



County of El Dorado

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Legislation Text

File #: 09-0715, Version: 1

Human Resources Department, Risk Management Division, recommending Chairman be authorized to sign a Budget Transfer increasing appropriations in the amount of \$1,180,000 to fund the County's Health Plan. (4/5 vote required)

BUDGET SUMMARY:		
Total Estimated Cost		\$23,473,411
Funding		
Budgeted	\$22,293,411	
New Funding	\$ 1,180,000	
Savings	\$	
Other	\$	
Total Funding Available	\$23,473,411	
Change To Net County Cost		\$0

Fiscal Impact/Change to Net County Cost: Appropriations to be increased by drawing down the Health Fund Balance in order to fund claims through FYE 08/09.

Background: The County Health Plan is comprised of three major health care programs for its employees, Blue Shield, which is self-funded, Kaiser and Pacificare, which are fully insured. Estimates are made approximately six to nine months prior to the fiscal year, as to costs and enrollment in the plans. Health Care costs for FY0809 have exceeded actuarial projections due to multiple, unexpected large claims. The projected additional year end costs over budget for claims is now estimated to be \$1,180,000 and needs to come from fund balance.

Reason for Recommendation: To date, claims costs have exceeded the FY08/09 budgeted appropriations and a budget transfer from the fund balance is necessary to cover the projected year end costs for claims.

Action to be taken following Board approval: board to approve budget transfer to increase appropriations for claims drawing down the Health Fund Balance.

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Concurrences: