

MARCHMARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
Financial Commentary
March 2014

March 2014 Year-To-Date Results

As of March 31, 2014, cash and cash equivalents were \$50,811,642 as compared to the June 30, 2013 balance of \$60,786,170; a decline of \$ \$9,974,528. Cash that is not included in this account is shown in the prepaid insurance balance sheet account. This was \$3,022,893 as of March 31st versus a balance of \$2,606,982 on June 30, 2013; an increase of \$415,911. Prepaid insurance consists of the funding the Trust transfers to outside bank accounts to pay for Cigna medical claims and the employer and employee contributions to employee Health Savings Accounts via sweeps. The combined reduction in cash-like balances year to date was \$9,558,617.

Review of Cash

| | <u>2/28/2014</u> | <u>6/30/2013</u> | Increase/ (Decrease) |
|---------------------------|---------------------|-------------------|-------------------------|
| Cash and cash equivalents | \$50,811,642 | 60,786,170 | (9,974,528) |
| Prepaid insurance | 3,022,893 | 2,606,982 | 415,911 |
| Total Cash | <u>\$53,834,535</u> | <u>63,393,152</u> | <u>(9,558,617)</u> |

Net Loss on a year-to-date basis through March 31, 2014 was (\$3,178,535) which occurred primarily in the Medical and Pharmacy Plans. Net Margin was not in line with the decrease in cash-like balances of \$9,558,617. This \$6,380,082 difference (or reduction in cash versus net margin) is accounted for as follows: The liability for the STD Rebate was reduced by \$6,178,953; Accounts Payable was decreased by \$507,123; and the IBNR Liability was increased by \$2,452,624. There was a decrease in the cost allocation rate differential of \$2,826,025. This account is used to account for the difference between what departments are charged for benefits premiums and what the Benefit Trust records as revenues from the departments.

Cash Flow Analysis

| | <u>YTD Dec 2013</u> |
|---|---------------------|
| Decrease in Cash | (9,558,617) |
| Increase in IBNR Liability | (2,452,624) |
| Decrease in STD Rebate Liability | 6,178,953 |
| Decrease in Accounts Payable | 507,123 |
| Decrease in Cost Allocation Rate Differential | 2,826,025 |
| Other | (678,395) |
| Difference - Cash Change vs Net Margin | <u>6,380,082</u> |
| Net Margin | <u>(3,178,535)</u> |

Review of the Fund Balance Roll-Forward

A Benefit Holiday of \$5,142,182 for the three medical plans, the pharmacy plan and the behavioral health plan occurred in December. As this was not a routine occurrence, a supplementary schedule will be included in each financial package this year to show the Fund Balance Roll-forward Report with the impact of the Benefit Holiday removed. All comments in this section will relate to this Pro Forma report with the impact of the benefit Holiday removed. If the Benefit Holiday had not occurred, the net loss of \$3,178,535 would have been a net profit of \$1,963,647 on

a year-to-date basis. A Benefit Holiday is currently forecast to occur in the month of June in the amount of \$5,142,182.

The three Medical Plans are showing Net Margin of \$729,965 through the nine months ended on March 31, 2014. Positive margin is expected in the summer and fall months as claims traditionally are lower in the summer months and higher in the winter months. It should be pointed out that the HDHP plan - Choice Fund H.S.A has lost \$1,527,473 through March 2014. This plan will be more closely monitored as it appears that the increase in enrollment in Plan Year 2014 included a less healthy demographic group of members.

The Coinsurance Pharmacy Plan is showing net margin of \$322,063. This is a continuation of the trend and is due to the conservative approach having been taken to set premium rates for Plan Year 2014.

The Short-Term Disability Rebate of \$6,178,953 was paid in the months of August through December to plan members for Plan Years 2008 to 2011. This rebate was fully accrued in FY 2013 so it has no impact on the Statement of Revenues, Expenses and Changes in Fund Balance in FY 2014. The Short-Term Disability plans have lost \$498,039 on a year-to-date basis, and are forecasted to lose up to \$800,000 for the full year. A loss was expected for this plan year, however it was expected to be about half the current forecast. This annual loss will bring the short-term disability fund balances more in line with the recommended reserve levels.

