

Self Insurance Fund

Fund 115

	2014/15 Actual	2015/16 Current	2016/17 Requested	2016/17 Approved	Percent Change
Revenues					
Charges & Fees	\$12,440	\$12,000	\$12,500	\$12,500	4.2%
Interest on Investments	33,457	0	0	0	0%
Insurance Settlements	1,600	0	0	0	0%
Employee Dental Contribution	275,611	270,000	270,000	270,000	0.0%
Emp/Retiree Health Contribution	1,246,835	1,240,000	1,250,000	1,300,000	4.8%
Indirect Cost	170,000	196,000	235,000	235,000	19.9%
Miscellaneous	0	0	0	0	0%
Fund Balance	0	150,000	150,000	205,000	36.7%
S/T Disability Premiums	74,125	75,000	75,000	75,000	0.0%
Special Contingency	0	150,000	150,000	150,000	0.0%
Health Co-Pay	29,540	30,000	34,000	34,000	13.3%
General Fund	1,721,500	1,721,500	1,737,717	1,721,500	0.0%
Total	\$3,565,108	\$3,844,500	\$3,914,217	\$4,003,000	4.1%
Expenses					
Contractual Services	255,717	260,000	299,000	299,000	15.0%
Professional Services	41,418	42,000	42,000	42,000	0.0%
County EAP	25,944	27,000	27,000	27,000	0.0%
Employee Dental Claims	229,169	280,000	290,000	280,000	0.0%
Employee/Retiree Health Claims	1,605,231	1,278,680	1,306,217	1,355,000	6.0%
IBNR	(109,215)	0	0	50,000	0%
Property & General Liability Claims	43,574	150,000	150,000	150,000	0.0%
Property & General Liability Premiums	479,483	500,000	500,000	500,000	0.0%
Retiree Group Health	173,403	211,120	225,000	225,000	6.6%
Self Ins. Collision	0	5,000	5,000	5,000	0.0%
Self Ins. Comprehensive	963	5,000	5,000	5,000	0.0%
Special Contingency	0	150,000	150,000	150,000	0.0%
S/T Disability Payments	35,782	70,000	70,000	70,000	0.0%
Taxes & Fees	0	3,500	3,500	3,500	0.0%
Supplies & Operations	60,912	52,200	26,500	36,500	-30.1%
To General Fund	0	0	0	0	0%
To Solid Waste Management Fund	0	0	0	0	0%
Unemployment Insurance	123,873	250,000	250,000	240,000	-4.0%
Workers Compensation Claims	140,362	400,000	400,000	400,000	0.0%
Workers Compensation Premiums	147,049	160,000	165,000	165,000	3.1%
Total	\$3,253,665	\$3,844,500	\$3,914,217	\$4,003,000	4.1%
Expenses by Division					
Wellness	\$260,803	\$248,200	\$261,500	\$261,500	5.4%
Employee Insurance	2,045,276	1,962,300	2,013,717	2,102,500	7.1%
Liability	656,534	1,070,000	1,070,000	1,070,000	0.0%
Workers Compensation	291,052	564,000	569,000	569,000	0.9%
Total	\$3,253,665	\$3,844,500	\$3,914,217	\$4,003,000	4.1%

Budget Highlights

The Self-Insurance Fund includes the County's cost for property and general liability insurance, workers' compensation, wellness, and employee health and dental insurance. In order to reflect the true cost of personnel, the County's portion of health and dental premiums is budgeted in individual department budgets. The Self Insurance Fund includes additional costs not covered by County premiums, such as retiree costs and costs paid by employees for spouses and dependents covered on County health and dental plans.

The County has effectively engaged employees to improve individual health outcomes and used strategies like the on-site wellness clinic to save money. Savings are apparent when comparing the County's health care cost growth of 4 percent to the industry increase of 6 percent. Despite these savings, health care costs have increased above current contribution rates. The budget includes an increase in the County's share of health insurance premiums for both of its health plans: \$15.08 per biweekly for the Core plan and \$11 per biweekly for the Health Savings Account (HSA) plan. Regardless of which plan an employee chooses, the County contributes the same total dollars on behalf of that employee. Employees on the HSA plan receive the difference in the cost of the premiums as contributions to their individual HSAs as seed money.

Annually the County reviews benefits to ensure it remains an employer of choice. The Health Savings Account (HSA) plan has the lowest individual (\$1,300) and family deductibles (\$2,600) allowed by the IRS, but benchmarking shows the County offers less seed money (\$494) annually than its peers to mitigate these out of pocket costs. By comparison, the City of Hickory has a higher deductible (\$1,500) but provides more seed money (\$840) to help offset this cost. In order to remain competitive, HSA seed money is increased to \$600 per year. Additionally, employees on either health plan will be able to obtain certain generic drugs with no co-pay consistent with many other counties' practice.