

AGENDA

BOARD OF DIRECTORS

SUSAN B. ANDERSON

JUDITH CASE

MIKE ENNIS

ALLEN ISHIDA

PHIL LARSON

DEBORAH POOCHIGIAN

PETE VANDER POEL

Meeting Location:
Fresno County Employee Retirement
Association Board Chambers
1111 H Street
Fresno, CA 93721
August 24, 2012
9:00 AM

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Public Comment: At this time, members of the public may comment on any item, within the jurisdiction of the SJVIA, not appearing on the agenda. In order for everyone to be heard, please limit your comments to 3 minutes or less. Anyone wishing to be placed on the agenda for a specific topic should contact the SJVIA Manager's Office and submit correspondence at least 14 days before the desired date of appearance.
5. Consent Agenda – Items 5a through 5c.
 - These items are routine in nature and are usually approved by a single vote. Prior to action by the Board, the public will be given the opportunity to remove any item from the Consent Calendar. Items removed from the Consent Calendar may be heard immediately following approval of Consent Calendar or set aside until the department can be notified and its representative is in the board room.
 - a. Approval of Minutes – Board Meeting of July 20, 2012
 - b. Receive and File SJVIA Executive Claims Summary through June 2012
 - c. Receive and File Report on SJVIA Marketing Activity
 - d. Receive and File Fourth Quarter Financial Statements

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the SJVIA Manager at 600-1810 or the Assistant SJVIA Manager at 636-4900. Notification 48 hours prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility. Documents related to the items on this Agenda submitted to the Board after distribution of the Agenda packet are available for public inspection at the County of Fresno plaza Building, 2220 Tulare St, 14th Floor, Fresno, CA during normal business hours. All documents are also posted online to www.sjvia.org.

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6. Request for use of claims mitigation funds to conduct Mobile Mammography Screenings and authorization for execution of contract with Pacific Coast Medical Services. (A)
7. Authorization of communication funds expense for the design and production of open enrollment materials for the County of Fresno and the County of Tulare. (A)
8. Approve the selection of US Script as the pharmacy benefit manager and authorize Board Chair to execute the agreement effective December 10, 2012. (A)
9. Consider additional benefit option for the SJVIA. (A)
 - a. Approve the acceptance of proposals from Delta Dental and VSP Vision for the 2013 Plan year
 - b. Approve recommendation to reevaluate offering a Kaiser HMO option for plan year 2014
10. Approve the release of proposals and authorize the Board President to execute Participation Agreements contingent upon acceptance and approval by the interested entities' governing bodies. (A)
11. Approve and adopt the recommended renewal rates for the 2013 plan year. (A)
12. Directors Reports. (I)
13. Adjournment

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136 N Akers St
Visalia, CA 93921
July 20, 2012
9:00 AM

1. Call to Order

Meeting was called to order by President Vander Poel at 9:03am.

2. Roll Call

Roll was called by Brittany Harlan, Gallagher Benefit Services. Present were President Pete Vander Poel, Director Susan Anderson, Director Phil Larson, Director Mike Ennis and Director Ishida.

3. Approval of Agenda

Director Anderson moved to approve the agenda, Director Case seconded the motion. Motion unanimously approved.

4. Public Comment

President Vander Poel opened the meeting for public comment – no public comment was given.

5. Consent Agenda – Items 5a through 5e.

Director Case moved to approve the consent calendar with the approval to pull 5c and correction of the spelling of Director Larson's name. Director Ennis seconded the motion. Motion unanimously approved.

a. Approval of Minutes – Board Meeting of April 20, 2012

b. Receive and File SJVIA Executive Claims Summary through May 2012

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c. Receive and File Report on SJVIA Marketing Activity

Director Case inquired about the number of small entities that are being quoted and how this affects the administrative cost as well as the underwriting. She asked if the SJVIA should focus more on the larger entities.

LeRoy Tucker, Gallagher Benefit Services (GBS), explained that SJVIA staff and GBS looked at the RMA as a whole although they indicated they would not come in as one group but rather as individuals. LeRoy clarified that the goal is not to pursue only small entities but also the larger Cities and Counties. He mentioned that once the SJVIA respond to interest from this group of small Cities inside the RMA, the focus will return to larger accounts. Paul Nerland, SJVIA Manager added that staff shares the concern that the administrative cost/burden should be reviewed carefully. He added that staff is exploring components of the administration that may be handled by vendors within the current cost structure.

Director Ishida asked if there was any consideration to offer the SJVIA option to the California Partnership of the San Joaquin Valley. LeRoy Tucker, Gallagher Benefit Services, stated that the SJVIA could pursue that option although it may result in smaller individual entities similar to the experience with the RMA. The Board agreed to provide contact information for the Partnership to Gallagher Benefit Services.

d. Receive and File Report on SJVIA Wellness Activities

e. Receive and File Quarterly Financial Reports

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6. Receive and file the results of the RFP for Pharmacy Benefit Manager and direct staff to conduct finalist interviews. (A)

Paul Nerland, SJVIA Manager, explained that currently the SJVIA is contracted with Catalyst for Rx coverages with County of Tulare purchases rates through SJVIA and County of Fresno purchasing on their own. The RFP was conducted assuming both Counties would contract through SJVIA.

Michele Mills, Gallagher Benefit Services, explained that GBS used its Pharmacy Director, Mike Thomas, out of St. Louis to conduct the RFP. Twelve months of claims experience was sent to various Rx carriers to be repriced and specific specialty pricing was also requested. After thorough review of the proposals, Mike recommended making a move away from Catalyst Rx for the 2013 plan year. We are in the final year with Catalyst and while they offered a proposal, they did not present any significant savings off what they are currently giving, which was approximately 1%. Envision Rx and US Script came back very aggressive in their pricing. We can also look at interviewing Catalyst as well as Express Script who just merged with MedCo. However, these two carriers, would expose the SJVIA to any issues that may come from the recent mergers and acquisitions. The best case scenario when looking at repricing claims would be a savings of 1.1 million through US Script.

President Vander Poel asked if this savings would have an immediate effect on the renewal or if we would see that savings later. LeRoy Tucker, Gallagher Benefit Services, confirmed that these savings would be reflected in the 2013 renewal to drive cost down. As of right now, pharmacy savings have not been applied to the preliminary renewal numbers. Michele Mills stated that GBS and staff are looking for

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approval to conduct finalist interviews and make a final decision in the next month.

Director Case requested a report on the pharmacy utilization, specifically high cost drugs. Gallagher Benefit Services committed to providing that data. Paul Nerland, added that the percent of premium going to pharmacy is ranging between 15-20%.

Director Anderson moved to proceed with finalist interviews for pharmacy services, Director Case seconded the motion. Motion unanimously approved.

7. Receive and file the results of the RFP for Special Legal Counsel and direct staff to secure contract for services. (A)

Jeff Cardell, SJVIA Assistant Manager, discussed the results of the RFP for Special Legal Counsel. Interviews were conducted by staff and Gallagher Benefit Services. Initially, Murphy, Campbell, Guthrie & Allison looked impressive on paper due to their experience in working with public agencies, however, after the interviews, it became apparent that McCormick Barstow, LLP was the leading contender. McCormick Barstow, LLP delivered a responsive and thorough presentation and they do have experience with other JPA groups. Our recommendation would be to pursue a contract with McCormick Barstow, LLP.

Paul Nerland, SJVIA Manager, added that some firms looked good on paper but were very small. One of the advantages of McCormick Barstow, LLP was they were larger, had access to more resources and being a local firm were very close in proximity. In addition, they would work in conjunction with County Counsel. Director Ishida asked if there was a fixed fee rather than a range and requested to see a fee

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schedule in relation to these services. Michele Mills, Gallagher Benefit Services, clarified that the lead attorney agreed to a fixed rate of \$2.75.

Director Larson moved to approve McCormick Barstow, LLP for Special Legal Counsel, Director Ishida seconded the motion. Motion unanimously approved.

8. Approve the Revised Underwriting Guidelines to provide procedures for the addition and renewal for smaller entities. (A)

LeRoy Tucker, Gallagher Benefit Services, explained that as GBS began underwriting small entities it became apparent that there is a need to refine a few areas – such as length of commitment for groups that join mid plan year, credibility factors, and CALPERS claim adjustments – in order to be more effective in rating these groups. A revised version of the SJVIA underwriting guidelines is being presented to show these minor changes. LeRoy also clarified that the recommended changes allow for a more conservative approach to entities coming from a CALPERS plan since the SJVIA has no claims experience to work with.

Director Ishida was concerned about entities who provide coverage to Retirees and the high cost associated with them. Bruce Caldwell, Gallagher Benefit Services, explained that GBS take all that into account when underwriting and if a group has high retiree participation, GBS may recommend not moving forward with them.

Director Ennis moved to approve the Revised Underwriting Guidelines, Director Case seconded the motion. Motion unanimously approved.

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9. Approve the Amendment for the Contract with Chimienti & Associates.
(A)

Michele Mills, Gallagher Benefit Services, explained that the SJVIA is currently in the last year of the agreement with Chimienti & Associates. As part of the upcoming 2013 renewal, the SJVIA worked with Chimienti and they agreed to extend the agreement one year while holding rates as current for an additional three years. With respect to timing, staff recommended moving forward with a one year extension of the contract while exploring other options for the future in 2013

Director Larson moved to approve the agenda, Director Anderson seconded the motion. Motion unanimously approved.

10. Approve the release of proposals and authorize the Board President to execute Participation Agreements contingent upon acceptance and approval by the following entities' governing bodies. (A)
- a. City of Clovis
 - b. City of Sanger
 - c. City of Avenal
 - d. City of Riverbank
 - e. City of Fowler
 - f. City of Corcoran
 - g. City of Delano
 - h. City of Mendota
 - i. County of Santa Cruz

LeRoy Tucker, Gallagher Benefit Services, gave a status overview of the entities the SJVIA has responded to recently. City of Clovis, City of Avenal, City of Riverbank, City of Fowler, City of Corcoran, and City of

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Delano have upcoming renewals and will be considering SJVIA. City of Mendota has received a proposal and looking at joining SJVIA for a 10/1 effective date. City of Sanger was very interested however, the timing did not line up for them to make a decision this year. County of Santa Cruz does not look like they will be making a decision to join this year in the interest of timing with CALPERS.

Director Anderson moved to approve the agenda, Director Ennis seconded the motion. Motion unanimously approved.

11. Consideration of Possible Optional Coverage Offerings for the 2013 Plan Year (A)

Paul Nerland, SJVIA Manager, mentioned the opportunities for Kaiser as well as dental and vision coverages to be offered into SJVIA. Staff recommended exploring these options as part of the renewal process for County of Fresno and Tulare.

Director Larson moved to approve the agenda, Director Ennis seconded the motion. Motion unanimously approved.

12. Receive and File Preliminary January 1, 2013 health plan renewal rates. (I)

Alan Thaxter, Gallagher Benefit Services, discussed the preliminary renewal. Although there are still many moving parts, the preliminary renewal numbers are coming in between 7-11%. GBS is in the process of negotiating the fixed costs down and waiting on another month of claims experience. In addition, the savings on prescription drugs and trend factors have not been taken into account yet.

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LeRoy Tucker, Gallagher Benefit Services, mentioned that the HMO pooling point is at 250k but PPO is at 450k. If we look at a lower pooling point of 400k, it would lower the rate significantly. In looking back a few years, the SJVIA averages approximately three claims per year over the current pooling point. LeRoy stated that this may drive down the renewal increase. In addition, the wellness program was implemented this year and although it will take time to see results, the SJVIA will need to build that participation in order to drive cost down.

Director Vander Poel requested to see a report on industry renewal trends to discuss at the next Board Meeting. Alan Thaxter, Gallagher Benefit Services, agreed to work on a few charts to show trend variations and compare to other entities as well as projections for future years against what they would have been.

Director Case asked to discuss Health Care Reform impacts at the next Board Meeting. President Vander Poel agreed and requested an agenda item be added for Health Care Reform updates.

13. Directors Reports. (I)

No Director Reports.

14. Adjournment

Meeting was adjourned at 10:40am by President Pete Vander Poel.

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AGENDA DATE: August 24, 2012

ITEM NUMBER: 5b

SUBJECT: Executive Claims Summary through June 2012

REQUEST(S): That the Board receives and files the Executive Claims Summary

DESCRIPTION:

Gallagher Benefit Services (GBS) has been compiling and delivering the attached Monthly Claims Report to SJVIA staff. The report provides a high level view of several key claims metrics and is useful in the early identification of potential trends and outliers. The Monthly Claims Report is meant to augment the quarterly (and annual) claims report and opportunity analysis developed by Anthem Blue Cross.

As requested by your board, a Large Claim Report has been included in the Monthly Claim Report (page 3). This summary details claims that have reached 50% of the pooling point (\$250,000) for the HMO plan as well as claims that have reached 50% of the stop loss deductible (\$450,000) for the PPO plans.

AGENDA: San Joaquin Valley Insurance Authority

DATE: August 24, 2012

The attached Monthly Claims Report, dated August 9, 2012, reflects claims data through June 2012. The report consists of the following sections:

- Executive Summary
- Large Claim Report
- Overview of all plans
 - Average Monthly Enrollment
 - Average Monthly Premium
 - Average Monthly Claims
 - Total Premium Breakdown
 - Total Expenses and Premiums (Monthly and Cumulative)
 - Claims Per Employee Per Month – Year over Year and from inception

For comparative purposes, each report includes 2011 data tables and 2010 data tables.

FISCAL IMPACT/FINANCING:

None

ADMINISTRATIVE SIGN-OFF:



Paul Nerland
SJVIA Manager



Jeffrey Cardell
Assistant SJVIA Manager

**BEFORE THE BOARD OF DIRECTORS
SAN JOAQUIN VALLEY INSURANCE
AUTHORITY**

IN THE MATTER OF Executive Claims Summary through June 2012

RESOLUTION NO. _____
AGREEMENT NO. _____

UPON MOTION OF DIRECTOR _____, SECONDED BY
DIRECTOR _____, THE FOLLOWING WAS ADOPTED BY
THE BOARD OF DIRECTORS, AT AN OFFICIAL MEETING HELD _____
_____, BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

BY: _____

* * * * *

That the Board received and filed the Executive Claims Summary



2012 SJVIA Monthly Claims Report

Claims Data Through June 2012

www.gallagherbenefits.com

- **Prepared By Gallagher Benefit Services**
August 9, 2012

Large Claim Report - 2012

San Joaquin Valley Insurance Authority

Potential Large Dollar Claimants

HMO Plan

January 1, 2012 through December 31, 2012 as of May 2012

Pooling Point \$250,000

Relationship	Paid	Diagnosis	Reimbursement
Subscriber	\$ 1,217,051	Blood Disorders(16)	\$ 967,051.00
Dependent	\$ 423,739	Muscle/Tissue Disorders(08)	\$ 173,739.00

Total HMO Pooling Reimbursements

\$ 1,140,790.00

PPO Plan

January 1, 2012 through December 31, 2012 as of May 2012

Stop Loss Deductible \$450,000

As of 1/31/2012

Relationship	Paid	Diagnosis	Reimbursement
Subscriber	\$ 526,434	Nervous System (01)	\$ 76,434.00

*Anthem Blue Cross does not begin reporting large claims until they reach \$75,000

Total PPO Stop Loss Reimbursements

\$ 76,434.00

Total SJVIA Pooling and Stop Loss Reimbursements

\$ 1,217,224.00

Large Claim Report - 2011

San Joaquin Valley Insurance Authority Potential Large Dollar Claimants

HMO Plan

January 1, 2011 through December 31, 2011

Pooling Point \$250,000

Relationship	Paid	Diagnosis	Reimbursement
Dependent	\$ 599,053.00	Circulatory System (05)	\$ 349,053.00
Subscriber	\$ 495,130.00	Respiratory System (04)	\$ 245,130.00
Dependent	\$ 365,880.00	Multiple Significant Trauma (24)	\$ 115,880.00
Subscriber	\$ 324,200.00	Muscle/Tissue Disorders(08)	\$ 74,200.00
Dependent	\$ 320,918.00	Kidney Disorders (11)	\$ 70,918.00
Subscriber	\$ 261,804.00	Blood Disorders (16)	\$ 11,804.00

Total HMO Pooling Reimbursements **\$ 866,985.00**

PPO Plan

January 1, 2011 through December 31, 2011

Stop Loss Deductible \$450,000

As of 1/31/2012

Relationship	Paid	Diagnosis	Reimbursement
Subscriber	\$ 670,164.00	Nervous System (01)	\$ 220,164.00
Dependent	\$ 442,273.00	Circulatory System (05)	

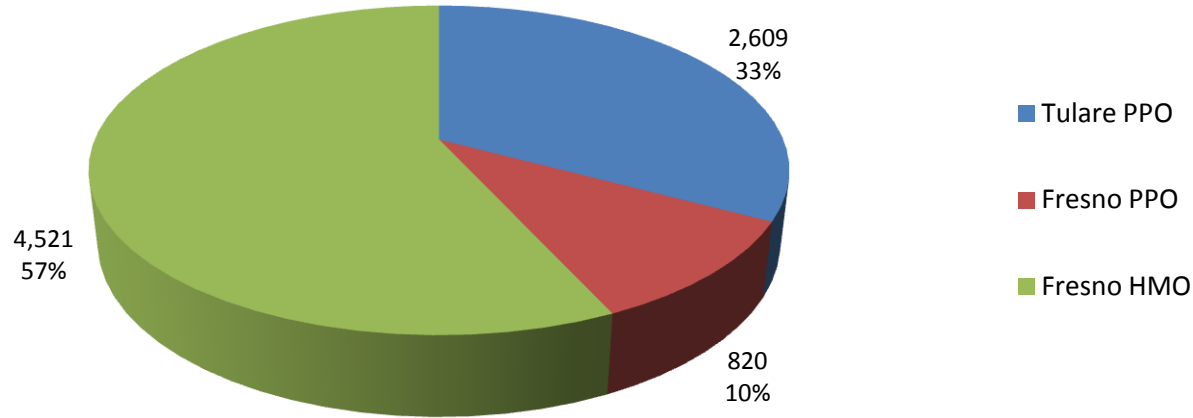
Total PPO Stop Loss Reimbursements **\$ 220,164.00**

Total SJVIA Pooling and Stop Loss Reimbursements	\$ 1,087,149.00
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SJVIA - All Plans

SJVIA - All Plans

SJVIA Average Monthly Enrollment - 2012



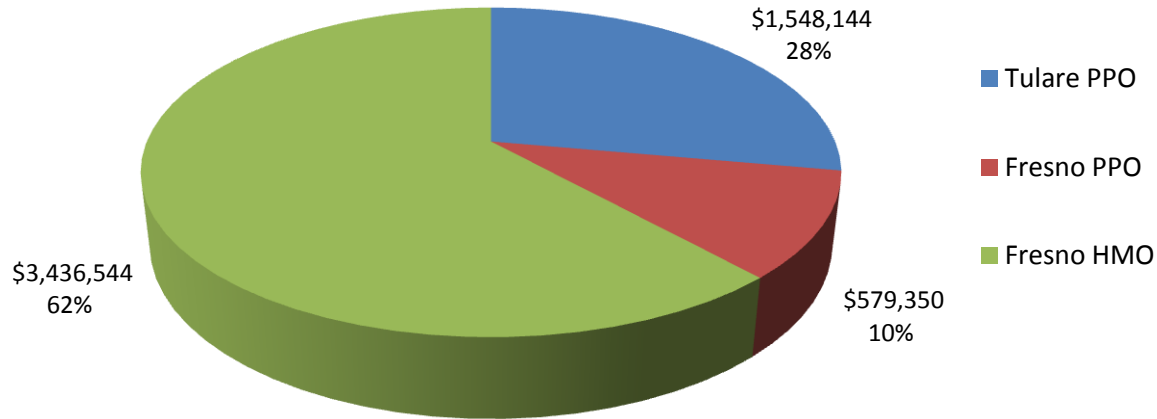
2012 Enrollment - All Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
CoT PPO	2,578	2,622	2,603	2,601	2,617	2,633	0	0	0	0	0	0	15,654
CoF PPO	810	810	822	819	823	836	0	0	0	0	0	0	4,920
CoF HMO	4,538	4,542	4,551	4,495	4,455	4,544	0	0	0	0	0	0	27,125
Total	7,926	7,974	7,976	7,915	7,895	8,013							47,699

2011 Enrollment - All Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
CoT PPO	2,627	2,649	2,633	2,617	2,608	2,574	2,584	2,578	2,577	2,582	2,571	2,569	31,169
CoF PPO	912	901	899	894	890	885	872	864	870	863	853	847	10,550
CoF HMO	5,002	4,986	4,979	4,936	4,932	4,934	4,907	4,901	4,880	4,867	4,877	4,885	59,086
Total	8,541	8,536	8,511	8,447	8,430	8,393	8,363	8,343	8,327	8,312	8,301	8,301	100,805

2010 Enrollment - All Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
CoT PPO	2,774	2,743	2,737	2,721	2,723	2,739	2,723	2,708	2,706	2,694	2,694	2,698	32,660
CoF PPO	1,009	978	972	1,018	999	985	979	974	968	953	941	909	11,685
CoF HMO	5,100	5,068	5,174	5,163	5,159	5,032	5,010	4,990	4,945	4,955	4,982	5,023	60,601
Total	8,883	8,789	8,883	8,902	8,881	8,756	8,712	8,672	8,619	8,602	8,617	8,630	104,946

SJVIA - All Plans

SJVIA Average Monthly Premiums - 2012



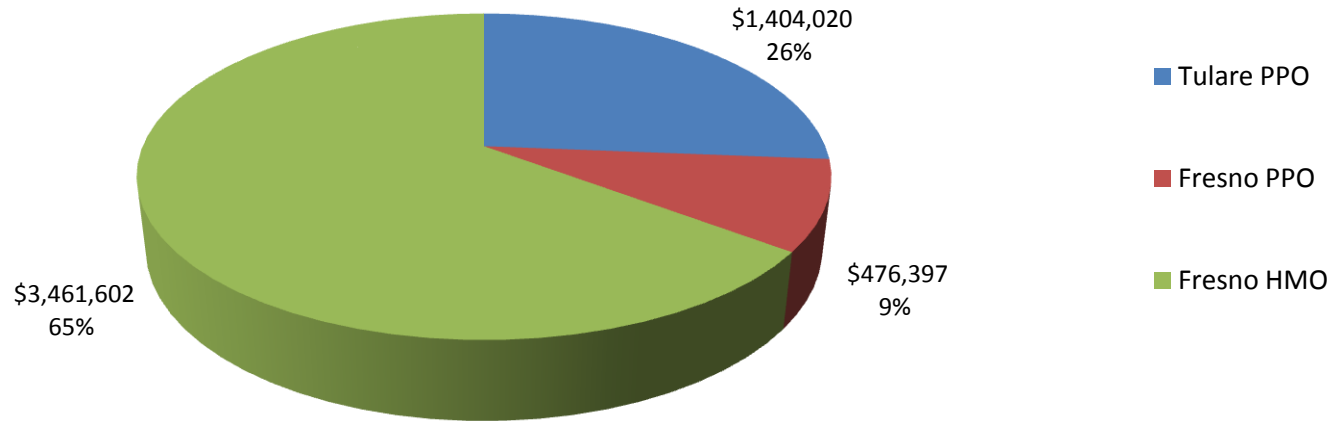
2012 Premiums - All Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
CoT PPO	\$ 1,532,991	\$ 1,557,210	\$ 1,545,778	\$ 1,542,574	\$ 1,552,519	\$ 1,557,795	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,288,866
CoF PPO	\$ 573,804	\$ 574,013	\$ 580,838	\$ 579,490	\$ 581,428	\$ 586,528	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,476,099
CoF HMO	\$ 3,456,547	\$ 3,457,039	\$ 3,458,125	\$ 3,419,330	\$ 3,383,249	\$ 3,444,977	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,619,266
Total	\$ 5,563,341	\$ 5,588,262	\$ 5,584,740	\$ 5,541,393	\$ 5,517,195	\$ 5,589,300							\$ 33,384,231