The following schedules detail the impact of the Benefit Holiday on the Trust on a Plan by Plan basis through March 2014. The first column of the schedule details what margin would be with the Benefit Holiday excluded.

Year-To-Date March 2014 Net Margin Analysis

(Dollars)

| <u>Plan</u> | <u>Net Margin</u> | <u>Benefit Holiday</u> | <u>Net Margin (As Reported)</u> |
|----------------------------|-------------------|------------------------|---------------------------------|
| 601-CMG MEDICAL | 3,218,813 | (2,022,073) | 1,196,740 |
| 604-OAP MEDICAL | (961,375) | (1,581,195) | (2,542,570) |
| 606-CHOICE FUND H.S.A. | (1,527,473) | (834,913) | (2,362,386) |
| 608-COINSURANCE PHARM. | 322,063 | (634,126) | (312,063) |
| 614-BEHAVIORAL HEALTH | 137,601 | (69,875) | 67,726 |
| 629-SI DENTAL | 394,539 | | 394,539 |
| 623-VISION | 276,108 | | 276,108 |
| 615-WELLNESS | 394,274 | | 394,274 |
| 618-BENEFIT ADMINISTRATION | 508,001 | | 508,001 |
| Short-Term Disability | (498,039) | | (498,039) |
| All Others | (300,865) | | (300,865) |
| Total Trust | 1,963,647 | (5,142,182) | (3,178,535) |

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUND
Statements of Revenues, Expenses, and
Changes in Net Assets —Internal Service Funds
YTD as of March 31, 2014

4/16/2014

| | YTD 3/31/2014 | Full Year 6/30/2013 | Full Year 6/30/2012 | Full Year 6/30/2011 |
|-------------------------------------|-----------------------|------------------------|------------------------|------------------------|
| Operating revenues: | | | | |
| Operating income | \$ 101,924,371 | \$ 127,318,181 | \$ 122,941,566 | 119,211,913 |
| Other income | | | | 884 |
| Investment income | 199,949 | 284,792 | 443,209 | 498,476 |
| Total operating revenues | \$ 102,124,320 | \$ 127,602,973 | \$ 123,384,775 | \$ 119,711,273 |
| Operating expenses: | | | | |
| Losses and loss expenses | 95,414,207 | 111,466,606 | 114,179,304 | 111,900,464 |
| All other expenses | 6,473,385 | 7,706,150 | 7,060,881 | 8,621,004 |
| Total operating expenses | \$ 101,887,592 | \$ 119,172,756 | \$ 121,240,185 | \$ 120,521,468 |
| Nonoperating revenues: | | | | |
| Capital contributions | 0 | 0 | 0 | 49,990 |
| Return of contributions | (3,415,262) | (6,178,953) | | |
| Transfers to Other Funds | 0 | 0 | 0 | (1,380,291) |
| Short-Term Disability Rebate | 0 | | | |
| Loss on disposal of capital assets | 0 | 0 | 0 | (3,273) |
| Total nonoperating revenues | \$ (3,415,262) | \$ (6,178,953) | \$ - | \$ (1,333,574) |
| Change in net assets | (3,178,535) | 2,251,264 | 2,144,590 | (2,143,769) |
| Total net assets - Beginning | 45,418,987 | 43,167,723 | 41,023,133 | 43,166,902 |
| Total net assets - Ending | \$ 42,240,452 | \$ 45,418,987 | \$ 43,167,723 | \$ 41,023,133 |

Maricopa County
Employee Benefits Trust Funds
Statements of Net Assets - Internal Service Funds
March 31, 2014, June 30, 2013, June 30, 2012, and June 30, 2011

