

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

Kenai Peninsula Borough School District
Health Care Committee Monthly recap
as of June 30, 2020.

Reserve Account
Employee Share
Employer Share

As of 6-30-18
471,065.27
1,572,408.17

As of 6-30-19
750,000.00
2,418,648.76

FY20 Monthly Contribution HDHP - January - June	
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	556	3,333	205,536.52	1,232,110.11	-	1,232,996.24
KPESA Employees - HDHP	327	1,990	120,882.09	735,643.30	8,502.41	735,435.50
Administrators - HDHP	57	342	21,071.19	126,427.14	4,066.37	126,426.22
Board Members - HDHP	3	19	1,109.01	7,023.73	1,223.60	7,168.00
Exempt Employees - HDHP	26	161	9,611.42	59,516.87	9,611.42	59,516.87
Total Employees on Payroll	969	5,845	358,210.23	2,160,721.15	23,403.80	2,161,542.83
COBRA HD Payers (FY20 = \$2055.94)	3	14	6,167.82	28,783.16	12,335.64	43,174.74
Total Employees	972	5,859	364,378.05 *	2,189,504.31	35,739.44	2,204,717.57

* 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	969	5,845	2,029,880.58	12,244,222.90	1,677,866.90	13,795,989.02
Total Employees + Employer			2,394,258.63	14,433,727.21	1,713,606.34	16,000,706.59

Health Care Committee Monthly recap
as of June 30, 2020.

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

	June	Year-To-Date
Claims		
Health Care Claims paid by TPA (Rehn)	1,503,236.14	5,316,887.43
Prescription Claims paid by Caremark	608,688.95	2,906,613.72
HRA	27,680.35	189,296.16
HSA	2,943.71	27,427.04
Total Claims Paid	<u>2,142,549.15</u>	<u>8,440,224.35</u>
Administration		
TPA (Rehn) fees and costs	53,845.96	207,548.23
Aetna Administration Fees	22,150.38	132,934.36
Consultant Fees	4,933.33	29,599.98
Stop Loss Premiums	227,525.43	1,377,199.15
RX Health	-	3,200.00
Affordable Care Act Fee	-	44,832.16
Total Administration	<u>308,455.10</u>	<u>1,795,313.88</u>
Total Claims plus Administration	<u>2,451,004.25</u>	<u>10,235,538.23</u>
Adjustments		
Stop Loss reimbursements	-	(7,585.10)
Prescription Rebates	-	(330,303.91)
Health Care Claims refund	-	-
Claims reimbursements	-	-
Other adjustments - Legal Opinion	-	1,081.50
Total Adjustments	<u>-</u>	<u>(336,807.51)</u>
Total Expenditures	<u>2,451,004.25</u>	<u>9,898,730.72</u>

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.