Running strong since October 1, 2019!

Welcome to the 6th General Membership Meeting of MIRMA Health

Matthew Brodersen, Executive Director, MIRMA & MIRMA Health

Election of the Board of Directors
Report on the State of the Pool
Announcement of Election Results

Steve Brown, Health & Benefits Director, MIRMA Health

How member rates are determined for 2026
Return of surplus and how it is determined
Review of Eligibility and Membership Processes

MIRMA Health Board of Directors Meeting

Board Member Election – Vote for 2

LORI LEMONS - City of East Prairie

Lori Lemons has held the position of City Clerk with the City of East Prairie since her appointment in June, 1991. In addition to her regular duties, she has served in many capacities throughout her tenure within the City of East Prairie including interim Administrator for 10 months in both 2018 and 2022. Designations include past Division Director for the Southeast Division of the Missouri City Clerks and Finance Officers Association, and currently holds the certification of Missouri Professional City Clerk with that same Association. Master Municipal Clerk status with the International Institute of Municipal Clerks, and the Certified Municipal Official with the Municipal Governance Institute through the Missouri Municipal League. Lori currently holds the office of Secretary with the Missouri City Clerks & Finance Officers Association, is a member of the Missouri Local Records Board, and a current board member with MIRMA Health. Lori has lived in East Prairie since 1978 and she and her husband Calvin have two daughters, one who resides in East Prairie with her husband and their 7 year old son, and one stationed in Naval Station Norfolk/Naval Medical Center Portsmouth in Norfolk, Virginia as a Navy Corpsman with her wife and 2 year old daughter.

KRISTIN STRAATMANN – City of Union

I have been working for the City of Union for almost 20 years. I am the Executive Assistant and Human Resources. I have been in this role my entire career with the City of Union. I handle all of the city's benefits from health and life insurance to retirement. When an employee has an issue or a question, they contact me to help them solve the issue. I am in charge of getting all the enrollment/renewal forms completed and sent in as well as paying the monthly statements. I also do all the new hire paperwork and onboarding. I have served on the MIRMA Health Board for 6 years and would love to continue being a part of this board.

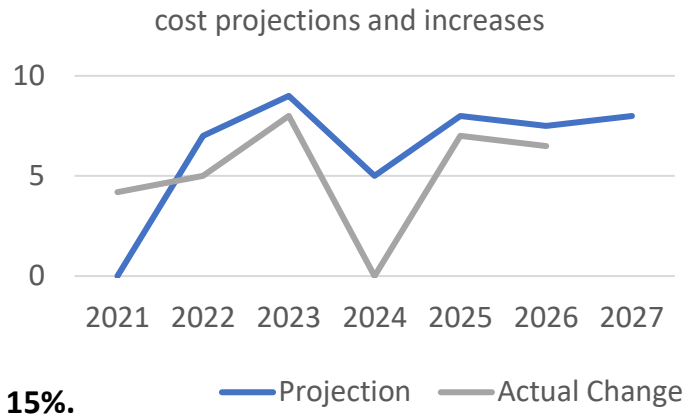
Any nominations from the floor?

Statistics

- We have 37 participating members, with the 100% renewing in 2027.
- We have 1,445 participating employees and approximately 2,600 total covered individuals.
- In 2026, through June 30th, we have collected $11,483,983.00 and spent $13,126,548.70, leaving a net balance of -$1,582,360.35, plus we have earned an additional $166,297.14 of interest revenue. Reinsurance owes us $1,640,000
- We project an additional $400,000 of net balance by the end of the year.
- We now collect slightly over $2,000,000 per month in assessments.
- We have a heathy cash flow with $6,408,460.28 in the bank on July 13th, plus an additional $4,261,858 in investments.
- We have an unaudited surplus (net position) at 6/30/26 of $6,972,851.93
- In January 2024 we did our first return of surplus, $750,000 via a payment holiday plus decided to add coverage for weight loss medications that had an annual cost of $919,407, in its first year. In the spring of 2026 we returned $500,000 of surplus.

