

## **Pima County Health Care Benefits Trust Board Meeting**

Pursuant to A.R.S. §38-431.02, notice is hereby given that the Pima county Health Care Benefits Trust will hold a meeting open to the public on Thursday, May 8, 2014; convening at 9:00a.m., in the Human Resources Training Room, located on the 4<sup>th</sup> floor, 150 W. Congress, Tucson, Arizona.

---

### **AGENDA**

- A. Roll Call**
- B. Pledge of Allegiance**
- C. Approve Meeting Minutes of November 7<sup>th</sup>, 2013**
- D. Approve Meeting Minutes of February 13<sup>th</sup>, 2014**
- E. Employee Insurance Rates FY14/15 – Board of Supervisors Approval**
- F. Pima County Health Plan Review (Aetna)**
- G. Pima County Financial Review**
- H. Next meeting date**
- I. Adjournment**

---

Should you require ADA accommodations, please contact Human Resources at (520) 724-2732. Requests should be made at least 36 hours before the meeting to facilitate the accommodation.

## **Pima County Health Care Benefits Trust Board Meeting Minutes**

Health Care Benefits Trust met in regular session at their regular meeting place in the Human Resources Training Room, located on the 4<sup>th</sup> floor, 150 W. Congress, 4th Tucson, Arizona at 9:00 a.m. on Thursday, November 7<sup>th</sup>, 2013.

Upon roll call, those present and absent were as follows:

Present: M. Allyn Bulzomi, Chairman  
Dr. Neil West, Member  
Patricia Taylor, Member  
Janet Marcotte, Member

Absent: Henry K. Boice, Member

Also Present: Marchelle Pappas, Board Coordinator  
Patrick McGee, Pima County Finance  
Meredith Litton, Pima County Finance  
Paul Guerrero, Pima County Finance  
Ellen Moulton, Pima County Finance  
Tom Burke, Director, Pima County Finance/Risk  
Management  
Terri Morando, Pima County Human Resources  
Cecilia Damron, Pima County Human Resources  
Gayl Hayes, Pima County Human Resources  
Paul Zucarelli, President, CBIZ, Consultant  
Frank Benedetto, Aetna  
Dave Madden, Aetna  
Dr. James Krominga, Aetna

### **1. PLEDGE OF ALLEGIANCE**

All present joined in the pledge of allegiance.

### **2. Introductions**

Chairman Bulzomi had all present introduce themselves to the Board Members.

### **3. Open Meeting Law Briefing – Discussion**

Chairman Bulzomi drew attention to the handout given regarding Open Meeting Laws. Discussion followed. No action taken.

**4. Transition to Self-Insurance**

Gayl Hayes presented the path Pima County took towards the path to self-insurance. Discussion followed. No action taken.

**5. Health Care Reform Compliance Study**

Paul Zucarelli presented the Health Care Reform Financial Impact, prepared by CBIZ for Pima County. Handout of the study was reviewed. Discussion followed. No action taken.

**6. Pima County Financial Review**

Paul Guerrero presented the first quarter, July 2013 through September 2013; financial statements of Pima County Benefits Trust to the Board. Handout of the financial review presented was given. Discussion followed. No action taken.

**7. Pima County Health Plan Review**

Dave Madden presented Pima County's Health Plan Review, prepared by Aetna. Handout of the Health Plan Review presented was given. Frank Benedetto and Dr. James Krominga participated in discussion with the Board. No action taken.

**8. Meeting Schedule**

Chairman Bulzomi presented the quarterly meeting schedule to the Board. Next meeting will be held on February 13<sup>th</sup>, 2014 at 9:00 a.m. No discussion. No action taken.

**9. Adjournment**

As there was no further business, the meeting was adjourned at 10:40 am.

## **Pima County Health Care Benefits Trust Board Meeting Minutes**

Health Care Benefits Trust met in regular session at their regular meeting place in the Human Resources Training Room, located on the 4<sup>th</sup> floor, 150 W. Congress, 4th Tucson, Arizona at 9:00 a.m. on Thursday, February 13<sup>th</sup>, 2014.

Upon roll call, those present and absent were as follows:

Present: M. Allyn Bulzomi, Chairman  
Dr. Neil West, Member  
Patricia Taylor, Member  
Janet Marcotte, Member  
Henry K. Boice, Member

Absent: None

Also Present: Marchelle Pappas, Board Coordinator  
Patrick McGee, Pima County Finance  
Paul Guerrero, Pima County Finance  
Tom Burke, Director, Pima County Finance/Risk Management  
Terri Morando, Pima County Human Resources  
Cecilia Damron, Pima County Human Resources  
Gayl Hayes, Pima County Human Resources  
Paul Zucarelli, President, CBIZ, Consultant  
Frank Benedetto, Aetna  
Dave Madden, Aetna  
Dr. James Krominga, Aetna

### **1. PLEDGE OF ALLEGIANCE**

All present joined in the pledge of allegiance.

### **2. Pima County Health Plan Review Aetna**

Branson Cobb presented Pima County's Health Plan Review, prepared by Aetna. Frank Benedetto and Dr. James Krominga participated in the presentation. Discussion followed.

The Board requests explanation of the prescription drug diagnoses for usage as part of the Aetna plan review at the next meeting.

**3. Pima County Health Plan Review**

Tom Burke presented the second quarter, September 2013 through December 2013; financial statements of Pima County Benefits Trust to the Board. Handout of the financial review presented was given. Discussion followed. No action taken.

**4. Meeting Schedule**

Next meeting will be held on May 8th, 2014 at 9:00 a.m. No discussion. No action taken.

The Board requests the Percentage of employees who have seen a primary care physician or who have had a preventative care appointment. Aetna will present information at the next scheduled meeting.

**5. Adjournment**

As there was no further business, the meeting was adjourned at 10:38 a.m.



# Board of Supervisors Memorandum

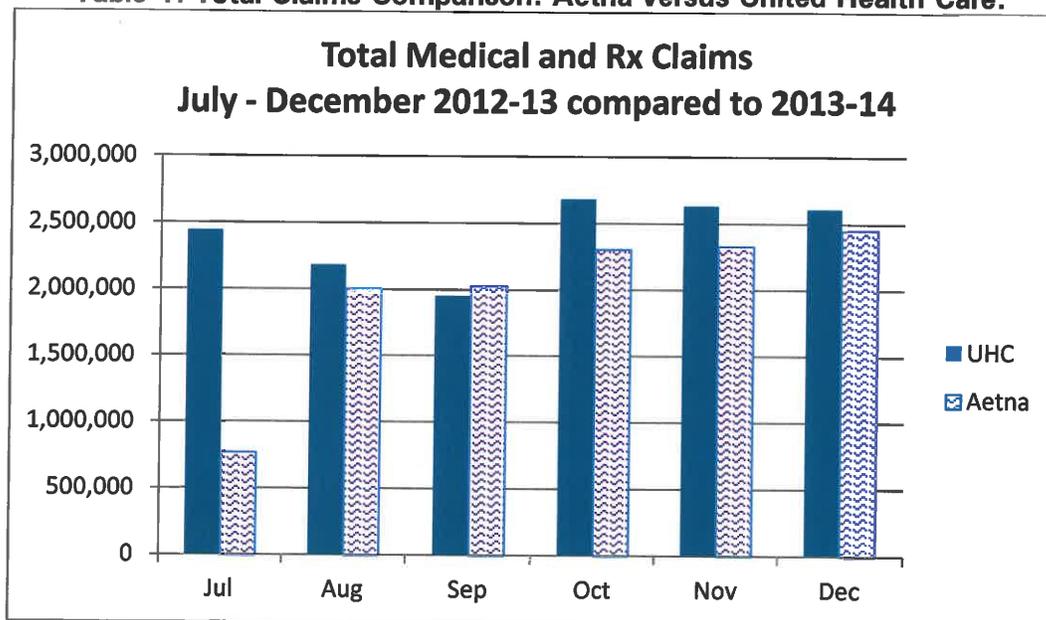
March 18, 2014

## Medical Insurance for County Employees – Fiscal Year 2014/15

### Introduction

Pima County is now in its eighth month of self-insurance. The implementation and transition went very well, with minimal disruption to our employees. Another positive note is that as anticipated, claims costs are currently below what they were month-by-month in Fiscal Year (FY) 2012/13 (see Table 1 below). The current plan year still has four months remaining, which are typically higher than earlier months in the plan year, but I am optimistic that at year end, we will still have reduced costs over prior years.

