment and handling of workers' compensation claims to their employees in accordance with WV statutes.

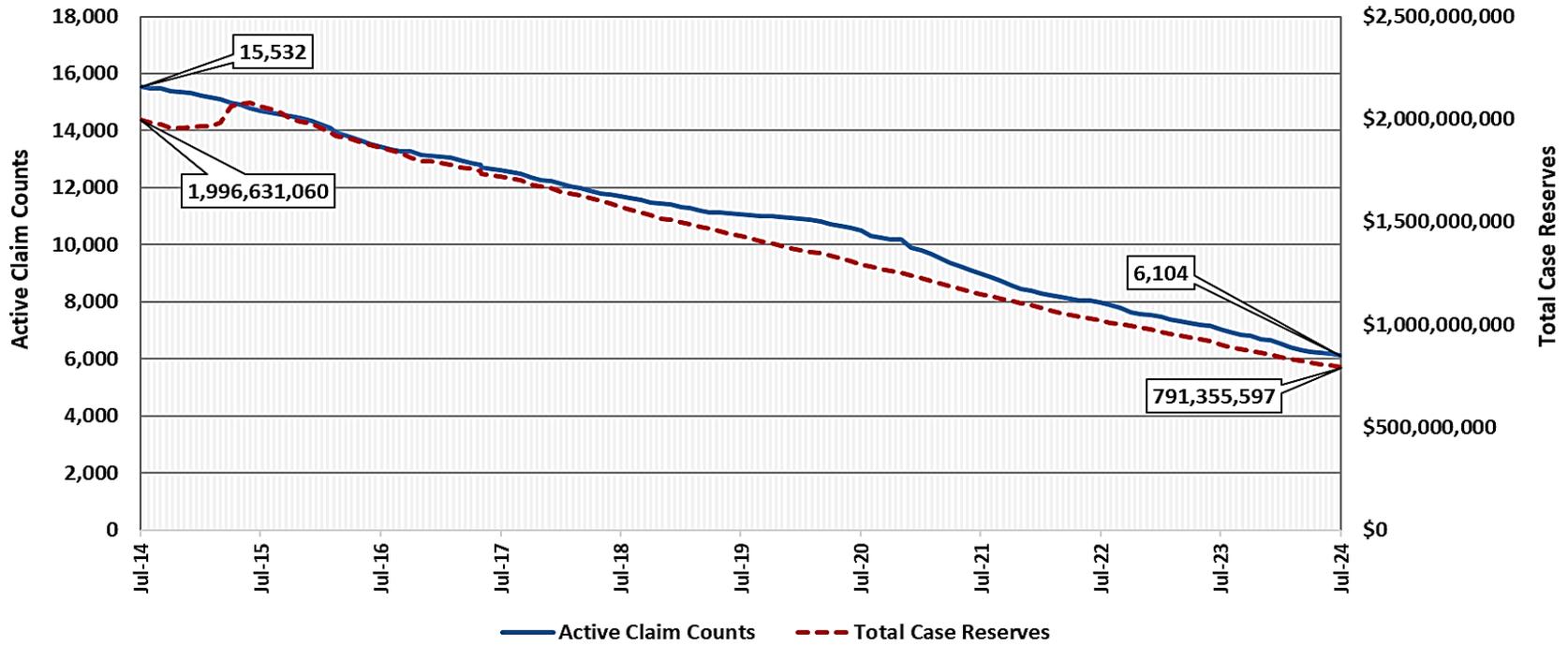
Self-Insured Guaranty Fund: State managed fund consisting of those funds transferred to it from the guaranty pool created pursuant to 85 CSR §19 (2004) and any future funds collected through continued administration of that exempt legislative rule as administered by the WVOIC and out of which workers' compensation benefits may be paid. Covers claims liabilities of bankrupt or defaulted self-insured employers with dates of injury or last exposure after 07/01/2004.

Self-Insured Security Fund: State managed fund consisting of those funds paid into it thru the WVOIC's administration of 85 CSR §19 (2004), and out of which workers' compensation benefits may be paid. Covers claims liabilities of bankrupt or defaulted self-insured employers with dates of injury or last exposure before 07/01/2004. This fund is limited to claimants of those self-insured employers who have defaulted on their claims obligations after 12/31/2005.

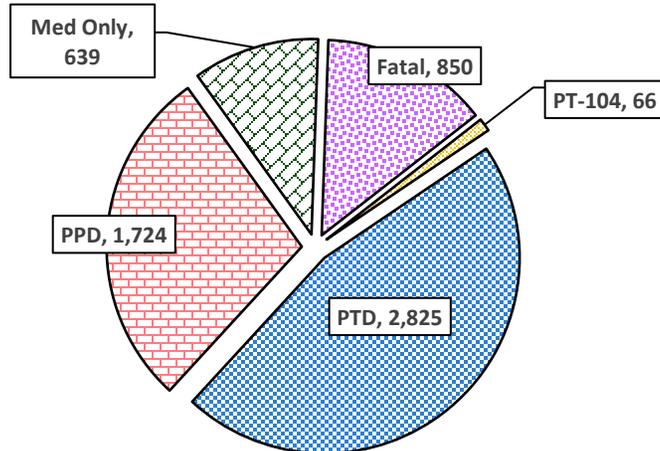
TTD: (Temporary Total Disability) an inability to return to substantial gainful employment requiring skills or activities comparable to those of one's previous gainful employment during the healing or recovery period after the injury. In order to receive TTD benefits, the injured worker must be certified disabled due to the compensable injury by his/her treating physician.

Uninsured Fund: State managed fund into which assessments to carriers or employers received are held, and out of which workers' compensation benefits may be paid to claimant employees of employers who were uninsured if the date of injury or date of last exposure is January 1, 2006, or later.

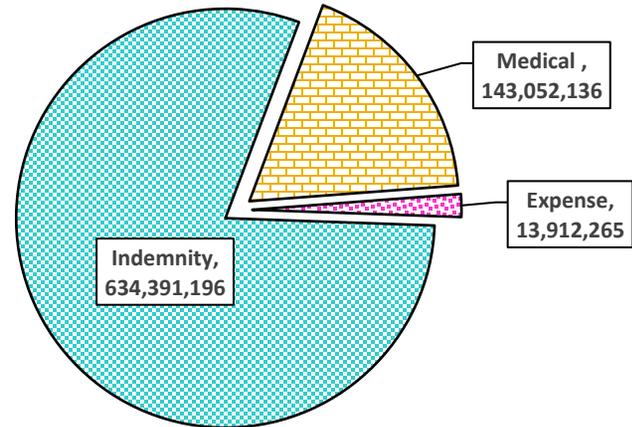
**Old Fund
Active Claim Counts and Case Reserves
7/31/2024**



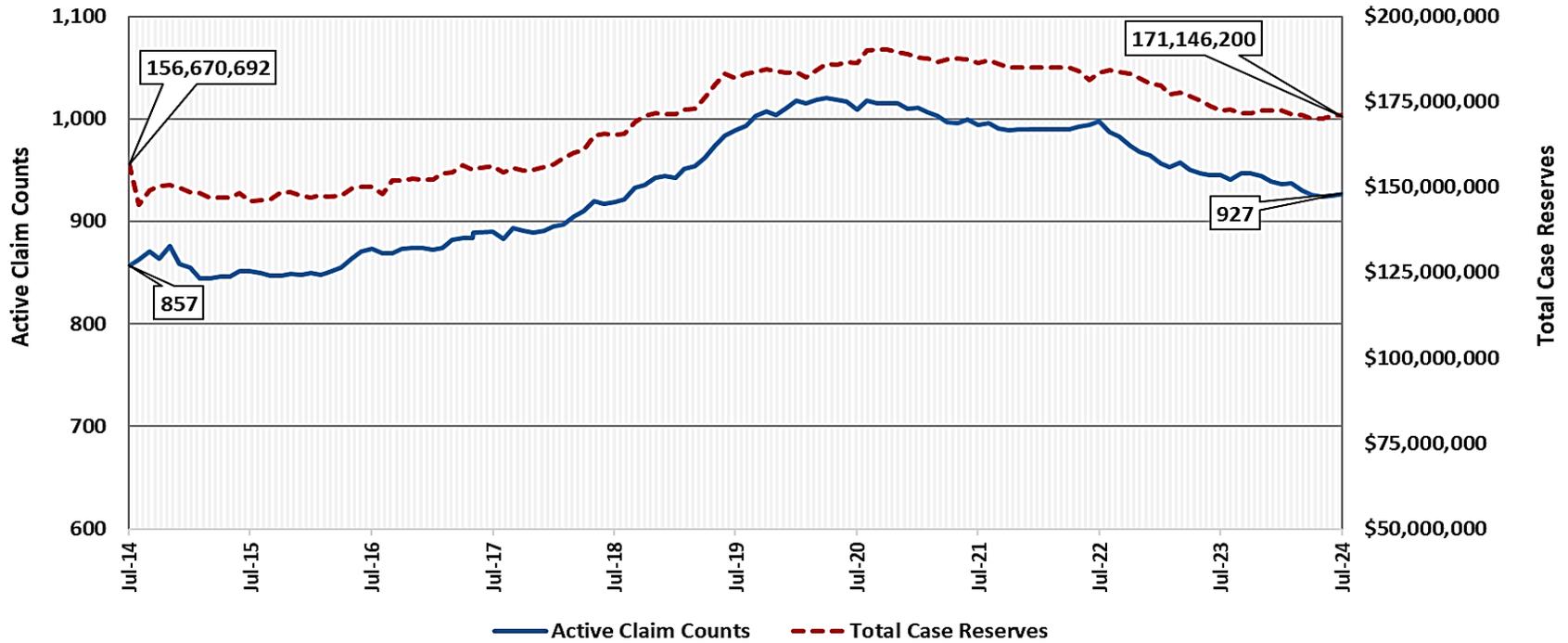
**Old Fund
Active Claim Counts
7/31/2024**



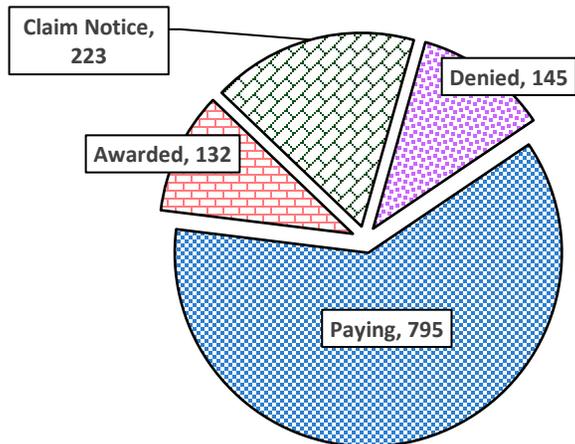
**Old Fund
Reserves by Benefit Type
7/31/2024**



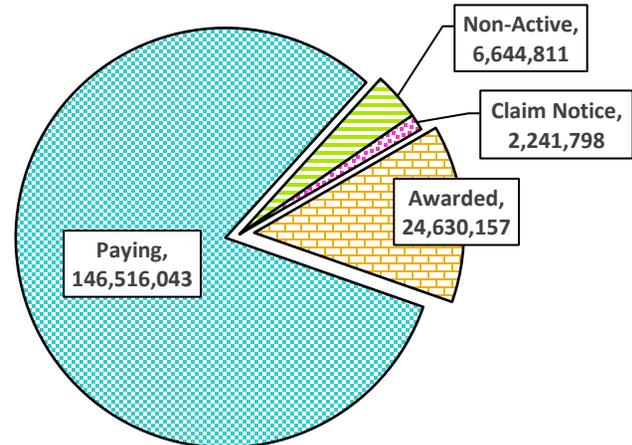
**CWP Fund (FBL)
Active Claim Counts and Case Reserves
7/31/2024**



