

FUND STATEMENT

Fund 60040, Health Benefits

	FY 2014 Actual	FY 2015 Adopted Budget Plan	FY 2015 Revised Budget Plan	FY 2015 Third Quarter Estimate	Increase (Decrease) (Col. 5-4)
Beginning Balance	\$37,685,304	\$31,979,766	\$42,936,455	\$42,936,455	\$0
Revenue:					
Employer Share of Premiums	\$98,734,414	\$102,847,534	\$102,847,534	\$102,847,534	\$0
Employee Share of Premiums	29,930,039	31,162,535	31,162,535	31,162,535	0
Retiree Premiums ¹	28,095,062	29,584,458	29,584,458	29,584,458	0
Interest Income	49,971	66,886	66,886	66,886	0
Administrative Service Charge/ COBRA Premiums	569,426	661,984	661,984	661,984	0
Employee Fitness Center Revenue	58,822	60,900	60,900	60,900	0
Total Revenue	\$157,437,734	\$164,384,297	\$164,384,297	\$164,384,297	\$0
Transfer In:					
General Fund (10001)	\$1,600,000	\$0	\$1,000,000	\$1,000,000	\$0
Total Transfer In	\$1,600,000	\$0	\$1,000,000	\$1,000,000	\$0
Total Available	\$196,723,038	\$196,364,063	\$208,320,752	\$208,320,752	\$0
Expenditures:					
Benefits Paid	\$148,607,399	\$156,650,591	\$156,650,591	\$156,650,591	\$0
Administrative Expenses	5,212,814	6,136,114	6,136,114	6,136,114	0
Premium Stabilization Reserve ²	0	0	14,320,807	14,320,807	0
Incurred but not Reported Claims (IBNR) ¹	(459,425)	1,006,663	1,006,663	1,006,663	0
Patient Protection and Affordable Care Act Fees ³	25,370	1,652,000	1,652,000	1,652,000	0
LiveWell Program	400,425	742,000	742,000	742,000	0
Total Expenditures	\$153,786,583	\$166,187,368	\$180,508,175	\$180,508,175	\$0
Total Disbursements	\$153,786,583	\$166,187,368	\$180,508,175	\$180,508,175	\$0
Ending Balance: ⁴					
Fund Equity	\$53,999,873	\$44,754,370	\$39,882,658	\$39,882,658	\$0
IBNR	11,063,418	14,577,675	12,070,081	12,070,081	0
Ending Balance⁵	\$42,936,455	\$30,176,695	\$27,812,577	\$27,812,577	\$0
Premium Stabilization Reserve ²	\$16,507,246	\$4,016,046	\$651,928	\$651,928	\$0
Transitional Reinsurance Program Reserve ³	1,600,000	0	1,000,000	1,000,000	0
Unreserved Ending Balance	\$24,829,209	\$26,160,649	\$26,160,649	\$26,160,649	\$0
Percent of Claims	16.7%	16.7%	16.7%	16.7%	0.0%

¹ In order to account for revenues and expenditures in the proper fiscal year, audit adjustments in the amount of \$1,770.70 have been reflected as a decrease to FY 2014 revenue to record refunds issued and audit adjustments in the amount of \$653,698.00 have been reflected as a decrease to FY 2014 expenditures to record final Incurred but not Reported claims for FY 2014. These audit adjustments have been included in the FY 2014 Comprehensive Annual Financial Report (CAFR). Details of the FY 2014 audit adjustments are included in the FY 2015 Third Quarter Package.

² Fluctuations in the Premium Stabilization Reserve are the result of reconciliations of budget to actual experience and the timing of budget adjustments. The \$0.65 million held in ending balance for the reserve in the *FY 2015 Revised Budget Plan* resulted from the net impact of FY 2014 audit adjustments.

³ Fees under the Patient Protection and Affordable Care Act include the Patient-Centered Outcomes Research Trust Fund Fee and the Transitional Reinsurance Program fee. The Transitional Reinsurance Program Reserve was established to accumulate funding in preparation for the Transitional Reinsurance Program fees that will be charged to the County for three years beginning in FY 2015.

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.

⁵ Fluctuations in the ending balance are due primarily to the appropriation of the Premium Stabilization Reserve and changes in claims expenditures.