



FY2023 HEALTH CARE REPORT SUMMARY

During FY2023, SERS provided health care benefits for 39,656 benefit recipients, spouses, and dependents, at a net surplus of \$4,935,199, due to larger than expected federal reimbursements.

More than 90% are Medicare enrollees; the remainder are enrolled in a non-Medicare group plan or SERS' Wraparound Health Reimbursement Arrangement (HRA).

No employer contribution to the pension system was allocated to the Health Care Fund for FY2023; however, the 1.5% surcharge was allocated. The Health Care Fund ended the fiscal year at \$706,785,651.

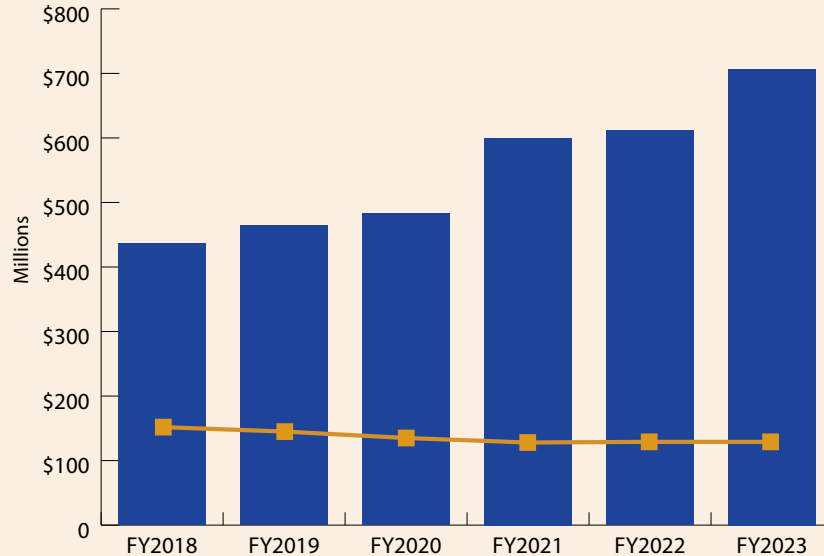
SERS' actuary estimates the Fund's solvency at 39 years, to 2062.

The positive result was achieved by SERS' programs designed to reduce costs for the non-Medicare population. These programs included the SERS Wraparound HRA, which was selected by about 20% of new SERS non-Medicare enrollees, saving the Fund more than \$3 million during 2023, and the SERS early Medicare program, which saved the Fund approximately \$3.5 million annually.

The Health Care Department also administered a Medicare Part B monthly reimbursement of \$45.50 to almost 40,000 Medicare-eligible benefit recipients, totaling more than \$22 million.

SERS' Board of Directors remains committed to the providing health care benefits, including dental and vision coverage into the future.

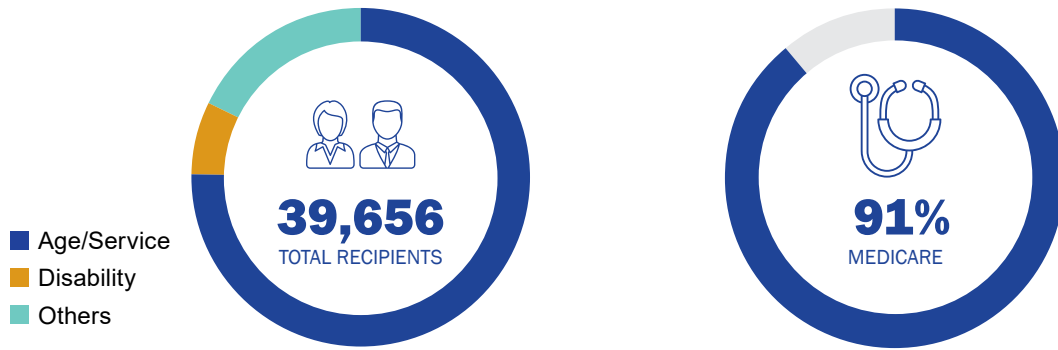
SUMMARY OF HEALTH CARE FUND NET POSITION, 2018-2023



Health Care Fund Balance (As Graphed Above)

Fiscal Year	Health Care Fund Balance	Health Care Expenses (Deductions)
FY2018	\$435,629,637	\$152,447,415
FY2019	\$463,810,679	\$145,127,670
FY2020	\$482,611,478	\$135,034,624
FY2021	\$600,330,188	\$128,132,981
FY2022	\$611,574,409	\$128,796,889
FY2023	\$706,785,561	\$129,424,430

POPULATION OF RECIPIENTS



For FY Ending June 30, 2023

Age and Service	Disability	All Others (Survivors, Beneficiaries, etc.)	Total Recipients	Percent Medicare
29,915	2,735	7,006	39,656	91%