2027 cost projections

- In June your Board of Directors projected an 8% rate increase for 2027.
- This means the amount of money the pool collects is projected to be 8% higher.
- **This does not mean the amount each city pays will be 8% higher.** Some will be more than 8% and some will be less than 8%, based on each city's demographics, region and loss experience.
  - Last summer we projected a 7.5% increase, but ultimately did a 6.5% increase.
  - In June of 2024 we projected a 8% increase, but ultimately did a 7% increase.
  - In June of 2023 we projected a 5% increase, but ultimately did an 0% increase.
  - In June of 2022 we projected a 9% increase, but ultimately did an 8% increase.
  - In June of 2021 we projected a 7% increase, but ultimately did a 5% increase.
  - In June of 2020 we projected a 0% increase, but ultimately changed to a 4.2% increase.



- We are not planning any rating methodology changes this year,
  - other than moving the max variation from base of 25% to 35%.
- We are also continuing the cap for each city's change from their current 2026 rate to 2027 of **no more than 15%.**
- Last year we obtained stop loss (reinsurance) without lasers and anticipate no lasers on our 2027 renewal.
- Our tier slopes are not as sharp as commercial insurance. By being flatter ours shift more program cost to the employee tier and away from the spouse, child(ren) and family tiers. This makes us less competitive on employee only groups. However, we do not plan to change this at this time.
- 2026 has seen a rising trend of claims costs so far this year, mainly due to increased hospital reimbursement rates, higher prescription drug costs and higher overall utilization of medical services by participants.

2026 cost projections

- To give a better understanding of the cost projections:
  - Our actuaries use past years' losses plus medical inflation trends to project future losses;
  - We then add our stop loss costs; and
  - We then add our administrative costs .
- To prepare for the June meeting, the claims data was pulled as of the end of April, with an update at the end of May.
- This still leaves 7 months of the year yet to take place before final rates are set.
- We have seen no significant claims so far this year and the weight loss medication expenses seem to be slowly creeping up.
- While these are only projections, the theory behind them is sound and only significant changes in the next few months should make a major adjustment.
- These projections were developed since our bylaws require all members to give notice by June 30th if they want to terminate membership for the following January 1st, and it seems unfair not the tell the membership where the pool stands.

Projects

- The wellness initiative was started in the fall of 2021 with a total of 337 screenings. Last fall we had 496 screenings!
  - Request to add scans, declined but will reimburse in place of wellness initiative.
- Weight Loss Meds – Added to coverage on 1-1-2024, refined yearly.
  - Request to reconsider
  - Switch to self pay?
- Continuing growing the pool!

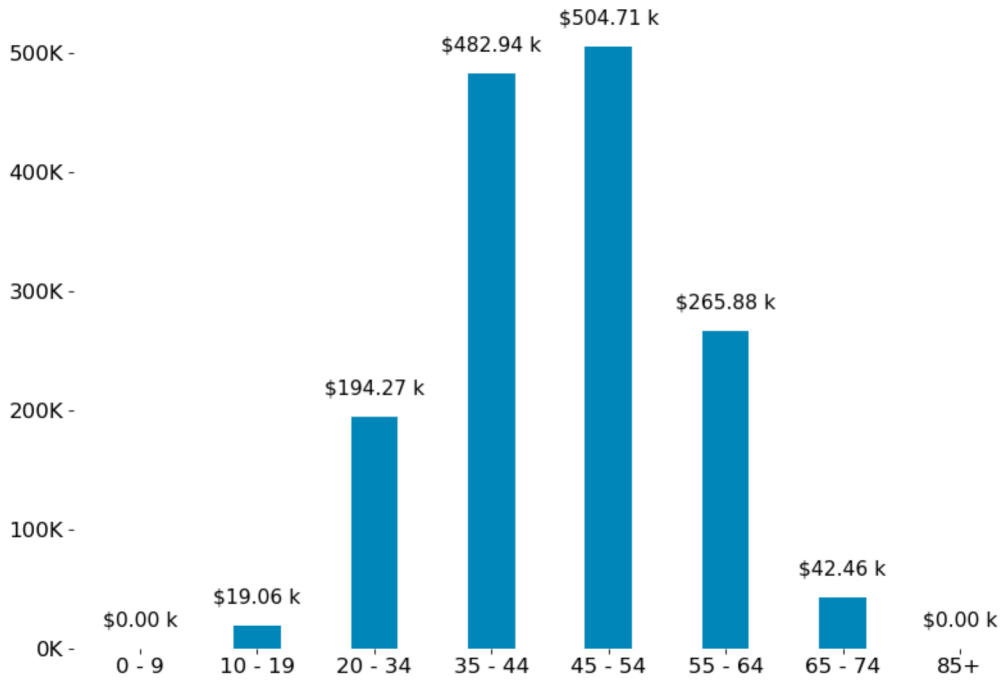
#1 INDICATION: ANTI-OBESITY AGENTS

Total Plan Paid
$1,509,312

% of Total Plan Paid 26.22%

Total Rx Count
1,525

% of Total Rx Count 6.22%



Product Name	Total Plan Paid	Total Rx Count	Utilizing Members
Zepbound	$901,747	994.0	130
Wegovy	$607,565	531.0	73