2011 Premiums - All Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
CoT PPO	\$ 1,592,800	\$ 1,600,772	\$ 1,591,108	\$ 1,578,978	\$ 1,572,623	\$ 1,553,821	\$ 1,559,220	\$ 1,554,372	\$ 1,546,005	\$ 1,546,501	\$ 1,533,944	\$ 1,532,603	\$ 18,762,748
CoF PPO	\$ 684,553	\$ 675,349	\$ 671,720	\$ 667,982	\$ 659,896	\$ 659,650	\$ 646,810	\$ 640,938	\$ 646,434	\$ 642,383	\$ 633,063	\$ 624,270	\$ 7,853,047
CoF HMO	\$ 3,796,210	\$ 3,786,616	\$ 3,784,046	\$ 3,757,878	\$ 3,756,403	\$ 3,755,927	\$ 3,737,344	\$ 3,733,283	\$ 3,714,626	\$ 3,706,282	\$ 3,711,276	\$ 3,715,393	\$ 44,955,284
Total	\$ 6,073,563	\$ 6,062,737	\$ 6,046,874	\$ 6,004,837	\$ 5,988,922	\$ 5,969,398	\$ 5,943,374	\$ 5,928,593	\$ 5,907,065	\$ 5,895,166	\$ 5,878,283	\$ 5,872,267	\$ 71,571,079

2010 Premiums - All Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
CoT PPO	\$ 1,516,067	\$ 1,498,594	\$ 1,494,485	\$ 1,495,389	\$ 1,495,268	\$ 1,502,929	\$ 1,494,382	\$ 1,487,459	\$ 1,488,058	\$ 1,479,144	\$ 1,479,681	\$ 1,480,142	\$ 17,911,599
CoF PPO	\$ 761,302	\$ 738,520	\$ 735,453	\$ 762,059	\$ 747,527	\$ 739,978	\$ 734,572	\$ 732,670	\$ 729,357	\$ 717,265	\$ 709,468	\$ 664,075	\$ 8,772,247
CoF HMO	\$ 3,534,072	\$ 3,515,747	\$ 3,581,081	\$ 3,585,780	\$ 3,585,623	\$ 3,503,691	\$ 3,495,565	\$ 3,485,105	\$ 3,453,230	\$ 3,460,027	\$ 3,475,826	\$ 3,504,586	\$ 42,180,333
Total	\$ 5,811,441	\$ 5,752,861	\$ 5,811,020	\$ 5,843,228	\$ 5,828,418	\$ 5,746,598	\$ 5,724,520	\$ 5,705,233	\$ 5,670,645	\$ 5,656,436	\$ 5,664,975	\$ 5,648,803	\$ 68,864,178

SJVIA - All Plans

SJVIA Average Monthly Claims - 2012



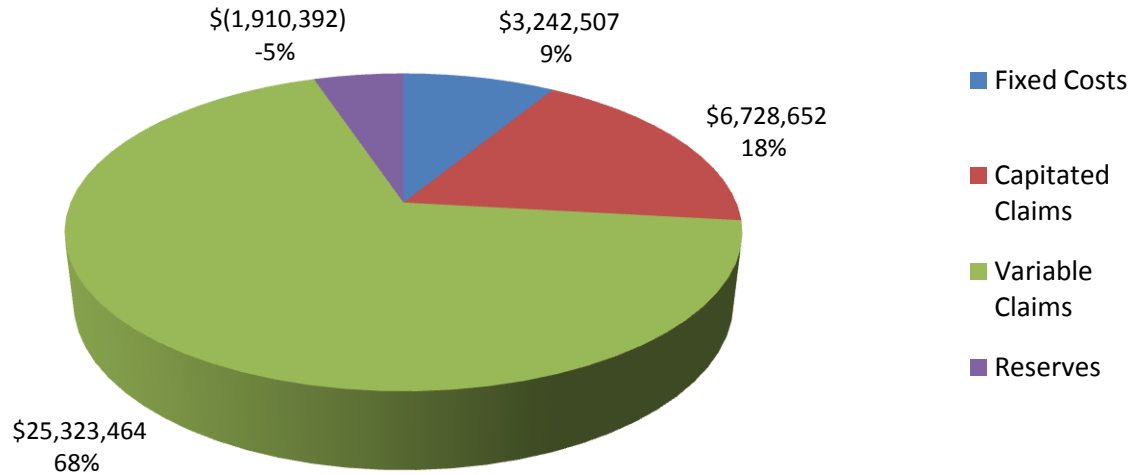
2012 Claims - All Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
CoT PPO	\$ 1,347,900	\$ 1,417,340	\$ 1,637,712	\$ 1,363,071	\$ 1,265,474	\$ 1,392,625	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,424,122
CoF PPO	\$ 385,926	\$ 490,303	\$ 526,293	\$ 500,279	\$ 437,872	\$ 517,707	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,858,380
CoF HMO	\$ 2,914,797	\$ 3,715,713	\$ 3,167,391	\$ 3,532,502	\$ 4,064,812	\$ 3,374,399	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,769,614
Total	\$ 4,648,623	\$ 5,623,356	\$ 5,331,396	\$ 5,395,852	\$ 5,768,158	\$ 5,284,731	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,052,116

2011 Claims - All Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
CoT PPO	\$ 1,256,050	\$ 1,060,066	\$ 1,476,111	\$ 1,234,501	\$ 1,308,598	\$ 1,591,586	\$ 1,194,338	\$ 1,587,940	\$ 1,532,560	\$ 1,339,380	\$ 1,282,913	\$ 1,219,091	\$ 16,083,134
CoF PPO	\$ 690,411	\$ 399,817	\$ 654,688	\$ 423,453	\$ 609,769	\$ 720,386	\$ 625,458	\$ 596,721	\$ 520,499	\$ 509,449	\$ 688,233	\$ 575,391	\$ 7,014,275
CoF HMO	\$ 3,280,026	\$ 2,680,428	\$ 3,208,836	\$ 3,193,916	\$ 3,186,527	\$ 3,413,616	\$ 3,700,784	\$ 3,946,698	\$ 3,489,436	\$ 3,479,613	\$ 3,417,317	\$ 3,244,097	\$ 40,241,294
Total	\$ 5,226,487	\$ 4,140,311	\$ 5,339,635	\$ 4,851,870	\$ 5,104,894	\$ 5,725,588	\$ 5,520,580	\$ 6,131,359	\$ 5,542,495	\$ 5,328,442	\$ 5,388,463	\$ 5,038,579	\$ 63,338,703

2010 Claims - All Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
CoT PPO	\$ 408,232	\$ 977,011	\$ 1,481,424	\$ 1,400,115	\$ 1,337,312	\$ 1,453,184	\$ 1,182,271	\$ 1,210,043	\$ 1,281,284	\$ 1,302,975	\$ 1,810,903	\$ 1,532,398	\$ 15,377,152
CoF PPO	\$ 189,847	\$ 289,988	\$ 611,860	\$ 512,418	\$ 558,441	\$ 865,929	\$ 523,529	\$ 1,014,825	\$ 497,751	\$ 326,333	\$ 626,108	\$ 560,439	\$ 6,577,468
CoF HMO	\$ 2,383,122	\$ 2,513,494	\$ 3,413,474	\$ 3,068,387	\$ 2,843,819	\$ 3,032,195	\$ 2,750,642	\$ 2,725,565	\$ 2,823,718	\$ 3,294,441	\$ 3,707,387	\$ 2,965,015	\$ 35,521,259
Total	\$ 2,981,201	\$ 3,780,493	\$ 5,506,758	\$ 4,980,920	\$ 4,739,572	\$ 5,351,308	\$ 4,456,442	\$ 4,950,433	\$ 4,602,753	\$ 4,923,749	\$ 6,144,398	\$ 5,057,852	\$ 57,475,879

SJVIA - All Plans

YTD SJVIA Premium Breakdown - 2012



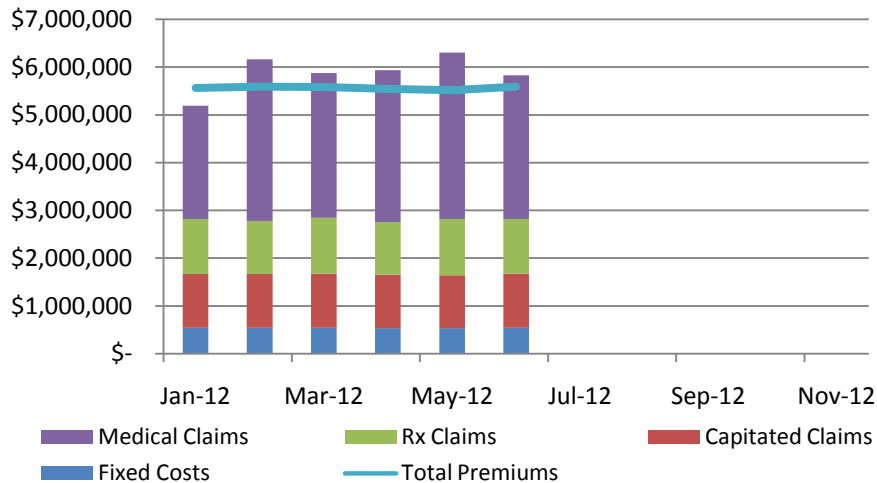
2012 Premium Breakdown - All Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
Fixed Costs	\$ 539,562	\$ 542,245	\$ 542,577	\$ 537,900	\$ 535,828	\$ 544,395	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,242,507
Capitated Claims	\$ 1,125,742	\$ 1,126,734	\$ 1,128,967	\$ 1,115,075	\$ 1,105,152	\$ 1,126,982	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,728,652
Variable Claims	\$ 3,522,881	\$ 4,496,622	\$ 4,202,429	\$ 4,280,777	\$ 4,663,006	\$ 4,157,749	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,323,464
Reserves	\$ 375,156	\$ (577,340)	\$ (289,233)	\$ (392,359)	\$ (786,791)	\$ (239,826)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,910,392)

2011 Premium Breakdown - All Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
Fixed Costs	\$ 572,465	\$ 571,769	\$ 570,304	\$ 565,862	\$ 564,887	\$ 563,061	\$ 560,790	\$ 559,607	\$ 558,214	\$ 557,092	\$ 556,809	\$ 557,030	\$ 6,757,890
Capitated Claims	\$ 1,207,019	\$ 1,200,272	\$ 1,198,826	\$ 1,189,669	\$ 1,185,331	\$ 1,187,259	\$ 1,182,681	\$ 1,180,271	\$ 1,175,934	\$ 1,172,801	\$ 1,175,211	\$ 1,177,138	\$ 14,232,412
Variable Claims	\$ 4,019,468	\$ 2,940,039	\$ 4,140,809	\$ 3,662,201	\$ 3,919,563	\$ 4,538,329	\$ 4,337,899	\$ 4,951,088	\$ 4,366,561	\$ 4,155,641	\$ 4,213,252	\$ 3,861,441	\$ 49,106,291
Reserves	\$ 274,611	\$ 1,350,658	\$ 136,935	\$ 587,105	\$ 319,141	\$ (319,251)	\$ (137,996)	\$ (762,373)	\$ (193,644)	\$ 9,633	\$ (66,989)	\$ 276,658	\$ 1,474,487

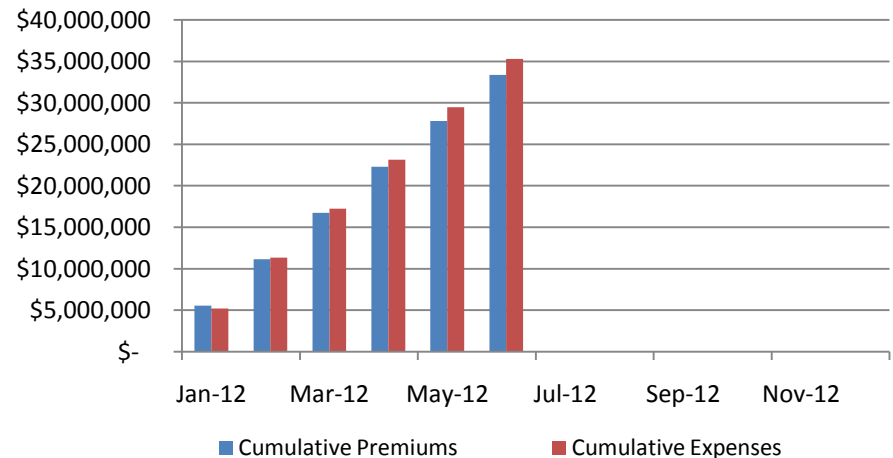
2010 Premium Breakdown - All Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
Fixed Costs	\$ 532,723	\$ 527,513	\$ 534,162	\$ 534,875	\$ 533,773	\$ 525,202	\$ 522,627	\$ 520,286	\$ 516,824	\$ 516,189	\$ 517,446	\$ 518,877	\$ 6,300,498
Capitated Claims	\$ 1,127,559	\$ 1,120,494	\$ 1,143,920	\$ 1,141,471	\$ 1,140,603	\$ 1,112,525	\$ 1,107,661	\$ 1,103,239	\$ 1,093,290	\$ 1,095,501	\$ 1,101,470	\$ 1,110,535	\$ 13,398,268
Variable Claims	\$ 1,853,642	\$ 2,659,999	\$ 4,362,838	\$ 3,839,449	\$ 3,598,969	\$ 4,238,783	\$ 3,348,781	\$ 3,847,194	\$ 3,509,463	\$ 3,828,248	\$ 5,042,928	\$ 3,947,317	\$ 44,077,611
Reserves	\$ 2,297,516	\$ 1,444,855	\$ (229,900)	\$ 327,433	\$ 555,074	\$ (129,912)	\$ 745,451	\$ 234,514	\$ 551,068	\$ 216,498	\$ (996,869)	\$ 72,074	\$ 5,087,802

SJVIA – All Plans

SJVIA Total Expenses & Premiums

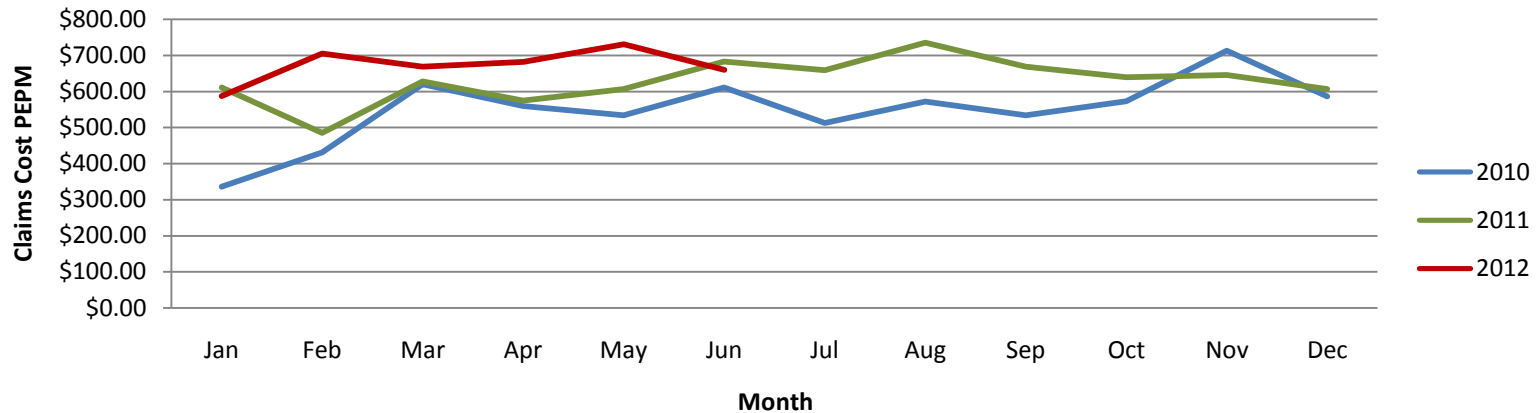


Cumulative Premiums & Expenses

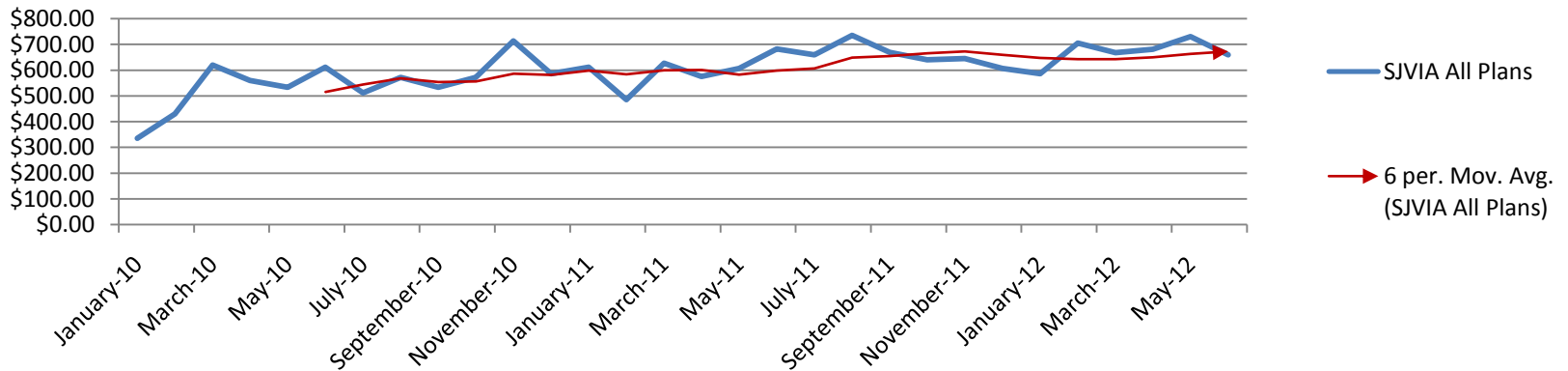


SJVIA - All Plans

SJVIA 2010 - 2012 All Plans (Year Over Year) - Claims PEPM



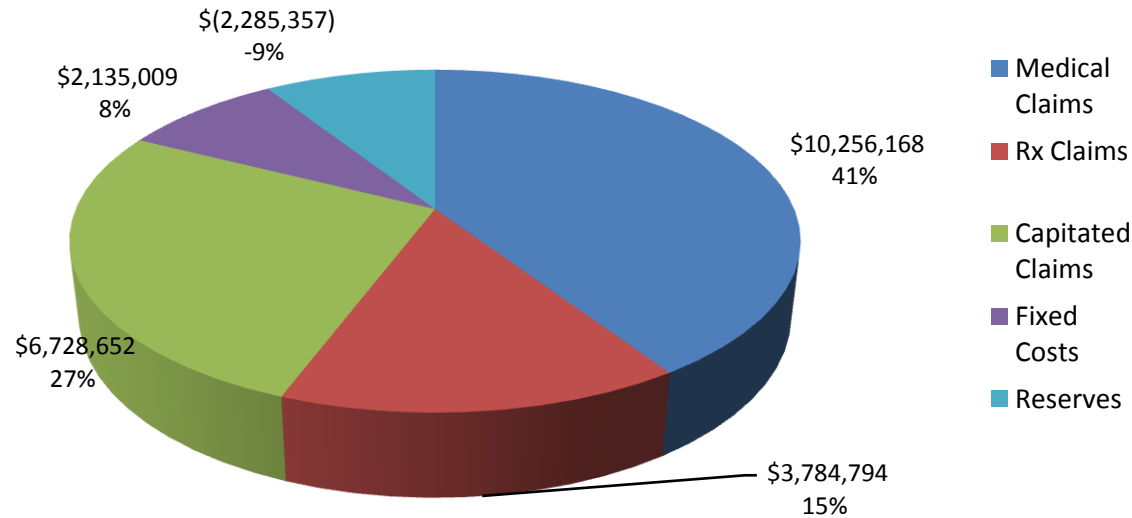
SJVIA All Plans - Claims PEPM



SJVIA - HMO

SJVIA - HMO

YTD HMO Premium Breakdown - 2012

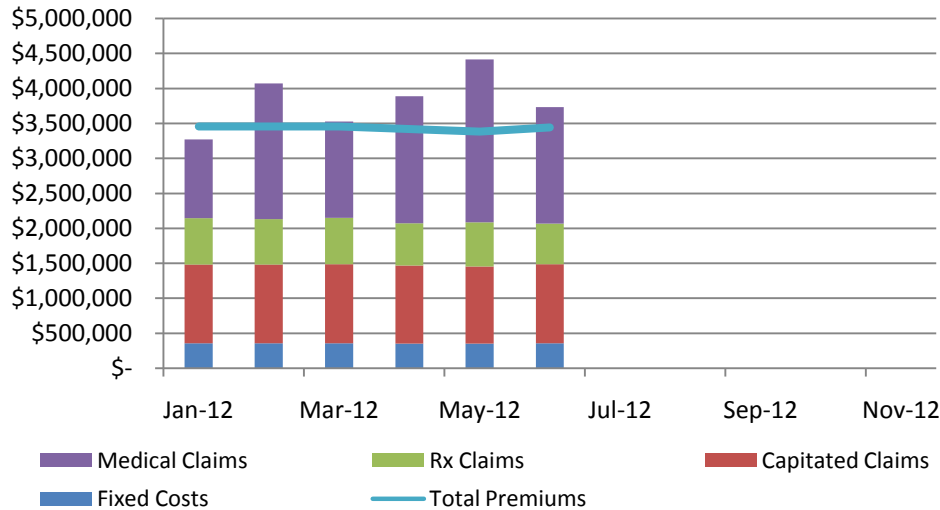


2012 Premium Breakdown - HMO	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
Fixed Costs	\$ 357,186	\$ 357,501	\$ 358,209	\$ 353,801	\$ 350,653	\$ 357,658	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,135,009
Capitulated Claims	\$ 1,125,742	\$ 1,126,734	\$ 1,128,967	\$ 1,115,075	\$ 1,105,152	\$ 1,126,982	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,728,652
Medical Claims	\$ 1,128,332	\$ 1,941,584	\$ 1,376,948	\$ 1,816,134	\$ 2,330,814	\$ 1,662,356	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,256,168
Rx Claims	\$ 660,723	\$ 647,395	\$ 661,476	\$ 601,293	\$ 628,846	\$ 585,061	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,784,794
Reserves	\$ 184,564	\$ (616,175)	\$ (67,475)	\$ (466,974)	\$ (1,032,216)	\$ (287,080)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,285,357)

