

HDHP (HRA & HSA) - January 1, 2020 through June 30, 2020

Kenai Peninsula Borough School District	<u>Reserve Account</u>	<u>As of 6-30-18</u>	<u>As of 6-30-19</u>	FY20 Monthly Contribution
	Employee Share	471,065.27	750,000.00	HDHP - January - June
Health Care Committee Monthly recap as of February 29, 2020.	Employer Share	1,572,408.17	2,418,648.76	Employee Share * 369.67
				Employer Share 2,094.82
				<u>2,464.49</u>

This document is provided to the Health Care Committee as a work paper to recap the contributions to and expenditures from the Health Care Plan each month. It is to be used primarily as an aid in estimating costs of the plan to determine if changes should be made in employee contribution amounts. Every effort is made to provide current and accurate information, but this information is not audited until after the end of the fiscal year.

	Number of Employees	YTD Employees	Current Month Obligations	YTD Obligations	Contributions Current Month Collected	Contributions YTD Collected
Employees						
KPEA Employees - HDHP	554	1,109	204,797.18	409,964.03	247,159.16	493,810.67
KPESA Employees - HDHP	333	668	123,100.11	246,939.56	145,641.95	291,989.65
Administrators - HDHP	57	114	21,071.19	42,142.38	24,471.97	48,943.94
Board Members - HDHP	3	7	1,109.01	2,587.69	1,223.60	2,273.60
Exempt Employees - HDHP	27	54	9,981.09	19,962.18	9,981.09	19,962.18
Total Employees on Payroll	974	1,952	360,058.58	721,595.84	428,477.77	856,980.04
COBRA HD Payers (FY20 = \$2055.94)	2	4	4,111.88	8,223.76	2,055.94	10,495.22
Total Employees	976	1,956	364,170.46 *	729,819.60	430,533.71	867,475.26

* Current month employee obligations are a calculation of "Number of Employees" eligible for health care coverage during that month times the "Employee Share" (shown in the upper right corner of the sheet).

** Affordable Care Act (ACA) coverage is offered to employees once eligibility is determined. Eligibility is based on number of hours worked during the measurement period.

Total Employer	974	1,952	<u>2,040,354.68</u>	<u>4,089,088.64</u>	<u>2,427,472.58</u>	<u>4,854,642.44</u>
Total Employees + Employer			2,404,525.14	4,818,908.24	2,858,006.29	5,722,117.70

Expenditures

Since the health care plan is self-funded, both employee and employer contributions are collected and bills are paid from the accumulated funds.

HDHP

Claims	Current Month	Year-To-Date
Health Care Claims paid by TPA (Rehn)	514,249.98	755,033.71
Prescription Claims paid by Caremark	474,072.25	846,054.70
HRA	35,290.83	64,280.92
HSA	333.33	24,483.33
Total Claims Paid	1,023,946.39	1,689,852.66
Administration		
TPA (Rehn) fees and costs	39,091.13	62,716.49
Aetna Administration Fees	21,334.05	43,667.87
Consultant Fees	4,933.33	9,866.66
Stop Loss Premiums	230,630.98	459,803.44
RX Health	-	3,200.00
Affordable Care Act Fee	-	-
Total Administration	295,989.49	579,254.46
Total Claims plus Administration	1,319,935.88	2,269,107.12
Adjustments		
Stop Loss reimbursements	-	-
Prescription Rebates	(158,192.22)	(158,192.22)
Health Care Claims refund	-	-
Claims reimbursements	-	-
Other adjustments	-	-
Total Adjustments	(158,192.22)	(158,192.22)
Total Expenditures	1,161,743.66	2,110,914.90

Obligations/Contributions

Health care obligations and contributions provide employee and employer amounts of health care contributions using different calculation methods.

Obligations are estimates of funds that employees and the district will be obligated to contribute, based on the plan year (July through June).

Returning employees are covered by the health care plan for the entire plan year, meaning the 12 month period July through June; both employee and employer are obligated to pay for 12 months of coverage. New employees pay for coverage from date of hire through June, the end of the plan year. If an employee works at all during a month, both employee and employer pay for the entire month of coverage.

Actual Contributions made by employees and benefits paid by the employer during the payroll process are shown on the sheet in the columns labeled "Collected." The division of payments is governed by the Collective Bargaining Agreements and Memorandums of Understanding between the district and the employee groups.