#2 INDICATION: DIABETIC

Total Plan Paid
$1,131,646

% of Total Plan Paid 19.66%

Total Rx Count
2,024

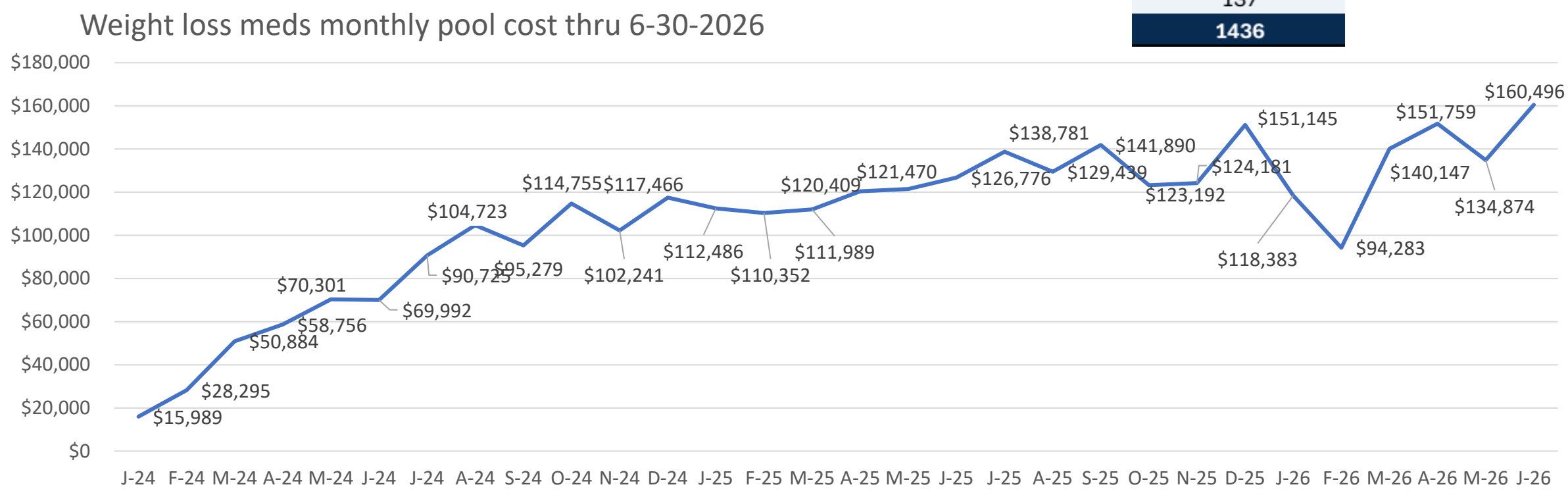
% of Total Rx Count 8.25%

Weight Loss Medications thru May 31, 2026

Average: 2024 - $ 76,617
2025 - $126,009
2026 - $133,324

Members with Fills
99
113
118
111
114
118
125
126
130
122
123
137
1436

Members with Fills
129
128
134
138
138
145



Methods to control GLP-1 spend for 2027

1. Stop covering GLP-1's labeled for weight loss
2. Install a lifetime Max
3. Require a wellness/coaching component
4. Increase BMI requirement to 40 (the pool will lose rebates of 36%)
5. Switch to self pay, but the pool contributes to the cost of the fills for the individuals who are eligible.

