
**SEMINOLE COUNTY GOVERNMENT
AGENDA MEMORANDUM**

SUBJECT: BAR #10-37 - \$22,497,278 - Administrative Services - Self Insurance Funds

DEPARTMENT: Fiscal Services

DIVISION: Budget

AUTHORIZED BY: Lisa Spriggs

CONTACT: Karen Huffman

EXT: 7173

MOTION/RECOMMENDATION:

Approve and authorize the Chairman to execute a Resolution implementing Budget Amendment Request (BAR) #10-37 through the Self Insurance Funds in the amount of \$22,497,278 to provide funding for Health Insurance.

County-wide

Lisa Spriggs

BACKGROUND:

On August 25, 2009, the Board of County Commissioners authorized staff to negotiate the contracts for Group Medical Benefits and FSA administration with Blue Cross Blue Shield of Florida and re-insurance with Symetra for the self-insured option with the Clinic model. On December 8, 2009, the Board of County Commissioners approved the negotiated contracts, as well as approving the funding of \$400K to provide for the initial payments to the service providers.

The attached Budget Amendment Request (BAR) is to fully fund the new Health Insurance Fund for FY 2009/10, which will account for the following activities:

- Receipt of insurance premiums for health insurance coverage. This will include both the employees and employers portions in the following County operations:
 - - Tax Collector
 - Supervisor of Elections
 - Port Authority
 - Board of County Commissioners
- Payment of insurance claims for health services provided: Blue Cross Blue Shield will review and pay all applicable claims submitted, and then the County will reimburse Blue Cross Blue Shield for total claims paid on behalf of the County. If a claim exceeds \$200K, the County will be reimbursed by Symetra.
- Payment for claims processing services: Blue Cross Blue Shield will process all claims and will be paid an administrative fee for their services.
- Payment for administration of flexible spending accounts: Blue Cross Blue Shield will continue to be the service provider.
- Payment of insurance premium for stop loss policy purchased from Symetra: County will

receive insurance reimbursement for claims exceeding \$200K.

- Any other costs or revenues associated with health insurance provision.

The attached Budget Amendment Request is also to transfer \$5.8M of reserves from the Property/Liability and Workers Compensation Self-Insurance Funds to the Health Insurance Fund. Of the \$5.8M transferred, \$5M is being held in Reserves to assure there will be sufficient funds in the event health insurance claims exceed what is budgeted for and for timing lags associated with reimbursement from re-insurance carrier. The Health Insurance Reserve of \$5M represents five (5) months of claims payments.

Reserves remaining after adjustment in the Property/Liability and Workers Compensation Funds will total \$8.7M on a budgetary basis.

STAFF RECOMMENDATION:

Staff recommends that the Board approve and authorize the Chairman to execute a Resolution implementing Budget Amendment Request (BAR) #10-37 through the Self Insurance Funds in the amount of \$22,497,278 to provide funding for Health Insurance.

ATTACHMENTS:

1. BAR 10-37 Health Insurance Fund [2]

Additionally Reviewed By: No additional reviews

2010-R-

BUDGET AMENDMENT REQUEST

TO: Seminole County Board of County Commissioners

FROM: Department of Fiscal Services

SUBJECT: **Budget Amendment Resolution**
Department: **Administrative Services**
Fund(s): Health Insurance Fund

PURPOSE: Fully fund the new Health Insurance Fund

ACTION: Approval and authorization for the Chairman to execute Budget Amendment Resolution.

In accordance with Section 129.06(2), Florida Statutes, it is recommended that the following accounts in the County budget be adjusted by the amounts set forth herein for the purpose described.

Sources:

<u>Account Number</u>	<u>Project #</u>	<u>Account Title</u>	<u>Amount</u>
See attached			22,497,278
Total Sources			\$ 22,497,278

Uses:

<u>Account Number</u>	<u>Project #</u>	<u>Account Title</u>	<u>Amount</u>
See attached			22,497,278
Total Uses			\$ 22,497,278

BUDGET AMENDMENT RESOLUTION

This Resolution, 2010-R-_____ approving the above requested budget amendment, was adopted at the regular meeting of the Board of County Commissioners of Seminole County, Florida _____ as reflected in the minutes of said meeting.

Attest:

Maryanne Morse, Clerk to the Board of County Commissioners

By: _____
Bob Dallari, Chairman

Date: _____

Date: _____

Entered by County Finance Department

Date: _____

FS Recommendation	
Analyst _____	Date _____
K Huffman _____	12/18/09
Financial Mgr _____	Date _____
Budget Manager _____	Date _____
Director _____	Date _____
10-37 _____	
BAR	

SOURCES

Account #	Account Title	Amount
50300.341220	BOCC -Insurance Premium-Employer	7,865,730
50300.341230	BOCC -Insurance Premium-Employee	1,938,429
50300.341270	Supervisor of Elections - Ins Premium	101,700
50300.341260	Tax Collector - Insurance Premium	519,102
50300.341280	Port Authority - Insurance Premium	25,200
50300.341240	Retirees - Insurance Premium	636,723
50300.341250	COBRA - Insurance Premium	185,166
50300.341210	Internal Service Charges	(400,000) *
50300.369310	Stop Loss Reimbursements	50,000
50300.361100	Interest Revenue	10,000
50300.381100.50100	Transfer from Other Funds	3,920,833
50300.381100.50200	Transfer from Other Funds	1,861,781
		<u>16,714,664</u>

USES

50300.010520.530340	Contracted Services	332,942 *
50300.010520.530450	Insurance Policy	331,722 *
50300.010520.530451	BCC Insurance Claims	11,000,000
50300.010520.530499	Operating Contingency	50,000
50300.999926.599998	Reserves	5,000,000
		<u>16,714,664</u>

SOURCES

50100.999920.599998	Reserves	3,920,833
50200.999922.599998	Reserves	1,861,781
		<u>5,782,614</u>

USES

50100.010505.590910.50300	Transfers To Other Funds	3,920,833
50200.010506.590910.50300	Transfers To Other Funds	1,861,781
		<u>5,782,614</u>

* BAR 10-29 had already set-up \$400K of budget for insurance and contracted svc, so this BAR reflects the difference needed (and changes revenue account).