

# 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 2022 expenditures are estimated at \$468.8 million.

# Fund S62000: Health and Flexible Benefits

## FUND STATEMENT

Category	FY 2020 Actual	FY 2021 Adopted Budget Plan	FY 2021 Revised Budget Plan <sup>1</sup>	FY 2022 Superintendent's Proposed
<b>Beginning Balance</b>	<b>\$75,628,523</b>	<b>\$72,832,661</b>	<b>\$101,685,897</b>	<b>\$100,109,571</b>
<b>Revenue:</b>				
Employer/Employee Premiums	\$336,729,189	\$344,525,553	\$346,152,023	\$356,148,153
Retiree/Other Health Premiums	56,241,673	58,155,316	59,083,865	62,409,181
Interest Income and Rebates	38,614,451	34,658,962	37,023,767	39,104,281
Flexible Spending Account Withholdings	11,619,461	11,502,283	10,166,924	10,166,923
<b>Total Revenue<sup>2</sup></b>	<b>\$443,204,774</b>	<b>\$448,842,114</b>	<b>\$452,426,579</b>	<b>\$467,828,538</b>
<b>Total Available</b>	<b>\$518,833,297</b>	<b>\$521,674,775</b>	<b>\$554,112,476</b>	<b>\$567,938,109</b>
<b>Expenditures:</b>				
Health Benefits Paid	\$322,441,187	\$345,706,208	\$352,219,157	\$365,132,988
Premiums Paid	72,903,046	76,161,011	75,112,713	77,966,982
Health Administrative Expenses	14,656,476	16,979,388	15,982,123	15,025,982
Flexible Spending Accounts Reimbursements	10,528,930	11,309,821	9,985,349	9,985,349
FSA Administrative Expenses	191,761	191,149	172,443	172,443
Claims Incurred but not Reported (IBNR)	16,275,000	20,881,176	16,806,120	17,369,107
IBNR Prior Year Credit	(19,849,000)	(20,350,056)	(16,275,000)	(16,806,120)
<b>Total Expenditures<sup>2</sup></b>	<b>\$417,147,400</b>	<b>\$450,878,697</b>	<b>\$454,002,905</b>	<b>\$468,846,731</b>
Premium Stabilization Reserve <sup>3</sup>	\$0	\$70,796,078	\$100,109,571	\$99,091,378
<b>Total Disbursements</b>	<b>\$417,147,400</b>	<b>\$521,674,775</b>	<b>\$554,112,476</b>	<b>\$567,938,109</b>
<b>Ending Balance</b>	<b>\$101,685,897</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Outstanding Encumbered Obligations	\$4,187	\$0	\$0	\$0
Premium Stabilization Reserve <sup>3</sup>	101,681,710	0	0	0
<b>Unreserved Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<sup>1</sup> The *FY 2021 Revised Budget Plan* reflects adjustments adopted by the Fairfax County School Board on December 17, 2020 during the *FY 2021 Midyear Review*. These midyear adjustments will be reflected in County schedules and appropriations as part of the *FY 2021 Third Quarter Review*, which will be acted on by the Board of Supervisors on April 27, 2021.

<sup>2</sup> In order to account for FY 2020 revenues and expenditures in the appropriate fiscal year, audit adjustments of \$71,145 have been reflected as an increase to FY 2020 revenue and audit adjustments in the amount of \$831,031 have been reflected as a decrease to FY 2020 expenditures. Details of the audit adjustments will be included in the FY 2021 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 2022.