



IRFC

Approval of Recommendations

August 31, 2022





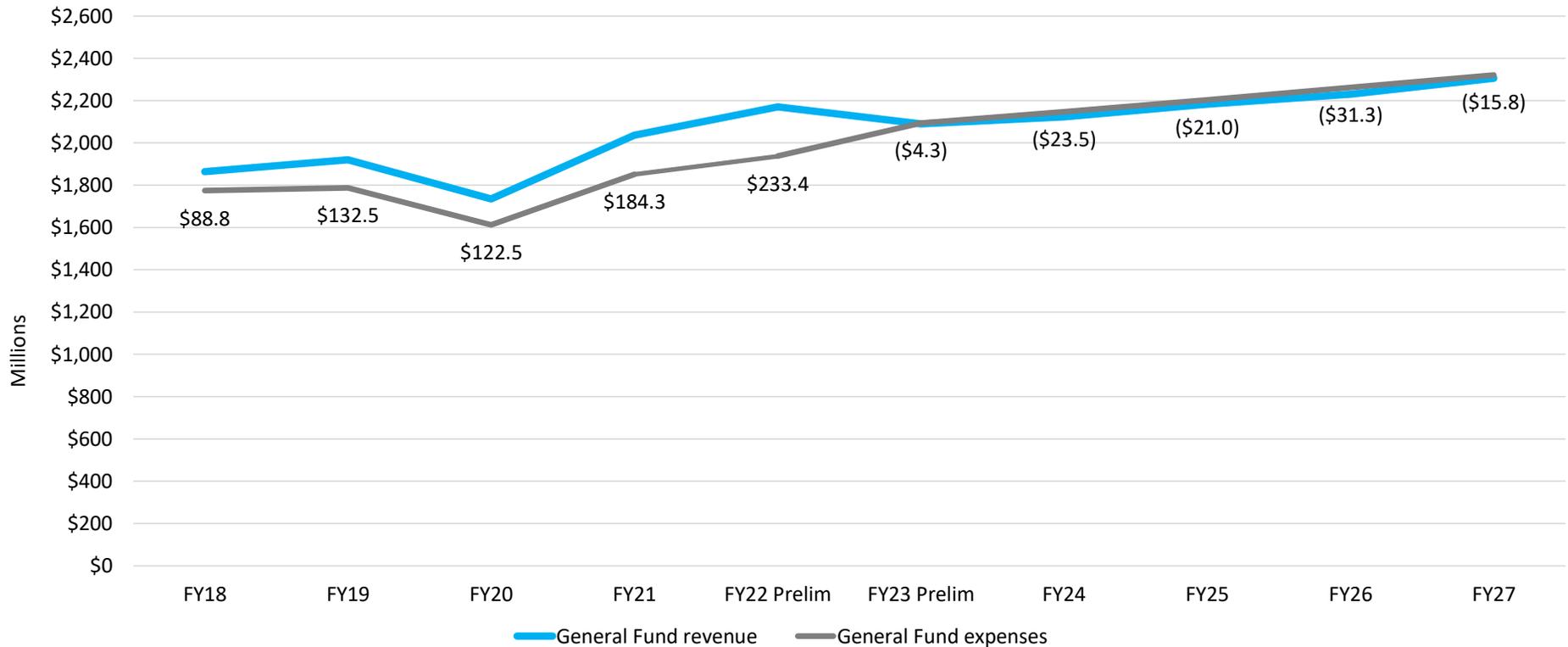
Agenda

Section	Slide #
Forecast review and Chart of Accounts update	3
IRFC recommendations and next steps	7
Next steps	21
Public comment	23
Adjournment	24

