FY 2027 Department Funding Request

Department/Program #	Department Name / Program	Priority #	Department Improvement Title
03001-0036	03001 - HUMAN RESOURCES/0036 - EMPL HEALTH INSUR	1	Additional Money for Administration Fees

Budget Category, FINAL Recommendation and Comments

FINAL Budget Department Category	FINAL RECOMMENDATION for Funding	Comments (if any)
B-Statute/Compliance/Obligated	Recommended	Required premium increases for FY 2027 due to stop loss premium increases.

WHY is this request needed?

The County's insurance carrier has notified us that the stop-loss premium will increase by at least 25 percent in 2027. The increase is consistent with current market conditions and reflects the County's recent claims experience. The current 2026 stop-loss cost is $514.25 per member per month (PMPM). While the administrative fee rate will remain unchanged, total administrative costs are expected to increase as additional employees are added to the plan.

WHAT are you requesting?

We are requesting an additional $3,189,069 to cover the increased 2027 stop-loss insurance premium for the County's employee health plan.

HOW will this benefit your office and/or the County?

Approval of this request will allow the County to maintain adequate stop-loss coverage for its employee health plan, protecting the plan from large and unpredictable claims. This coverage supports HR's ability to administer a stable and sustainable benefits program, while helping the County manage financial risk and avoid unplanned budget impacts.

Is there statutory authority for this request?	No	Will this generate revenue?	No	If Yes, potential amount?	

MAINTENANCE/OPERATIONS EXPENSES (SUPPLIES, DUES, MAINTENANCE, ETC):

Account Description	Details	Amount Requested	Budget Dept. Comments	FY 2027 Recommend Amount
Insurance Admin - 615960	Insurance Administration Fees	$3,189,069.00		$3,000,000.00
	M&O Requested Subtotal:	$3,189,069.00	Recommended M&O Subtotal:	$3,000,000.00

Total Estimated Department Request: $3,189,069.00

Updated Total Department Request: $3,189,069.00

RECOMMENDED Total Department Request Utilizing FY 2027 Funds: $3,000,000.00

RECOMMENDED Total Department Request Utilizing FY 2026 Funds: $0.00

Notes to Purchasing Department (part numbers, equipment specifications, where you found the item, etc.)

ANALYSIS

Q & A Discussions with Department

Sent To:	Date Sent	Comment	Date Received	Responder's Name	Comment
Erica Johnson	5/6/2026		5/6/2026	Angie Hoesing	

Questions TO Department	Response From Department
Can you tell me how you calculated the $3,189,069 increase?	To get the $3,189,069 I took 1,645 employees (last bill) times $642.81 (current stop loss of 514.25 with an additional 25% added in) and then multiplied that by 12, which equals $12,689,096.40. I then subtracted the current amount budgeted of 9,500,000.

FY 2027 Department Funding Request

Department/Program #	Department Name / Program	Priority #	Department Improvement Title
03001-0036	03001 - HUMAN RESOURCES/0036 - EMPL HEALTH INSUR	1	Additional Money for Administration Fees

Statistical Analysis

LINE ITEM TRENDS

INSURANCE ADMIN FEES

Fiscal Year	Adopted Amount	% Change in BUDGET	Actuals	% Change in ACTUALS	Difference in Budget vs Actual	Comments / Findings
FY 2018	$2,600,000		$3,596,024.80		-$996,024.80	
FY 2019	$3,000,000	15.4%	$4,797,358.62	33.4%	-$1,797,358.62	
FY 2020	$4,500,000	50.0%	$5,110,985.46	6.5%	-$610,985.46	
FY 2021	$4,800,000	6.7%	$5,539,123.01	8.4%	-$739,123.01	
FY 2022	$5,600,000	16.7%	$6,416,975.58	15.8%	-$816,975.58	
FY 2023	$7,450,000	33.0%	$7,401,850.00	15.3%	$48,150.00	
FY 2024	$7,900,000	6.0%	$8,497,982.37	14.8%	-$597,982.37	
FY 2025	$8,500,000	7.6%	$9,231,619.97	8.6%	-$731,619.97	
FY 2026 as of 2nd Quarter	$9,500,000	11.8%	$6,342,500.16		$3,157,499.84	
FY 2026 Year-End Estimate	$9,500,000	11.8%	$10,872,857.42	17.8%	-$1,372,857.42	
Fiscal Year	**FY 2027 Base**	**Request Amount**	**New Total**	**% Change from YE Estimate**	**% Change from FY 2026 Adopted**	**Comments / Findings**
Total FY 2027 Base plus this Dept. Request	$9,500,000	$3,189,069	$12,689,069	16.7%	33.6%	

CATEGORY TRENDS (LESS ONE-TIME)

M&O CATEGORY

Fiscal Year	Adopted Amount	% Change in BUDGET	Actuals	% Change in ACTUALS	Difference in Budget vs Actual	Comments / Findings
FY 2018	$27,200,000		$30,529,793.44		-$3,329,793.44	
FY 2019	$27,200,000	0.0%	$33,698,965.81	10.4%	-$6,498,965.81	
FY 2020	$31,550,000	16.0%	$32,023,909.15	-5.0%	-$473,909.15	
FY 2021	$36,757,000	16.5%	$37,141,538.40	16.0%	-$384,538.40	
FY 2022	$36,607,000	-0.4%	$38,249,558.24	3.0%	-$1,642,558.24	
FY 2023	$40,532,000	10.7%	$42,060,719.74	10.0%	-$1,528,719.74	
FY 2024	$44,307,000	9.3%	$49,450,685.20	17.6%	-$5,143,685.20	
FY 2025	$49,179,624	11.0%	$47,009,152.35	-4.9%	$2,170,471.65	
FY 2026 as of 2nd Quarter	$57,577,624	17.1%	$31,059,055.26		$26,518,568.74	
FY 2026 Year-End Estimate	$57,577,624	17.1%	$53,244,094.73	13.3%	$4,333,529.27	
Fiscal Year	**FY 2027 Base**	**Request Amount**	**New Total**	**% Change from YE Estimate**	**% Change from FY 2026 Adopted**	**Comments / Findings**
Total FY 2027 Base plus this Dept. Request	$57,577,624	$3,189,069	$60,766,693	14.1%	5.5%	
FY 2027 Base plus **ALL** Dept. Requests impacting **THIS** category	$57,577,624	$4,689,069	$62,266,693	16.9%	8.1%	