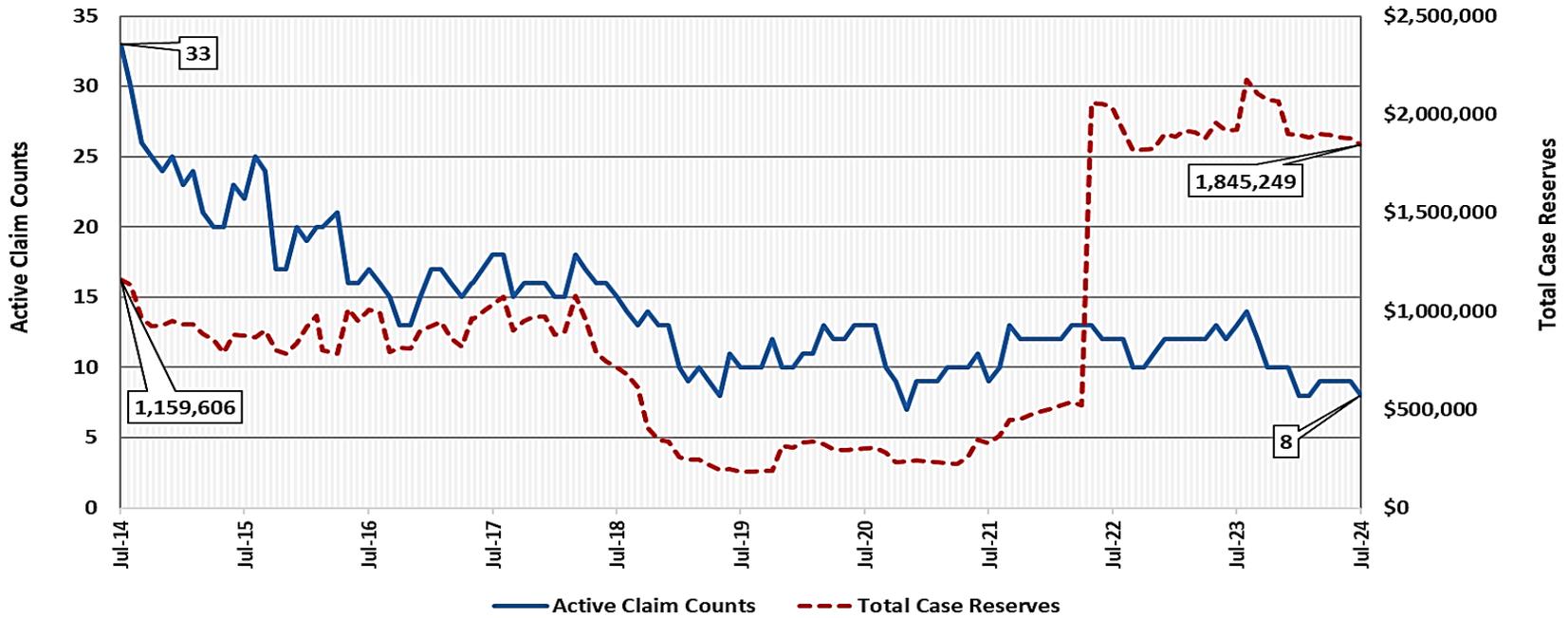
**CWP Fund (FBL)
Active & Inactive Claims
7/31/2024**



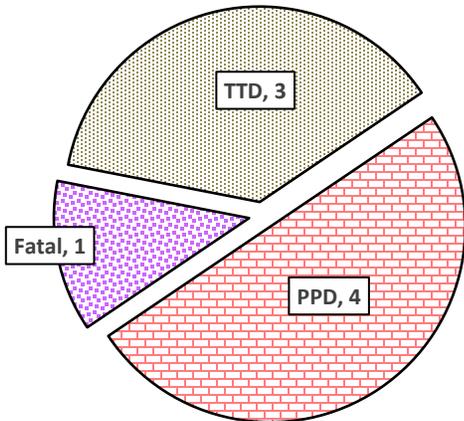
**CWP Fund (FBL)
Reserves by Benefit Type
7/31/2024**



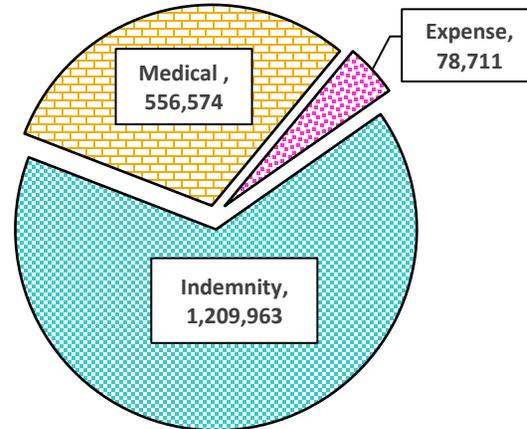
**Uninsured Fund
Active Claim Counts and Case Reserves
7/31/2024**



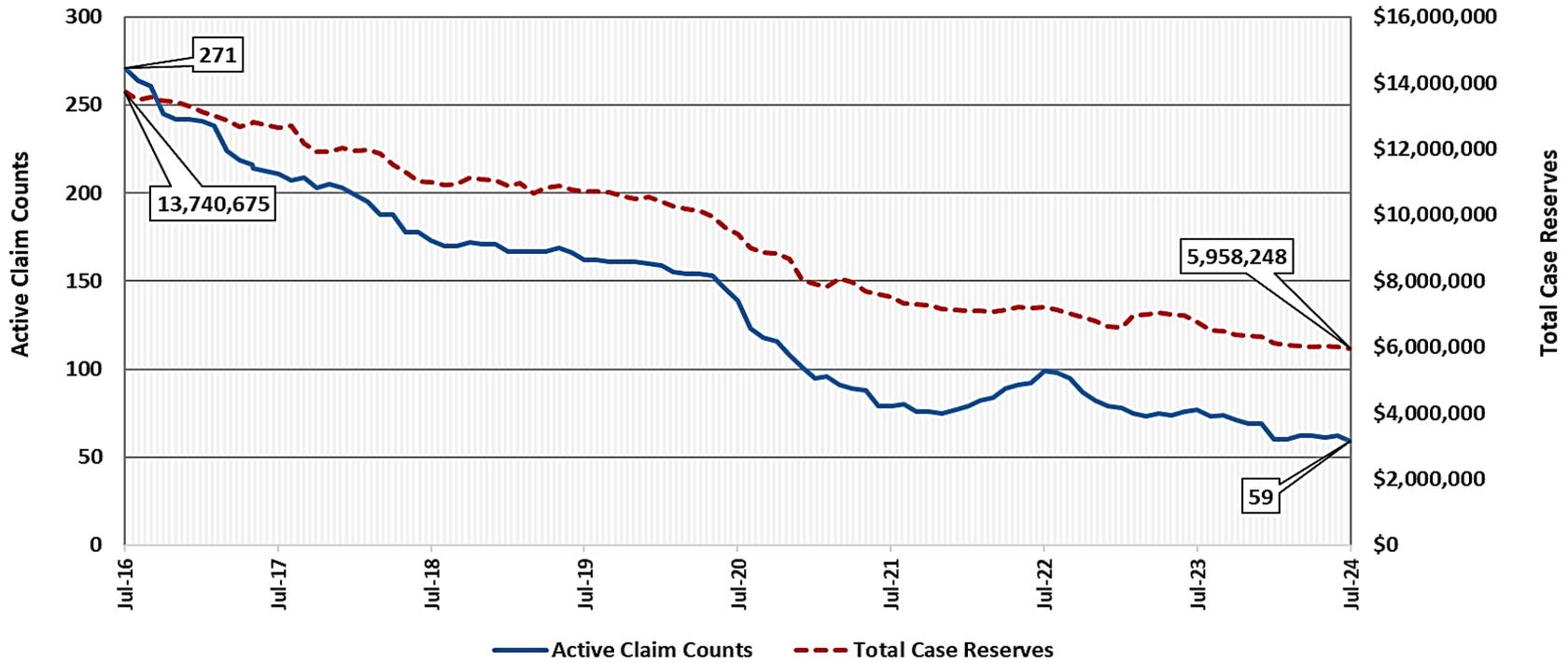
**Uninsured Fund
Active Claim Counts
7/31/2024**



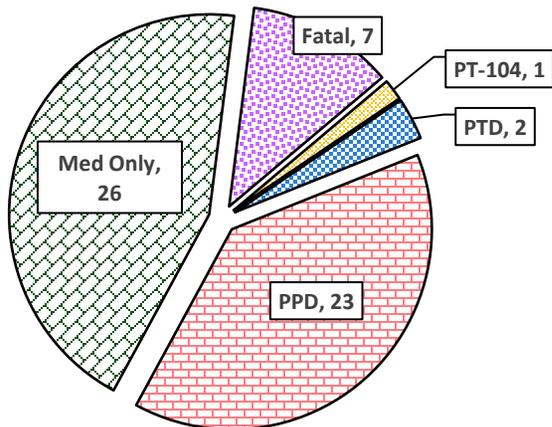
**Uninsured Fund
Reserves by Benefit Type
7/31/2024**



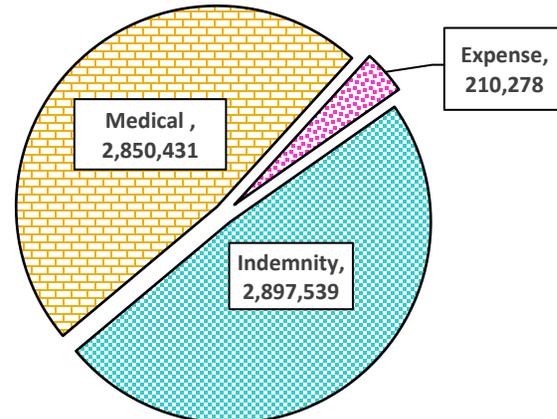
**Guaranty Fund
Active Claim Counts and Case Reserves
7/31/2024**



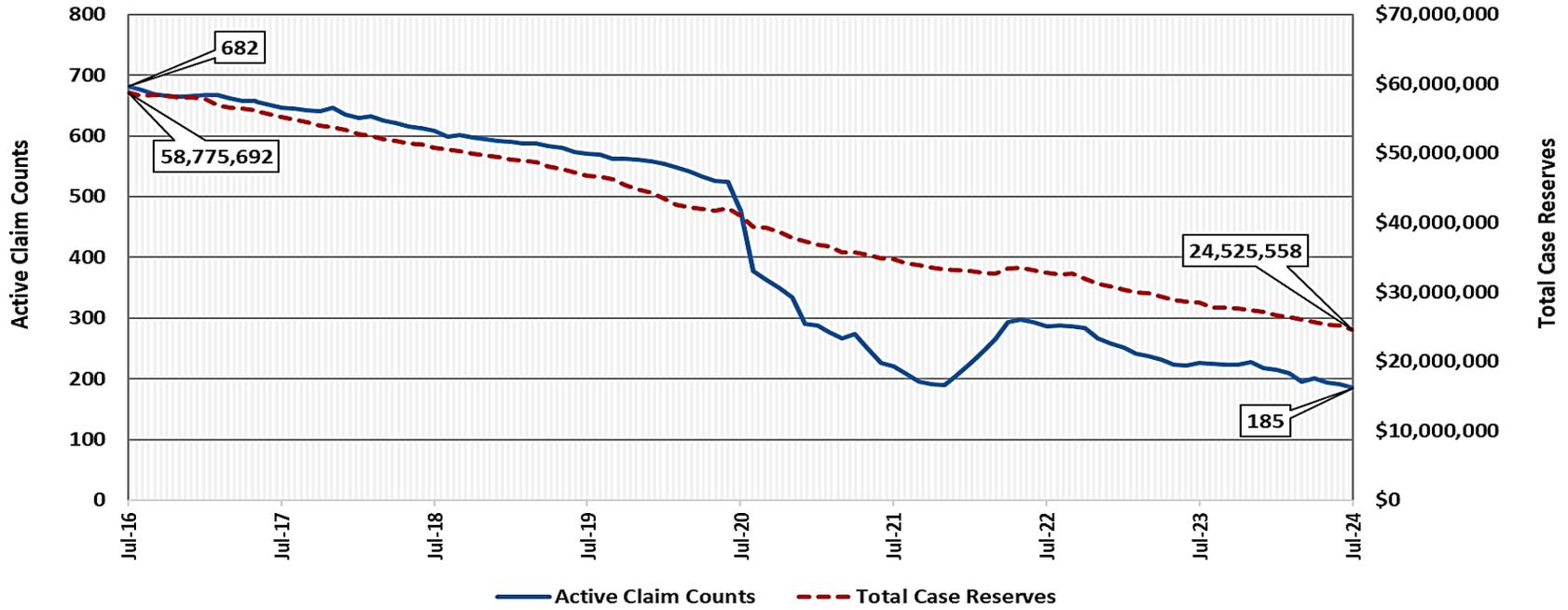
**Guaranty Fund
Active Claim Counts
7/31/2024**



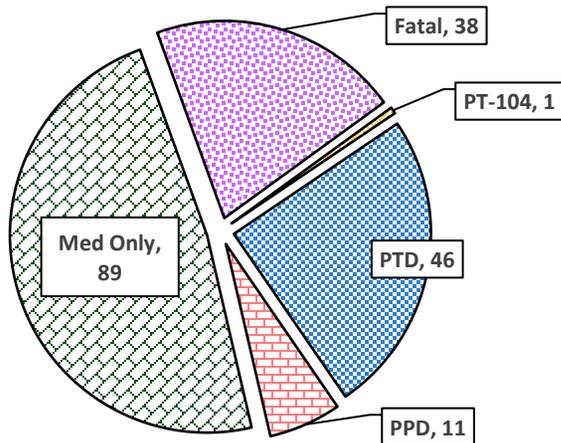
**Guaranty Fund
Reserves by Benefit Type
7/31/2024**