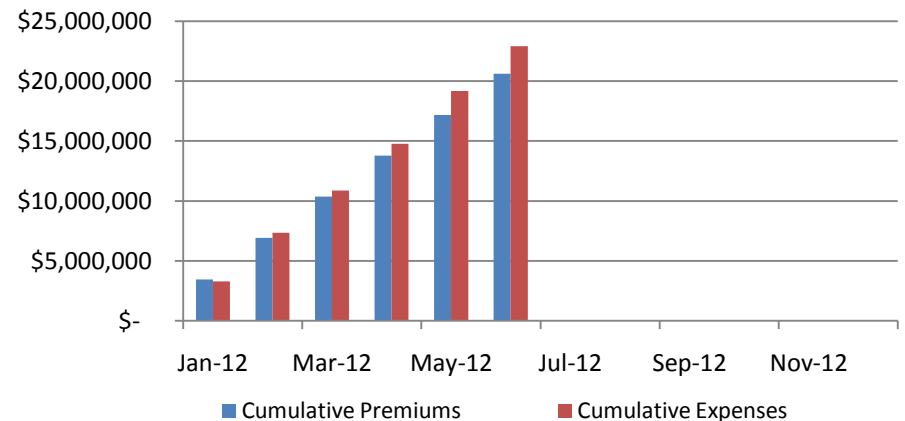
2011 Premium Breakdown - HMO	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
Fixed Costs	\$ 392,507	\$ 391,251	\$ 390,702	\$ 387,328	\$ 387,014	\$ 387,171	\$ 385,052	\$ 384,581	\$ 382,934	\$ 381,913	\$ 382,698	\$ 383,326	\$ 4,636,478
Capitulated Claims	\$ 1,207,019	\$ 1,200,272	\$ 1,198,826	\$ 1,189,669	\$ 1,185,331	\$ 1,187,259	\$ 1,182,681	\$ 1,180,271	\$ 1,175,934	\$ 1,172,801	\$ 1,175,211	\$ 1,177,138	\$ 14,232,412
Medical Claims	\$ 1,456,998	\$ 949,741	\$ 1,408,225	\$ 1,383,120	\$ 1,418,729	\$ 1,637,044	\$ 1,922,731	\$ 2,132,702	\$ 1,683,604	\$ 1,665,758	\$ 1,627,475	\$ 1,472,804	\$ 18,758,931
Rx Claims	\$ 616,009	\$ 530,415	\$ 601,785	\$ 621,127	\$ 582,467	\$ 589,313	\$ 595,372	\$ 633,725	\$ 629,898	\$ 641,054	\$ 614,631	\$ 594,155	\$ 7,249,951
Reserves	\$ 123,677	\$ 714,937	\$ 184,508	\$ 176,634	\$ 182,862	\$ (44,860)	\$ (348,493)	\$ (597,997)	\$ (157,743)	\$ (155,244)	\$ (88,739)	\$ 87,970	\$ 77,511

SJVIA – HMO

HMO Total Expenses & Premiums - 2012

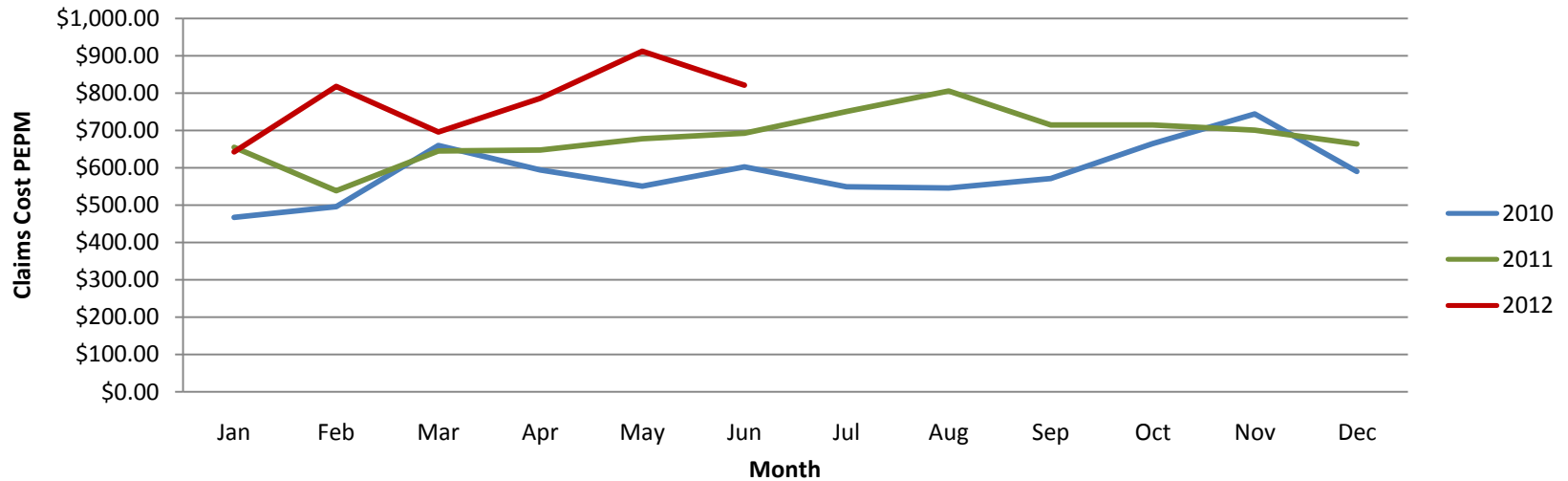


HMO Cumulative Premiums & Expenses -2012

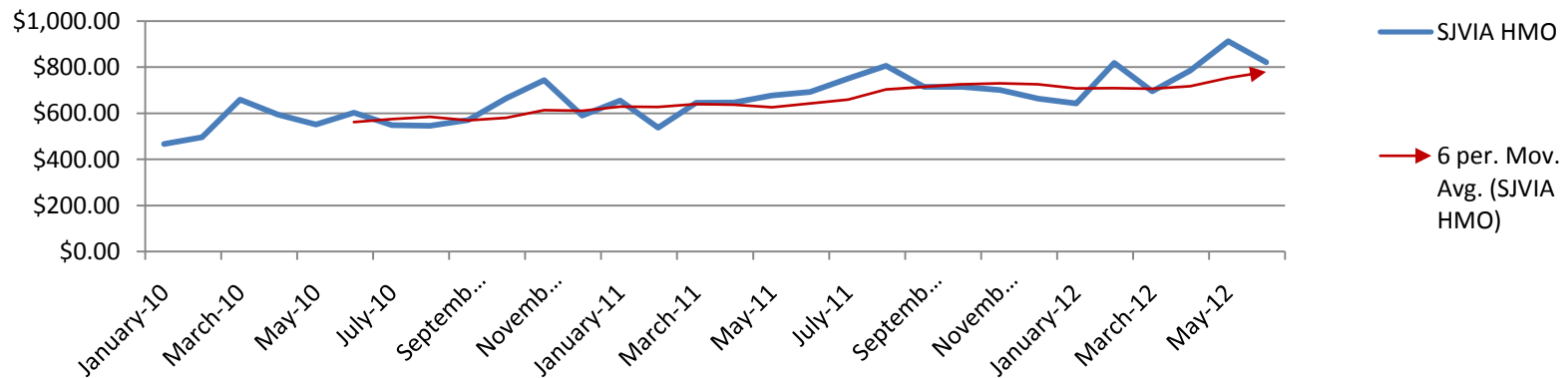


SJVIA – HMO

SJVIA 2010 - 2012 HMO (Year Over Year) - Claims PEPM



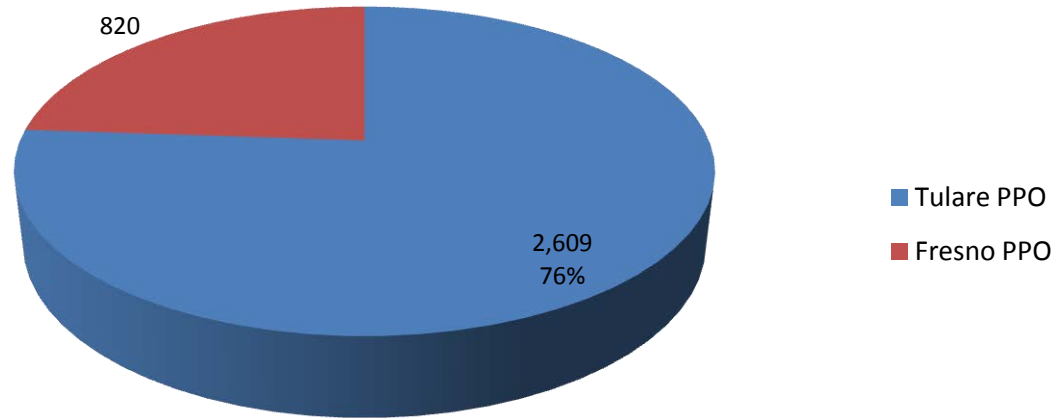
SJVIA HMO



SJVIA - PPO

SJVIA - PPO

PPO Plans Average Monthly Enrollment - 2012



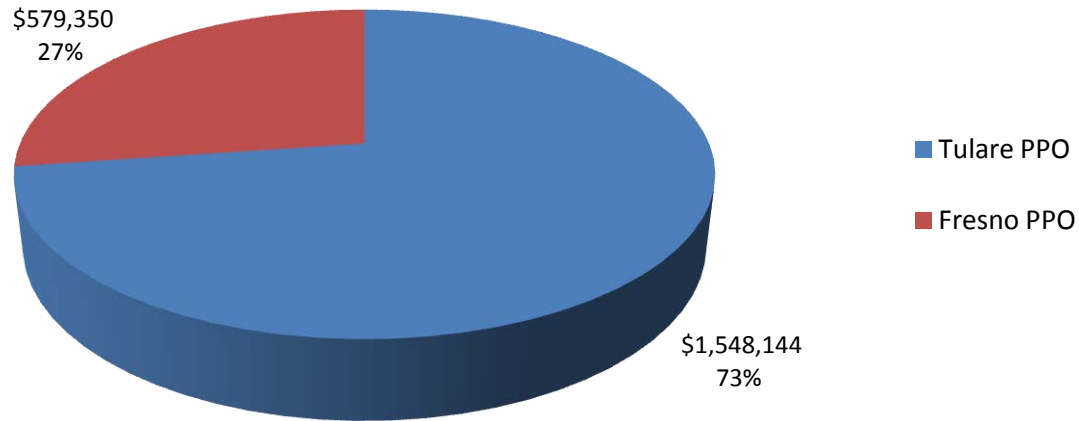
2012 Enrollment - PPO Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
CoT PPO	2,578	2,622	2,603	2,601	2,617	2,633	0	0	0	0	0	0	15,654
CoF PPO	810	810	822	819	823	836	0	0	0	0	0	0	4,920
Total	3,388	3,432	3,425	3,420	3,440	3,469	0	0	0	0	0	0	20,574

2011 Enrollment - PPO Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
CoT PPO	2,627	2,649	2,633	2,617	2,608	2,574	2,584	2,578	2,577	2,582	2,571	2,569	31,169
CoF PPO	912	901	899	894	890	885	872	864	870	863	853	847	10,550
Total	3,539	3,550	3,532	3,511	3,498	3,459	3,456	3,442	3,447	3,445	3,424	3,416	41,719

2010 Enrollment - PPO Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
CoT PPO	2,774	2,743	2,737	2,721	2,723	2,739	2,723	2,708	2,706	2,694	2,694	2,698	32,660
CoF PPO	1,009	978	972	1,018	999	985	979	974	968	953	941	909	11,685
Total	3,783	3,721	3,709	3,739	3,722	3,724	3,702	3,682	3,674	3,647	3,635	3,607	44,345

SJVIA - PPO

PPO Plans Average Monthly Premiums - 2012



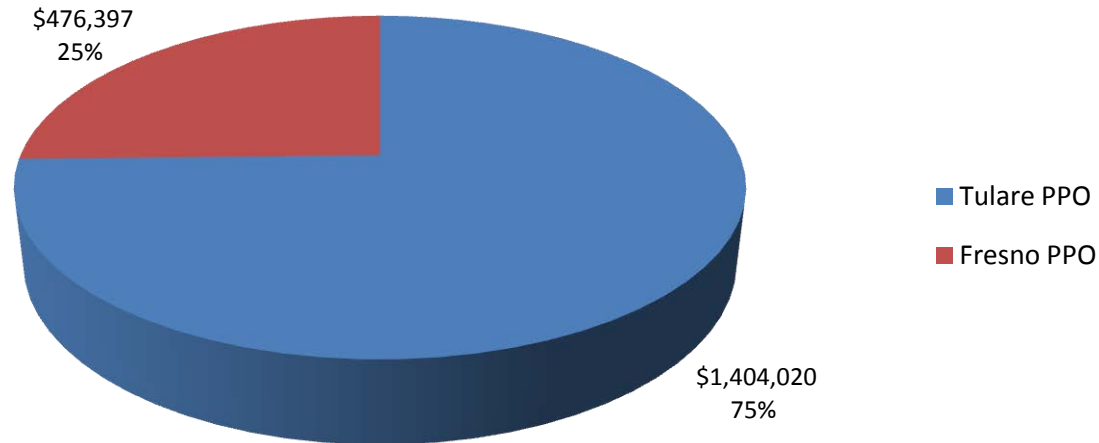
2012 Premium - PPO Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
CoT PPO	\$ 1,532,991	\$ 1,557,210	\$ 1,545,778	\$ 1,542,574	\$ 1,552,519	\$ 1,557,795	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,288,866
CoF PPO	\$ 573,804	\$ 574,013	\$ 580,838	\$ 579,490	\$ 581,428	\$ 586,528	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,476,099
Total	\$ 2,106,794	\$ 2,131,223	\$ 2,126,615	\$ 2,122,064	\$ 2,133,947	\$ 2,144,322	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,764,965

2011 Premium - PPO Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
CoT PPO	\$ 1,592,800	\$ 1,600,772	\$ 1,591,108	\$ 1,578,978	\$ 1,572,623	\$ 1,553,821	\$ 1,559,220	\$ 1,554,372	\$ 1,546,005	\$ 1,546,501	\$ 1,533,944	\$ 1,532,603	\$ 18,762,748
CoF PPO	\$ 684,553	\$ 675,349	\$ 671,720	\$ 667,982	\$ 659,896	\$ 659,650	\$ 646,810	\$ 640,938	\$ 646,434	\$ 642,383	\$ 633,063	\$ 624,270	\$ 7,853,047
Total	\$ 2,277,353	\$ 2,276,121	\$ 2,262,828	\$ 2,246,960	\$ 2,232,519	\$ 2,213,472	\$ 2,206,030	\$ 2,195,310	\$ 2,192,438	\$ 2,188,884	\$ 2,167,007	\$ 2,156,873	\$ 26,615,795

2010 Premium - PPO Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
CoT PPO	\$ 1,516,067	\$ 1,498,594	\$ 1,494,485	\$ 1,495,389	\$ 1,495,268	\$ 1,502,929	\$ 1,494,382	\$ 1,487,459	\$ 1,488,058	\$ 1,479,144	\$ 1,479,681	\$ 1,480,142	\$ 17,911,599
CoF PPO	\$ 761,302	\$ 738,520	\$ 735,453	\$ 762,059	\$ 747,527	\$ 739,978	\$ 734,572	\$ 732,670	\$ 729,357	\$ 717,265	\$ 709,468	\$ 664,075	\$ 8,772,247
Total	\$ 2,277,369	\$ 2,237,114	\$ 2,229,938	\$ 2,257,448	\$ 2,242,795	\$ 2,242,907	\$ 2,228,954	\$ 2,220,128	\$ 2,217,415	\$ 2,196,410	\$ 2,189,149	\$ 2,144,217	\$ 26,683,845

SJVIA - PPO

PPO Plans Average Monthly Claims - 2012



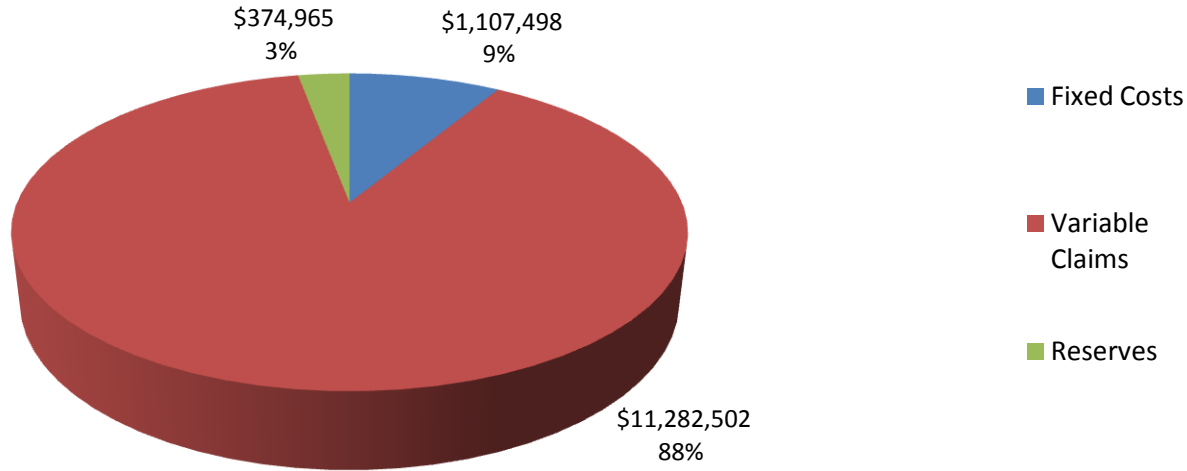
2012 Claims - PPO Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
CoT PPO	\$ 1,347,900	\$ 1,417,340	\$ 1,637,712	\$ 1,363,071	\$ 1,265,474	\$ 1,392,625	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,424,122
CoF PPO	\$ 385,926	\$ 490,303	\$ 526,293	\$ 500,279	\$ 437,872	\$ 517,707	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,858,380
Total	\$ 1,733,826	\$ 1,907,643	\$ 2,164,005	\$ 1,863,350	\$ 1,703,346	\$ 1,910,332	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,282,502

2011 Claims - PPO Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
CoT PPO	\$ 1,256,050	\$ 1,060,066	\$ 1,476,111	\$ 1,234,501	\$ 1,308,598	\$ 1,591,586	\$ 1,194,338	\$ 1,587,940	\$ 1,532,560	\$ 1,339,380	\$ 1,282,913	\$ 1,219,091	\$ 16,083,134
CoF PPO	\$ 690,411	\$ 399,817	\$ 654,688	\$ 423,453	\$ 609,769	\$ 720,386	\$ 625,458	\$ 596,721	\$ 520,499	\$ 509,449	\$ 688,233	\$ 575,391	\$ 7,014,275
Total	\$ 1,946,461	\$ 1,459,883	\$ 2,130,799	\$ 1,657,954	\$ 1,918,367	\$ 2,311,972	\$ 1,819,796	\$ 2,184,661	\$ 2,053,059	\$ 1,848,829	\$ 1,971,146	\$ 1,794,482	\$ 23,097,409

2010 Claims - PPO Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
CoT PPO	\$ 408,232	\$ 977,011	\$ 1,481,424	\$ 1,400,115	\$ 1,337,312	\$ 1,453,184	\$ 1,182,271	\$ 1,210,043	\$ 1,281,284	\$ 1,302,975	\$ 1,810,903	\$ 1,532,398	\$ 15,377,152
CoF PPO	\$ 189,847	\$ 289,988	\$ 611,860	\$ 512,418	\$ 558,441	\$ 865,929	\$ 523,529	\$ 1,014,825	\$ 497,751	\$ 326,333	\$ 626,108	\$ 560,439	\$ 6,577,468
Total	\$ 598,079	\$ 1,266,999	\$ 2,093,284	\$ 1,912,533	\$ 1,895,753	\$ 2,319,113	\$ 1,705,800	\$ 2,224,868	\$ 1,779,035	\$ 1,629,308	\$ 2,437,011	\$ 2,092,837	\$ 21,954,620

SJVIA - PPO Premium Breakdown

YTD PPO Premium Breakdown - 2012



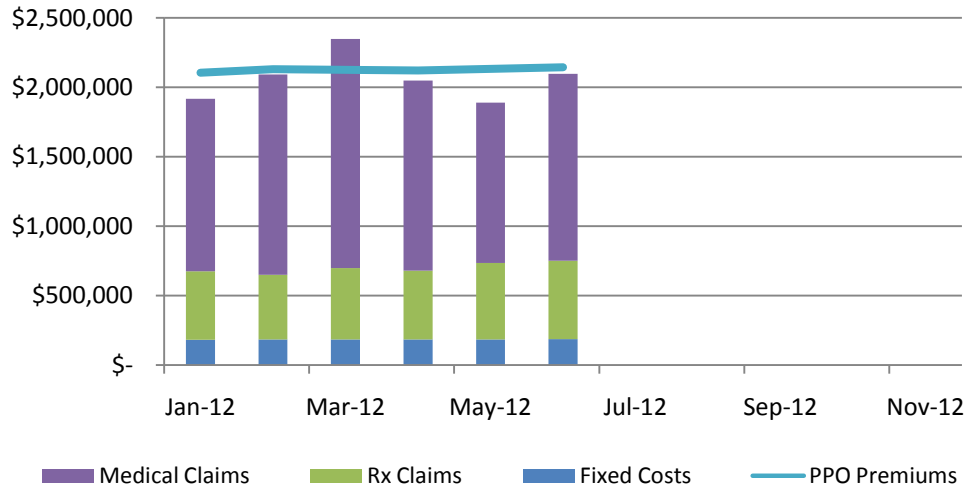
2012 Premium Breakdown - PPO	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
Fixed Costs	\$ 182,376	\$ 184,745	\$ 184,368	\$ 184,099	\$ 185,175	\$ 186,736	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,107,498
Variable Claims	\$ 1,733,826	\$ 1,907,643	\$ 2,164,005	\$ 1,863,350	\$ 1,703,346	\$ 1,910,332	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,282,502
Reserves	\$ 190,592	\$ 38,835	\$ (221,757)	\$ 74,615	\$ 245,425	\$ 47,254	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 374,965

2011 Premium Breakdown - PPO	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
Fixed Costs	\$ 179,958	\$ 180,518	\$ 179,602	\$ 178,534	\$ 177,873	\$ 175,890	\$ 175,738	\$ 175,026	\$ 175,280	\$ 175,178	\$ 174,110	\$ 173,704	\$ 2,121,411
Variable Claims	\$ 1,946,461	\$ 1,459,883	\$ 2,130,799	\$ 1,657,954	\$ 1,918,367	\$ 2,311,972	\$ 1,819,796	\$ 2,184,661	\$ 2,053,059	\$ 1,848,829	\$ 1,971,146	\$ 1,794,482	\$ 23,097,409
Reserves	\$ 150,934	\$ 635,721	\$ (47,573)	\$ 410,471	\$ 136,278	\$ (274,390)	\$ 210,497	\$ (164,377)	\$ (35,901)	\$ 164,877	\$ 21,750	\$ 188,688	\$ 1,396,975

