Summary of Major Impacts on Employee Benefits Trust Margin for FY 2011

Increase/(Decrease) in net assets - FY 2010	($ 865,906)	
Rate Increase on Premiums Charged 1)	$14,715,314	10.7% over prior Year
Medical Claims Increase - Large Claims 2)	(5,118,575)	28% over prior Year
Medical Claims Increase - Other Claims	(1,404,526)	2% over prior Year
Premium Rebate - Departments 3)	(4,189,361)	
Premium Rebate - Employees 4)	(1,326,054)	
Increase in Pharmacy Consumer Choice Plan HRA Liability 5)	(959,160)	
Other Impacts	(316,620)	
Increase in net assets - FY 2011	$535,111	

1) Rate increase consisted of

Rate Increase	$	3,220,314	2.34%
Non recurring FY 2010 Rebate to Departments		11,495,000	8.34%
Total	$	14,715,314	10.68%

2) Based on actual claims paid through August 2011

3) On the May 31, 2011 payroll, departmetns were refunded one times the normal benefit premium.

4) On the May 31, 2011 payroll, employees were refunded two times the normal benefit premium.

5) Employee only coverage receive a $300 annual HRA contribution and all other tiers receive a $500 annual HRA contribution. Unspent balances carry over to the following plan year. Liability increase results from the accounts of employees with little or no activity.

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUND
Statements of Net Assets - Internal Service Funds
June 30, 2011

	Employee Benefits Operating Funds
Assets	
Cash and cash equivalents	$ 57,181,449
Interest receivable	3,563
Accounts receivable	898,195
Prepaid insurance	852,807
Capital assets, net	0
	58,936,014
Total assets	
Accounts payable	124,271
Accrued Liabilities	2,382,967
Employee compensation payable	3,290,574
Reserve for losses and loss expenses	9,436,189
	15,234,001
Total liabilities	
Invested in capital assets	0
Unrestricted (deficit)	43,702,013
Total net assets (deficit)	$ 43,702,013

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUND
Statements of Revenues, Expenses, and
Changes in Net Assets —Internal Service Funds
For the Fisical Year Ended June 30, 2011

	Employee Benefits Operating Funds
Operating revenues:	
Charges for services	$ 1,355,628
County and employee premiums	117,856,285
Other income	884
Total operating revenues	119,212,797
Operating expenses:	
Personal services	1,650,490
Supplies and services	6,969,774
Losses and loss expenses	109,221,583
Depreciation	740
Total operating expenses	117,842,587
Operating Income	1,370,209
Nonoperating revenues:	
Investment income	498,476
Loss on disposal of capital assests	(3,273)
Total nonoperating revenues	495,203
Capital contributions	49,990
Transfers to other Funds	(1,380,291)
Increase in net assets	535,111
Total net assets, July 1, 2010 As Restated	43,166,902
Total net assets, June 30, 2011	$ 43,702,013

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
Statements of Cash Flows—Internal Service Funds
For the Fiscal Year Ended June 30, 2011

	Employee Benefits Operating Funds
Cash flows from operating activities:	
Receipts from employees and other funds	$ 119,573,782
Other receipts	884
Payments for goods and services	(117,251,303)
Payments to employees	(623,342)
Net cash provided by (used for) operating activities	1,700,020
Cash flows from noncapital and related financial activities	
Cash transfers to other funds	(1,330,301)
Cash flows from investing activities:	
Interest received on investments	576,271
Net increase (loss) in cash and cash equivalents	945,989
Cash and cash equivalents, July 1, 2010	56,235,460
Cash and cash equivalents, June 30, 2011	$ 57,181,449
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	$ 1,370,209
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:	
Depreciation	740
Changes in assets and liabilities:	
Accounts receivable	361,868
Prepaid insurance	(742,274)
Accounts payable	
Employee compensation payable	1,027,148
Reserve for losses and loss expenses	931,160
Prepaid insurance	
Accounts payable	(388,285)
Accrued Liabilities	(860,547)
Reserve for losses and loss expenses	
Net cash provided by (used for) operating activities	$ 1,700,020
Schedule of Noncash Investing , Capital and Noncapital Financing Activities	
Accumulated depreciation from disposed capital	27,121
Machinery and equipment disposed	(30,394)
Loss on disposal of capital assets	(3,273)

