



Health Plan

University of Colorado Health and Welfare Trust

FY25 2nd QUARTER FINANCIAL REPORTS

March 24th, 2025



University of Colorado
Boulder | Colorado Springs | Denver | Anschutz Medical Campus



Medicine

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Financial Reports



UNIVERSITY OF COLORADO HEALTH AND WELFARE TRUST

FY25 - STATEMENT OF NET POSITION (unaudited)

As of December 31, 2024

(Updated 03/16/2025)

	Current Q2 <u>12/31/2024</u>	Q4 <u>6/30/2024</u>
<u>Assets</u>		
Cash:		
Medical	\$ 1,520	\$ 1,292
Flexible Spending Account	211,628	899,570
Investments	95,493,594	82,416,354
Receivables:		
Premiums	37,733,574	35,524,726
Pharmacy Rebates	9,996,956	18,310,082
Interest	268,321	272,233
Miscellaneous Receivables	49,309	-
Prepaid Expenses	162,636	158,318
IT Subscription	28,908	63,599
Total Assets	\$ 143,946,446	\$ 137,646,174
<u>Liabilities and Net Position</u>		
Accounts Payable - Medical	\$ 5,016,213	\$ 2,985,677
Contracts Payable	648,187	1,273,570
Incurred But Not Paid Claims Estimate	37,785,512	41,959,819
Flexible Spending	-	595,799
Subscription Liability	18,689	55,996
Total Liabilities	43,468,601	46,870,861
Plan Net Position - Unrestricted	100,477,845	90,775,313
Total Liabilities and Plan Net Position	\$ 143,946,446	\$ 137,646,174

UNIVERSITY OF COLORADO HEALTH AND WELFARE TRUST
FY25 - STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN PLAN NET POSITION (unaudited)
For the six months ended December 31, 2024
(Updated 03/16/2025)

	<i>Current</i> Q2 <u>12/31/2024</u>	Q4 <u>6/30/2024</u>
<u>Operating Revenues</u>		
Contributions	\$ 229,506,648	\$ 430,476,520
Flexible Spending Recapture	-	-
Total Operating Revenues	<u>229,506,648</u>	<u>430,476,520</u>
<u>Operating Expenses</u>		
Medical Claims	209,489,281	386,950,364
Medical Claims Administration	10,610,546	21,907,473
General and Administrative	1,742,026	3,074,337
Total Administrative	<u>12,352,572</u>	<u>24,981,810</u>
Total Operating Expenses	<u>221,841,853</u>	<u>411,932,174</u>
Operating Income	7,664,795	18,544,346
<u>Nonoperating Revenues (Expenses)</u>		
Investment Earnings	2,911,955	5,387,419
Wellness Initiative	(874,218)	(1,749,938)
Total Nonoperating Revenues (Expenses)	<u>2,037,737</u>	<u>3,637,481</u>
Change in Plan Net Position	9,702,532	22,181,827
Plan Net Position Beginning of Year	90,775,313	68,593,486
Plan Net Position End of Period	<u>\$ 100,477,845</u>	<u>\$ 90,775,313</u>