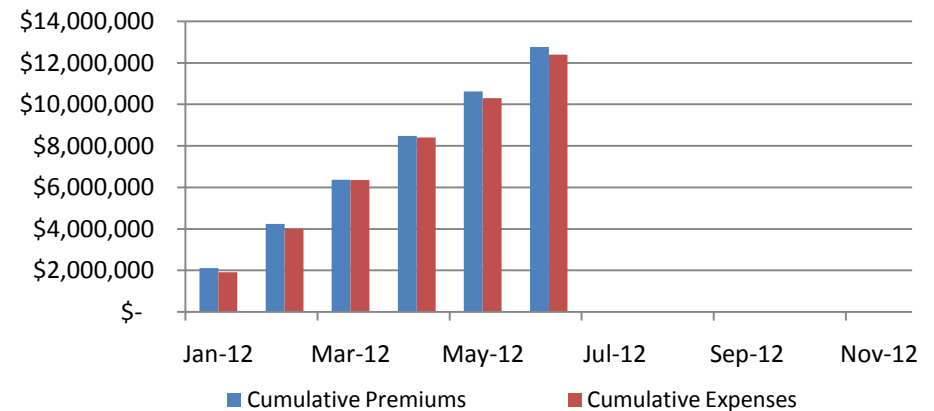
2010 Premium Breakdown - PPO	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
Fixed Costs	\$ 184,648	\$ 181,622	\$ 181,036	\$ 182,501	\$ 181,671	\$ 181,768	\$ 180,695	\$ 179,718	\$ 179,328	\$ 178,010	\$ 177,424	\$ 176,058	\$ 2,164,479
Variable Claims	\$ 598,079	\$ 1,266,999	\$ 2,093,284	\$ 1,912,533	\$ 1,895,753	\$ 2,319,113	\$ 1,705,800	\$ 2,224,868	\$ 1,779,035	\$ 1,629,308	\$ 2,437,011	\$ 2,092,837	\$ 21,954,620
Reserves	\$ 1,494,641	\$ 788,493	\$ (44,382)	\$ 162,415	\$ 165,372	\$ (257,975)	\$ 342,460	\$ (184,458)	\$ 259,052	\$ 389,092	\$ (425,286)	\$ (124,677)	\$ 2,564,746

SJVIA - PPO Plans

PPO Total Expenses & Premiums - 2012

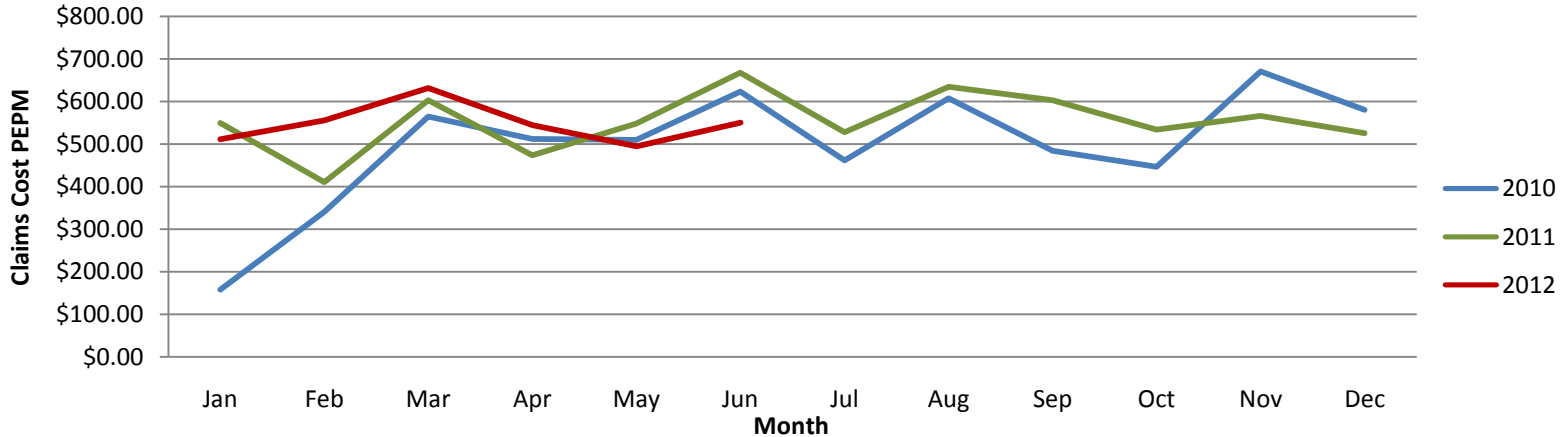


PPO Cumulative Premiums & Expenses - 2012

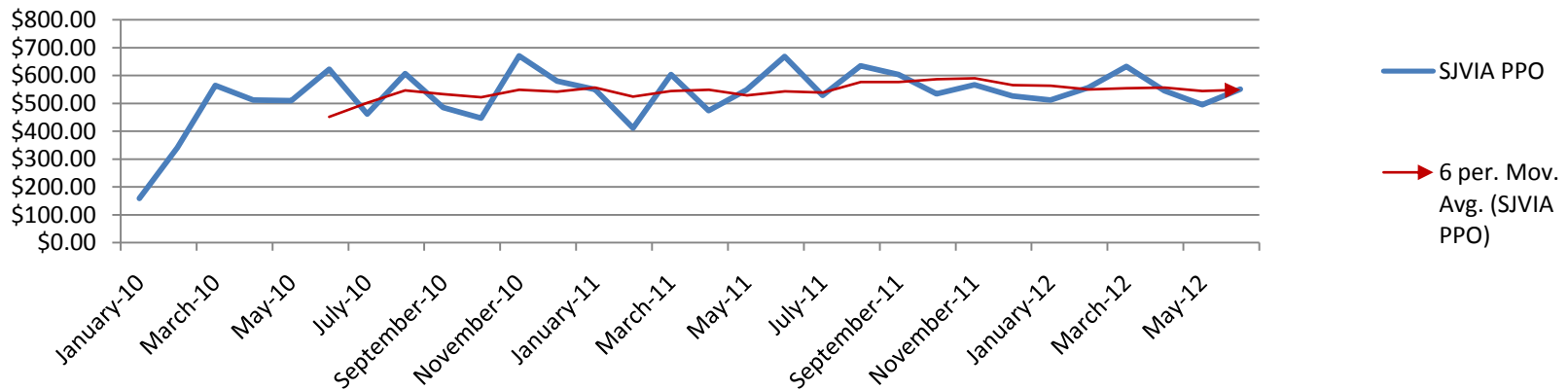


SJVIA – PPO Claims PEPM

SJVIA 2010 - 2012 PPO (Year Over Year) - Claims PEPM



SJVIA PPO Claims PEPM



SJVIA - Monthly Data

SJVIA - All Plans

SJVIA Enrollment - All Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
- Employee Only	4,682	4,721	4,737	4,700	4,713	4,800	0	0	0	0	0	0	28,353
- Employee + Spouse	1,045	1,047	1,043	1,030	1,011	1,021	0	0	0	0	0	0	6,197
- Employee + Child(ren)	1,499	1,508	1,498	1,492	1,484	1,498	0	0	0	0	0	0	8,979
- Employee + Family	700	698	698	693	687	694	0	0	0	0	0	0	4,170
SJVIA Total Enrollment	7,926	7,974	7,976	7,915	7,895	8,013	0	0	0	0	0	0	47,699
SJVIA Total Premiums	\$5,563,341	\$5,588,262	\$5,584,740	\$5,541,393	\$ 5,517,195	\$5,589,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,384,231
SJVIA Premiums PEPM	\$ 701.91	\$ 700.81	\$ 700.19	\$ 700.11	\$ 698.82	\$ 697.53							\$ 699.89
SJVIA Total Claims	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
- Medical Claims	\$2,369,761	\$3,384,425	\$3,028,105	\$3,182,932	\$3,484,310	\$3,008,518	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,458,051
- Rx Claims	\$1,153,120	\$1,112,197	\$1,174,324	\$1,097,845	\$1,178,696	\$1,149,231	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,865,413
- Stop-Loss Refunds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
- Capitated Claims (HMO)	\$1,125,742	\$1,126,734	\$1,128,967	\$1,115,075	\$1,105,152	\$1,126,982	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,728,652
SJVIA Total Claims	\$4,648,623	\$5,623,356	\$5,331,396	\$5,395,852	\$5,768,158	\$5,284,731	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,052,116
SJVIA Claims PEPM	\$ 586.50	\$ 705.21	\$ 668.43	\$ 681.72	\$ 730.61	\$ 659.52							\$ 671.97
SJVIA Fixed Costs	\$ 539,562	\$ 542,245	\$ 542,577	\$ 537,900	\$ 535,828	\$ 544,395	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,242,507
SJVIA Total Costs	\$5,188,185	\$6,165,601	\$5,873,973	\$5,933,752	\$ 6,303,986	\$5,829,126	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,294,623
SJVIA Cost PEPM	\$ 654.58	\$ 773.21	\$ 736.46	\$ 749.68	\$ 798.48	\$ 727.46							\$ 739.94
SJVIA Total Reserve - Increase/(Decrease)	\$ 375,156	\$ (577,340)	\$ (289,233)	\$ (392,359)	\$ (786,791)	\$ (239,826)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,910,392)
Reserve % of Non Cap. Claims	10.6%	-12.8%	-6.9%	-9.2%	-16.9%	-5.8%							-7.5%

SJVIA - HMO

2012 HMO Enrollment	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
- Employee Only	1,940	1,943	1,962	1,930	1,924	1,977	0	0	0	0	0	0	11,676
- Employee + Spouse	631	632	633	622	608	620	0	0	0	0	0	0	3,746
- Employee + Child(ren)	1,352	1,357	1,348	1,338	1,327	1,343	0	0	0	0	0	0	8,065
- Employee + Family	615	610	608	605	596	604	0	0	0	0	0	0	3,638
HMO Total Enroll.	4,538	4,542	4,551	4,495	4,455	4,544	0	0	0	0	0	0	27,125
HMO Premiums	\$ 3,456,547	\$ 3,457,039	\$ 3,458,125	\$ 3,419,330	\$ 3,383,249	\$ 3,444,977	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,619,266
HMO Premiums PEPM	\$ 761.69	\$ 761.13	\$ 759.86	\$ 760.70	\$ 759.43	\$ 758.14							\$ 760.16
HMO Claims	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
- Medical Claims	\$ 1,128,332	\$ 1,941,584	\$ 1,376,948	\$ 1,816,134	\$ 2,330,814	\$ 1,662,356	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,256,168
- Rx Claims	\$ 660,723	\$ 647,395	\$ 661,476	\$ 601,293	\$ 628,846	\$ 585,061	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,784,794
- Capitated Claims	\$ 1,125,742	\$ 1,126,734	\$ 1,128,967	\$ 1,115,075	\$ 1,105,152	\$ 1,126,982	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,728,652
HMO Total Claims	\$ 2,914,797	\$ 3,715,713	\$ 3,167,391	\$ 3,532,502	\$ 4,064,812	\$ 3,374,399	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,769,614
HMO Claims PEPM	\$ 642.31	\$ 818.08	\$ 695.98	\$ 785.87	\$ 912.42	\$ 742.61							\$ 765.70
HMO Fixed Costs	\$ 357,186	\$ 357,501	\$ 358,209	\$ 353,801	\$ 350,653	\$ 357,658	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,135,009
HMO Total Costs	\$ 3,271,983	\$ 4,073,214	\$ 3,525,600	\$ 3,886,303	\$ 4,415,465	\$ 3,732,057	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,904,623
HMO Costs PEPM	\$ 721.02	\$ 896.79	\$ 774.69	\$ 864.58	\$ 991.13	\$ 821.32							\$ 844.41
HMO Plan Reserve - Increase/(Decrease)	\$ 184,564	\$ (616,175)	\$ (67,475)	\$ (466,974)	\$ (1,032,216)	\$ (287,080)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,285,357)
Reserve % of Non Cap. Claims	10.3%	-23.8%	-3.3%	-19.3%	-34.9%	-12.8%							-16.3%

SJVIA - PPO

PPO Enrollment - All Plans	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
- Employee Only	2,742	2,778	2,775	2,770	2,789	2,823	0	0	0	0	0	0	16,677
- Employee + Spouse	414	415	410	408	403	401	0	0	0	0	0	0	2,451
- Employee + Child(ren)	147	151	150	154	157	155	0	0	0	0	0	0	914
- Employee + Family	85	88	90	88	91	90	0	0	0	0	0	0	532
PPO Plans Total Enrollment	3,388	3,432	3,425	3,420	3,440	3,469	0	0	0	0	0	0	20,574
PPO Plans Total Premiums	\$ 2,106,794	\$ 2,131,223	\$ 2,126,615	\$ 2,122,064	\$ 2,133,947	\$ 2,144,322	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,764,965
PPO Premiums PEPM	\$ 621.84	\$ 620.99	\$ 620.91	\$ 620.49	\$ 620.33	\$ 618.14							\$ 620.44
PPO Plans Total Claims	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
- Medical Claims	\$ 1,241,429	\$ 1,442,841	\$ 1,651,157	\$ 1,366,798	\$ 1,153,496	\$ 1,346,162	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,201,883
- Rx Claims	\$ 492,397	\$ 464,802	\$ 512,848	\$ 496,552	\$ 549,850	\$ 564,170	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,080,619
- Stop-Loss Refunds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PPO Plans Net Claims	\$ 1,733,826	\$ 1,907,643	\$ 2,164,005	\$ 1,863,350	\$ 1,703,346	\$ 1,910,332	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,282,502
PPO Plans Claims PEPM	\$ 511.76	\$ 555.84	\$ 631.83	\$ 544.84	\$ 495.16	\$ 550.69							\$ 548.39
PPO Plans Fixed Costs	\$ 182,376	\$ 184,745	\$ 184,368	\$ 184,099	\$ 185,175	\$ 186,736	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,107,498
PPO Plans Total Costs	\$ 1,916,202	\$ 2,092,388	\$ 2,348,373	\$ 2,047,449	\$ 1,888,521	\$ 2,097,068	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,390,000
PPO Plans Cost PEPM	\$ 565.59	\$ 609.67	\$ 685.66	\$ 598.67	\$ 548.99	\$ 604.52							\$ 602.22
PPO Plans Total Reserve - Increase/(Decrease)	\$ 190,592	\$ 38,835	\$ (221,757)	\$ 74,615	\$ 245,425	\$ 47,254	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 374,965
Reserve % of Net Claims	11.0%	2.0%	-10.2%	4.0%	14.4%	2.5%							3.3%



BOARD OF DIRECTORS

SUSAN B. ANDERSON

JUDITH CASE

MIKE ENNIS

ALLEN ISHIDA

PHIL LARSON

DEBORAH POOCHIGIAN

PETE VANDER POEL

Meeting Location:
Fresno County Employee Retirement
Association Board Chambers
1111 H Street
Fresno, CA 93721
August 24, 2012
9:00 AM

AGENDA DATE: August 24, 2012

ITEM NUMBER: 5c

SUBJECT: Receive and File Report on SJVIA Marketing Activity

REQUEST(S): That the Board receive and file a report of current SJVIA Marketing Activity

DESCRIPTION:

As an update to the July 20, 2012 report on marketing activity, this report is intended to provide overview of past, present, and future marketing activities. Gallagher Benefit Services (GBS) at the direction of SJVIA Staff have undertaken several marketing efforts to identify and make contact with prospective member entities to consider joining the JPA. These efforts have consisted of participating in various events and highlighting the benefits of joining the SJVIA. These have included participation at the San Joaquin Valley Regional Association of CA Counties Fall Conference and as an Exhibitor at the California Public Employees Labor Relations Annual Conference.

The SJVIA continues to pursue opportunities with the Central San Joaquin Valley Risk Management Authority (RMA). The RMA, consisting of 55 members of incorporated municipalities from Kern County in the south to Sutter County in the North, established an AdHoc Committee to evaluate SJVIA Membership. The Committee met on April 17, 2012 and Gallagher and SJVIA staff provided a presentation to the Committee with follow up questions and answers. This was the second presentation to the RMA that followed a presentation to their

AGENDA: San Joaquin Valley Insurance Authority

DATE: August 24, 2012

Executive Committee in February of this year. SJVIA information has been distributed to all 55 of their member Cities asking those with interest to follow up directly with the SJVIA. At the present time, 32 of those member cities have responded with information requested to develop SJVIA rates and are at various stages in the underwriting process.

Although the RMA has not made a decision to add the SJVIA benefit program to their membership requirements or made a formal endorsement, they have encouraged members to explore the SJVIA option independently.

Additional direct marketing efforts have been under way to prospective members who are not affiliated with the RMA. These include several larger cities, counties, and special districts. For many prospective CalPERS entities, this is the first time they have begun to exploring any alternatives since moving. These discussions, while not immediately resulting in SJVIA membership, are positive steps toward movement in future years. Gallagher will continue to foster these longer term growth opportunities as the SJVIA matures and continues to experience positive growth with stable costs.

Further, Gallagher is hosting a Healthcare Reform Seminar at their Fresno office and has invited several contacts at current and prospective SJVIA member entities.

FISCAL IMPACT/FINANCING:

None

ADMINISTRATIVE SIGN-OFF:



Paul Nerland
SJVIA Manager



Jeffrey Cardell
Assistant SJVIA Manager

**BEFORE THE BOARD OF DIRECTORS
SAN JOAQUIN VALLEY INSURANCE
AUTHORITY**

IN THE MATTER OF Receive and File Report on SJVIA Marketing Activity

RESOLUTION NO. _____
AGREEMENT NO. _____

UPON MOTION OF DIRECTOR _____, SECONDED BY
DIRECTOR _____, THE FOLLOWING WAS ADOPTED BY
THE BOARD OF DIRECTORS, AT AN OFFICIAL MEETING HELD _____
_____, BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

BY: _____

* * * * *

That the Board received and filed a report of current SJVIA Marketing Activity

SJVIA Prospective Member Listing
Updated as of 8/13/2012

Entity Name	Entity Type	Meeting Set	2nd Email	3rd email	Received Census info as of August 8, 2012	Renewal:	Active EE's	Pre-65 Ret	Post-65 Ret	Cal Pers:		Proposal Sent		
										Yes	No	Direct	Broker	Both
1 Arvin	City		Yes		No response	January	45	0	0		x	x		
2 Avenal	City			Yes	Sent information	October	47	0	2		x			x
3 Calaveras	County	Yes			Targeting 2014	January					x			
4 Ceres	City	Yes			Sent information	January	115	0	0		x			x
5 Chowchilla	City				asked questions, is gathering info.	June	44	0	0		x	x		
6 Clovis	City	Yes			Sent information	January	384	10	6		x			x
7 Corcoran	City	Yes			Sent information	July	60	0	0		x	x		
8 Delano	City	Yes			Sent information	July	197	16	0		x			x
9 Dinuba	City				Sent information	July	122	10	0		x			
10 Dos Palos	City				Sent information	August	17	0	0		x	x		
11 Escalon	City			Yes	Sent information	Jan	23	0	0		x	x		
12 Exeter	City				Sent information	February	38	0	0		x	x		
13 Firebaugh	City			Yes	Sent information	January	37							
14 Fowler	City	Yes			Sent information	September	20	0	0		x	x		
15 Gustine	City				asked questions, is gathering info.	January	17	0	0		x	x		
16 Huron	City				No response/ Do Not pursue	July	15	0	0		x			x
17 Kerman	City		Yes		No response	July	53	0	0		x	x		
18 Kings	County	Yes			Targeting 2014	July	1000	70						x
19 Kingsburg	City		Yes	Yes	Sent information	Feb	45	0	0		x	x		
20 Lathrop	City		Yes		Sent information	January	78	5	10	x		x		
21 Madera	City				asked questions, is gathering info.	July	246	15	0		x	x		
22 Madera	County	Yes			Targeting 2014	January	1123			x		x		
23 Mendota	City	Yes	Yes		Sent information	May	28	0	0		x	x		
24 Nevada Irrigation District	Special District	Yes			Targeting 2014	January	120	70		x		x		
25 Newman	City		Yes	Yes	No response	January	29	0	0		x			x
26 Orange Cove	City		Yes		Sent information	July	37	0	0		x	x		
27 Reedley	City	Yes			No response	January	115	10	21		x	x		
28 Ripon	City		Yes		No response	January	88		3		x	x		
29 Riverbank	City	Yes			Sent information	July	45	0	0		x	x		
30 Santa Cruz	County	Yes			Targeting 2014	January	2087	315	897	x		x		
31 Shafter	City				Sent information	July	60	0	2		x	x		

SJVIA Prospective Member Listing
Updated as of 8/13/2012

	Entity Name	Entity Type	Meeting Set	2nd Email	3rd email	Received Census info as of August 8, 2012	Renewal:	Active EE's	Pre-65 Ret	Post-65 Ret	Cal Pers:		Proposal Sent		
											Yes	No	Direct	Broker	Both
32	Sonora	City		Yes		No response	June	35	5	0		x	x		
33	Stanislaus	County				Targeting 2014	January	3982	1200			x			
34	Tehachapi	City		Yes	Yes	No response	January	50	0	0		x	x		
35	Tulare	City	Yes			Joined SJVIA	July	334	24	41		x	x		
36	Wasco	City		Yes	Yes	No response	January	54	0	0		x	x		
37	Waterford	City				Sent information	June	12	0	0		x	x		
38	Woodlake	City		Yes		No response	December	28	3	0	x		x		

San Joaquin Valley Insurance Authority

BOARD OF DIRECTORS

SUSAN B. ANDERSON
JUDITH CASE
MIKE ENNIS
ALLEN ISHIDA
PHIL LARSON
DEBORAH POOCHIGIAN
PETE VANDER POEL

Meeting Location:
Fresno County Employee Retirement
Association Board Chambers
1111 H Street
Fresno, CA 93721
August 24, 2012
9:00 AM

AGENDA DATE: August 24, 2012

ITEM NUMBER: 5(d)

SUBJECT: Quarterly SJVIA Financial Update

REQUEST(S): That the Board receives the Financial Update through 4th Quarter, 2011-12

DESCRIPTION: Informational Item. Please see attached report.

FISCAL IMPACT/FINANCING:

None.

AGENDA: San Joaquin Valley Insurance Authority

DATE: August 24, 2012

ADMINISTRATIVE SIGN-OFF:

A handwritten signature in blue ink that reads "Vicki Crow". The signature is written in a cursive style with a horizontal line extending from the end of the name.

