



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

Illustrative Fully-Pooled Renewal

Plan Year: January 1, 2011 - December 31, 2011

San Joaquin Valley Insurance Authority

Presented By

Gallagher Benefit Services

CA License #: 0D36879

January 14, 2010

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.

SJVIA Workforce Evaluation

	SVJIA	County of Fresno			County of Tulare
		PPO	HMO	Total	PPO
Employees Covered	8,648	953	4,976	5,929	2,719
Total Members	15,210	1,218	10,499	11,717	3,493
Gender					
Female	63.2%	61.0%	70.0%	62.3%	65.0%
Male	36.8%	39.0%	30.0%	37.7%	35.0%
Average Contract Size	1.759	1.278	2.110	1.976	1.285
Average Age					
Employee	45	53	43	47	42
Member	36	42	34	35	37

January through September 2010 Premium to Claims Ratio:

		Employees	Premium	Immature Claims	Loss Ratio
SJVIA Totals		77,532	\$45,098,996	\$35,199,197	78.0%
	Weight	100.0%	100.0%	100.0%	
				Variance	0.0%
County of Tulare PPO		24,574	\$13,472,631	\$10,397,155	77.2%
	Weight	31.7%	29.9%	29.5%	
				Variance	-0.9%
County of Fresno Total		52,958	\$31,626,365	\$24,802,042	78.4%
	Weight	68.3%	70.1%	70.5%	
				Variance	0.4%
County of Fresno PPO		8,895	\$5,813,091	\$4,277,776	73.6%
County of Fresno HMO		44,063	\$25,813,274	\$20,524,266	79.5%

Illustrative SJVIA Pooled Renewal Rate Requirement

(Includes Rx for all County of Tulare plans and Rx for County of Fresno HDHP only)

County of Tulare:						% Change
2010 PPO Costs:			2011 PPO Costs:			
\$ 17,932,590	Total PPO Premium - 2010		\$ 20,227,961	Total PPO Premium - 2011		12.8%
\$ 1,594,916	Total Embedded Fixed Costs PPO		\$ 1,661,575	Total Embedded Fixed Costs PPO		
\$ 16,337,674	Net Fund amount PPO		\$ 18,566,387	Net Fund amount PPO		

County of Fresno:						% Change
2010 PPO Costs:			2011 PPO Costs:			
\$ 7,371,355	Total PPO Premium - 2010		\$ 7,407,525	Total PPO Premium - 2011		0.5%
\$ 549,991	Total Embedded Fixed Costs PPO		\$ 572,978	Total Embedded Fixed Costs PPO		
\$ 6,821,364	Net Fund amount PPO		\$ 6,834,548	Net Fund amount PPO		

County of Fresno:						% Change
2010 HMO Costs:			2011 HMO Costs:			
\$ 34,670,329	Total HMO Premium - 2011		\$ 37,486,406	Total HMO Premium - 2011		8.1%
\$ 4,045,860	Total Embedded Fixed Costs HMO		\$ 4,651,702	Total Embedded Fixed Costs HMO		
\$ 30,624,469	Net Fund amount HMO		\$ 32,834,704	Net Fund amount HMO		

County of Fresno Combined:						% Change
2010 Total Costs:			2011 Total Costs:			
\$ 42,041,684	Total HMO Premium - 2011		\$ 44,893,931	Total HMO Premium - 2011		6.8%
\$ 4,595,851	Total Embedded Fixed Costs HMO		\$ 5,224,680	Total Embedded Fixed Costs HMO		
\$ 37,445,833	Net Fund amount HMO		\$ 39,669,252	Net Fund amount HMO		

Combined CoT & CoF:						% Change
2010 Costs:			2011 Costs			
\$ 59,974,274	Total Premium - 2010		\$ 65,121,893	Total Premium - 2011		8.6%
\$ 6,190,767	Total Embedded Fixed Costs		\$ 6,886,254	Total Embedded Fixed Costs		
\$ 53,783,507	Net Fund amount		\$ 58,235,638	Net Fund amount		

Notes: Chart does not consider weighting based on size or variance based on performance to entire pool.

