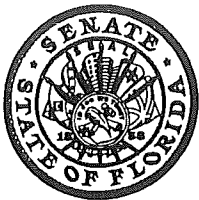


TONI JENNINGS
President

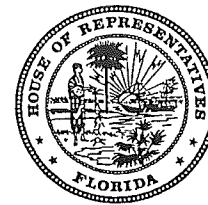
DANIEL WEBSTER
Speaker



THE FLORIDA LEGISLATURE

OFFICE OF ECONOMIC AND DEMOGRAPHIC RESEARCH

Edward Montanaro, Coordinator



DR PAM JOHNSON
ECONOMIC AND DEMOGRAPHIC RESEARCH
576 CLAUDE PEPPER BUILDING
INTEROFFICE 00001

MEMORANDUM

TO: Interested Parties
FROM: Pam Johnson *PJ*
Economic and Demographic Research
DATE: July 28, 1998
SUBJECT: State Employees' Health Insurance Trust Fund, Post-Session Outlook

Attached for your information are tables detailing the revised outlook for the State Employees' Health Insurance Trust Fund. The outlook has been revised for actual experience during 1997-98, and for changes made by the 1998 Legislature which affect trust fund flows for 1998-99 and 1999-2000. As a result of these changes, the trust fund is expected to have an ending balance of \$40.3 million in 1998-99, and \$29.7 million in 1999-2000.

The Trust Fund ending balance for 1997-98 was \$14.4 million, as opposed to the \$20.2 million deficit projected in March, for an improvement of \$34.6 million. Income was \$2.7 million higher than anticipated, and expenses were \$13.1 million below estimate, due mainly to lower than anticipated medical care claims. Additionally, the Legislature forgave a portion of the loan that was given the Trust Fund due to cash flow problems, repaying it with General Revenue.

The Legislature provided a significant premium increase for the 1998-99 fiscal year, which carries forward into the next year also. The changes are as follows:

<u>Individual Coverage:</u>	<u>1997-98</u>	<u>7/1/98</u>	<u>1/1/99</u>
Employee	\$ 26.02	\$ 26.02	\$ 29.92
State	\$133.40	\$177.33	\$177.33
Total	\$159.42	\$203.35	\$207.25

<u>Family Coverage:</u>	<u>1997-98</u>	<u>7/1/98</u>	<u>1/1/99</u>
Employee	\$ 93.58	\$ 93.58	\$107.61
State	\$268.14	\$362.62	\$362.62
Total	\$361.72	\$466.20	\$470.23

The third factor affecting the trust fund outlook is a \$20.0 million special appropriation for the 1998-99 fiscal year, made to assist in cash flow and potential HMO contract fee increases effective January 1, 1999.

The Legislature provided for an expansion of benefit coverage for cleft lip and cleft palate, but this change is expected to have only an insignificant impact on claims costs.

If you have any questions concerning these figures, please call me at 487-8269.

State Employees' Health Insurance Trust Fund
 Analysis of Income and Expenses
 1997-98

	March 98 Estimate	1997-98 Actual	Diff.
BEGINNING BALANCE	\$40.0	\$40.0	\$0.0
Less required compensating balance	\$8.0	\$8.0	\$0.0
BEGINNING CASH FUNDS AVAILABLE	\$32.0	\$32.0	\$0.0
INCOME			
Premiums--State	\$373.5	\$374.4	\$0.9
Premiums--Employees	\$96.6	\$96.8	\$0.2
Premiums--Medicare Patients	\$24.9	\$25.0	\$0.1
Premiums--Early Retirees	\$13.7	\$13.7	\$0.0
Premiums--COBRA	\$3.6	\$3.6	\$0.0
Interest	\$2.3	\$2.9	\$0.6
TPA Refunds/Rebates	\$7.5	\$8.4	\$0.9
Pre-Tax Trust Fund Transfer	\$11.0	\$11.0	\$0.0
Other Revenues	\$0.8	\$0.8	\$0.0
TOTAL INCOME	\$533.9	\$536.6	\$2.7
EXPENDITURES			
Medical Claims--BCBSF	\$107.9	\$86.0	(\$21.9)
Medical Claims--Unisys	\$224.3	\$233.7	\$9.4
Prescription Drug Program Claims	\$66.9	\$68.1	\$1.2
HMO Contract Fees	\$226.5	\$226.4	(\$0.1)
ASO Fee--BCBSF	\$10.5	\$10.6	\$0.1
ASO Fee--Unisys	\$9.3	\$9.0	(\$0.3)
ASO Fee--EHS	\$0.1	\$0.1	\$0.0
DSGI Administrative Costs	\$5.0	\$3.6	(\$1.4)
Premium Refunds	\$1.3	\$1.4	\$0.1
Other Expenses	\$1.9	\$1.7	(\$0.2)
TOTAL EXPENDITURES	\$653.7	\$640.6	(\$13.1)
NET INCOME (INCOME LESS EXPENDITURES)	(\$119.8)	(\$104.0)	\$15.8
Plus Special Appropriations	\$67.6	\$66.2	(\$1.4)
Plus Cash Transfer (State Treasurer)	\$54.8	\$54.8	\$0.0
Less Repayment of Cash Transfer (State Treasurer)	\$54.8	\$34.6	(\$20.2)
ENDING BALANCE	(\$20.2)	\$14.4	\$34.6
Enrollment Projections:			
Self-Insured Plan	91,174	91,263	89
HMO's	67,568	67,710	142
Total	158,742	158,973	231

