

# State Risk Pool Renewal

R. Chet Loftis, Director



**peHP** Serving the Employees Who Serve Utah

## Historical Funding

Time Period (fiscal year)	State Appropriation	Total Cost
2006-07	\$211.5	\$215.8
2007-08	\$235.2	\$240.0
2008-09	\$231.6	\$236.3
2009-10	\$225.0	\$236.8
2010-11	\$234.6	\$246.9
2011-12	\$212.0	\$235.2
2012-13	\$212.0	\$235.2



## Funding Reserves

Time Period (fiscal year)	Reserve Dollars (in millions)	Days of Reserve
2006-07	\$34.3	53
2007-08	\$48.8	69
2008-09	\$42.0	60
2009-10	\$61.1	88
2010-11	\$84.8	109
2011-12	\$77.7	102
2012-13	\$62.5	81
2013-14	\$40.4	50



## Funding Impact in FY 2015

- » Project 22% over next two years
- » Last Year: 5.5% in FY14 and 16.5% in FY15
- » PPACA fees of \$2.3M in FY14 & \$3.8M FY 15
- » Keep **costs** as **low** as possible
- » Keep **reserves** within recommended levels  
(No less than 50 days)
- » How smooth to make next three-years?

*PEHP*

## FY 2014 Appropriation

- » Increase: 5.5% = \$11.7M
- » FY15 Allocation: 3.5% = \$7.4M
- » PPACA: \$2.3M
- » State Appropriation: \$223.7M
- » Employee Share: \$23.8M
- » Total Premium: \$247.7M

*PEHP*

## FY 2015 Appropriation

- » Total Increase: 9.5% = \$22.3M
- » PPACA Fees Included: 1.8% = \$3.9M
- » FY15 Offset for 3.5% = \$7.4M
- » State Appropriation: \$253.5M
- » Employee Share: \$23.8M
- » Total Premium: \$277.3M

*PEHP*

## Reserve Levels

- » End of FY13: \$69.6M 95 days
- » End of FY14: \$37.0M 50 days

*PEHP*

## PPACA Reinsurance Charge

FY 2014	\$2,283,063
FY 2015	\$3,882,139
FY 2016	\$2,598,033
<u>FY 2017</u>	<u>\$ 998,957</u>
Total	\$9,762,192

*PEHP*