

San Joaquin Valley Insurance Authority

BOARD OF DIRECTORS

SUSAN B. ANDERSON

JUDITH CASE

MIKE ENNIS

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PETE VANDER POEL

Meeting Location:
Tulare County Employee Retirement
Association Board Chambers
136 N. Akers Street
Visalia, CA 93291
January 20, 2012
9:00 AM

AGENDA DATE: January 20, 2012

ITEM NUMBER: 6(g)

SUBJECT: Receive and File Report on SJVIA Marketing Activity

REQUEST(S): That the Board Receive and File the Report on SJVIA Marketing Activity

DESCRIPTION:

On November 5, 2010, your Board approved the SJVIA Growth Implementation and Marketing Plan. This plan identified the benefits of growing the SJVIA as increased cost reductions and pricing stability over time. On May 6, 2011, your Board approved the Shared Risk Model- Renewal Rating Methodology. This methodology allows for greater stability in claims costs and creates an environment for expansion of SJVIA members.

To allow for growth, on October 7, 2011 your board approved Member Underwriting Guidelines. These guidelines lay the framework for developing rates and benefits for prospective Members in pursuit of greater efficiency and stability of their employee benefit programs.

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. Additionally, formal presentations are scheduled and a brief summary of efforts are below:

- Feasibility Study of the County of Madera: This past year, GBS worked with the County of Madera to educate them on the potential benefits of becoming part of the SJVIA. Madera currently purchases their health plan coverage through CalPERS who releases their renewal rating to members in mid-June for the following calendar year. Although, cost savings may have been realized had the

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County of Madera elected to leave CalPERS, timing was such that this option was not feasible. Since this time, the County has entered into new Collective Bargaining Agreements that stipulate CalPERS as the health plan provider making at 2013 change unlikely. However, interest was expressed in exploring the SJVIA in advance of the 2014 plan year.

- San Joaquin Valley Regional Association of California Counties Fall Conference: GBS attended and participated at the conference in October of 2011. A brief overview of the SJVIA was presented to the attendees to inform and interest from the attending County Board of Supervisors and County Administrative Officers. The message conveyed was that the SJVIA was now open to considering new Member Entities.
- California Public Employers Labor Relations Association (CALPELRA) Annual Conference: GBS participated as an Exhibitor at the annual conference to make contact with prospective Member Entities and to inform them on the merits of the SJVIA. Several contacts were made and follow up mailings have been sent to conference participants that expressed interest in learning more about the SJVIA.
- Central San Joaquin Valley Risk Management Authority Executive Committee Annual Retreat: The Central San Joaquin Valley Risk Management Authority (RMA) currently has 55 members consisting of incorporated municipalities from Kern County in the south to Sutter County in the North. The RMA provides various liability coverages to members but does not have a health benefits program for members. Gallagher along with SJVIA Staff will make a presentation to the RMA during the annual retreat in February.. Potential SJVIA membership may be achieved if the RMA offers participation in the SJVIA as an optional program or RMA members may pursue participation separately.
- Ongoing Marketing Efforts: In addition to the above activities, the SJVIA is anticipating potential new members with effective dates as early as July 1, 2011 and anticipates beginning underwriting activities in the coming months. We will continue to communicate the progress and status of these events as they develop.

FISCAL IMPACT/FINANCING:

None.

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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 the Report on SJVIA Marketing Activity