SJVIA Non-Pooled vs Pooled Renewal Rate Illustration

Plan	Relative Value	Status	Enrollment	Non-Pooled Rates			Pooled Rates	
				2010	%	2011	%	2011
County of Tulare \$2,500 Deductible/90%				16				
	0.7596	Employee	13	\$ 372.54	12.8%	\$ 420.23	8.6%	\$ 404.51
		Employee + Spouse	2	\$ 744.51	12.8%	\$ 839.82	8.6%	\$ 808.39
		Employee + Child(ren)	1	\$ 683.13	12.8%	\$ 770.58	8.6%	\$ 741.75
		Family	0	\$ 1,134.99	12.8%	\$ 1,280.29	8.6%	\$ 1,232.38
County of Fresno \$3,000 Deductible/100%				193				
	0.7912	Employee	167	\$ 416.98	0.8%	\$ 420.19	8.6%	\$ 452.76
		Employee + Spouse	13	\$ 886.82	0.4%	\$ 890.03	8.6%	\$ 962.91
		Employee + Child(ren)	6	\$ 794.71	0.4%	\$ 797.92	8.6%	\$ 862.90
		Family	7	\$ 1,212.73	0.3%	\$ 1,215.94	8.6%	\$ 1,316.79
County of Fresno Retiree - \$1,500 Deductible/80%				264				
	0.8800	Employee	189	\$ 575.48	0.6%	\$ 578.69	8.6%	\$ 624.86
		Employee + Spouse	67	\$ 1,028.58	0.3%	\$ 1,031.79	8.6%	\$ 1,116.84
		Employee + Child(ren)	4	\$ 906.13	0.4%	\$ 909.34	8.6%	\$ 983.88
		Family	4	\$ 1,358.11	0.2%	\$ 1,361.32	8.6%	\$ 1,474.64
County of Tulare \$1,000 Deductible				1177				
	0.9458	Employee	910	\$ 393.10	12.8%	\$ 443.42	8.6%	\$ 426.83
		Employee + Spouse	167	\$ 785.61	12.8%	\$ 886.18	8.6%	\$ 853.02
		Employee + Child(ren)	54	\$ 720.86	12.8%	\$ 813.14	8.6%	\$ 782.71
		Family	46	\$ 1,197.62	12.8%	\$ 1,350.94	8.6%	\$ 1,300.38
County of Tulare \$500 Deductible				1031				
	1.0000	Employee	816	\$ 447.50	12.8%	\$ 504.79	8.6%	\$ 485.90
		Employee + Spouse	147	\$ 895.43	12.8%	\$ 1,010.06	8.6%	\$ 972.26
		Employee + Child(ren)	49	\$ 820.12	12.8%	\$ 925.11	8.6%	\$ 890.49
		Family	19	\$ 1,412.31	12.8%	\$ 1,593.11	8.6%	\$ 1,533.49
County of Fresno HMO				4940				
	1.152	Employee	2229	\$ 403.28	9.1%	\$ 440.09	8.6%	\$ 437.88
		Employee + Spouse	667	\$ 720.81	7.7%	\$ 776.32	8.6%	\$ 782.66
		Employee + Child(ren)	1376	\$ 635.01	7.9%	\$ 685.47	8.6%	\$ 689.50
		Family	668	\$ 951.69	7.3%	\$ 1,020.80	8.6%	\$ 1,033.35
County of Tulare \$0 Deductible				499				
	1.1826	Employee	434	\$ 594.26	12.8%	\$ 670.34	8.6%	\$ 645.25
		Employee + Spouse	42	\$ 1,187.91	12.8%	\$ 1,339.99	8.6%	\$ 1,289.84
		Employee + Child(ren)	12	\$ 1,084.38	12.8%	\$ 1,223.20	8.6%	\$ 1,177.42
		Family	11	\$ 1,800.99	12.8%	\$ 2,031.55	8.6%	\$ 1,955.52
County of Fresno \$250 Deductible				480				
	1.2079	Employee	381	\$ 555.84	0.6%	\$ 559.05	8.6%	\$ 603.53
		Employee + Spouse	60	\$ 1,169.44	0.3%	\$ 1,172.65	8.6%	\$ 1,269.78
		Employee + Child(ren)	27	\$ 1,059.28	0.3%	\$ 1,062.49	8.6%	\$ 1,150.17
		Family	12	\$ 1,616.49	0.2%	\$ 1,619.70	8.6%	\$ 1,755.19