**Table 1: Total Claims Comparison: Aetna versus United Health Care.**



Now that the transition is behind us, it is time to map out a strategic plan to begin building a reserve balance that is sufficient to facilitate the repayment of the initial \$10 million loan and eliminate the need to purchase stop loss coverage. To accomplish this, we reviewed each plan's current premiums compared to utilization and factored in the current healthcare cost trends.

Based on current projections, a 0.36 percent increase in overall premiums is the minimum required to break even next fiscal year. It was recommended by the actuary to increase premiums by 5.36 percent in order to generate reserves. This recommendation was based

on two years of claims data. Since we are experiencing a decline in costs with the new plan, we expect costs to continue to be less than with the prior carrier; therefore, I am recommending an increase in overall premiums of only 5 percent. This increase is projected to generate a \$2 million reserve at the end of FY 2015/16.

The costs in the Preferred Provider Organization (PPO) are higher than the High Deductible Health Plan (HDHP) relative to enrollment. It has been and continues to be our goal to encourage employees to transition to the HDHP. Typically, the HDHP is more advantageous to both the employee and the County than the PPO. Therefore, Human Resources will be conducting two educational series for employees this spring. One will be geared toward current HDHP members with the focus of maximizing their healthcare dollars. The second session will explain the HDHP to current PPO members in an effort to transition more members to the HDHP.

Table 2 below contains the cost breakdown using the current funding and Healthy Lifestyle Premium Discount (HLPD) structure with the above mentioned premium changes.

**Table 2: Direct Impact of the Increase in Medical Premiums with Current Structure.**

			Current Rates FY 2013/14		Proposed Rates FY 2014/15			
Plan	Level of Coverage	Number of Employees Enrolled	Employee Portion	County Portion	Employee Portion	County Portion	Employee portion w/\$20 HLPD	Employee change
PPO	Ee Only	795	\$42.93	\$151.46	\$45.07	\$159.04	\$25.07	\$2.14
	Ee + Spouse	305	90.75	354.05	95.28	371.76	75.28	4.53
	Ee + Child(ren)	244	88.69	344.46	93.12	361.69	73.12	4.43
	Ee + Family	382	130.13	502.95	136.63	528.11	116.63	6.50
HDHP	Ee Only	1418	20.00	120.51	21.00	126.53	1.00	1.00
	Ee + Spouse	503	29.50	292.00	30.97	306.60	10.97	1.47
	Ee + Child(ren)	490	29.50	283.58	30.97	297.76	10.97	1.47
	Ee + Family	1005	47.20	410.39	49.56	430.91	29.56	2.36

**Healthy Lifestyle Premium Discounts**

As outlined during last year's Annual Open Enrollment, the reporting period for this year's Healthy Lifestyle Premium Discounts is March 01, 2013 through February 28, 2014. Accordingly, Employee Wellness has worked diligently with departments and individual employees to ensure that as many employees as possible are eligible to receive discounts on their medical insurance premiums for the upcoming plan year. Employees have access

to their recorded activities in ADP / HR Benefits Solution and have received numerous communications on the reporting period and deadline to complete activities. Employees will need to certify their eligibility online during Annual Open Enrollment, and their responses will be validated by Human Resources prior to July 01, 2014. Any activities completed after February 28, 2014 will be counted toward the FY 2015/16 Healthy Lifestyle Premium Discounts. This will help ensure compliance before discounts are awarded in the July, 2014 premiums.

Below is the number of employees eligible (as of January 31, 2014) to receive discounts in FY2014/15 based on the reporting period of March 01, 2013 – February 28, 2014.

- Discount #1 – Tobacco-free for the past six months (unknown – self-identified)
- Discount #2 – Take the online health assessment (3,612 eligible)
- Discount #3 – Complete a preventive exam or screening (3,375 eligible)
- Discount #4 – Earn at least 100 Healthy Lifestyle Activity Point - Exercise Logs or other Employee Wellness Activities (1,422 eligible)

Below is the number of employees receiving discounts in FY 2013/14.

- Discount #1 – (3,498)
- Discount #2 – (3,337)
- Discount #3 – (3,347)
- Discount #4 – (2,524)
- All four discounts (2,249)

Below is the number of employees (as of January 31, 2014) currently receiving discounts that are not eligible for FY 2014/15.

- Discount #1 – (unknown as this will be self-identified by the employee)
- Discount #2 – (367)
- Discount #3 – (696)
- Discount #4 – (1,254; 661 employees have zero points)
- All four discounts (139)

### **“Three Simple Steps to Wellness”**

Last fall, Pima County participated in a very important campaign, “3 Simple Steps to Wellness.” The purpose of this campaign was to have at least 50 percent of our employees insured on the medical plans to complete a biometric screening, an online health assessment and an online wellness consultation. This was done in order to meet the requirements of the performance guarantees as outlined in Aetna’s Request for Proposals response. Approximately 1,800 employees (35 percent) completed all three steps of the program and received a \$50 gift card. Their participation also satisfied the requirements

for Healthy Lifestyle Premium Discounts 2 and 3. I am also recommending that an additional reward be given to those 1,800 employees that completed all three steps.

Originally, I intended to propose offering those 1,800 employees a fifth discount. After considering this further, I wanted to provide a nonmonetary incentive option for your consideration. Since these employees are already eligible for Discount 2 and Discount 3 as two of the three components of "3 Simple Steps to Wellness" required an online health assessment and a preventive screening; it seems an alternative reward might be beneficial.

I suggest the alternative reward for each of the 1,800 eligible employees be an electronic device from Spark People that measures activity (<http://www.sparkactivitytracker.com/>). This device syncs automatically with the individual's home computer and/or smart phone. Users may view their results and run reports. This will enable employees to more easily record their daily steps and physical activity minutes, which will support and promote Discount 4. The cost for this option is \$86,400 (\$48 x 1,800 eligible employees).

### **Health Savings Accounts (HSA)**

For active employees enrolled in the HDHP with HSA, Pima County makes biweekly HSA contributions in the amount of \$38.46 for single coverage and \$76.92 for those insuring dependents. Annualized, \$1,000 for the employee only and \$2,000 for the employee plus dependent(s), equate to 50 percent of the plan year deductible.

As a result, our employees' HSA balances continue to grow each year. As of February 1, 2014, 65 percent of our insured employees (3,362) have an HSA; and the combined cash and investment balance in all accounts for our employees is approximately \$10.8 million. These individual accounts are to be used for out-of-pocket healthcare costs. The average HSA cash balance is \$3,200, which exceeds the annual deductible for single coverage. The HDHP with HSA continues to be a significant cost savings benefit for our employees with favorable feedback. I recommend maintaining the same funding level as the past several years.

### **Dental Plans**

The County offers two dental plans:

1. Pima County Dental Self-insured Dental Plan. The current premiums are sufficient to cover the associated costs, so no rate change is necessary
2. Employers Dental Service (EDS) is a fully insured dental maintenance organization. EDS will experience a three-percent increase over current premiums (see Table 3 below).

