

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUND
Statements of Revenues, Expenses, and
Changes in Net Assets — Internal Service Funds
YTD as of March 31, 2012

4/26/2012

	YTD 3/31/2012	YTD 3/31/2011	Full Year 6/30/2011	Full Year 6/30/2010
Operating revenues:				
Operating income	\$ 92,076,664	\$ 94,182,291	\$ 119,211,913	112,927,735
Other income			884	97,894
Investment income	308,207	499,229	498,476	779,620
Total operating revenues	<u>\$ 92,384,871</u>	<u>\$ 94,681,520</u>	<u>\$ 119,711,273</u>	<u>\$ 113,805,250</u>
Operating expenses:				
Losses and loss expenses	83,813,410	79,856,796	111,900,464	101,098,908
All other expenses	5,216,501	6,118,821	8,621,004	13,570,703
Total operating expenses	<u>\$ 89,029,911</u>	<u>\$ 85,975,618</u>	<u>\$ 120,521,468</u>	<u>\$ 114,669,611</u>
Nonoperating revenues:				
Capital contributions		49,990	49,990	
Transfers to Other Funds		(1,656,039.42)	(1,380,291.42)	
Loss on disposal of capital assets	0	(2,413)	(3,273)	
Total nonoperating revenues	<u>0</u>	<u>(1,608,462)</u>	<u>(1,333,574)</u>	<u>0</u>
Change in net assets	3,354,960	7,097,440	(2,143,770)	(864,361)
Total net assets - Beginning	41,023,133	43,166,902	43,166,902	44,031,264
Total net assets - Ending	<u>\$ 44,378,093</u>	<u>\$ 50,264,342</u>	<u>\$ 41,023,133</u>	<u>\$ 43,166,902</u>

Maricopa County
Employee Benefits Trust Funds
Statements of Net Assets - Internal Service Funds
March 31, 2012, June 30, 2011, and June 30, 2010

	3/31/2012	3/31/2011	6/30/2011	6/30/2010
Assets				
Cash and cash equivalents	\$ 62,314,181	\$ 61,978,225	\$ 57,181,449	\$ 56,235,460
Interest receivable	1 3,563	81,358	3,563	81,358
Accounts receivable	2 790,827	1,104,591	898,195	1,260,064
Prepaid insurance	3 102,572	110,532	852,807	110,532
Capital assets, net	4 0	1,600	0	4,013
Total assets	<u>63,211,143</u>	<u>63,276,306</u>	<u>58,936,014</u>	<u>57,691,427</u>
Liabilities				
Accounts payable	5 28,345	12,854	124,271	512,556
Accrued Liabilities	6 4,551,253	2,295,539	2,382,967	3,243,514
Employee compensation payable	7 3,317,262	2,279,955	3,290,574	2,263,426
Reserve for losses and loss expenses	8 10,936,189	8,423,616	12,115,069	8,505,029
Total liabilities	<u>18,833,050</u>	<u>13,011,963</u>	<u>17,912,881</u>	<u>14,524,525</u>
Net Assets				
Invested in capital assets	0		0	4,013
Unrestricted (deficit)	44,378,093	50,264,342	41,023,133	43,162,889
Total net assets (deficit)	<u>\$ 44,378,093</u>	<u>\$ 50,264,342</u>	<u>\$ 41,023,133</u>	<u>\$ 43,166,902</u>

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
Fund Balance Roll-Forward
Nine Months Ended March 31, 2012