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUND - Agency Funds
Statements of Net Assets - Internal Service Funds
June 30, 2011

		Employee Benefits
Assets		
Cash and cash equivalents	$	862,166
Interest receivable		0
Accounts receivable		66,563
Prepaid insurance		0
Capital assets, net		0
Total assets	$	928,728
Liabilities		
Accounts payable		25,447
Accrued Liabilities		903,281
Employee compensation payable		0
Reserve for losses and loss expenses		0
Total liabilities	$	928,728

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
Notes to Financial Statements
August 31, 2011

NOTE 1 – Interest Receivable Held with the Treasurer

Interest Receivable represents the Trust's share of the amortization of zero coupon bond discounts and the unpaid but earned portion of bond coupons which are normally paid every six months on varying dates. The trust has all cash invested with the Maricopa County Treasurer in the investment pool. This pool consists of U S Government Securities that have up to a three year maturity.

NOTE 2 – Accounts Receivable

Accounts Receivable included $652,290 for WHI Rebates and $115,954 for the American Recovery and Reinvestment Act (ARRA) program receivables for employees on COBRA as of August 31, 2011.

NOTE 3 – Pre-Paid Insurance

Pre-Paid insurance included $97,716 for Sedgwick, $4,856 for Vision plan, and $750,235 for H.S.A.

NOTE 4 – Capital Equipment

This is for the Ergonomics AstroVan purchased in 2000. All equipment has been fully depreciated as of June 30, 2011.

NOTE 5 – Accounts Payable

Accounts Payable included $4,800 for Magellan Health Service and $464 for Konica Minolta.

NOTE 6 – Accrued Liabilities

Accrued Liabilities fluctuates monthly mainly due to the amount of outstanding checks written by CIGNA that have not been cashed by providers. At year-end FY 2011, this balance include an amount for FY 2011 benefit premiums collected from employees and departments that were not earned until July 2011. These amounts are detailed on the Balance Sheet Supplemental page.

NOTE 7 – Employee Compensation Payable

Employee Compensation Payable includes in FY2011 unused employee pharmacy allowance for the WHI Consumer Choice Pharmacy plan of $3.1 million. The remaining balance is accrued salaries as of month end, plus employee vacations earnings payable.

EMPLOYEE BENEFITS TRUST FUNDS
Fund Balance Roll-Forward
Twelve Month Ended June 30, 2011

