

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUND
Statements of Revenues, Expenses, and
Changes in Net Assets—Internal Service Funds
YTD as of February 28, 2013

	YTD 2/28/2013	YTD 2/29/2012	Full Year 6/30/2012	Full Year 6/30/2011	Full Year 6/30/2010
Operating revenues:					
Operating income	\$ 85,027,350	\$ 82,989,264	\$ 122,941,566	\$ 119,211,913	112,927,735
Other income				884	97,894
Investment income	132,472	151,047	443,209	498,476	779,620
Total operating revenues	\$ 85,159,822	\$ 83,140,311	\$ 123,384,775	\$ 119,711,273	\$ 113,805,250
Operating expenses:					
Losses and loss expenses	76,855,762	73,925,318	114,179,304	111,900,464	101,098,908
All other expenses	5,083,766	4,677,528	7,060,881	8,621,004	13,570,703
Total operating expenses	\$ 81,939,529	\$ 78,602,846	\$ 121,240,185	\$ 120,521,468	\$ 114,669,611
Nonoperating revenues:					
Capital contributions	0	0	0	49,990	
Transfers to Other Funds	0	0	0	(1,380,291)	
Loss on disposal of capital assets	0	0	0	(3,273)	
Total nonoperating revenues	\$ -	\$ -	\$ -	\$ (1,333,574)	\$ -
Change in net assets	3,220,293	4,537,464	2,144,590	(2,143,769)	(864,361)
Total net assets - Beginning	43,167,723	41,023,133	41,023,133	43,166,902	44,031,264
Total net assets - Ending	\$ 46,388,016	\$ 45,560,597	\$ 43,167,723	\$ 41,023,133	\$ 43,166,902

Maricopa County
Employee Benefits Trust Funds
Statements of Net Assets - Internal Service Funds
February 28, 2013, February 29, 2012, June 30, 2012, June 30, 2011, and June 30, 2010

	2/28/2013	2/29/2012	6/30/2012	6/30/2011	6/30/2010
Assets					
Cash and cash equivalents	\$ 62,007,722	\$ 61,506,811	\$ 60,636,639	\$ 57,181,449	\$ 56,235,460
Interest receivable	42,598	3,563	42,598	3,563	81,358
Accounts receivable	915,771	725,932	924,206	898,195	1,260,064
Prepaid insurance	1,343,382	102,572	1,411,102	852,807	110,532
Capital assets, net	0	0	0	0	4,013
Total assets	\$ 64,309,473	\$ 62,338,878	\$ 63,014,546	\$ 58,936,014	\$ 57,691,427
Liabilities					
Accounts payable	0	206	88,404	124,271	512,556
Accrued Liabilities	4,053,187	2,533,924	5,554,366	2,382,967	3,243,514
Employee compensation payable	3,290,977	3,307,962	3,268,085	3,290,574	2,263,426
Reserve for losses and loss expenses	10,577,293	10,936,189	10,935,968	12,115,069	8,505,029
Total liabilities	\$ 17,921,457	\$ 16,778,281	\$ 19,846,823	\$ 17,912,882	\$ 14,524,525
Net Assets					
Invested in capital assets	0			0	4,013
Unrestricted (deficit)	46,388,016	45,560,597	43,167,722	41,023,133	43,162,889
Total net assets (deficit)	\$ 46,388,016	\$ 45,560,597	\$ 43,167,722	\$ 41,023,133	\$ 43,166,902

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
Fund Balance Roll-Forward
Eight Months Ended February 28, 2013

