

# REQUIRED SUPPLEMENTARY INFORMATION

(UNAUDITED)

## PENSION PLANS

### UM Health-Sparrow

Changes in the reported net pension liability for the years ended June 30 are summarized as follows (amounts in thousands):

	2025	2024	2023
<b>Total Pension Liability</b>			
Service cost	\$ 2,976	\$ 3,871	\$ 4,429
Interest cost	46,735	44,823	44,648
Changes in assumptions	28,414	(38,356)	14,896
Differences between expected and actual plan experience	(971)	6,335	2,143
Benefit Payments	(45,272)	(43,413)	(40,456)
Net change in total pension liability	31,882	(26,740)	25,660
Total pension liability, end of year	\$ 696,359	\$ 664,477	\$ 691,217
<b>Plan Fiduciary Net Position</b>			
Benefit payments	\$ (45,272)	\$ (43,413)	\$ (40,456)
Contributions from the employer	33,698		10,674
Administrative expenses	(8,665)	(7,794)	(8,743)
Net investment income:			
Expected investment earnings	49,486	43,563	55,935
Differences between expected and actual investment earnings	(3,154)	20,593	(168,265)
Net change in plan fiduciary net position	26,093	12,949	(150,855)
Plan fiduciary net position, end of year	\$ 714,619	\$ 688,526	\$ 675,577
Net pension liability, end of year	\$ (18,260)	\$ (24,049)	\$ 15,640
Plan fiduciary net position as a percentage of the total pension liability	103%	104%	98%

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PENSION PLANS, CONTINUED

Employer contributions in relation to actuarially determined contributions for the years ended June 30 are as follows:

	Employer Contributions	Actuarially Determined Contributions	Excess Contributions
(in thousands)			
2025	\$ 38,058	\$ 38,047	\$ 11
2024	\$ 5,107	\$ 5,107	\$ -
2023	\$ 4,611	\$ -	\$ 4,611

Significant methods and assumptions used to calculate the actuarially determined contributions for the years ended June 30 are as follows:

Actuarially determined contributions	The plan is subject to funding requirements under the provisions of ERISA and the Pension Protection Act of 2006 (including MAP-21, HATFA, BBA, ARPA and IIJA). The actuarially determined contributions represent the IRC Section 430 minimum required contributions.			
Contributions in relation to actuarially determined contributions	Under IRC Section 430, the due date to pay minimum required contributions for the plan year is generally 8½ months after the end of the plan year. For the plan years ended December 31, contributions are due by September 15 of the following year.			
Actuarial cost method	Unit credit method			
Asset valuation method	24-month smoothed value of assets			
Interest rate		First Segment Rate	Second Segment Rate	Third Segment Rate
				Effective Rate
	2025	4.75%	4.87%	5.59%
	2024	4.75%	5.00%	5.74%
	2023	4.75%	5.18%	5.92%
Mortality	Tables prescribed by the Secretary of Treasury			

UM Health-West

Changes in the reported net pension liability for the years ended June 30 are summarized as follows (amounts in thousands):

	2025	2024	2023	2022
Total Pension Liability				
Interest Cost	\$ 4,690	\$ 4,477	\$ 4,569	\$ 4,543
Changes in assumptions	(222)	(8,224)	165	89
Differences between expected and actual plan experience	333	115	1,394	989
Benefit payments	(5,608)	(4,973)	(7,374)	(5,598)
Net change in total pension liability	(807)	(8,605)	(1,246)	23
Total pension liability, end of year	\$ 57,100	\$ 57,907	\$ 66,512	\$ 67,758
Plan Fiduciary Net Position				
Benefit payments	\$ (5,608)	\$ (4,973)	\$ (7,374)	\$ (5,598)
Contributions from the employer			1,781	891
Administrative expenses	(139)	(151)	(147)	(76)
Net investment income:				
Expected investment earnings	5,663	4,503	5,314	4,997
Differences between expected and actual investment earnings	8,096	3,087	(23,044)	16,162
Net change in plan fiduciary net position	8,012	2,466	(23,470)	16,376
Plan fiduciary net position, end of year	\$ 77,441	\$ 69,429	\$ 66,963	\$ 90,433
Net pension liability, end of year	\$ (20,341)	\$ (11,522)	\$ (451)	\$ (22,675)
Plan fiduciary net position as a percentage of the total pension liability	136%	120%	101%	133%

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PENSION PLANS, CONTINUED

	2021	2020	2019	2018	2017
<b>Total Pension Liability</b>					
Interest Cost	\$ 4,687	\$ 4,957	\$ 4,930	\$ 5,013	\$ 4,482
Changes in assumptions	(3,540)	3,713	(273)	(822)	(24,906)
Differences between expected and actual plan experience	(1,662)	(124)	1,361	(767)	2,067
Benefit payments	(7,714)	(6,791)	(4,489)	(4,712)	(4,089)
Net change in total pension liability	(8,229)	1,755	1,529	(1,288)	(22,446)
Total pension liability, end of year	\$ 67,735	\$ 75,964	\$ 74,209	\$ 72,680	\$ 73,968
<b>Plan Fiduciary Net Position</b>					
Benefit payments	\$ (7,714)	\$ (6,791)	\$ (4,489)	\$ (4,712)	\$ (4,089)
Contributions from the employer	900	1,244	1,047	2,171	2,903
Administrative expenses					
Net investment income:					
Expected investment earnings	4,797	5,205	5,234	4,848	3,166
Differences between expected and actual investment earnings	(1,137)	426	(1,168)	3,664	1,316
Net change in plan fiduciary net position	(3,154)	84	624	5,971	3,296
Plan fiduciary net position, end of year	\$ 74,057	\$ 77,211	\$ 77,127	\$ 76,503	\$ 70,532
Net pension liability, end of year	\$ (6,322)	\$ (1,247)	\$ (2,918)	\$ (3,823)	\$ 3,436
Plan fiduciary net position as a percentage of the total pension liability	109%	102%	104%	105%	95%

