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**FISCAL YEAR 2022 BUDGET**

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**Fund Summary**

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**Fund Name** : **Health Benefits**  
**Business Area** : **Human Resources**  
**Fund No./Bus. Area No.** : **9000 / 8000**

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	<u>FY2021 Current Budget</u>	<u>FY2021 Estimate</u>	<u>FY2022 Budget</u>
Beginning Fund Balance	39,048,475	39,048,475	<b>26,204,449</b>
Current Revenues	418,226,515	389,455,227	<b>415,207,727</b>
Total Available Resources	<u>457,274,990</u>	<u>428,503,702</u>	<u><b>441,412,176</b></u>
Maintenance and Operations	416,762,117	402,299,253	<b>414,809,656</b>
Total Expenditures	<u>416,762,117</u>	<u>402,299,253</u>	<u><b>414,809,656</b></u>
Planned Ending Fund Balance	<u>40,512,873</u>	<u>26,204,449</u>	<u><b>26,602,520</b></u>
Total Budget	<u><u>457,274,990</u></u>	<u><u>428,503,702</u></u>	<u><u><b>441,412,176</b></u></u>

The above summarizes the FY2021 Budget, the FY2021 Estimate and the FY2022 Budget for the Health Benefits Fund. Also included are the beginning and ending fund balances, total revenues and total expenditures.

The Health Benefits Fund is an Internal Service Fund established in 1984 to centralize the financial transactions of the City's benefit plans. The benefit plans include health, vision, dental, life insurance, dependent care reimbursement and a health flexible reimbursement arrangement plan. The City also provides three Medicare plans for all eligible retirees age 65 and over, who are covered by Medicare. The medical plans are supported by contributions from the City and subscribers.

The City became self-insured effective May 1, 2011, and initially purchased stop-loss insurance. Effective May 1, 2013, the City assumed the financial risk of catastrophic and overall claims liability and discounted the purchase of individual and aggregate stop-loss coverage.

Effective May 1, 2021 there will be an additional monthly \$75.00 Spouse charge for Active and Retiree Subscribers. Additionally, the FY2022 Active subscriber rates will increase by 3.44% except for employee only in Limited Plan which will be at \$0.00. The City departments' contribution rates will increase by 0.56% in aggregate effective July 1, 2021.

**FISCAL YEAR 2022 BUDGET**

**Business Area Budget Summary**

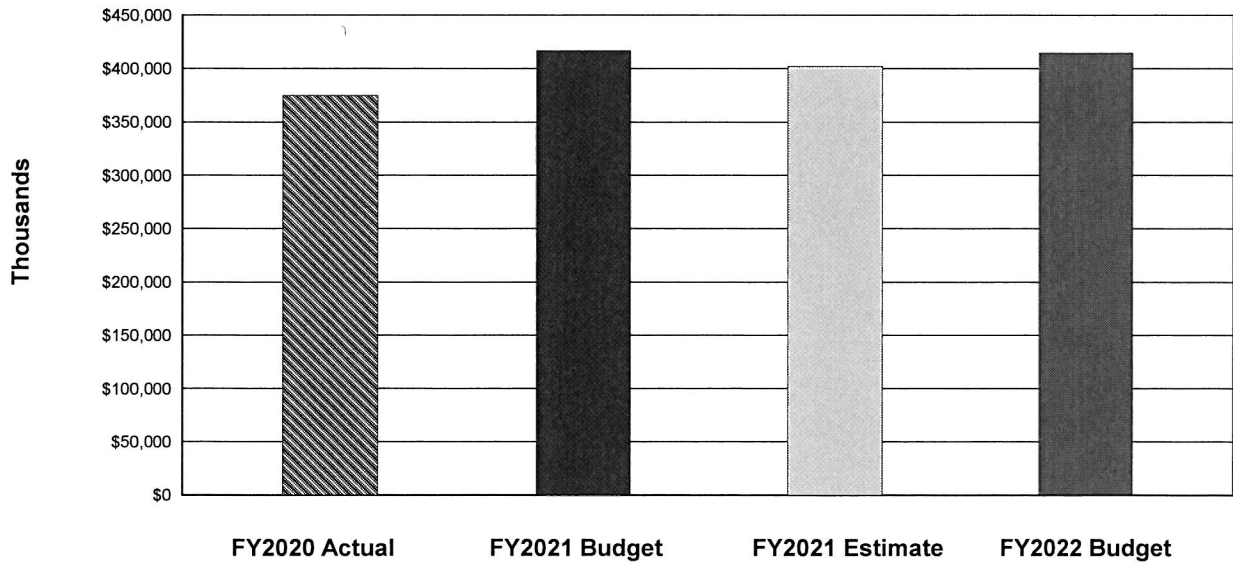
**Fund Name** : Health Benefits  
**Business Area** : Human Resources  
**Fund No. /Bus. Area No.** : 9000 / 8000