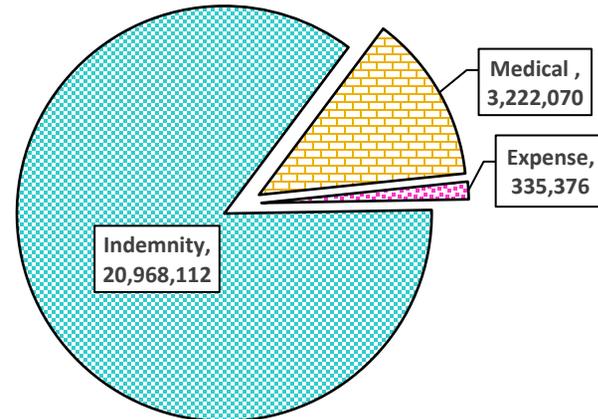
**Security Fund
Active Claim Counts and Case Reserves
7/31/2024**



**Security Fund
Active Claim Counts
7/31/2024**



**Security Fund
Reserves by Benefit Type
7/31/2024**



OLD FUND CASH STATEMENT
JUNE 30, 2024 INCLUDING 13TH MONTH

Three Year History for years ended:

| | YTD FY2024 | YTD FY2023 | Change | FY2023 | FY2022 | FY2021 |
|--|--------------------|----------------------|---------------------|----------------------|----------------------|----------------------|
| Cash Beginning Balances | 834,791,874 | 919,242,416 | (84,450,541) | 919,242,416 | 1,080,592,100 | 993,229,138 |
| Revenues | | | | | | |
| Employer Premium | 40,195 | 41,326 | (1,131) | 41,326 | 238,786 | 189,298 |
| Other Income | - | - | - | - | - | - |
| Operating Revenues | 40,195 | 41,326 | (1,131) | 41,326 | 238,786 | 189,298 |
| Investment / Interest Earnings (Losses) | 86,594,939 | (11,188,287) | 97,783,227 | (11,188,287) | (52,668,067) | 187,370,470 |
| Total Revenues | 86,635,134 | (11,146,961) | 97,782,096 | (11,146,961) | (52,429,280) | 187,559,768 |
| Expenditures | | | | | | |
| Claims Benefits Paid: | | | | | | |
| Medical | 14,966,677 | 14,732,152 | 234,525 | 14,732,152 | 14,588,442 | 16,509,277 |
| Permanent Total Disability | 52,493,813 | 57,045,856 | (4,552,043) | 57,045,856 | 63,031,618 | 69,561,392 |
| Permanent Partial Disability | 82,200 | 66,107 | 16,093 | 66,107 | 163,078 | 112,956 |
| Temporary Disability | - | - | - | - | - | - |
| Fatals | 15,351,375 | 16,153,932 | (802,557) | 16,153,932 | 17,124,757 | 18,386,146 |
| 104 weeks death benefit | 4,272,093 | 4,611,340 | (339,247) | 4,611,340 | 6,011,709 | 6,353,928 |
| Settlements | 505,342 | 1,249,524 | (744,181) | 1,249,524 | 2,382,067 | 2,708,581 |
| Loss Adjustment Expenses | 610,318 | 899,017 | (288,700) | 899,017 | 1,284,295 | 1,095,241 |
| Total | 88,281,817 | 94,757,927 | (6,476,110) | 94,757,927 | 104,585,967 | 114,727,520 |
| Less: Formulary Rebates | 538,673 | - | 538,673 | - | - | - |
| Less: Claims credits and overpayments | 397,531 | 550,422 | (152,891) | 550,422 | 454,800 | 334,334 |
| Total Benefits Paid | 87,345,614 | 94,207,505 | (6,861,891) | 94,207,505 | 104,131,167 | 114,393,187 |
| Administrative Expenses | 3,878,830 | 4,096,075 | (217,245) | 4,096,075 | 4,789,237 | 5,803,619 |
| Total Expenditures | 91,224,443 | 98,303,580 | (7,079,136) | 98,303,580 | 108,920,405 | 120,196,805 |
| Excess (Deficiency) of Revenues over Expenditures | (4,589,309) | (109,450,541) | 104,861,232 | (109,450,541) | (161,349,685) | 67,362,963 |
| Transfer from Operating Fund | - | 25,000,000 | (25,000,000) | 25,000,000 | - | 20,000,000 |
| Cash Ending Balances | 830,202,565 | 834,791,874 | (4,589,309) | 834,791,874 | 919,242,416 | 1,080,592,100 |

Note: The purpose of this report is to enhance the user's ability to monitor the cash activities of the Old Fund. The Old Fund assets consist of cash and investments with the WV Investment Management Board. Investment earnings are presented in the month in which the State Treasurer records the earnings in the statewide accounting system, wvOASIS. The liabilities of the Old Fund consist of the worker's compensation claims and related expenses for all claims, actual and incurred but not reported for claims with dates of injury on or before June 30, 2005. This report is intended to provide a summary of the cash based transactions related to the Fund's assets and liabilities and is not an accrual based presentation. The Old Fund Cash Statement is unaudited information.

SELF-INSURED GUARANTY RISK POOL
JUNE 30, 2024 INCLUDING 13TH MONTH

| | Three Year History for years ended: | | | | | |
|--|-------------------------------------|-------------------|------------------|-------------------|--------------------|-------------------|
| | YTD FY2024 | YTD FY2023 | Change | FY2023 | FY2022 | FY2021 |
| Cash Beginning Balances | 36,425,695 | 37,187,942 | (762,247) | 37,187,942 | 39,659,496 | 33,724,356 |
| Revenues | | | | | | |
| Guaranty Risk Pool Assessments | 213,674 | 15,000 | 198,674 | 15,000 | 10,000 | - |
| Collateral Proceeds | - | - | - | - | - | - |
| Investment Earnings (Losses) | 3,942,002 | (209,276) | 4,151,279 | (209,276) | (1,884,585) | 6,763,880 |
| Total Revenues | 4,155,676 | (194,276) | 4,349,953 | (194,276) | (1,874,585) | 6,763,880 |
| Expenditures | | | | | | |
| Claims Benefits Paid: | | | | | | |
| Medical | 257,106 | 167,151 | 89,955 | 167,151 | 178,127 | 280,185 |
| Permanent Total Disability | 12,316 | 37,257 | (24,941) | 37,257 | 63,717 | 89,242 |
| Permanent Partial Disability | 52,003 | 33,839 | 18,164 | 33,839 | 83,562 | 91,922 |
| Temporary Disability | - | - | - | - | - | - |
| Fatals | 185,950 | 201,734 | (15,784) | 201,734 | 206,996 | 206,996 |
| 104 Weeks Death Benefit | 35,280 | 26,460 | 8,820 | 26,460 | - | - |
| Settlement Agreements | - | 43,500 | (43,500) | 43,500 | 62,000 | 39,699 |
| Non Awarded Partial Disability | - | - | - | - | - | - |
| Loss Adjustment Expenses | 38,735 | 63,319 | (24,585) | 63,319 | 31,743 | 52,455 |
| Total | 581,389 | 573,261 | 8,129 | 573,261 | 626,144 | 760,498 |
| Less: Formulary Rebates | 4,063 | - | 4,063 | - | - | - |
| Less: Claims Credits and Overpayments | 22,843 | 409 | 22,434 | 409 | 53,649 | 150 |
| Total Benefits Paid | 554,483 | 572,851 | (18,368) | 572,851 | 572,495 | 760,348 |
| Administrative Expenses | - | (4,880) | 4,880 | (4,880) | 24,473 | 68,392 |
| Total Expenditures | 554,483 | 567,971 | (13,488) | 567,971 | 596,968 | 828,740 |
| Excess (Deficiency) of Revenues over Expenditures | 3,601,193 | (762,247) | 4,363,440 | (762,247) | (2,471,554) | 5,935,140 |
| Cash Ending Balances | 40,026,888 | 36,425,695 | 3,601,193 | 36,425,695 | 37,187,942 | 39,659,496 |

The Self-Insured Guaranty Risk Pool covers the claims liabilities of bankrupt or defaulted self-insured employers with dates of injury subsequent to July 1, 2004. The revenues of the Self-Insured Guaranty Fund are comprised of the guaranty risk pool assessments levied on all self-insured employers and the earnings on invested assets. The assets of the Self-insured Guaranty Risk Pool are invested with the WV Investment Management Board. Investment earnings are presented in the month in which the State Treasurer records the earnings in the statewide accounting system, wvOASIS. The Self Insured Guaranty Cash Statement is unaudited information.

SELF-INSURED SECURITY RISK POOL
JUNE 30, 2024 INCLUDING 13TH MONTH

Three Year History for years ended:

| | YTD FY2024 | YTD FY2023 | Change | FY2023 | FY2022 | FY2021 |
|--|-------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Cash Beginning Balances | 47,666,403 | 50,605,643 | (2,939,240) | 50,605,643 | 55,995,948 | 49,568,499 |
| Revenues | | | | | | |
| Security Risk Pool Assessments | 150,000 | - | 150,000 | - | - | - |
| Collateral Proceeds | - | - | - | - | - | - |
| Investment Earnings (Losses) | 5,070,845 | (325,785) | 5,396,630 | (325,785) | (2,592,281) | 9,805,453 |
| Total Revenues | 5,220,845 | (325,785) | 5,546,630 | (325,785) | (2,592,281) | 9,805,453 |
| Expenditures | | | | | | |
| Claims Benefits Paid: | | | | | | |
| Medical | 615,450 | 717,600 | (102,150) | 717,600 | 585,099 | 531,814 |
| Permanent Total Disability | 1,031,307 | 1,086,424 | (55,117) | 1,086,424 | 1,177,138 | 1,250,688 |
| Permanent Partial Disability | 8,996 | 8,906 | 91 | 8,906 | 11,540 | 4,243 |
| Temporary Disability | - | - | - | - | - | - |
| Fatals | 807,206 | 849,667 | (42,460) | 849,667 | 838,483 | 918,152 |
| 104 Weeks Death Benefit | 30,662 | 35,632 | (4,970) | 35,632 | 50,458 | 171,468 |
| Settlement Agreements | - | 16,000 | (16,000) | 16,000 | 61,325 | 315,463 |
| Loss Adjustment Expenses | 24,558 | 39,671 | (15,113) | 39,671 | 36,980 | 73,223 |
| Total | 2,518,181 | 2,753,900 | (235,719) | 2,753,900 | 2,761,024 | 3,265,052 |
| Less: Formulary Rebates | 16,786 | - | 16,786 | - | - | - |
| Less: Claims Credits and Overpayments | 45,050 | 117,966 | (72,916) | 117,966 | 31,348 | 84,004 |
| Total Benefits Paid | 2,456,345 | 2,635,934 | (179,589) | 2,635,934 | 2,729,676 | 3,181,048 |
| Administrative Expenses | 627 | (22,479) | 23,106 | (22,479) | 68,348 | 196,956 |
| Total Expenditures | 2,456,972 | 2,613,455 | (156,483) | 2,613,455 | 2,798,024 | 3,378,004 |
| Excess (Deficiency) of Revenues over Expenditures | 2,763,872 | (2,939,240) | 5,703,113 | (2,939,240) | (5,390,305) | 6,427,449 |
| Cash Ending Balances | 50,430,275 | 47,666,403 | 2,763,872 | 47,666,403 | 50,605,643 | 55,995,948 |

The Self-Insured Security Risk Pool is liable for the worker's compensation claims of bankrupt or defaulted self-insured employers with dates of injury prior to July 1, 2004. However, the obligations of this Fund are limited to the exposures of self-insured employers who default subsequent to December 31, 2005. The assets of the Self-insured Security Risk Pool are invested with the WV Investment Management Board. Investment earnings are presented in the month in which the State Treasurer records the earnings in the statewide accounting system, wvOASIS. The Self Insured Security Cash Statement is unaudited information.

