

Health Benefits Fund
For the period ended March 31, 2011
(amounts expressed in thousands)

	FY2010 Actual	FY2011				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Operating Revenues						
City Medical Plans	\$ 294,918	\$ 316,656	316,656	\$ 222,477	\$ 293,383	\$ 293,383
City Dental Plans	8,945	9,568	9,568	6,924	9,297	9,297
City Life Insurance Plans	5,499	5,623	5,623	4,321	5,781	5,781
Health Flexible Spending Account	968	1,100	1,100	804	1,085	1,085
Dependent Care Reimbursement	216	240	240	168	225	225
Operating Revenues	<u>310,546</u>	<u>333,187</u>	<u>333,187</u>	<u>234,694</u>	<u>309,771</u>	<u>309,771</u>
Operating Expenses						
City Medical Plan Claims	289,907	312,518	312,518	219,777	291,952	291,952
City Dental Plan Claims	8,945	9,568	9,568	6,924	9,297	9,297
City Life Insurance Plans	5,499	5,623	5,623	4,321	5,781	5,781
Administrative Costs	3,677	4,885	4,885	2,813	4,267	4,267
Health Flexible Spending Account	918	1,100	1,100	677	1,085	1,085
Dependent Care	216	240	240	168	225	225
Operating Expenses	<u>309,162</u>	<u>333,934</u>	<u>333,934</u>	<u>234,680</u>	<u>312,607</u>	<u>312,607</u>
Operating Income (Loss)	1,384	(747)	(747)	14	(2,836)	(2,836)
Nonoperating Revenues (Expenses)						
Interest Income	252	300	300	167	230	230
Prior Year Expense Recovery	0	0	0	0	0	0
Miscellaneous Revenues	1,164	0	0	492	492	492
Medicare Part D - Subsidy	0	1,229	1,229	0	1,229	1,229
Medicare Part D - Distribution	0	(1,229)	(1,229)	0	(1,229)	(1,229)
Nonoperating Revenues (Expenses)	<u>1,416</u>	<u>300</u>	<u>300</u>	<u>659</u>	<u>722</u>	<u>722</u>
Pension Bond Proceeds	0	0	0	0	0	0
Net Income (Loss)	2,800	(447)	(447)	673	(2,114)	(2,114)
Net Assets, Beginning of Year	<u>852</u>	<u>3,652</u>	<u>3,652</u>	<u>3,652</u>	<u>3,652</u>	<u>3,652</u>
Net Assets, End of Year	<u>\$ 3,652</u>	<u>\$ 3,205</u>	<u>\$ 3,205</u>	<u>\$ 4,325</u>	<u>\$ 1,538</u>	<u>\$ 1,538</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.