

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



279

FROM: Human Resources

SUBMITTAL DATE:
June 23, 2004

SUBJECT: Increase Appropriation and Revenue Authority for Exclusive Provider Insurance Fund, and Amend Ordinance No. 440- 8545.

RECOMMENDED MOTION: That the Board approve the Asst. County Executive Officer/Human Resources Director's recommendation to increase spending and revenue authority and direct the Auditor/Controller to make appropriation adjustments in Attachment "A", and Amend Ordinance No. 440 pursuant to Resolution No. 440-8545 to add additional staff.

BACKGROUND: Exclusive Care was developed in 1998 as a partnership between Human Resources and RCRMC, to provide quality medical services to County employees, and, to provide a cost effective alternative to employee medical plans available through CalPERS. Exclusive Care grew from fewer than 300 enrollees to the most popular medical option with over 3,000 employees enrolled today. The success of Exclusive Care has produced revenue for RCRMC of nearly \$2 million last plan year. Beginning in March of 2004, Exclusive Care has increased its enrollment further by enrolling 1,155 IHSS employees. Total enrollment for Exclusive Care will be nearly 7,200 members, which should bring annual revenue to RCRMC of nearly \$3.5 million. With the expansion of services to the IHSS workers as of March, it is necessary to add three positions to the staff: one Exclusive Care Plan Manager, one Senior Claims Adjuster and one Senior Human Resources Clerk. There is no direct cost to the County for these positions as the premiums collected for new plan participants will cover the cost of these positions, as detailed in Attachment "A".

FISCAL PROCEDURES APPROVED
 ROBERT E. BYRD, Auditor-Controller
 6/23/04
 BY *[Signature]*
 Deputy
 Departmental Concurrence

[Signature]
 Ronald W. Komers
 Asst. CEO/Human Resources Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 1,033,200	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	Yes
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2004-2005

SOURCE OF FUNDS: Employee Insurance premiums	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input checked="" type="checkbox"/>

C.E.O. RECOMMENDATION: **APPROVE**
[Signature]
 County Executive Office Signature

Pol icy Pol icy
 Consent Consent
 Dept't Recomm.: Per Exec. Ofc.:

Prev. Agn. Ref.: **District:** **Agenda Number:**

3.37

Background (continued)

With the addition of 1155 members since March, additional premium collection which was not reflected in the current budget is available. This increased enrollment has caused an increase in claim expenditures to occur as well, and requires additional staffing to support the plan. The anticipated revenue and expenditures necessitate the need for additional budget authority. There is no cost associated with the recommended action.

ATTACHMENT "A "

	Fund-Dept ID-Acct.	Account Description	Amount
Exclusive Care			
Increase Appropriation Authority:			
	45800-11320-00000-510040	Regular Salaries	129,450
	45800-11320-00000-518100	Budgeted Benefits	86,500
	45800-11320-00000-520940	Insurance Other	100,000
	45800-11320-00000-522890	Pharmaceuticals	100,000
	45800-11320-00000-534480	Physician Care Claims	617,250
	Total		<u><u>\$1,033,200</u></u>
Estimated Revenue Authority			
	45800-11320-00000-774970	IHSS Insurance Premiums	1,033,200
	Total		<u><u>\$1,033,200</u></u>