<u>Self Insured Funds</u>				<u>Fund Balance</u>	<u>Fund Balance</u>
<u>Fund</u>	<u>Expenditures</u>	<u>Revenues</u>	<u>Net</u>	<u>7/1/2012</u>	<u>2/28/2013</u>
601-CMG MEDICAL	\$ 33,067,828	\$ 34,470,473	\$ 1,402,646	\$ (3,175,089)	\$ (1,772,443)
602-CMG LOW OPTION				1,141,584	1,141,584
603-OAP IN				(1,764,074)	(1,764,074)
604-OAP MEDICAL	22,176,417	23,348,035	1,171,618	(2,034,662)	(863,044)
605-OAP LOW OPTION				1,938,145	1,938,145
606-CHOICE FUND H.S.A.	9,286,037	9,936,750	650,713	819,805	1,470,518
614-BEHAVIORAL HEALTH	1,341,814	1,234,103	(107,711)	5,304,061	5,196,350
Total Medical & BH	\$ 65,872,096	\$ 68,989,362	\$ 3,117,266	\$ 2,229,770	\$ 5,347,036
629-SI DENTAL	2,547,615	2,538,635	(8,980)	5,089,287	5,080,307
Total Dental	\$ 2,547,615	\$ 2,538,635	\$ (8,980)	\$ 5,089,287	\$ 5,080,307
608-COINSURANCE PHARMACY	9,119,044	8,197,285	(921,759)	17,461,014	16,539,255
609-CONSUMER CHOICE			0	1,261,278	1,261,278
619-ONSITE PHARMACY CLINIC	1,299,561	1,088,455	(211,106)	0	(211,106)
620- BENEFITS ELIMINATIONS*	(675,179)	(675,179)	0	0	0
Total Pharmacy	\$ 9,743,425	\$ 8,610,560	\$ (1,132,865)	\$ 18,722,292	\$ 17,589,427
623-VISION	1,040,141	991,042	(49,099)	168,475	119,376
Total Vision	\$ 1,040,141	\$ 991,042	\$ (49,099)	\$ 168,475	\$ 119,376
615-WELLNESS	227,586	1,173,160	945,574	2,926,118	3,871,692
618-BENEFIT ADMINISTRATION	1,236,559	1,597,778	361,219	5,304,248	5,665,467
999-BENEFITS CLEARING		0	0		0
Total Other	\$ 1,464,145	\$ 2,770,937	\$ 1,306,792	\$ 8,230,366	\$ 9,537,158
Grand Total	\$ 80,667,422	\$ 83,900,537	\$ 3,233,114	\$ 34,440,190	\$ 37,673,304

Employee Self Insured Funds

611-60 PERCENT STD	1,053,168	951,416	(101,752)	6,909,543	6,807,791
612-50 PERCENT STD	140,960	211,707	70,746	1,110,613	1,181,359
613-40 PERCENT STD	77,978	96,163	18,185	707,378	725,563
Total STD	\$ 1,272,107	\$ 1,259,285	\$ (12,821)	\$ 8,727,534	\$ 8,714,713
Total Self-Insured	\$ 81,939,529	\$ 85,159,822	\$ 3,220,293	\$ 43,167,723	\$ 46,388,016

Fully Insured (Agency) Funds

<u>Fund</u>	<u>Expenditures</u>	<u>Revenues</u>	<u>Net</u>	<u>Fund Balance</u>	<u>Fund Balance</u>
				<u>7/1/2012</u>	<u>2/28/2013</u>
607-FI DENTAL PPO	\$ 3,280,494	\$ 3,278,913	\$ (1,581)	\$ 68,952	\$ 67,371
625-FI PREPAID DENTAL	249,889	249,303	(587)	109,890	109,303
Total Dental	\$ 3,530,384	\$ 3,528,216	\$ (2,168)	\$ 178,842	\$ 176,674
621-FLEX SPENDING HEALTH	1,736,605	1,556,324	(180,282)	0	(180,282)
622-FLEX SPENDING DEP CARE	455,596	588,272	132,676	0	132,676
Total FSA	\$ 2,192,202	\$ 2,144,595	\$ (47,606)	\$ -	\$ (47,606)
626-FI LIFE AND AD AND D	246,584	243,848	(2,736)	43,077	40,341
627-SUPPLEMENTAL LIFE	2,144,697	2,146,686	1,989	232,046	234,035
630-DEPENDENT LIFE	237,528	236,837	(691)	10,486	9,795
Total Life and AD&D	\$ 2,628,808	\$ 2,627,370	\$ (1,438)	\$ 285,609	\$ 284,171
628-EMPLOYEE ASSISTANCE	143,594	143,879	284	739	1,023
631-VOLUNTARY BENEFITS	593,188	593,393	205	3,198	3,403
632-CIGNA FOR SENIORS	445,104	449,142	4,038	86,403	90,441
Total Others	\$ 1,181,886	\$ 1,186,413	\$ 4,527	\$ 90,340	\$ 94,867
Total Agency Funds	\$ 9,533,279	\$ 9,486,595	\$ (46,684)	\$ 554,791	\$ 508,107

