

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

	Unaudited Preliminary FY2011	FY2012				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Operating Revenues</b>						
City Medical Plans - BCBS	\$ 254,166	\$ 15,815	15,815	\$ 966	\$ 15,815	\$ 15,815
City Medical Plans - Cigna	38,724	271,130	271,130	20,663	271,130	271,130
City Dental Plans	9,318	9,457	9,457	773	9,457	9,457
City Life Insurance Plans	5,779	5,681	5,681	471	5,681	5,681
Health Flexible Spending Account	1,229	1,200	1,200	168	1,200	1,200
Dependent Care Reimbursement	227	240	240	20	240	240
<b>Operating Revenues</b>	<u>309,443</u>	<u>303,523</u>	<u>303,523</u>	<u>23,061</u>	<u>303,523</u>	<u>303,523</u>
<b>Operating Expenses</b>						
City Medical Plan Claims - BCBS	245,829	15,326	15,326	1,231	15,326	15,326
City Medical Plan Claims - Cigna	43,637	267,113	267,113	21,692	267,113	267,113
City Dental Plan Claims	9,325	9,457	9,457	813	9,457	9,457
City Life Insurance Plans	5,779	5,681	5,681	482	5,681	5,681
Administrative Costs	4,127	4,996	4,996	295	4,996	4,996
Health Flexible Spending Account	1,030	1,200	1,200	126	1,200	1,200
Dependent Care	227	240	240	20	240	240
<b>Operating Expenses</b>	<u>309,954</u>	<u>304,013</u>	<u>304,013</u>	<u>24,659</u>	<u>304,013</u>	<u>304,013</u>
Operating Income (Loss)	(511)	(490)	(490)	(1,598)	(490)	(490)
<b>Non-Operating Revenues (Expenses)</b>						
Interest Income	558	180	180	43	180	180
Prior Year Expense Recovery	0	0	0	0	0	0
Miscellaneous Revenues	568	0	0	0	0	0
Medicare Part D - Subsidy	0	0	0	0	0	0
Medicare Part D - Distribution	0	0	0	0	0	0
<b>Non-Operating Revenues (Expenses)</b>	<u>1,126</u>	<u>180</u>	<u>180</u>	<u>43</u>	<u>180</u>	<u>180</u>
Pension Bond Proceeds	0	0	0	0	0	0
Net Income (Loss)	615	(310)	(310)	(1,555)	(310)	(310)
Net Assets, Beginning of Year	<u>3,652</u>	<u>4,267</u>	<u>4,267</u>	<u>4,267</u>	<u>4,267</u>	<u>4,267</u>
Net Assets, End of Year	<u>\$ 4,267</u>	<u>\$ 3,957</u>	<u>\$ 3,957</u>	<u>\$ 2,712</u>	<u>\$ 3,957</u>	<u>\$ 3,957</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.