



**DEPARTMENT OF FINANCE & BUDGET**  
INTEROFFICE MEMORANDUM

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**TO:** Board of County Commissioners  
**VIA:** Julian M. Willis, County Administrator  
**FROM:** Sharon Strand, Director of Finance & Budget  
**DATE:** November 11, 2021  
**SUBJECT:** Budget Adjustment #108 for the CareFirst Financial Settlement Refund

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**Background:**

On October 11, 2021, staff received the 7/1/2020-6/30/2021 CareFirst Financial Settlement. CareFirst calculates a settlement at the end of each fiscal year. The annual settlement is the difference of monthly payments made to CareFirst adjusted to reflect actual claims and other adjustments to include third-party subrogation and prescription rebates. Bolton Partners has reviewed and verified the settlement calculation. Given the 20/80 premium cost split between the county and the participants, 20% of the refunded amount is due back to the Employees and Retirees while 80% is the County's portion of the refund.

**Discussion:**

A public hearing is scheduled for Tuesday, November 30, 2021 at 10:30 for the Board of County Commissioners' action to process the necessary budget adjustment to give the employees a benefit holiday for 3 pays and the retirees a benefit holiday for the month of December. The budget adjustment also includes 2 mid-year longevity steps: 1<sup>st</sup> longevity step; for employees who were employed with Calvert County Government as of 07/01/2009 and the 2<sup>nd</sup> longevity step; for employees who were employed as of 07/01/2010 with Calvert County Government.

**Fiscal Impact:**

Employees Benefit Holiday - 3 pays	359,000.00
Retiree Benefit Holiday - 1 month	56,000.00
FY2010 Mid-Year Step w/benefits	377,925.00
FY2011 Mid-Year Step w/benefits	404,252.00
Total	1,197,177.00

**Conclusion/Recommendation:**

Following the public hearing, it is recommended that the Board take action to close the record, approve budget adjustment #108 in the amount of \$1,197,177 and sign the attached resolution.

Coordination: Office of the County Attorney