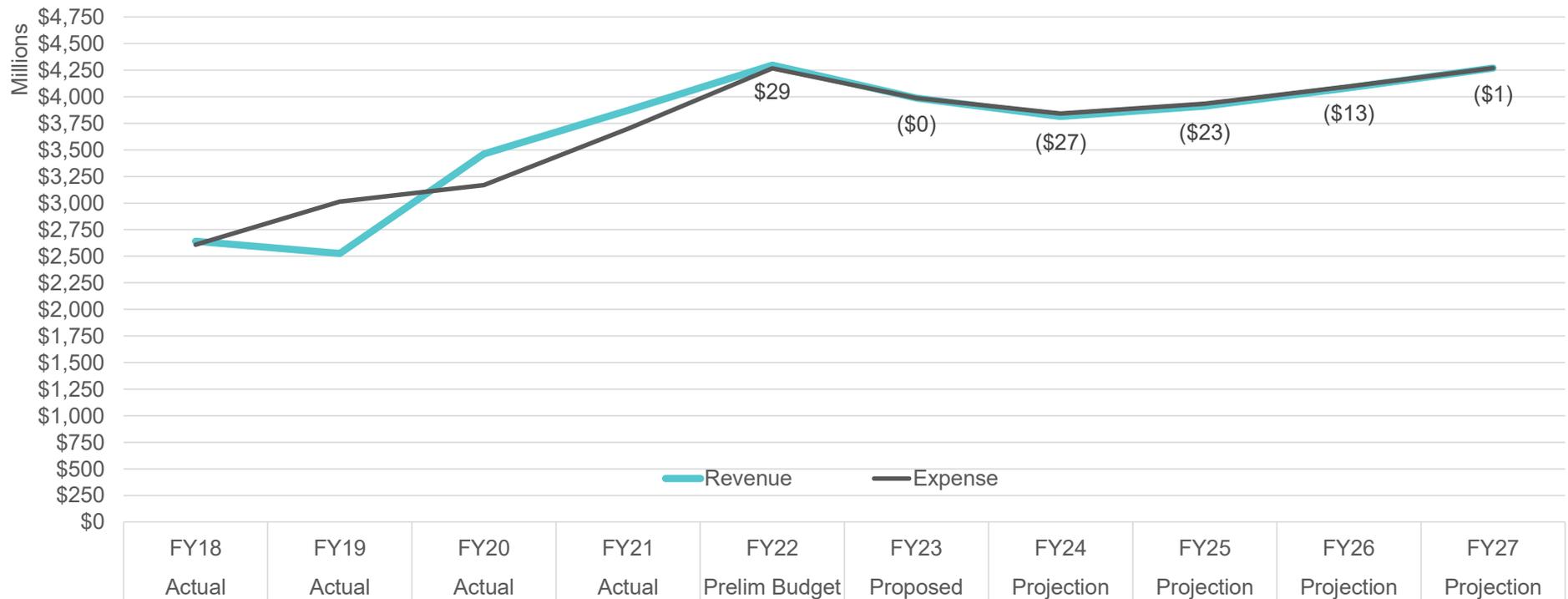


Forecast review and Chart of Accounts update

Long-term forecast: General Fund

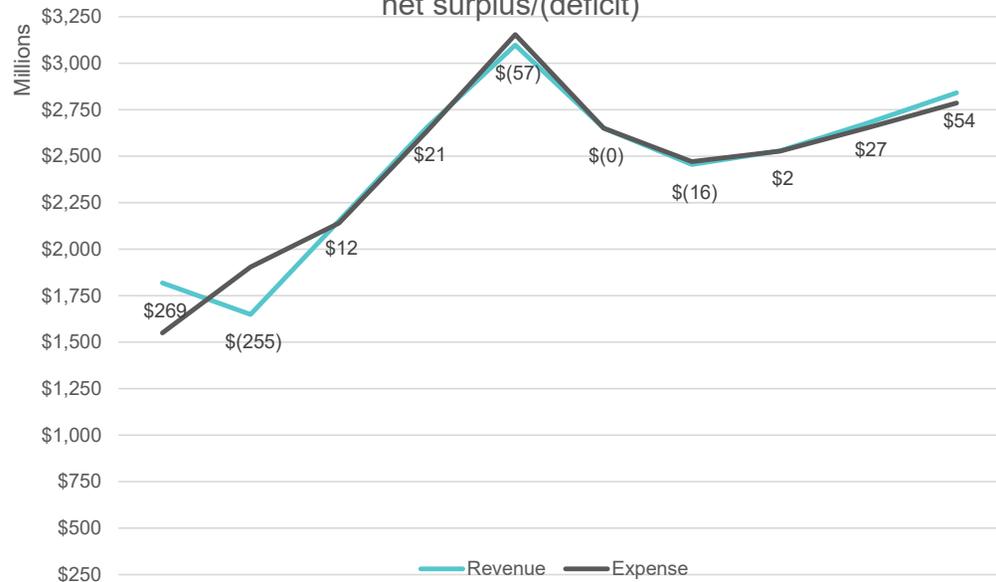


Long-term fiscal planning: Health Fund

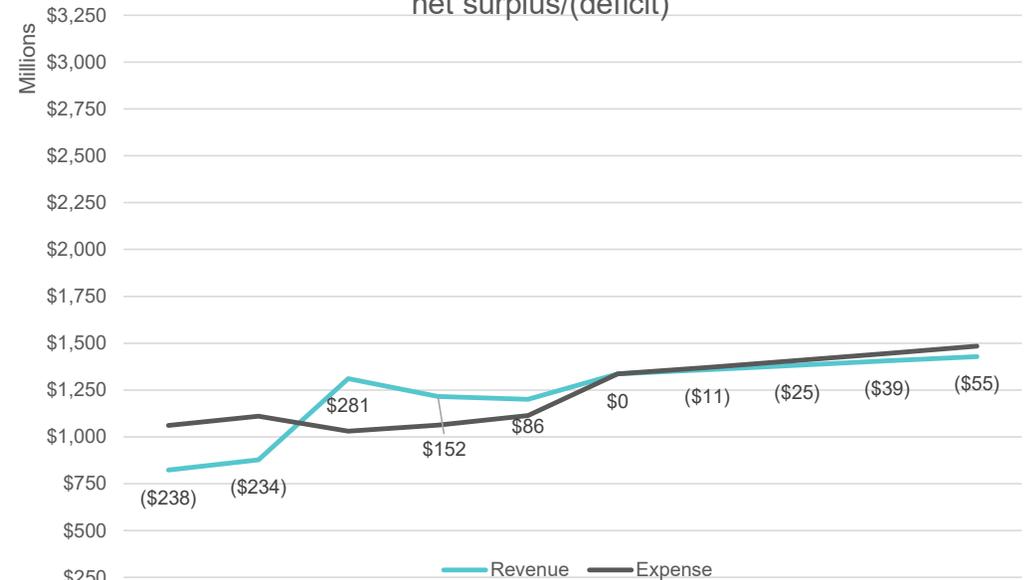


Long-term fiscal planning: HPS and Health Care Services

Health Plan Services (CountyCare)
net surplus/(deficit)



CCH - Health Care Services
net surplus/(deficit)



FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27
Actual	Actual	Actual	Actual	Prelim Budget	Proposed	Projection	Projection	Projection	Projection

FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27
Actual	Actual	Actual	Actual	Prelim Budget	Proposed	Projection	Projection	Projection	Projection



Health Fund revenues

		Prelim Budget 2022	Proposed 2023
409560	CountyCare Medicaid	\$3,094,016,149	
409525	CountyCare Affordable Care Act PMPM		\$694,522,918
409529	CountyCare Family Health Plans PMPM		\$765,565,014
409533	CountyCare Integrated Care Program PMPM		\$696,739,003
409537	CountyCare Managed Long Term Services and Support PMPM		\$276,118,586
409540	CountyCare Other Population Revenue PMPM		\$98,825,502
409543	CountyCare Other State Revenue		\$116,520,056