State Employees' Health Insurance Trust Fund
 Analysis of Income and Expenses
 1998-99

	March 98 Estimate	June 98 Estimate	Diff.
BEGINNING BALANCE	(\$20.2)	\$14.4	\$34.6
<hr/>			
Premiums--State	\$374.9	\$505.3	\$130.4
Premiums--Employees	\$97.0	\$104.5	\$7.5
Premiums--Medicare Patients	\$25.5	\$29.4	\$3.9
Premiums--Early Retirees	\$14.0	\$16.2	\$2.2
Premiums--COBRA	\$3.7	\$4.3	\$0.6
Interest	\$1.2	\$1.2	\$0.0
TPA Refunds/Rebates	\$7.8	\$7.8	\$0.0
Pre-Tax Trust Fund Transfer	\$11.0	\$11.0	\$0.0
Other Revenues	\$0.0	\$0.0	\$0.0
TOTAL INCOME	\$535.1	\$679.7	\$144.6
<hr/>			
EXPENDITURES			
Medical Claims--BCBSF	\$322.4	\$322.4	\$0.0
Medical Claims--Unisys	\$4.0	\$4.0	\$0.0
Prescription Drug Program Claims	\$80.3	\$80.3	\$0.0
HMO Contract Fees	\$230.1	\$230.1	\$0.0
ASO Fee--BCBSF	\$26.0	\$26.0	\$0.0
ASO Fee--Unisys	\$2.8	\$2.8	\$0.0
ASO Fee--EHS	\$0.1	\$0.1	\$0.0
DSGI Administrative Costs	\$5.0	\$5.0	\$0.0
Premium Refunds	\$1.2	\$1.2	\$0.0
Other Expenses	\$1.9	\$1.9	\$0.0
TOTAL EXPENDITURES	\$673.8	\$673.8	\$0.0
NET INCOME (INCOME LESS EXPENDITURES)	(\$138.7)	\$5.9	\$144.6
Plus Special Appropriation	\$0.0	\$20.0	\$20.0
ENDING BALANCE	(\$158.9)	\$40.3	\$199.2
<hr/>			
Enrollment Projections:			
Self-Insured Plan	93,033	93,033	0
HMO's	68,050	68,050	0
Total	161,083	161,083	0

State Employees' Health Insurance Trust Fund
 Analysis of Income and Expenses
 1999-2000

	March 98 Estimate	June 98 Estimate	Diff.
BEGINNING BALANCE	(\$158.9)	\$40.3	\$199.2
<hr/>			
Premiums--State	\$369.5	\$493.4	\$123.9
Premiums--Employees	\$95.6	\$109.8	\$14.2
Premiums--Medicare Patients	\$25.1	\$33.7	\$8.6
Premiums--Early Retirees	\$13.8	\$18.5	\$4.7
Premiums--COBRA	\$3.7	\$4.5	\$0.8
Interest	\$1.2	\$1.2	\$0.0
TPA Refunds/Rebates	\$7.9	\$7.9	\$0.0
Pre-Tax Trust Fund Transfer	\$11.0	\$11.0	\$0.0
Other Revenues	\$0.0	\$0.0	\$0.0
TOTAL INCOME	<u>\$527.8</u>	<u>\$680.0</u>	<u>\$152.2</u>
<hr/>			
EXPENDITURES			
Medical Claims--BCBSF	\$328.5	\$328.5	\$0.0
Medical Claims--Unisys	\$0.0	\$0.0	\$0.0
Prescription Drug Program Claims	\$90.5	\$90.5	\$0.0
HMO Contract Fees	\$235.8	\$235.8	\$0.0
ASO Fee--BCBSF	\$27.6	\$27.6	\$0.0
ASO Fee--Unisys	\$0.0	\$0.0	\$0.0
ASO Fee--EHS	\$0.1	\$0.1	\$0.0
DSGI Administrative Costs	\$5.0	\$5.0	\$0.0
Premium Refunds	\$1.2	\$1.2	\$0.0
Other Expenses	\$1.9	\$1.9	\$0.0
TOTAL EXPENDITURES	<u>\$690.6</u>	<u>\$690.6</u>	<u>\$0.0</u>
<hr/>			
NET INCOME (INCOME LESS EXPENDITURES)	(\$162.8)	(\$10.6)	\$152.2
<hr/>			
ENDING BALANCE	<u>(\$321.7)</u>	<u>\$29.7</u>	<u>\$351.4</u>
<hr/>			
Enrollment Projections:			
Self-Insured Plan	93,860	93,860	0
HMO's	69,755	69,755	0
Total	163,616	163,616	0



STATE OF FLORIDA
DIVISION OF STATE GROUP INSURANCE


LAWTON CHILES, GOVERNOR

4040 Esplanade Way ♦ Tallahassee, Florida 32399-0949
850-921-4600

CHARLES P. SLAVIN, DIRECTOR

MEMORANDUM

TO: Interested Parties

FROM:  Jeff Dykes, Chief
Bureau of Accounting & Financial Management

DATE: June 30, 1998

SUBJECT: "Post-Session" Outlook -
State Employees' Group Health Self-Insurance Trust Fund

Attached is a "Post-Session" outlook, including annual and monthly cash position estimates, of the State Employees' Group Health Self-Insurance Trust Fund for the fiscal years ending June 30, 1998, 1999, & 2000. The "Post-Session" outlook adjusts the previous outlook resulting from the Consensus Estimating Conference held in March. Please note that the revised results have not been discussed with the Consensus Estimating Conference Principles and Participants.

