Health Benefits Fund
For the period ended March 31, 2014
(amounts expressed in thousands)

	FY2014 Actual	FY2015 Adopted Budget	FY2015 Current Budget	FY2015 YTD	FY2015 Controller's Projection	FY2015 Finance Projection
Operating Revenues						
City Medical Plans	$ 314,151	$ 321,757	$ 321,757	$ 243,472	$ 315,175	$ 315,175
City Dental Plans	9,874	10,278	10,278	7,618	10,251	10,251
City Life Insurance Plans	5,488	5,808	5,808	4,242	5,693	5,693
Vision	2,346	2,363	2,363	1,968	2,394	2,394
Health Flexible Spending Account	2,914	2,950	2,950	2,456	3,275	3,275
Dependent Care Reimbursement	301	265	265	238	315	315
Operating Revenues	335,074	343,421	343,421	259,994	337,103	337,103
Operating Expenses						
Medicare Advantage	20,757	24,366	24,058	17,484	23,258	23,258
City Medical Plan Claims - Cigna	270,981	290,606	290,608	208,406	283,147	283,147
City Dental Plan Claims	9,874	10,278	10,278	7,618	10,251	10,251
Vision	2,346	2,363	2,363	1,968	2,394	2,394
City Life Insurance Plans	5,488	5,808	5,808	4,242	5,692	5,692
Administrative Costs	6,330	7,163	7,469	4,483	7,098	7,098
Health Flexible Spending Account	2,914	2,950	2,950	2,456	3,275	3,275
Dependent Care	301	265	265	238	315	315
Operating Expenses	318,991	343,799	343,799	246,895	335,430	335,430
Operating Income (Loss)	16,083	(378)	(378)	13,099	1,673	1,673
Non-Operating Revenues (Expenses)						
Interest Income	378	405	405	371	405	405
Prior Year Expense Recovery	147	0	0	22	22	22
Miscellaneous Revenue	4,135	0	0	395	395	395
Medicare Part D - Subsidy	30	0	0	0	0	0
Non-Operating Revenues (Expenses)	4,690	405	405	788	822	822
Net Income (Loss)	20,773	27	27	13,887	2,495	2,495
Net Assets, Beginning of Year	9,316	30,089	30,089	30,089	30,089	30,089
Net Assets, End of Year	$ 30,089	$ 30,116	$ 30,116	$ 43,976	$ 32,584	$ 32,584

About the Fund:
The Health Benefits Fund, an Internal Service Fund administered by the Human Resources Department, was established in 1984 to centralize the financial transactions for the City's benefit plans.

Effective May 1, 2011, the City elected to be substantially self-insured and awarded CIGNA a three year contract with two (2) one-year renewal options for 4 new health plans. The new health benefits model is composed of four (4) plans, all of which have heavy emphasis on a wellness component, and includes; 1) a limited network HMO-type plan, 2) an open access PPO-type plan with no out-of-network coverage, 3) a consumer driven high deductible Health Plan (CDHP), partnered with a health reimbursement account, and 4) a specific plan for retirees, mostly those under age 65, who live outside the limited network service area but who live in Texas. Effective 08/01/11 all 65+ Medicare eligible retirees must enroll in the 6 MA plans or opt out. These plans are supported by contributions from the city and participants.

The Fund also includes a vision plan, two dental plans, a dental/health maintenance organization (DHMO) and a dental indemnity plan. All three plans are supported exclusively by participants.