| | 3/31/2014 | 6/30/2013 | 6/30/2012 | 6/30/2011 |
|--------------------------------------|----------------------|----------------------|----------------------|----------------------|
| Assets | | | | |
| Cash and cash equivalents | \$ 50,811,642 | \$ 60,786,170 | \$ 60,636,639 | \$ 57,181,449 |
| Interest receivable | 81,633 | 81,633 | 42,598 | 3,563 |
| Accounts receivable | 507,537 | 570,404 | 924,206 | 898,195 |
| Due from Other Departments | 1,602,103 | | | |
| Prepaid insurance | 3,022,893 | 2,606,982 | 1,411,102 | 852,807 |
| Capital assets, net | 0 | 0 | 0 | 0 |
| | \$ 56,025,807 | \$ 64,045,189 | \$ 63,014,545 | \$ 58,936,014 |
| Liabilities | | | | |
| Accounts payable | 79,439 | 586,562 | 88,404 | 124,271 |
| Accrued Liabilities | 2,849,272 | 9,617,663 | 5,554,366 | 2,382,967 |
| Employee compensation payable | 117,075 | 135,030 | 3,268,085 | 3,290,574 |
| Reserve for losses and loss expenses | 10,739,570 | 8,286,947 | 10,935,968 | 12,115,069 |
| Total liabilities | \$ 13,785,356 | \$ 18,626,202 | \$ 19,846,823 | \$ 17,912,881 |
| Net Assets | | | | |
| Invested in capital assets | 0 | 0 | 0 | 0 |
| Unrestricted (deficit) | 42,240,452 | 45,418,987 | 43,167,723 | 41,023,133 |
| Total net assets (deficit) | \$ 42,240,452 | \$ 45,418,987 | \$ 43,167,723 | \$ 41,023,133 |

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS - Excluding Impact of Benefit Holiday
 Pro - Forma Fund Balance Roll-Forward
 Nine Months Ended March 31, 2014

| <u>Self Insured Funds</u> | | | | Fund Balance | Fund Balance |
|-------------------------------|-----------------------|-----------------------|---------------------|----------------------|----------------------|
| <u>Fund</u> | <u>Expenditures</u> | <u>Revenues</u> | <u>Net</u> | <u>7/1/2013</u> | <u>3/31/2014</u> |
| 601-CMG MEDICAL | \$ 33,684,189 | \$ 36,903,003 | \$ 3,218,813 | \$ 1,819,238 | \$ 5,038,051 |
| 604-OAP MEDICAL | 29,895,677 | 28,934,301 | (961,375) | 166,644 | (794,731) |
| 606-CHOICE FUND H.S.A. | 16,858,049 | 15,330,575 | (1,527,473) | 874,392 | (653,081) |
| Total Medical & BH | \$ 80,437,915 | \$ 81,167,879 | \$ 729,965 | \$ 2,860,274 | \$ 3,590,239 |
| 608-COINSURANCE PHARMACY | 11,161,366 | 11,483,430 | 322,063 | 20,582,799 | 20,904,862 |
| 619-ONSITE PHARMACY CLINIC * | 1,447,034 | 1,146,170 | (300,865) | (372,426) | (673,291) |
| 620- BENEFITS ELIMINATIONS | (959,461) | (959,461) | 0 | 0 | 0 |
| Total Pharmacy | \$ 11,648,939 | \$ 11,670,138 | \$ 21,199 | \$ 20,210,373 | \$ 20,231,572 |
| 614-BEHAVIORAL HEALTH | 1,129,176 | 1,266,777 | 137,601 | 5,181,294 | 5,318,895 |
| 629-SI DENTAL | 3,018,817 | 3,413,357 | 394,539 | 5,122,174 | 5,516,713 |
| 623-VISION | 1,000,897 | 1,277,005 | 276,108 | 54,126 | 330,234 |
| 615-WELLNESS | 662,811 | 1,057,084 | 394,274 | 3,820,637 | 4,214,911 |
| 618-BENEFIT ADMINISTRATION | 5,368,373 | 5,876,374 | 508,001 | 5,751,269 | 6,259,270 |
| 999-BENEFITS CLEARING | | (0) | (0) | | (0) |
| Total Other | \$ 11,180,074 | \$ 12,890,597 | \$ 1,710,523 | \$ 19,929,500 | \$ 21,640,023 |
| Grand Total | \$ 103,266,928 | \$ 105,728,615 | \$ 2,461,687 | \$ 43,000,147 | \$ 45,461,834 |