Budget Performance



FY24 – BUDGET TO ACTUAL REPORT AS OF: 12/31/2024

	FY25 TOTAL BUDGET	FY25 BUDGET DETAIL	FY25 ACTUALS AS OF 12/31/2024	FY25 AVAILABLE AMOUNT	2Q FY25 % BUDGET TO ACTUALS	2Q FY24 % BUDGET TO ACTUALS
REVENUES/INFLOWS						
SELF-FUNDED CLAIMS & RESERVES	\$ 451,894,000					
ANTHEM AND CVS		\$ 371,627,000	\$ 194,293,465	\$ 177,333,535	52.28%	52.72%
KAISER		55,864,000	22,638,580	33,225,420	40.52%	44.53%
VISION		2,320,000	1,191,191	1,128,809	51.34%	52.79%
DENTAL		22,083,000	11,383,413	10,699,587	51.55%	50.63%
HEALTH CARE FLEX SPENDING PLANS *	4,150,000	4,150,000	2,103,358	2,046,642	50.68%	38.61%
INVESTMENT INCOME	-	-	2,911,955	(2,911,955)	N/A	N/A
TOTAL REVENUE/INFLOWS	456,044,000	456,044,000	234,521,962	221,522,038	51.43%	52.11%
EXPENSES/OUTFLOWS						
INCURRED SELF-FUNDED CLAIMS	423,664,000					
ANTHEM AND CVS		354,923,000	177,763,256	177,159,744	50.09%	44.15%
KAISER		45,308,000	19,087,258	26,220,742	42.13%	45.20%
VISION		2,130,000	1,232,693	897,307	57.87%	61.79%
DENTAL		21,303,000	11,406,074	9,896,926	53.54%	52.11%
ADMINISTRATIVE FEES, MISC CHARGES						
ASO FEES	22,557,000					
ANTHEM AND CVS		11,582,000	5,928,849	5,653,151	51.19%	49.83%
KAISER		10,006,000	4,188,798	5,817,202	41.86%	48.56%
VISION		190,000	95,330	94,670	50.17%	51.12%
DENTAL		779,000	397,568	381,432	51.04%	51.13%
BANK CHARGES	5,000	5,000	2,725	2,275	54.50%	50.74%
FSA CLAIMS ADMINISTRATION	91,000	91,000	42,428	48,572	46.62%	45.17%
HEALTH SAVINGS ACCOUNT ADMINISTRATION	80,000	80,000	43,507	36,493	54.38%	57.64%
FLEX SPENDING CLAIMS PAYMENTS *	4,150,000	4,150,000	2,748,465	1,401,535	66.23%	61.00%
WELLNESS	1,887,000					
BE COLORADO - MOVE		1,546,000	786,231	759,769	50.86%	58.22%
MARKETING		10,000	-	10,000	0.00%	24.00%
MENTAL HEALTH		167,000	10,713	156,287	6.41%	19.26%
PREGNANCY/PARENTING		164,000	77,274	86,726	47.12%	43.45%
PREVENTION	25,000					
BIOMETRIC SCREENINGS		15,000	-	15,000	0.00%	0.00%
HEALTH FAIRS/5K		10,000	-	10,000	0.00%	0.00%
PILOTS, STUDIES AND OTHER EXPENSES	25,000	25,000	-	25,000	0.00%	0.00%
DATA WAREHOUSE	332,000	332,000	162,334	169,666	48.90%	48.76%
TRUST FEES						
CONSULTING	745,000					
ACTUARY		175,000	76,468	98,532	43.70%	22.29%
LEGAL		20,000	2,306	17,694	11.53%	40.42%
MANAGEMENT		400,000	42,500	357,500	10.63%	14.00%
AUDIT		150,000	155,000	(5,000)	103.33%	33.25%
INSURANCE	162,000					
FIDUCIARY LIABILITY		56,000	27,416	28,584	48.96%	49.18%
ERRORS AND OMISSIONS		104,000	54,084	49,916	52.00%	51.69%
CRIME		2,000	1,115	885	55.75%	55.70%
CU HEALTH PLAN ADMINISTRATION	2,321,000	2,321,000	1,132,143	1,188,857	48.78%	45.49%
TOTAL EXPENSES/OUTFLOWS	456,044,000	456,044,000	225,464,535	230,579,465	49.44%	45.16%
NET ACTIVITY FOR PERIOD	\$ -	\$ -	\$ 9,057,427	\$ (9,057,427)		

*FSA Activity is excluded from financial reports on page 5

Plan Performance



March 18, 2025

As of December 31st 2024, the FY2025 loss ratio is 97.0% representing a gain of \$6.9M. Table 1 contains the results for the full fiscal year 2024 and fiscal year 2025 (in millions).