The purpose for making adjustments to the previous forecast is to account for (1) the premium contribution increases; (2) the special appropriation and funding arrangements; and (3) a minor benefit change expanding coverage for cleft lip and cleft palate, resulting from the 1998 Legislature. These adjustments have been made without change or alteration to previous enrollment, utilization, and payment assumptions.

Our current outlook adjusts the ending cash balance from \$(20.2) million to \$0.0 for fiscal year 1997-98. The ending cash balance includes the \$67.6 million combined general revenue and trust fund appropriations provided by the 1997 Legislature and the repayment of the temporary transfer of \$54.8 million to the State Treasury, of which \$20.2 million was funded by general revenue pursuant to Chapter 98-26, Laws of Florida (SB2504). Our current outlook also adjusts the accumulated ending cash balance from \$(158.9) million to \$25.9 million for fiscal year 1998-99. The swing in the accumulated ending cash balance of \$184.8 million is the result of the premium contribution increase (\$144.6 million), the previously mentioned legislative funding assistance to repay the State Treasury (\$20.2 million), and the special appropriation to assist in cash flow and potential HMO contract fee increases effective January 1, 1999

(\$20.0 million). As required for the subject conference, we have included a "Post-Session" outlook for fiscal year 1999-00. Our current outlook adjusts the further accumulated ending cash balance from \$(321.7) million to \$15.3 million.

It should be clearly understood that current HMO contract fee payments are currently at, or slightly below, the contribution received (by enrollment category and coverage) by the Trust Fund (Budget Neutral). Current contract fee rates were used during the forecasting process to estimate future HMO contract fee payments. Consequently, depending upon the results of current HMO vendor negotiations to determine contract fee rates for the 1999 calendar year, the forecasted cash positions could be overstated and require adjustment to the extent that individual HMO contract fee payments increase above currently established rates.

The current outlook indicates that while the ending cash balance for fiscal year 1998-99 is forecasted to be \$25.9 million, due to the timing of biweekly payroll cycles and the phase in of increased premium collections, the Trust Fund will experience insufficient cash levels to meet ongoing financial obligations during most of the fiscal year.

Please be advised that the results of our analyses to arrive at the current "Post-Session" outlook are highly sensitive to the assumptions used during the previous forecasting process. Cash positions could differ from the results presented to the extent that actual experience varies from that which was assumed. Nevertheless, we believe that the results of our analyses reasonably present the Trust Fund's financial outlook through the forecasted period.

Attachments

STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

Financial Outlook

(Post Session)⁽¹⁾

Fiscal Year 1997-98

(In Millions)

	(A)	(B)	(B) - (A)
	Estimating Conference Outlook	Post-Session Outlook	Difference
	March '98	June '98	
BEGINNING CASH BALANCE	\$ 40.0	\$ 40.0	\$ 0.0
Adjustment to Decrease Beginning Cash Balance ⁽²⁾	(8.0)	(8.0)	0.0
ADJUSTED BEGINNING CASH BALANCE	\$ 32.0	\$ 32.0	\$ 0.0
REVENUES:			
Insurance Premiums:			
State Contributions	373.5	373.5	0.0
Employee Contributions	96.6	96.6	0.0
Medicare Contributions	24.9	24.9	0.0
Early Retiree Contributions	13.7	13.7	0.0
COBRA Contributions	3.6	3.6	0.0
Interest on Investments	2.3	2.3	0.0
TPA Refunds/Rebates	7.5	7.5	0.0
Pre-Tax Trust Fund Transfer	11.0	11.0	0.0
Other Revenues	0.8	0.8	0.0
TOTAL REVENUES	\$ 533.9	\$ 533.9	\$ 0.0
TOTAL CASH AVAILABLE	565.9	565.9	0.0
EXPENSES:			
Medical Claims - BCBSF	\$ 107.9	\$ 107.9	\$ 0.0
Medical Claims - Unisys	224.3	224.3	0.0
Prescription Drug Claims	66.9	66.9	0.0
HMO Contract Fees	226.5	226.5	0.0
ASO Fee - BCBSF	10.5	10.5	0.0
ASO Fee - Unisys	9.3	9.3	0.0
ASO Fee - EHS	0.1	0.1	0.0
DSGI Administrative Costs	5.0	5.0	0.0
Premium Refunds	1.3	1.3	0.0
Other Expenses	1.9	1.9	0.0
TOTAL EXPENSES	\$ 653.7	\$ 653.7	\$ 0.0
EXCESS OF REVENUES OVER EXPENSES	\$ (119.8)	\$ (119.8)	\$ 0.0
Plus Special Appropriations ⁽³⁾	\$ 67.6	\$ 67.6	\$ 0.0
Plus Cash Transfer ⁽⁴⁾	54.8	54.8	0.0
Less Repayment of Cash Transfer ⁽⁵⁾	(54.8)	(34.6)	20.2
ENDING CASH BALANCE	\$ (20.2)	\$ 0.0	\$ 20.2
Projected Average Enrollment			
Self-Insured Plan	91,174	91,174	0
HMO Plans	67,568	67,568	0
Total	158,743	158,743	0

Notes:

- (1) Updated (6-98) to reflect 1998 legislative actions and other administrative activities.
- (2) To account for compensating cash balances maintained in bank accounts not previously reported.
- (3) Combined general revenue and trust fund appropriations provided by the 1997 Legislature.
- (4) Temporary transfer from trust funds in the State Treasury, pursuant to Section 215.18, F.S.
- (5) Remaining balance of \$20.2 million was funded by general revenue pursuant to Chapter 98-26, Laws of Florida (SB2504).

