

## Response to Questions on the FY 2009 Advertised Budget Plan

**Request By:** Supervisor Hyland and Herrity

**Question:** Explain the \$7 million transfer from the Health Insurance Trust Fund to the IT Fund as an alternative to using it for health-related projects. What are the legal restrictions associated with using the Health Insurance Trust Fund for IT projects?

**Response:** There are no legal restrictions associated with the use of the Health Insurance Trust Fund. The use of the fund is discussed with the County Executive as part of budget deliberations, taking into account anticipated claims expenses, participant growth, maintenance of appropriate reserves, and the impact on the County's GASB liability.

In FY 2009, it was recommended as part of the FY 2009 Advertised Budget Plan to use \$7 million in excess employer contributions in order to begin replacement of the County's legacy systems. The first stage of this project is the implementation of a new module for personnel records and benefits processing. As the Health Benefits Trust Fund includes three of the four County health insurance plans and the County's vision plan, many of the benefits-related transactions affect the fund. It is anticipated that the new system will provide advanced reporting capabilities, allowing for greater ease of administration of the fund, as well as provide a more user-friendly benefits interface for employees.