Employee Self Insured Funds

| | | | | | |
|-------------------------------------|-----------------------|-----------------------|---------------------|----------------------|----------------------|
| 611-60 PERCENT STD | 1,692,384 | 1,156,445 | (535,939) | 413,038 | (122,901) |
| 612-50 PERCENT STD | 260,103 | 264,496 | 4,392 | 1,242,786 | 1,247,178 |
| 613-40 PERCENT STD | 83,438 | 116,946 | 33,508 | 763,016 | 796,524 |
| Total STD | \$ 2,035,926 | \$ 1,537,887 | \$ (498,039) | \$ 2,418,840 | \$ 1,920,801 |
| Total Self-Insured Ex Rebate | \$ 105,302,854 | \$ 107,266,502 | \$ 1,963,647 | \$ 45,418,987 | \$ 47,382,634 |

Short-Term Disability Rebate

0

0

Total Self-Insured

| | | | | |
|-----------------------|-----------------------|---------------------|----------------------|----------------------|
| \$ 105,302,854 | \$ 107,266,502 | \$ 1,963,647 | \$ 45,418,987 | \$ 47,382,634 |
|-----------------------|-----------------------|---------------------|----------------------|----------------------|

Less Premium Holiday

(5,142,182)

\$ (3,178,535)**Fully Insured (Agency) Funds**

| <u>Fund</u> | <u>Expenditures</u> | <u>Revenues</u> | <u>Net</u> | Fund Balance | Fund Balance |
|--------------------------------|----------------------|----------------------|-------------------|-------------------|-------------------|
| | | | | <u>7/1/2013</u> | <u>3/31/2014</u> |
| 607-FI DENTAL PPO | \$ 3,894,435 | \$ 3,892,298 | \$ (2,136) | \$ 77,525 | \$ 75,389 |
| 625-FI PREPAID DENTAL | 170,973 | 171,972 | 999 | 109,386 | 110,385 |
| Total Dental | \$ 4,065,408 | \$ 4,064,271 | \$ (1,137) | \$ 186,911 | \$ 185,774 |
| 621-FLEX SPENDING HEALTH | 1,781,624 | 1,720,310 | (61,314) | 0 | (61,314) |
| 622-FLEX SPENDING DEP CARE | 459,257 | 650,252 | 190,995 | 0 | 190,995 |
| Total FSA | \$ 2,240,881 | \$ 2,370,561 | \$ 129,680 | \$ - | \$ 129,680 |
| 626-FI LIFE AND AD AND D | 299,405 | 300,173 | 768 | 40,664 | 41,432 |
| 627-SUPPLEMENTAL LIFE | 2,650,322 | 2,651,813 | 1,491 | 238,311 | 239,802 |
| 630-DEPENDENT LIFE | 269,783 | 269,168 | (615) | 9,889 | 9,274 |
| Total Life and AD&D | \$ 3,219,510 | \$ 3,221,154 | \$ 1,644 | \$ 288,864 | \$ 290,508 |
| 628-EMPLOYEE ASSISTANCE | 291,836 | 292,816 | 980 | 1,051 | 2,031 |
| 631-VOLUNTARY BENEFITS | 685,838 | 698,287 | 12,449 | 3,952 | 16,401 |
| 632-CIGNA FOR SENIORS | 392,924 | 392,011 | (913) | 73,236 | 72,323 |
| Total Others | \$ 1,370,598 | \$ 1,383,114 | \$ 12,516 | \$ 78,239 | \$ 90,755 |
| Total Agency Funds | \$ 10,896,397 | \$ 11,039,100 | \$ 142,703 | \$ 554,014 | \$ 696,717 |

Note:

Onsite Pharmacy Clinic

* Flu Shot Savings

62,748

Subrogation Cases Closed YTD

740,176

Subrogation Recoveries YTD

345,593

Benefit Holiday Impact

(5,142,182)