f Insured Funds Fund	Expenditures	Revenues	Net	Fund Balance 7/1/2010	Fund Balance 6/30/2011
601-CMG HIGH OPTION	$ 36,746,312	$ 36,877,764	$ 131,452	$ (478,873)	$ (347,421)
602-CMG LOW OPTION	1,409,811	1,173,809	(236,002)	1,108,864	872,862
603-OAP IN	16,134,132	16,617,116	482,984	(4,606,376)	(4,123,392)
604-OAP HIGH OPTION	29,892,134	27,159,804	(2,732,330)	2,391,193	(341,137)
605-OAP LOW OPTION	2,284,167	2,054,226	(229,941)	1,427,324	1,197,383
606-CHOICE FUND H.S.A.	4,892,831	5,405,928	513,096	(77,630)	435,466
614-BEHAVIORAL HEALTH	1,592,110	4,216,898	2,624,788	2,327,041	4,951,829
Total Medical & BH	**$ 92,951,497**	**$ 93,505,544**	**$ 554,047**	**$ 2,091,543**	**$ 2,645,590**
629-SI DENTAL	3,390,393	3,313,863	(76,530)	4,901,294	4,824,764
Total Dental	**$ 3,390,393**	**$ 3,313,863**	**$ (76,530)**	**$ 4,901,294**	**$ 4,824,764**
608-COINSURANCE	$ 11,718,142	$ 12,169,685	$ 451,543	$ 19,155,573	$ 19,607,116
609-CONSUMER CHOICE	2,746,757	1,910,243	(836,514)	2,156,111	1,319,597
Total Pharmacy	**$ 14,464,899**	**$ 14,079,928**	**$ (384,970)**	**$ 21,311,684**	**$ 20,926,714**
623-VISION	$ 1,430,053	$ 1,340,811	$ (89,242)	$ 320,199	$ 230,957
624-STAND ALONE VISION	45,364	64,326	18,962	0	18,962
Total Vision	**$ 1,475,417**	**$ 1,405,136**	**$ (70,281)**	**$ 320,199**	**$ 249,918**
615-WELLNESS	$ 706,389	$ 687,303	(19,086)	2,333,874	2,314,788
616-CONTRACT ADMINISTRATION	$ 255,637	$ 280,723	25,086	557,556	582,642
617-MED INCENTIVE AND PENALTIES			0	2,110,151	2,110,151
618-BENEFIT ADMINISTRATION	$ 2,422,264	$ 3,419,451	997,187	519,395	1,516,582
652-HEALTH SELECT SI TRUST	1,380,291	49,990	(1,330,301)	1,330,301	(0)
Total Other	**$ 4,764,582**	**$ 4,437,468**	**$ (327,114)**	**$ 6,851,277**	**$ 6,524,163**
Grand Total	**$ 117,046,788**	**$ 116,741,940**	**$ (304,849)**	**$ 35,475,997**	**$ 35,171,148**
...ployee Self Insured Funds					
610-70 PERCENT STD	$ 1,447,618	$ 1,976,198	$ 528,580	$ 4,892,184	$ 5,420,764
611-60 PERCENT STD	342,253	462,077	119,824	1,253,917	1,373,741
612-50 PERCENT STD	310,057	393,283	83,226	1,023,502	1,106,728
613-40 PERCENT STD	79,436	187,765	108,329	521,303	629,632
Total STD	**$ 2,179,364**	**$ 3,019,323**	**$ 839,960**	**$ 7,690,906**	**$ 8,530,866**
Total Self-Insured	**$ 119,226,152**	**$ 119,761,263**	**$ 535,111**	**$ 43,166,903**	**$ 43,702,014**

Fully Insured (Agency) Funds Fund	Expenditures	Revenues	Net	Fund Balance 7/1/2010	Fund Balance 6/30/2011
607-FI DENTAL PPO	$ 5,216,342	$ 5,201,493	$ (14,849)	$ 86,084	$ 71,235
625-FI PREPAID DENTAL	401,021	400,513	(508)	110,566	110,058
Total Dental	**$ 5,617,363**	**$ 5,602,006**	**$ (15,357)**	**$ 196,650**	**$ 181,293**
621-FLEX SPENDING HEALTH	$ 2,397,983	$ 2,008,186	$ (389,797)	$ 389,797	$ 0
622-FLEX SPENDING DEP CARE	784,043	699,367	(84,676)	84,676	0
Total FSA	**$ 3,182,027**	**$ 2,707,553**	**$ (474,473)**	**$ 474,473**	**$ 0**
626-FI LIFE AND AD AND D	$ 1,050,095	$ 1,082,151	$ 32,056	$ (2,769)	$ 29,287
627-SUPPLEMENTAL LIFE	3,610,986	3,583,977	(27,009)	284,661	257,652
630-DEPENDENT LIFE	492,648	486,618	(6,030)	19,161	13,131
Total Life and AD&D	**$ 5,153,729**	**$ 5,152,746**	**$ (983)**	**$ 301,053**	**$ 300,070**
628-EMPLOYEE ASSISTANCE	188,386	188,429	43	874	917
631-VOLUNTARY BENEFITS	306,278	304,030	(2,248)	5,326	3,078
632-CIGNA FOR SENIORS	567,485	565,926	(1,559)	68,499	66,940
...otal Others	**$ 1,062,149**	**$ 1,058,385**	**$ (3,764)**	**$ 74,699**	**$ 70,935**
...al Agency Funds	**$ 15,015,267**	**$ 14,520,690**	**$ (494,577)**	**$ 1,046,875**	**$ 552,298**
Less: Agency Fund Adjustments				$ (137,750)	
Total Fund Balance	$ 134,241,419	$ 134,281,953	$ 40,534	$ 44,076,028	$ 44,254,313

