



FISCAL NOTE

Ordinance/Motion No.	Two Memoranda of Agreement - Joint Labor Management Insurance Committee Health Benefits		
Title:	2018 Accountable Health Networks Agreement and Healthy Incentives and 2019 Benefits Plan Designs		
Effective Date:	1/1/2018		
Affected Agency and/or Agencies:	Benefits Fund		
Note Prepared by:	Jim Swails, Office of Labor Relations	Phone: 263-1969	
Department Sign Off:	Karleen Sakumoto, Health Reform Project Manager	Phone: 263-2442	
Note Reviewed by: Supplemental Required?	Helene Ellickson, Budget Manager		Phone: 263-9691
NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>		

EXPENDITURES FROM:

Fund Title	Fund Code	Department	2018	2019
Benefits	5500	DES	(\$53,000)	\$543,000
TOTAL:			(\$53,000)	\$543,000
CUMULATIVE TOTAL:				\$490,000

EXPENDITURE BY CATEGORIES:

Expense Type	Fund Code	Department	2018	2019
Salaries				
OT				
PERS & FICA				
Health Benefits			(\$53,000)	\$543,000
TOTAL:			(\$53,000)	\$543,000
CUMULATIVE TOTAL:				\$490,000

ASSUMPTIONS:

Assumptions used in estimating expenditure include:

1. MOA Period(s): 1/1/2018 to 12/31/2019

2. Wage Adjustments & Effective Dates:

 GWI:

 Retro/Lump Sum Payment:

3. Other Wage-Related Factors:

 Step Increase Movement:

 PERS & FICA:

 Overtime:

4. Other Cost Factors:

Assumed a 5% enrollment shift between KingCare and the AHN option.

Savings dependent on number of employees that select the AHN option. The greater the percentage of employees that select the AHN plans the greater the savings. Savings could reach as high as \$1,806,000 should 25% of employees move from KingCare to AHN.

Changes to Healthy Incentives for 2018 not expected to have a fiscal impact.

Projected cost of moving all employees to gold level coverage in 2019 is \$600,000. That increase is offset by \$57,000 in projected 2019 AHN savings for a net increase of \$543,000 in 2019.

Burgert, Carolyn

From: Sakumoto, Karleen
Sent: Tuesday, January 16, 2018 3:23 PM
To: Swails, Jim
Cc: Railton, Bob; Burgert, Carolyn
Subject: RE: Updated Fiscal Note Attached

This is approved for transmittal to Council staff.

From: Swails, Jim
Sent: Tuesday, January 16, 2018 3:14 PM
To: Sakumoto, Karleen
Cc: Railton, Bob; Burgert, Carolyn
Subject: Updated Fiscal Note Attached

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