UNINSURED EMPLOYERS FUND
JUNE 30, 2024 INCLUDING 13TH MONTH

| | Three Year History for years ended: | | | | | |
|--|-------------------------------------|-------------------|------------------|-------------------|-------------------|-------------------|
| | YTD FY2024 | YTD FY2023 | Change | FY2023 | FY2022 | FY2021 |
| Cash Beginning Balances | 16,468,190 | 16,195,294 | 272,895 | 16,195,294 | 16,844,759 | 13,817,714 |
| Revenues | | | | | | |
| Fines and Penalties | 488,794 | 477,594 | 11,200 | 477,594 | 341,220 | 322,680 |
| Investment Earnings (Losses) | 1,798,818 | (74,574) | 1,873,392 | (74,574) | (828,855) | 2,767,995 |
| Total Revenues | 2,287,612 | 403,021 | 1,884,592 | 403,021 | (487,635) | 3,090,675 |
| Expenditures | | | | | | |
| Claims Benefits Paid: | | | | | | |
| Medical | 192,619 | 46,236 | 146,383 | 46,236 | 118,279 | 2,096 |
| Permanent Total Disability | - | - | - | - | - | - |
| Permanent Partial Disability | 41,300 | 5,809 | 35,492 | 5,809 | 6,929 | - |
| Temporary Disability | 34,340 | 26,145 | 8,195 | 26,145 | 64,151 | 3,048 |
| Fatals | 12,067 | - | 12,067 | - | 19,201 | 25,601 |
| 104 Weeks Death Benefit | - | - | - | - | - | - |
| Settlement Agreements | 6,000 | 54,000 | (48,000) | 54,000 | 22,000 | 44,276 |
| Loss Adjustment Expenses | 38,953 | 34,594 | 4,359 | 34,594 | 39,974 | 26,492 |
| Total | 325,279 | 166,784 | 158,495 | 166,784 | 270,534 | 101,513 |
| Less: Employer Reimbursement | 80,972 | 40,241 | 40,730 | 40,241 | - | - |
| Less: Formulary Rebates | 1,132 | - | 1,132 | - | - | - |
| Less: Claims Credits and Overpayments | 79 | 332 | (253) | 332 | 116,115 | 42,742 |
| Total Benefits Paid | 243,096 | 126,210 | 116,886 | 126,210 | 154,419 | 58,770 |
| Administrative Expenses | 2,115 | 3,915 | (1,800) | 3,915 | 7,410 | 4,860 |
| Total Expenditures | 245,211 | 130,125 | 115,085 | 130,125 | 161,829 | 63,630 |
| Excess (Deficiency) of Revenues over Expenditures | 2,042,401 | 272,895 | 1,769,506 | 272,895 | (649,465) | 3,027,045 |
| Cash Ending Balances | 18,510,591 | 16,468,190 | 2,042,401 | 16,468,190 | 16,195,294 | 16,844,759 |

The Uninsured Employer's Fund (UEF) was established January 1, 2006 to provide worker's compensation benefits to injured workers of uninsured WV employers. The revenues of the UEF consist of fines levied on uninsured employers and the earnings on invested assets. The assets of the UEF are invested with the WV Investment Management Board. Investment earnings are presented in the month in which the State Treasurer records the earnings in the statewide accounting system, wvOASIS. The Insurance Commissioner has the right to levy assessments on employers in order to maintain the solvency of the Fund. The Commissioner may recover all payments made from this fund, including interest, from an uninsured employer who is found liable for benefits paid from the UEF. The Uninsured Cash Statement is unaudited information.

COAL WORKERS PNEUMOCONIOSIS FUND
JUNE 30 2024 INCLUDING 13TH MONTH

Three Year History for years ended:

| | YTD FY2024 | YTD FY2023 | Change | FY2023 | FY2022 | FY2021 |
|--|--------------------|---------------------|---------------------|---------------------|---------------------|--------------------|
| Cash Beginning Balances | 196,484,406 | 215,931,727 | (19,447,321) | 215,931,727 | 246,613,162 | 220,914,521 |
| Revenues | | | | | | |
| Investment Earnings (Losses) | 20,658,281 | (1,550,178) | 22,208,458 | (1,550,178) | (11,131,323) | 43,567,242 |
| Other Income | - | - | - | - | - | - |
| Total Revenues | 20,658,281 | (1,550,178) | 22,208,458 | (1,550,178) | (11,131,323) | 43,567,242 |
| Expenditures | | | | | | |
| Claims Benefits Paid: | | | | | | |
| Medical | 2,155,296 | 2,799,907 | (644,611) | 2,799,907 | 6,033,252 | 5,107,159 |
| PTD and Fatal Indemnity | 10,859,596 | 10,613,261 | 246,335 | 10,613,261 | 9,518,418 | 8,726,207 |
| Settlements | - | - | - | - | 1,837 | - |
| Loss Adjustment Expenses | 3,720,334 | 4,660,713 | (940,379) | 4,660,713 | 3,513,844 | 3,343,071 |
| Total | 16,735,226 | 18,073,881 | (1,338,655) | 18,073,881 | 19,067,350 | 17,176,438 |
| Less: Formulary Rebates | 105,443 | - | 105,443 | - | - | - |
| Less: Claims Credits and Overpayments | 637,167 | 738,146 | (100,979) | 738,146 | 387,376 | 94,896 |
| Total Benefits Paid | 15,992,616 | 17,335,735 | (1,343,119) | 17,335,735 | 18,679,974 | 17,081,541 |
| Administrative Expenses | 664,765 | 561,407 | 103,358 | 561,407 | 870,138 | 787,060 |
| Total Expenditures | 16,657,381 | 17,897,142 | (1,239,761) | 17,897,142 | 19,550,112 | 17,868,601 |
| Excess (Deficiency) of Revenues over Expenditures | 4,000,899 | (19,447,321) | 23,448,220 | (19,447,321) | (30,681,436) | 25,698,641 |
| Cash Ending Balances | 200,485,305 | 196,484,406 | 4,000,900 | 196,484,406 | 215,931,727 | 246,613,162 |

Note: The Coal Worker's Pneumoconiosis Fund (CWP Fund) ceased operations December 31, 2005 and is in run-off status under the administrative oversight of the Insurance Commissioner. Established in 1973, the CWP Fund existed to provide insurance coverage to companies for liabilities incurred as a result of the Federal Coal Mine Health and Safety Act of 1969. Participation in the CWP Fund was voluntary for employers. The current revenues of the CWP Fund are limited to the earnings from invested assets. Assets of the CWP Fund are invested with the WV Investment Management Board. The investment earnings are presented in the month in which the State Treasurer records the earnings. The liabilities of the CWP Fund consist of the claims for coal miners who are totally disabled or beneficiaries of coal miners who have died as a result of coal worker's pneumoconiosis. To be eligible for benefits from the CWP Fund, the date of last exposure of the coal miner must be on or before December 31, 2005. The Coal Workers Cash Statement is unaudited information.



Allan L. McVey
CPCU, ARM, AAI, AAM, AIS
Insurance Commissioner

May 31, 2024

MENTAL HEALTH PARITY 2024

2023 Plan Year

I. Introduction.

This Mental Health Parity Report for the 2023 Plan Year (2024 Report) is in response to the West Virginia Legislature’s requirement, pursuant to W.Va. Code §§33-15-4u, 33-16-3ff, 33-24-7u, 33-25-8r, 33-25A-8u, and W.Va. Code St. R. §114-64-7.3 and 8, that the West Virginia Offices of the Insurance Commissioner (“OIC”) annually issue a mandatory data call and provide a detailed report to the Joint Committee on Government and Finance on the status of mental health and substance use disorder (“MH/SUD”) parity in the State of West Virginia. As specified in West Virginia law, this 2024 Report addresses carrier compliance with the requirements of The Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 (“MHPAEA”) related to parity in the imposition of financial requirements (“FRs”) and treatment limitations, both quantitative treatment limitations (“QTLs”) and non-quantitative treatment limitations (“NQTLs”).¹

II. Applicable Mental Health Parity Laws.

There are both federal and state-based laws related to mental health parity that form the source for the annual data call and reporting requirements.

A. West Virginia law

In 2020, West Virginia passed a state “Mental Health Parity Law” (Senate Bill 291). The law, which is codified at W.Va. Code §§ 33-15-4u, 33-16-3ff, 33-24-7u, 33-25-8r and 33-25A-8u, as well as W.Va. Code. R. §114-64-1, et seq., generally provides that, for all health insurance policies issued or renewed after January 1, 2021, health insurance companies must provide parity regarding coverage for behavioral health, MH/SUD, and medical and surgical services. The Mental Health Parity Law mandates, in part, that health insurers comply with MHPAEA and its regulations, as amended, concerning FRs, QTLs, and NQTLs. The Mental Health Parity Law also requires that the OIC report annually and submit a written report to the Joint Committee on Government and Finance on certain data collection and analyses undertaken by the OIC regarding mental health parity (Report).

B. Federal law

MHPAEA is a federal law that imposes parity standards that generally prohibit group health plans, health insurance issuers, and individual health insurance plans from imposing certain FRs and treatment limitations on MH/SUD benefits that are less favorable than FRs and treatment limitations applied to medical/surgical benefits.² MHPAEA’s regulations address the following types of requirements and treatment limitations: (1) FRs or aspects of plan design that outline cost sharing between the plan and the enrollee (including copayments, coinsurance, deductibles and out-of-pocket limits); (2) QTLs or treatment limitations that are expressed numerically, such as calendar year limits on the number of office visits or inpatient days, or lifetime limits on the coverage of benefits; and (3) NQTLs or limits on the scope or duration of treatment that are not expressed numerically. (e.g., medical management techniques like prior authorization, formulary design for prescription drugs, standards for provider admission to a network, including

¹ See 42 USC 300gg-26. See also MHPAEA’s Final Regulations can at [2013-27086.pdf \(govinfo.gov\)](https://www.govinfo.gov/2013-27086.pdf).

² 42 USC 300gg-26(a)(3)(a) and 45 CFR 146.136(b)(1).

reimbursement rates paid to a provider or facility, or provider network adequacy).³ Plans and issuers that impose FRs, QTLs, and NQTLs must meet specific tests to be in compliance with the law and its regulations.⁴ FRs, QTLs and NQTLs are analyzed on a classification-by-classification basis. MHPAEA’s regulations establish six classifications of benefits as follows: (1) inpatient, in-network; (2) inpatient, out-of-network, (3) outpatient, in-network; (4) outpatient, out-of-network; (5) emergency care; and (6) pharmacy. The rules permit the plans or issuers to subclassify their outpatient benefits into office visits and outpatient other items and services subclassifications.⁵

Once the benefits are separated into benefits classifications, the carrier must identify every FR, QTL or NQTL which is applied to M/SUD benefits. If there is no corresponding FR, QTL, or NQTL imposed on the medical/surgical benefit, it is a separate treatment limitation and it expressly violates MHPAEA.⁶ However, if the FR, QTL, or NQTL applies to both MH/SUD and medical/surgical benefits, the plan must determine if the applicable FR, QTL, or NQTL meets the compliance tests required by the law and its regulations as explained below.

1. FR and QTL Tests

For any FR or QTL that applies to both MH/SUD and medical/surgical benefits, it must be determined if the FR or QTL applies to “substantially all” of the medical/surgical benefits within the same benefits classification based on plan expected payments for covered medical/surgical benefits.⁷ An FR or QTL is considered to apply to substantially all of the medical/surgical benefits in a benefits classification if it applies to at least two-thirds of all medical/surgical benefits in that classification. If the FR or QTL type does not apply to substantially all of the medical/surgical benefits in that benefits classification, the type of FR or QTL cannot be applied to the MH/SUD benefits in the classification.

³ See 45 CFR 146.136(a). The regulations provide the following illustrative list of NQTLs: medical management standards, formulary design prescription drugs, network tier design, standards for provider admission to participate in a network (including reimbursement rates paid to a provider or facility), plan methods for determining usual, customary and reasonable charges, refusal to pay for higher-cost therapies until it can be shown that a lower-cost therapy is not effective, exclusions based on failure to complete a course of treatment, and restrictions based on geographic location, facility type, provider specialty, and any other criteria that limits the scope or duration of a benefit. See 45 CFR 146.136(c)(4)(i). The Preamble to MHPAEA’s Final Rules also states that the regulations’ list of NQTLs is merely illustrative and not all of the NQTLs that may be imposed by a plan or issuer on MH/SUD benefits. The Final Rules offer additional illustrations of NQTLs (e.g., in- and out-of-network geographic limitations, limitations on inpatient services for situations where the participant is a threat to self or others, exclusions for court-ordered and involuntary holds, experimental treatment limitations, service coding, exclusions for services provided by clinical social workers, and network adequacy). See 78 FR 68246.

⁴ Please note, on July 25, 2023, the United States Departments of Labor, Health and Human Services, and Treasury proposed a new rule to strengthen enforcement of MHPAEA and assure that patients have access to medically necessary MH/SUD services. Since the new proposed rule is not final, the contents of the new proposed rule have not been considered in the review of Carrier responses or the 2024 Report.

