

**CURRENT SITUATION - BOE DENTAL CLAIMS ARE ACCOUNTED FOR IN A SEPARATE FUND (BOE DENTAL SELF INS FUND)**

**PROPOSED - BOE DENTAL CLAIMS CAN BE ACCOUNTED FOR IN THE MEDICAL SELF INSURANCE FUND WITH A SAVINGS IN THE BOE BUDGET (265,513) WITH A MINIMAL IMPACT ON THE MEDICAL SELF-INSURANCE FUND.**

	<b>BOE</b>	
	<b>2015-16 Request</b>	
<b>Dental Claims</b>		
Dental Claims	422,860	
Employee Contributions	(97,504)	
Other Contributions	(31,843)	
Use of Fund Balance	(28,000)	
Budget Request - Dental Claims (p. 228)	<u>265,513</u>	

This represents the amount budgeted to transfer to the BOE dental self-insurance fund

**BOE Dental Self Insurance Fund (135):**

Fund Balance @ June 30th	2013-14	2012-13	2011-12
	235,125	226,161	265,556
Budgeted Use of Fund Balance	24,000	10,000	

**If BOE dental claims are accounted for in the Medical Self - Insurance Fund:**

Effect on the Medical Self-Insurance Fund (2015-16):

Additional Claims	450,000
Additional Contributions	(130,000)
Transfer of Dental Fund Balance	(225,000)
Net Effect on Medical Self Insurance Fund	<u>95,000</u>

If you want no effect in 2015-16; then the savings to the BOE budget would be \$170,513; and an extra \$95,000 would be budgeted for medical claims. (the effect in 2016-17 would then be \$225,000)

Net effect in 2016-17 (no fund balance contribution)      320,000      Cumulative staff reductions will soften this impact

2014-15

Dental Self Funded Insurance Analysis

	RESERVE FUND				OPERATING FUND				2013-14 Processed Claims				
	BOE Deposits	Employee Deposits	Transfers Out	Cumulative Balance	2014-15 Fund	Transfers In	Other	Actual Claims		Projected 3.28% Claims	Current Balance	Cash Basis	
6/30/14 Balance Dental Only	22,289	-	-	24,937	249,392	-	-	(50,800)	-	198,592	(25,863)	(32,964)	
July	-	2,648	-	31,088	-	-	-	(52,211)	-	146,381	(46,060)	(50,089)	
August	-	6,151	-	62,346	-	-	-	(32,439)	-	163,941	48,819	(26,695)	
September	67,378	13,879	(50,000)	83,666	-	50,000	-	(35,252)	-	128,689	(13,932)	(28,661)	
October	-	21,320	-	92,953	-	-	-	(25,682)	-	103,007	(16,395)	(32,355)	
November	-	9,287	-	179,150	-	-	-	(42,914)	-	60,093	43,282	(32,825)	
December	67,378	18,818	(50,000)	144,428	-	50,000	-	(45,579)	-	64,514	(30,301)	(49,809)	
January	-	15,278	(50,000)	101,165	-	50,000	-	(40,797)	-	73,717	(34,060)	(39,282)	
February	-	6,737	(50,000)	175,280	-	-	-	-	(46,169)	27,548	27,947	(44,703)	
March	67,378	18,818	(50,000)	144,098	-	50,000	-	-	(35,059)	42,489	(16,241)	(33,946)	
April	-	3,737	(50,000)	97,835	-	50,000	-	-	(57,053)	35,436	(53,316)	(55,241)	
May	67,378	-	(10,000)	155,214	-	10,000	-	-	(38,105)	7,331	29,273	(36,895)	
June	291,802	123,412	(260,000)	155,214	249,392	260,000	-	(325,675)	(176,386)	0	(86,847)	(463,464)	
BOE Self-Funded Dental Reserve				155,214	Total Expected Claims				(502,061)	Fund utilization			(86,847)
					Prior years claims for 8 months				(292,680)	11.27% Increase in claims over prior year			

TOTAL EXPECTED BALANCE AT THE END OF 2014-15

162,545

Expected based on CY + LY +3.28%

38,596

6/30/2014 Audit Report

Cash	\$ 249,392	12/31/2014
Accounts receivable	\$ 1,659	\$ 22,289
Due from other funds	\$ 22,289	\$ 67,378
Total Assets	\$ 273,340	\$ (50,000)
Claims Payable	\$ (38,215)	\$ 72,104
Net Position - June 30, 2014	\$ 235,125	\$ 179,150

TR Paul expected difference

Claim increase

Avg/month (41,838) Run out 3 months (125,515) Excess/run out 37,029 Range 87,235 15% Run out per TRPaul

DENTAL ANALYSIS - 14-15-Prime.xls Dental Payments

2015-16 Estimated  
Dental Self-Funded Insurance Analysis

	RESERVE FUND				OPERATING FUND							
	BOE Deposits	Employee Deposits	Transfers Out	Cumulative Balance	2015-16 Fund	Transfers In	Other	Actual Claims	Projected 3.00% Claims	Current Balance	Cash Basis	2014-15 Processed Claims
6/30/15 Balance Dental Only	155,214	-	-	47,862	7,331	-	-	-	(52,324)	65,007	105,538	(50,800)
July	-	2,648	(110,000)	53,013	-	110,000	-	-	(53,777)	11,229	(48,626)	(52,211)
August	(1,000)	6,151	-	34,271	-	-	-	-	(33,412)	77,817	47,845	(32,439)
September	67,378	13,879	(100,000)	55,591	-	100,000	-	-	(36,310)	41,507	(14,990)	(35,252)
October	-	21,320	-	63,878	-	-	-	-	(26,452)	15,055	(18,165)	(25,682)
November	(1,000)	9,287	-	100,074	-	-	-	-	(44,202)	20,853	41,995	(42,914)
December	67,378	18,818	(50,000)	65,352	-	50,000	-	-	(46,947)	23,907	(31,669)	(45,579)
January	-	15,278	(50,000)	21,089	-	50,000	-	-	(42,021)	31,886	(36,284)	(40,797)
February	(1,000)	6,737	(50,000)	48,205	-	50,000	-	-	(47,554)	34,332	29,562	(46,169)
March	67,378	9,737	(50,000)	17,023	-	50,000	-	-	(36,111)	19,457	(17,293)	(35,059)
April	-	18,818	(30,000)	(7,240)	-	30,000	-	-	(58,765)	15,209	(53,028)	(57,053)
May	(1,000)	6,737	(35,000)	25,138	-	35,000	-	-	(39,248)	(0)	28,130	(38,105)
June	67,378	-	(525,000)	-	7,331	525,000	-	-	(517,122)	(0)	33,016	(502,061)
	budgeted	129,412	(525,000)	-	7,331	525,000	-	-	(517,122)	(0)	33,016	-
BOE Self-Funded Dental Reserve	129,347	-	25,138	0	-	-	-	-	(517,122)	-	33,016	-
	(4,000)	Additional Fund Balance Use										

TOTAL EXPECTED BALANCE AT THE END OF 2015-16 40,347

Expected based on LY + 3% (517,122)

Claim increase 15,061