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUND
Statements of Revenues, Expenses, and
Changes in Net Assets —Internal Service Funds
YTD as of August 31, 2011

	YTD 8/31/2011	Full Year 6/30/2011	Full Year 6/30/2010
Operating revenues:			
Operating income	$ 20,919,510	$ 119,211,913	112,927,735
Other income		884	97,894
Investment income	0	498,476	779,620
Total operating revenues	$ 20,919,510	$ 119,711,273	$ 113,805,250
Operating expenses:			
Losses and loss expenses	21,100,044	109,221,583	101,098,908
All other expenses	1,137,287	8,621,004	13,570,703
Total operating expenses	$ 22,237,332	$ 117,842,587	$ 114,669,611
Nonoperating revenues:			
Capital contributions		49,990	
Transfers to Other Funds		(1,380,291)	
Loss on disposal of capital assests	0	(3,273)	
Total nonoperating revenues	0	(1,333,574)	0
Change in net assets	(1,317,821)	535,111	(864,361)
Total net assests - Beginning	43,702,013	43,166,902	44,031,264
Total net assets - Ending	$ 42,384,192	$ 43,702,013	$ 43,166,902

Maricopa County
Employee Benefits Trust Funds
Statements of Net Assets - Internal Service Funds
August 31, 2011, June 30, 2011, and June 30, 2010

	Note	8/31/2012	6/30/2011	6/30/2010
Assets				
Cash and cash equivalents		$ 55,943,791	$ 57,181,449	$ 56,235,460
Interest receivable	1	3,563	3,563	81,358
Accounts receivable	2	768,244	898,195	1,260,064
Prepaid insurance	3	852,807	852,807	110,532
Capital assets, net	4	0	0	4,013
Total assets		57,568,405	58,936,014	57,691,427
Liabilities				
Accounts payable	5	5,264	124,271	512,556
Accrued Liabilities	6	2,438,230	2,382,967	3,243,514
Employee compensation payable	7	3,304,530	3,290,574	2,263,426
Reserve for losses and loss expenses		9,436,189	9,436,189	8,505,029
Total liabilities		15,184,213	15,234,001	14,524,525
Net Assets				
Invested in capital assets		0	0	4,013
Unrestricted (deficit)		42,384,192	43,702,013	43,162,889
Total net assets (deficit)		$ 42,384,192	$ 43,702,013	$ 43,166,902

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
Fund Balance Roll-Forward
Two Months Ended August 31, 2011