Table 1: Financial Summary

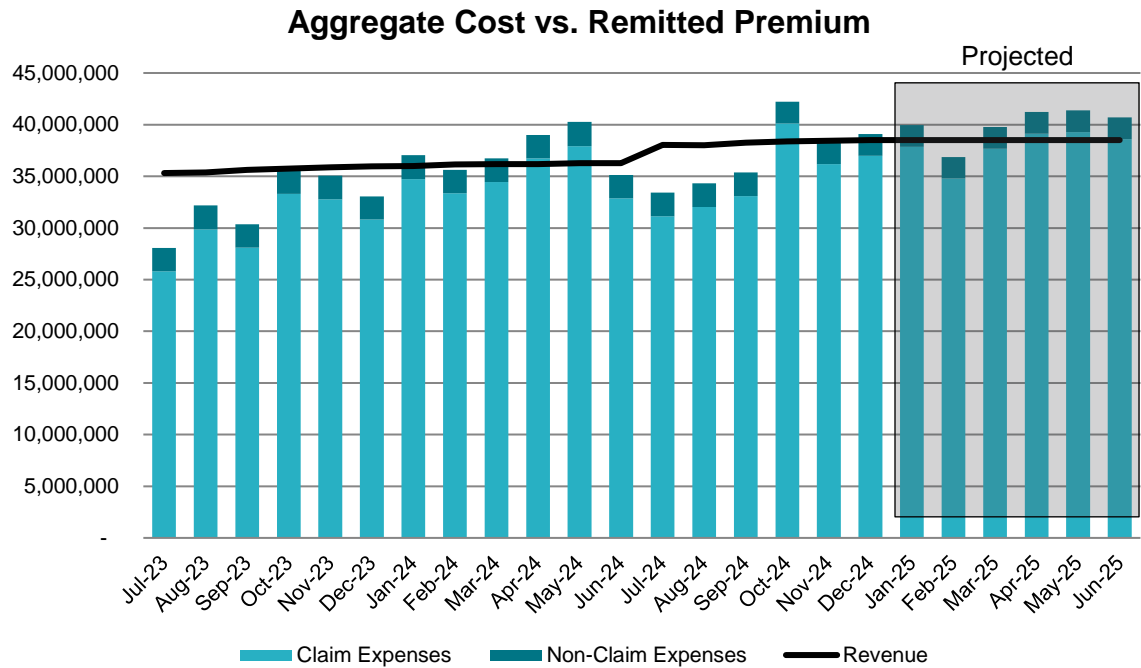
(\$000,000)s	FY2024	FY2025 YTD	FY2025 Projected
Premium			
Funding	430.9	229.6	460.7
Invoiced Premium	430.9	229.6	460.7
Expense			
Claims	390.7	209.5	436.8
Admin	27.5	13.2	25.9
Total Expense	418.2	222.7	462.7
Gain/Loss	12.7	6.9	(2.0)
Loss Ratio	97.0%	97.0%	100.4%

The projected medical, pharmacy and dental incurred claim estimates included in this report are based on historical claims adjusted for trend and plan seasonality consistent with historical projection methodology. Enrollment for the periods above are found in Table 2 below.