Financial Outlook

(Post Session)⁽¹⁾

Fiscal Year 1998-99

(In Millions)

	(A) Estimating Conference Outlook March '98	(B) Post-Session Outlook June '98	(B) - (A) Difference
BEGINNING CASH BALANCE	\$ 0.0 ⁽²⁾	\$ 0.0	\$ 0.0
REVENUES:			
Insurance Premiums: ⁽³⁾			
State Contributions	374.9	505.3	130.4
Employee Contributions	97.0	104.5	7.5
Medicare Contributions	25.5	29.4	3.9
Early Retiree Contributions	14.0	16.2	2.2
COBRA Contributions	3.7	4.3	0.6
Interest on Investments	1.2	1.2	0.0
TPA Refunds/Rebates	7.8	7.8	0.0
Pre-Tax Trust Fund Transfer	11.0	11.0	0.0
Other Revenues	0.0	0.0	0.0
TOTAL REVENUES	\$ 535.1	\$ 679.7	\$ 144.6
TOTAL CASH AVAILABLE	535.1	679.7	144.6
EXPENSES:			
Medical Claims - BCBSF	\$ 322.4	\$ 322.4	\$ 0.0
Medical Claims - Unisys	4.0	4.0	0.0
Prescription Drug Claims	80.3	80.3	0.0
HMO Contract Fees	230.1	230.1	0.0
ASO Fee - BCBSF	26.0	26.0	0.0
ASO Fee - Unisys	2.8	2.8	0.0
ASO Fee - EHS	0.1	0.1	0.0
DSGI Administrative Costs	5.0	5.0	0.0
Premium Refunds	1.2	1.2	0.0
Other Expenses	1.9	1.9	0.0
TOTAL EXPENSES	\$ 673.8	\$ 673.8	\$ 0.0
EXCESS OF REVENUES OVER EXPENSES	\$ (138.7)	\$ 5.9	\$ 144.6
Plus Special Appropriation ⁽⁴⁾	\$ 0.0	\$ 20.0	\$ 20.0
ACCUMULATED ENDING CASH BALANCE	\$ (158.9) ⁽⁵⁾	\$ 25.9	\$ 184.8
	<u>Projected Average Enrollment</u>		
	Self-Insured Plan	93,033	0
	HMO Plans	68,050	0
	Total	161,083	0

Notes:

(1) Updated (6-98) to reflect 1998 legislative actions and other administrative activities.

(2) For budgeting purposes, the beginning cash balance cannot be reflected as a deficit.

(3) Includes a premium rate increase (1998-99 General Appropriations Act (House Bill 4201)).

(4) Appropriation provided by the 1998 Legislature (General Appropriations Act (House Bill 4201)) to assist in forecasted cash shortfalls and potential HMO contract fee increases effective January 1, 1999. (Current HMO contract fee forecasts exclude any increases.)

(5) Includes prior year ending cash deficit.

Financial Outlook

(Post Session)⁽¹⁾

Fiscal Year 1999-00

(In Millions)

	(A) Estimating Conference Outlook March '98	(B) Post-Session Outlook June '98	(B) - (A) Difference
BEGINNING CASH BALANCE	\$ 0.0 ⁽²⁾	\$ 25.9	\$ 25.9
REVENUES:			
Insurance Premiums: ⁽³⁾			
State Contributions	369.5	493.4	123.9
Employee Contributions	95.6	109.8	14.2
Medicare Contributions	25.1	33.7	8.6
Early Retiree Contributions	13.8	18.5	4.7
COBRA Contributions	3.7	4.5	0.8
Interest on Investments	1.2	1.2	0.0
TPA Refunds/Rebates	7.9	7.9	0.0
Pre-Tax Trust Fund Transfer	11.0	11.0	0.0
Other Revenues	0.0	0.0	0.0
TOTAL REVENUES	\$ 527.8	\$ 680.0	\$ 152.2
TOTAL CASH AVAILABLE	527.8	705.9	178.1
EXPENSES:			
Medical Claims - BCBSF	\$ 328.5	\$ 328.5	\$ 0.0
Medical Claims - Unisys	0.0	0.0	0.0
Prescription Drug Claims	90.5	90.5	0.0
HMO Contract Fees	235.8	235.8	0.0
ASO Fee - BCBSF	27.6	27.6	0.0
ASO Fee - Unisys	0.0	0.0	0.0
ASO Fee - EHS	0.1	0.1	0.0
DSGI Administrative Costs	5.0	5.0	0.0
Premium Refunds	1.2	1.2	0.0
Other Expenses	1.9	1.9	0.0
TOTAL EXPENSES	\$ 690.6	\$ 690.6	\$ 0.0
EXCESS OF REVENUES OVER EXPENSES	\$ (162.8)	\$ (10.6)	\$ 152.2
ACCUMULATED ENDING CASH BALANCE	\$ (321.7) ⁽⁴⁾	\$ 15.3	\$ 337.0
<u>Projected Average Enrollment</u>			
Self-Insured Plan	93,860	93,860	0
HMO Plans	69,755	69,755	0
Total	163,616	163,616	0