Insured Funds

Fund	Expenditures	Revenues	Net	Fund Balance 7/1/2011	Fund Balance 8/31/2011
601-CMG HIGH OPTION	$ 7,487,246	$ 6,523,626	(963,620)	(347,421)	(1,311,041)
602-CMG LOW OPTION	131,924	196,912	64,988	872,862	937,850
603-OAP IN	2,782,479	2,789,990	7,511	(4,123,392)	(4,115,881)
604-OAP HIGH OPTION	5,769,054	4,689,348	(1,079,706)	(341,137)	(1,420,843)
605-OAP LOW OPTION	274,354	393,890	119,536	1,197,383	1,316,918
606-CHOICE FUND H.S.A.	1,446,089	1,741,911	295,822	435,466	731,288
614-BEHAVIORAL HEALTH	214,641	344,635	129,994	4,951,829	5,081,823
Total Medical & BH	**$ 18,105,787**	**$ 16,680,312**	**$ (1,425,475)**	**$ 2,645,590**	**$ 1,220,115**
629-SI DENTAL	782,002	630,092	(151,910)	4,824,764	4,672,854
Total Dental	**$ 782,002**	**$ 630,092**	**$ (151,910)**	**$ 4,824,764**	**$ 4,672,854**
608-COINSURANCE	$ 2,020,616	$ 1,828,402	$ (192,215)	$ 19,607,116	$ 19,414,902
609-CONSUMER CHOICE	296,676	285,317	(11,359)	1,319,597	1,308,239
Total Pharmacy	**$ 2,317,292**	**$ 2,113,719**	**$ (203,573)**	**$ 20,926,714**	**$ 20,723,141**
623-VISION	$ 349,113	$ 225,137	$ (123,976)	$ 230,957	$ 106,980
624-STAND ALONE VISION	10,371	12,556	2,186	18,962	21,147
Total Vision	**$ 359,484**	**$ 237,693**	**$ (121,791)**	**$ 249,918**	**$ 128,128**
615-WELLNESS	$ 13,601	$ 245,150	231,549	2,314,788	2,546,337
616-CONTRACT ADMINISTRATION	$ 44,431	$ 46,608	2,177	582,642	584,819
617-MED INCENTIVE AND PENALTIES			0	2,110,151	2,110,151
618-BENEFIT ADMINISTRATION	$ 299,154	$ 406,392	107,238	1,516,582	1,623,820
999-BENEFITS CLEARING	0	249,481	249,481	0	249,481
Total Other	**$ 357,186**	**$ 947,631**	**$ 590,445**	**$ 6,524,163**	**$ 7,114,608**
nd Total	**$ 21,921,750**	**$ 20,609,447**	**$ (1,312,304)**	**$ 35,171,148**	**$ 33,858,845**

Employee Self Insured Funds

610-70 PERCENT STD			$ -	$ 5,420,764	$ 5,420,764
611-60 PERCENT STD	285,004	235,513	(49,491)	1,373,741	1,324,250
612-50 PERCENT STD	25,627	50,926	25,299	1,106,728	1,132,028
613-40 PERCENT STD	4,951	23,625	18,674	629,632	648,307
Total STD	**$ 315,581**	**$ 310,064**	**$ (5,518)**	**$ 8,530,866**	**$ 8,525,348**
Total Self-Insured	**$ 22,237,332**	**$ 20,919,510**	**$ (1,317,821)**	**$ 43,702,014**	**$ 42,384,193**