Table 2: Enrollment by Plan

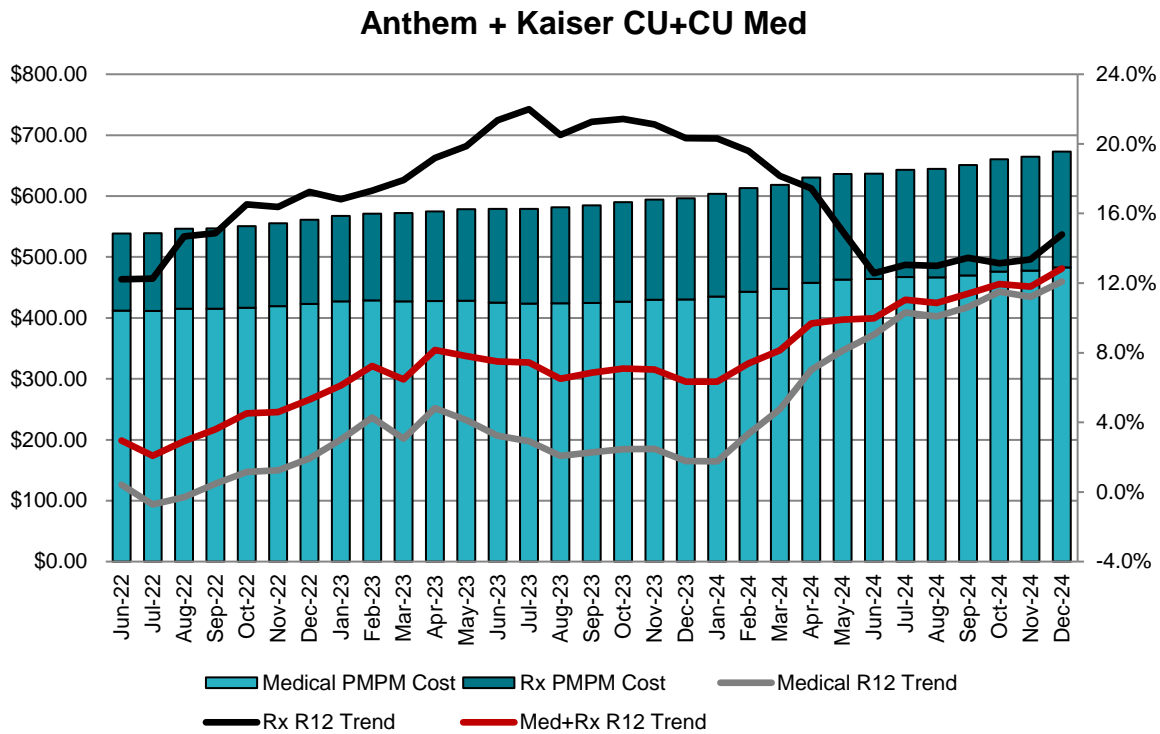
Employee Months	FY2024	FY2025 YTD	FY2025 Projected
Medical	309,639	158,891	318,863
Vol. Vision	201,846	105,049	210,847
Dental	311,050	159,685	320,527

The chart below shows a comparison of total cost (split between claim and non-claim costs) vs. remitted premiums for the prior fiscal year (FY2024) as well as the current fiscal year (FY2025). Current premiums are about \$38M per month and total monthly costs for FY2025 YTD are between \$33 million and \$42 million. This chart demonstrates the monthly volatility experienced by the plan as well as the seasonal pattern of costs throughout the fiscal year.



- Claim Expenses: Medical claims, Rx claims, Rx rebates, Dental, Vision, Exclusive Vision claims, Away from Home claims, Global Capitation fees, EPHC fees, and OMS
- Non-Claim Expenses: ASO fees, Trust Expenses, ICM, and Remitted Premium
- All claims are on an incurred basis using data paid through December 31, 2024, and therefore include an estimate of incurred but not paid claims.

The graph below displays the rolling 12-month (R12) medical and pharmacy costs along with the trends the plan has experienced across both medical carriers (Anthem & Kaiser).



- Combined Anthem & Kaiser Medical & Pharmacy Trend
- Claims include: Incurred Medical, Rx, and Exclusive Vision paid through December 31, 2024
- Excludes: ASO fees, Trust Expenses, ICM, and Rx Rebates

Treasury





Memo

To: Members of the University of Colorado Health and Welfare Trust Board
From: Usha Sharma, Treasurer
Date: March 17, 2025
Re: Quarterly Report on Investments

The Trust's cash equivalents and investments on December 31, 2024 totaled **\$95.5 million** compared to \$94.6 million on December 31, 2023. \$60.1 million was invested in a AAA-rated government money market fund and \$35.4 million was invested in a high-quality, short-duration bond fund. Both investment vehicles are permitted by the Trust's investment policy.