Note:

Onsite Pharmacy Clinic
 Flu Shot Savings

55,048

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
Eight Months Ended February 28, 2013

Self Insured Funds

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Variance %</u>
Revenue				
601-CMG MEDICAL	\$ 30,206,208	\$ 34,470,473	\$ 4,264,265	14.12%
604-OAP MEDICAL	29,111,344	23,348,035	(5,763,309)	-19.80%
606-CHOICE FUND H.S.A.	8,159,416	9,936,750	1,777,334	21.78%
614-BEHAVIORAL HEALTH	1,259,936	1,234,103	(25,833)	-2.05%
Total Medical & BH	\$ 68,736,904	\$ 68,989,362	252,458	0.37%
629-SI DENTAL	2,448,264	2,538,635	90,371	3.69%
Total Dental	\$ 2,448,264	\$ 2,538,635	90,371	3.69%
608-COINSURANCE PHARMACY	8,389,920	8,197,285	(192,636)	-2.30%
619-ONSITE PHARMACY CLINIC	713,336	1,088,455	375,119	52.59%
620- BENEFITS ELIMINATIONS	(713,336)	(675,179)	38,157	-5.35%
Total Pharmacy	\$ 8,389,920	\$ 8,610,560	182,484	2.18%
623-VISION	1,025,000	991,042	(33,958)	-3.31%
Total Vision	\$ 1,025,000	\$ 991,042	(33,958)	-3.31%
615-WELLNESS	1,059,744	1,173,160	113,416	10.70%
618-BENEFIT ADMINISTRATION	1,458,648	1,597,778	139,130	9.54%
999-BENEFITS CLEARING	-	0		
Total Other	\$ 2,518,392	\$ 2,770,937	\$ 252,545	10.03%
Grand Total	\$ 83,118,480	\$ 83,900,537	\$ 782,057	0.94%

Employee Self Insured Funds

611-60 PERCENT STD	\$ 938,768	\$ 951,416	\$ 12,648	1.35%
612-50 PERCENT STD	203,040	211,707	8,667	4.27%
613-40 PERCENT STD	94,792	96,163	1,371	1.45%
Total STD	\$ 1,236,600	\$ 1,259,285	22,685	1.83%
Total Revenue	\$ 84,355,080	\$ 85,159,822	804,742	0.95%

