



Bogner/Purnell

RESOLUTION NO. 6574

WHEREAS, the District maintains a Health Plan for its employees, retirees and their dependents, and

WHEREAS, the Board of Directors directed management to provide for self-funding of the District's Health Plan, as well as the use of Administrative Services Only providers, and to authorize such providers to issue payments and adjustments in settlement of such health benefits, and

WHEREAS, such arrangements were completed and the District's self-funded Health Plan is in effect, and

WHEREAS, State Statutes require the Board of Directors to review and approve an annual report on the self-funded Health Plan and required reserves, and

WHEREAS, the Health Plan - 2022 Annual Report has been completed and indicates that the Health Plan was operated in accordance with the Board's directive and applicable State Statutes.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Omaha Public Power District that the Health Plan - 2022 Annual Report on the District's self-funded Health Plan, a copy of which is attached hereto, is hereby approved.

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**Omaha Public Power District
Health Plan – 2022 Annual Report
May 11, 2023**

As required by the Benefits Act, the following is a report on the District’s Health Plan for 2022 and required reserves.

HEALTH PLAN REPORT

	2022
Expenses - Gross	
Medical, dental and prescription claims	\$30,539,000
Other post-employment benefits-OPEB	\$13,553,000
Fees and reserve adjustments	\$ 3,513,300
Subtotal	\$47,605,300
Reduction of Expenses	
Employee and COBRA contributions	\$ 6,633,300
Prescription Rebates ⁽¹⁾	\$ 2,040,100
Stop Loss Reimbursements ⁽²⁾	\$ 23,500
MISC Refunds ⁽³⁾	\$ 242,000
Subtotal	\$ 8,938,900
Total	\$38,666,400

- Note ⁽¹⁾ This represents prescription drug rebates issued by the drug manufacturers.
⁽²⁾ This represents reimbursements for claims that exceed the individual stop loss.
⁽³⁾ This represents reimbursements from BCBS, UMR, and other self-insurance refunds

RESERVES

	2022
Incurred But Not Presented	
Beginning balance	\$3,259,000
Activity	-\$ 41,000
Ending balance	\$3,218,000
Monthly Claims and Expenses	
Beginning balance	\$2,746,000
Activity	\$ 121,200
Ending balance	\$2,867,200

The reserve balances change based on annual projections and actuarial information received.



Board Action

BOARD OF DIRECTORS

June 13, 2023

ITEM

Health Plan – 2022 Annual Report

PURPOSE

Provide an annual report on the District’s Health Plan

FACTS

- a. In 1991, the Board of Directors authorized the formation of a self-funded Administrative Services Only Health Plan (Health Plan). The Health Plan includes the health insurance programs and dental program offered by the District.
- b. The Health Plan is subject to the Political Subdivision Self-Funding Benefits Act, set forth in §13-1601 to §13-1626, Revised Statutes of Nebraska (Benefits Act). To comply with the Benefits Act, the District is required to prepare an annual report on the Health Plan and required reserves.
- c. Two funded reserves are maintained for the Health Plan in accordance with the Benefits Act. One reserve is to account for timing delays in claims filing and processing which is referred to as an Incurred But Not Presented Reserve. A second reserve ensures that funds will be available during each ensuing month and is called the Monthly Claims and Expenses Reserve.

ACTION

Review and approve the Health Plan – 2022 Annual Report.

RECOMMENDED:

DocuSigned by:

Mckell Purnell

Mckell V. Purnell

Vice President – Human Capital

APPROVED FOR BOARD CONSIDERATION:

DocuSigned by:

L. Javier Fernandez

L. Javier Fernandez

President and Chief Executive Officer

MVP: gws

Attachments: Health Plan – 2022 Annual Report
Resolution