Vicki Crow
SJVIA Auditor-Treasurer

SAN JOAQUIN VALLEY INSURANCE AUTHORITY
ACTUALS VS. BUDGETED REVENUES & EXPENSES
FOR THE THREE AND TWELVE MONTHS ENDED JUNE 30, 2012

	Current Quarter				Year-To-Date			
	ACTUALS	BUDGET	(OVER) / UNDER BUDGET	% VARIANCE	ACTUALS	BUDGET	(OVER) / UNDER BUDGET	% VARIANCE
REVENUE								
County of Fresno & County of Tulare Health Plan Revenue	\$15,494,566	\$14,528,838	(\$965,728)	(7%)	\$60,842,169	\$60,528,931	(\$313,238)	(1%)
COT (Anthem Medical, Rx, Vendor Services)								
COF (Anthem Medical, Vendor Services)								
EXPENSES: Fixed								
1 Specific & Aggregate Stop Loss Insurance (PPO)	114,724	106,520	(8,204)	(8%)	422,741	425,531	2,790	1%
2 Anthem ASO Administration & Network Fees (PPO)	278,302	266,498	(11,804)	(4%)	1,074,207	1,076,644	2,437	0%
3 Chimenti Associates/Hourglass Administration(PPO & Anthem HMO)	167,618	151,798	(15,820)	(10%)	639,068	631,371	(7,697)	(1%)
4 GBS Consulting	99,601	93,414	(6,187)	(7%)	385,155	388,536	3,381	1%
5 SJVIA Association Fee	12,128	46,707	34,579	74%	200,730	194,268	(6,462)	(3%)
6 Claims Management/Communications	120,900	70,036	(50,864)	(73%)	152,091	291,402	139,311	48%
7 Anthem HMO Pooling	391,702	358,503	(33,199)	(9%)	1,534,015	1,556,270	22,255	1%
8 Anthem HMO Administration/Retention	521,327	477,386	(43,941)	(9%)	1,947,362	1,977,027	29,665	2%
9 Blue View Vision (County of Tulare only, 6 months of 2011 only)	0	0	0	0%	71,249	72,082	833	1%
TOTAL FIXED EXPENSES	1,706,302	1,570,862	(135,440)	(9%)	6,426,618	6,613,131	186,513	3%
EXPENSES: Claims								
10 Projected Paid Medical Claims PPO and Non-Cap HMO, & Projected Paid Rx Claims PPO (All CoT and Only CoF HDPPPO)	9,477,448	9,365,763	(111,685)	(1%)	40,238,808	37,432,011	(2,806,797)	(7%)
11 Anthem MMP HMO Capitation	3,582,977	3,280,478	(302,499)	(9%)	13,481,537	13,684,511	202,974	1%
TOTAL CLAIMS EXPENSES	13,060,425	12,646,241	(414,184)	(3%)	53,720,345	51,116,522	(2,603,823)	(5%)
TOTAL EXPENSES	14,766,727	14,217,103	(549,624)	(4%)	60,146,963	57,729,653	(2,417,310)	(4%)
12 Reserve Surplus	727,839	311,735	(416,104)	(133%)	695,206	2,799,278	2,104,072	75%
COMBINED EXPENSES & RESERVES	\$15,494,566	\$14,528,838	(\$965,728)	(7%)	\$60,842,169	\$60,528,931	(\$313,238)	(1%)

Glossary of Terms:

1 Specific & Aggregate Stop Loss Insurance (PPO)

Specific: Insurance coverage for eligible individual specific claims in excess of the \$450,000 plan year deductible up to the lifetime maximum of \$6 million

Aggregate: Insurance coverage for eligible claims under the specific deductible on the aggregated amount for all member claims

2 Anthem ASO Administration & Network Fees (PPO):

ASO is "Administrative Services Only". This definition includes Anthem Blue Cross administration fees and includes access fees to use the Blue Cross network of providers. This is the administration fee for the PPO plan(s), not the HMO plan.

3 Chimienti Associates/Hourglass Administration (PPO & Anthem HMO)

Chimienti & Associates is an independent vendor providing consolidated billing, eligibility, automated enrollment and Section 125 administrative services. Hourglass and ASI are subcontractors to Chimienti Associates that assist in these administrative processes. This line is for non-Kaiser business.

4 GBS Consulting

Gallagher Benefit Services (GBS) is a national benefit consultant who provides professional guidance to SJVIA and respective members concerning health plan matters including but not limited to compliance, underwriting, renewal bidding, employee communication, cost analysis, actuarial, etc. GBS played a significant role in the formation and establishment of SJVIA.

5 SJVIA Association Fee

The association fee will be used by SJVIA for administrative, management, legal, accounting and other services needed to effectively establish and maintain proper functioning of the Joint Powers Authority.

6 Claims Management/Communications

This rate category is earmarked for special claims management services and may include some wellness applications that are outside and additional to the claims management services provided by the insurance company. This rate category is also earmarked for special employee communication materials and prospective new City/County member promotional materials. It may include fees for maintaining a presence at such trade associations as CALPELRA, etc.

7 Anthem HMO Pooling

This is for the specific stop loss pooling insurance for claims in excess of \$250k within the HMO (not PPO).

8 Anthem HMO Administration/Retention

Anthem Blue Cross plan administration fee and network access fee for the HMO plan

9 Blue View Vision

Anthem Blue Cross Vision plan utilized by County of Tulare through 2011. There will be no participants in this plan as of January 1, 2012

10 Projected Paid Medical Claims PPO and Non-Cap HMO, & Projected Paid Rx Claims PPO (All CoT and Only CoF HDPPO)

Projected self-insured PPO claims for medical and non-capitated HMO claims (hospital). Also, projected self-insured Rx claims for all County of Tulare plans and only County of Fresno HDPPO Plan.

11 Anthem MPP HMO Capitation

Amount paid in advance of services on a fixed per member per month basis for professional services (physician) as part of the HMO

12 Reserve Surplus/Deficit

Projected excess revenue over projected claims and fixed costs

SJVIA
Schedule of Cash Flow by Month
For the Twelve Months Ended June 30, 2012

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	TOTAL
BEGINNING CASH BALANCES:													
Claims Funding Account-844535294	\$515,991	\$863,986	\$347,466	\$479,850	\$391,099	\$724,634	\$760,193	\$675,347	\$1,093,688	\$801,866	\$685,631	\$1,124,128	\$515,991
Fixed Cost Account-844535120	591,016	630,210	635,905	672,278	117,889	680,212	425,290	461,099	439,645	309,117	301,469	385,343	591,016
SJVIA Claims Reserve Account-428255819	-	-	-	-	-	0.00	2,000,361	7,233,120	6,522,118	6,182,654	5,846,522	8,177,387	-
Total Beginning Balances	1,107,007	1,494,196	983,371	1,152,128	508,988	1,404,846	3,185,844	8,369,566	8,055,451	7,293,637	6,833,622	9,686,858	1,107,007
RECEIPTS:													
Claims Funding Account-844535294	3,584,451	3,963,540	3,689,572	2,810,397	3,322,194	3,046,750	2,234,334	3,415,519	3,635,479	2,875,238	3,147,248	2,685,896	38,410,618
Fixed Cost Account-844535120	1,856,007	2,344,316	2,353,832	1,128,280	1,480,513	2,193,973	1,539,608	1,596,572	1,412,761	1,534,154	2,249,736	1,516,926	21,006,678
SJVIA Claims Reserve Account-428255819	-	-	-	-	-	2,000,361	7,060,106	3,349,816	3,677,698	3,129,304	5,762,860	3,116,373	28,096,518
TOTAL RECEIPTS	5,240,458	6,307,856	6,043,404	3,938,677	4,802,707	7,241,084	10,834,048	8,361,907	8,725,938	7,538,696	11,159,844	7,319,195	87,513,814
DISBURSEMENTS:													
Claims Funding Account-844535294	3,236,456	4,480,060	3,557,188	2,899,148	2,988,659	3,011,191	2,319,180	2,997,178	3,927,301	2,991,473	2,708,751	3,100,627	38,217,212
Fixed Cost Account-844535120	1,816,813	2,338,621	2,317,459	1,682,669	918,190	2,448,895	1,503,799	1,818,026	1,543,289	1,541,802	2,165,862	1,600,812	21,296,037
SJVIA Claims Reserve Account-428255819	-	-	-	-	-	-	1,827,347	4,060,818	4,017,162	3,465,436	3,431,995	3,116,353	19,919,111
TOTAL DISBURSEMENTS	4,853,269	6,818,681	5,874,647	4,581,817	3,906,849	5,460,086	5,650,326	8,676,022	9,487,752	7,998,711	8,306,608	7,817,592	79,432,360
ENDING CASH BALANCES:													
Claims Funding Account-844535294	863,986	347,466	479,850	391,099	724,634	760,193	675,347	1,093,688	801,866	685,631	1,124,128	709,397	709,397
Fixed Cost Account-844535120	630,210	635,905	672,278	117,889	680,212	425,290	461,099	439,645	309,117	301,469	385,343	301,657	301,657
SJVIA Claims Reserve Account-428255819	-	-	-	-	-	2,000,361	7,233,120	6,522,118	6,182,654	5,846,522	8,177,387	8,177,407	8,177,407
Total Ending Balances	\$1,494,196	\$983,371	\$1,152,128	\$508,988	\$1,404,846	\$3,185,844	\$8,369,566	\$8,055,451	\$7,293,637	\$6,833,622	\$9,686,858	\$9,188,461	\$9,188,461

Investments:

No investments made at this time.

SAN JOAQUIN VALLEY INSURANCE AUTHORITY

ANALYSIS OF ADMINISTRATION, CLAIMS & COMMUNICATIONS (FEES) - REVENUES & EXPENSES

FOR THE THREE AND TWELVE MONTHS ENDED JUNE 30, 2012

	Current Quarter		Year-To-Date	
	SJVIA FEES		SJVIA FEES	
	Administration (*Line 5)	Claims Management/ Communications (*Line 6)	Administration (*Line 5)	Claims Management/ Communications (*Line 6)
<u>FY11-12</u>				
Revenue**	\$49,629	\$74,443	\$195,856	\$298,258
Expenses:				
Auditor-Treasurer Services	4,839		107,661	
County Counsel Services	57		9,037	
Personnel Services	5,739		12,430	
Membership Fees				
Insurance (Liability, Bond, Etc)			60,690	
Audit Fees			1,570	
Bank Service Fees	1,493		9,342	
Claims Management Communications		120,900		152,091
Total Expenses	12,128	120,900	200,730	152,091
Administration, Claims & Communications (Deficit)/Surplus	\$37,501	(\$46,457)	(\$4,874)	\$146,167

*Total expenses for each column correspond to the line number shown on the "ACTUALS VS. BUDGETED REVENUES & EXPENSES" report.

**Revenue consists of fees collected from enrollees at the following rates per employee per month: \$2.00 for SJVIA association fees & \$3.00 for claims management/communications(\$2.50 for claims management & \$.50 for communications).



BOARD OF DIRECTORS

SUSAN B. ANDERSON

JUDITH CASE

MIKE ENNIS

ALLEN ISHIDA

PHIL LARSON

DEBORAH POOCHIGIAN

PETE VANDER POEL

Meeting Location:
Fresno County Employee Retirement
Association Board Chambers
1111 H Street
Fresno, CA 93721
August 24, 2012
9:00 AM

AGENDA DATE: August 24, 2012

ITEM NUMBER: 6

SUBJECT: Request for use of claims mitigation funds to conduct Mobile Mammography Screenings and authorization for execution of contract with Pacific Coast Medical Services.

REQUEST(S): Approve the Request for use of claims mitigation funds to conduct Mobile Mammography Screenings and Authorize Chair to Execute Agreement with Pacific Coast Medical Services pending acceptance of County of Fresno and Tulare and approval of SJVIA staff and Counsel.

DESCRIPTION:

In an effort to raise Breast Cancer Awareness with employees, as well as offer an onsite access to preventive care, the County of Tulare has in the past offered onsite mammography screenings at no charge to its health plan participants. The last offering, in November of 2010, was met with great interest, therefore Staff would like to request that the SJVIA contract with Pacific Coast Medical Services to again offer these screenings. The requested contract will be for six days of onsite screenings with a guarantee of 35 exams per day. Offering the screenings as an onsite service is of great benefit to both the SJVIA and the employee. Currently a mammogram costs the plan around \$300 and is covered as a preventive care benefit. Each exam through the recommended vendor is \$95, a discount of almost 70%. In addition, the employees that

AGENDA: San Joaquin Valley Insurance Authority

DATE: August 24, 2012

participate in this event are spending much less time away from work, thus improving efficiency while provide a heightened awareness of health behavior.

As part of the SJVIA's ongoing wellness campaign called "KNOW", Breast Cancer Awareness Month will be observed in October and used as an opportunity to educate participants. Both the County of Fresno and Tulare would tap into the attention to this important issue by advertising dates at which employees may receive a mammogram at no out-of-pocket cost. This information would be included in newsletters, e-mail and intranet and included as part of each County's Open Enrollment activities. These are performed at various locations and at a discounted price as compared to in the physician's office or testing facility, which benefits the SJVIA, the County, as well as the participants. A sample of the communication piece that may be used for this event is attached for your information.

Pending acceptance of both the County of Fresno and Tulare and the review of staff and SJVIA Counsel, this item requests the authority of the Chair to execute an agreements with Pacific Coast Medical Services to be in effect for a term encompassing the service dates in November/December which are yet to be determined.

FISCAL IMPACT/FINANCING:

Under the requested contract of six days each for the County of Fresno and Tulare respectively, the cost is estimated to be approximately \$38,000 and funds are available through the claims mitigation fund of the SJVIA currently included in approved budget.

ADMINISTRATIVE SIGN-OFF:



Paul Nerland
SJVIA Manager



Jeffrey Cardell
Assistant SJVIA Manager

**BEFORE THE BOARD OF DIRECTORS
SAN JOAQUIN VALLEY INSURANCE
AUTHORITY**

IN THE MATTER OF Request for use of claims mitigation funds to conduct Mobile Mammography Screenings and authorization for execution of contract with Pacific Coast Medical Services.

RESOLUTION NO. _____
AGREEMENT NO. _____

UPON MOTION OF DIRECTOR _____, SECONDED BY DIRECTOR _____, THE FOLLOWING WAS ADOPTED BY THE BOARD OF DIRECTORS, AT AN OFFICIAL MEETING HELD _____, BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

BY: _____

* * * * *

That the Board Approved the Request for use of claims mitigation funds to conduct Mobile Mammography Screenings and Authorized Chair to Execute Agreement with Pacific Coast Medical Services pending acceptance of County of Fresno and Tulare and approval of SJVIA staff and Counsel.



HUMAN RESOURCES
& DEVELOPMENT
TULARE COUNTY

Mobile Mammography Screening

Tulare County Wellness Program 2012



Contents

- Page 3 • Mammography Screening Overview
- Page 4 • Provider Requirements
- Page 5 • Tentative Schedule & Locations
- Page 6 • Announcement Flyer
- Page 7 • Parameters for Scheduling Mammograms
- Page 8 • Email – Confirming Eligibility
- Page 9 • Email – Confirming Appointment
- Page 10 • Appointment Schedule
- Page 11 • Mammogram Daily Log Sheet
- Page 12 • 2010 Mammogram Results
- Page 13 • Anthem Blue Cross Mammograms 2010-2012

Mammography Screening Overview

- Mammogram screening for women 40 and older
- Tests run approx. 15 min each
- Can test up to two women at a time
- Results will be sent to employee's primary care physician for follow-up
- Completely CONFIDENTIAL
- Tentative Dates:
 - November 13–15 (3 days)
 - November 26-27 (3 days)

Provider Requirements

- Guarantee 35 employees per day
- \$95/Exam (includes travel, nurse, screening)
- Average cost for mammogram exam is \$150 to \$300 per Foundation
- Requires 50% deposit
- Employee must have primary physician, results of exam will be sent to physician
- Coincides with October Breast Cancer Awareness Month
- Company can bill insurance directly or payment can be made directly

Schedule & Locations

Date	Location
November 13 & 14	Visalia Government Plaza
November 15	Tulare Agriculture Building
November 26	Professional Development Building (old WIB)
November 27 & 28	Porterville Government Plaza
November 29	Optional

Announcement Flyer

Breast Cancer Awareness Month



November 13 & 14
Visalia Govt. Plaza
Conf. Room E
(9am - 4pm)
5959 S Mooney Blvd

November 15
Tulare Ag Building
Ag Auditorium
(9am - 4pm)
4437 S Laspina St
Tulare, CA

November 26
Professional Development
Building (Old WIB)
(9am - 4pm)
W Noble, Visalia, CA

November 27 & 28
Porterville Govt Plaza
Tangelo & Interview Rm.1
(9am - 4pm)
1063 W Henderson
Porterville, CA

Tulare County is offering employees

Mammography Screenings

- **FREE – No Out-of-Pocket expense to employees**
- Mammogram Screenings will be held on site at selected locations (allowed on County time)
- Completely **PRIVATE & CONFIDENTIAL**
- Females Ages 40 & over
- Recommended if you have family history of Breast Cancer
- Educational information will be available:
<http://www.nbcam.org>
- Testing will take approximately 15 min.
- Administered by Pacific Coast Medical Services
- Appointments are limited

For appointments, please send email to:

OEHealth@co.tulare.ca.us

Parameters for Scheduling Mammograms



Pacific Coast Medical Services
7440 South State College Blvd., Suite 3-K
Anaheim, CA 92806
T: 714.758.0600
F: 714.758.0770
www.pacificcoastmed.com

Parameters for Scheduling Mammogram Screenings

A screening mammogram is an x-ray of the breast, used to detect changes in breast of woman who have no signs or symptoms of breast cancer. It involves two X-rays of each breast.

Pacific Coast Medical is a mammogram screening service. They provide quality mammograms for:

- ✓ woman 40 & older
- ✓ have NO SIGNS or SYMPTOMS of breast cancer
- ✓ have a Primary Care Physician
- ✓ is an Employee of Tulare County
- ✓ enrolled in Anthem Blue Cross through Tulare County

Pacific Coast Medical CANNOT screen women who have signs or symptoms of breast cancer, which may include:

- ⊗ skin thickening
- ⊗ bloody nipple discharge
- ⊗ a change in breast size or shape
- ⊗ a lump that can be felt during then manual breast exam
- ⊗ breast implants
- ⊗ previous breast cancer patients (who have had a mastectomy)
- ⊗ all previous breast cancer patients are considered diagnostic

Email Confirming Eligibility



HUMAN RESOURCES
& DEVELOPMENT
TULARE COUNTY

EMAIL CONFIRMING ELIGIBILITY

TO:
FROM:
DATE:
SUBJECT: Mammography Screening Eligibility

Thank you for expressing an interest in our Mammography Screening Program. Please read the information below to assure yourself that you do meet the criteria necessary to receive a free Mammogram Screening.

A mammogram screening is an x-ray of the breasts, used to detect changes in woman's breasts that have no signs or symptoms of breast cancer. It involves two X-rays of each breast.

Pacific Coast Medical is a mammogram screening service. They will provide quality mammograms for:

- ✓ women 40 & older
- ✓ have NO SIGNS or SYMPTOMS of breast cancer
- ✓ have a Primary Care Physician
- ✓ is an active Employee of Tulare County and
- ✓ is an Employee actively enrolled in Anthem Blue Cross through Tulare County

Pacific Coast Medical CANNOT screen women who have signs or symptoms of breast cancer, which may include:

- ⊙ skin thickening
- ⊙ bloody nipple discharge
- ⊙ a change in breast size or shape
- ⊙ a lump that can be felt during then manual breast exam
- ⊙ previous breast cancer patients (who have had a mastectomy)
- ⊙ all previous breast cancer patients are considered diagnostic
- ⊙ or women that have breast implants

If you feel you meet the criteria above, please e-mail OEHealth@co.tulare.ca.us . Thank you again.

Email Confirming Appointment



HUMAN RESOURCES
& DEVELOPMENT
TULARE COUNTY

EMAIL CONFIRMING APPOINTMENT

TO:

FROM:

DATE:

SUBJECT: Mammography Screening Appointment Confirmation

Thank you for your interest in receiving a mammogram screening. Your appointment is scheduled for:

Date: _____

Time: _____

Location: _____

Please bring your Blue Cross Insurance card with you to your appointment and read the information below to ensure you meet the criteria necessary to receive a screening.

A mammogram screening is an x-ray of the breasts, used to detect changes in woman's breasts that have no signs or symptoms of breasts cancer. It involves two X-rays of each breast.

Pacific Coast Medical is a mammogram screening service. They will provide quality mammograms for:

- ✓ women 40 & older
- ✓ have NO SIGNS or SYMPTOMS of breast cancer
- ✓ have a Primary Care Physician
- ✓ is an active Employee of Tulare County and
- ✓ is an Employee actively enrolled in Anthem Blue Cross through Tulare County

Pacific Coast Medical CANNOT screen women who have signs or symptoms of breast cancer, which may include:

- ⊙ skin thickening
- ⊙ bloody nipple discharge
- ⊙ a change in breast size or shape
- ⊙ a lump that can be felt during then manual breast exam
- ⊙ previous breast cancer patients (who have had a mastectomy)
- ⊙ all previous breast cancer patients are considered diagnostic
- ⊙ or women that have breast implants

If you feel you meet the criteria above, please e-mail OEHealth@co.tulare.ca.us . Thank you again.

Appointment Schedule

Appointment Schedule for Mammogram Screenings

Date/Location: Tuesday, November 13, 2012 @ Visalia Government Plaza

<u>Appt Time</u>	<u>ID No.</u>	<u>Department</u>	<u>EE First Name</u>	<u>EE Last Name</u>	<u>Work Ph. No.</u>	<u>Work E-mail Address</u>
9:00 AM					()	
9:15 AM					()	
9:30 AM					()	
9:45 AM					()	
10:00 AM					()	
10:15 AM					()	
10:30 AM					()	
10:45 AM					()	
11:00 AM					()	
11:15 AM					()	
11:30 AM					()	
LUNCH 12:00 pm to 1:00 pm						
1:00 PM					()	
1:15 PM					()	
1:30 PM					()	
1:45 PM					()	
2:00 PM					()	
2:15 PM					()	
2:30 PM					()	
2:45 PM					()	
3:00 PM					()	

Mammography Daily Log Sheet

Pacific Coast Medical Service Mammography Log Sheet

Date: Tech: Unit: Facility: P.C. Provider: Private

X-Ray #	Last Name	First Name	Exam	DOB	Previous Mammogram	Insurance	Referring M.D.	
1	180654	Doe	Jane	4	11/26/1967	Yes	011279	Nava
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
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25								
26								
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28								
29								
30								
31								
32								
33								
34								
35								

2010 Mammograms Results

Pacific Coast Medical Services

Practice Management

Recalls By Facility

Outcome Report

Facility: Tulare County

Date of Service	Physician	Total # Mammos Read	Total # Lesions	Normal/Routine Follow-up	Biopsy	Short Interval	UltraSo. & Spot Comp.	Ultrasound	Compression	Mag Views	Repeats	Total	Normal
10/18/2010		31	0	27	0	0	2	0	1	1	0	31	27
10/19/2010		35	0	28	0	0	1	0	3	2	1	35	28
10/20/2010		47	0	41	0	0	1	0	4	0	1	47	41
11/9/2010		37	0	32	0		2	0	2	1	0	37	32
11/10/2010		29	0	21	0	0	4	0	0	3	1	29	21
Total:		179	0	149	0	0	10	0	10	7	3	179	149

Cost: \$ 95 per exam
179
 \$ 17,005

Anthem Blue Cross Mammograms 2010-2012

275341 - SAN JOAQUIN VALLEY
Mammograms - 40 Yrs or Older
RIM 177153

Preventive Care Services	Eligible Members Enrollment	Members Received Service	# of Visits	Total Paid Amt	Avg. Cost per Test	Paid Date Period
Mammograms - 40 Yrs or Older	1,450	338	354	\$47,317.26	\$139.99	1/1/2010 through 7/31/2010
Mammograms - 40 Yrs or Older	467	106	112	\$17,789.13	\$167.82	8/1/2010 through 1/31/2011
Mammograms - 40 Yrs or Older	837	199	220	\$27,899.61	\$140.20	2/1/2011 through 7/31/2011
Mammograms - 40 Yrs or Older	824	191	207	\$29,570.62	\$154.82	8/1/2011 through 12/31/2011
Mammograms - 40 Yrs or Older	836	91	99	\$13,107.22	\$144.04	1/1/2012 through 3/31/2012
	4,414	925	992	\$135,683.84	\$149.37	



BOARD OF DIRECTORS

SUSAN B. ANDERSON

JUDITH CASE

MIKE ENNIS

ALLEN ISHIDA

PHIL LARSON

DEBORAH POOCHIGIAN

PETE VANDER POEL

Meeting Location:
Fresno County Employee Retirement
Association Board Chambers
1111 H Street
Fresno, CA 93721
August 24, 2012
9:00 AM

AGENDA DATE: August 24, 2012

ITEM NUMBER: 7

SUBJECT: Authorization of communication funds expense for the design and production of open enrollment materials for the County of Fresno and the County of Tulare.