Self pay continued:

- Currently the self pay cost per fill are $199-$449
- The pool's average cost per fill was $1,053 in 2025 ($674 after rebates)

Medication	Standard List Price	Self-Pay / Direct Price
Wegovy (injectable)	$1,300+/month	$199/month (Novo direct) [4]
Ozempic (injectable)	$900+/month	$199/month (Novo direct) [4]
Zepbound (injectable)	$1,060+/month	$299–$449/month (LillyDirect) [4]
Oral Wegovy (tablet)	TBD	~$150/month (lowest dose) [4]
TrumpRx GLP-1 program	N/A	$350/month [3]
Orforglipron (projected)	TBD	$149–$399/month (projected) [3]

- There will be program costs RxCard

For all options (except stopping) we need to look at the eligibility requirements.

- 2024 = 30+ BMI or 27+ BMI with comorbidities
- 2025 = 35+ BMI with no consideration of comorbidities
  - All participants approved in 2024 were grandfathered
- 2026 = 35+ BMI or 32+ with comorbidities

- Proposed for 2027 = leave BMI unchanged (35+ BMI or 32+ with comorbidities) but remove grandfathered people from 2024 who were below 35 or below 32 with comorbidities at the time of their initial authorization.

BMI Category	BMI Range (kg/m^2)
Underweight	Less than 18.5
Healthy Weight	18.5 to less than 25
Overweight	25 to less than 30
Obesity	30 or greater
Class 1 Obesity	30 to less than 35
Class 2 Obesity	35 to less than 40
Class 3 Obesity (Severe Obesity)	40 or greater

Steve Brown, Health & Benefits Director, MIRMA Health

How member rates are determined for 2027
Return of surplus and how it is determined
Review of Eligibility and Membership Processes

How member rates are determined

Base Rates

- Guidance provided to members in June reflects the estimated total pool revenue increase needed for 2027
- Actuarial firm then formulates the required change to all plan base rates to reach this budgetary goal in October based on the operating results as of September 30th, 2026 and projected costs for 2027

Member Rates

- Using census data for each member, actuary compares current age/gender to previous age/gender demographics
- Also compares per member loss ratio (per member losses to per member premium paid) to total pool loss ratio
- 25% weighting for the previous calendar year loss ratio, 75% weighting for the current calendar year
- Historical pool loss ratio is 70%

Member Protections

- No member's premium rates may change more than plus or minus 15% from previous year
- No member's premium rates may exceed plus or minus 35% from base rate for the member's selected plan(s)*

Return of Surplus

- Based on our actuarial firm's recommendation as to needed unencumbered surplus and projected market conditions, the Board of Directors may determine that a return of surplus is warranted and will set the total amount to return during the November meeting.
- We will always be intentionally conservative: It's a lot more pleasant to give than to ask for it back.
- Eligible members must have been in pool prior to January 1, 2026, and will continue to be a member of the pool after December 31, 2026.
- Each member's portion of the return of surplus is based on their total contributions paid during the most recently completed fiscal year and the preceding 4 years. This period is currently January 2020 through December 2025. Pro-rata percentage per member is calculated based on the premium contributions.
- If available, the surplus is returned in the form of a payment holiday (invoice credit) in January 2027 and is applicable as a percentage of the total due from the city and its employees.

Eligibility and membership Processes

- MIRMA Health Plan conforms to the Affordable Care Act
- Eligibility for coverage – employee, family members
  - Definition of eligible employee, family members
  - Waiting period for initial eligibility
  - End of coverage
- Eligibility During Leave Events
- Qualified Life Events
- Open Enrollment
- Decision to Change Plan Offerings
- Change in Point C Membership Documentation Process

Questions
Comments
Concerns

MIRMA HEALTH

MIRMA HEALTH BOARD OF DIRECTORS MEETING

OLD BUSINESS

Item #1: Approve Minutes of the Board of Directors Meeting held June 16, 2026.

Item #2: Approve removing the eligibility grandfathering for weight loss medications of participants with BMI's at the time of their initial authorization who would not meet the current BMI requirements of 35 or 32 with comorbidities.

Item #3: Adopt a resolution changing the maximum allowable variation from base rates from 25% to 35% for 2027.

NEW BUSINESS

Item #1: Election of Officers for the upcoming year.

Item #2 Adopt a resolution authorizing the Executive Director to enter into an agreement with Milliman for Actuarial services.

REPORTS AND PRESENTATIONS

Item #1: Report on membership and claims activity.

Item #2: Report on financials and cash accounts.

Item #3: Report on MIRMA Health's Comprehensive Annual Financial Report and Actuarial Report for the period ending December 31, 2025.

Item #4: Marketing report.