Notes:

- (1) Updated (6-98) to reflect 1998 legislative actions and other administrative activities.
- (2) For budgeting purposes, the beginning cash balance cannot be reflected as a deficit.
- (3) Includes a premium rate increase (1998-99 General Appropriations Act (House Bill 4201)).
- (4) Includes prior year ending cash deficit.

STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

Estimated Monthly Cash Flow Statement *

(Post Session)⁽¹⁾

Fiscal Year 1997-98

(In Millions)

	Jul	Aug	Sept	Oct	Nov	Dec
BEGINNING CASH BALANCE	\$ 40.0	\$ 18.5	\$ 13.4	\$ 21.1	\$ 44.3	\$ 42.4
Adjustment to Decrease Beginning Cash Balance ⁽²⁾	(8.0)	0.0	0.0	0.0	0.0	0.0
ADJUSTED BEGINNING CASH BALANCE	\$ 32.0	\$ 18.5	\$ 13.4	\$ 21.1	\$ 44.3	\$ 42.4
REVENUES:						
Premium Contributions	38.0	27.3	42.8	42.7	42.7	57.8
Interest on Investments	0.2	0.1	0.1	0.1	0.2	0.2
TPA Refunds/Rebates	0.6	0.8	0.0	0.7	1.0	0.2
Pre-Tax Trust Fund Transfer	0.0	5.0	0.0	0.0	0.0	0.0
Other Revenues	0.8	0.0	0.0	0.0	0.0	0.0
TOTAL REVENUES	\$ 39.5	\$ 33.3	\$ 42.9	\$ 43.5	\$ 43.9	\$ 58.3
TOTAL CASH AVAILABLE	71.5	51.8	56.3	64.6	88.2	100.7
EXPENSES:						
Medical Claims - BCBSF	\$ 0.1	\$ 0.0	\$ 0.1	\$ 0.0	\$ 0.0	\$ 0.0
Medical Claims - Unisys	28.1	24.4	27.1	24.6	24.6	27.5
Prescription Drug Claims	4.7	4.9	4.7	7.5	2.4	7.6
HMO Contract Fees	18.7	18.8	18.8	18.9	18.9	19.0
ASO Fee - BCBSF	0.0	0.0	0.0	0.0	0.0	0.0
ASO Fee - Unisys	1.0	0.9	1.0	0.9	0.9	0.9
ASO Fee - EHS ⁽³⁾	0.0	0.0	0.0	0.0	0.0	0.0
DSGI Administrative Costs	0.3	0.3	0.3	0.5	0.2	0.3
Premium Refunds	0.1	0.1	0.1	0.1	0.1	0.2
Other Expenses	0.1	0.3	0.1	0.0	0.1	0.2
TOTAL EXPENSES	\$ 53.0	\$ 49.8	\$ 52.3	\$ 52.6	\$ 47.3	\$ 55.7
EXCESS OF REVENUE OVER EXPENSES	\$ (13.5)	\$ (16.5)	\$ (9.4)	\$ (9.1)	\$ (3.4)	\$ 2.6
Plus Special Appropriations ⁽⁴⁾	\$ 0.0	\$ 11.4	\$ 17.0	\$ 32.3	\$ 1.6	\$ 0.9
Plus Cash Transfer ⁽⁵⁾	0.0	0.0	0.0	0.0	0.0	0.0
Less Repayment of Cash Transfer ⁽⁶⁾	0.0	0.0	0.0	0.0	0.0	0.0
ENDING CASH BALANCE	\$ 18.5	\$ 13.4	\$ 21.1	\$ 44.3	\$ 42.4	\$ 46.0

(1) Updated (6-98) to reflect 1998 legislative actions and other administrative activities.

(2) To account for compensating cash balances maintained in bank accounts not previously reported.

(3) The monthly administrative fee is currently less than \$12,000.

(4) Combined general revenue and trust fund appropriations provided by the 1997 Legislature.

(5) Temporary transfer from trust funds in the State Treasury, pursuant to Section 215.18, F.S.

(6) Remaining balance of \$20.2 million was funded by general revenue pursuant to Chapter 98-26, Laws of Florida (SB2504).

* Manually calculated summation differences are due to rounding in formulas.