Fully Insured (Agency) Funds

Fund	Expenditures	Revenues	Net	Fund Balance 7/1/2011	Fund Balance 8/31/2011
607-FI DENTAL PPO	$ 843,908	$ 824,019	$ (19,889)	$ 71,235	$ 51,346
625-FI PREPAID DENTAL	64,024	63,127	(897)	110,058	109,161
Total Dental	**$ 907,931**	**$ 887,146**	**$ (20,786)**	**$ 181,293**	**$ 160,507**
621-FLEX SPENDING HEALTH	$ 669,888	$ 399,949	$ (269,939)	$ 0	$ (269,939)
622-FLEX SPENDING DEP CARE	50,148	124,027	73,879	0	73,878.82
Total FSA	**$ 720,036**	**$ 523,976**	**$ (196,060)**	**$ 0**	**$ (196,060)**
626-FI LIFE AND AD AND D	$ 167,014	$ 177,217	$ 10,203	$ 29,287	$ 39,490
627-SUPPLEMENTAL LIFE	638,632	615,056	(23,576)	257,652	234,076
630-DEPENDENT LIFE	84,232	82,206	(2,026)	13,131	11,105
Total Life and AD&D	**$ 889,878**	**$ 874,479**	**$ (15,400)**	**$ 300,070**	**$ 284,670**
628-EMPLOYEE ASSISTANCE	33,981	33,938	(43)	917	875
631-VOLUNTARY BENEFITS	57,183	56,488	(695)	3,078	2,382
?-CIGNA FOR SENIORS	117,566	108,642	(8,924)	66,940	58,016
tal Others	**$ 208,730**	**$ 199,068**	**$ (9,662)**	**$ 70,935**	**$ 61,273**
Total Agency Funds	**$ 2,726,576**	**$ 2,484,668**	**$ (241,908)**	**$ 552,298**	**$ 310,391**
Less: Agency Fund Adjustments					
Total Fund Balance	$ 24,963,907	$ 23,404,179	$ (1,559,729)	$ 44,254,313	$ 42,694,584

Summary of Incurred Claims Plan Year 2011 vs Plan Year 2010 - All Medical Plans

	Plan Year 2010 Medical Claims - Dollars				Plan Year 2011 Medical Claims - Dollars			Percentage Increase Plan Year 2011 vs 2010		
Month	Total Medical Claims	Large Claims (Top 30) Each Month	Routine Medical excluding Large Claims	Month	Total Medical Claims	Large Claims (Top 30) Each Month	Routine Medical excluding Large Claims	Total Medical Claims	Large Claims (Top 30) Each Month	Routine Medical excluding Large Claims
July-09	6,705,844	1,623,028	5,082,816	July-10	6,416,303	1,612,432	4,803,871	-4.3%	-0.7%	-5.5%
August-09	7,005,103	1,580,733	5,424,370	August-10	6,961,269	1,709,326	5,251,943	-0.6%	8.1%	-3.2%
September-09	5,890,393	1,043,374	4,847,019	September-10	7,271,867	1,780,774	5,491,093	23.5%	70.7%	13.3%
October-09	6,872,105	1,477,304	5,394,801	October-10	7,696,881	2,104,141	5,592,740	12.0%	42.4%	3.7%
November-09	6,257,215	1,622,984	4,634,231	November-10	6,858,610	1,655,219	5,203,391	9.6%	2.0%	12.3%
December-09	6,296,564	1,510,786	4,785,778	December-10	6,786,700	1,720,978	5,065,722	7.8%	13.9%	5.8%
January-10	7,089,457	1,953,275	5,136,182	January-11	8,632,764	3,106,772	5,525,992	21.8%	59.1%	7.6%
February-10	6,886,883	1,714,970	5,171,913	February-11	7,127,902	1,692,728	5,435,174	3.5%	-1.3%	5.1%
March-10	7,185,713	1,501,830	5,683,883	March-11	7,554,272	1,758,229	5,796,043	5.1%	17.1%	2.0%
April-10	7,570,654	1,515,099	6,055,555	April-11	7,697,746	2,145,152	5,552,594	1.7%	41.6%	-8.3%
May-10	6,272,931	1,115,242	5,157,689	May-11	6,938,168	1,583,901	5,354,267	10.6%	42.0%	3.8%
June-10	7,659,731	1,427,891	6,231,840	June-11	8,273,212	2,335,439	5,937,773	8.0%	63.6%	-4.7%
Total	81,692,593	18,086,516	63,606,077	Total	88,215,694	23,205,091	65,010,603	8.0%	28.3%	2.2%
Subscribers	11,225		11,225		11,120		11,120			
Cost/Sub	$7,278		$5,666		$7,933		$5,846	9.0%		3.2%
Members	25338	360	25338		24934	360	24934			
Cost/Memb	$3,224	$50,240	$2,510		$3,538	$64,459	$2,607	9.7%	28.3%	3.9%