Employer contributions in relation to actuarially determined contributions for the years ended June 30 are as follows:

(in thousands)	Employer Contributions	Actuarially Determined Contributions	Excess (Deficient) Contributions
2025	\$ -	\$ -	\$ -
2024	\$ -	\$ -	\$ -
2023	\$ 445	\$ -	\$ 445
2022	\$ 1,781	\$ -	\$ 1,781
2021	\$ 891	\$ 2,133	\$ (1,242)
2020	\$ 900	\$ 1,336	\$ (436)
2019	\$ 1,244	\$ 393	\$ 851
2018	\$ 1,047	\$ 1,622	\$ (575)
2017	\$ 2,171	\$ 1,754	\$ 417

Significant methods and assumptions used to calculate the actuarially determined contributions for the years ended June 30 are as follows:

Actuarially determined contributions	The plan is subject to funding requirements under the provisions of ERISA and the Pension Protection Act of 2006 (including MAP-21, HATFA, BBA, ARPA and IJJA). The actuarially determined contributions represent the IRC Section 430 minimum required contributions.				
Contributions in relation to actuarially determined contributions	Under IRC Section 430, the due date to pay minimum required contributions for the plan year is generally 8½ months after the end of the plan year. For the plan years ended September 30, contributions are due by June 15 of the following year.				
Actuarial cost method	Unit credit method				
Asset valuation method	24-month smoothed value of assets				
Interest rate		First Segment Rate	Second Segment Rate	Third Segment Rate	Effective Rate
	2025	4.90%	5.25%	5.59%	5.36%
	2024	4.75%	5.00%	5.74%	5.28%
	2023	4.75%	5.36%	6.11%	5.61%
	2022	4.75%	5.50%	6.27%	5.76%
	2021	3.74%	5.35%	6.11%	5.57%
	2020	3.92%	5.52%	6.29%	5.73%
	2019	4.16%	5.72%	6.48%	5.94%
	2018	4.16%	5.72%	6.48%	5.93%
	2017	4.43%	5.91%	6.65%	6.13%
Mortality	Tables prescribed by the Secretary of Treasury				

# REQUIRED SUPPLEMENTARY INFORMATION

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## POSTEMPLOYMENT BENEFITS

The historical reconciliation of the reported total liability for postemployment benefits obligations for the years ended June 30 is summarized as follows (amounts in thousands):

	2025	2024	2023	2022	2021
Service cost	\$ 163,896	\$ 143,330	\$ 197,945	\$ 213,029	\$ 151,925
Interest cost	150,849	134,787	96,059	101,166	125,421
Changes in assumptions	(395,704)	126,445	(790,355)	(368,216)	731,220
Differences between expected and actual plan experience	11,193	14,372	12,421	35,115	18,776
Benefit payments	(123,321)	(105,261)	(97,354)	(95,581)	(92,684)
Net change	\$ (193,087)	\$ 313,673	\$ (581,284)	\$ (114,487)	\$ 934,658
Total liability, end of year	\$ 3,836,961	\$ 4,030,048	\$ 3,716,375	\$ 4,297,659	\$ 4,412,146
Covered employee payroll	\$ 5,603,110	\$ 5,222,386	\$ 4,889,673	\$ 4,502,421	\$ 4,255,709
Total liability as a percentage of covered employee payroll	68%	77%	76%	95%	104%

  

	2020	2019	2018	2017
Service cost	\$ 134,115	\$ 141,933	\$ 143,787	\$ 122,073
Interest cost	124,023	121,800	94,153	108,561
Changes in assumptions	154,777	(383,315)	(107,874)	255,041
Differences between expected and actual plan experience	38,230	17,535	52,721	14,028
Benefit payments	(87,712)	(87,638)	(77,374)	(72,302)
Net change	\$ 363,433	\$ (189,685)	\$ 105,413	\$ 427,401
Total liability, end of year	\$ 3,477,488	\$ 3,114,055	\$ 3,303,740	\$ 3,198,327
Covered employee payroll	\$ 4,214,627	\$ 4,013,983	\$ 3,792,553	\$ 3,568,918
Total liability as a percentage of covered employee payroll	83%	78%	87%	90%

Discount rates used in determining the reported total liability for postemployment benefits obligations at June 30 are as follows:

2025	3.93%
2024	3.65%
2023	3.54%
2022	2.16%
2021	2.21%
2020	3.50%
2019	3.87%
2018	3.58%
2017	2.85%