Expenses

601-CMG MEDICAL	\$ 29,953,391	\$ 33,067,827	\$ (3,114,436)	-10.40%
604-OAP MEDICAL	28,340,460	22,176,417	6,164,043	21.75%
606-CHOICE FUND H.S.A.	8,653,457	9,286,037	(632,580)	-7.31%
614-BEHAVIORAL HEALTH	1,259,936	1,341,814	(81,878)	-6.50%
Total Medical & BH	\$ 68,207,244	\$ 65,872,095	\$ 2,335,149	3.42%
629-SI DENTAL	2,536,593	2,547,615	(11,022)	-0.43%
Total Dental	\$ 2,536,593	\$ 2,547,615	(11,022)	-0.43%
608-COINSURANCE PHARMACY	8,389,920	9,119,044	(729,124)	-8.69%
619-ONSITE PHARMACY CLINIC	821,328	1,299,561	(478,233)	-58.23%
620- BENEFITS ELIMINATIONS	(713,336)	(675,179)	(38,157)	5.35%
Total Pharmacy	\$ 8,497,912	\$ 9,743,425	(1,245,513)	-14.66%
623-VISION	1,064,805	1,040,141	24,664	2.32%
Total Vision	\$ 1,064,805	\$ 1,040,141	24,664	2.32%
615-WELLNESS	468,684	227,586	241,098	
618-BENEFIT ADMINISTRATION	1,459,749	1,236,559	223,190	15.29%
Total Other	\$ 1,928,433	\$ 1,464,145	\$ 464,288	24.08%
Grand Total	\$ 82,234,987	\$ 80,667,421	\$ 1,567,566	1.91%

Employee Self Insured Funds

611-60 PERCENT STD	\$ 1,083,952	\$ 1,053,168	\$ 30,784	2.84%
612-50 PERCENT STD	203,040	140,960	62,080	30.58%
613-40 PERCENT STD	94,792	77,978	16,814	17.74%
Total STD	\$ 1,381,784	\$ 1,272,107	\$ 109,677	7.94%
Total Self-Insured	\$ 83,616,771	\$ 81,939,528	\$ 1,677,243	2.01%

**Employee Benefits Trust Funds
Balance Sheet Details**

3/12/2013

February 28, 2013, February 29, 2012, June 30, 2012, June 30, 2011, and June 30, 2010

	2/28/2013	2/29/2012	6/30/2012	6/30/2011	6/30/2010
<u>Accounts receivable</u>					
<i>COBRA Receivable</i>	\$ 106,422	\$ 95,887	\$ 164,058	\$ 109,355	\$ 436,144
<i>Vision</i>	1,664	1,078	1,057	1,345	
<i>Dental</i>	2,294	2,500	1,154	2,652	
<i>619-ONSITE PHARMACY CLINIC</i>	193,224				
<i>WHI Rebate</i>	612,167	626,467	757,936	784,843	823,920
Total Accounts receivable	\$ 915,771	\$ 725,932	\$ 924,206	\$ 898,195	\$ 1,260,064
<u>Prepaid insurance</u>					
<i>STD</i>	\$ 94,567	\$ 97,716	\$ 94,567	\$ 97,716	\$ 105,544
<i>Vision</i>	4,989	4,856	4,989	4,856	4,988
<i>Dental</i>	11,343				
<i>Medical</i>	1,232,483	0	1,311,547	750,235	
Total prepaid insurance	\$ 1,343,382	\$ 102,572	\$ 1,411,102	\$ 852,807	\$ 110,532
<u>Accounts payable</u>					
<i>Medical</i>	\$ -	\$ -	\$ -	\$ -	\$ 378,664
<i>Behavioral Health</i>	(0)		38,030	32,500	24,000
<i>Vision</i>	0	(0)		300	6,362
<i>Dental</i>					
<i>STD</i>	0		11,929	13,007	23,743
<i>614-BEHAVIORAL HEALTH</i>	(0)	0	5,754	16,705	1,512
<i>616-CONTRACT ADMINISTRATION</i>	0		23,474	37,543	21,107
<i>615-WELLNESS</i>	0	148	9,218	24,217	57,167
<i>618-BENEFIT ADMINISTRATION</i>	0	58			
<i>619-ONSITE PHARMACY CLINIC</i>	(0)				
Total accounts payable	\$ 0	\$ 148	\$ 88,404	\$ 124,271	\$ 512,556
<u>Accrued Liabilities</u>					
<i>Medical</i>	\$ 1,440,575	\$ 1,472,790	\$ 2,846,956	\$ 1,470,817	\$ 2,272,774
<i>Pharmacy</i>	661,012	613,958	625,425	650,525	657,132
<i>Behavioral Health</i>	32,500			0	
<i>Vision</i>					141,657
<i>Dental</i>	159,837	411,702	139,519	261,625	121,960
<i>STD</i>	12,000	12,000	0		
<i>615-WELLNESS</i>	0				
<i>616-CONTRACT ADMINISTRATION</i>	0	23,474			
<i>618-BENEFIT ADMINISTRATION</i>	11,807	0			
<i>619-ONSITE PHARMACY CLINIC</i>	288,959				
<i>999-BENEFITS CLEARING</i>	1,446,496		1,942,466		
<i>HEALTH SELECT SI TRUST</i>					49,990
Total Accrued Liabilities	\$ 4,053,187	\$ 2,533,924	\$ 5,554,366	\$ 2,382,967	\$ 3,243,514
<u>Employee compensation payable</u>					
<i>Consumer Choice Pharmacy Employee Allu</i>	\$ 3,122,217	\$ 3,122,217	\$ 3,122,217	\$ 3,122,217	\$ 2,124,477
<i>Employee compensation payable</i>	164,421	141,941	145,869	124,553	138,949
<i>615-WELLNESS</i>	4,339				
<i>H.S.A</i>		43,804		43,804	
Total Employee Comp Accrual	\$ 3,290,977	\$ 3,307,962	\$ 3,268,086	\$ 3,290,574	\$ 2,263,426
<u>Reserve for losses and loss expenses -IBNR Details</u>					
<i>Medical</i>	\$ 9,429,745	\$ 9,812,823	\$ 9,788,419	\$ 10,991,704	\$ 7,444,933
<i>Pharmacy</i>					
<i>Behavioral Health</i>	231,766	178,642	231,766	178,642	252,691
<i>Vision</i>	107,576	91,554	107,576	91,554	52,502
<i>Dental</i>	484,345	409,517	484,345	409,517	374,756
<i>STD</i>	323,861	443,654	323,861	443,654	380,147
Total Reserve for losses and loss exens	\$ 10,577,293	\$ 10,936,189	\$ 10,935,967	\$ 12,115,071	\$ 8,505,029