REQUEST(S): That the Board authorize staff to request quotes for the use of communication funds expense for the design and production of open enrollment materials for the County of Fresno and the County of Tulare.

DESCRIPTION:

Since its inception in 2010, the SJVIA has collected funds from member entities for the design and production of communication materials at \$.50 per employee per month. Historically both counties have designed their own open enrollment materials and printed them internally. Both Counties have explored cost option both internally and externally and have interest in requesting quotes from vendors who may be able to produce material more efficiently and cost-effectively. The task of compiling data and designing the open enrollment materials can be very time consuming for the staff from both counties. Many external vendors have designed effective benefit communication materials which may be tailored to the needs of each County. Most vendors also would produce electronic materials suitable for posting on each County web site.

AGENDA: San Joaquin Valley Insurance Authority

DATE: August 24, 2012

FISCAL IMPACT/FINANCING:

Currently there is approximately \$125,000 allocated for communication for member entities for the SJVIA. These funds have been collected since inception and there have been no expenditures from this category. One preliminary quote obtained assumed printing an 8 page color brochure. The cost of open enrollment materials for the County of Tulare would be approximately \$8,000 (4,000 copies) and The County of Fresno total would be approximately \$15,000 (9,000 copies) for design and printing.

ADMINISTRATIVE SIGN-OFF:



Paul Nerland
SJVIA Manager



Jeffrey Cardell
Assistant SJVIA Manager

**BEFORE THE BOARD OF DIRECTORS
SAN JOAQUIN VALLEY INSURANCE
AUTHORITY**

IN THE MATTER OF Authorization of communication funds expense for the design and production of open enrollment materials for the County of Fresno and the County of Tulare.

RESOLUTION NO. _____
AGREEMENT NO. _____

UPON MOTION OF DIRECTOR _____, SECONDED BY DIRECTOR _____, THE FOLLOWING WAS ADOPTED BY THE BOARD OF DIRECTORS, AT AN OFFICIAL MEETING HELD _____, BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

BY: _____

* * * * *

That the Board authorized communication funds expense for the design and production of open enrollment materials for the County of Fresno and the County of Tulare.



BOARD OF DIRECTORS

SUSAN B. ANDERSON

JUDITH CASE

MIKE ENNIS

ALLEN ISHIDA

PHIL LARSON

DEBORAH POOCHIGIAN

PETE VANDER POEL

Meeting Location:
Fresno County Employee Retirement
Association Board Chambers
1111 H Street
Fresno, CA 93721
August 24, 2012
9:00 AM

AGENDA DATE: August 24, 2012

ITEM NUMBER: 8

SUBJECT: Approve the selection of US Script as the pharmacy benefit manager and authorize Board Chair to execute the agreement effective December 10, 2012

REQUEST(S): That the Board approve the selection of US Script as the pharmacy benefit manager and authorize Board Chair to execute the agreement effective December 10, 2012

DESCRIPTION:

At the July 20, 2012 Board meeting staff and Gallagher Benefit Services were directed to proceed with finalist interviews resulting from the RFP for Pharmacy Benefit Management. Interviews with the chosen final vendors were performed on August 3rd with representatives from SJVIA staff, County staff, and Gallagher Benefit Services. Dr. Michael Thomas, head of the GBS Pharmacy Practice joined the interviews by phone for added industry expertise and guidance. US Script and Envision Rx were interviewed with the intention of becoming more familiar with their services, contract flexibility, implementation requirements, and any best and final financial offers.

AGENDA: San Joaquin Valley Insurance Authority

DATE: August 24, 2012

In response to the RFP, there were two types of contracts offered, a traditional PBM contract and a pass through contract. In a traditional contract, the PBM offers price point guarantees for the entity, with no administrative fees. A traditional contract does not provide full disclosure on the side of the vendor, however, some financial information may be shared. Under a pass through contract, the PBM passes all discounts, rebates, rebate administrative fees, and any other monies through to the client. The only form of revenue under this contract is an administrative fee for each prescription. This model requires full disclosure and total audit ability. As a contract with PBM is typically three years or more, this model can potentially provide a greater financial benefit to the SJVIA as drug pricing improves over the next few years.

Both vendors presented very well and offered competitive pricing and comprehensive clinical prescription management. After reviewing the qualifications of all vendors, several key factors were identified in the decision to recommend US Script as the pharmacy benefit manager for the SJVIA:

- Competitive pricing
- Local presence
- Ranked highly in all aspects of the RFP
- Client satisfaction
- Innovative and proactive management of pharmacy program
- Flexibility to design a client specific program

Staff recommends the SJVIA contract with US Script under a pass through arrangement effective December 10, 2012. It should be noted that this contract also assumes that both the County of Fresno and Tulare participate in the pharmacy program through the SJVIA. The County of Fresno is currently self-funded and the County of Tulare currently participates through the SJVIA. Both entities had essentially the same contract with Catalyst Rx.

US Script is headquartered in Fresno and serves other local clients such as the County of Kings and Hanford Joint Union High School District. Their contract offering includes their clinical management programs at no extra charge and their expertise and flexibility has proven to be a successful partnership with other Gallagher clients.

AGENDA: San Joaquin Valley Insurance Authority

DATE: August 24, 2012

FISCAL IMPACT/FINANCING:

Annual pharmacy expenditures for the SJVIA health plans represent over 30% of the total claims cost. Moving to US Script effective December 10, 2012 is projected to save the SJVIA in excess of \$560,000 in Rx claims in the year 2013, and continued savings in the subsequent years.

ADMINISTRATIVE SIGN-OFF:



Paul Nerland
SJVIA Manager



Jeffrey Cardell
Assistant SJVIA Manager

**BEFORE THE BOARD OF DIRECTORS
SAN JOAQUIN VALLEY INSURANCE
AUTHORITY**

IN THE MATTER OF Approve the selection of US Script as the pharmacy benefit manager and authorize Board Chair to execute the agreement effective December 10, 2012

RESOLUTION NO. _____
AGREEMENT NO. _____

UPON MOTION OF DIRECTOR _____, SECONDED BY DIRECTOR _____, THE FOLLOWING WAS ADOPTED BY THE BOARD OF DIRECTORS, AT AN OFFICIAL MEETING HELD _____, BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

BY: _____

* * * * *

That the Board approved the selection of US Script as the pharmacy benefit manager and authorize Board Chair to execute the agreement effective December 10, 2012



BOARD OF DIRECTORS

SUSAN B. ANDERSON

JUDITH CASE

MIKE ENNIS

ALLEN ISHIDA

PHIL LARSON

DEBORAH POOCHIGIAN

PETE VANDER POEL

Meeting Location:
Fresno County Employee Retirement
Association Board Chambers
1111 H Street
Fresno, CA 93721
August 24, 2012
9:00 AM

AGENDA DATE: August 24, 2012

ITEM NUMBER: 9a

SUBJECT: Consider additional benefit options for the SJVIA

REQUEST(S): Approve the acceptance of proposals from Delta Dental and VSP Vision for the 2013 Plan year and Authorize Chair to Execute Agreements pending acceptance of County of Fresno and Tulare and approval of SJVIA staff and Counsel.

DESCRIPTION:

At the July 20, 2012 Meeting, the Board recommended exploring efficiencies that could be gained through consolidation of dental and vision plans between Fresno and Tulare Counties as part of the SJVIA.

Dental Recommendation:

For dental coverage, both Counties currently have PPO dental coverage provided by Delta Dental and Fresno also offers a Dental HMO plan. The County of Fresno Delta Dental contract has fully insured premiums with a Guaranteed Administration charge that allows surplus premiums to stay in the plan and stabilize future rate increases. The Guaranteed Administration charge is 7.36%. This allows for the potential of a renewal rate discount if actual costs are less than the premium. If actual costs exceed the premium,

AGENDA: San Joaquin Valley Insurance Authority

DATE: August 24, 2012

the Employer is not liable for the deficit and pays no more than the monthly contracted rates.

The County of Tulare has Delta Dental through the CSAC EIA purchasing pool on an Administrative Services Only (ASO) arrangement. The plan is self funded with administrative costs of 7.5% of paid claims plus \$1.00 PEPM. Based on projected claims costs, the effective administration costs are 10.2% of paid claims. This arrangement does not have any guaranteed maximum costs as the groups plan costs consist of actual claims plus the administration charge (10.2% of claims cost).

Delta Dental has provided an SJVIA option for both Counties that assume the same benefits and providers available to both Fresno and Tulare. This option features a fully insured rate structure with a Guaranteed Administration charge of 7.36% of claims costs for Fresno and 8.36% of claims costs for Tulare. The second year Guaranteed Administration charge would be 7.36% for both Counties. This option also allows for the County of Tulare the discretion of offering Dental HMO along with their PPO plan. The SJVIA rates for Tulare and Fresno also include a 10% second year not-to-exceed rate cap. This option would also provide an additional benefit that prospective members could choose to participate in as the SJVIA continues to expand. Pending acceptance of both the County of Fresno and Tulare and the review of staff and SJVIA Counsel, this item requests the authority of the Chair to execute agreements with Delta Dental for HMO and PPO coverage effective December 10, 2012 through December 31, 2014.

Vision Recommendation:

The County of Fresno is in the last year of their contract with MES vision and has explored other options due to a large increase in their fully insured premiums for the upcoming plan year. As the County of Fresno reviewed the options for their vision plan, staff will be recommending VSP on a fully insured basis through the SJVIA. The County of Tulare is considering the merits of the VSP plan through the SJVIA compared to the fully insured stand-alone plan.

Though there is little immediate financial incentive for the SJVIA to combine the two Counties' vision plans, there is a long term advantage to the combination. As part of the offer to the SJVIA, VSP has offered a "not to exceed" provision of to the County of Tulare's rates for 2014, capping their renewal at 10%. Also, moving their plan into a contract with the SJVIA will lower their required administrative load which will further affect their 2014 renewal in a positive direction. For the County of Fresno, VSP has offered to

AGENDA: San Joaquin Valley Insurance Authority

DATE: August 24, 2012

guarantee their fully insured rates under the SJVIA for three years (an additional year over their offer to the County as a stand alone client).

Given these contracting and future renewal offset advantages, it is the recommendation of staff to offer the proposed SJVIA option to members of the SJVIA. Pending acceptance of both the County of Fresno and Tulare and the review of staff and SJVIA Counsel, this item requests the authority of the Chair to execute an agreement with VSP effective December 10, 2012 through December 31, 2013.

FISCAL IMPACT/FINANCING:

The SJVIA dental option generates \$288,000 of annual savings when compared with the combined Fresno and Tulare renewal costs (fixed rates for Fresno and projected claims and administration cost for Tulare). Required premiums for both dental and vision will be included in a revised 2012-13 fiscal year budget to be approved at a later meeting.

ADMINISTRATIVE SIGN-OFF:



Paul Nerland
SJVIA Manager



Jeffrey Cardell
Assistant SJVIA Manager

**BEFORE THE BOARD OF DIRECTORS
SAN JOAQUIN VALLEY INSURANCE
AUTHORITY**

IN THE MATTER OF Consider additional benefit options for the SJVIA

RESOLUTION NO. _____
AGREEMENT NO. _____

UPON MOTION OF DIRECTOR _____, SECONDED BY
DIRECTOR _____, THE FOLLOWING WAS ADOPTED BY
THE BOARD OF DIRECTORS, AT AN OFFICIAL MEETING HELD _____
_____, BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

BY: _____

* * * * *

That the Board Approved the acceptance of proposals from Delta Dental and VSP Vision for the 2013 Plan year and Authorized Chair to Execute Agreements pending acceptance of County of Fresno and Tulare and approval of SJVIA staff and Counsel.

**County of Fresno SJVIA Renewal Option
DHMO Dental Plan Comparison and Options**

Effective Date: December 12, 2011 - December 15, 2012 (Actives), January 1, 2012 - January 1, 2013 (Retirees)

		Current	Renewal	Renewal Option
		MetLife Custom Plan	MetLife Custom Plan	SJVIA/Delta Dental Custom Plan
Top Utilized Providers in Fresno County				
Overlap Providers (%)		68	68	59
		100.00%	100.00%	86.76%
Employee co-pays				
D0230	Intraoral - periapical each additional film	\$0	\$0	\$0
D1110	Prophylaxis - adult	\$0	\$0	\$0
D2392	Resin-based composite - two surfaces, posterior	\$30	\$30	\$30
D3330	Molar (excluding final restoration)	\$0	\$0	\$60
D4341	Periodontal scaling and root planing	\$0	\$0	\$0
D5214	Mandibular partial denture	\$0	\$0	\$95
D6750	Crown - porcelain fused to high noble metal	\$0	\$0	\$70
D7210	Surgical removal of erupted tooth	\$0	\$0	\$10
D9220	Deep sedation/general anesthesia - first 30 minutes	\$165	\$165	\$165
D9972	External Bleaching - 1 tray & gel for 2 weeks	\$125	\$125	\$125
D8080	Child Ortho	\$1,300	\$1,300	\$1,700
D8090	Adult Ortho	\$1,400	\$1,400	\$1,900
Rate Guarantee			1 Year	Second Year Cap**
	Enrollment			
Single	1294	\$18.53	\$24.18	\$21.69
EE + Spouse	333	\$35.21	\$45.95	\$37.22
EE+ Child(ren)	553	\$37.06	\$48.36	\$37.48
Family	<u>255</u>	\$52.81	\$68.92	\$54.01
Total Enrollment	2435			
Annual Total		\$835,962	\$1,090,895	\$899,521
Annual \$ Increase		n/a	\$254,934	\$63,560
Percentage Increase		n/a	30.50%	7.60%

*SJVIA/Delta Dental 2nd Year Guarantee is a not to exceed 10% increase.

County of Tulare SJVIA Dental Renewal Option

Effective January 1, 2013

		Current Delta Dental - ASO with CSAC- EIA	Preliminary Renewal Delta Dental - ASO with CSAC- EIA	SJVIA Renewal Option Delta Dental - Fully Insured Participating Contract
<u>Rates</u>				<u>Illustrative</u>
		<u>Admin</u>	<u>Claims</u>	<u>Admin</u>
				<u>Claims</u>
Single	2131	\$3.73	\$36.45	\$3.97
EE + Spouse	296	\$3.73	\$36.45	\$39.63
EE+ Child(ren)	119	\$3.73	\$36.45	\$39.63
Family	<u>81</u>	\$3.73	\$36.45	\$39.63
	2627			\$8.94
Monthly Total		\$105,551	\$114,557	\$113,665
Annual Total		\$1,266,611	\$1,374,681	\$1,363,976
		<u>Funding Rates</u>	<u>Funding Rates</u>	<u>Rates</u>
Single	2131	\$34.34	\$37.12	\$36.66
EE + Spouse	296	\$59.74	\$64.58	\$63.55
EE+ Child(ren)	119	\$64.46	\$69.69	\$72.01
Family	<u>81</u>	\$91.80	\$99.25	\$106.91
	2627			
Annual Total		\$1,271,617	\$1,374,705	\$1,369,946
Annual \$ Increase			\$103,088	\$98,328
Percentage Increase		N/A	8.10%	7.73%

(Expected Cost)

(Maximum Cost)

NOTES: Admin Fees are 7.50% of paid claims plus \$1.00. This equates to 10.02% of paid claims being charged for dental administration

NOTES: This is a Guaranteed Administration contract where premium surpluses excess of 8.36% of actual claims cost are made available to offset subsequent renewal increases. The Guaranteed Administration charge is reduced to 7.36% for the second year. Second year rates are capped at a 10% not to exceed increase.

San Joaquin Valley Insurance Authority
Vision Comparison - VSP Vision
 Effective: January 1, 2013

	Stand-Alone		Stand-Alone		COMBINED SJVIA CONTRACT	
	COUNTY OF TULARE CURRENT CHOICE PLAN		COUNTY OF FRESNO CURRENT / MATCHING PLAN		2013 PROPOSED PLAN COUNTY OF TULARE	2013 PROPOSED PLAN COUNTY OF FRESNO
Network	Choice Network		Choice Network		Choice Network	Choice Network
Copay	\$10 Exam / \$25 Materials		\$5 Exam		\$10 Exam / \$25 Materials	\$10 Exam
Exam Every:	12 Months		12 Months		12 Months	12 Months
Lenses Every:	12 Months		12 Months		12 Months	12 Months
Frame Every:	24 Months		24 Months		24 Months	24 Months
Primary EyeCare	\$20 per visit		\$20 per visit		\$20 per visit	\$20 per visit
VSP PROVIDER						
Examination	Covered after copay		Covered after copay		Covered after copay	Covered after copay
Contact Lens Exam (Fitting & Evaluation)	15% off		15% off		15% off	15% off
Lenses:						
Single Vision	Covered after copay		Covered		Covered after copay	Covered
Lined Bifocal	Covered after copay		Covered		Covered after copay	Covered
Lined Trifocal	Covered after copay		Covered		Covered after copay	Covered
Lenticular	Covered after copay		Covered		Covered after copay	Covered
Maximum Copay on Lens Options:	The most popular lens options are covered-in-full with a copay, saving our members an average of 20-25%.		The most popular lens options are covered-in-full with a copay, saving our members an average of 20-25%.		The most popular lens options are covered-in-full with a copay, saving our members an average of 20-25%.	The most popular lens options are covered-in-full with a copay, saving our members an average of 20-25%.
Frames	\$130.00		\$150.00		\$130.00	\$150.00
Elective Contact Lenses*	\$120.00		\$130.00		\$120.00	\$130.00
Necessary Contact Lenses*	Covered after copay		Covered		Covered after copay	Covered
	*Contact Lenses are in lieu of spectacle lenses and frames once every 12 months		*Contact Lenses are in lieu of spectacle lenses and frames once every 12 months		*Contact Lenses are in lieu of spectacle lenses and frames once every 12 months	*Contact Lenses are in lieu of spectacle lenses and frames once every 12 months
VSP Rates						
	<u>Enrollment</u>	<u>Current Rates</u>	<u>Enrollment</u>	<u>VSP Rates</u>	<u>VSP Rates</u>	
Employee Only	2019	\$4.24	2930	\$7.71	\$4.24	\$7.34
Employee + 1	250	\$7.16	843	\$13.84	\$7.16	\$13.19
Employee + Children	121	\$7.58	1370	\$13.57	\$7.58	\$12.93
Employee + Family	75	\$11.30	614	\$19.87	\$11.30	\$18.93
					Renews 1/1/14 Not to Exceed 10%	Renews 1/1/16
Annual Cost	\$145,383		\$780,582		\$145,382.88	\$743,550
Self Funded Option						
Claims + 11%						
Est Claim = \$6.18			Est Claim = \$11.55			
Projected Annual Cost			Projected Annual Cost			
\$202,912.88			\$885,691.42			
36 month Contract Term to Renew 1/1/16						

San Joaquin Valley Insurance Authority

BOARD OF DIRECTORS

SUSAN B. ANDERSON

JUDITH CASE

MIKE ENNIS

ALLEN ISHIDA

PHIL LARSON

DEBORAH POOCHIGIAN

PETE VANDER POEL

Meeting Location:
Fresno County Employee Retirement
Association Board Chambers
1111 H Street
Fresno, CA 93721
August 24, 2012
9:00 AM

AGENDA DATE: August 24, 2012

ITEM NUMBER: 9b

SUBJECT: Approve recommendation to reevaluate offering a Kaiser HMO option for plan year 2014

REQUEST(S): That the Board approve the recommendation to reevaluate offering a Kaiser HMO option for plan year 2014

DESCRIPTION:

At the July 20, 2012 Meeting, the Board recommended exploring efficiencies that could be gained through the addition of ancillary plans to the SJVIA. As part of the recommendation, staff was directed to evaluate dental, vision, and Kaiser HMO as possible additions to the SJVIA.

Upon evaluation of a combined Kaiser HMO option, staff is recommending this be reevaluated for the 2014 plan year. At this time there is no financial advantage to the SJVIA, or its members.

FISCAL IMPACT/FINANCING:

None

AGENDA: San Joaquin Valley Insurance Authority

DATE: August 24, 2012

ADMINISTRATIVE SIGN-OFF:



Paul Nerland
SJVIA Manager



Jeffrey Cardell
SJVIA Assistant Manager

**BEFORE THE BOARD OF DIRECTORS
SAN JOAQUIN VALLEY INSURANCE AUTHORITY**

IN THE MATTER OF Approve recommendation to reevaluate offering a Kaiser HMO option for plan year 2014

RESOLUTION NO. _____
AGREEMENT NO. _____

UPON MOTION OF DIRECTOR _____, SECONDED BY DIRECTOR _____, THE FOLLOWING WAS ADOPTED BY THE BOARD OF DIRECTORS, AT AN OFFICIAL MEETING HELD APRIL 20, 2012 BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

BY: _____

* * * * *

That the Board approved the recommendation to reevaluate offering a Kaiser HMO option for plan year 2014.



BOARD OF DIRECTORS

SUSAN B. ANDERSON

JUDITH CASE

MIKE ENNIS

ALLEN ISHIDA

PHIL LARSON

DEBORAH POOCHIGIAN

PETE VANDER POEL

Meeting Location:
Fresno County Employee Retirement
Association Board Chambers
1111 H Street
Fresno, CA 93721
August 24, 2012
9:00 AM

AGENDA DATE: August 24, 2012

ITEM NUMBER: 10

SUBJECT: Release of Proposals and Execution of Participation Agreements Contingent upon Acceptance and Approval by the Prospective Entities' Governing bodies

REQUEST(S): That the Board of Directors approve releasing proposals on several prospective public entities and authorize the Board President to execute participation agreements.

DESCRIPTION:

On November 5, 2010, to allow for growth of the SJVIA, your Board approved Member Underwriting Guidelines and the SJVIA Growth Implementation and Marketing Plan. These documents provide the framework for the prudent growth of the SJVIA which will facilitate fixed cost reductions and pricing stability over time.

Gallagher Benefit Services (GBS), at the direction of SJVIA Staff, have since undertaken several marketing efforts to identify and make contact with prospective member entities to consider joining the JPA. These efforts have consisted of participating in events and highlighting the potential benefits of joining the SJVIA. At recent SJVIA Board of Directors meetings, the Board authorized the release of the several proposals.

Interest in the SJVIA remains high and activity from interested public entities continues. Agenda Item 5c is a recap of that activity.