Estimated Monthly Cash Flow Statement *

(Post Session)⁽¹⁾

Fiscal Year 1997-98

(In Millions)

	Jan	Feb	Mar	Apr	May	Jun	FY 97-98
BEGINNING CASH BALANCE	\$ 46.0	\$ 73.7	\$ 69.3	\$ 54.7	\$ 44.4	\$ 30.9	\$ 40.0
Adjustment to Decrease Beginning Cash Balance ⁽²⁾	0.0	0.0	0.0	0.0	0.0	0.0	(8.0)
ADJUSTED BEGINNING CASH BALANCE	\$ 46.0	\$ 73.7	\$ 69.3	\$ 54.7	\$ 44.4	\$ 30.9	\$ 32.0
REVENUES:							
Premium Contributions	28.8	44.9	44.6	44.6	43.0	55.2	512.3
Interest on Investments	0.3	0.3	0.3	0.2	0.2	0.1	2.3
TPA Refunds/Rebates	1.4	0.3	0.5	0.9	0.5	0.5	7.5
Pre-Tax Trust Fund Transfer	0.0	0.0	0.0	0.0	0.0	6.0	11.0
Other Revenues	0.0	0.0	0.0	0.0	0.0	0.0	0.8
TOTAL REVENUES	\$ 30.4	\$ 45.6	\$ 45.4	\$ 45.7	\$ 43.7	\$ 61.9	\$ 533.9
TOTAL CASH AVAILABLE	76.4	119.2	114.7	100.5	88.1	92.8	565.9
EXPENSES:							
Medical Claims - BCBSF	\$ 0.8	\$ 8.0	\$ 22.6	\$ 24.4	\$ 25.5	\$ 26.4	\$ 107.9
Medical Claims - Unisys	31.8	18.6	7.0	3.5	3.5	3.5	224.3
Prescription Drug Claims	4.9	5.6	6.2	6.2	6.2	6.2	66.9
HMO Contract Fees	18.7	18.9	19.0	18.9	19.0	19.0	226.5
ASO Fee - BCBSF	0.0	0.0	4.2	2.1	2.1	2.1	10.5
ASO Fee - Unisys	0.8	0.6	0.6	0.6	0.6	0.6	9.3
ASO Fee - EHS ⁽³⁾	0.0	0.0	0.0	0.0	0.0	0.0	0.1
DSGI Administrative Costs	0.3	0.2	0.6	0.6	0.6	0.6	5.0
Premium Refunds	0.1	0.1	0.1	0.1	0.1	0.1	1.3
Other Expenses	0.1	0.3	0.2	0.2	0.2	0.2	1.9
TOTAL EXPENSES	\$ 57.5	\$ 52.4	\$ 60.4	\$ 56.6	\$ 57.7	\$ 58.6	\$ 653.7
EXCESS OF REVENUE OVER EXPENSES	\$ (27.1)	\$ (6.8)	\$ (15.0)	\$ (10.9)	\$ (14.0)	\$ 3.3	\$ (119.8)
Plus Special Appropriations ⁽⁴⁾	\$ 0.0	\$ 2.4	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.4	\$ 67.6
Plus Cash Transfer ⁽⁵⁾	54.8	0.0	0.0	0.0	0.0	0.0	54.8
Less Repayment of Cash Transfer ⁽⁶⁾	0.0	0.0	0.0	0.0	0.0	(34.6)	(34.6)
ENDING CASH BALANCE	\$ 73.7	\$ 69.3	\$ 54.7	\$ 44.4	\$ 30.9	\$ 0.0	\$ 0.0

(1) Updated (6-98) to reflect 1998 legislative actions and other administrative activities.

(2) To account for compensating cash balances maintained in bank accounts not previously reported.

(3) The monthly administrative fee is currently less than \$12,000.

(4) Combined general revenue and trust fund appropriations provided by the 1997 Legislature.

(5) Temporary transfer from trust funds in the State Treasury, pursuant to Section 215.18, F.S.

(6) Remaining balance of \$20.2 million was funded by general revenue pursuant to Chapter 98-26, Laws of Florida (SB2504).

* Manually calculated summation differences are due to rounding in formulas.

Estimated Monthly Cash Flow Statement *

(Post Session)⁽¹⁾

Fiscal Year 1998-99

(In Millions)

	Jul	Aug	Sept	Oct	Nov	Dec
BEGINNING CASH BALANCE	\$ 0.0	\$ 1.8	\$ (2.8)	\$ (5.2)	\$ (7.5)	\$ (9.1)
OPERATING REVENUES:						
Premium Contributions ⁽²⁾	36.2	50.8	53.1	53.1	53.1	53.2
Interest on Investments	0.1	0.1	0.1	0.1	0.1	0.1
TPA Refunds/Rebates	0.9	0.5	0.5	0.9	0.5	0.5
Pre-Tax Trust Fund Transfer	0.0	0.0	0.0	0.0	0.0	0.0
Other Revenues	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING REVENUES	\$ 37.2	\$ 51.4	\$ 53.7	\$ 54.1	\$ 53.7	\$ 53.8
TOTAL CASH AVAILABLE	37.2	53.2	50.9	48.9	46.2	44.6
OPERATING EXPENSES:						
Medical Claims - BCBSF	\$ 25.9	\$ 26.4	\$ 26.6	\$ 26.8	\$ 26.8	\$ 26.9
Medical Claims - Unisys	1.0	1.0	1.0	1.0	0.0	0.0
Prescription Drug Claims	6.2	6.2	6.2	6.2	6.2	6.2
HMO Contract Fees	19.0	19.0	19.0	19.0	19.1	19.1
ASO Fee - BCBSF	2.1	2.1	2.1	2.1	2.1	2.1
ASO Fee - Unisys	0.6	0.6	0.6	0.6	0.6	0.0
ASO Fee - EHS ⁽³⁾	0.0	0.0	0.0	0.0	0.0	0.0
DSGI Administrative Costs	0.4	0.4	0.4	0.4	0.4	0.4
Premium Refunds	0.1	0.1	0.1	0.1	0.1	0.1
Other Expenses	0.2	0.2	0.2	0.2	0.2	0.2
TOTAL EXPENSES	\$ 55.4	\$ 55.9	\$ 56.1	\$ 56.4	\$ 55.4	\$ 55.0
EXCESS OF REVENUE OVER						
EXPENSES	\$ (18.2)	\$ (4.6)	\$ (2.4)	\$ (2.3)	\$ (1.6)	\$ (1.2)
Plus Special Appropriation ⁽⁴⁾	\$ 20.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
ENDING CASH BALANCE	\$ 1.8	\$ (2.8)	\$ (5.2)	\$ (7.5)	\$ (9.1)	\$ (10.4)