4/26/2012

Self Insured Funds

<u>Fund</u>	<u>Expenditures</u>	<u>Revenues</u>	<u>Net</u>	<u>Fund Balance</u> <u>7/1/2011</u>	<u>Fund Balance</u> <u>3/31/2012</u>
601-CMG HIGH OPTION	\$ 29,663,338	\$ 29,423,708	\$ (239,630)	\$ (961,081)	\$ (1,200,711)
602-CMG LOW OPTION	721,012	901,232	180,220	920,801	1,101,021
603-OAP IN	10,394,457	12,487,188	2,092,731	(4,270,249)	(2,177,518)
604-OAP HIGH OPTION	21,678,763	21,023,551	(655,211)	(1,839,967)	(2,495,178)
605-OAP LOW OPTION	1,316,452	1,870,688	554,235	1,232,250	1,786,485
606-CHOICE FUND H.S.A.	5,749,737	6,770,933	1,021,196	(66,874)	954,322
614-BEHAVIORAL HEALTH	1,220,603	1,553,138	332,536	4,951,829	5,284,365
Total Medical & BH	\$ 70,744,361	\$ 74,030,438	\$ 3,286,077	\$ (33,291)	\$ 3,252,786
629-SI DENTAL	2,843,571	2,846,260	2,689	4,824,764	4,827,453
Total Dental	\$ 2,843,571	\$ 2,846,260	\$ 2,689	\$ 4,824,764	\$ 4,827,453
608-COINSURANCE	9,758,249	8,163,669	(1,594,581)	19,607,116	18,012,535
609-CONSUMER CHOICE	1,342,031	1,309,222	(32,809)	1,319,597	1,286,788
Total Pharmacy	\$ 11,100,280	\$ 9,472,890	\$ (1,627,390)	\$ 20,926,713	\$ 19,299,323
623-VISION	1,152,912	1,070,509	(82,403)	249,919	167,516
Total Vision	\$ 1,152,912	\$ 1,070,509	\$ (82,403)	\$ 249,919	\$ 167,516
615-WELLNESS	363,346	\$ 1,136,070	772,724	2,314,788	3,087,512
616-CONTRACT ADMINISTRATION	192,634	\$ 210,537	17,904	582,642	600,546
618-BENEFIT ADMINISTRATION	1,326,400	\$ 2,230,873	904,474	3,626,733	4,531,207
999-BENEFITS CLEARING	0	0	0	0	0
Total Other	\$ 1,882,379	\$ 3,577,481	\$ 1,695,102	\$ 6,524,163	\$ 8,219,265
Grand Total	\$ 87,723,503	\$ 90,997,579	\$ 3,274,075	\$ 32,492,268	\$ 35,766,344

Employee Self Insured Funds

611-60 PERCENT STD	\$ 1,076,492	\$ 1,051,739	\$ (24,753)	\$ 6,794,505	\$ 6,769,752
612-50 PERCENT STD	181,881	229,074	47,193	1,106,728	1,153,921
613-40 PERCENT STD	48,035	106,480	58,445	629,632	688,078
Total STD	\$ 1,306,408	\$ 1,387,293	\$ 80,885	\$ 8,530,866	\$ 8,611,751
Total Self-Insured	\$ 89,029,911	\$ 92,384,871	\$ 3,354,960	\$ 41,023,133	\$ 44,378,093

Fully Insured (Agency) Funds

<u>Fund</u>	<u>Expenditures</u>	<u>Revenues</u>	<u>Net</u>	<u>Fund Balance</u> <u>7/1/2011</u>	<u>Fund Balance</u> <u>3/31/2012</u>
607-FI DENTAL PPO	\$ 3,703,672	\$ 3,697,444	\$ (6,228)	\$ 71,235	\$ 65,007
625-FI PREPAID DENTAL	289,660	289,661	1	110,058	110,059
Total Dental	\$ 3,993,332	\$ 3,987,105	\$ (6,228)	\$ 181,293	\$ 175,065
621-FLEX SPENDING HEALTH	1,977,401	1,883,081	(94,321)	0	(94,321)
622-FLEX SPENDING DEP CARE	473,124	597,275	124,151	0	124,150.53
Total FSA	\$ 2,450,526	\$ 2,480,355	\$ 29,830	\$ -	\$ 29,830
626-FI LIFE AND AD AND D	786,019	799,509	13,490	29,287	42,777
627-SUPPLEMENTAL LIFE	2,815,185	2,723,651	(91,534)	257,652	166,118
630-DEPENDENT LIFE	383,143	372,929	(10,214)	13,131	2,917
Total Life and AD&D	\$ 3,984,347	\$ 3,896,088	\$ (88,259)	\$ 300,070	\$ 211,811
628-EMPLOYEE ASSISTANCE	153,611	153,518	(93)	917	824
631-VOLUNTARY BENEFITS	876,049	876,117	69	3,078	3,147
632-CIGNA FOR SENIORS	473,439	505,503	32,064	66,940	99,004
Total Others	\$ 1,503,099	\$ 1,535,139	\$ 32,040	\$ 70,935	\$ 102,975
Total Agency Funds	\$ 11,931,304	\$ 11,898,687	\$ (32,617)	\$ 552,298	\$ 519,681

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
Nine Months Ended March 31, 2012