Employee-paid contributions are deductions from payroll checks. Employees who work 12 months make contributions each pay period. Many school district employees do not work 12 months, so contributions are collected for those employees during the 9 month period from September through May.

For this reason, contributions are generally larger than obligations for September through May and contributions are generally smaller than obligations for June, July and August.

The "Collected" columns show what is actually available for paying health care costs. The "Obligations" show what is estimated to be available by month, based on number of employees at the current rate of contributions.

Traditional & HDHP (HRA) - July 1, 2019 through December 31, 2019

Kenai Peninsula Borough School District
Healthcare Expenditures Split
as of February 29, 2020.

<u>Traditional Plan</u>				<u>HDHP (HRA)</u>			
YTD Participants	2,820			YTD Participants	3,095		
Net Expenditures	8,739,732.90			Net Expenditures	5,954,958.43		
ER - Employer portion (85%)	<u>7,428,772.97</u>			ER - Employer portion (85%)	<u>5,061,714.67</u>		
EE - Employee portion (15%)	<u>1,310,959.94</u>			EE - Employee portion (15%)	<u>893,243.76</u>		
Total ER & EE Expenditures	8,739,732.90			Total ER & EE Expenditures	5,954,958.43		
<u>Traditional Summary</u>				<u>HDHP (HRA) Summary</u>			
Through Current Month	YTD EXP	YTD REV	REV Less EXP	Through Current Month	YTD EXP	YTD REV	REV Less EXP
Employer	7,428,772.97	5,638,586.69	(1,790,186.28)	Employer	5,061,714.67	4,887,372.29	(174,342.38)
Employee	<u>1,310,959.94</u>	<u>1,348,166.03</u>	<u>37,206.09</u>	Employee	<u>893,243.76</u>	<u>953,346.79</u>	<u>60,103.03</u>
Totals	8,739,732.90	6,986,752.72	(1,752,980.18)	Totals	5,954,958.43	5,840,719.08	(114,239.35)
Obligation per Employee FY20		<u>Year-to-date</u>		Obligation per Employee FY20		<u>Year-to-date</u>	
469.36 EE/2659.73 ER Split	3,129.09	3,129.09		302.34 EE/1713.29 ER Split	2,015.63	2,015.63	
Monthly Cost per Employee - ER		2634.32		Monthly Cost per Employee - ER		1635.45	
Monthly Cost per Employee - EE + Cobra		<u>464.88</u>		Monthly Cost per Employee - EE + Cobra		<u>288.61</u>	
		3099.20				1924.06	
Current Variance		29.89		Current Variance		91.57	

Obligations indicate the funds that will be accumulated per employee per month. Expenditures are amounts that have been paid through the plan.

A positive number for "current variance" represents the amount per employee per month that is estimated to be collected above the amount spent year-to-date. A negative number represents the amount of expenditures (per employee per month) that are more than what is estimated to be collected for payment of those expenditures.

Traditional & HDHP (HRA) - July 1, 2019 through December 31, 2019

Kenai Peninsula Borough School District	<u>Reserve Account</u>	<u>As of 6-30-18</u>	<u>As of 6-30-19</u>	<u>FY20 Monthly Contribution - Traditional</u>
	Employee Share	471,065.27	750,000.00	Employee Share * 469.36
Health Care Committee Monthly recap as of February 29, 2020.	Employer Share	1,572,408.17	2,418,648.76	Employer Share 2,659.73
				<u>3,129.09</u>
				<u>FY20 Monthly Contribution - HDHP</u>
				Employee Share * 302.34
				Employer Share 1,713.29
				<u>2,015.63</u>

