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SECRETARY

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## Correspondence Memorandum

**Date:** April 20, 2022  
**To:** Group Insurance Board  
**From:** Eileen Mallow, Director  
Office of Strategic Health Policy  
**Subject:** Preliminary Reserve Estimate

**This item is for informational purposes only. No Board action is required.**

At the Board's request, ETF and Segal, the Board's actuarial consultant, prepared an initial estimate of health plan reserves in preparation for rate decisions.

Reserve estimates were first prepared for the Board in 2021 to assist the Board in evaluating potential benefit changes. While the initial, unaudited results indicate a slight increase in plan reserves at the end of 2021, Segal's recommendation is to be cautious about the continued availability of reserve funds. Continuing volatility in financial markets could impact the reserve availability for plan year 2023. ETF staff concur with Segal's discussion. Final reserve estimates will be prepared for the August 2022 Board meeting.

Segal's analysis is included with your meeting materials.

Staff will be available at the Board meeting to respond to any questions.

Reviewed and approved by Shirley Eckes, Deputy Secretary

Electronically Signed 05/09/2022

Board	Mtg Date	Item #
GIB	5.18.22	5E