



MEMORANDUM

To: Board of Directors
From: Katrina S. Thraves, HR Administrator/Admin. Supv.
Date: July 8, 2010
Re: Health Insurance Rate Update
cc: James M. Bowling, IV

Upon recommendation of the staff, and based on the last known rate projections from Albemarle County's insurance consultant, the Board of Directors approved a \$50 per month, per employee increase for benefits. When rates were published last week I learned that the projected increase in rates to **both** employer and employee were going to be absorbed through the Health Premium Surplus Account, leaving the County and ACSA with no increase to fund. This Surplus Account includes funds contributed by all employees and employers, therefore the ACSA should, and will, benefit from this action.

This will result in a \$40,800 surplus in the FY 2011 Budget for health and wellness benefits.

Board Action

No action is needed by the Board.