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Variance %</u>
Revenue				
601-CMG HIGH OPTION	\$ 29,098,971	\$ 29,423,708	\$ 324,737	1.12%
602-CMG LOW OPTION	900,837	901,232	395	0.04%
603-OAP IN	13,489,020	12,487,188	(1,001,832)	-7.43%
604-OAP HIGH OPTION	22,315,986	21,023,551	(1,292,435)	-5.79%
605-OAP LOW OPTION	1,640,412	1,870,688	230,276	14.04%
606-CHOICE FUND H.S.A.	4,135,581	6,770,933	2,635,352	63.72%
614-BEHAVIORAL HEALTH	1,578,663	1,553,138	(25,525)	-1.62%
Total Medical & BH	\$ 73,159,470	\$ 74,030,438	\$ 870,968	1.19%
629-SI DENTAL	2,680,470	2,846,260	165,790	6.19%
Total Dental	\$ 2,680,470	\$ 2,846,260	\$ 165,790	6.19%
608-COINSURANCE	8,519,166	8,163,669	(355,497)	-4.17%
609-CONSUMER CHOICE	1,283,346	1,309,222	25,876	2.02%
Total Pharmacy	\$ 9,802,512	\$ 9,472,890	\$ (329,622)	-3.36%
623-VISION	995,724	1,070,509	74,785	7.51%
Total Vision	\$ 995,724	\$ 1,070,509	\$ 74,785	7.51%
615-WELLNESS	1,209,771	1,136,070	(73,701)	-6.09%
616-CONTRACT ADMINISTRATION	424,906	210,537	(214,369)	-50.45%
618-BENEFIT ADMINISTRATION	2,181,886	2,230,873	48,987	2.25%
Total Other	\$ 3,816,563	\$ 3,577,481	\$ (239,082)	-6.26%
611-60 PERCENT STD	1,038,699	1,051,739	13,040	1.26%
612-50 PERCENT STD	223,290	229,074	5,784	2.59%
613-40 PERCENT STD	107,136	106,480	(656)	-0.61%
Total STD	\$ 1,369,125	\$ 1,387,293	18,168	1.33%
Total Revenue	\$ 91,823,864	\$ 92,384,871	\$ 561,007	0.61%
Expenses				
601-CMG HIGH OPTION	\$ 29,386,793	\$ 29,663,338	\$ (276,545)	-0.94%
602-CMG LOW OPTION	901,742	721,012	180,730	20.04%
603-OAP IN	13,496,262	10,394,457	3,101,805	22.98%
604-OAP HIGH OPTION	22,327,805	21,678,763	649,042	2.91%
605-OAP LOW OPTION	1,641,904	1,316,452	325,452	19.82%
606-CHOICE FUND H.S.A.	4,137,974	5,749,737	(1,611,763)	-38.95%
614-BEHAVIORAL HEALTH	1,578,654	1,220,603	358,051	22.68%
Total Medical & BH	\$ 73,471,134	\$ 70,744,361	\$ 2,726,773	3.71%
629-SI DENTAL	2,680,452	2,843,571	(163,119)	-6.09%
Total Dental	\$ 2,680,452	\$ 2,843,571	\$ (163,119)	-6.09%
608-COINSURANCE	8,519,166	9,758,249	(1,239,083)	-14.54%
609-CONSUMER CHOICE	1,283,337	1,342,031	(58,694)	-4.57%
Total Pharmacy	\$ 9,802,503	\$ 11,100,280	\$ (1,297,777)	-13.24%
623-VISION	995,724	1,152,912	(157,188)	-15.79%
Total Vision	\$ 995,724	\$ 1,152,912	\$ (157,188)	-15.79%
615-WELLNESS	1,209,790	363,346	846,444	69.97%
616-CONTRACT ADMINISTRATION	0	192,634	(192,634)	
618-BENEFIT ADMINISTRATION	2,082,542	1,326,400	756,142	36.31%
Total Other	\$ 3,292,332	\$ 1,882,379	\$ 1,409,953	42.83%
611-60 PERCENT STD	1,629,828	1,076,492	553,336	33.95%
612-50 PERCENT STD	358,119	181,881	176,238	49.21%
613-40 PERCENT STD	176,175	48,035	128,140	72.73%
Total STD	\$ 2,164,122	\$ 1,306,408	\$ 857,714	39.63%
Total Expenses	\$ 92,406,267	\$ 89,029,911	\$ 3,376,356	3.65%

Employee Benefits Trust Funds
Balance Sheet Details
March 31, 2012, June 30, 2011, and June 30, 2010