**Table 3 : Impact of EDS Three-percent Premium Increase.**

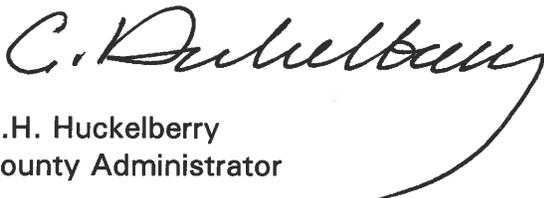
			Current Rates FY2013/14		Proposed Rates FY2014/15	
Plan	Level of Coverage	Number of Employees Enrolled	Employee Portion	County Portion	Employee Portion	County Portion
Employers Dental Service	Ee Only	1,259	1.94	1.94	1.99	1.99
	Ee + Spouse	503	6.29	1.94	6.49	1.99
	Ee + Child(ren)	383	9.48	1.94	9.77	1.99
	Ee + Family	761	10.41	1.94	10.73	1.99

**Recommendation**

I recommend the Board of Supervisors approve the following:

1. A medical premium increase of five percent.
2. A dental premium structure with a Pima County Dental increase of zero percent and an Employer's Dental Service increase of three percent).
3. Continuation of the current County Health Savings Account annual funding levels of \$1,000 for the employee only and \$2,000 for the employee plus dependent(s).
4. Continued Healthy Lifestyle Premium Discounts and the proposed reporting period and audit process.
5. Rewarding employees who completed "3 Simple Steps" by providing them with an electronic activity tracking device.

Respectfully submitted,



C.H. Huckelberry  
 County Administrator

CHH/mjk – March 5, 2014

c: Allyn Bulzomi, Director, Human Resources

Quality health plans & benefits  
Healthier living  
Financial well-being  
Intelligent solutions

aetna®

# Pima County Health Plan Review

3<sup>rd</sup> Quarter Review – 2013/2014



# Reporting Parameters\*

- Current Reporting Period = 7/1/13 – 3/31/14
- Prior Reporting Period = N/A
- Processed Date
- High Cost Claimants (HCC) = \$50k+
- Aetna's Book of Business (BoB) results include HCCs and are annualized using the most recent 12 months of incurred data with a two month lag

\*Unless Otherwise Noted

# Demographics

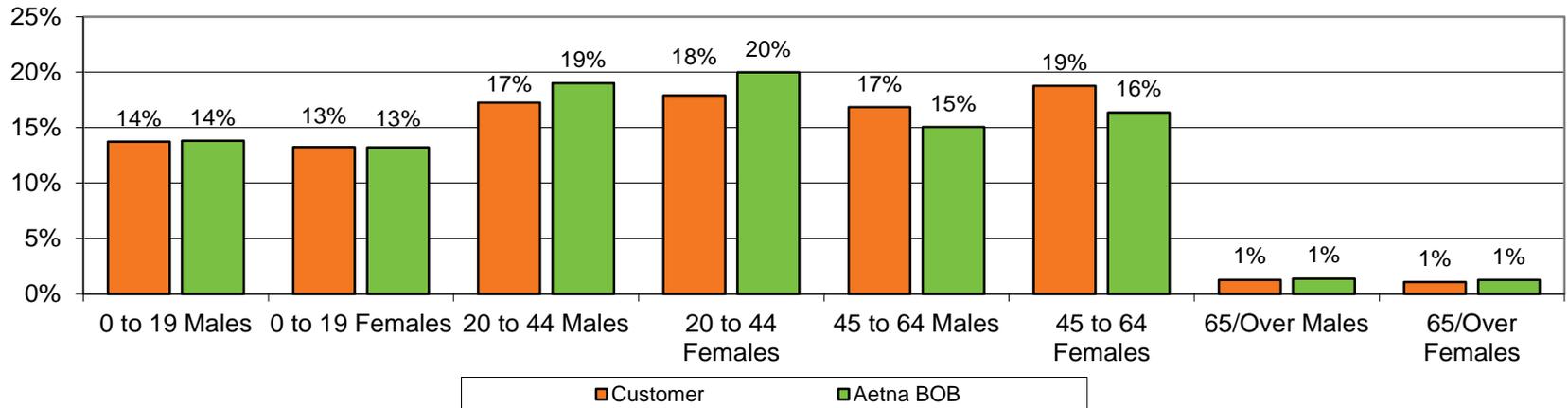
## Current vs. Prior Period

	Employees (% Change)	Members (% Change)	Ratio of Members to Employees (% Change)	% Male Members (% Change)	% Female Members (% Change)	Average Age (% Change)
PPO	1,777 (N/A)	3,664 (N/A)	2.1 (N/A)	48.8% (N/A)	51.2% (N/A)	35.5 (N/A)
HSA	3,502 (N/A)	7,965 (N/A)	2.3 (N/A)	49.1% (N/A)	50.9% (N/A)	34.6 (N/A)
HDHP	57 (N/A)	87 (N/A)	1.5 (N/A)	51.5% (N/A)	48.5% (N/A)	42.5 (N/A)
All	5,336 (N/A)	11,716 (N/A)	2.2 (N/A)	49.0% (N/A)	51.0% (N/A)	34.9 (N/A)