(1) Updated (6-98) to reflect 1998 legislative actions and other administrative activities.

(2) Includes a premium rate increase (1998-99 General Appropriations Act (House Bill 4201)).

(3) The monthly administrative fee is currently less than \$12,000.

(4) Appropriation provided by the 1998 Legislature (General Appropriations Act (House Bill 4201)) to assist in forecasted cash shortfalls and potential HMO contract fee increases effective January 1, 1999. (Current HMO contract fee forecasts exclude any increases.)

* Manually calculated summation differences are due to rounding in formulas.

Estimated Monthly Cash Flow Statement *

(Post Session)⁽¹⁾

Fiscal Year 1998-99

(In Millions)

	Jan	Feb	Mar	Apr	May	Jun	FY 98-99
BEGINNING CASH BALANCE	(10.4)	\$ (9.7)	\$ (7.0)	\$ (4.4)	\$ (1.5)	\$ (1.5)	\$ 0.0
REVENUES:							
Premium Contributions ⁽²⁾	55.9	58.5	58.6	58.6	56.1	72.6	659.7
Interest on Investments	0.1	0.1	0.1	0.1	0.1	0.1	1.2
TPA Refunds/Rebates	0.9	0.5	0.5	0.9	0.5	0.5	7.8
Pre-Tax Trust Fund Transfer	0.0	0.0	0.0	0.0	0.0	11.0	11.0
Other Revenues	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL REVENUES	\$ 56.9	\$ 59.2	\$ 59.2	\$ 59.6	\$ 56.8	\$ 84.2	\$ 679.7
TOTAL CASH AVAILABLE	46.6	49.4	52.2	55.2	55.3	82.7	679.7
EXPENSES:							
Medical Claims - BCBSF	\$ 26.9	\$ 27.1	\$ 27.1	\$ 27.2	\$ 27.3	\$ 27.4	\$ 322.4
Medical Claims - Unisys	0.0	0.0	0.0	0.0	0.0	0.0	4.0
Prescription Drug Claims	7.2	7.2	7.2	7.2	7.2	7.2	80.3
HMO Contract Fees	19.3	19.3	19.3	19.3	19.4	19.4	230.1
ASO Fee - BCBSF	2.2	2.2	2.2	2.2	2.2	2.2	26.0
ASO Fee - Unisys	0.0	0.0	0.0	0.0	0.0	0.0	2.8
ASO Fee - EHS ⁽³⁾	0.0	0.0	0.0	0.0	0.0	0.0	0.1
DSGI Administrative Costs	0.4	0.4	0.4	0.4	0.4	0.4	5.0
Premium Refunds	0.1	0.1	0.1	0.1	0.1	0.1	1.2
Other Expenses	0.2	0.2	0.2	0.2	0.2	0.2	1.9
TOTAL EXPENSES	\$ 56.3	\$ 56.5	\$ 56.6	\$ 56.7	\$ 56.8	\$ 56.9	\$ 673.8
EXCESS OF REVENUE OVER EXPENSES	\$ 0.7	\$ 2.7	\$ 2.6	\$ 2.9	\$ 0.0	\$ 27.3	\$ 5.9
Plus Special Appropriation ⁽⁴⁾	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 20.0
ENDING CASH BALANCE	\$ (9.7)	\$ (7.0)	\$ (4.4)	\$ (1.5)	\$ (1.5)	\$ 25.9	\$ 25.9

(1) Updated (6-98) to reflect 1998 legislative actions and other administrative activities.

(2) Includes a premium rate increase (1998-99 General Appropriations Act (House Bill 4201)).

(3) The monthly administrative fee is currently less than \$12,000.

(4) Appropriation provided by the 1998 Legislature (General Appropriations Act (House Bill 4201)) to assist in forecasted cash shortfalls and potential HMO contract fee increases effective January 1, 1999. (Current HMO contract fee forecasts exclude any increases.)

* Manually calculated summation differences are due to rounding in formulas.

STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

Estimated Monthly Cash Flow Statement *

(Post Session)⁽¹⁾

Fiscal Year 1999-00

(In Millions)

	Jul	Aug	Sept	Oct	Nov	Dec
BEGINNING CASH BALANCE	\$ 25.9	\$ 4.7	\$ 2.1	\$ 2.1	\$ 2.5	\$ 2.6
REVENUES:						
Premium Contributions ⁽²⁾	34.7	53.7	56.3	56.3	56.4	56.4
Interest on Investments	0.1	0.1	0.1	0.1	0.1	0.1
TPA Refunds/Rebates	0.9	0.5	0.5	0.9	0.5	0.5
Pre-Tax Trust Fund Transfer	0.0	0.0	0.0	0.0	0.0	0.0
Other Revenues	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL REVENUES	\$ 35.7	\$ 54.4	\$ 56.9	\$ 57.3	\$ 57.0	\$ 57.1
TOTAL CASH AVAILABLE	61.6	59.1	59.0	59.5	59.5	59.6
EXPENSES:						
Medical Claims - BCBSF	\$ 27.3	\$ 27.4	\$ 27.2	\$ 27.3	\$ 27.3	\$ 27.4
Medical Claims - Unisys	0.0	0.0	0.0	0.0	0.0	0.0
Prescription Drug Claims	7.2	7.2	7.2	7.2	7.2	7.2
HMO Contract Fees	19.4	19.4	19.5	19.5	19.5	19.6
ASO Fee - BCBSF	2.2	2.2	2.2	2.2	2.2	2.2
ASO Fee - Unisys	0.0	0.0	0.0	0.0	0.0	0.0
ASO Fee - EHS ⁽³⁾	0.0	0.0	0.0	0.0	0.0	0.0
DSGI Administrative Costs	0.4	0.4	0.4	0.4	0.4	0.4
Premium Refunds	0.1	0.1	0.1	0.1	0.1	0.1
Other Expenses	0.2	0.2	0.2	0.2	0.2	0.2
TOTAL EXPENSES	\$ 56.8	\$ 57.0	\$ 56.8	\$ 57.0	\$ 56.9	\$ 57.1
EXCESS OF REVENUE OVER EXPENSES	\$ (21.1)	\$ (2.7)	\$ 0.1	\$ 0.3	\$ 0.1	\$ 0.0
ENDING CASH BALANCE	\$ 4.7	\$ 2.1	\$ 2.1	\$ 2.5	\$ 2.6	\$ 2.6

(1) Updated (6-98) to reflect 1998 legislative actions and other administrative activities.

(2) Includes a premium rate increase (1998-99 General Appropriations Act (House Bill 4201)).

(3) The monthly administrative fee is currently less than \$12,000.

* Manually calculated summation differences are due to rounding in formulas.

STATE EMPLOYEES' GROUP HEALTH SELF-INSURANCE TRUST FUND

Estimated Monthly Cash Flow Statement *

(Post Session)⁽¹⁾

Fiscal Year 1999-00

(In Millions)

	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>FY 99-00</u>
BEGINNING CASH BALANCE	\$ 2.6	\$ 2.3	\$ 4.2	\$ 6.1	\$ 8.3	\$ 26.9	\$ 25.9
REVENUES:							
Premium Contributions ⁽²⁾	56.7	59.3	59.3	59.4	76.1	35.2	659.9
Interest on Investments	0.1	0.1	0.1	0.1	0.1	0.1	1.2
TPA Refunds/Rebates	0.9	0.5	0.5	0.9	0.5	0.5	7.9
Pre-Tax Trust Fund Transfer	0.0	0.0	0.0	0.0	0.0	11.0	11.0
Other Revenues	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL REVENUES	\$ 57.7	\$ 59.9	\$ 60.0	\$ 60.4	\$ 76.7	\$ 46.8	\$ 680.0
TOTAL CASH AVAILABLE	60.3	62.3	64.2	66.5	85.0	73.6	705.9
EXPENSES:							
Medical Claims - BCBSF	\$ 27.3	\$ 27.5	\$ 27.4	\$ 27.5	\$ 27.4	\$ 27.5	\$ 328.5
Medical Claims - Unisys	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prescription Drug Claims	7.8	7.8	7.9	7.9	7.9	7.9	90.5
HMO Contract Fees	19.7	19.8	19.8	19.8	19.8	19.9	235.8
ASO Fee - BCBSF	2.4	2.4	2.4	2.4	2.4	2.4	27.6
ASO Fee - Unisys	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ASO Fee - EHS ⁽³⁾	0.0	0.0	0.0	0.0	0.0	0.0	0.1
DSGI Administrative Costs	0.4	0.4	0.4	0.4	0.4	0.4	5.0
Premium Refunds	0.1	0.1	0.1	0.1	0.1	0.1	1.2
Other Expenses	0.2	0.2	0.2	0.2	0.2	0.2	1.9
TOTAL EXPENSES	\$ 57.9	\$ 58.1	\$ 58.1	\$ 58.2	\$ 58.2	\$ 58.4	\$ 690.6
EXCESS OF REVENUE OVER EXPENSES	\$ (0.2)	\$ 1.8	\$ 1.9	\$ 2.2	\$ 18.6	\$ (11.6)	\$ (10.6)
ENDING CASH BALANCE	\$ 2.3	\$ 4.2	\$ 6.1	\$ 8.3	\$ 26.9	\$ 15.2	\$ 15.3

(1) Updated (6-98) to reflect 1998 legislative actions and other administrative activities.

(2) Includes a premium rate increase (1998-99 General Appropriations Act (House Bill 4201)).

(3) The monthly administrative fee is currently less than \$12,000.

* Manually calculated summation differences are due to rounding in formulas.