⁵ MHPAEA’s Final Rules permit three sub-classifications that were established to accommodate plan design features. These subclassifications are multi-tiered prescription drug benefits, multiple network tiers, and office visits, separated from other outpatient services. Once a subclassification is established by a plan or issuer, it must perform the appropriate parity analysis within the subclassification to determine its compliance with MHPAEA’s tests (i.e., substantially all and predominant and comparability and no more stringency). A plan cannot subclassify benefits for purpose of FRs and QTLs and not subclassify benefits for NQTLs. See 45 CFR 146.136(c)(3)(iii).

⁶ 42 USC 300gg-26(a)(3)(A) and 45 CFR 146.136(c)(3).

⁷ 42 USC 300gg-26(a)(3)(A).

If the FR or QTL type does apply to substantially all of the medical/surgical benefits in the classification, then the health plan must apply the “predominant” test (i.e., the health plan must determine the level of the type of FR or QTL that is the predominant level in a benefits classification). The predominant level means that the FR or QTL applies to more than half of the medical/surgical benefits in that benefits classification based on plan costs. If a single level of a type of FR or QTL applies to more than one-half of the medical/surgical benefits subject to the FR or QTL within a benefits classification, it is the predominant level, and the health plan cannot apply that FR or QTL to the MH/SUD benefits at a level that is more restrictive. However, if there is no one level that applies to more than half of the medical/surgical benefits subject to the FR or QTL in a benefits classification, the health plan must combine levels until the combination of levels applies to more than one-half of the medical/surgical benefits subject to the FR or QTL in the classification.

2. NQTL Tests.

For any NQTL that applies to both MH/SUD and medical/surgical benefits, the NQTL must comply with MHPAEA’s comparability and stringency tests. Specifically, a plan or issuer may not impose an NQTL with respect to MH or SUD disorder benefits in any classification unless, under the terms of the plan as written and in operation, any processes, strategies, evidentiary standards, or other factors used in applying the NQTL to MH or SUD benefits in the classification are comparable to, and are applied no more stringently than, the processes, strategies, evidentiary standards, or other factors used in applying the limitation with respect to medical/surgical benefits in the same benefit classification

The Consolidated Appropriations Act of 2021 (CAA), enacted on December 27, 2020, amended MHPAEA and established important requirements regarding comparative analyses for NQTLs. The CAA generally requires that group health plans perform and document comparative analyses of the design and application of all NQTLs and make this documentation available to the U.S. Department of Labor (DOL), the U.S. Department of Health and Human Services (DHHS), and applicable state authorities upon request beginning February 10, 2021. The DOL, DHHS, and U.S. Department of the Treasury released Frequently Asked Questions (FAQ 45) on April 1, 2021, to provide important guidance to plans in conducting and documenting what comprises a sufficient comparative analysis.⁸

Specifically, the CAA provides that plans must “perform and document comparative analyses of the design and application of NQTLs.” The *comparative analyses* must *demonstrate*.⁹

...that the processes, strategies, evidentiary standards, and other factors used to apply the NQTLs to MH/SUD benefits, as written and in operation, are comparable to, and are applied no more stringently than, the processes, strategies, evidentiary standards, and other factors used to apply the NQTLs to medical or surgical benefits in the benefits classification.¹⁰

The terms of the CAA require that group health plans and health insurance issuers perform the

⁸See [FAQs-Part-45 \(dol.gov\)](https://www.dol.gov/eis/whysites/faq45).

⁹ See 42 U.S.C. 300gg-26(a)(8)(A)(i) - (v).

¹⁰ 42 U.S.C. 300gg-26(a)(8)(A)(iv)).

comparative analyses in a manner which demonstrates compliance with MHPAEA’s NQTL rule by providing the following five required information elements (the “Required Steps”) as follows:

Required Step 1: The specific plan or coverage terms or other relevant terms regarding the NQTLs and a description of all MH/SUD and medical/surgical benefits to which each such term applies in each benefits classification;¹¹

Required Step 2: The factors used to determine that the NQTLs will apply to MH/SUD benefits and medical/surgical benefits;¹²

Required Step 3: The evidentiary standards used for the factors identified, when applicable, provided that every factor shall be defined, and any other source or evidence relied upon to design and apply the NQTLs to MH/SUD benefits and medical/surgical benefits;¹³

Required Step 4: The comparative analyses demonstrating that the processes, strategies, evidentiary standards, and other factors used to apply the NQTLs to MH/SUD benefits, as written and in operation, are comparable to, and are applied no more stringently than, the processes, strategies, evidentiary standards, and other factors used to apply the NQTLs to med/surg benefits in the benefits classification;¹⁴ and

Required Step 5: The specific findings and conclusions reached by the plan or issuer, including any results of the analyses that indicate that the plan or coverage is or is not in compliance with the MHPAEA requirements.¹⁵

The Required Steps are “Compliance Requirements,” as reflected in the title of 42 U.S.C. section 300gg-26(a)(8), the section of the law which sets forth the Required Steps. Each step is connected and inter-related and each requirement is necessary for establishing compliance. Therefore, if a plan fails to meet any one of the Required Steps, it is itself a failure to provide the required information and conclusively demonstrate compliance through its comparative analysis.

III. OIC Annual Data Calls

In order to fulfill its statutory obligations, the OIC annually issues a data call to the state regulated health plans and health insurance issuers (“carriers”) in West Virginia which includes information and reporting requests that are designed to collect the information necessary to complete this Report, and to provide a basis to analyze the information regarding the state of compliance with the State West Virginia and federal mental health parity laws and regulations (“Data Call”). The Data Call requires the Carriers to complete a Carrier Information Worksheet to report information regarding the plans operated in West Virginia, including claims expense data, vendor and delegate information, adverse determinations, all Carrier identified NQTLs, and medical necessity criteria

¹¹ 42 U.S.C. 300gg-26(a)(8)(A)(i).

¹² 42 U.S.C. 300gg-26(a)(8)(A)(ii).

¹³ 42 U.S.C. 300gg-26(a)(8)(A)(iii).

¹⁴ 42 U.S.C. 300gg-26(a)(8)(A)(iv).

¹⁵ 42 U.S.C. 300gg-26(a)(8)(A)(v).

used in making utilization management decisions. The Carriers must also complete a workbook to report information regarding the Carrier's FRs and QTLs and provide their comparative analyses that they have developed for each NQTL identified by the Carrier in the Carrier Information Worksheet, using a form provided by the State that comports with the Required Steps ("Required Reporting Form"). The Required Reporting Form requires the Carrier to demonstrate compliance for each NQTL by benefits classification or subclassification, if applicable, to demonstrate compliance via the Required Steps.

A. 2023 Data Call and Market Conduct Examinations

On March 20, 2023, the OIC issued the Data Call to the Carriers, requesting information and data for the 2022 plan year ("2023 Data Call"). After reviewing responses from the Carriers, the OIC issued its Report to the Joint Committee on Government and Finance on May 31, 2023 ("2023 Report").¹⁶ Among other things, the 2023 Report generally concluded that the top 5 Carriers in West Virginia, providing coverage to 98% of the commercial market, did not sufficiently demonstrate that each NQTL imposed by the Carrier complied with the Required Steps, and therefore, did not demonstrate compliance as stipulated by 42 U.S.C. Section 300gg-26(a)(8)(A)(i)-(v) or the Mental Health Parity Law. As a result, following the issuance of the 2023 Report, the OIC worked extensively with the Carriers to identify and resolve MH/SUD parity compliance issues. Additionally, to ensure future compliance and potentially penalize past non-compliance, on September 1, 2023, the OIC commenced Market Conduct Examinations on four of the top 5 Carriers to collect and review materials related to the Carriers' compliance with MHPAEA and the Mental Health Parity Law for the period commencing January 1, 2022, through December 31, 2022 (Market Conduct Examination). At this time, the Market Conduct Examinations are ongoing, but should be completed in summer 2024. The OIC is committed to addressing any parity concerns raised by the Market Conduct Examinations.

As part of the Market Conduct Examinations, the OIC requested that four Carriers submit NQTL comparative analyses for all the NQTL imposed by the Carriers on MH/SUD and medical/surgical benefits. In response, the four Carriers submitted the exact same or substantially similar comparative analyses as the comparative analyses submitted as part of the 2023 Data Call and were found to not sufficiently demonstrate compliance with the law in the 2023 Report. The four Carriers were informed that their NQTL comparative analyses submissions were insufficient and, in an effort to provide an opportunity to correct the insufficiency, the Carriers were offered an opportunity to correct their comparative analyses and instructed to submit revised comparative analyses as part of the 2024 Data Call. To assist Carriers with compliance, the OIC offered the plans extensive guidance and opportunities to meet and discuss the guidance and ask questions related to compliance with federal and state laws prior to the submission.¹⁷ Three of the four Carriers accepted the offer to discuss the guidance with the OIC and other subject matter experts. Carrier A did not.

During the ongoing Market Conduct Examinations, timeliness and notice issues have been

¹⁶ See a copy of the [2023 Annual Report](#).

¹⁷ One plan did not respond to the offer to meet with the OIC to discuss issues with the guidance provided or ask questions relate to revisions to their NQTL comparative analyses but the three other plans attended meetings with the OIC.

noted in regard to responses from all Carriers. Similar violations of W.Va. Code R. §§114-64-6.3.1, 114-64-6.3.2 and 114-64-6.3.3 have existed throughout the reviews. The reviews of the MH/SUD and autism claims have revealed that the Carriers failed to include the required notice language, explaining the covered person’s right to contact the Consumer Services Division of the West Virginia Offices of the Insurance Commissioner under state and federal law, and/or failed to include the complete required contact information of the WVOIC.

Several Carriers appear to be non-compliant with requirements for adverse determinations to display notices in non-English languages. Multiple Carriers may be in violation of W.Va. Code R. §§114-95-7.3.b. Similarly, with respect to appeals, the Carriers failed to provide the information listed in W.Va. Code R. §114-96-5.8 in a culturally and linguistically appropriate manner in accordance with federal regulations. The adverse determination letters did not contain a way in which the member could be provided the required information in a non-English language.

During autism claim reviews, a violation of W.Va. Code St. R. §§114-14-4.1 and 4.2 may have been noted for failing to provide a clear and understandable explanation of benefits to the member. The explanations did not contain an adequate description of the services rendered; the procedure codes were mapped to generic explanations. For example, there was an evaluation of speech service shown as “services rendered.”

There were also potential violations of W.Va. Code §33-24-7u identified “in practice” and “as written,” during autism claim reviews. Certificates of Coverage were found which stated, “Applied Behavior Analysis - \$30,000 Maximum per year.” Multiple instances of failure to provide coverage for applied behavior analysis (ABA) were identified. Coverage up to the annual maximum benefit of \$30,000.00 per individual was provided, but the claims submitted once the maximum benefit was exceeded were denied. Applying a maximum benefit limit is a quantitative treatment limitation.

Potential violations of W.Va. Code §33-25A-8r(d) have been identified when a Carrier failed to provide inpatient treatment of substance use disorders when a member’s physician, psychologist or psychiatrist determined the treatment to be medically necessary.

There are pharmacy formulary, quantity limits and other potential violations identified in each of the Carriers’ plans. Examples of the potential violations of W.Va. Code §33-24-7r(k) and W.Va. Code §33-24-7u(c) are listed below:

Buprenorphine Tablets (Quantity Limits)

The Carrier placed a quantity limitation on a medication, Buprenorphine tablets, used in the treatment of opioid dependence. Prior authorization was required to receive amounts higher than the restricted amount of 3 tablets per day.

Lucemyra (Non-Formulary)

The Carrier required prior authorization prior to coverage of a medication used for the treatment of opioid withdrawal. Lucemyra is used in conjunction with other medications in the treatment of substance use disorder.

Narcan/Naloxone/Kloxxado (Quantity Limit)

The Carrier placed a quantity limitation on Narcan, Naloxone, and Kloxxado during the examination period. All three medications are used for the emergency treatment of known or suspected opioid overdose. From January to October, the Carrier limited a member to two packages of medication in 180 days. In October, the quantity limit was changed from two per 180 days to two per 25 days. Despite the change, the Carrier still imposed a quantity limitation on the medications. The policy restricted access and availability to life saving treatment.

Naloxone Quantity Limit (Parity)

The Carrier place a quantity limit on Narcan, Naloxone, and Kloxxado during the examination period. A comparable medication in the medical/surgical world is Epipen. The Carrier limited a member to two packages per 25 days of Epipen. However, from January to October, the Carrier limited a member to two packages per 180 days on Narcan, Naloxone, and Kloxxado. The quantity limit is more restrictive to substance use disorder medications.

Naloxone Excluded from Mail Order Benefits (Parity)

The Carrier did not allow a member to fill Narcan/naloxone via the mail order benefit, but allowed members to fill Epipen via mail order. The benefit design was not applied in the same manner to substance used disorder medications.