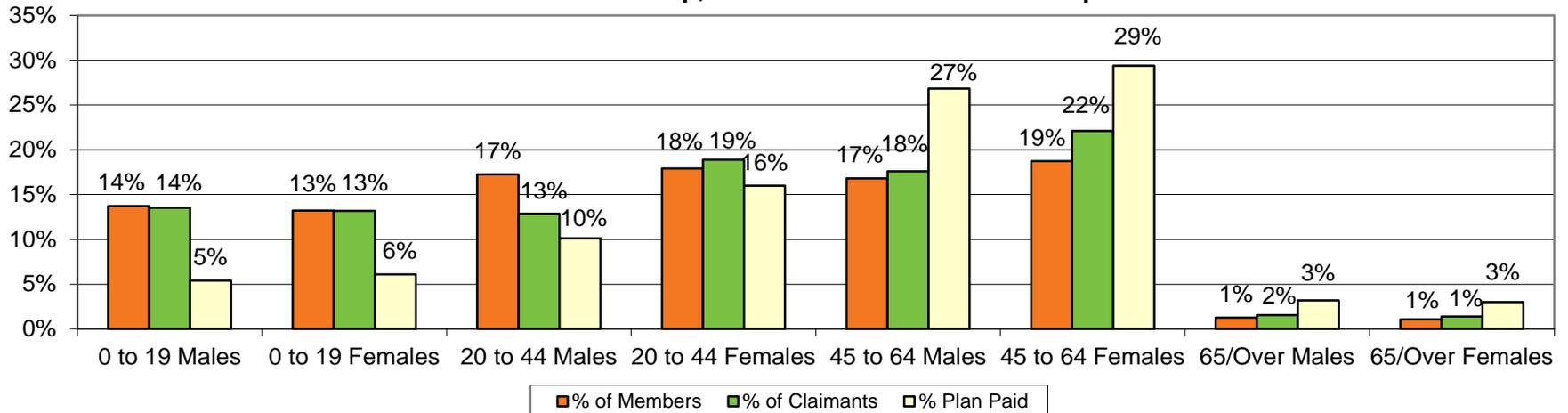
# Claim Segmentation – All Plans

## Current

**Customer Current vs Aetna BOB Age/Gender Demographic Comparison**



**Customer Current Percent of Membership, Claimants and Plan Paid Comparison**



# Financial Summary – All Plans

## Current vs. Prior

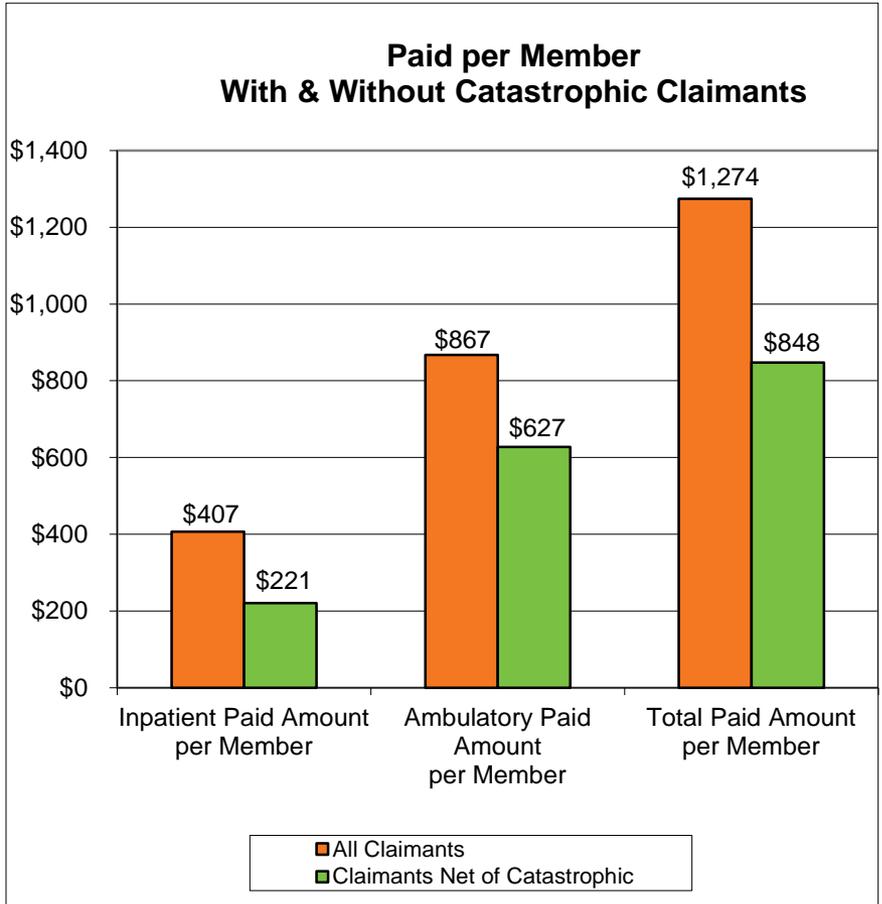
Key Financial Metrics	Prior	Current	% Change	W/O HCC	Aetna BoB*	PPO	HSA/HDHP
Total Medical and Pharmacy Paid Amount	N/A	\$20,136,288	N/A	\$15,160,639	N/A	\$8,925,879	\$11,210,409
Total Medical and Pharmacy Paid Amount per Employee	N/A	\$3,774	N/A	2,841	N/A	\$5,023	\$3,150
Total Pharmacy Paid Amount	N/A	\$5,267,137	N/A	\$5,267,137	N/A	\$2,377,393	\$2,889,744
Pharmacy Paid Amount per Member	N/A	\$451	N/A	\$451	\$826	\$649	\$359
Total Medical Paid Amount	N/A	\$14,869,151	N/A	\$9,893,502	N/A	\$6,548,486	\$8,320,665
Medical Paid Amount per Employee	N/A	\$2,786	N/A	\$1,854	N/A	\$3,685 w/ HCC \$2,483 w/o HCC	\$2,338 w/ HCC \$1,541 w/o HCC
Medical Paid Amount per Member	N/A	\$1,269	N/A	\$844	\$3,626	\$1,787	\$1,033
Inpatient Paid Amount per Member	N/A	\$407	N/A	\$220	\$1,254	\$590	\$322
Ambulatory Paid Amount per Member	N/A	\$867	N/A	\$627	\$2,373	\$1,208	\$715

\*Aetna BoB = financial Book of Business result are product specific and adjusted to Pima County's region, age and gender mix. All BoB metrics are based on the most recent 12 month incurred time frame period with a two month lag.

# Impact of High Cost Claimants\*

## Current vs. Prior

High Cost Claimants			
	Prior	Current*	% Change
Number of Claimants	N/A	48	N/A
Claimants per 1,000 Members	N/A	4.1	N/A
Medical Paid Amount for these Claimants	N/A	\$4,975,649	N/A
Average Paid Per Catastrophic Claimant	N/A	\$103,659	N/A
% of Total Paid Amount	N/A	33.5%	N/A