409550	CountyCare Medicare	\$3,322,639	\$2,645,187
409550	CCH Medicare	\$143,095,797	\$168,996,769
409560 -> 409594	CCH Medicaid	\$470,182,310	\$312,331,793
409570 -> 409599	CCH Private Payors	\$48,229,660	\$76,318,730
409012 -> 409564	CCH GME	\$73,142,113	\$73,660,707
409605	CCH Directed Payments		\$254,200,000
409575	CCH BIPA	\$135,590,000	\$143,100,000
409580	CCH DSH	\$172,630,008	\$140,000,000
410055	CCH Other Revenue	\$17,099,700	\$18,097,584
407015	CCH Misc	\$1,383,873	\$1,581,169
405015	CCH Investment Income	\$12,961	\$-
406099	CCH Indirect Cost	\$58,338	\$-
404015	CCH Federal Government	\$1,464,617	\$-
400015	CCH Property Tax	\$137,704,920	\$147,704,920
	Total revenue	\$4,297,933,086	\$3,986,927,938



IRFC recommendations and next steps



Budget process next steps

August							September							October							November						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6					1	2	3							1			1	2	3	4	5
7	8	9	10	11	12	13	4	5	6	7	8	9	10	2	3	4	5	6	7	8	6	7	8	9	10	11	12
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21	22	23	24	25	26	27	18	19	20	21	22	23	24	16	17	18	19	20	21	22	20	21	22	23	24	25	26
28	29	30	31				25	26	27	28	29	30	23	24	25	26	27	28	29	27	28	29	30				
													30	31													