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	Number of Employees	YTD Employees	Current Month Obligations	YTD Obligations	Contributions Current Month Collected	Contributions YTD Collected
Employees						
KPEA Employees	-	1,687	-	791,810.32	-	790,871.60
KPEA Employees - HDHP	-	1,672	-	505,512.48	-	503,214.71
KPEA Repay EE Reserve						
KPESA Employees	-	953	-	447,300.08	-	443,075.82
KPESA Employees - HDHP	-	1,083	-	327,434.22	-	327,286.42
KPESA Repay EE Reserve						
Administrators	-	113	-	53,037.68	-	53,507.04
Administrators - HDHP	-	225	-	68,026.50	-	68,933.52
Admin Repay EE Reserve						
Board Members	-	6	-	2,816.16	-	3,519.50
Board Members - HDHP	-	18	-	5,442.12	-	4,950.00
Board Repay EE Reserve						
Exempt Employees	-	61	-	28,630.96	-	28,659.60
Exempt Employees - HDHP	-	97	-	29,326.98	-	29,931.66
Exempt Repay EE Reserve						
Affordable Care Act **			-	0.00	-	
ACA Empl Repay EE Reserve						
Total Employees on Payroll	-	5,915	-	2,259,337.50	-	2,253,949.87
COBRA Payers (FY20 = \$2534.08)	-	11	-	28,532.47	-	28,532.47
COBRA HD Payers (FY20 = \$1886.06)	-	10	-	19,030.48	-	19,030.48
Total Employees	-	5,936	Total	2,306,900.45	-	2,301,512.82

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Employer						
Employer share	-	2,820	-	7,500,438.60	-	5,638,586.69
Employer share - HDHP	-	3,095	-	5,302,632.55	-	4,887,372.29
Total			-	15,109,971.60	-	12,827,471.80

+ Employee Share Split	FY20 Contribution Traditional	469.36	Subtotal	-	1,319,633.56
	Cobra	2,534.08	Subtotal	-	28,532.47
				-	1,348,166.03
	FY20 Contribution HDHP	302.34	Subtotal	-	934,316.31
	Cobra HD	1,886.06	Subtotal	-	19,030.48
				-	953,346.79

Expenditures

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	TRADITIONAL		HDHP	
	Current Month	Year-To-Date	Current Month	Year-To-Date
Claims				
Health Care Claims paid by TPA (Rehn)	422,017.96	8,344,631.58	226,529.67	4,253,686.57
Prescription Claims paid by Caremark	-	2,025,151.61	-	540,006.38
HRA	-	-	-	167,348.39
HSA	-	-	-	-
Total Claims Paid	422,017.96	10,369,783.19	226,529.67	4,961,041.34
Administration				
TPA (Rehn) fees and costs	-	124,404.44	-	-
TPA (Rehn) HRA fees and costs	-	-	-	157,263.21
Aetna Administration Fees	-	60,706.72	-	66,678.64
Consultant Fees	-	14,111.85	-	15,488.13
Stop Loss Premiums	-	797,193.41	-	875,763.76
RX Health	-	-	-	-
Affordable Care Act Fee	-	22,082.83	-	23,903.89
Total Administration	-	1,018,499.25	-	1,139,097.63
Total Claims plus Administration	422,017.96	11,388,282.44	226,529.67	6,100,138.97
Adjustments				
Stop Loss reimbursements	(148,387.92)	(2,383,308.73)	-	-
Prescription Rebates	-	(261,640.81)	-	(144,430.54)
Health Care Claims refund	-	-	-	-
Claims reimbursements	(550.00)	(3,600.00)	-	(750.00)
Other adjustments	-	-	-	-
Total Adjustments	(148,937.92)	(2,648,549.54)	-	(145,180.54)
Total Expenditures	273,080.04	8,739,732.90	226,529.67	5,954,958.43

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HDHP (HRA & HSA) - January 1, 2020 through June 30, 2020

**Kenai Peninsula Borough School District
Healthcare Expenditures Split
as of February 29, 2020.**

YTD Participants	1,956
Net Expenditures	2,110,914.90
ER - Employer portion (85%)	<u>1,794,277.67</u>
EE - Employee portion (15%)	<u>316,637.24</u>
Total ER & EE Expenditures	2,110,914.90

Through Current Month	YTD EXP	YTD REV	REV Less EXP
Employer	1,794,277.67	4,854,642.44	3,060,364.78
Employee	<u>316,637.24</u>	<u>867,475.26</u>	<u>550,838.03</u>
Totals	2,110,914.90	5,722,117.70	3,611,202.80

Obligation per Employee FY20		<u>Year-to-date</u>
369.67/2094.82ER Split	2,464.79	2,464.79
Monthly Cost per Employee - ER		917.32
Monthly Cost per Employee - EE + Cobra		<u>161.88</u>
		1079.20
Current Variance		1,385.59

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