\*All Plans, HCC = \$50,000

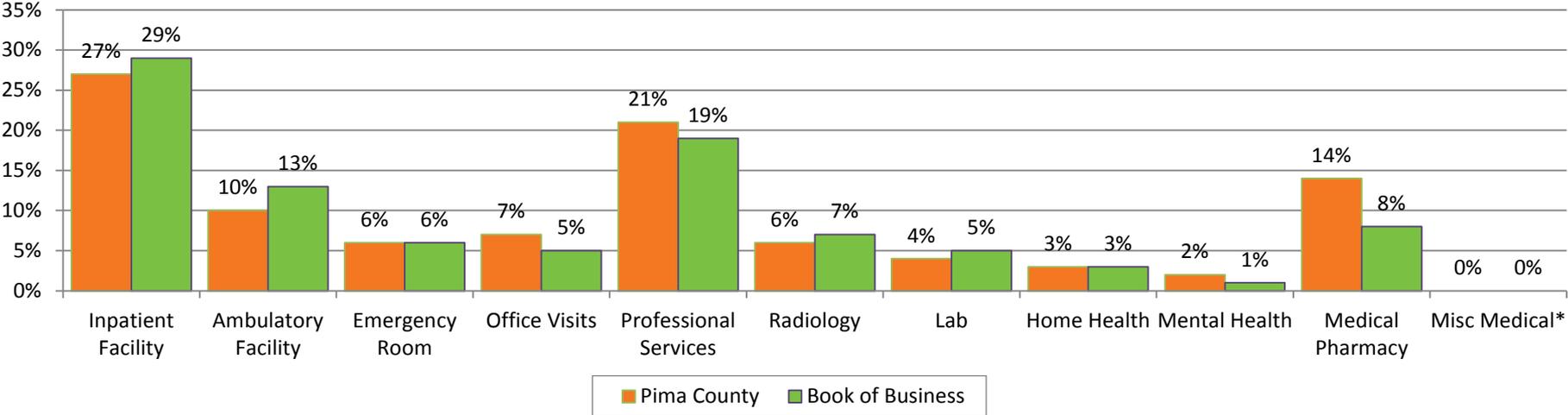
# Claimants Exceeding \$100,000

## Current Period

Current Claimant	Relationship	Medical Plan	Total Medical Paid Amount	Inpatient Paid Amount	Ambulatory Paid Amount	Diagnosis Code	Diagnosis Description	Dialysis Date	Medicare Date
1	Spouse	HSA	\$268,805	\$0	\$268,805	V58.11	Breast Cancer		
2	Spouse	HSA	\$227,609	\$36,506	\$191,103	585.6	ESRD	3/28/13	12/28/15
3	Employee	HSA	\$215,854	\$200,038	\$15,816	038.9	Cerebrovascular Disease, Septicemia, Diabetes		
4	Employee	HSA	\$185,373	\$44,617	\$140,756	585.6	ESRD, Edema - Swelling	9/20/13	6/20/16
5	Employee	HSA	\$177,603	\$0	\$177,603	153.3	Colon Cancer		
6	Spouse	HSA	\$169,126	\$0	\$169,126	585.6	ESRD	3/31/13	12/31/15
7	Employee	HSA	\$161,994	\$58,999	\$102,995	174.9	Renal Disease, Breast Cancer		
8	Employee	PPO	\$155,296	\$145,923	\$9,374	738.4	Vertebra Surgery, Nerve Damage		
9	Spouse	HSA	\$139,659	\$12,665	\$126,994	780.39	Convulsions, Seizures		
10	Employee	PPO	\$138,742	\$24,368	\$114,374	153.1	Colon Cancer		
11	Spouse	HSA	\$137,702	\$32,021	\$105,681	174.1	Breast Cancer		
12	Child	HSA	\$135,883	\$134,945	\$937	648.64	Cardiovascular Disease		
13	Spouse	HSA	\$135,660	\$125,259	\$10,401	721.7	Lumber Surgery, Chronic Kidney Disease, Coronary Artery Disease		
14	Employee	HSA	\$121,896	\$111,260	\$10,636	403.91	Kidney/Pancreas Transplant		
15	Employee	HSA	\$120,818	\$115,761	\$5,057	238.75	Diabetes, Bone Marrow Cancer		
16	Employee	PPO	\$118,002	\$0	\$118,002	V58.0	Lung Cancer		
17	Spouse	PPO	\$113,587	\$31,702	\$81,885	162.5	Lung Cancer		
18	Child	PPO	\$108,868	\$0	\$108,868	304.80	Drug Dependency		
19	Employee	PPO	\$108,176	\$105,821	\$2,355	430	Brain Aneurysm		
20	Child	HSA	\$104,861	\$18,743	\$86,117	V58.11	Hodgkin's Disease - Chemo		
21	Employee	HSA	\$102,820	\$77,453	\$25,367	511.89	Effusion - Tuberculosis		
22	Employee	PPO	\$102,133	\$93,125	\$9,008	414.01	Heart Artery Bypass Surgery		
<b>Total</b>			<b>\$3,250,466</b>	<b>1,369,206</b>	<b>\$1,881,261</b>				

# Paid Amounts by MCC – All Plans

Percentage of Total Medical Paid Amount by Medical Cost Category



# Inpatient MDC Analysis – All Plans

	Current Period							
	Admissions per 1,000			Average Paid Amount per Admission		Days of Care Per 1,000		
Major Diagnostic Categories (MDCs)	Customer	Customer Annualized	Aetna BOB	Customer	Aetna BOB	Customer	Customer Annualized	Aetna BOB
01 - Nervous System	1.4	1.8	2.7	\$16,086	\$31,923	12	16	17
02 - Eye	0.0	0.0	0.0	N/A	\$18,375	0	0	0
03 - Ear, Nose and Throat	0.4	0.6	0.5	\$5,044	\$20,770	1	1	1
04 - Respiratory System	1.9	2.5	3.0	\$14,670	\$24,695	8	11	18
05 - Circulatory System	1.9	2.5	3.8	\$18,269	\$35,925	9	12	17
06 - Digestive System	2.4	3.2	4.5	\$10,442	\$20,837	8	11	19
07 - Hepatobiliary Sys/Pancreas	0.7	0.9	1.8	\$12,171	\$24,479	2	3	8
08 - Musculoskeletal/Connective	3.9	5.1	5.6	\$17,553	\$37,917	12	16	20
09 - Skin, Subcutaneous, Breast	0.2	0.2	1.3	\$31,962	\$21,232	1	1	6
10 - Endocrine, Metabolic	0.8	1.0	1.9	\$8,363	\$21,722	3	4	7
11 - Kidney, Urinary Tract	0.8	1.0	1.4	\$28,962	\$17,942	4	5	6
12 - Male Reproductive	0.0	0.0	0.3	N/A	\$17,595	0	0	0
13 - Female Reproductive	0.4	0.6	1.3	\$13,929	\$15,562	2	2	3
14 - Pregnancy/Childbirth	6.3	8.5	11.3	\$7,270	\$10,536	16	21	31
15 - Newborns	5.0	6.6	10.3	\$2,866	\$10,423	12	16	37
16 - Blood/Organs	0.3	0.5	0.6	\$10,044	\$22,954	1	2	3
17 - Other Neoplasms	0.6	0.8	1.2	\$24,430	\$46,156	4	6	8
18 - Infectious-Parasitic	0.9	1.3	1.5	\$26,714	\$34,635	7	9	10
19 - Mental Disorders	2.3	3.1	2.4	\$5,119	\$8,880	19	25	21
20 - Substance Disorders	1.3	1.7	1.6	\$7,049	\$9,506	9	12	15
21 - Injury and Poisoning	2.1	2.7	2.2	\$13,400	\$30,290	8	10	12
22 - Burns	0.0	0.0	0.0	N/A	\$60,129	0	0	0
23 - Selected Factors*	1.7	2.3	1.1	\$14,954	\$24,718	27	36	18
Unclassifiable	0.1	0.1	0.1	\$15,648	\$46,541	0	0	1
<b>Total</b>	<b>35.3</b>	<b>47.1</b>	<b>60.1</b>	<b>\$11,520</b>	<b>\$20,848</b>	<b>166</b>	<b>221</b>	<b>279</b>

\* Includes miscellaneous factors related to health status, illness or injury (preventive services, undiagnosed conditions, family history of disease, speech therapy, rehab, PT, vaccines, pulmonary, etc.).

# Ambulatory MDC Analysis – All Plans

Major Diagnostic Categories (MDCs)	Current Period					
	Claimants per 1,000			Average Paid Amount per Claimant		
	Customer	Customer Annualized	Aetna BOB	Customer	Customer Annualized	Aetna BOB
01 - Nervous System	78.2	104.2	103.3	\$505	\$673	\$1,308
02 - Eye	130.8	174.4	141.2	\$119	\$158	\$332
03 - Ear, Nose and Throat	210.9	281.2	310.0	\$135	\$180	\$408
04 - Respiratory System	114.6	152.8	150.4	\$240	\$320	\$477
05 - Circulatory System	127.7	170.2	168.6	\$423	\$564	\$1,049
06 - Digestive System	107.8	143.7	155.9	\$828	\$1,105	\$1,370
07 - Hepatobiliary Sys/Pancreas	15.3	20.3	19.8	\$1,166	\$1,555	\$2,278
08 - Musculoskeletal/Connective	220.1	293.4	302.1	\$452	\$603	\$1,438
09 - Skin, Subcutaneous, Breast	173.2	230.9	249.5	\$348	\$464	\$627
10 - Endocrine, Metabolic	184.4	245.9	210.9	\$152	\$203	\$410
11 - Kidney, Urinary Tract	78.6	104.8	92.1	\$872	\$1,163	\$1,360
12 - Male Reproductive	18.4	24.6	27.6	\$182	\$242	\$829
13 - Female Reproductive	133.1	177.4	198.1	\$299	\$398	\$583
14 - Pregnancy/Childbirth	14.9	19.9	24.4	\$1,088	\$1,451	\$1,628
15 - Newborns	2.7	3.7	6.2	\$60	\$80	\$407
16 - Blood/Organs	18.9	25.3	31.4	\$343	\$458	\$1,031
17 - Other Neoplasms	23.1	30.7	33.7	\$3,848	\$5,131	\$4,184
18 - Infectious-Parasitic	249.5	332.7	199.2	\$71	\$95	\$153
19 - Mental Disorders	68.6	91.5	96.8	\$324	\$432	\$595
20 - Substance Disorders	3.8	5.0	6.7	\$3,750	\$4,999	\$3,326
21 - Injury and Poisoning	53.1	70.8	74.7	\$500	\$667	\$801
22 - Burns	1.0	1.4	1.8	\$130	\$174	\$605
23 - Selected Factors*	393.6	524.8	501.0	\$259	\$345	\$454
Unclassifiable	3.1	4.1	2.6	\$524	\$699	\$842
<b>Total</b>	<b>809.7</b>	<b>1,079.5</b>	<b>973.8</b>	<b>\$1,071</b>	<b>\$1,429</b>	<b>\$2,436</b>

\* Includes miscellaneous factors related to health status, illness or injury (preventive services, undiagnosed conditions, family history of disease, speech therapy, rehab, PT, vaccines, pulmonary, etc.).

