

Fund S62000 Public School Health and Flexible Benefits

Focus

Fund S62000, Health and Flexible Benefits, provides for the administration of health and dental care benefit plans for employees and retirees. In addition, the Health and Flexible Benefits Fund administers two Flexible Spending Accounts, which enable employees to realize savings by setting aside pre-tax dollars, through Fairfax County Public Schools (FCPS) payroll deductions, for eligible health care and dependent care costs. FY 2015 disbursements are estimated at \$418.4 million.



Fund S62000

Public School Health and Flexible Benefits

FUND STATEMENT

Fund S62000, Public School Health and Flexible Benefits

| | FY 2013 Actual | FY 2014 Adopted Budget Plan | FY 2014 Revised Budget Plan ¹ | FY 2015 Superintendent's Proposed | FY 2015 Adopted Budget Plan ² |
|---|----------------------|-----------------------------------|--|---|--|
| Beginning Balance | \$48,736,478 | \$46,099,540 | \$45,081,559 | \$40,694,542 | \$40,694,542 |
| Revenue: | | | | | |
| Employer/Employee Premiums | \$256,941,029 | \$279,926,455 | \$274,926,455 | \$306,707,953 | \$306,707,953 |
| Retiree/Other Health Premiums | 43,975,659 | 48,073,960 | 48,073,960 | 53,631,310 | 53,631,310 |
| Interest Income and Rebates | 3,712,984 | 4,189,899 | 4,250,155 | 4,808,000 | 4,808,000 |
| Medicare Part D/Employer Group Waiver Plan (EGWP) ² | 2,740,685 | 3,254,730 | 3,556,895 | 5,000,000 | 5,000,000 |
| Flexible Spending Account Withholdings | 7,251,453 | 7,045,691 | 7,529,000 | 7,529,000 | 7,529,000 |
| Total Revenue | \$314,621,810 | \$342,490,735 | \$338,336,465 | \$377,676,263 | \$377,676,263 |
| Total Available | \$363,358,288 | \$388,590,275 | \$383,418,024 | \$418,370,805 | \$418,370,805 |
| Expenditures: | | | | | |
| Health Benefits Paid | \$248,244,916 | \$264,852,809 | \$264,925,339 | \$288,689,564 | \$288,689,564 |
| Premiums Paid | 52,364,297 | 58,229,376 | 56,036,810 | 60,209,175 | 60,209,175 |
| Health Administrative Expenses | 10,954,543 | 12,253,297 | 12,814,333 | 13,309,133 | 13,309,133 |
| Flexible Spending Accounts | | | | | |
| Reimbursements | 7,356,659 | 6,916,692 | 7,400,000 | 7,400,000 | 7,400,000 |
| FSA Administrative Expenses | 122,314 | 129,000 | 129,000 | 129,000 | 129,000 |
| Claims Incurred but not Reported (IBNR) | 18,894,000 | 22,019,000 | 20,312,000 | 21,730,000 | 21,730,000 |
| IBNR Prior Year Credit | (19,660,000) | (20,819,000) | (18,894,000) | (20,312,000) | (20,312,000) |
| Total Expenditures | \$318,276,729 | \$343,581,174 | \$342,723,482 | \$371,154,872 | \$371,154,872 |
| Premium Stabilization Reserve ³ | 0 | 45,009,101 | 40,694,542 | 47,215,933 | 47,215,933 |
| Total Disbursements | \$318,276,729 | \$388,590,275 | \$383,418,024 | \$418,370,805 | \$418,370,805 |
| Ending Balance | \$45,081,559 | \$0 | \$0 | \$0 | \$0 |
| Less: | | | | | |
| Undelivered Orders | \$46,075 | \$0 | \$0 | \$0 | \$0 |
| Premium Stabilization Reserve | 45,035,484 | 0 | 0 | 0 | 0 |
| Unreserved Balance | \$0 | \$0 | \$0 | \$0 | \$0 |

¹ The FY 2014 Revised Budget Plan reflects adjustments adopted by the Fairfax County School Board on March 6, 2014 during their FY 2014 Third Quarter Review.

² Fairfax County School Board action on the FY 2015 budget was taken on May 22, 2014 and will be included for approval by the Board of Supervisors as part of the FY 2014 Carryover Review.

³ The Premium Stabilization Reserve is appropriated for budgeting purposes to offset fluctuations in health insurance costs during the fiscal year. This reserve is to be carried forward as beginning balance for FY 2015.