

FUND STATEMENT

Fund 60040, Health Benefits

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2017 Third Quarter Estimate	Increase (Decrease) (Col. 5-4)
Beginning Balance	\$47,394,518	\$31,686,897	\$49,298,155	\$49,298,155	\$0
Revenue:					
Employer Share of Premiums	\$111,534,366	\$120,175,331	\$120,175,331	\$120,175,331	\$0
Employee Share of Premiums	33,595,694	36,316,864	36,316,864	36,316,864	0
Retiree Premiums	32,359,594	35,060,057	35,060,057	35,060,057	0
Interest Income	172,704	136,511	136,511	136,511	0
Administrative Service Charge/COBRA Premiums	511,565	502,503	502,503	502,503	0
Employee Fitness Center Revenue	61,796	55,768	55,768	55,768	0
Total Revenue	\$178,235,719	\$192,247,034	\$192,247,034	\$192,247,034	\$0
Total Available	\$225,630,237	\$223,933,931	\$241,545,189	\$241,545,189	\$0
Expenditures:					
Benefits Paid ¹	\$169,454,434	\$182,181,177	\$182,181,177	\$182,181,177	\$0
Administrative Expenses	4,882,502	4,934,833	4,934,833	4,934,833	0
Premium Stabilization Reserve ²	0	0	22,366,956	22,366,956	0
Incurred but not Reported Claims (IBNR) ¹	678,000	816,664	816,664	816,664	0
Patient Protection and Affordable Care Act Fees ³	812,967	618,130	618,130	618,130	0
LiveWell Program	504,179	742,000	756,500	756,500	0
Total Expenditures	\$176,332,082	\$189,292,804	\$211,674,260	\$211,674,260	\$0
Total Disbursements	\$176,332,082	\$189,292,804	\$211,674,260	\$211,674,260	\$0
Ending Balance: ⁴					
Fund Equity	\$60,776,155	\$48,372,927	\$42,165,593	\$42,165,593	\$0
IBNR	11,478,000	13,731,800	12,294,664	12,294,664	0
Ending Balance ⁵	\$49,298,155	\$34,641,127	\$29,870,929	\$29,870,929	\$0
Premium Stabilization Reserve ²	\$20,168,947	\$4,099,474	\$0	\$0	\$0
Transitional Reinsurance Program Reserve ³	830,318	117,396	212,188	212,188	0
Unreserved Ending Balance	\$28,298,890	\$30,424,257	\$29,658,741	\$29,658,741	\$0
Percent of Claims	16.7%	16.7%	16.3%	16.3%	0.0%

¹ In order to account for expenditures in the proper fiscal year, audit adjustments in the amount of \$751,823.49 have been reflected as an increase to FY 2016 expenditures to record final incurred but not reported claims for FY 2016 and to appropriately account for claims expenses. These audit adjustments have been included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the FY 2016 audit adjustments are included in the FY 2017 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. Any balances in the reserve resulting from actual experience are re-appropriated at the next budgetary quarterly review.

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 for Transitional Reinsurance Program fees, which are anticipated to end in FY 2018.

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.