		FY2020 Actual	FY2021 Current Budget	FY2021 Estimate	FY2022 Budget
Expenditures	Personnel Services	4,625,494	5,113,301	4,678,719	<b>5,314,515</b>
	Supplies	83,230	182,465	135,862	<b>109,479</b>
	Other Services and Charges	370,048,277	411,197,591	397,339,880	<b>409,277,774</b>
	Equipment	5,500	200,000	100,000	<b>100,000</b>
	Non-Capital Equipment	16,388	68,760	44,792	<b>7,888</b>
	Total M & O Expenditures	<u>374,778,889</u>	<u>416,762,117</u>	<u>402,299,253</u>	<u><b>414,809,656</b></u>
	Debt Service & Other Uses	0	0	0	<b>0</b>
	Total Expenditure	<u>374,778,889</u>	<u>416,762,117</u>	<u>402,299,253</u>	<u><b>414,809,656</b></u>
Revenues		376,720,434	418,226,515	389,455,227	<b>415,207,727</b>
Staffing	Full-Time Equivalents - Civilian	44.8	49.0	43.8	<b>51.0</b>
	Full-Time Equivalents - Classified	0.0	0.0	0.0	<b>0.0</b>
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	<b>0.0</b>
	Total	<u>44.8</u>	<u>49.0</u>	<u>43.8</u>	<u><b>51.0</b></u>
	Full-Time Equivalents - Overtime	0.0	0.1	0.0	<b>0.0</b>

**Significant Budget Changes and Highlights**

- o The FY2022 Budget provides funding for health benefits and pension contribution.
- o Includes Wellness Program and Employee Assistance Program (EAP).
- o Provides funding for Success Factors Benefit Focus products.
- o Coordinates Other Post-Employment Benefits (OPEB) review and facilitates the GASB 74/75 valuations.
- o Implements a Retiree Benefits platform that will allow retirees to enroll and submit payments online.
- o Acquires and deploys new online HIPAA refresher training program.
- o The FY2022 Budget reflects an increase of 2.0 FTEs to support Benefits Program.

**Health Benefits  
Human Resources  
Expenditure Summary**



**FISCAL YEAR 2022 BUDGET**

<b>Business Area Performance Measures</b>				
<b>Fund Name : Health Benefits</b> <b>Business Area : Human Resources</b> <b>Fund No. /Bus. Area No. : 9000 / 8000</b>				
<b>Performance Measures</b>	<b>FY2020 Actual</b>	<b>FY2021 Target</b>	<b>FY2021 Estimate</b>	<b>FY2022 Target</b>
EAP Employee Training Attendance	N/A	480	480	528
Wellness Engagement - Active Employees	59%	55%	55%	75%
Wellness Engagement - Retirees	N/A	15%	15%	50%
Wellness Engagement - Spouses	54%	30%	30%	65%
Expenditures Adopted Budget vs Actual Utilization	91%	98%	97%	98%
Revenues Adopted Budget vs Actual Utilization	91%	100%	93%	100%

**FISCAL YEAR 2022 BUDGET**

<b>Division Summary</b>						
<b>Fund Name : Health Benefits</b>						
<b>Business Area : Human Resources</b>						
<b>Fund No. /Bus Area No. : 9000 / 8000</b>						
<b>Division Description</b>	<b>FY2020 Actual</b>		<b>FY2021 Estimate</b>		<b>FY2022 Budget</b>	
	<b>FTEs</b>	<b>Costs \$</b>	<b>FTEs</b>	<b>Costs \$</b>	<b>FTEs</b>	<b>Costs \$</b>
<b>HR - Benefits Administration 800012</b> Administers, maintains, and communicates City sponsored benefits by utilizing a customer focused approach for employees, retirees and their dependents to create a healthy culture throughout the City of Houston. Develops and provides strategic direction of the Benefits Program that includes the Healthcare Delivery System and other employee health and welfare plans. Handles the management of all employee data.	26.5	3,186,075	26.4	5,004,088	32.0	6,123,033
<b>HR - Employee Assistance Program 800013</b> Offers counseling for work related concerns and mental health trainings to employees and their family members. Responds to disruptive events in the workplace and crises 24/7/365. Provides safety checks, threat assessments, enforcement of compliance to Last Chance Agreements, assists employees with substance abuse concerns and manages hospitalizations. Manages the external Employee Assistance Program that provides counseling for personal concerns.	2.6	634,455	2.0	682,929	4.0	754,776
<b>HR - Communications 800014</b> Provides employees and retirees with accurate information regarding City news. Publishes two award-winning newsletters; benefits materials; communications for the Wellness Program; as well as for the Risk Management Program; and many annual publications. Fosters employee recognition and engagement via Public Service Recognition Week activities and the City's annual giving drive, the Combined Municipal Campaign.	8.0	824,690	7.2	817,020	8.0	855,229
<b>HR - Benefits Financial/Reporting 800015</b> Assists in the design, maintenance and interpretation of management reports on operational and financial matters. Prepares the budget and monitors the various benefit plans' financial impact.	7.7	370,133,669	8.2	395,795,216	7.0	407,076,618
<b>Total</b>	<b>44.8</b>	<b>374,778,889</b>	<b>43.8</b>	<b>402,299,253</b>	<b>51.0</b>	<b>414,809,656</b>

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**FISCAL YEAR 2022 BUDGET**

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**Business Area Revenues Summary**

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**Fund Name** : Health Benefits  
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**Fund No./Bus. Area No.** : 9000 / 8000

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<b>Category</b>	<b>FY2020 Actual</b>	<b>FY2021 Current Budget</b>	<b>FY2021 Estimate</b>	<b>FY2022 Budget</b>
Charges for Services	8	0	0	0
Interest	1,714,188	1,000,000	1,000,000	1,000,000
Miscellaneous/Other	375,006,238	417,226,515	388,455,227	414,207,727
<b>Grand Total Revenues</b>	<u><u>376,720,434</u></u>	<u><u>418,226,515</u></u>	<u><u>389,455,227</u></u>	<u><u>415,207,727</u></u>