

Greater Tompkins County Municipal Health Insurance Consortium
2010 - 2015 Fiscal Year Budget Projections

| | <u>Original Estimates</u> <u>2010 Fiscal Year</u> | <u>Revised Estimates</u> <u>2010 Fiscal Year</u> | <u>Eff. Date 10/01/10</u> <u>2010 Fiscal Year</u> | <u>Future Estimates</u> <u>2011 Fiscal Year</u> | <u>Future Estimates</u> <u>2012 Fiscal Year</u> | <u>Future Estimates</u> <u>2013 Fiscal Year</u> | <u>Future Estimates</u> <u>2014 Fiscal Year</u> | <u>Future Estimates</u> <u>2015 Fiscal Year</u> |
|-----------------------------------|--|---|--|--|--|--|--|--|
| Beginning Balance | \$0.00 | \$0.00 | \$0.00 | \$4,146,535.79 | \$4,751,459.57 | \$5,611,012.49 | \$6,764,397.30 | \$6,918,283.64 |
| Income | | | | | | | | |
| Premium | \$24,474,708.93 | \$24,474,708.93 | \$6,118,677.23 | \$26,799,806.28 | \$29,345,787.87 | \$32,133,637.72 | \$35,186,333.31 | \$38,529,034.97 |
| Interest | \$40,000.00 | \$40,000.00 | \$0.00 | \$41,465.36 | \$47,514.60 | \$56,110.12 | \$67,643.97 | \$69,182.84 |
| Capitalization Investment | \$0.00 | \$1,223,736.00 | \$1,223,736.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Other | \$0.00 | \$0.00 | \$0.00 | \$150,000.00 | \$150,000.00 | \$150,000.00 | \$150,000.00 | \$150,000.00 |
| Total Income | \$24,514,708.93 | \$25,738,444.93 | \$7,342,413.23 | \$26,991,271.64 | \$29,543,302.47 | \$32,339,747.85 | \$35,403,977.28 | \$38,748,217.81 |
| Expenses | | | | | | | | |
| Paid Claims | \$17,569,409.00 | \$20,005,221.00 | \$2,811,580.44 | \$24,745,094.38 | \$26,935,035.24 | \$29,318,785.86 | \$31,913,498.40 | \$34,737,843.01 |
| Admin. Fees | \$693,168.00 | \$686,112.00 | \$171,528.00 | \$713,556.48 | \$734,963.17 | \$757,012.07 | \$779,722.43 | \$803,114.10 |
| NYS Graduate Medical Exp. | \$231,883.00 | \$231,883.00 | \$57,970.75 | \$243,477.15 | \$255,651.01 | \$268,433.56 | \$281,855.24 | \$295,948.00 |
| Specific Stop-Loss (Ded. \$250k) | \$259,938.00 | \$381,672.00 | \$95,418.00 | \$438,922.80 | \$504,761.22 | \$580,475.40 | \$667,546.71 | \$767,678.72 |
| Aggregate Stop-Loss (125%) | \$75,000.00 | \$32,521.00 | \$8,130.25 | \$34,147.05 | \$35,854.40 | \$37,647.12 | \$39,529.48 | \$41,505.95 |
| Legal Fees | \$25,000.00 | \$25,000.00 | \$6,250.00 | \$25,750.00 | \$26,522.50 | \$27,318.18 | \$28,137.72 | \$28,981.85 |
| Consultant Fees | \$50,000.00 | \$50,000.00 | \$12,500.00 | \$51,500.00 | \$53,045.00 | \$54,636.35 | \$56,275.44 | \$57,963.70 |
| Audit Fees | \$5,000.00 | \$5,000.00 | \$1,250.00 | \$5,150.00 | \$5,304.50 | \$5,463.64 | \$5,627.54 | \$5,796.37 |
| Insurances (Directors & Officers) | \$20,000.00 | \$20,000.00 | \$5,000.00 | \$20,600.00 | \$21,218.00 | \$21,854.54 | \$22,510.18 | \$23,185.48 |
| Internal Coordination (Finance) | \$57,000.00 | \$57,000.00 | \$14,250.00 | \$58,710.00 | \$60,471.30 | \$62,285.44 | \$64,154.00 | \$66,078.62 |
| Internal Coordination (Support) | \$43,000.00 | \$43,000.00 | \$10,750.00 | \$44,290.00 | \$45,618.70 | \$46,987.26 | \$48,396.88 | \$49,848.79 |
| Surety Bond Fee / Loan Interest | n/a | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Capitalization Repayment | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$1,337,209.37 | \$0.00 |
| Other Expenses | \$5,000.00 | \$5,000.00 | \$1,250.00 | \$5,150.00 | \$5,304.50 | \$5,463.64 | \$5,627.54 | \$5,796.37 |
| Total Expenses | \$19,034,398.00 | \$21,542,409.00 | \$3,195,877.44 | \$26,386,347.86 | \$28,683,749.54 | \$31,186,363.04 | \$35,250,090.94 | \$36,883,740.97 |
| Net Income | \$5,480,310.93 | \$4,196,035.93 | \$4,146,535.79 | \$604,923.77 | \$859,552.93 | \$1,153,384.80 | \$153,886.34 | \$1,864,476.83 |
| Ending Balance | \$5,480,310.93 | \$4,196,035.93 | \$4,146,535.79 | \$4,751,459.57 | \$5,611,012.49 | \$6,764,397.30 | \$6,918,283.64 | \$8,782,760.47 |
| Liabilities | | | | | | | | |
| IBNR Reserve | \$3,422,509.95 | \$2,777,909.70 | \$2,777,909.70 | \$3,166,361.74 | \$3,442,049.95 | \$3,742,363.57 | \$4,069,545.79 | \$4,426,048.92 |
| Rate Stabilization Reserve | \$1,223,735.45 | \$1,223,735.45 | \$1,223,735.45 | \$1,339,990.31 | \$1,467,289.39 | \$1,606,681.89 | \$1,759,316.67 | \$1,926,451.75 |
| Unencumbered Fund Balance | \$834,065.53 | \$194,390.79 | \$144,890.65 | \$245,107.51 | \$701,673.16 | \$1,415,351.85 | \$1,089,421.18 | \$2,430,259.80 |

Assumptions 2011 to 2015 Fiscal Years

1. Premium Revenue Increased by 9.5%
2. Interest Income = 1% of Beginning Balance
3. Prescription Drug Rebates = \$150,000
4. Paid Claims Trend = 8.85%
5. Administrative Fees Per Agreement with Excellus BCBS then Increased by 3% Per Annum
6. NYS GME Increased by 5%
7. Specific Stop-Loss Insurance Increased by 15%
8. Aggregate Stop-Loss Insurance Increased by 5%
9. Surety Bond Fee / Loan Interest Estimated at 3% of Principle Balance
10. All other Fees Increased by 3%
11. Capitalization Repayment includes annual interest of 3%