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
Fund Balance Roll-Forward
Nine Months Ended March 31, 2014

| <u>Self Insured Funds</u> | | | | Fund Balance | Fund Balance |
|-------------------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|
| <u>Fund</u> | <u>Expenditures</u> | <u>Revenues</u> | <u>Net</u> | <u>7/1/2013</u> | <u>3/31/2014</u> |
| 601-CMG MEDICAL | \$ 33,684,189 | \$ 34,880,930 | \$ 1,196,740 | \$ 1,819,238 | \$ 3,015,978 |
| 604-OAP MEDICAL | 29,895,677 | 27,353,106 | (2,542,570) | 166,644 | (2,375,926) |
| 606-CHOICE FUND H.S.A. | 16,858,049 | 14,495,662 | (2,362,386) | 874,392 | (1,487,994) |
| Total Medical & BH | \$ 80,437,915 | \$ 76,729,698 | \$ (3,708,216) | \$ 2,860,274 | \$ (847,942) |
| 608-COINSURANCE PHARMACY | 11,161,366 | 10,849,304 | (312,063) | 20,582,799 | 20,270,736 |
| 619-ONSITE PHARMACY CLINIC * | 1,447,034 | 1,146,170 | (300,865) | (372,426) | (673,291) |
| 620- BENEFITS ELIMINATIONS | (959,461) | (959,461) | 0 | 0 | 0 |
| Total Pharmacy | \$ 11,648,939 | \$ 11,036,012 | \$ (612,927) | \$ 20,210,373 | \$ 19,597,446 |
| 614-BEHAVIORAL HEALTH | 1,129,176 | 1,196,902 | 67,726 | 5,181,294 | 5,249,020 |
| 629-SI DENTAL | 3,018,817 | 3,413,357 | 394,539 | 5,122,174 | 5,516,713 |
| 623-VISION | 1,000,897 | 1,277,005 | 276,108 | 54,126 | 330,234 |
| 615-WELLNESS | 662,811 | 1,057,084 | 394,274 | 3,820,637 | 4,214,911 |
| 618-BENEFIT ADMINISTRATION | 5,368,373 | 5,876,374 | 508,001 | 5,751,269 | 6,259,270 |
| 999-BENEFITS CLEARING | | (0) | (0) | | (0) |
| Total Other | \$ 11,180,074 | \$ 12,820,722 | \$ 1,640,648 | \$ 19,929,500 | \$ 21,570,148 |
| Grand Total | \$ 103,266,928 | \$ 100,586,433 | \$ (2,680,495) | \$ 43,000,147 | \$ 40,319,652 |

Employee Self Insured Funds

| | | | | | |
|-------------------------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|
| 611-60 PERCENT STD | 1,692,384 | 1,156,445 | (535,939) | 413,038 | (122,901) |
| 612-50 PERCENT STD | 260,103 | 264,496 | 4,392 | 1,242,786 | 1,247,178 |
| 613-40 PERCENT STD | 83,438 | 116,946 | 33,508 | 763,016 | 796,524 |
| Total STD | \$ 2,035,926 | \$ 1,537,887 | \$ (498,039) | \$ 2,418,840 | \$ 1,920,801 |
| Total Self-Insured Ex Rebate | \$ 105,302,854 | \$ 102,124,320 | \$ (3,178,535) | \$ 45,418,987 | \$ 42,240,452 |

Short-Term Disability Rebate

0

0

Total Self-Insured

| | | | | |
|-----------------------|-----------------------|-----------------------|----------------------|----------------------|
| \$ 105,302,854 | \$ 102,124,320 | \$ (3,178,535) | \$ 45,418,987 | \$ 42,240,452 |
|-----------------------|-----------------------|-----------------------|----------------------|----------------------|

