

# Fund S62000: 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 2021 expenditures are estimated at \$450.9 million.

# Fund S62000: Health and Flexible Benefits

## FUND STATEMENT

Category	FY 2019 Actual	FY 2020 Adopted Budget Plan	FY 2020 Revised Budget Plan <sup>1</sup>	FY 2021 Superintendent's Proposed
<b>Beginning Balance</b>	\$72,814,402	\$88,258,897	\$75,628,523	\$72,832,661
<b>Revenue:</b>				
Employer/Employee Premiums	\$327,276,399	\$337,773,901	\$333,431,733	\$344,525,553
Retiree/Other Health Premiums	53,038,250	56,018,113	55,355,199	58,155,316
Interest Income and Rebates	28,416,847	25,501,084	31,712,220	34,658,962
Flexible Spending Account Withholdings	10,954,681	12,567,419	11,502,283	11,502,283
<b>Total Revenue<sup>2</sup></b>	<b>\$419,686,177</b>	<b>\$431,860,517</b>	<b>\$432,001,435</b>	<b>\$448,842,114</b>
<b>Total Available</b>	<b>\$492,500,579</b>	<b>\$520,119,414</b>	<b>\$507,629,958</b>	<b>\$521,674,775</b>
<b>Expenditures:</b>				
Health Benefits Paid	\$319,811,570	\$316,854,036	\$333,690,627	\$345,706,208
Premiums Paid	71,576,792	74,878,625	73,533,297	76,161,011
Health Administrative Expenses	13,396,196	13,871,315	15,571,347	16,979,388
Flexible Spending Accounts Reimbursements	11,567,729	12,378,155	11,309,821	11,309,821
FSA Administrative Expenses	190,769	179,647	191,149	191,149
Claims Incurred but not Reported (IBNR)	19,849,000	20,307,468	20,350,056	20,881,176
IBNR Prior Year Credit	(19,520,000)	(19,806,412)	(19,849,000)	(20,350,056)
<b>Total Expenditures<sup>2</sup></b>	<b>\$416,872,056</b>	<b>\$418,662,834</b>	<b>\$434,797,297</b>	<b>\$450,878,697</b>
Premium Stabilization Reserve	\$0	\$101,456,580	\$72,832,661	\$70,796,078
<b>Total Disbursements</b>	<b>\$416,872,056</b>	<b>\$520,119,414</b>	<b>\$507,629,958</b>	<b>\$521,674,775</b>
<b>Ending Balance</b>	<b>\$75,628,523</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Outstanding Encumbered Obligations	\$2,729	\$0	\$0	\$0
Premium Stabilization Reserve <sup>3</sup>	75,625,794	0	0	0
<b>Unreserved Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<sup>1</sup> The *FY 2020 Revised Budget Plan* reflects adjustments adopted by the Fairfax County School Board on December 19, 2019 during the *FY 2020 Midyear Review*. These midyear adjustments will be officially reflected in County schedules and appropriations as part of the *FY 2020 Third Quarter Review*, which will be acted on by the Board of Supervisors on April 28, 2020.

<sup>2</sup> In order to account for FY 2019 revenues and expenditures in the appropriate fiscal year, audit adjustments of \$62,397 have been reflected as an increase to FY 2019 revenue and audit adjustments in the amount of \$2,409,300 have been reflected as a decrease to FY 2019 expenditures. Details of the audit adjustments will be included in the FY 2020 Third Quarter package.

<sup>3</sup> 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 2021.