AGENDA: San Joaquin Valley Insurance Authority

DATE: August 24, 2012

Gallagher Benefit Services is in the process of completing underwriting on the following entities:

City of Avenal
City of Escalon
City of Firebaugh
City of Kingsburg
City of Newman
City of Tehachapi
City of Wasco

Finally, underwriting is completed, the Underwriting Committee has reviewed the proposals and seeks to release offers to the following entities:

City of Ceres

FISCAL IMPACT/FINANCING:

None at this time. If any of the entities join the SJVIA the budget will be adjusted accordingly.

ADMINISTRATIVE SIGN-OFF:



Paul Nerland
SJVIA Manager



Jeffrey Cardell
Assistant SJVIA Manager

**BEFORE THE BOARD OF DIRECTORS
SAN JOAQUIN VALLEY INSURANCE
AUTHORITY**

IN THE MATTER OF Release of Proposals and Execution of Participation Agreements Contingent upon Acceptance and Approval by the Prospective Entities' Governing bodies

RESOLUTION NO. _____
AGREEMENT NO. _____

UPON MOTION OF DIRECTOR _____, SECONDED BY DIRECTOR _____, THE FOLLOWING WAS ADOPTED BY THE BOARD OF DIRECTORS, AT AN OFFICIAL MEETING HELD _____, BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

BY: _____

* * * * *

That the Board of Directors approve releasing proposals on several prospective public entities and authorize the Board President to execute participation agreements.



**Central San Joaquin Valley Risk Management Authority
Prospective Member Underwriting**

Entity	Current	Renewal	SJVIA	Potential Savings over Renewal
Avenal	\$ 549,384	\$ 593,335	\$ 491,355	\$ 101,979
Clovis	\$ 5,355,050	\$ 5,756,679	\$ 4,677,366	\$ 1,079,313
Corcoran	\$ 693,138	\$ 745,123	\$ 619,664	\$ 125,459
Delano	\$ 1,587,813	\$ 1,706,899	\$ 1,500,261	\$ 206,638
Fowler	\$ 182,904	\$ 197,536	\$ 179,500	\$ 18,036
Mendota	\$ 474,552	\$ 526,041	\$ 376,886	\$ 149,155
Riverbank	\$ 370,572	\$ 437,275	\$ 364,017	\$ 73,258
Sanger	\$ 1,676,443	\$ 2,033,099	\$ 1,581,159	\$ 451,940
Escalon	\$ 221,000	\$ 243,000	\$ 200,258	\$ 42,742
Ceres	\$ 1,395,874	\$ 1,535,461	\$ 1,356,265	\$ 179,196
Nevada Irrigation District	\$ 2,734,663	\$ 3,010,300	\$ 2,899,815	\$ 110,485
Merced Irrigation District	\$ 2,496,182	\$ 2,733,319	\$ 2,259,777	\$ 473,542
Santa Cruz (County)	\$ 28,438,656	\$ 31,125,594	\$ 28,000,000	\$ 3,125,594
Tulare	\$ 3,490,285	\$ 3,609,091	\$ 3,167,063	\$ 442,029

Totals	\$ 49,666,516	\$ 54,252,752	\$ 47,673,386	
		Savings over current - \$	\$ 1,993,131	
		Savings over current - %	-4.01%	
		Savings over renewal - \$	\$ 6,579,367	
		Savings over renewal - %	-12.13%	

City of Tulare joined SJVIA effective 7/1/2012



BOARD OF DIRECTORS

SUSAN B. ANDERSON

JUDITH CASE

MIKE ENNIS

ALLEN ISHIDA

PHIL LARSON

DEBORAH POOCHIGIAN

PETE VANDER POEL

Meeting Location:
Fresno County Employee Retirement
Association Board Chambers
1111 H Street
Fresno, CA 93721
August 24, 2012
9:00 AM

AGENDA DATE: August 24, 2012

ITEM NUMBER 11

SUBJECT Approve and adopt the recommended renewal rates for the 2013 plan year.

REQUEST(S): That the Board approve and adopt the recommended renewal rates for the 2013 plan year.

DESCRIPTION:

The renewal has been refined from the preliminary underwriting review at the July board meeting wherein a forecasted increase of 7-11% was presented. Gallagher Benefit Services, in conjunction with their actuarial division, has since adjusted the overall SJVIA renewal for 2013 to 4.9%. This considers experience through June 2012. It further assumes your Board's approval of a pooling point increase from \$250k to \$400k within the HMO. As you may recall, the pooling point (otherwise known as specific stop loss) limits the SJVIA's liability to a set dollar figure per individual per plan year. The Stop Loss policy will reimburse the SJVIA for claims in excess of that amount. The recommended increase in pooling point is based on Gallagher's actuarial review of actual experience in the SJVIA since inception. The renewal encompasses all fixed costs, reserve adjustments and forecasted trended paid claims.

The SJVIA is holding sufficient reserves for Incurred but Not Reported (IBNR) liability. The renewal as stated anticipates using a portion of the surplus contingency reserves to reduce the trended renewal increase. Additionally,

AGENDA: San Joaquin Valley Insurance Authority

DATE: August 24, 2012

projected surplus not reflected within this renewal calculation is PBM savings resulting from a proposed change in vendors on January 1, 2013. The anticipated savings is estimated to be in excess of \$560k. Attached is a renewal rate underwriting summary denoting all current and renewal SJVIA rates.

The aggregate stop loss (ASL) policy attachment is generally set at about 125-130% of expected med/Rx claims. This year the stop loss carrier increased the attachment point to an excessive amount at well over 175%. GBS is in the process of negotiating a reduced attachment point however the negotiations will not conclude, at the earliest, regarding the aggregate stop loss until October as the carrier will not finalize the rate and attachment point any more than 90 days in advance of renewal. The renewal annual premium for the ASL policy is \$45,000. In the event the carrier will not reduce the attachment point to about 125-130%% of expected claims, it is the recommendation of GBS to terminate this policy and forgo this premium expenditure. Presuming that the aggregate stop loss carrier reduces the proposed attachment point for a reasonable rate it is recommended that the coverage be renewed and that the subject of whether or not SJVIA should continue to purchase such coverage be reviewed next year

FISCAL IMPACT/FINANCING:

Projected renewal rate increases will be added to the budget for the 2012-13 fiscal year to be amended and approved at a future meeting.

ADMINISTRATIVE SIGN-OFF:



Paul Nerland
SJVIA Manager



Jeffrey Cardell
Assistant SJVIA Manager

**BEFORE THE BOARD OF DIRECTORS
SAN JOAQUIN VALLEY INSURANCE
AUTHORITY**

IN THE MATTER OF Approve and adopt the recommended renewal rates for the 2013 plan year.

RESOLUTION NO. _____
AGREEMENT NO. _____

UPON MOTION OF DIRECTOR _____, SECONDED BY DIRECTOR _____, THE FOLLOWING WAS ADOPTED BY THE BOARD OF DIRECTORS, AT AN OFFICIAL MEETING HELD _____, BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

BY: _____

* * * * *

That the Board approve and adopt the recommended renewal rates for the 2013 plan year.



Gallagher Benefit Services, Inc.
t h i n k i n g a h e a d

Renewal Underwriting

For the
**San Joaquin Valley Insurance Authority
(SJVIA)**

Plan Year: January 1, 2013 - December 31, 2013

Presented By:

Gallagher Benefit Services

CA License #: 0D36879

August 24, 2012

Important Note: This presentation represents estimations of the scope, size and operation of SJVIA subject to its formation and inclusion of the counties to which it is presenting. This analysis is for illustrative purposes only, and is not a guarantee of future expenses, claims costs, managed care savings, etc. There are many variables that can affect future health care costs including utilization patterns, catastrophic claims, changes in plan design, health care trend increases, etc. This analysis does not amend, extend, or alter the coverage provided by the actual insurance policies and contracts. Please see your policy or contact us for specific information or further details in this regard.

San Joaquin Valley Insurance Authority
Paid Claims History - All PPO Plans

2010 Plan Year

Month-Year	Enrollment				Total EE's	Paid Claims		
	EE	ES	EC	EF		Medical	Rx	Combined
Stop Loss Reimbursement (Pooling Limit @ \$450K)						\$289,421	n/a	\$289,421
Totals	35,293	6,024	1,890	1,216	44,423	\$17,200,878	\$5,311,947	\$22,512,825
Average per Employee						\$387.21	\$119.58	\$506.78

2011 Plan Year

Month-Year	Enrollment				Total EE's	Paid Claims		
	EE	ES	EC	EF		Medical	Rx	Combined
Jan-11	2,822	480	138	99	3,539	1,429,536	516,926	1,946,462
Feb-11	2,840	476	135	99	3,550	1,007,714	452,168	1,459,882
Mar-11	2,830	467	137	98	3,532	1,603,527	527,272	2,130,799
Apr-11	2,813	465	135	98	3,511	1,173,111	484,843	1,657,954
May-11	2,808	459	134	96	3,497	1,395,391	522,977	1,918,368
Jun-11	2,771	457	132	99	3,459	1,909,438	514,173	2,423,611
Jul-11	2,773	453	133	97	3,456	1,353,198	518,598	1,871,795
Aug-11	2,763	449	133	97	3,442	1,612,720	572,393	2,185,113
Sep-11	2,774	445	134	94	3,447	1,531,530	522,219	2,053,749
Oct-11	2,773	446	133	93	3,445	1,297,125	553,929	1,851,054
Nov-11	2,775	426	131	92	3,424	1,445,619	526,275	1,971,894
Dec-11	<u>2,769</u>	<u>421</u>	<u>137</u>	<u>89</u>	<u>3,416</u>	<u>1,246,010</u>	<u>548,773</u>	<u>1,794,783</u>
Sub Total						17,004,918	6,260,546	23,265,464
Stop Loss Reimbursement (Pooling Limit @ \$450K)						220,164	n/a	220,164
Totals	33,511	5,444	1,612	1,151	41,718	\$16,784,754	\$6,260,546	\$23,045,300

Average per Employee (Enrollment lagged 2 months)					42,120	\$398.50	\$148.64	\$547.13
Percentage Change from Prior Year						2.92%	24.30%	7.96%

2012 Plan Year

Month-Year	Enrollment				Total EE's	Paid Claims		
	EE	ES	EC	EF		Medical	Rx	Combined
Jan-12	2,744	414	147	85	3,390	1,286,008	492,397	1,778,405
Feb-12	2,785	415	150	88	3,438	1,443,721	464,802	1,908,523
Mar-12	2,774	412	150	90	3,426	1,651,732	512,848	2,164,580
Apr-12	2,778	407	154	90	3,429	1,374,121	496,552	1,870,673
May-12	2,796	402	157	90	3,445	1,153,853	549,850	1,703,703
Jun-12	<u>2,823</u>	<u>401</u>	<u>155</u>	<u>90</u>	<u>3,469</u>	<u>1,346,162</u>	<u>564,170</u>	<u>1,910,332</u>
Sub Total						8,255,597	3,080,619	11,336,216
Stop Loss Reimbursement (Pooling Limit @ \$450K)						80,988	n/a	80,988
Totals	16,700	2,451	913	533	20,597	\$8,174,609	\$3,080,619	\$11,255,228

Rolling 12 Month Totals					41,269	\$16,741,799	\$6,322,806	\$23,064,605
Average per Employee (Enrollment lagged 2 months)						\$398.38	\$153.21	\$551.59
Percentage Change from Prior Year						-0.03%	3.08%	0.81%

SJVIA

2013 Claims Projection - PPO Plans Paid Claims Period: July 2011 through June 2012

	<u>Medical</u>	<u>Rx</u>	<u>Total</u>
Total Paid Claims 7/11 through 6/12	\$16,741,799	\$6,322,806	\$23,064,605
Claims in Excess of \$450,000	<u>\$301,152</u>	-	<u>301,152</u>
Total Paid Claims Net of Pooling	\$16,440,647	\$6,322,806	\$22,763,453
Enrollment lagged 2 months	41,269	41,269	
Average Paid Claim for Period	\$398.38	\$153.21	\$551.59
Trend (Med.- 8.25%, Rx - 4.5%)	1.1238	1.0675	1.1081
Benefit Modification Factor	1.0000	1.0000	1.0000
Provider Discount Factor	1.0000	1.0000	1.0000
Demographic Adjustment	1.0000	1.0000	1.0000
Projected Paid Claim	\$447.68	\$163.55	\$611.23
Current Monthly Enrollment (June 2012)	3,469	3,469	
Monthly Projected Paid Claims	\$1,552,991	\$567,359	\$2,120,350
Weighting Factor	1.00000	1.00000	1.00000
2013 Annual Projected Paid Claims	\$18,635,893	\$6,808,310	\$25,444,203
<i>Maximum Claims Liability(Aggregate Factors PEPM)</i>	<i>\$1,095.25</i>		<i>\$ 45,593,067</i>
Projected Required Reserve	\$2,329,487	\$340,416	\$2,669,902
Current Reserve*			\$4,183,641
Contingent Reserve			\$1,513,738
<i>*Calculated from claims data through June 2012 - represents all premiums paid from inception less all costs from inception</i>			

**San Joaquin Valley Insurance Authority
Paid Claims History - HMO Plan**

2010 Plan Year

Month-Year	Enrollment				Total EE's	Capitation	Non Capitated Paid Claims		
	EE	ES	EC	EF			Medical	Rx	Combined
Large Claim Credit (Pooling Limit @ \$250K)						738,339	807,669	n/a	1,546,008
Totals	27,516	8,247		8,194	65,673	\$ 12,438,557	\$ 18,037,889	\$ 6,196,669	\$ 38,336,460
Average per Employee							\$274.66	\$94.36	\$583.75

2011 Plan Year

Month-Year	Enrollment				Total EE's	Capitation	Non Capitated Paid Claims		
	EE	ES	EC	EF			Medical	Rx	Combined
Jan-11	2,182	679	1,461	680	5,002	1,205,332	1,456,998	616,009	3,278,339
Feb-11	2,170	675	1,460	681	4,986	1,201,476	949,741	530,415	2,681,632
Mar-11	2,160	677	1,461	681	4,979	1,199,790	1,408,225	601,785	3,209,800
Apr-11	2,130	675	1,449	682	4,936	1,189,428	1,383,120	621,127	3,193,674
May-11	2,123	680	1,449	680	4,932	1,188,464	1,418,729	582,467	3,189,660
Jun-11	2,120	682	1,460	672	4,934	1,188,946	1,637,044	589,313	3,415,303
Jul-11	2,103	683	1,453	668	4,907	1,182,440	1,922,731	595,372	3,700,543
Aug-11	2,102	677	1,451	671	4,901	1,180,994	2,132,702	633,725	3,947,421
Sep-11	2,098	671	1,445	666	4,880	1,175,934	1,683,604	629,898	3,489,436
Oct-11	2,086	667	1,450	664	4,867	1,172,801	1,665,758	641,054	3,479,613
Nov-11	2,092	665	1,459	661	4,877	1,175,211	1,627,475	614,631	3,417,317
Dec-11	<u>2,093</u>	<u>668</u>	<u>1,458</u>	<u>658</u>	<u>4,877</u>	<u>1,175,211</u>	<u>1,472,804</u>	<u>594,155</u>	<u>3,242,169</u>
Sub Total	25,459	8,099	17,456	8,064	59,078	14,236,026	18,758,931	7,249,950	40,244,907
Large Claim Credit (Pooling Limit @ \$250K)						1,037,516	866,985	n/a	1,904,501
Totals	25,459	8,099	17,456	8,064	59,078	\$13,198,510	\$17,891,946	\$7,249,950	\$38,340,406
Average per Employee (Enrollment lagged 2 months)					59,329	\$240.97	\$301.57	\$122.20	\$646.23
Percentage Change from Prior Year							9.80%	29.51%	10.70%

2012 Plan Year

Month-Year	Enrollment				Total EE's	Capitation	Non Capitated Paid Claims		
	EE	ES	EC	EF			Medical	Rx	Combined
Jan-12	1,950	628	1,348	609	4,534	1,124,625	1,128,332	660,723	2,913,680
Feb-12	1,962	629	1,360	609	4,559	1,130,827	1,941,584	647,395	3,719,806
Mar-12	1,973	623	1,348	600	4,543	1,126,982	1,376,948	661,476	3,165,406
Apr-12	1,952	623	1,345	607	4,526	1,122,765	1,816,134	601,293	3,540,192
May-12	1,962	618	1,344	602	4,527	1,123,013	2,330,814	628,846	4,082,673
Jun-12	<u>1,977</u>	<u>620</u>	<u>1,343</u>	<u>604</u>	<u>4,543</u>	<u>1,126,982</u>	<u>1,662,356</u>	<u>585,061</u>	<u>2,247,418</u>
Sub Total	11,775	3,740	8,086	3,630	27,231	6,755,194	10,256,168	3,784,795	19,669,175
Large Claim Credit (Pooling Limit @ \$250K)							1,140,790	n/a	1,140,790
Totals	11,775	3,740	8,086	3,630	27,231	\$6,755,194	\$9,115,378	\$3,784,795	\$18,528,385
Rolling 12 Month Totals					57,746	\$13,817,784	\$20,761,242	\$7,493,629	\$40,945,673
Average per Employee (Enrollment lagged 2 months)							\$339.77	\$129.77	\$689.31
Percentage Change from Prior Year							12.67%	6.19%	6.67%

San Joaquin Valley Insurance Authority
2013 Claims Projection - HMO Plan
 Paid Claims Period: July 2011 through June 2012

	<u>Non Capitated</u>	<u>Capitation</u>	<u>Rx</u>	<u>Total</u>
Total Paid Claims 7/11 through 6/12	\$ 20,761,242	\$ 13,817,784	\$ 7,493,629	\$ 42,072,655
Claims in Excess of \$250,000	<u>1,730,691</u>	<u>-</u>	<u>-</u>	<u>1,730,691</u>
Total Paid Claims Net of Pooling	\$ 19,030,551	\$ 13,817,784	\$ 7,493,629	\$ 40,341,964
Enrollment 5/11 through 4/12 (lagged 2 months)	57,746	57,746	57,746	57,746
Average Paid Claim for Period (Non-Cap)	\$ 329.56	\$ 248.07	\$ 129.77	\$ 707.39
Trend (Med.- 8.25%,Cap - 5%, Rx -4.5%)	1.1238	1.0389	1.0675	1.0837
Benefit Modification Factor	1.0000	1.0000	1.0000	1.0000
Provider Discount Factor	1.0000	1.0000	1.0000	1.0000
Demographic Adjustment	1.0000	1.0000	1.0000	1.0000
Projected Paid Claim	\$ 370.34	\$ 257.71	\$ 138.53	\$ 766.58
Current Monthly Enrollment (June 2012)	4,543	4,543	4,543	
Monthly Projected Paid Claims	1,682,449	1,170,777	629,334	3,482,559
Weighting Factor	1.00000	1.00000	1.00000	1.00000
2013 Annual Projected Paid Claims	\$ 20,189,388	\$ 14,049,318	\$ 7,552,003	\$ 41,790,709
Maximum Claims Liability(Aggregate Factors PEPM \$250K)	\$494.90			\$ 26,979,968
Maximum Claims Liability(Aggregate Factors PEPM \$400K)	\$509.37			\$ 27,768,815
Projected Required Reserve	\$ 2,523,673	N/A	\$ 377,600	\$ 2,901,274
Current Reserve*				\$ 5,694,655
Contingent Reserve				\$ 2,793,381
<i>*Calculated from claims data through June 2012 - represents all premiums paid from inception less all costs from inception</i>				

SJVIA PPO Cost Worksheet: Combined - Anthem Blue Cross

Enrollment	Single	EE +Sp	EE + Ch	Family	Total	
Total PPO	2,823	401	155	90	3,469	
2011 Fixed Costs:						
	Single	EE +Sp	EE + Ch	Family	Totals	
PPO - Specific Stop Loss (HM Life \$450,000 ded. 12/15)	\$ 8.88	\$ 8.88	\$ 8.88	\$ 8.88	\$ 369,657	
PPO - Aggregate Stop Loss (HM Life 12/15)	\$ 0.80	\$ 0.80	\$ 0.80	\$ 0.80	\$ 33,302	
PPO - Blue Cross Core Administration	\$ 23.42	\$ 23.42	\$ 23.42	\$ 23.42	\$ 974,928	
PPO - Blue Cross 360 Claims Management	\$ 2.25	\$ 2.25	\$ 2.25	\$ 2.25	\$ 93,663	
Claims Management/Communication	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 124,884	
JPA Consulting	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 166,512	
SJVIA Fee	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 83,256	
Hourglass (Consolidated Billing, COBRA, Flex Admin)	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50	\$ 270,582	
Total Fixed Cost	\$ 50.85	\$ 50.85	\$ 50.85	\$ 50.85	\$ 2,116,784	
2011 Claims Costs:						
PPO - Projected Claims	\$ 398.38	\$ 398.38	\$ 398.38	\$ 398.38	\$ 16,583,664	
PPO - Projected Rx Claims	\$ 153.21	\$ 153.21	\$ 153.21	\$ 153.21	\$ 6,377,808	
Total Claims					\$ 22,961,472	
Current Total PPO Cost					\$ 25,078,256	
2012 Fixed Costs:						
	Single	EE +Sp	EE + Ch	Family	Totals	% Change
PPO - Specific Stop Loss (HM Life \$450,000 ded. 12/15)	\$ 10.21	\$ 10.21	\$ 10.21	\$ 10.21	\$ 425,022	15.0%
PPO - Aggregate Stop Loss (HM Life 12/15)	\$ 0.80	\$ 0.80	\$ 0.80	\$ 0.80	\$ 33,302	0.0%
PPO - Blue Cross Core Administration	\$ 24.36	\$ 24.36	\$ 24.36	\$ 24.36	\$ 1,014,058	4.0%
PPO - Blue Cross 360 Claims Management	\$ 2.35	\$ 2.35	\$ 2.35	\$ 2.35	\$ 97,826	4.4%
Claims Management/Communication	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 124,884	0.0%
JPA Consulting	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 166,512	0.0%
SJVIA Fee	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 83,256	0.0%
Hourglass (Consolidated Billing, COBRA, Flex Admin)	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50	\$ 270,582	0.0%
Total Fixed Cost	\$ 53.22	\$ 53.22	\$ 53.22	\$ 53.22	\$ 2,215,442	4.7%
2012 Claims Costs:						
PPO - Projected Claims	\$ 398.38	\$ 398.38	\$ 398.38	\$ 398.38	\$ 16,583,664	0.0%
PPO - Projected Rx Claims	\$ 153.21	\$ 153.21	\$ 153.21	\$ 153.21	\$ 6,377,808	0.0%
Total Claims					\$ 22,961,472	0.0%
Projected Total PPO Cost					\$ 25,176,915	0.4%
Current Funding Total					\$ 25,763,589	-2.3%
Projected Increase						-2.3%
2013 Fixed Costs:						
	Single	EE +Sp	EE + Ch	Family	Totals	% Change
PPO - Specific Stop Loss (HM Life \$450,000 ded. 12/15)	\$ 12.78	\$ 12.78	\$ 12.78	\$ 12.78	\$ 532,006	25.2%
PPO - Aggregate Stop Loss (HM Life 12/15)	\$ 1.09	\$ 1.09	\$ 1.09	\$ 1.09	\$ 45,375	36.3%
PPO - Blue Cross Core Administration	\$ 25.55	\$ 25.55	\$ 25.55	\$ 25.55	\$ 1,063,595	4.9%
PPO - Blue Cross 360 Claims Management	\$ 1.98	\$ 1.98	\$ 1.98	\$ 1.98	\$ 82,423	-15.7%
Claims Management/Communication	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 124,884	0.0%
JPA Consulting	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 166,512	0.0%
SJVIA Fee	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 83,256	0.0%
Hourglass (Consolidated Billing, COBRA, Flex Admin)	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50	\$ 270,582	0.0%
Total Fixed Cost	\$ 56.90	\$ 56.90	\$ 56.90	\$ 56.90	\$ 2,368,633	6.9%
2013 Claims Costs:						
PPO - Projected Claims	\$ 447.68	\$ 447.68	\$ 447.68	\$ 447.68	\$ 18,635,893	12.4%
PPO - Projected Rx Claims	\$ 163.55	\$ 163.55	\$ 163.55	\$ 163.55	\$ 6,808,310	6.7%
PPO - Rate Stabilization Credit	\$ (20.69)	\$ (20.69)	\$ (20.69)	\$ (20.69)	\$ (861,482)	
Total Claims					\$ 24,582,721	7.1%
Projected Total PPO Cost					\$ 26,951,354	4.6%
Current Funding Total					\$ 25,763,589	4.6%
Projected Increase						4.6%

