PEEHIP rate changes for Medicare-eligible retirees are reflected in checks beginning December 31,

2024, for January premiums. These premium changes are the result of one of the following events: First, there was a significant reduction in the FEDERAL FUNDING for all Medicare Advantage plans across the country. These premium increases were explained in multiple *Advisor* articles between March and October. Secondly, there was an increase in the STATE funding of the "subsidy" component of the Sliding Scale calculation that must be applied to all PEEHIP members who retired after October 1, 2005. The change to that part of the Sliding Scale formula resulted in premium changes based on service time above or below 25 years.

Read about the premium increases in the *Advisor* articles <u>here</u> and <u>here</u>. Read about the Sliding Scale formula and calculation <u>here</u>.