

HDHP (HRA & HSA) - July 1, 2021 through June 30, 2022

Kenai Peninsula Borough School District
Health Care Committee Monthly recap
as of June 30, 2022.

Reserve Account
Employee Share
Employer Share

As of 6-30-20
1,406,512.43
4,870,282.48

As of 6-30-21
1,530,525.84
5,241,630.41

FY22 Monthly Contribution HDHP - July - June	
Employee Share *	384.74
Employer Share	2,219.43
	<u>2,604.17</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	524	6,319	201,603.76	2,431,172.06	487.39	2,287,807.00
KPESA Employees - HDHP	320	3,834	123,116.80	1,475,093.16	10,512.35	1,393,830.32
Administrators - HDHP	60	720	23,084.40	277,012.80	3,617.00	262,459.14
Board Members - HDHP	2	28	769.48	10,772.72	550.00	12,105.96
Exempt Employees - HDHP	23	276	8,849.02	106,188.24	8,688.48	102,004.89
Total Employees on Payroll	929	11,177	357,423.46	4,300,238.98	23,855.22	4,058,207.31
COBRA HD Payers (FY22 = \$2668.59)	1	14	2,636.67	36,913.38	2,636.67	29,382.01
Total Employees	930	11,191	360,060.13 *	4,337,152.36	26,491.89	4,087,589.32
Total Employer	929	11,177	2,061,850.47	24,806,569.11	91,847.12	22,709,596.28
Total Employees + Employer			2,421,910.60	29,143,721.47	118,339.01	26,797,185.60

* 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.

Health Care Committee Monthly recap
as of June 30, 2022.

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)	4,015,243.48	21,471,374.10
Prescription Claims paid by Caremark	871,828.37	6,487,649.26
HRA	-	-
HSA	-	-
Total Claims Paid	4,887,071.85	27,959,023.36
Administration		
TPA (Rehn) fees and costs	19,398.96	446,658.43
Aetna Administration Fees	22,424.48	266,403.68
Consultant Fees	4,933.37	59,200.00
Stop Loss Premiums	170,809.72	2,211,733.88
RX Health	-	-
Affordable Care Act Fee	-	59,613.43
Total Administration	217,566.53	3,043,609.42
Total Claims plus Administration	5,104,638.38	31,002,632.78
Adjustments		
Stop Loss reimbursements	(105,255.99)	(1,428,945.27)
Voya/Rehn Stop Loss adjustments	-	245,092.33
Prescription Rebates	-	(1,032,706.33)
Health Care Claims refund	-	(54,182.65)
Prescription refund	-	(200.00)
Claims reimbursements	-	(1,388.70)
Other adjustments - Legal Opinion	-	(100.00)
Total Adjustments	(105,255.99)	(2,272,430.62)
Total Expenditures	4,999,382.39	28,730,202.16

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.

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**Kenai Peninsula Borough School District
Healthcare Expenditures Split
as of June 30, 2022.**

YTD Participants	11,191
Net Expenditures	28,730,202.16
ER - Employer portion (85%)	<u>24,420,671.84</u>
EE - Employee portion (15%)	<u>4,309,530.32</u>
Total ER & EE Expenditures	28,730,202.16

Through Current Month	<u>YTD EXP</u>	<u>YTD REV</u>	<u>REV Less EXP</u>
Employer	24,420,671.84	22,709,596.28	(1,711,075.56)
Employee	<u>4,309,530.32</u>	<u>4,087,589.32</u>	<u>(221,941.00)</u>
Totals	28,730,202.16	26,797,185.60	(1,933,016.56)

Obligation per Employee FY22		<u>Year-to-date</u>	<u>Current Variance</u>
384.74/2219.43 ER Split	2,604.17	2,604.17	
Monthly Cost per Employee - ER		2182.17	37.26
Monthly Cost per Employee - EE + Cobra		<u>385.09</u>	<u>-0.35</u>
		2567.26	
		36.91	36.91

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.