Fully Insured (Agency) Funds

| <u>Fund</u> | <u>Expenditures</u> | <u>Revenues</u> | <u>Net</u> | Fund Balance | Fund Balance |
|--------------------------------|----------------------|----------------------|-------------------|-------------------|-------------------|
| | | | | <u>7/1/2013</u> | <u>3/31/2014</u> |
| 607-FI DENTAL PPO | \$ 3,894,435 | \$ 3,892,298 | \$ (2,136) | \$ 77,525 | \$ 75,389 |
| 625-FI PREPAID DENTAL | 170,973 | 171,972 | 999 | 109,386 | 110,385 |
| Total Dental | \$ 4,065,408 | \$ 4,064,271 | \$ (1,137) | \$ 186,911 | \$ 185,774 |
| 621-FLEX SPENDING HEALTH | 1,781,624 | 1,720,310 | (61,314) | 0 | (61,314) |
| 622-FLEX SPENDING DEP CARE | 459,257 | 650,252 | 190,995 | 0 | 190,995 |
| Total FSA | \$ 2,240,881 | \$ 2,370,561 | \$ 129,680 | \$ - | \$ 129,680 |
| 626-FI LIFE AND AD AND D | 299,405 | 300,173 | 768 | 40,664 | 41,432 |
| 627-SUPPLEMENTAL LIFE | 2,650,322 | 2,651,813 | 1,491 | 238,311 | 239,802 |
| 630-DEPENDENT LIFE | 269,783 | 269,168 | (615) | 9,889 | 9,274 |
| Total Life and AD&D | \$ 3,219,510 | \$ 3,221,154 | \$ 1,644 | \$ 288,864 | \$ 290,508 |
| 628-EMPLOYEE ASSISTANCE | 291,836 | 292,816 | 980 | 1,051 | 2,031 |
| 631-VOLUNTARY BENEFITS | 685,838 | 698,287 | 12,449 | 3,952 | 16,401 |
| 632-CIGNA FOR SENIORS | 392,924 | 392,011 | (913) | 73,236 | 72,323 |
| Total Others | \$ 1,370,598 | \$ 1,383,114 | \$ 12,516 | \$ 78,239 | \$ 90,755 |
| Total Agency Funds | \$ 10,896,397 | \$ 11,039,100 | \$ 142,703 | \$ 554,014 | \$ 696,717 |

Note:

