

HEALTH SERVICE SYSTEM
General Fund - Administration
FY 2008-2009
As of December 2008

	Revised Annual Budget	Year To-Date Actuals	% of FY Elapsed:		Annual Projection	Fav/(Unfav) Variance	% Var	
			50%	% Actual to Budget				
1 Salaries & Benefits	3,661,671	1,791,498	49%		3,661,671	0	0.0%	1
2 Travel - Board & Staff	1,000	386	39%		1,000	0	0.0%	2
3 Training - Board & Staff	5,500	2,512	46%		5,500	0	0.0%	3
4 Rent and Contractual Services, including:	1,348,760	586,209	43%		1,348,760	(0)	0.0%	4
5 o Consulting	560,661	236,106	42%		560,661	0	0.0%	5
6 Materials & Supplies	36,644	13,329	36%		36,644	0	0.0%	6
7								7
8 Expenditure Contingency	85,524	-	0%		-	85,524	100.0%	8
9								9
10 Services of Other Departments, including	921,400	290,598	32%		876,400	45,000	4.9%	10
11 o City Attorney	180,000	24,368	14%		135,000	45,000	25.0%	11
12 o Human Resources	334,533	150,928	45%		334,533	0	0.0%	12
13 o DOT Services Note 2	281,347	98,690	35%		281,347	0	0.0%	13
14								14
15 TOTAL EXPENSES	6,060,499	2,684,532	44%		5,929,975	130,524	2.2%	15

Note 1

Notes

- 1 Reserved for midyear budget reduction.
- 2 Budget increase of \$141K and related \$71K increase in expenditure, allocation of DOT general services costs. Budget transfer and posting of related expenses are handled by the Controller's Office.

HEALTH SERVICE SYSTEM
STATEMENT OF REVENUES AND EXPENSES
FY 2008-2009
YEAR-TO-DATE: December 2008

ACTIVE & RETIRED COMBINED

	Year-To-Date Revenues	Year-To-Date Expenses	Year-To-Date Net Excess(Shortage)
SELF-INSURANCE			
City Plan, including ASO	33,714,837	35,260,295	(1,545,458)
Flex funding - PacifiCare	23,130,690	23,115,009	15,681
Delta Dental - Active only, including ASO	18,145,315	21,707,384	(3,562,069)
TOTAL SELF-INSURANCE	74,990,842	80,082,688	(5,091,846)
INSURANCE PRODUCTS			
HMOs	216,313,526	215,884,491	429,035
Vision Service Plan, All (City Plan & HMO)	2,149,988	2,149,988	-
Delta Dental - Retired	3,756,196	3,712,753	43,443
Delta Care	948,358	545,352	403,006
Pacific Union	446,409	233,725	212,684
Sub-total Dental	5,150,963	4,491,830	659,133
Long Term/Short Term Disability	4,947,119	4,947,119	-
Flexible Benefits	2,367,776	2,367,776	-
Flexible Spending-Dependent Care	1,502,176	1,502,176	-
Flexible Spending -Medical Reimbursement	1,573,101	1,573,101	-
Administration & Support	323,797	96,565	227,232
TOTAL INSURANCE PRODUCTS	234,328,446	233,013,046	1,315,400
SAVINGS AND INVESTMENTS			
Interest	323,717	-	323,717
Performance guarantees and forfeitures	130,599	-	130,599
TOTAL SAVINGS & INVESTMENTS	454,316	-	454,316
TOTAL FUNDS	309,773,604	313,095,734	(3,322,130)

SUMMARY- In million

	Year-To Date Actual As of Dec 08 - Net	FY08-09 Projected Annual-Net
Self Insurance		
City Plan	(1.4)	(6.9) a
PacifiCare	0.0	- b
Dental, Actives	(3.6)	(1.6) c
Insurance Products		
Medical HMOs	0.4	-
Dental	0.7	-
LTD/Flexible Benefits/Flexible Spending	-	-
Administration	0.2	-
Savings & Investments		
Interest	0.3	0.7
Performance guarantees and forfeitures	0.1	0.1
TOTAL	\$ (3.3)	(7.7)

NOTES:

- Projection assumes net results expected to remain on budget, i.e., overrun of claims costs over premiums will be close to the -\$6.9 million (-\$4 million subsidy and -\$2.9 million stabilization amount) applied to the 2008/2009 rates.
- Projection assumes no significant variation in PacifiCare Flex Funded Plan, target premiums versus actual claims. Potential additional liability of up to approximately \$8.5 million, depending on experience (capped at 120% of target rates). Will be recovered through close-out process adopted by the Rates and Benefit Committee.
- Annual projection assumes net results expected to remain on budget, i.e., overrun of claims costs over premiums will be close to the -\$1.6 million stabilization amount applied to the 2008/2009 rates.

Will work with Mercer on a mid-year retrospective review of self funded plans, will provide report next month.