

FUND STATEMENT

Fund 60040, Health Benefits Fund

	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2014 Third Quarter Estimate	Increase (Decrease) (Col. 5-4)
Beginning Balance	\$19,681,979	\$17,782,178	\$37,685,304	\$37,685,304	\$0
Revenue:					
Employer Share of Premiums	\$92,559,932	\$102,753,823	\$100,897,972	\$100,897,972	\$0
Employee Share of Premiums	27,921,116	30,958,242	30,435,051	30,435,051	0
Retiree Premiums	26,171,026	28,542,426	28,516,042	28,516,042	0
Interest Income	118,449	131,476	131,476	131,476	0
Administrative Service Charge / COBRA Premiums	531,400	570,251	570,251	570,251	0
Employee Fitness Center Revenue	63,123	55,759	55,759	55,759	0
Total Revenue	\$147,365,046	\$163,011,977	\$160,606,551	\$160,606,551	\$0
Transfer In:					
General Fund (10001)	\$4,000,000	\$0	\$1,600,000	\$1,600,000	\$0
Total Transfer In	\$4,000,000	\$0	\$1,600,000	\$1,600,000	\$0
Total Available	\$171,047,025	\$180,794,155	\$199,891,855	\$199,891,855	\$0
Expenditures:					
Benefits Paid	\$132,776,609	\$154,472,381	\$148,709,801	\$148,709,801	\$0
Administrative Expenses	5,795,374	6,296,314	6,263,586	6,263,586	0
Premium Stabilization Reserve ¹	0	0	10,148,533	10,148,533	0
Incurred but not Reported Claims (IBNR) ²	(5,739,118)	1,483,092	2,048,169	2,048,169	0
Patient Protection and Affordable Care Act Fees ³	0	0	0	0	0
LiveWell Program	528,856	742,000	742,000	742,000	0
Total Expenditures	\$133,361,721	\$162,993,787	\$167,912,089	\$167,912,089	\$0
Total Disbursements	\$133,361,721	\$162,993,787	\$167,912,089	\$167,912,089	\$0
Ending Balance: ⁴					
Fund Equity	\$49,208,147	\$38,616,857	\$45,550,778	\$45,550,778	\$0
IBNR	11,522,843	20,816,489	13,571,012	13,571,012	0
Ending Balance	\$37,685,304	\$17,800,368	\$31,979,766	\$31,979,766	\$0
Premium Stabilization Reserve ¹	\$15,511,610	\$0	\$5,545,229	\$5,545,229	\$0
Transitional Reinsurance Program Reserve ³	0	0	1,600,000	1,600,000	0
Unreserved Ending Balance	\$22,173,694	\$17,800,368	\$24,834,537	\$24,834,537	\$0
Percent of Claims	16.7%	11.5%	16.7%	16.7%	0.0%

¹ Fluctuations in the Premium Stabilization Reserve are the result of reconciliations of budget to actual experience and the timing of budget adjustments. The \$5.5 million held in ending balance for the reserve in the *FY 2014 Revised Budget Plan* resulted from a FY 2013 audit adjustment.

² In order to account for expenditures in the proper fiscal year, audit adjustments in the amount of \$5,545,229.00 have been reflected as a decrease to FY 2013 expenditures to record final Incurred but not Reported claims for FY 2013. These audit adjustments have been included in the FY 2013 Comprehensive Annual Financial Report (CAFR). Details of the FY 2013 audit adjustments are included in the FY 2014 Third Quarter Package.

³ The Transitional Reinsurance Program Reserve has been established to accumulate funding in preparation for fees that will be charged to the County under the Patient Protection and Affordable Care Act for three years beginning in FY 2015. Based on preliminary guidance, program fees are projected to be \$1.6 million in FY 2015, \$1.1 million in FY 2016, and \$0.7 million in FY 2017.

⁴ The Fund 60040 ending balance does not include funding set aside in reserve for IBNR expenses. To account for all funds associated with the County's self-insured plans, the Fund Equity amount is provided, which includes the Fund 60040 ending balance as well as the IBNR reserve.