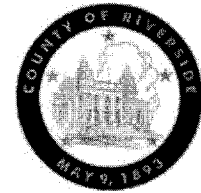


**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM
3.40
(ID # 4773)

MEETING DATE:

Tuesday, July 25, 2017

FROM : HUMAN RESOURCES:

SUBJECT: HUMAN RESOURCES: Exclusive Care IBNR Budget Adjustment, All Districts.
[Total Cost - \$2,500,000] [Source of Funds - Exclusive Care Stop Loss
Reimbursement 100%] 4/5 Vote

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and direct the Auditor Controller to make the budget adjustment on the attached Schedule A.

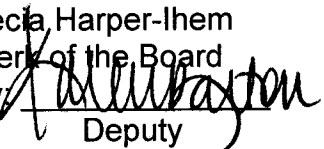
ACTION: (4/5 Vote Required) Policy


Michael Stock, Assistant CEO/ Director of Human Resources 7/17/2017

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Tavaglione and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley
Nays: None
Absent: None
Date: July 25, 2017
xc: HR, Auditor

Keela Harper-Ihem
Clerk of the Board
By: 
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 2,500,000	\$ 0	\$ 2,500,000	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: Exclusive Care Stop Loss Reimbursement 100%			Budget Adjustment:	Yes
			For Fiscal Year:	16/17

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Each year, Exclusive Care contracts with an actuary to calculate the amount that should be reserved for claims that have been incurred but not reported (IBNR). The IBNR is reported as a part of the unpaid claims liability, which also includes reported but unprocessed claims and processed but unpaid claims. This year, the recommended reserve as of April 30, 2017 is \$14.6 million. The recommended current year adjustment to the reserve is \$3.3 million. Exclusive Care does not have sufficient appropriations to book this recommended adjustment.

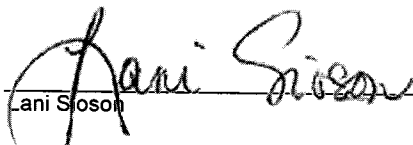
On June 29, Exclusive Care received proceeds from a stop loss reimbursement of \$2.5 million. This revenue was not included in the 16/17 revenue budget. The budget adjustment attached will recognize the revenue and increase the claims appropriation allowing Exclusive Care to make the recommended adjustment to the reserve balance. The requested budget adjustment is provided in Schedule A.

Impact on Residents and Businesses

There is no impact on residents or businesses in the County of Riverside.

Additional Fiscal Information

No county general funds will be required. This budget adjustment will be wholly (100%) funded by Exclusive Care stop loss reimbursement.


Lani Sison

7/18/2017


Misley Wang

7/13/2017

ATTACHMENT A. BUDGET ADJUSTMENT

**ISF-Exclusive Provider Option
Budget Adjustment
Fiscal Year 2016/2017**

Increase Estimate Revenue:

45800-1132000000-777010	Stop Loss Reimbursement	\$2,500,000
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Increase Appropriations:

45800-1132000000-534500	Hosp Care Svcs Claims	\$2,500,000
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