Government money market funds focus on safety and liquidity first and have investment returns as a secondary goal. The Allspring Government Money Market Fund (GVIXX) had a quarterend return of 1.16% and an annual return of 5.15%. The quarterly return as well as the annual return decreased slightly from the previous quarter due to the Fed's cut of the federal funds rate by a total of 50 bps during the quarter. These returns are comparable to other government money markets. About 63% of the fund has daily liquidity.

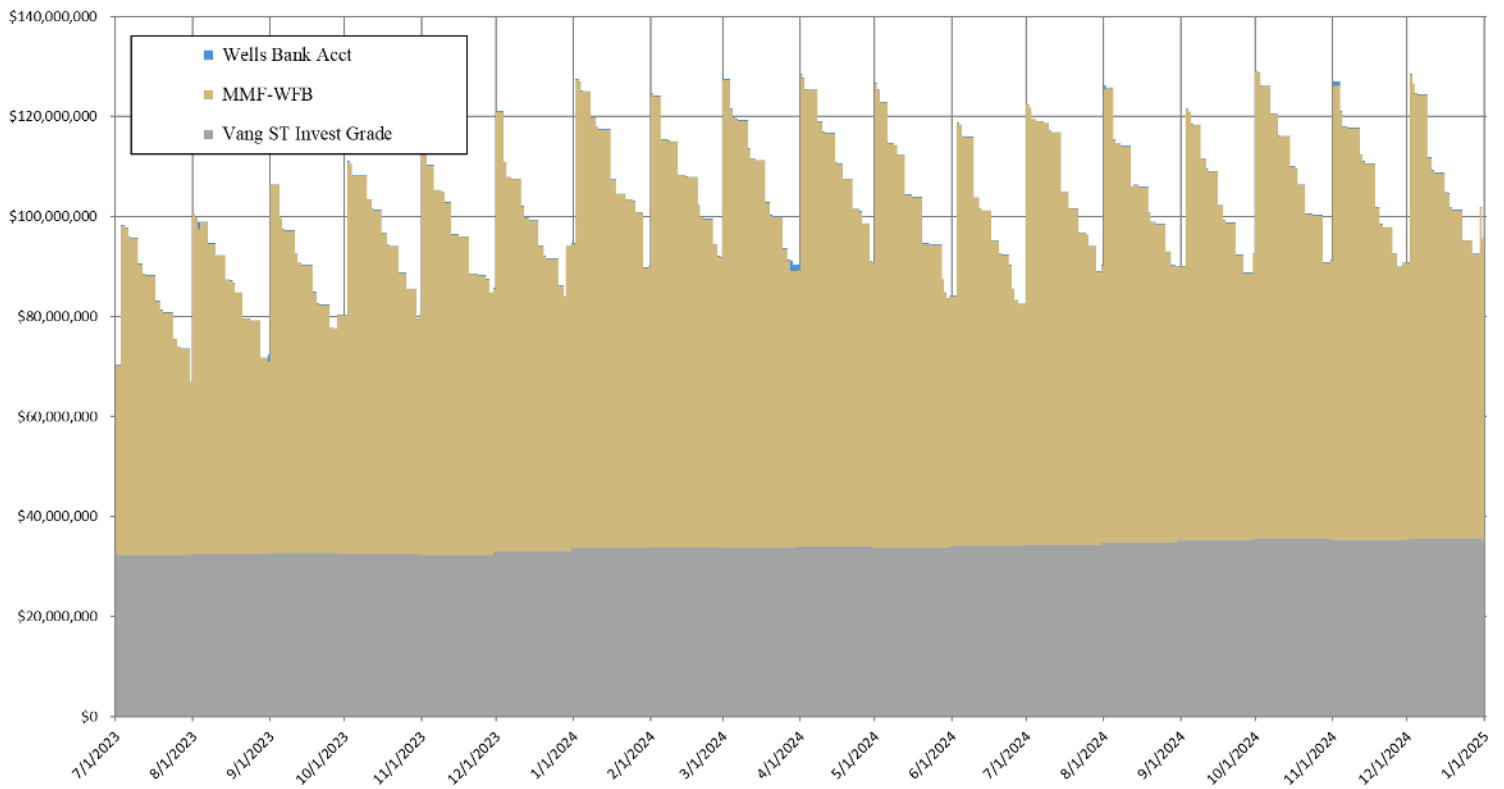
Short duration bond funds have less liquidity, but higher return expectations. The Vanguard Short-Term Investment Grade Fund Admiral Shares (VFSUX) had a quarterly return of -0.36% and an annual return of 5.06%, which was higher than the annual return of benchmark Bloomberg US 1-5 Year Credit Bond Index of 4.72%.

