

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 Chimienti Associates/Hourglass Administration (Kaiser HMO)

This is for the same service as item #3 but for Kaiser business only.

5 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.

6 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.

7 Claims Mitigation

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.

8 Communications

This rate category is 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.

9 Anthem HMO Pooling

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

10 Anthem HMO Administration/Retention

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

11 First Year Projected Paid Claims PPO & Non-Cap HMO

Projected self-insured PPO claims for medical and Rx (Tulare Only) and non-capitated HMO claims (hospital)

12 Anthem MMP 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

13 Forecasted Reserve Surplus For IBNR

Reserves held in the self insured plan for purposes such as "incurred but not reported claims" (IBNR) following termination of the self insured plan, contingency and margin reserves.