Onsite Pharmacy Clinic

* Flu Shot Savings

Subrogation Cases Closed YTD

Subrogation Recoveries YTD

62,748

740,176

345,593

**Employee Benefits Trust Funds
Balance Sheet Details**

4/16/2014

March 31, 2014, June 30, 2013, June 30, 2012, and June 30, 2011

| | <u>3/31/2014</u> | <u>6/30/2013</u> | <u>6/30/2012</u> | <u>6/30/2011</u> |
|--|----------------------|---------------------|----------------------|----------------------|
| <u>Accounts receivable</u> | | | | |
| <i>COBRA Receivable</i> | \$ 139,375 | \$ 61,592 | \$ 164,058 | \$ 109,355 |
| <i>Vision</i> | 1,954 | 1,057 | 1,057 | 1345 |
| <i>Dental</i> | 3,237 | 1,154 | 1,154 | 2652 |
| | 0 | | | |
| <i>Catamaran Rebate</i> | 362,972 | 506,600 | 757,936 | 784,843 |
| <i>Total Accounts receivable</i> | \$ 507,537 | \$ 570,404 | \$ 924,206 | \$ 898,195 |
| <u>Prepaid insurance</u> | | | | |
| <i>STD</i> | \$ 87,530 | \$ 87,530 | \$ 94,567 | \$ 97,716 |
| <i>Vision</i> | 0 | 0 | 4,989 | 4,856 |
| <i>Dental</i> | 35,992 | 17,190 | | |
| <i>Medical</i> | 2,899,371 | 2,502,262 | 1,311,547 | 750,235 |
| <i>Total prepaid insurance</i> | \$ 3,022,893 | \$ 2,606,982 | \$ 1,411,103 | \$ 852,807 |
| <u>Accounts Payable</u> | | | | |
| <i>Medical</i> | \$ (0) | \$ - | \$ - | \$ - |
| <i>Behavioral Health</i> | 0 | 65,355 | 38,030 | 32,500 |
| <i>Vision</i> | 0 | 280,230 | | 300 |
| <i>Pharmacy</i> | 0 | | | |
| <i>STD</i> | 0 | 13,978 | 11,929 | 13,007 |
| <i>614-BEHAVORAL HEALTH</i> | 15 | 0 | 5,754 | 16,705 |
| <i>618-Benefits Administration</i> | 79,333 | 0 | 23,474 | 37,543 |
| <i>615-WELLNESS</i> | 91 | 18,399 | 9,218 | 24,217 |
| <i>619-ONSITE PHARMACY CLINIC</i> | 0 | 105,707 | | |
| <i>619-ONSITE PHARMACY CLINIC</i> | 0 | 102,894 | | |
| <i>Total accounts payable</i> | \$ 79,439 | \$ 586,562 | \$ 88,405 | \$ 124,272 |
| <u>Accrued Liabilities</u> | | | | |
| <i>Medical</i> | \$ 2,388,267 | \$ 1,664,741 | \$ 2,846,956 | \$ 1,470,817 |
| <i>Pharmacy</i> | (1,124) | 524,517 | 625,425 | 650,525 |
| <i>Behavioral Health</i> | 0 | 355 | 0 | |
| <i>Vision</i> | 62,000 | (132,683) | | 0 |
| <i>Dental</i> | 195,230 | 157,837 | 139,519 | 261,625 |
| <i>STD</i> | 17,499 | 6,178,953 | | |
| <i>Accrued Employee Rebate</i> | 0 | | | |
| <i>618-BENEFITS ADMINISTRATION</i> | 67,500 | 0 | | |
| <i>619-ONSITE PHARMACY CLINIC</i> | 119,900 | | | |
| | 0 | | | |
| <i>999-BENEFITS CLEARING</i> | | 1,223,942 | 1,942,466 | |
| <i>HEALTH SELECT SI TRUST</i> | | | | |
| <i>Total Accrued Liabilities</i> | \$ 2,849,272 | \$ 9,617,663 | \$ 5,554,366 | \$ 2,382,967 |
| <u>Employee compensation payable</u> | | | | |
| <i>Consumer Choice Pharmacy Employee Allowance</i> | \$ - | \$ 6,609 | \$ 3,122,217 | \$ 3,122,217 |
| <i>618-Employee compensation payable</i> | 111,309 | 128,422 | 145,869 | 124,553 |
| <i>615-Employee compensation payable</i> | 5,766 | | | |
| | | | | 43,804 |
| <i>Total Employee Comp Accrual</i> | \$ 117,075 | \$ 135,031 | \$ 3,268,086 | \$ 3,290,574 |
| <u>Reserve for losses and loss expenses -IBNR Details</u> | | | | |
| <i>Medical</i> | \$ 9,470,000 | \$ 6,995,779 | \$ 9,788,419 | \$ 10,991,704 |
| <i>Pharmacy</i> | | | | |
| <i>Behavioral Health</i> | 293,592 | 293,592 | 231,766 | 178,642 |
| <i>Vision</i> | 100,000 | 161,597 | 107,576 | 91,554 |
| <i>Dental</i> | 466,041 | 466,041 | 484,345 | 409,517 |
| <i>STD</i> | 409,937 | 369,937 | 323,861 | 443,654 |
| <i>Total Reserve for losses and loss expenses</i> | \$ 10,739,570 | \$ 8,286,946 | \$ 10,935,967 | \$ 12,115,071 |

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
 Nine Months Ended March 31, 2014

Self Insured Funds

| <u>Fund</u> | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> | <u>Variance %</u> |
|-------------------------------|----------------------|-----------------------|---------------------|-------------------|
| Revenue | | | | |
| 601-CMG MEDICAL | \$ 39,798,982 | \$ 34,880,930 | \$ (4,918,052) | -12.36% |
| 604-OAP MEDICAL | 26,886,510 | 27,353,106 | 466,596 | 1.74% |
| 606-CHOICE FUND H.S.A. | 11,630,910 | 14,495,662 | 2,864,752 | 24.63% |
| 614-BEHAVIORAL HEALTH | 1,312,344 | 1,196,902 | (115,442) | -8.80% |
| Total Medical & BH | \$ 79,628,746 | \$ 77,926,600 | (1,702,146) | -2.14% |
| 629-SI DENTAL | 3,233,608 | 3,413,357 | 179,749 | 5.56% |
| Total Dental | \$ 3,233,608 | \$ 3,413,357 | 179,749 | 5.56% |
| 608-COINSURANCE PHARMACY | 11,872,072 | 10,849,304 | (1,022,768) | -8.61% |
| 619-ONSITE PHARMACY CLINIC | 1,302,003 | 1,146,170 | (155,833) | -11.97% |
| 620- BENEFITS ELIMINATIONS | (933,750) | (959,461) | (25,711) | 2.75% |
| Total Pharmacy | \$ 12,240,325 | \$ 11,036,012 | (1,178,602) | -9.63% |
| 623-VISION | 1,243,944 | 1,277,005 | 33,061 | 2.66% |
| Total Vision | \$ 1,243,944 | \$ 1,277,005 | 33,061 | 2.66% |
| 615-WELLNESS | 1,022,103 | 1,057,084 | 34,981 | 3.42% |
| 618-BENEFIT ADMINISTRATION | 2,186,376 | 5,876,374 | 3,689,998 | 168.77% |
| Total Other | \$ 3,208,479 | \$ 6,933,458 | 3,724,979 | 116.10% |
| Grand Total | \$ 99,555,102 | \$ 100,586,433 | \$ 1,031,331 | 1.04% |