Smoking Cessation Medication (Quantity Limits)

All medications used for assistance in smoking cessation were limited to 180 days. After the two 90-day treatments would be used, the patient was required to get a prior authorization for coverage. The Carrier imposed a quantity limitation on substance use disorder medications (nicotine patches/gum/lozenges, Chantix, bupropion SR (Zyban), and Nicotrol).

Suboxone (Non-Formulary)

The Carrier required prior authorization for the coverage of Suboxone. Suboxone is for the treatment of opioid dependence.

Suboxone, Zubsolv, Buprenorphine/ Naloxone Tablets and Films (Quantity Limit)

The Carrier imposed a quantity limitation on Suboxone, Zubsolv, Buprenorphine/naloxone tablets and films. To receive doses higher than the quantity limit, patients were required to obtain prior authorization. Higher dosages are used for patients that have a higher tolerance to opioids or abused heroin and/or fentanyl.

Desvenlafaxine Quantity Limit (Parity)

The Carrier restricted Desvenlafaxine to one tablet per day.

Desvenlafaxine is an antidepressant used for the treatment of depression. The FDA approved maximum dose is 400mg per day. The highest quantity commercially available is 100mg. The Carrier has no comparable policies where prior authorization is needed to obtain the FDA allowed maximum dose.

Sublocade (Non-Formulary)

The Carrier required prior authorization for coverage of Sublocade. Sublocade is a specialty medication in the form of an injection given at a provider's office. Sublocade is indicated for the treatment of moderate to severe opioid use disorder.

Suboxone, Zubsolv, Buprenorphine/Naloxone Tablets (Quantity Limit)

The Carrier limited Suboxone, Zubsolv, Buprenorphine/naloxone tablets to a supply limit of 30 days only. When compared to medication comparable in nature, Butrans (buprenorphine) indicated for the use in pain was not limited to a 30-day supply.

Buprenorphine Tablets (Non-Formulary)

The Carrier required prior authorization for the coverage of buprenorphine tablets. Buprenorphine is used for the treatment of opioid dependence. This medication is usually used during the induction phase of therapy or used for patients that are pregnant. The alternatives are not pregnancy safe.

Vyvanse Non-Formulary (Parity)

The Carrier required prior authorization for the coverage of Vyvanse. Vyvanse is the only medication FDA approved for binge eating disorder, a mental health disorder. The Carrier did not have any other instances where 100% of the FDA approved medications for a medical/surgical diagnosis were not on the formulary.

Zubsolv (Non-Formulary)

The Carrier required prior authorization for the coverage of Zubsolv. Zubsolv is for the treatment of opioid dependence.

Interrelated Finding (Monetary Incentive for Using Mail Order Pharmacy)

The Carrier provided the consumer with a monetary incentive to use its mail order services. The Carrier used a 2.5x copay at mail order and 3x copay at retail for 90-day supplies. This may be a violation of state Pharmacy Benefit Manager/Freedom of Choice laws.

Aripiprazole (Parity)

The Carrier created a barrier to access by subjecting a medication that is a standard of care for treatment of schizophrenia, and mania prevention in bipolar disorder to a prior authorization. The Company

required a doctor to submit documentation to show the medical necessity of the medication for a patient with schizophrenia and manic bipolar disorder.

Rexulti (Parity)

The Carrier implemented the design of a more restrictive step therapy policy on a mental health medication, Rexulti, when compared to step therapy policies designed for medical/surgical medications.

Qelbree (Parity)

The Carrier implemented the design of a more restrictive step therapy policy on a mental health medication, Qelbree, when compared to step therapy policies designed for medical/surgical medications.

Suboxone Quantity Limit (Parity)

The Carrier imposed more restrictive quantity limitations on Suboxone, Zubsolv, Buprenorphine/naloxone tablets and films. When a prior authorization was approved for higher dosage limits, the Carrier imposed only a 30-day approval when used for titration purposes. The policy had prior authorization requirements that were more restrictive in policy design to obtain approval. When compared to Butrans (buprenorphine), which is used for pain, the same policies are designs were not implemented. This is a policy design that is more restrictive in design for substance use disorders.

Smoking Cessation (Quantity Limits)

All medications used for assistance in smoking cessation were limited to 180 days. After the six 30-day treatments would be used, the patient was required to get a prior authorization for coverage. The Carrier imposed a quantity limitation on substance use disorder medications (nicotine patches/gum/lozenges, Chantix, bupropion SR (Zyban), and Nicotrol).

Smoking Cessation Limited to 30-Day Supply Only (Parity)

The Carrier only allowed members to fill medications used for smoking cessation treatment at a 30-day supply. There were no other medications listed on the 30-day restriction list.

Sublocade (Prior Authorization)

The Carrier required a prior authorization for coverage of Sublocade. Sublocade is a specialty medication in the form of an injection given at a provider's office. Sublocade is indicated for the treatment of moderate to severe opioid use disorder.

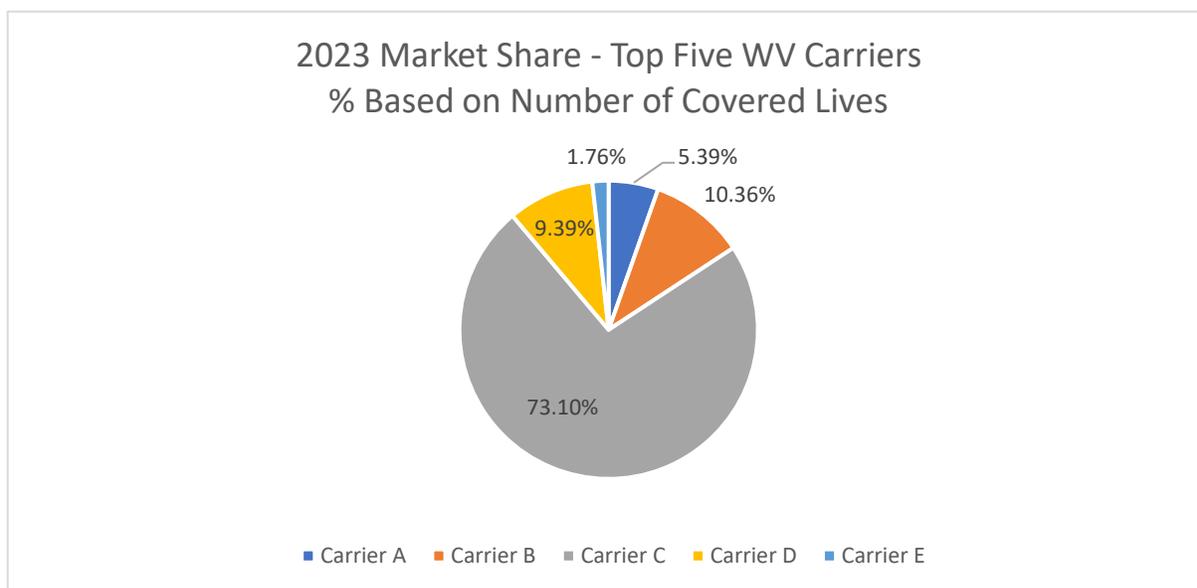
Suboxone, Zubsolv and Burprenorphine/Naloxone Tablets and Films 30 Day Fill Per RX (Parity)

The Carrier imposed dispensing limitations on Buprenorphine/naloxone products during the examination period

compared to medical/surgical maintenance medications. The Carrier implemented maximum quantities per prescription that would only amount to a 30- day supply. When asked if any medications were limited to a specific day's supply, the Carrier provided an excel spreadsheet that did not include the buprenorphine products. Furthermore, after review of the policies it shows the opioid dependence medications were restricted to a 30-day supply.

B. 2024 Data Call

On February 9, 2024, the OIC issued another data call to the Carriers, requesting information and data for the 2023 plan year ("2024 Data Call"). The OIC has conducted an initial review of the Carriers' responses to the 2024 Data Call, a summary of the OIC's review and findings is provided below. As with the 2023 Report, the 2024 Report focuses on the top 5 Carriers in West Virginia, providing coverage to 98% of the commercial market.¹⁸ The top 5 Carriers are identified herein as Carriers A, B, C, D and E. The chart below reflects each of the top 5 Carrier's market share by percentage based on the number of covered lives.



IV. Review of Plan Submissions

The results of the OIC's review of the top 5 Carrier submissions is based on the type of FR or treatment limitation imposed by the Carriers given the different tests for such FRs and treatment limitations required by MHPAEA and its regulations.

A. FRs and QTLs.

¹⁸ Three additional Carriers, who account for 2% of the market in West Virginia, have submitted responses for review. These responses are being reviewed by the OIC and all parity and reporting issues identified will be addressed with the applicable Carrier.

A preliminary review of the data per the required reporting format submitted by the Carriers to demonstrate compliance with the required predominant and substantially all tests indicates that there are some information gaps and/or missing information needed to verify compliance for the identified FRs and QTLs via the applicable summary plan descriptions and certificates of coverage. The documentation gaps we have identified are not necessarily an indication of noncompliance but reveal that further inquiry and review with Carriers is required in order to render definitive conclusions respecting compliance. This inquiry and review, along with the data validation, will be conducted and a final determination of compliance will be made by the OIC and reported as appropriate.

B. NQTLs.

With respect to NQTLs, after an examination of the NQTL comparative analyses and other information provided by the top 5 Carriers, the OIC has generally determined that the Carriers have not sufficiently demonstrated that each NQTL imposed complies with the Required Steps, and therefore, they have not demonstrated compliance as stipulated by 42 U.S.C. section 300gg-26(a)(8)(A)(i) - (v) or the Mental Health Parity Law.

1. Reasons for a Failure to Demonstrate Compliance.

There are several reasons that each Carrier's NQTL comparative analyses may fail to demonstrate compliance. The reasons that a Carrier may fail to demonstrate compliance include, but are not limited to, one or more of the following:

- i. The Carrier did not provide a comparative analysis for each NQTL imposed on medical/surgical and MH/SUD benefits and/or did not provide a comparative analysis for each NQTL in each benefits classification or subclassification.
- ii. The Carrier's comparative analyses do not correlate with the Required Reporting Form or instructions provided by the OIC as part of the 2024 Data Call.
- iii. The Carrier did not sufficiently identify what benefits or plan terms the NQTLs apply to, as required by 42 U.S.C. 300gg-26(a)(8)(A)(i).
- iv. The comparative analyses did not adequately describe how the NQTLs were designed or how they are applied in practice, as required by 42 U.S.C. 300gg-26(a)(8)(A)(i).
- v. There is either inadequate supporting documentation or information included with the submissions or supporting documentation that was not properly integrated with the analysis provided or adequately identified in the analysis or its relevance as to demonstrating compliance explained.
- vi. The Carrier did not sufficiently identify or define the factors identified or did not sufficiently delineate or explain the sources or evidentiary standards for each factor used to determine that the NQTLs will apply, as required by 42 U.S.C. 300gg-26(a)(8)(A)(ii) and (iii).
- vii. The Carrier did not demonstrate that the processes, strategies, evidentiary standards, and other factors used to apply the NQTLs to MH or SUD benefits, as written and in operation, are comparable to, and are applied no more stringently than, the processes, strategies, evidentiary standards, and other factors used to apply the NQTLs to medical or surgical benefits in each benefits classification, as required by 42 U.S.C. 300gg-26(a)(8)(A)(iv).
- viii. The Carrier did not include data in the comparative analysis or included data with (a) annual, book-of-business data and not data specific to West Virginia plans; (b) data for combined benefits classifications or subclassifications; and/or (c) no explanation or an inadequate

explanation as to how the data was collected or how the data demonstrates compliance with the comparability and equitable stringency application tests.

- ix. The Carrier did not provide a detailed discussion of the Carrier's specific findings and conclusions reached, including any results of the analyses that indicate that the plan or coverage is or is not in compliance with MHPAEA, as required by 42 U.S.C. 300gg-26(a)(8)(A)(v).
- x. The Carrier made incorrect assertions regarding applicable law which fundamentally impact the conclusions set forth in the comparative analyses submitted and the validity of the analysis itself.
- xi. The Carrier did not appropriately define or explain its relationships with vendors or delegates that may have design or management responsibilities for the NQTLs and how MHPAEA compliance is assured/coordinated, or specifically provide the policies, procedures and processes used by the vendor or delegate with respect to MH/SUD benefits.
- xii. The Carrier provided conclusory or generalized statements, including mere recitations of the legal standard, without specific supporting evidence and detailed explanations.