4/26/2012

	3/31/2012	3/31/2011	6/30/2011	6/30/2010
<u>Accounts receivable</u>				
COBRA Receivable	\$ 94,817	\$ 342,201	\$ 113,352	\$ 436,144
STD		\$ 1,578		
Vision	1,057	3,135		
Dental	2,488	4,577		
WHI Rebate	692,464	752,637	784,843	823,920
Wellness		463		
Total Accounts receivable	\$ 790,827	\$ 1,104,591	\$ 898,195	\$ 1,260,064
<u>Prepaid insurance</u>				
STD	\$ 97,716	\$ 105,544	\$ 97,716	\$ 105,544
Vision	4,856	4,988	4,856	4,988
H.S.A	0	0	750,235	
Total prepaid insurance	\$ 102,572	\$ 110,532	\$ 852,807	\$ 110,532
<u>Accounts payable</u>				
Medical	\$ -		\$ -	\$ 378,664
Behavioral Health	\$ -	\$ -	32,500	24,000
Vision	\$ -	\$ (0)	300	6,362
Dental				
STD		\$ (0)	13,007	23,743
WELLNESS	2,899	600	16,705	1,512
616-CONTRACT ADMINISTRATION	(0)	(0)	37,543	21,107
618-BENEFIT ADMINISTRATION	25,446	12,254	24,217	57,167
Total accounts payable	\$ 28,345	\$ 12,854	\$ 124,271	\$ 512,556
<u>Accrued Liabilities</u>				
Medical	\$ 2,067,342	\$ 1,280,014	\$ 1,470,817	\$ 2,272,774
Behavioral Health		\$ 8,000		
Pharmacy	696,664	700,668	650,525	657,132
Vision				141,657
Dental	411,702	271,039	261,625	121,960
STD	12,000	12,343		
616-CONTRACT ADMINISTRATION	23,474	23,474		
999-BENEFITS CLEARING	1,340,071			
HEALTH SELECT SI TRUST				49,990
Total Accrued Liabilities	\$ 4,551,253	\$ 2,295,539	\$ 2,382,967	\$ 3,243,514
<u>Employee compensation payable</u>				
Consumer Choice Pharmacy Employee Allowan	\$ 3,122,217	\$ 2,163,057	\$ 3,166,021	\$ 2,124,477
Employee compensation payable	151,241	116,898	124,553	138,949
H.S.A	43,804		0	
Total Employee Comp Accrual	\$ 3,317,262	\$ 2,279,955	\$ 3,290,574	\$ 2,263,426
<u>Reserve for losses and loss expenses -IBNR Details</u>				
Medical	\$ 9,812,823	\$ 7,388,795	\$ 10,991,704	\$ 7,444,933
Pharmacy				
Behavioral Health	178,642	184,573	178,642	252,691
Vision	91,554	62,940	91,554	52,502
Dental	409,517	397,111	409,517	374,756
STD	443,654	390,197	443,654	380,147
Total Reserve for losses and loss expenses	\$ 10,936,189	\$ 8,423,616	\$ 12,115,071	\$ 8,505,029

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
Notes to Financial Statements
March 2012

NOTE 1 – Interest Receivable Held with the Treasurer

Interest Receivable represents the Trust's share of the amortization of zero coupon bond discounts and the unpaid but earned portion of bond coupons which are normally paid every six months on varying dates. The trust has all cash invested with the Maricopa County Treasurer in the investment pool. This pool consists of U S Government Securities that have up to a three year maturity.

NOTE 2 – Accounts Receivable

Accounts Receivable included \$94,817 for the American Recovery and Reinvestment Act (ARRA) program receivables for employees on COBRA, \$1,057 for Vision, \$2,488 for Dental, and \$692,464 for WHI Rebates.

NOTE 3 – Pre-Paid Insurance

Pre-Paid insurance included \$97,716 for Sedgwick, and \$4,856 for Vision plan.

NOTE 4 – Capital Equipment

This is for the Ergonomics AstroVan purchased in 2000. All equipment has been fully depreciated as of June 30, 2011.

NOTE 5 – Accounts Payable

Accounts Payable included \$2,899 for Wellness (Mobile On-Site Mammography \$100, Cigna Heal Thcare \$1,599, and Magellan health Services \$1,200), and \$25,446 for Benefit Administration (Magellan Health Services).

NOTE 6 – Accrued Liabilities

Accrued Liabilities fluctuates monthly mainly due to the amount of outstanding checks that have not been cashed by providers. That included \$2,067,342 for Medical, \$696,664 for Pharmacy, \$411,702 for Dental, \$12,000 for STD, \$23,474 (Mercer 11,667 & Optimum \$11,807) for Contract Administration, and \$1,340,071 for Fund 999-Benefits Clearing.

NOTE 7 – Employee Compensation Payable

Employee Compensation Payable includes in FY2011 unused employee pharmacy allowance for the WHI Consumer Choice Pharmacy plan of \$3.1 million. The remaining balance is accrued salaries as of month end, plus employee vacations earnings payable.

NOTE 8 – Reserve for losses and loss expenses

The funds establish claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and of claims that have been incurred but not reported. As of January, the Reserve for losses and loss expenses is \$10,936,189.