

Med/Rx Projection – Rightway BAFO

October 2025 – September 2026 (data through March 2025)

Factor	Description		Medical	Rx	Annual total
	Provides a summary baseline for recent plan performance and represents the foundational cost assumption for projecting forward into future years				
Large claim adjustment	Adjusts for greater/fewer number of large claimants than expected in the experience period	+	(\$3.08)	\$0.00	(\$141,000)
Net Current 12 PMPM		=	\$348.40	\$194.34	\$24,870,000
Trend	Represents the assumed amount of plan cost inflation for the next 12 month cycle		6.0%	11.0%	
Trend factor	Trend % applied to future period	X	1.091	1.169	
Incurred adjustment	Converts paid claims to incurred; reflects plan sponsor liability for the plan year	X	1.005	1.004	
Benefit plan changes	Factor for benefit plan design changes, network change, benefit design change, demographic change, anti-obesity medication adjustment, etc.	X	1.000	0.976	
Current 12 Experience Rated Projection PMPM	Projected claims based on current rolling 12 plan experience.	= ER	\$382.08	\$222.75	
PEPM adjustment	Converts PMPM to PEPM	X	2.22	2.22	
Optional Claims Margin	Additional margin for adverse claims experience	0.0%	\$0.00	\$0.00	\$0
Rx Rebates			\$0.00	(\$152.74)	(\$3,228,000)
Fixed Costs	Description			PEPM	Annual total
Administrative fees	Fees related to program administration	+		\$48.14	\$1,017,000
Individual stop-loss premium	Premium for individual stop-loss coverage	+		\$63.95	\$1,351,000
Lantern Fees	Fees related to Lantern program	+		\$4.25	\$90,000
Total costs	Total incurred PEPM cost of the plan including projected claims and fixed cost			\$1,303.42	\$27,543,000
Current budget	Current budget			\$1,150.06	\$24,303,000
Required increase/(decrease) \$:				\$153.37	\$3,240,000
Required increase/(decrease) %:				13.3%	13.3%
Based on employee enrollment of:				1,761	
Based on member enrollment of:				3,901	