

Health Benefits Fund  
For the period ended November 30, 2009  
(amounts expressed in thousands)

	FY2009 Actual	FY2010				Finance Projection
		Adopted Budget	Current Budget	YTD	Controller's Projection	
<b>Operating Revenues</b>						
City Medical Plans	\$ 274,232	\$ 299,768	\$ 299,768	\$ 122,490	\$ 294,531	\$ 294,531
City Dental Plans	8,169	8,758	8,758	3,699	9,022	9,022
City Life Insurance Plans	5,475	5,094	5,094	2,257	5,500	5,500
Health Flexible Spending Account	824	1,000	1,000	396	960	960
Dependent Care Reimbursement	174	175	175	90	215	215
<b>Operating Revenues</b>	<u>288,874</u>	<u>314,795</u>	<u>314,795</u>	<u>128,932</u>	<u>310,228</u>	<u>310,228</u>
<b>Operating Expenses</b>						
City Medical Plan Claims	273,909	295,526	295,526	120,880	290,967	290,967
City Dental Plan Claims	8,169	8,758	8,758	3,699	9,022	9,022
City Life Insurance Plans	5,449	5,094	5,094	2,257	5,500	5,500
Administrative Costs	3,445	4,241	4,241	1,401	4,241	4,241
Health Flexible Spending Account	790	1,000	1,000	333	960	960
Dependent Care	174	175	175	90	215	215
<b>Operating Expenses</b>	<u>291,936</u>	<u>314,794</u>	<u>314,794</u>	<u>128,660</u>	<u>310,905</u>	<u>310,905</u>
Operating Income (Loss)	(3,062)	1	1	272	(677)	(677)
<b>Nonoperating Revenues (Expenses)</b>						
Interest Income	391	300	300	115	300	300
Prior Year Expense Recovery	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	74	74	74
Medicare Part D - Subsidy	2,289	1,186	1,186	0	1,186	1,186
Medicare Part D - Distribution	(2,289)	(1,186)	(1,186)	0	(1,186)	(1,186)
<b>Nonoperating Revenues (Expenses)</b>	<u>391</u>	<u>300</u>	<u>300</u>	<u>189</u>	<u>374</u>	<u>374</u>
Pension Bond Proceeds	0	0	0	0	0	0
Net Income (Loss)	(2,671)	301	301	461	(303)	(303)
Net Assets, Beginning of Year	<u>3,963</u>	<u>1,292</u>	<u>1,292</u>	<u>1,292</u>	<u>1,292</u>	<u>1,292</u>
Net Assets, End of Year	<u>\$ 1,292</u>	<u>\$ 1,593</u>	<u>\$ 1,593</u>	<u>\$ 1,753</u>	<u>\$ 989</u>	<u>\$ 989</u>

**About the Fund:**

The Health Benefits Fund is an Internal Service Fund administered by the Human Resources Department. The Fund was established in 1984 to centralize the financial transactions for the City's benefit plans. In May 1994, the entire health benefits delivery system was revamped with a new system that employs aggressive managed care features. HMOBlueTexas (HMOBTX) provides Health Maintenance Organization (HMO) and Preferred Provider (PPO) plan, with limits on annual increases. These plans are supported by contributions from the City and participants. The Fund also includes two dental plans, a dental/health maintenance organization (DHMO) and a dental indemnity plan. Both plans are supported exclusively by participants.