# Key Statistics - Pharmacy

Key Statistics	Prior	Current	% Change	Aetna BoB
Cost				
Total Script Cost	N/A	\$6,619,419	N/A	-
Average Script Cost	N/A	\$72.88	N/A	\$97
Average Member Out of Pocket Per Script	N/A	\$14.99	N/A	\$16
Total Plan Cost	N/A	\$5,267,137	N/A	-
Plan Cost PMPM	N/A	\$49.95	N/A	\$72.66*
Member Share	N/A	20.6%	N/A	14.6%
Total Specialty Script Cost	N/A	\$2,004,594	N/A	-
Average Specialty Script Cost	N/A	\$2,593	N/A	\$2,463
Total Plan Specialty Cost	N/A	\$1,843,263	N/A	-
Plan Specialty Cost PMPM	N/A	\$17.48	N/A	\$18.68
Member Share of Specialty	N/A	8%	N/A	3%
Utilization				
Rx Count	N/A	90,819	N/A	-
Claims Per Member	N/A	7.78	N/A	7.5
Generic Utilization	N/A	83.3%	N/A	78.4%
Mail Order Utilization	N/A	4%	N/A	11.2%
Demographics				
Average Age	N/A	34.9	N/A	35.1
Average Eligible Member Count	N/A	11,716	N/A	-

\* Industry BoB \$43.66

# Top 10 Drugs by Volume

Drug Label Name	Number of Utilizing Members	Number of Claims	Calculated Ingredient Cost	Drug Treatment	Drug Type
LISINOPRIL	679	3,802	\$9,188	High Blood Pressure	Generic
LEVOTHYROXIN	503	2,729	\$24,932	Hypothyroidism	Generic
SIMVASTATIN	427	2,421	\$9,426	Cholesterol	Generic
METFORMIN	405	2,027	\$12,141	Diabetes	Generic
HYDROCO/APAP	858	1,964	\$22,601	Pain Reliever	Generic
AMLODIPINE	256	1,454	\$5,025	High Blood Pressure	Generic
ATORVASTATIN	655	1,239	\$28,445	Cholesterol	Generic
FLUTICASONE	248	1,203	\$22,551	Allergies	Generic
HYDROCHLOROT	927	1,115	\$7,302	High Blood Pressure	Generic
CITALOPRAM	227	1,087	\$4,058	Depression	Generic
<b>Top 10 Drugs Total</b>		<b>19,041</b>	<b>\$145,669</b>		

# Top 10 Drugs by Cost

Drug Label Name	Number of Utilizing Members	Number of Claims	Calculated Ingredient Cost	Drug Treatment	Drug Type
COPAXONE	6	45	\$226,031	Multiple Sclerosis	Specialty
HUMIRA PEN	14	78	\$209,807	Rheumatoid Arthritis	Specialty
ENBREL SRCLK	15	79	\$201,124	Rheumatoid Arthritis	Specialty
REBIF	5	40	\$196,167	Multiple Sclerosis	Specialty
CRESTOR	185	968	\$185,577	Cholesterol	Brand
LANTUS	96	451	\$161,632	Diabetes	Brand
OXYCONTIN	49	257	\$159,801	Pain Reliever	Brand
SOVALDI	1	3	\$87,226	Hepatitis C	Specialty
ENBREL	5	36	\$90,703	Rheumatoid Arthritis	Specialty
VICTOZA	35	161	\$86,350	Diabetes	Specialty
<b>Top 10 Drugs Total</b>		<b>2,118</b>	<b>\$1,604,418</b>		

# Top 10 Drugs by Unit Cost

Drug Label Name	Number of Utilizing Members	Number of Claims	Unit Cost per Member	Drug Treatment	Drug Type
SOVALDI	1	3	\$86,731	Hepatitis C	Brand
XTANDI	1	9	\$65,900	Prostate Cancer	Specilaty
TRACLEER	1	10	\$65,253	Multiple Sclerosis	Specilaty
AFINITOR	1	6	\$54,546	Breast Cancer	Specilaty
AVONEX PREFL	1	9	\$40,798	Multiple Sclerosis	Specilaty
AUBAGIO	1	9	\$38,707	Multiple Sclerosis	Specilaty
REBIF	5	40	\$35,719	Multiple Sclerosis	Specilaty
COPAXONE	6	45	\$35,166	Multiple Sclerosis	Specilaty
XOLAIR	3	19	\$19,120	Decrease sAllergic Responses in the body (hives)	Specilaty
ENBREL	5	36	\$17,269	Rheumatoid Arthritis	Specilaty
<b>Top 30 Drugs Total</b>		<b>186</b>	<b>\$459,209</b>		

# Service Activity – All Plans

Customer Service Activity		
Contact Reason	Volume	% of Total
Benefit Payment	4,746	34.0%
Coverage Inquiry	3,549	25.5%
Eligibility	1,311	9.4%
Healthcare Access	2,436	17.5%
Misc.	176	1.3%
Self Service	1,724	12.4%
<b>Total Events</b>	<b>13,942</b>	

Personal Health Record (PHR)
1,652

Informed Health Line (IHL)
17

Aetna Navigator Registration & Access	1/01/2014 - 3/31/2014
New Subscribers Registered	304
Logons	11,360
Top 5 Logon Reasons	
EOB Inquiry	1,984
PHR Message	2,070
Claim Status	3,792
DocFind	1,429
Benefits Used/Remain	1,270

# Network Summary – All Plans

## Current vs. Prior Period

Provider Network Savings	Prior	Current	Current Network Discount Savings
Billed Network Charges (before discount)	N/A	\$49,698,035	
<b>Network Discount Savings</b>			
Inpatient Facility	N/A	\$10,415,338	72.8%
Ambulatory Facility	N/A	\$10,705,609	69.2%
Physician/Other	N/A	\$11,268,846	56.6%
<b>Total</b>		\$32,389,793	65.2%
Per Employee	N/A	\$6,097	
Per Member	N/A	\$2,776	
Per Admission	N/A	\$25,528	
<b>Network Utilization Metrics</b>			<b>Aetna BOB</b>
% Admissions in Network	N/A	99.0%	97.5%
% Physicians Office Visits in Network	N/A	98.8%	92.7%
% Claims Paid In Network		96.7%	89.6%

# Top 25 Providers – All Plans

Provider Name	Provider Type	Number of Claims	Paid Amount
ACP AZ Community Physicians Lab	Independent Lab	11,211	\$541,945
Sonora Quest Laboratories	Independent Lab	6,842	\$159,425
Maria Proytcheva – UMC Medical Director	Physician	3,923	\$451,962
Michael L. Beals - Carondlet Medical Group	Physician	2,262	\$139,088
Radiology Ltd., P.L.C.,	Radiology Center	1,905	\$196,394
Carondelet St. Joseph's Hospital	Acute Short Term Hospital	1,724	\$1,256,326
University Medical Center	Acute Short Term Hospital	1,599	\$2,516,156
Northwest Allied Physicians, LLC	Urgent Care Center (non-HMO)	1,521	\$75,562
Labcorp	Independent Lab	1,217	\$24,065
Northwest Medical Center	Acute Short Term Hospital	1,212	\$1,260,181
Angela Lee Fischer	Physical Therapist	1,139	\$141,292
Christopher Andrew Sullivan – Genesis OBGYN	Physician	1,130	\$185,127
Safeway Inc. (Flu Shots)	Other Medical Provider	1,070	\$24,466
Raymond Taetle – Arizona Oncology	Physician	977	\$1,022,021
Tucson Medical Center	Acute Short Term Hospital	920	\$1,148,654
Nextcare Urgent Care- 43rd	Urgent Care Center (non-HMO)	805	\$39,280
Arizona State Radiology	Physician	615	\$13,976
Tucson VAMC	Acute Short Term Hospital	591	\$79,669
EyeMed Vision Care	Optometrist	590	\$24,687
Take Care Health Arizona, P.C.	Nurse Practitioner	586	\$12,124
Stephen S. Algeo – Pima Heart Physicians	Physician	556	\$57,049
MinuteClinic Diagnostic of Arizona, LLC	Nurse Practitioner	555	\$12,043
Gregory L. Labenz – Catalina Radiology	Physician	542	\$11,111
Linda Williams – El Rio Health Center	Physician	515	\$40,955
Robert L. Dean – Tucson ENT Associates	Physician	470	\$26,278