2. Other Issues Identified

The OIC identified the following areas that warrant additional investigation and review post this report:

i. Identification of NQTLs

The Mental Health Parity Law requires that the OIC identify all of the NQTLs that the Carriers apply to MH/SUD and medical/surgical benefits within each classification of benefits. The top 5 Carriers provided comparative analyses for the NQTLs listed in the chart below. Some Carriers failed to submit comparative analyses related to certain NQTLs that they identified and provided in 2023. While Carriers provided the comparative analyses for the NQTLs listed, there are likely to be other NQTLs that a Carriers did not report on (e.g., fraud, waste and abuse programs; network adequacy; coding edits; treatment plan requirements; etc.). The Carriers did not specify the methodology they use to identify NQTLs for this reporting or whether there are other plan design features that may warrant comparative analysis. Also, while some Carriers provided comparative analyses by benefits classification, other Carriers did not and still others combined analyses of NQTLs which may or may not be appropriate. These deficiencies create gaps in the information required to properly assess all applicable Carrier NQTLs. Going forward, these issues will be reviewed by the OIC with Carriers and any compliance questions and information deficiencies will be resolved prior to rendering conclusive compliance determinations.

NQTLs Reported by the Top 5 Carriers:¹⁹

| NQTL | Carrier A ²⁰ | Carrier B | Carrier C | Carrier D ²¹ | Carrier E ²² |
|--|-------------------------|-----------|-----------|-------------------------|-------------------------|
| Prior Authorization | X | X | X | X | X |
| Concurrent Review | X | X | X | X | X |
| Retrospective Review | X | X | X | X | X |
| Medical Necessity | X | X | X | X | X |
| Credentialing Standards | X | X | X | X | X |
| Fraud and Abuse Programs²³ | | | | | |
| Reimbursement Rates²⁴ | X | X | X | X | X |
| Network Adequacy | X | | | X | X |
| Experimental/Investigational | X | X | X | X | X |
| Formulary Development | X | X | X | X | X |
| Rx Prior Authorization | | X | X | X | X |
| Step Therapy/Fail First | X | X | X | X | |
| Quantity Limits | X | X | X | | |
| Network Tiering | | | | | |
| Geographic Restrictions | | | | | X |
| Facility Restrictions | | | | | |
| Exclusions | | X | X | | |
| Treatment Plan Requirements | X | | | | |
| Scope Limits | | | | | |
| Expedited Claims | | | | | |
| Coding Edits | | | | | X |
| Sequenced Treatment | X | | | | |
| Outlier Review Management | | | X | X | |

¹⁹ The “x” in the chart indicates that the Carrier provided a response for the applicable NQTL. A gray space indicates that the Carrier did not provide a comparative analysis for the NQTL.

²⁰ Carrier A did not provide comparative analyses for Quantity Limits, Exclusions, Treatment Plan Requirements, or Sequenced Treatment but did provide comparative analyses for these NQTLs in 2023.

²¹ Carrier D provided NQTL comparative analyses for Quantity Limits, Network Tiering, Facility Restrictions, Exclusions, Treatment Plan Limitations, Scope Limits and Expedited Claims for the 2023 Data Call but did not provide comparative analyses for these NQTLs in the 2024 Data Call and did not state why it was not submitting them (e.g., these NQTLs are no longer being imposed).

²² Carrier E submitted one pharmacy comparative analysis for formulary development. The Carrier mentions step therapy and quantity limits in the response provided for prior authorization but did not provide a separate response.

²³ Carrier C provided a comparative analysis for the fraud waste and abuse program NQTL pursuant to the 2023 Data Call but did not provide a comparative analysis for the NQTL pursuant to the 2024 Data Call.

²⁴ Carriers A, C and D submitted comparative analyses for in-network and non-participating providers. Carrier B submitted one comparative analysis that is to address in- or out-of-network providers. Carrier E provided comparative analyses for in-network facility and professional reimbursement and out of network reimbursement.

ii. Medical Necessity Criteria

Each Carrier provided a comparative analysis related to the medical necessity NQTL that it uses to make utilization management decisions. However, the comparative analyses provided do not sufficiently demonstrate compliance with the Required Steps per 42 USC 300gg-26(a)(8)(A) and do not provide for a demonstration of compliance with the federal and state laws and regulations. Four of the five Carriers provided a definition for medical necessity but for Carriers that use vendors to administer the MH/SUD benefit, the Carrier did not specify what the vendor's policies and procedures are with respect to medical necessity and whether the vendor employs the same definition for MH/SUD benefits as the plan uses for medical/surgical benefits. All of the Carriers state that they use nationally recognized, evidence-based clinical criteria (e.g., ASAM, InterQual, LOCUS, CALOCUS, MCG, etc.) and internally developed medical criteria and policies but the Carriers did not provide sufficient responses for all of the Required Steps in order to demonstrate comparability and application stringency. At least one Carrier has stated that it develops criteria for certain MH/SUD benefits (e.g., Applied Behavioral Analysis and Transcranial Magnetic Stimulation) that is more restrictive than criteria applied to other MH/SUD services and develops more restrictive criteria for some medical/surgical services (i.e., breast reconstruction surgery and metabolic and bariatric surgery), but doesn't compare the MH/SUD and medical/surgical criteria in order to demonstrate comparability and application stringency. Without an appropriate disclosure of the definitions used for medical necessity and the criteria used to make utilization management decisions, the OIC is unable to determine compliance with the law and regulations. The OIC has noted these deficiencies in the comparative analyses and will reach out to Carriers to obtain clarifications in order to enable appropriate assessment of Carrier compliance.

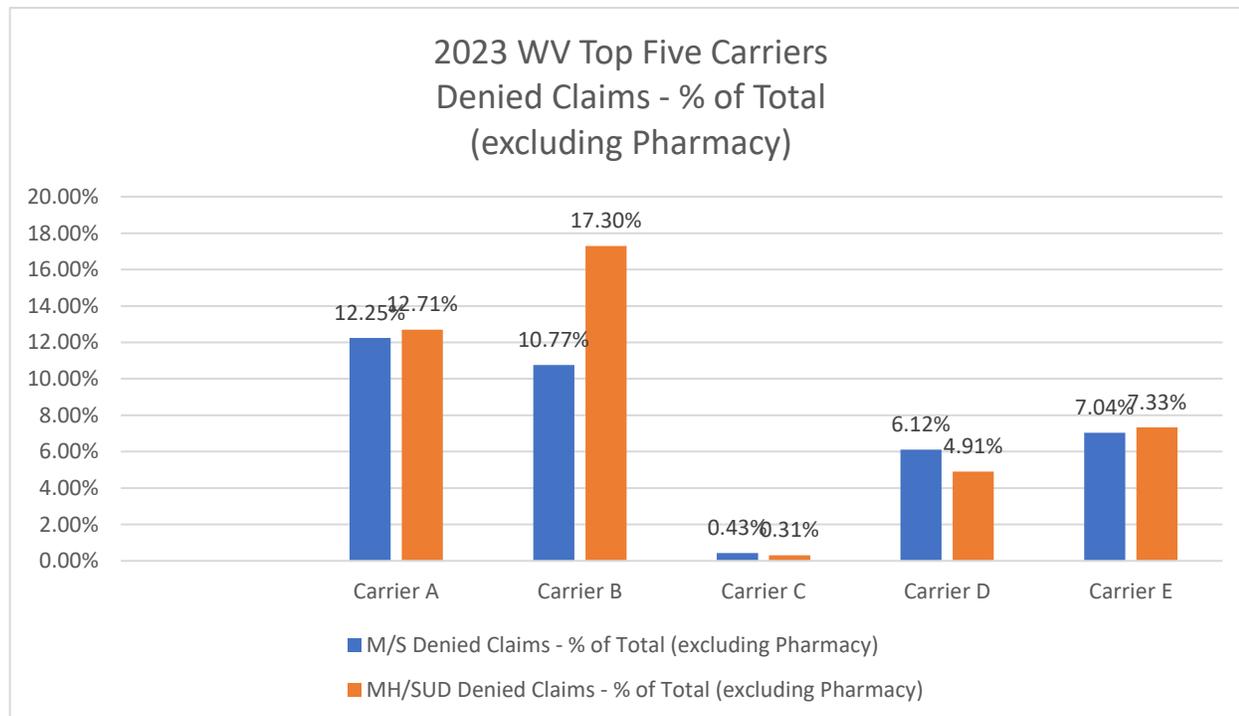
iii. Adverse Determinations

The OIC has reviewed the adverse determination of the top 5 Carriers. According to W.Va. Code §33-16H-1, an adverse determination is:

...a determination by a health carrier or its designee utilization review organization that an admission, availability of care, continued stay or other healthcare service that is a covered benefit has been reviewed and, based upon the information provided, does not meet the health carrier's requirements for medical necessity, appropriateness, health care setting, level of care or effectiveness, and the requested service or payment for the service is therefore, denied, reduced or terminated.

Claims denied by Carriers are adverse determinations. A review of the top 5 Carriers claims denials as a percentage of total claims is set forth in the chart below denied claims represent adverse determinations. It is important to note that the outcomes, whether similar or different, do not per se prove that the Carrier is or is not in compliance with MHPAEA or its regulations. Outcomes as part of their respective comparative analyses. However, the outcomes may indicate that there may be a compliance question that needs further investigation. As a result, the OIC will follow up with the Carriers to review the data and ensure that compliance is demonstrated. It should also be noted that the data contemplated by the statutory definition for adverse determinations is complex. For example, the reported data may lack definitional precision as to what is reported as a claim denial versus an MCO review and whether negotiation with the requesting provider results in a

modification of the actual coverage approved which is different than the original request but not counted as a denial which complicates a valid conclusion. It may also be unclear as to how a carrier defines and counts denials which are based on a medical necessity determination as opposed to denied for administrative reasons. The revised Carrier reporting format for adverse determinations included more granular data requests to enable better assessment of what this data represents. Some of the data received is incomplete or requires further discussion with Carriers. The OIC will be further exploring refinements and definitions for the adverse determination data to enable a more comprehensive assessment as to what it represents in a manner which is consistent with what the OIC believes is the Legislature's intent for this reporting requirement.



V. Conclusion

After reviewing the Carrier responses with respect to FRs and QTLs, the OIC has determined that additional data validation and review is necessary to determine whether the Carriers are in compliance with MHPAEA's substantially all and predominant tests. With respect to NQTLs, the Carriers' comparative analysis submissions were generally not able to demonstrate that the Carriers are in compliance with MHPAEA's comparability and stringency tests. This is not a certain conclusion that any of the Carriers are not in compliance with MHPAEA or the Mental Health Parity Law, but a preliminary finding that further review and analysis are necessary to determine the sufficiency of the comparative analyses and any potential compliance concerns related to NQTLs imposed on MH/SUD benefits.

The OIC's Market Conduct Examinations that were initiated in 2023 as a result of the 2023 Report and 2022 data is ongoing. Once the final report is adopted by the OIC, the findings and any resulting regulatory actions will be made public. Additionally, the 2023 data reporting has

caused the OIC to call a Market Conduct Exam on the fifth carrier that was not identified for examination last year. The results of the OIC's Market Conduct Examinations will likely be revealed one Carrier at a time as the examinations conclude. Depending upon the outcome, further regulatory enforcement actions may be appropriate, including additional examinations for multiple calendar years, monetary penalties or fines, or licensure actions. The OIC looks forward to engaging with the Legislature on this issue and appreciates the opportunity to be of service to West Virginians.

WEST VIRGINIA

BOARD OF TREASURY INVESTMENTS

CALENDAR NOTE

Board Meeting
August 8, 2024

OPERATING REPORT

JUNE 2024

Board of Treasury Investments

315 70th Street, SE
Charleston WV
25304
(304) 340-1564
www.wvbt.com

Board of Directors

Riley M. Moore,
State Treasurer,
Chairman

James C. Justice II,
Governor

John B. McCuskey,
State Auditor

Patrick M. Smith,
CPA
Appointed by the
Governor

Mark A. Mangano,
Esq. Attorney
Appointed by the
Governor

Executive Staff

Executive
Director

Kara K. Hughes,
CPA, MBA, CFE,
CGIP

Chief Financial
Officer

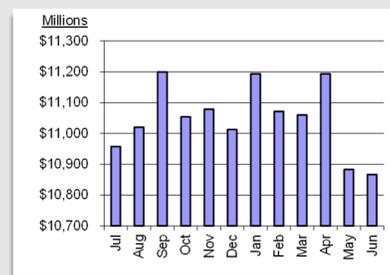
Karl Shanholtzer,
CFA, CPA, CIA

Total Net Assets Under Management

\$10,866,862,000

Last Month
\$10,883,611,000

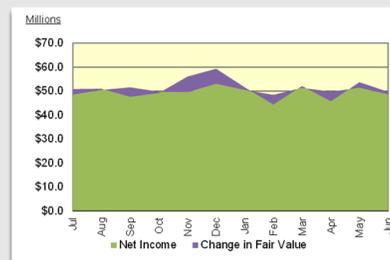
Beginning of Fiscal Year
\$10,975,194,000



Net Assets for the Past 12 Months

Total Net Income & Changes in Fair Value

Fiscal Year
\$612,444,000



Monthly Net Income & Changes in Fair Value for the Past 12 Months

Money Market Pools

As of June 30, 2024

| Pool | 30-Day Avg. Yield * | W.A.M. ** | Net Assets |
|-----------------------|---------------------|-----------|-----------------|
| WV Money Market | 5.4751% | 36 Days | \$9.6 Billion |
| WV Gov't Money Market | 5.3230% | 44 Days | \$472.0 Million |

* Yields represent the simple money market yield net of fees.