Maximum resources, or the single largest total daily balance of the Trust, remained stable and higher than any prior Q2. Minimum resources, or the single lowest total daily balance of the Trust, remained stable as well and higher than any prior Q2. The bank balance for the second quarter of FY25 remained consistent between \$1,000-\$2,000.

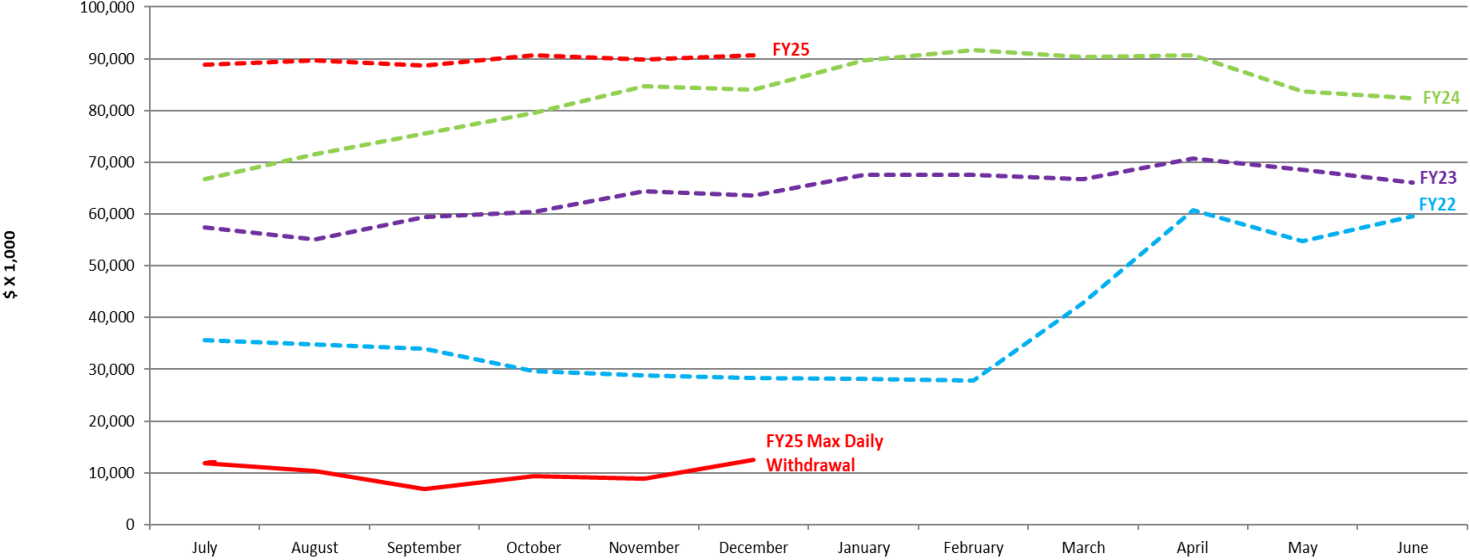
Total investment earnings for the second quarter of FY25 including unrealized gains/(losses) total **\$715,432**. This is comprised of earned/accrued income of \$1,225,530 and an unrealized loss of \$510,097.

Bank and Investment Balances by Day

Wells Fargo Bank, JPM Short Duration Fund, and Money Market Fund - FY24 - FY25 to date



UCHWT Monthly Minimum Resources



UCHWT Monthly Maximum Resources

