

6645 CSU Health Benefits for Retired Annuitants

This program provides funding for health benefit services for retired California State University employees and their dependents.

The program began on January 1, 1962, with an employer contribution of \$5.00 per month toward the cost of a basic health plan. Since then, major medical plans, Medicare, and plans supplementing Medicare have been developed.

The 2014-15 employer contribution for health premiums maintains the average 100/90 percent contribution formula established in Government Code section 22871 for members with five years of service. Under this formula, the state averages the premiums of the four largest health benefit plans to calculate the maximum amount the state contributes towards retiree health benefits. The state also contributes 90 percent of this average towards the health benefit costs of each of the retiree's dependents.

The retiree is responsible for paying all health benefit plan costs that exceed the state contribution. Premiums are determined on a calendar-year basis; therefore, the state contribution will vary during the fiscal year. The 2014 monthly contribution maximums are \$642 for a single enrollee, \$1,218 for an enrollee and one dependent, and \$1,559 for an enrollee and two or more dependents. The 2015 monthly contribution maximums are \$655 for a single enrollee, \$1,246 for an enrollee and one dependent, and \$1,605 for an enrollee and two or more dependents.

3-YR EXPENDITURES AND POSITIONS

	Positions			Expenditures		
	2013-14	2014-15	2015-16	2013-14*	2014-15*	2015-16*
5660 Health Benefits for CSU Retired Annuitants	-	-	-	\$225,332	\$263,062	\$263,503
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	-	-	-	\$225,332	\$263,062	\$263,503
FUNDING				2013-14*	2014-15*	2015-16*
0001 General Fund				\$225,332	\$263,062	\$263,503
TOTALS, EXPENDITURES, ALL FUNDS				\$225,332	\$263,062	\$263,503

LEGAL CITATIONS AND AUTHORITY

Government Code, Title 2, Division 5, Part 5.

DETAILED BUDGET ADJUSTMENTS

	2014-15*			2015-16*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Workload Budget Adjustments						
Other Workload Budget Adjustments						
• Miscellaneous Baseline Adjustments	-\$7,082	\$-	-	-\$6,641	\$-	-
Totals, Other Workload Budget Adjustments	-\$7,082	\$-	-	-\$6,641	\$-	-
Totals, Workload Budget Adjustments	-\$7,082	\$-	-	-\$6,641	\$-	-
Totals, Budget Adjustments	-\$7,082	\$-	-	-\$6,641	\$-	-

* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.

† Past year appropriations are net of subsequent budget adjustments.

6645 CSU Health Benefits for Retired Annuitants - Continued

	Health Benefits			Cost*
	Number of Retirees			
	Basic	Medicare	Total	
2012-13¹	8,882	18,114	26,996	\$222,135
2013-14	7,928	16,092	24,020	225,332
2014-15	7,675	16,925	24,600	263,062
2015-16	8,135	17,940	26,075	263,503

¹Effective 2012-13, funding for health benefits for California State University annuitants is displayed in Organization Code 6645. The funding was previously budgeted within Organization Code 9650.

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6645 CSU Health Benefits for Retired Annuitants - Continued

DETAILED EXPENDITURES BY PROGRAM

		<u>2013-14*</u>	<u>2014-15*</u>	<u>2015-16*</u>
	PROGRAM REQUIREMENTS			
5660	HEALTH BENEFITS FOR CSU RETIRED ANNUITANTS			
	State Operations:			
0001	General Fund	<u>\$225,332</u>	<u>\$263,062</u>	<u>\$263,503</u>
	Totals, State Operations	\$225,332	\$263,062	\$263,503
	TOTALS, EXPENDITURES			
	State Operations	<u>225,332</u>	<u>263,062</u>	<u>263,503</u>
	Totals, Expenditures	\$225,332	\$263,062	\$263,503

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS

		<u>2013-14*†</u>	<u>2014-15*</u>	<u>2015-16*</u>
1	STATE OPERATIONS			
	0001 General Fund			
	APPROPRIATIONS			
	001 Budget Act appropriation	\$245,794	\$270,144	\$263,503
	Revised expenditure authority per Provision 4 of Item 6645-001-0001	<u>-</u>	<u>-7,082</u>	<u>-</u>
	Totals Available	\$245,794	\$263,062	\$263,503
	Unexpended balance, estimated savings	<u>-20,462</u>	<u>-</u>	<u>-</u>
	TOTALS, EXPENDITURES	\$225,332	\$263,062	\$263,503
	0950 Public Employees Contingency Reserve Fund			
	APPROPRIATIONS			
	001 Budget Act appropriation	<u>\$792</u>	<u>-</u>	<u>-</u>
	Totals Available	\$792	\$-	\$-
	Unexpended balance, estimated savings	<u>-792</u>	<u>-</u>	<u>-</u>
	TOTALS, EXPENDITURES	\$-	\$-	\$-
	Total Expenditures, All Funds, (State Operations)	\$225,332	\$263,062	\$263,503

* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.

† Past year appropriations are net of subsequent budget adjustments.