

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 June 30, 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> |

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 | - | 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 |

* 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.

| | | | | | | |
|-----------------------|---|-------|---|----------------------|---|----------------------|
| 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

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

| | TRADITIONAL | | HDHP | |
|---|------------------|-----------------------|-----------------|---------------------|
| | Current Month | Year-To-Date | Current Month | Year-To-Date |
| Claims | | | | |
| Health Care Claims paid by TPA (Rehn) | 49,768.58 | 9,069,581.07 | 8,758.30 | 4,769,195.29 |
| Prescription Claims paid by Caremark | - | 2,025,151.61 | - | 540,006.38 |
| HRA | - | - | - | 167,348.39 |
| HSA | - | - | - | - |
| Total Claims Paid | 49,768.58 | 11,094,732.68 | 8,758.30 | 5,476,550.06 |
| 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 | 49,768.58 | 12,113,231.93 | 8,758.30 | 6,615,647.69 |
| Adjustments | | | | |
| Stop Loss reimbursements | - | (2,383,308.73) | - | - |
| Prescription Rebates | - | (261,640.81) | - | (144,430.54) |
| Health Care Claims refund | - | - | - | - |
| Claims reimbursements | (586.32) | (5,586.32) | - | (750.00) |
| Other adjustments | - | - | - | - |
| Total Adjustments | (586.32) | (2,650,535.86) | - | (145,180.54) |
| Total Expenditures | 49,182.26 | 9,462,696.07 | 8,758.30 | 6,470,467.15 |

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.