# Hospital Profile – All Plans

Hospital Name	Total Medical Paid Amount	Inpatient Paid Amount	% of Total Inpatient Paid Amount	Ambulatory Paid Amount	% of Total Ambulatory Paid Amount
University Medical Center	\$2,500,562	\$911,789	23%	\$1,588,772	42%
Northwest Medical Center	\$1,197,256	\$722,756	18%	\$474,500	13%
Tucson Medical Center	\$1,129,895	\$566,439	14%	\$563,456	15%
Carondelet St. Joseph's Hospital	\$856,305	\$695,345	17%	\$160,960	4%
Carondelet St. Mary's Hospital	\$379,313	\$248,577	6%	\$130,736	3%
Oro Valley Hospital	\$263,590	\$132,434	3%	\$131,156	4%
Banner Good Samaritan Medical Center	\$190,024	\$189,007	5%	\$1,017	0%
University Physicians Hospital at Kino	\$98,303	\$32,867	1%	\$65,437	2%
The Treatment Center of the Palm Beaches	\$70,764	\$56,387	1%	\$14,377	0%
Tucson VAMC	\$69,777	\$1,920	0%	\$67,856	2%
Kindred Hospital of Tucson	\$66,657	\$66,657	2%	\$0	0%
Sonora Behavioral Health Hospital	\$62,035	\$52,001	1%	\$10,034	0%
Healthsouth Rehabilitation Hospital of S	\$60,433	\$60,433	1%	\$0	0%
UPH Wilmot Clinic	\$55,892	\$0	0%	\$55,892	1%
Yuma Regional Medical Center	\$47,502	\$34,896	1%	\$12,606	0%
Youth Care	\$39,821	\$5,300	0%	\$34,521	1%
Healthsouth Rehabilitation Institute of	\$34,347	\$32,568	1%	\$1,778	0%
Flagstaff Medical Center	\$32,413	\$30,668	1%	\$1,744	0%
Arizona Digestive Institute	\$30,070	\$0	0%	\$30,070	1%
Cornerstone Hospital of Southeast Arizon	\$25,772	\$25,772	1%	\$0	0%
Tucson Surgery Center	\$24,931	\$0	0%	\$24,931	1%
Banner Estrella Medical Center	\$21,961	\$13,585	0%	\$8,376	0%
Carondelet Foothills Surgery Center	\$21,886	\$0	0%	\$21,886	1%
Camp Lowell Surgery Center, LLC	\$20,136	\$0	0%	\$20,136	1%
Arizona Vein and Vascular Center	\$17,844	\$0	0%	\$17,844	0%
All Other Hospitals	\$454,264	\$150,190	4%	\$304,074	8%
<b>Total</b>	<b>\$7,771,750</b>	<b>\$4,029,590</b>	<b>100%</b>	<b>\$3,742,161</b>	<b>100%</b>

# Cost Sharing – All Plans

## Current Period

	Current Period	PPO	HSA/HDHP	Aetna BOB
Number of Employees	5,336	1,777	3,559	
Allowed Amount	\$21,175,589			
Coordination of Benefits (COB)	\$184,815			
Deductible	\$4,886,809			
Copays	\$412,977			
Coinsurance	\$821,838			
Employee Paid Portion	\$6,121,624	\$1,474,697	\$4,646,927	
Employee Paid Portion per Employee	\$1,147	\$830	\$1,305	
Employer Plan Paid Portion	\$14,869,150	\$6,548,486	\$8,320,664	
Employer Plan Paid Portion per Employee	\$2,786	\$3,685	\$2,338	
<b>Total Paid per Employee</b>	<b>\$3,933</b>	<b>\$4,515</b>	<b>\$3,643</b>	
Employer % Share Medical	70.2%			82.2%
Employee % Share Medical	28.9%			15.9%
COB % Share Medical	0.9%			1.9%

# Thank you



**aetna**<sup>®</sup>

Pima County  
Health Benefit Self-Insurance Trust Fund  
March 31, 2014 Financial Statements

# STATEMENT OF NET POSITION

March 31 , 2014

	Health Benefit Trust Fund
<b><u>Assets</u></b>	
Current assets:	
Cash and cash equivalents	21,963,243
Interest receivable	5,537
Accounts receivable	1,276,552
Total current assets	<u>23,245,332</u>
Total assets	<u>23,245,332</u>
<b><u>Liabilities</u></b>	
Current liabilities:	
Accounts payable	215,792
Employee compensation	18,773
Current portion reported but unpaid losses	491,525
Current portion incurred but not reported losses	5,308,475
Total current liabilities	<u>6,034,565</u>
Noncurrent liabilities:	
Loans payable-non current	10,000,000
Reported but unpaid losses	8,475
Incurred but not reported losses	91,525
Total noncurrent liabilities	<u>10,100,000</u>
Total liabilities	<u>16,134,565</u>
<b><u>Net position</u></b>	
Restricted for:	
Healthcare	<u>7,110,767</u>
Total net position	<u>\$ 7,110,767</u>

# STATEMENT OF REVENUES , EXPENSES AND CHANGES IN NET POSITION

For the Period Ended March 31 , 2014

	<u>Health Benefit Trust Fund</u>
Operating revenues:	
Charges for services	\$ 47,768,084
Other	841,076
Total operating revenues	<u>48,609,160</u>
Operating expenses:	
Employee compensation	784,604
Operating supplies and services	5,567
Medical claims	34,570,115
Insurance premiums	3,924,198
General and administrative	763,747
Consultants and professional services	1,929,282
Total operating expenses	<u>41,977,513</u>
Operating income	<u>6,631,647</u>
Nonoperating revenues:	
Investment earnings	124,903
Total nonoperating revenues:	<u>124,903</u>
Income before transfers:	<u>6,756,550</u>
Transfers in	3,854,217
Transfers (out)	<u>(3,500,000)</u>
Change in net position	7,110,767
Net position at beginning of year	<u>                    </u>
Net position at end of the period	<u>\$ 7,110,767</u>

# MAJOR LINE ITEMS ANALYSIS- STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

<b>For the Period Ended March 31, 2014</b>			
	Actual		
	3/31/2014	% of Total	
Operating revenues:			
Charges for services	\$ 47,768,084	98%	<b>1</b>
Other	841,076	2%	<b>2</b>
<b>Total operating revenues</b>	<b>48,609,160</b>	<b>100%</b>	
Operating expenses:			
Employee compensation	784,604	2%	
Operating supplies and services	5,567	0%	
Medical claims	34,570,115	82%	<b>3</b>
Insurance premiums	3,924,198	9%	<b>4</b>
General and administrative	763,747	2%	
Consultants and professional services	1,929,282	5%	<b>5</b>
<b>Total operating expenses</b>	<b>41,977,513</b>	<b>100%</b>	
<b>Operating income</b>	<b>6,631,647</b>		
Nonoperating revenues:			
Investment earnings	124,903		
<b>Total nonoperating revenues:</b>	<b>124,903</b>		
<b>Income before transfers:</b>	<b>6,756,550</b>		
Transfers in	3,854,217		
Transfers (out)	(3,500,000)		
<b>Change in net position</b>	<b>7,110,767</b>		
Net position at beginning of year			
<b>Net position at end of the period</b>	<b>\$ 7,110,767</b>		

