

Lanard Perry

From: Glen Volk [Glen_Volk@ajg.com]
Sent: Friday, July 05, 2013 5:25 PM
To: Lanard Perry
Subject: CHOICES Fund Balance

Hi Lanard:

I am responding to your question regarding the impact of using CHOICES funds to cover an expected shortfall in the County's Medicaid budget. The most recent projections we did for the CHOICES program suggested that after allowing for all expected claims and expenses, including runout expenses, we expect a remaining balance of something in the order of \$1.5 million. I will also say that I believe we have been conservative in the amount we have set aside for the claim reserve and in our claim projections for the final few months. Based on that, I believe the \$1.5 million figure is relatively safe and the final balance may turn out to be higher. To the extent the County used money to cover the Medicaid shortfall, the projecting closing surplus in the CHOICES fund would be reduced, but I do not believe that the volumes we are talking about would threaten the ability of the CHOICES program to meet its obligations.

Let me know if you have any questions or need anything else.

Glen R. Volk, FSA, MAAA
Area Vice President & Consulting Actuary
2255 Glades Rd, Ste 200E
Boca Raton, FL 33431
Phone: 561-998-6755
Fax: 561-998-6731

This e-mail and any files transmitted with it are intended only for the person or entity to which it is addressed and may contain -confidential material and/or material protected by law. Any retransmission or use of this information may be a violation of that law. If you received this in error, please contact the sender and delete the material from any computer.