

The Governor's recommendation for the FY 2011 budget is an increase of \$4,668,621 for health insurance which is distributed to other agencies and funds of state government.

A couple of questions regarding this increase:

- 1) Is this increase partly based on employee health insurance costs that have already been negotiated for FY 2011 or is there still contract negotiations in progress that might have an effect on the final cost per department? **We included any savings that would be generated from contract negotiations based on the bids that were submitted. Those savings have been included in our totals. There should not be any further effect on the final FTE cost for each department.**
- 2) Can you provide me with the final health and life insurance rate per FTE that was calculated for FY 2011? **The FY 2011 rate is \$6,135.00 per FTE.**