

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



ITEM: 3.11
(ID # 12605)

MEETING DATE:

Tuesday, June 02, 2020

FROM: HUMAN RESOURCES:

SUBJECT: HUMAN RESOURCES: Exclusive Care Budget Adjustment, All Districts.
[\$6,000,000; 100% Fund 45800 Exclusive Care] 4/5 Vote

RECOMMENDED MOTION: That the Board of Supervisors:

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

ACTION: Policy, 4/5 Vote Required


Brenda Diederichs, Assistant CEO / Human Resources Director 5/19/2020

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: June 2, 2020
xc: HR, Auditor

Kecia R. Harper
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	\$ 6,000,000	\$ 0	\$ 6,000,000	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: Exclusive Care Premiums 100%			Budget Adjustment:	Yes
			For Fiscal Year:	19/20

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Exclusive Care has experienced higher than expected claims costs related to hospital and pharmaceutical services. A budget adjustment will be required to accommodate the increase in expenditures, which will be supported by an increase in use of available fund balance reserves.

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

Claims expenditures at April 30 in 2019 and 2018 were \$52M and \$55.8M, respectively, and totaled \$65.5M and \$67.3M by June 30 of those years.

Claims expenditures through 4/30/2020 are \$62M and 95% of the current expenditure budget. Given the rate of claims expenditures thus far in FY19-20, and the history of expenditure trends in this area during the final quarter of the fiscal year, it is expected that ending FY19-20 claims expenditures will be \$78M, which is \$6M higher than the current budget of \$72M.


Misley Wang, Supervising Accountant 5/19/2020

ATTACHMENT A. BUDGET ADJUSTMENT

**ISF-Exclusive Provider Option
Budget Adjustment
Fiscal Year 2019/2020**

Increase Appropriations:

45800-1132000000-534500	Hosp Care Svcs Claims	\$4,000,000
45800-1132000000-534520	EPO Pharmaceutical Claims	2,000,000

Use of Unrestricted Net

Assets:

45800-1132000000-380100	Unrestricted Net Assets	\$6,000,000
-------------------------	-------------------------	-------------