<b>1 Charges for services</b>	
---Employer Health Premiums	30,914,519
---Employer HSA	4,339,125
---Employee Health Premiums	5,595,568
---Employee HSA	4,537,362
---Life Insurance Fee	1,261,899
---Accident Insurance Fee	506,778
---Short Term Disability Fee	241,650
---Vision Insurance Fee	201,605
---Other	169,578
	<b>\$ 47,768,084</b>

<b>2 Other</b>	
---United Health Insurance Premium Rebate	724,754
---Employees portion rebate	(85,449)
---Professional Insurance-short term disability	108,880
---July to October pharmacy rebates	89,065
---Other	3,826
	<b>\$ 841,076</b>

<b>3 Medical Claims</b>	
---Pima County Dental Ameritas	923,345
(A) ---Outside Hospitals and Other Expenses	27,746,770
---IBNP/IBNR adjustment	5,900,000
	<b>\$ 34,570,115</b>
(A) <b>Outside Hospitals and Other Expenses</b>	
Unit 2149 Medical Insurance HDHP	7,904,731
Unit 2148 Medical Insurance PPO	6,246,933
Unit 2250 HDHP Pharmacy	2,659,441
Unit 2255 PPO Pharmacy	2,227,159
	<b>19,038,264</b>
<b>Other Expenses</b>	
Unit 2150 JP Morgan -HSA	8,571,187
Unit 2151 Flexible Spending	137,319
	<b>8,708,506</b>
(A) <b>Total</b>	<b>\$ 27,746,770</b>

# MAJOR LINE ITEMS ANALYSIS- STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

<b>For the Period Ended March 31, 2014</b>		
	Actual 3/31/2014	% of Total
Operating revenues:		
Charges for services	\$ 47,768,084	98% <b>1</b>
Other	841,076	2% <b>2</b>
<b>Total operating revenues</b>	<b>48,609,160</b>	<b>100%</b>
Operating expenses:		
Employee compensation	784,604	2%
Operating supplies and services	5,567	0%
Medical claims	34,570,115	82% <b>3</b>
Insurance premiums	3,924,198	9% <b>4</b>
General and administrative	763,747	2%
Consultants and professional services	1,929,282	5% <b>5</b>
<b>Total operating expenses</b>	<b>41,977,513</b>	<b>100%</b>
Operating income	6,631,647	
Nonoperating revenues:		
Investment earnings	124,903	
Total nonoperating revenues:	124,903	
Income before transfers:	6,756,550	
Transfers in	3,854,217	
Transfers (out)	(3,500,000)	
Change in net position	7,110,767	
Net position at beginning of year		
Net position at end of the period	<b>\$ 7,110,767</b>	

<b>4 Insurance Premiums</b>	
---Vision Premiums	192,074
---Dental Premiums(employers dental plan)	453,836
---Other Premiums	
Other Insurance	1,984,797
Stop Loss	652,041
AFLAC Insurance	551,901
Employee Assistance Program	89,549
<b>Total</b>	<b>\$ 3,924,198</b>

<b>5 Consultants and professional services</b>	
<b>TPA Service Fees</b>	
Unit 2149 Aetna HDHP TPA	945,345
Unit 2148 Aetna PPO TPA	472,095
Unit 2250 Aetna HDHP Rx TPA	99,225
Unit 2255 Aetna PPO Rx TPA	49,552
Unit 2152 Ameritas TPA	55,987
Unit 2150 JP Morgan -HSA fees	47,873
Unit 2155 ASI COBRA TPA	7,638
Unit 2151 ASI Flex TPA	4,914
<b>Non-Medical Consultants</b>	
ADP HR Benefits	208,487
CBIZ Benefits & Insurance	28,080
Lewis & Ellis	10,000
Other	86
<b>Total</b>	<b>\$ 1,929,282</b>

# BUDGET, ACTUAL AND FORECAST – MEDICAL INSURANCE PPO/HDHP UNIT 2148/2149, PHARMACY PPO/HDHP UNIT 2255/2250

<b>For the Period Ended March 31, 2014</b>				
	Fiscal Year 2013/2014 Budget	Fiscal Year 2013/2014 YTD Actual	Fiscal Year 2013/2014 Forecast	Variance (Forecast vs. Budget)
<b>Operating revenues:</b>				
Charges for services	\$ 44,222,400	\$ 34,040,303	\$ 42,947,352	\$ (1,275,048)
Other - Pharmacy	-	89,065	356,022	356,022
<b>Total operating revenues</b>	<u>44,222,400</u>	<u>34,129,368</u>	<u>43,303,374</u>	<u>(919,026)</u>
<b>Operating expenses:</b>				
Medical claims - Medical	33,897,808	18,537,296	25,900,723	7,997,085
Consultants - Medical	1,847,328	1,417,440	1,889,920	(42,592)
Medical claims - Pharmacy	1,889,676	6,400,968	9,264,120	(7,374,444)
Consultants - Pharmacy	201,372	148,776	198,368	3,004
<b>Total operating expenses</b>	<u>37,836,184</u>	<u>26,504,480</u>	<u>37,253,131</u>	<u>583,053</u>
<b>Operating income</b>	<u>6,386,216</u>	<u>7,624,888</u>	<u>6,050,243</u>	<u>(335,973)</u>
<b>Income before transfers:</b>	<u>\$ 6,386,216</u>	<u>\$ 7,624,888</u>	<u>\$ 6,050,243</u>	<u>\$ (335,973)</u>

# BUDGET, ACTUAL AND FORECAST – SELF FUNDED DENTAL INSURANCE UNIT 2152

## For the Period Ended March 31, 2014

	Fiscal Year 2013/2014 Budget	Fiscal Year 2013/2014 YTD Actual	Fiscal Year 2013/2014 Forecast	Variance (Forecast vs. Budget)
Operating revenues:				
Charges for services	\$ 1,840,000	\$ 1,485,144	\$ 1,867,352	\$ 27,352
Other	9,477	3,573	9,477	-
Total operating revenues	<u>1,849,477</u>	<u>1,488,717</u>	<u>1,876,829</u>	<u>27,352</u>
Operating expenses:				
Medical claims	1,840,000	923,345	1,765,350	74,650
Consultants and professional services	-	55,987	74,650	(74,650)
Total operating expenses	<u>1,840,000</u>	<u>979,332</u>	<u>1,840,000</u>	<u>-</u>
Operating income	<u>9,477</u>	<u>509,385</u>	<u>36,829</u>	<u>27,352</u>
Nonoperating revenues:				
Investment earnings	<u>2,218</u>	<u>848</u>	<u>1,151</u>	<u>(1,067)</u>
Income before transfers:	<u>\$ 11,695</u>	<u>\$ 510,233</u>	<u>\$ 37,980</u>	<u>\$ 26,285</u>

# BUDGET, ACTUAL AND FORECAST – ADMINISTRATION UNIT 2147

<b>For the Period Ended March 31, 2014</b>				
	Fiscal Year 2013/2014 Budget	Fiscal Year 2013/2014 YTD Actual	Fiscal Year 2013/2014 Forecast	Variance (Forecast vs. Budget)
Operating revenues:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Other	-	637,948	637,948	637,948
Total operating revenues	-	637,948	637,948	637,948
Operating expenses:				
Employee compensation	1,056,376	784,343	1,042,658	13,718
Operating supplies and services	15,300	2,758	16,190	(890)
General and administrative	1,333,007	762,014	1,334,191	(1,184)
Consultants and professional services	362,000	246,653	365,500	(3,500)
Total operating expenses	2,766,683	1,795,768	2,758,539	8,144
Operating income	(2,766,683)	(1,157,820)	(2,120,591)	646,092
Nonoperating revenues:				
Investment earnings	-	124,055	43,440	43,440
Income before transfers:	<u>\$ (2,766,683)</u>	<u>\$ (1,033,765)</u>	<u>\$ (2,077,151)</u>	<u>\$ 689,532</u>