** W.A.M. is the weighted average maturity.

WEST VIRGINIA BOARD OF TREASURY INVESTMENTS

THE ECONOMIC STATE

JUNE 2024

And So, It Begins?

Overview:

The first G7 country cut interest rates during the quarter, as Canada dropped their target interest rate in June. The next day, on June 7th, the European Central Bank followed suit dropping rates by 25 basis points to 3.75%, while the US (5.25%-5.5%) and UK (at 5.25%) left rates unchanged during the quarter. So far in 2024 there have been 20 interest rate cuts around the globe, more than the last two years combined.

Despite modestly lower inflation data for May, the Federal Reserve indicated that inflation is not down to levels that they consider a rate cut appropriate, for the moment. According to the dot plot, which forecasts interest rates, the Federal Reserve's median expectation is for one rate cut in 2024. With inflation seemingly on the right trajectory, and probabilities for multiple rate cuts in 2024 down dramatically from the start of the year, one could assume that rates really have peaked. Time will tell, as interest rate prognostications have historically been difficult.

The markets meanwhile had mixed performance in the month and quarter, with positive returns for large cap growth, which continues to dominate both US and Non-US market performance. Bonds meanwhile had a positive month and eked out a positive quarter across most sectors domestically.

Equity Markets

The AI driven, growth-oriented equity backdrop continued in the month of June with growth beating value by over 700 basis points (Russell 1000 Growth 6.4%, Russell Value -1.0%) and the quarter having an even wider spread at 8.8% for the growth index versus -2.2% for the value index. Small and mid-capitalization stocks also performed poorly in the month (Russell 2000 -0.9%, Russell Midcap -0.7%) and quarter (Russell 2000 and Russell Midcap both at -3.3%) as the higher for longer environment has a greater impact on smaller companies.

Outside of the US performance in the month was also negative for Developed markets (EAFE -1.6%), but emerging markets had a strong month and quarter due to the Asia related tech hubs of Korea (8.9% in the month), and Taiwan (12% in the month) leading the index higher, as well as the continued strong performance of India this year (7.0% in the month, 10.4% quarter) as it benefits from the China divestment story.

Fixed Income

The Bloomberg Aggregate was positive for the month at 0.9% and for the quarter at 0.1%, the first positive quarter for bonds so far in 2024. Fixed income assets around the globe provided a positive return in the month of June. With the exception on Non-US fixed income and longer dated bonds, fixed income assets were also positive in the quarter. The markets seems to be adjusting to the higher for longer narrative and is instead focused on the positives of resilient growth and real yields.

Looking Forward

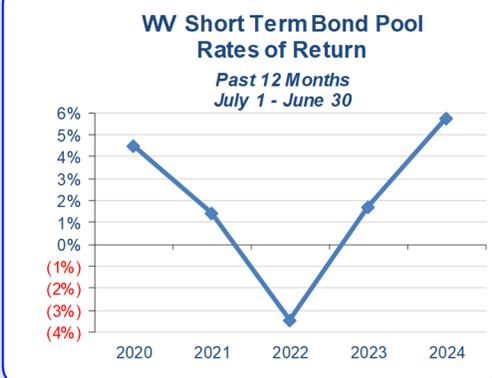
Happy Fourth of July to our clients and friends. Despite the often heard negative drumbeat, we still live in a country where freedom reigns. Let's enjoy our blessings.

West Virginia Board of Treasury Investments Financial Highlights as of June 30, 2024

WV Short Term Bond Pool

Rates of Return for the Past 12 Months *Net of All Fees*

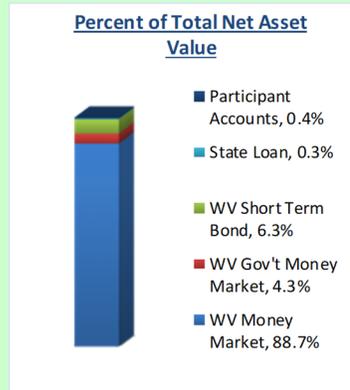
| <u>Jul 1 - Jun 30</u> | <u>Return</u> | <u>Net Assets At Jun 30 (In Millions)</u> |
|-----------------------|---------------|---|
| 2024 | 5.8% | \$ 682.1 |
| 2023 | 1.7% | \$ 701.5 |
| 2022 | (3.4%) | \$ 691.8 |
| 2021 | 1.4% | \$ 818.3 |
| 2020 | 4.5% | \$ 813.1 |



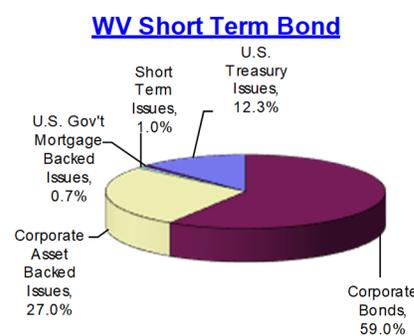
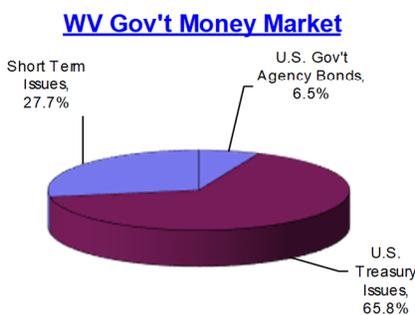
Prior to July 2007, the WV Short Term Bond Pool was known as the Enhanced Yield Pool

Summary of Value and Earnings (In Thousands)

| <u>Pool</u> | <u>Net Asset Value</u> | <u>Jun Net Income (Loss)</u> | <u>Fiscal YTD Net Income (Loss)</u> |
|-----------------------|----------------------------|--------------------------------------|---|
| WV Money Market | \$ 9,635,478 | \$ 43,625 | \$ 548,305 |
| WV Gov't Money Market | 472,007 | 2,024 | 24,340 |
| WV Short Term Bond | 682,114 | 3,771 | 38,637 |
| WV Bank | 0 | 0 | 1 |
| Loans | 35,742 | 68 | 593 |
| Participant Accounts | 41,521 | 161 | 568 |
| | <u>\$ 10,866,862</u> | <u>\$ 49,649</u> | <u>\$ 612,444</u> |



Securities by Type for Operating Pools (Percentage of Asset Value)



SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION – UNAUDITED

JUNE 30, 2024

(IN THOUSANDS)

| | <u>WV Money Market Pool</u> | <u>WV Government Money Market Pool</u> | <u>WV Short Term Bond Pool</u> | <u>Other Pools</u> | <u>Participant Directed Accounts</u> | <u>Total</u> |
|---|---------------------------------|--|--|--------------------|--|----------------------|
| Assets | | | | | | |
| Investments: | | | | | | |
| At amortized cost | \$ 9,605,111 | \$ 476,174 | \$ - | \$ 35,557 | \$ 40,347 | \$ 10,157,189 |
| At fair value | - | - | 677,965 | - | 1,013 | 678,978 |
| Other assets | 31,533 | 816 | 6,680 | 187 | 162 | 39,378 |
| Total assets | <u>9,636,644</u> | <u>476,990</u> | <u>684,645</u> | <u>35,744</u> | <u>41,522</u> | <u>10,875,545</u> |
| Liabilities | | | | | | |
| Accrued expenses, dividends payable & payables for investments purchased | 1,166 | 4,983 | 2,531 | 2 | 1 | 8,683 |
| Total liabilities | <u>1,166</u> | <u>4,983</u> | <u>2,531</u> | <u>2</u> | <u>1</u> | <u>8,683</u> |
| Net Position | | | | | | |
| Held in trust for investment pool participants | 9,635,478 | 472,007 | 682,114 | - | - | 10,789,599 |
| Held in trust for individual investment account holders | - | - | - | 35,742 | 41,521 | 77,263 |
| Total net position | <u>\$ 9,635,478</u> | <u>\$ 472,007</u> | <u>\$ 682,114</u> | <u>\$ 35,742</u> | <u>\$ 41,521</u> | <u>\$ 10,866,862</u> |
| Additions | | | | | | |
| Investment income: | | | | | | |
| Interest and dividends | \$ 18,723 | \$ 968 | \$ 2,655 | \$ 69 | \$ 162 | \$ 22,577 |
| Net (amortization) accretion | 25,288 | 1,075 | 89 | - | - | 26,452 |
| Provision for uncollectible loans | - | - | - | - | - | - |
| Total investment income | <u>44,011</u> | <u>2,043</u> | <u>2,744</u> | <u>69</u> | <u>162</u> | <u>49,029</u> |
| Investment expenses: | | | | | | |
| Investment advisor, custodian bank & administrative fees | 386 | 19 | 44 | 1 | 1 | 451 |
| Total investment expenses | <u>386</u> | <u>19</u> | <u>44</u> | <u>1</u> | <u>1</u> | <u>451</u> |
| Net investment income | 43,625 | 2,024 | 2,700 | 68 | 161 | 48,578 |
| Net realized gain (loss) from investments | - | - | (302) | - | - | (302) |
| Net increase (decrease) in fair value of investments | - | - | 1,373 | - | - | 1,373 |
| Net increase (decrease) in net position from operations | <u>43,625</u> | <u>2,024</u> | <u>3,771</u> | <u>68</u> | <u>161</u> | <u>49,649</u> |
| Participant transaction additions: | | | | | | |
| Purchase of pool units by participants | 1,253,553 | 26,357 | - | - | - | 1,279,910 |
| Reinvestment of pool distributions | 43,625 | 2,024 | 2,589 | - | - | 48,238 |
| Contributions to individual investment accounts | - | - | - | 3,935 | 162 | 4,097 |
| Total participant transaction additions | <u>1,297,178</u> | <u>28,381</u> | <u>2,589</u> | <u>3,935</u> | <u>162</u> | <u>1,332,245</u> |
| Total additions | <u>1,340,803</u> | <u>30,405</u> | <u>6,360</u> | <u>4,003</u> | <u>323</u> | <u>1,381,894</u> |
| Deductions | | | | | | |
| Distributions to pool participants: | | | | | | |
| Net investment income | 43,625 | 2,024 | 2,700 | - | - | 48,349 |
| Net realized gain (loss) from investments | - | - | (303) | - | - | (303) |
| Total distributions to pool participants | <u>43,625</u> | <u>2,024</u> | <u>2,397</u> | <u>-</u> | <u>-</u> | <u>48,046</u> |
| Participant transaction deductions: | | | | | | |
| Redemption of pool units by participants | 1,336,847 | 12,026 | 1,500 | - | - | 1,350,373 |
| Withdrawals from individual investment accounts | - | - | - | 62 | 162 | 224 |
| Total participant transaction deductions | <u>1,336,847</u> | <u>12,026</u> | <u>1,500</u> | <u>62</u> | <u>162</u> | <u>1,350,597</u> |
| Total deductions | <u>1,380,472</u> | <u>14,050</u> | <u>3,897</u> | <u>62</u> | <u>162</u> | <u>1,398,643</u> |
| Net increase (decrease) in net position from operations | <u>(39,669)</u> | <u>16,355</u> | <u>2,463</u> | <u>3,941</u> | <u>161</u> | <u>(16,749)</u> |
| Inter-pool transfers in | - | - | - | - | - | - |
| Inter-pool transfers out | - | - | - | - | - | - |
| Net inter-pool transfers in (out) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Change in net position | <u>(39,669)</u> | <u>16,355</u> | <u>2,463</u> | <u>3,941</u> | <u>161</u> | <u>(16,749)</u> |
| Net position at beginning of period | <u>9,675,147</u> | <u>455,652</u> | <u>679,651</u> | <u>31,801</u> | <u>41,360</u> | <u>10,883,611</u> |
| Net position at end of period | <u>\$ 9,635,478</u> | <u>\$ 472,007</u> | <u>\$ 682,114</u> | <u>\$ 35,742</u> | <u>\$ 41,521</u> | <u>\$ 10,866,862</u> |