August 26: CCHHS Board meeting – budget vote
 August 31: IRFC meeting

September 22: County Board meeting

October 6: Executive Budget Recommendation released
 October 20: County Board meeting
 October 27: IRFC quarterly meeting

November 17: County Board meeting - budget vote

FY22-FY23 IRFC Meetings
 Thursday, October 27, 2022
 Monday, January 23, 2023

*Disclaimer: dates are subject to change



Recommendation 1

Continue to improve quality and consistency of Health Fund revenue modeling

- Ensure actual revenues associated with new Chart of Accounts are consistent with forecasting model
- Resolve inconsistencies through adjustments to reporting, accounts, or modeling
- Assess assumptions for consistency with economic indicators
- Continue to collaborate with CCH on developing model

Recommendation 1: Next steps

Deliverable	Timing
OCFO should compare monthly financial and income data from CCH, as well as monthly revenue data booked in EBS, to forecasting assumptions	Monthly
OCFO should work with CCH staff during biweekly meetings to verify modeling assumptions based on monthly data reporting	Ongoing
OCFO and CCH should collaborate to resolve any inconsistencies by adjusting monthly revenue reporting, the new accounts, or modeling assumptions, as appropriate	Ongoing



Recommendation 2

Deepen and extend use of recent data on national, state, and local economic activity

- Create calendar of economic data releases
- Integrate calendar into forecasting schedule
- Monitor economic data to inform near-term forecasting
- Examine how inflation factors are utilized and integrated into revenue forecasts

Recommendation 2: Next steps

Deliverable	Timing
Create a calendar of economic data releases and integrate that calendar into the forecasting schedule for FY2023.	4 th quarter FY2022
Analyze FY2023 revenue estimates for the FY2023 Executive Recommendation to ensure that forecasting assumptions do not improperly apply inflation growth	4 th quarter FY2022
Reexamine long-term revenue and expense forecast methodology to disconnect the impacts of high inflation from other growth for the FY2023 Executive Recommendation	4 th quarter FY2022

Recommendation 3

Document revenue forecasting methodology

- Explain forecasting methods and data sources
- Provide criteria used to assess forecasts and assumptions

Recommendation 3: Next steps

Deliverable	Timing
Draft an outline of the methodological report	1 st quarter FY2023
Draft methodology for several key revenue sources and publish a preliminary methodology report	2 nd quarter FY2023
Add additional revenue sources and revise the document to reflect methodology used for the FY2024 budget	4 th quarter FY2023

Recommendation 4

Explore opportunities to improve fee revenue forecasting

- Explore data availability on key fee revenue sources
- Determine feasibility of changing methodologies around estimating key sources of fee revenue

Recommendation 4: Next steps

Deliverable	Timing
Prioritize an initial set of fees to explore and collaborate with the offices that impose the fees to obtain data on fee rates and volumes	2 nd quarter FY2023
Test new forecasting methodologies if data is available	3 rd and 4 th quarter FY2023
Incorporate into a fee history document, if data is available	FY2024



Recommendation 5

Incorporate new analysis and data reflecting short- and long-term changes in work and spending patterns

- Identify data and indicators that capture short- and long-term changes in work and spending patterns
- Outline steps to integrate data into forecasts of hotel, parking, amusement, or other tax revenues

Recommendation 5: Next steps

Deliverable	Timing
Research and identify data sources that are updated regularly and could be functionally integrated into revenue forecasts	2 nd quarter FY2023
If data sources are identified, create a methodology that integrates this data into relevant revenue forecasts	3 rd quarter FY2023
Ensure forecasting assumptions are consistent with insights garnered from existing research	Ongoing



Recommendation 6

Explore revenue options to sustain selected ARPA programs in the long term

- Develop and engage in a process to consider potential revenue options for selected programs

Recommendation 6: Next steps

Deliverable	Timing
Provide an analysis of the potential impact on the fund balance of providing funding support to initiatives determined to be necessary after 2026	As soon as practical
Identify revenue options for funding these programs after 2026 and develop a process or methodology for considering and evaluating the options throughout the ARPA eligible spending period	Throughout the ARPA eligible spending period



Next steps



Next steps

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Public comment



Adjournment