Employee Self Insured Funds

| | | | | |
|----------------------|-----------------------|-----------------------|------------------|---------------|
| 611-60 PERCENT STD | \$ 1,056,105 | \$ 1,156,445 | \$ 100,340 | 9.50% |
| 612-50 PERCENT STD | 228,420 | 264,496 | 36,076 | 15.79% |
| 613-40 PERCENT STD | 106,632 | 116,946 | 10,314 | 9.67% |
| Total STD | \$ 1,391,157 | \$ 1,537,887 | 146,730 | 10.55% |
| Total Revenue | \$ 100,946,259 | \$ 102,124,320 | 1,178,061 | 1.17% |

Expenses

| | | | | |
|-------------------------------|----------------------|-----------------------|-----------------------|-----------------|
| 601-CMG MEDICAL | \$ 38,921,114 | \$ 33,684,189 | \$ 5,236,925 | 13.46% |
| 604-OAP MEDICAL | 26,867,555 | 29,895,677 | (3,028,122) | -11.27% |
| 606-CHOICE FUND H.S.A. | 10,625,530 | 16,858,049 | (6,232,519) | -58.66% |
| 614-BEHAVIORAL HEALTH | 1,312,335 | 1,129,176 | 183,159 | 13.96% |
| Total Medical & BH | \$ 77,726,534 | \$ 81,567,091 | \$ (3,840,557) | -4.94% |
| 629-SI DENTAL | 3,277,411 | 3,018,817 | 258,594 | 7.89% |
| Total Dental | \$ 3,277,411 | \$ 3,018,817 | 258,594 | 7.89% |
| 608-COINSURANCE PHARMACY | 11,825,310 | 11,161,366 | 663,944 | 5.61% |
| 619-ONSITE PHARMACY CLINIC | 1,302,003 | 1,447,034 | (145,031) | -11.14% |
| 620- BENEFITS ELIMINATIONS | (933,750) | (959,461) | 25,711 | -2.75% |
| Total Pharmacy | \$ 12,193,563 | \$ 11,648,939 | 544,624 | 4.47% |
| 623-VISION | 1,294,507 | 1,000,897 | 293,610 | 22.68% |
| Total Vision | \$ 1,294,507 | \$ 1,000,897 | 293,610 | 22.68% |
| 615-WELLNESS | 637,121 | 662,811 | (25,690) | |
| 618-BENEFIT ADMINISTRATION | 2,076,363 | 5,368,373 | (3,292,010) | -158.55% |
| Total Other | \$ 2,713,484 | \$ 6,031,184 | \$ (3,317,700) | -122.27% |
| Grand Total | \$ 97,205,499 | \$ 103,266,928 | \$ (6,061,429) | -6.24% |

Employee Self Insured Funds

| | | | | |
|---------------------------|-----------------------|-----------------------|---------------------|---------------|
| 611-60 PERCENT STD | \$ 7,256,105 | \$ 1,692,384 | \$ 5,563,721 | 76.68% |
| 612-50 PERCENT STD | 228,420 | 260,103 | (31,683) | -13.87% |
| 613-40 PERCENT STD | 106,632 | 83,438 | 23,194 | 21.75% |
| Total STD | \$ 7,591,157 | \$ 2,035,926 | \$ 5,555,231 | 73.18% |
| Total Self-Insured | \$ 104,796,656 | \$ 105,302,854 | \$ (506,198) | -0.48% |