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
Notes to Financial Statements
January 2013

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 \$106,422 for COBRA premium, \$1,664 for Vision, \$2,294 for Dental, \$612,167 for WHI Rebates, \$193,224 for OnSite Pharmacy Clinic.

NOTE 3 – Pre-Paid Insurance

Pre-Paid insurance included \$94,567 for Sedgwick, \$4,989 for Vision plan, \$11,343 for Dental, and \$1,232,483 for Medical. Compare to same period of last year, Pre paid insurance increased \$1 million due to County changed funding of claims process. The balance of Cigna Catalyst Bank Account was \$1,133,969.81 as of February 28, 2013, that monies is going to pay County's Medical and Dental Claims by Cigna.

NOTE 4 – Capital Equipment

This is for the Ergonomics AstroVan purchased in 2000. All equipment has been fully depreciated as of June 30, 2012

NOTE 5 – Accounts Payable

Accounts Payable was \$0

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 \$1,440,575 for Medical, \$661,012 for Pharmacy, \$32,500 for Behavioral Health, \$159,837 for Dental, \$12,000 for STD, \$11,807 for Benefit Administration (OptumHealth), \$288,959 for Onsite Pharmacy Clinic, and \$1,446,496 for Fund 999- Benefits Clearing.

NOTE 7 – Employee Compensation Payable

Employee Compensation Payable includes in FY2012 unused employee pharmacy allowance for the WHI Consumer Choice Pharmacy plan of \$3,122,217. The remaining balance \$168,760 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 2/28/ 2013, the Reserve for losses and loss expenses is \$10,577,293 that included \$9,429,745 for Medical, \$231,766 for Behavioral health, \$107,576 for Vision, \$484,345 for Dental, and \$323,861 for STD.