SJVIA 2012 HMO Cost Worksheet: Combined - Anthem Blue Cross

Enrollment	Single	EE +Sp	EE + Ch	Family	Total	
Total HMO	1,977	620	1,343	604	4,543	
2011 Fixed Costs:						
	<u>Single</u>	<u>EE +Sp</u>	<u>EE + Ch</u>	<u>Family</u>	<u>Totals</u>	
HMO - Pooling (\$250,000)	\$ 28.39	\$ 28.39	\$ 28.39	\$ 28.39	\$ 1,547,709	
HMO - Blue Cross MPP Retention (incl 360 Health)	\$ 34.58	\$ 34.58	\$ 34.58	\$ 34.58	\$ 1,885,163	
Claims Management/Communication	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 163,548	
JPA Consulting	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 218,064	
SJVIA Fee	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 109,032	
Hourglass (Consolidated Billing, COBRA, Flex Admin)	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50	\$ 354,354	
Total Fixed Cost	\$ 78.47	\$ 78.47	\$ 78.47	\$ 78.47	\$ 4,277,871	
2011 Claims Costs:						
HMO - Capitation	\$ 240.97	\$ 240.97	\$ 240.97	\$ 240.97	\$ 13,136,721	
HMO - Projected Medical Claims	\$ 329.56	\$ 329.56	\$ 329.56	\$ 329.56	\$ 17,966,085	
HMO - Projected Rx Claims	\$ 129.77	\$ 129.77	\$ 129.77	\$ 129.77	\$ 7,074,476	
Total Claims					\$ 38,177,281	
Current Total Projected Cost					\$ 42,455,151	
2012 Fixed Costs:						
	<u>Single</u>	<u>EE +Sp</u>	<u>EE + Ch</u>	<u>Family</u>	<u>Totals</u>	<u>% Change</u>
HMO - Pooling (\$250,000)	\$ 27.11	\$ 27.11	\$ 27.11	\$ 27.11	\$ 1,477,929	-4.5%
HMO - Blue Cross MPP Retention (incl 360 Health)	\$ 36.10	\$ 36.10	\$ 36.10	\$ 36.10	\$ 1,968,028	4.4%
Claims Management/Communication	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 163,548	0.0%
JPA Consulting	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 218,064	0.0%
SJVIA Fee	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 109,032	0.0%
Hourglass (Consolidated Billing, COBRA, Flex Admin)	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50	\$ 354,354	0.0%
Total Fixed Cost (2012)	\$ 78.71	\$ 78.71	\$ 78.71	\$ 78.71	\$ 4,290,954	0.3%
2012 Claims Costs:						
HMO - Capitation	\$ 248.07	\$ 248.07	\$ 248.07	\$ 248.07	\$ 13,523,784	2.9%
HMO - Projected Medical Claims	\$ 329.56	\$ 329.56	\$ 329.56	\$ 329.56	\$ 17,966,085	0.0%
HMO - Projected Rx Claims	\$ 129.77	\$ 129.77	\$ 129.77	\$ 129.77	\$ 7,074,476	0.0%
Total Claims					\$ 38,564,345	
Renewal Total Projected Cost					\$ 42,855,299	0.9%
Current Actual Funding Rates					\$ 42,035,659	1.9%
Projected Increase						1.9%
2013 Fixed Costs:						
	<u>Single</u>	<u>EE +Sp</u>	<u>EE + Ch</u>	<u>Family</u>	<u>Totals</u>	<u>% Change</u>
HMO - Pooling (\$250,000)	\$ 35.49	\$ 35.49	\$ 35.49	\$ 35.49	\$ 1,934,773	30.9%
HMO - Blue Cross MPP Retention (incl 360 Health)	\$ 37.76	\$ 37.76	\$ 37.76	\$ 37.76	\$ 2,058,524	4.6%
Claims Management/Communication	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 163,548	0.0%
JPA Consulting	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 218,064	0.0%
SJVIA Fee	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 109,032	0.0%
Hourglass (Consolidated Billing, COBRA, Flex Admin)	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50	\$ 354,354	0.0%
Total Fixed Cost	\$ 88.75	\$ 88.75	\$ 88.75	\$ 88.75	\$ 4,838,295	12.8%
2013 Claims Costs:						
HMO - Capitation	\$ 257.71	\$ 257.71	\$ 257.71	\$ 257.71	\$ 14,049,318	3.9%
HMO - Projected Medical Claims	\$ 370.34	\$ 370.34	\$ 370.34	\$ 370.34	\$ 20,189,388	12.4%
HMO - Projected Rx Claims	\$ 138.53	\$ 138.53	\$ 138.53	\$ 138.53	\$ 7,552,003	6.7%
HMO - Rate Stabilization Credit	\$ (38.28)	\$ (38.28)	\$ (38.28)	\$ (38.28)	\$ (2,086,753)	
Total Claims					\$ 39,703,956	
Renewal Total Projected Cost					\$ 44,542,251	6.0%
Current Actual Funding Rates					\$ 42,035,659	6.0%
Projected Increase						6.0%

SJVIA 2012 HMO Cost Worksheet: Combined - Anthem Blue Cross (\$400k Pooling Option)

Enrollment	Single	EE +Sp	EE + Ch	Family	Total	
Total HMO	1,977	620	1,343	604	4,543	
2011 Fixed Costs:						
	<u>Single</u>	<u>EE +Sp</u>	<u>EE + Ch</u>	<u>Family</u>	<u>Totals</u>	
HMO - Pooling (\$250,000)	\$ 28.39	\$ 28.39	\$ 28.39	\$ 28.39	\$ 1,547,709	
HMO - Blue Cross MPP Retention (incl 360 Health)	\$ 34.58	\$ 34.58	\$ 34.58	\$ 34.58	\$ 1,885,163	
Claims Management/Communication	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 163,548	
JPA Consulting	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 218,064	
SJVIA Fee	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 109,032	
Hourglass (Consolidated Billing, COBRA, Flex Admin)	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50	\$ 354,354	
Total Fixed Cost	\$ 78.47	\$ 78.47	\$ 78.47	\$ 78.47	\$ 4,277,871	
2011 Claims Costs:						
HMO - Capitation	\$ 240.97	\$ 240.97	\$ 240.97	\$ 240.97	\$ 13,136,721	
HMO - Projected Medical Claims	\$ 329.56	\$ 329.56	\$ 329.56	\$ 329.56	\$ 17,966,085	
HMO - Projected Rx Claims	\$ 129.77	\$ 129.77	\$ 129.77	\$ 129.77	\$ 7,074,476	
Total Claims					\$ 38,177,281	
Current Total Projected Cost					\$ 42,455,151	
2012 Fixed Costs:						
	<u>Single</u>	<u>EE +Sp</u>	<u>EE + Ch</u>	<u>Family</u>	<u>Totals</u>	<u>% Change</u>
HMO - Pooling (\$250,000)	\$ 27.11	\$ 27.11	\$ 27.11	\$ 27.11	\$ 1,477,929	-4.5%
HMO - Blue Cross MPP Retention (incl 360 Health)	\$ 36.10	\$ 36.10	\$ 36.10	\$ 36.10	\$ 1,968,028	4.4%
Claims Management/Communication	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 163,548	0.0%
JPA Consulting	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 218,064	0.0%
SJVIA Fee	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 109,032	0.0%
Hourglass (Consolidated Billing, COBRA, Flex Admin)	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50	\$ 354,354	0.0%
Total Fixed Cost	\$ 78.71	\$ 78.71	\$ 78.71	\$ 78.71	\$ 4,290,954	0.3%
2012 Claims Costs:						
HMO - Capitation	\$ 248.07	\$ 248.07	\$ 248.07	\$ 248.07	\$ 13,523,784	2.9%
HMO - Projected Medical Claims	\$ 329.56	\$ 329.56	\$ 329.56	\$ 329.56	\$ 17,966,085	0.0%
HMO - Projected Rx Claims	\$ 129.77	\$ 129.77	\$ 129.77	\$ 129.77	\$ 7,074,476	0.0%
Total Claims					\$ 38,564,345	
Renewal Total Projected Cost					\$ 42,855,299	0.9%
Current Actual Funding Rates					\$ 42,035,659	1.9%
Projected Increase						1.9%
2013 Fixed Costs:						
	<u>Single</u>	<u>EE +Sp</u>	<u>EE + Ch</u>	<u>Family</u>	<u>Totals</u>	<u>% Change</u>
HMO - Pooling (\$400,000)	\$ 21.02	\$ 21.02	\$ 21.02	\$ 21.02	\$ 1,145,926	-22.5%
HMO - Blue Cross MPP Retention (incl 360 Health)	\$ 37.76	\$ 37.76	\$ 37.76	\$ 37.76	\$ 2,058,524	4.6%
Claims Management/Communication	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 163,548	0.0%
JPA Consulting	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 218,064	0.0%
SJVIA Fee	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 109,032	0.0%
Hourglass (Consolidated Billing, COBRA, Flex Admin)	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50	\$ 354,354	0.0%
Total Fixed Cost	\$ 74.28	\$ 74.28	\$ 74.28	\$ 74.28	\$ 4,049,448	-5.6%
2013 Claims Costs:						
HMO - Capitation	\$ 257.71	\$ 257.71	\$ 257.71	\$ 257.71	\$ 14,049,318	3.9%
HMO - Projected Medical Claims	\$ 378.12	\$ 378.12	\$ 378.12	\$ 378.12	\$ 20,613,749	14.7%
HMO - Projected Rx Claims	\$ 138.53	\$ 138.53	\$ 138.53	\$ 138.53	\$ 7,552,003	6.7%
HMO - Rate Stabilization Credit	\$ (38.28)	\$ (38.28)	\$ (38.28)	\$ (38.28)	\$ (2,086,753)	
Total Claims					\$ 40,128,317	
Renewal Total Projected Cost					\$ 44,177,766	5.1%
Current Actual Funding Rates					\$ 42,035,659	5.1%
Projected Increase						5.1%

SJVIA 2013 Renewal Rate Summary

Effective January 1, 2013

Current Total SJVIA (PPO & HMO) \$67,799,248

Renewal Total SJVIA (PPO & HMO) \$71,493,605

SJVIA Combined Projected Increase (Shared Risk) 5.4%

Overall Renewal with Change to \$400K Pooling Point for HMO \$71,129,120

Projected Increase 4.9%

San Joaquin Valley Insurance Authority

Current/Final Renewal Rates with \$250K Pooling Point HMO

<u>Enrollment:</u>					
<u>Enrollment (06/12)</u>	<u>Single</u>	<u>EE + Sp</u>	<u>EE +Ch</u>	<u>Family</u>	<u>Total</u>
Anthem PPO - Active (CoF)	235	33	15	7	290
Anthem HDHP - Active (CoF)	226	16	16	10	268
Anthem HMO - Active (CoF)	1977	620	1343	604	4543
Anthem HDHP - Pre 65 (CoF)	220	49	7	2	278
Anthem \$0 Deductible (CoT)	302	26	12	4	344
Anthem \$500 Deductible (CoT)	676	97	38	14	825
Anthem \$1,000 Deductible (CoT)	1142	178	65	53	1438
Anthem \$2,500 Deductible HSA (CoT)	<u>22</u>	<u>2</u>	<u>2</u>	<u>0</u>	<u>26</u>
Total	4800	1021	1498	694	8012
<u>PPO Plan Rates:</u>					
<u>Current</u>	<u>Single</u>	<u>EE + Sp</u>	<u>EE +Ch</u>	<u>Family</u>	<u>Totals</u>
Anthem PPO - Active (CoF)	\$751.75	\$1,578.05	\$1,429.70	\$2,180.08	\$3,185,305
Anthem HDHP - Active (CoF)	\$420.18	\$890.02	\$797.92	\$1,215.93	\$1,609,524
Anthem HDHP - Pre 65 (CoF)	\$588.19	\$1,041.29	\$918.84	\$1,370.82	\$2,275,182
Anthem \$0 Deductible (CoT)	\$670.34	\$1,339.96	\$1,223.18	\$2,031.52	\$3,121,020
Anthem \$500 Deductible (CoT)	\$504.78	\$1,010.04	\$925.10	\$1,593.10	\$5,959,948
Anthem \$1,000 Deductible (CoT)	\$443.42	\$886.18	\$813.14	\$1,350.92	\$9,463,017
Anthem \$2,500 Deductible HSA (CoT)	\$420.24	\$839.82	\$770.58	\$1,280.28	<u>\$149,593</u>
			Combined Premium		\$25,763,589
<u>2013 Renewal</u>	<u>Single</u>	<u>EE + Sp</u>	<u>EE +Ch</u>	<u>Family</u>	<u>Totals</u>
Anthem PPO - Active (CoF)	\$792.71	\$1,664.04	\$1,507.60	\$2,298.87	\$3,358,871
Anthem HDHP - Active (CoF)	\$443.08	\$938.52	\$841.40	\$1,282.19	\$1,697,227
Anthem HDHP - Pre 65 (CoF)	\$620.24	\$1,098.03	\$968.91	\$1,445.52	\$2,399,156
Anthem \$0 Deductible (CoT)	\$706.86	\$1,412.97	\$1,289.83	\$2,142.22	\$3,291,083
Anthem \$500 Deductible (CoT)	\$532.29	\$1,065.08	\$975.51	\$1,679.91	\$6,284,704
Anthem \$1,000 Deductible (CoT)	\$467.59	\$934.47	\$857.45	\$1,424.53	\$9,978,653
Anthem \$2,500 Deductible HSA (CoT)	\$443.14	\$885.58	\$812.57	\$1,350.04	<u>\$157,744</u>
			Combined Premium		\$27,167,438
			SJIVIA PPO Projected Increase		5.4%

San Joaquin Valley Insurance Authority
Current/Final Renewal Rates with \$250K Pooling Point HMO

<u>Enrollment:</u>					
<u>Enrollment (06/12)</u>	<u>Single</u>	<u>EE + Sp</u>	<u>EE +Ch</u>	<u>Family</u>	<u>Total</u>
Anthem PPO - Active (CoF)	235	33	15	7	290
Anthem HDHP - Active (CoF)	226	16	16	10	268
Anthem HMO - Active (CoF)	1977	620	1343	604	4543
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Anthem \$0 Deductible (CoT)	302	26	12	4	344
Anthem \$500 Deductible (CoT)	676	97	38	14	825
Anthem \$1,000 Deductible (CoT)	1142	178	65	53	1438
Anthem \$2,500 Deductible HSA (CoT)	<u>22</u>	<u>2</u>	<u>2</u>	<u>0</u>	<u>26</u>
Total	4800	1021	1498	694	8012
<u>HMO Plan Rates:</u>					
<u>Current</u>					
Anthem HMO - Active	\$532.96	\$942.33	\$831.72	\$1,240.01	\$42,035,659
<u>2013 Renewal</u>					
Anthem HMO - Active	\$562.00	\$993.67	\$877.04	\$1,307.57	\$44,326,167
HMO SJVIA Projected Increase					5.4%
Current SJVIA Combined Plan Premium					\$67,799,248
Projected 2012 Combined Cost					\$71,493,605
Renewal Plan Premium					\$71,493,605
SJVIA Combined Projected Increase					5.4%

San Joaquin Valley Insurance Authority

Current/Final Renewal Rates with \$400K Pooling Point HMO

Enrollment:

<u>Enrollment (06/12)</u>	<u>Single</u>	<u>EE + Sp</u>	<u>EE +Ch</u>	<u>Family</u>	<u>Total</u>
Anthem PPO - Active (CoF)	235	33	15	7	290
Anthem HDHP - Active (CoF)	226	16	16	10	268
Anthem HMO - Active (CoF)	1977	620	1343	604	4543
Anthem HDHP - Pre 65 (CoF)	220	49	7	2	278
Anthem \$0 Deductible (CoT)	302	26	12	4	344
Anthem \$500 Deductible (CoT)	676	97	38	14	825
Anthem \$1,000 Deductible (CoT)	1142	178	65	53	1438
Anthem \$2,500 Deductible HSA (CoT)	<u>22</u>	<u>2</u>	<u>2</u>	<u>0</u>	<u>26</u>
Total	4800	1021	1498	694	8012

PPO Plan Rates:

<u>Current</u>	<u>Single</u>	<u>EE + Sp</u>	<u>EE +Ch</u>	<u>Family</u>	<u>Totals</u>
Anthem PPO - Active (CoF)	\$751.75	\$1,578.05	\$1,429.70	\$2,180.08	\$3,185,305
Anthem HDHP - Active (CoF)	\$420.18	\$890.02	\$797.92	\$1,215.93	\$1,609,524
Anthem HDHP - Pre 65 (CoF)	\$588.19	\$1,041.29	\$918.84	\$1,370.82	\$2,275,182
Anthem \$0 Deductible (CoT)	\$670.34	\$1,339.96	\$1,223.18	\$2,031.52	\$3,121,020
Anthem \$500 Deductible (CoT)	\$504.78	\$1,010.04	\$925.10	\$1,593.10	\$5,959,948
Anthem \$1,000 Deductible (CoT)	\$443.42	\$886.18	\$813.14	\$1,350.92	\$9,463,017
Anthem \$2,500 Deductible HSA (CoT)	\$420.24	\$839.82	\$770.58	\$1,280.28	<u>\$149,593</u>
			Combined Premium		\$25,763,589

<u>2013 Renewal</u>	<u>Single</u>	<u>EE + Sp</u>	<u>EE +Ch</u>	<u>Family</u>	<u>Totals</u>
Anthem PPO - Active (CoF)	\$788.67	\$1,655.55	\$1,499.91	\$2,287.15	\$3,341,747
Anthem HDHP - Active (CoF)	\$440.82	\$933.73	\$837.11	\$1,275.65	\$1,688,574
Anthem HDHP - Pre 65 (CoF)	\$617.08	\$1,092.43	\$963.97	\$1,438.15	\$2,386,925
Anthem \$0 Deductible (CoT)	\$703.26	\$1,405.77	\$1,283.25	\$2,131.30	\$3,274,305
Anthem \$500 Deductible (CoT)	\$529.57	\$1,059.65	\$970.54	\$1,671.34	\$6,252,663
Anthem \$1,000 Deductible (CoT)	\$465.20	\$929.71	\$853.08	\$1,417.27	\$9,927,780
Anthem \$2,500 Deductible HSA (CoT)	\$440.88	\$881.07	\$808.43	\$1,343.16	<u>\$156,940</u>
			Combined Premium		\$27,028,934

SJIVIA PPO Projected Increase 4.9%

San Joaquin Valley Insurance Authority
Current/Final Renewal Rates with \$400K Pooling Point HMO

<u>Enrollment:</u>					
<u>Enrollment (06/12)</u>	<u>Single</u>	<u>EE + Sp</u>	<u>EE +Ch</u>	<u>Family</u>	<u>Total</u>
Anthem PPO - Active (CoF)	235	33	15	7	290
Anthem HDHP - Active (CoF)	226	16	16	10	268
Anthem HMO - Active (CoF)	1977	620	1343	604	4543
Anthem HDHP - Pre 65 (CoF)	220	49	7	2	278
Anthem \$0 Deductible (CoT)	302	26	12	4	344
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Anthem \$1,000 Deductible (CoT)	1142	178	65	53	1438
Anthem \$2,500 Deductible HSA (CoT)	<u>22</u>	<u>2</u>	<u>2</u>	<u>0</u>	<u>26</u>
Total	4800	1021	1498	694	8012
<u>HMO Plan Rates:</u>					
<u>Current</u>					
Anthem HMO - Active	\$532.96	\$942.33	\$831.72	\$1,240.01	\$42,035,659
<u>2013 Renewal</u>					
Anthem HMO - Active	\$559.13	\$988.61	\$872.57	\$1,300.91	\$44,100,185
HMO SJVIA Projected Increase					4.9%
Current SJVIA Combined Plan Premium					\$67,799,248
Projected 2012 Combined Cost					\$71,129,120
Renewal Plan Premium					\$71,129,120
SJVIA Combined Projected Increase					4.9%

San Joaquin Valley Insurance Authority

HMO Pooling Considerations

Anthem Blue Cross HMO Pooling

<u>Options</u>	<u>Deductible</u>	<u>Premium PEPM</u>	<u>Annual Fixed Premium</u>	<u>Premium Change</u>	<u>Number of Claims</u>
Renewal	\$ 250,000	\$ 35.49	\$ 1,934,773	N/A	n/a
Option 1	\$ 300,000	\$ 29.38	\$ 1,601,680	\$ 333,093	6.66
Option 2	\$ 350,000	\$ 24.30	\$ 1,324,739	\$ 610,034	6.10
Option 3	\$ 400,000	\$ 21.02	\$ 1,145,926	\$ 788,847	5.26

Claims between \$250K and \$400K	
2010	\$ 400,281
2011	\$ 572,802
2012 YTD	\$ 300,000
Annual Average	\$ 424,361

Savings Calculation:	
Pooling Premium	\$ 788,847
Annual Average	\$ 424,361
Average Savings	\$ 364,486

*Current Enrollment 4,543
 Claims over Pooling last 12 months 2

San Joaquin Valley Insurance Authority

Aggregate Stop Loss Historical Data

Monthly Enrollment Used for Comparison Purposes

3,469

<u>Year</u>	<u>Rate PEPM</u>	<u>Annual Premium</u>	<u>Attachment Factor</u>	<u>Maximum PPO Liability</u>	<u>Unaudited Aggregate Eligible Claims</u>	<u>Corridor</u>
2010	\$1.41	\$58,695	\$656.65	27,335,026	22,512,825	1.21
2011	\$0.80	\$33,302	\$723.09	30,100,791	23,045,300	1.31
2012	\$0.80	\$33,302	\$756.93	31,509,482	22,961,472	1.37
2013 Projected	\$1.09	\$45,375	\$1,095.25	45,593,067	25,444,203	1.79