FY 2027 Department Funding Request

Department/Program #	Department Name / Program	Priority #	Department Improvement Title
03001-0036	03001 - HUMAN RESOURCES/0036 - EMPL HEALTH INSUR	2	Additional Money for Prescriptions

Budget Category, FINAL Recommendation and Comments

FINAL Budget Department Category	FINAL RECOMMENDATION for Funding	Comments (if any)
B-Statute/Compliance/Obligated	Recommended	Rising costs in prescriptions require additional funds to handle the increase.

WHY is this request needed?

Based on current utilization and cost trends, the County anticipates higher prescription drug expenses in FY2027. Last fiscal year, total prescription costs were $10,341,625. About a 15 percent increase is requested to account for projected growth in claims and additional employees enrolled in the County's health plan. This change is calculated over a two-year period using FY 2025 actuals as the baseline.

WHAT are you requesting?

We are requesting an additional $1,500,000 to cover projected FY2027 prescription drug costs associated with the County's employee health plan.

HOW will this benefit your office and/or the County?

Approval of this request will ensure timely payment of prescription claims and help maintain the financial stability of the County's employee health plan. This supports HR's ability to administer benefits effectively and helps the County manage financial risk and avoid unanticipated budget shortfalls.

Is there statutory authority for this request?	No	Will this generate revenue?	No	If Yes, potential amount?	

MAINTENANCE/OPERATIONS EXPENSES (SUPPLIES, DUES, MAINTENANCE, ETC):

Account Description	Details	Amount Requested	Budget Dept. Comments	FY 2027 Recommend Amount
Prescription - 615921	Prescription Claims	$1,500,000.00		$500,000.00
	M&O Requested Subtotal:	$1,500,000.00	Recommended M&O Subtotal:	$500,000.00

Total Estimated Department Request: $1,500,000.00

Updated Total Department Request: $1,500,000.00

RECOMMENDED Total Department Request Utilizing FY 2027 Funds: $500,000.00

RECOMMENDED Total Department Request Utilizing FY 2026 Funds: $0.00

Notes to Purchasing Department (part numbers, equipment specifications, where you found the item, etc.)

FY 2027 Department Funding Request

Department/Program #	Department Name / Program	Priority #	Department Improvement Title
03001-0036	03001 - HUMAN RESOURCES/0036 - EMPL HEALTH INSUR	2	Additional Money for Prescriptions

ANALYSIS

Statistical Analysis

LINE ITEM TRENDS

PRESCRIPTION CLAIMS

Fiscal Year	Adopted Amount	% Change in BUDGET	Actuals	% Change in ACTUALS	Difference in Budget vs Actual	Comments / Findings
FY 2018	$5,000,000		$5,076,014.40		-$76,014.40	
FY 2019	$6,000,000	20.0%	$4,947,872.59	-2.5%	$1,052,127.41	
FY 2020	$6,000,000	0.0%	$6,644,337.16	34.3%	-$644,337.16	
FY 2021	$5,950,000	-0.8%	$7,501,986.92	12.9%	-$1,551,986.92	
FY 2022	$7,000,000	17.6%	$7,316,602.05	-2.5%	-$316,602.05	
FY 2023	$7,400,000	5.7%	$9,113,056.79	24.6%	-$1,713,056.79	
FY 2024	$8,130,000	9.9%	$9,549,307.58	4.8%	-$1,419,307.58	
FY 2025	$9,952,611	22.4%	$10,341,625.38	8.3%	-$389,014.38	
FY 2026 as of 2nd Quarter	$10,852,611	9.0%	$4,897,006.58		$5,955,604.42	
FY 2026 Year-End Estimate	$10,852,611	9.0%	$9,794,013.16	-5.3%	$1,058,597.84	
Fiscal Year	**FY 2027 Base**	**Request Amount**	**New Total**	**% Change from YE Estimate**	**% Change from FY 2026 Adopted**	**Comments / Findings**
Total FY 2027 Base plus this Dept. Request	$10,852,611	$1,500,000	$12,352,611	26.1%	13.8%	

CATEGORY TRENDS (LESS ONE-TIME)

M&O CATEGORY

Fiscal Year	Adopted Amount	% Change in BUDGET	Actuals	% Change in ACTUALS	Difference in Budget vs Actual	Comments / Findings
FY 2018	$27,200,000		$30,529,793.44		-$3,329,793.44	
FY 2019	$27,200,000	0.0%	$33,698,965.81	10.4%	-$6,498,965.81	
FY 2020	$31,550,000	16.0%	$32,023,909.15	-5.0%	-$473,909.15	
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Fiscal Year	**FY 2027 Base**	**Request Amount**	**New Total**	**% Change from YE Estimate**	**% Change from FY 2026 Adopted**	**Comments / Findings**
Total FY 2027 Base plus this Dept. Request	$57,577,624	$1,500,000	$59,077,624	11.0%	2.6%	
FY 2027 Base plus **ALL** Dept. Requests impacting **THIS** category	$57,577,624	$4,689,069	$62,266,693	16.9%	8.1%	