



BOARD OF DIRECTORS

ANDREAS BORGEAS
JUDITH CASE
MIKE ENNIS
PHIL LARSON
DEBORAH POOCHIGIAN
PETE VANDER POEL
STEVE WORTHLEY

**Meeting Location:
Tulare County Board of
Supervisors Chambers
2800 West Burrel
Visalia, CA 93921
September 6, 2013 8:00 AM**

**Meeting Location:
County of Fresno Board of
Supervisors, Hall of Records
2281 Tulare St, Room 301
Fresno, CA 93721
September 6, 2013 8:00 AM**

AGENDA DATE: September 6, 2013

ITEM NUMBER: 7

SUBJECT: Approve VSP Vision Plan Renewal

REQUEST(S): Approve the acceptance of renewal proposal from VSP for the 2014 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 vision plans between Fresno and Tulare Counties as part of the SJVIA. For Plan Year 2013, SJVIA entered into an agreement with VSP for vision coverage. VSP included a “not to exceed” provision of to the County of Tulare’s rates for 2014, capping their renewal at 10%. The County of Fresno rates were guaranteed for three years.

However, due to the Affordable Care Act’s Health Insurance Provider Fee, VSP will be increasing rates by 2% to accommodate this tax. Therefore the 2014 rates for County of Fresno will be increasing by 2% in spite of the rate guarantee and by 12% for County of Tulare. The current rates for the City of Shafter and City of San Joaquin will remain unchanged until December 31, 2015.

Because of the relatively low costs of vision coverage, the ACA 2% tax equates to \$0.15 to the Employee Only rates for County of Fresno and \$0.10 to the County of Tulare.

AGENDA: San Joaquin Valley Insurance Authority

DATE: September 6, 2013

Additionally, SJVIA Member entities may choose to modify their vision benefits to adjust rates. These considerations are made at the member entity level and do not require SJIVA Board action.

FISCAL IMPACT/FINANCING:

Annual premium increasing by \$32,625 for the SJVIA consisting of County of Tulare (+\$17,472) and County of Fresno (+\$15,153).

ADMINISTRATIVE SIGN-OFF:



Paul Nerland
SJVIA Manager



Rhonda Sjostrom
Interim SJVIA Assistant Manager

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

IN THE MATTER OF Approval of VSP Vision Plan Renewal
)

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 the acceptance of renewal proposal from VSP for the 2014 Plan year and Authorize Chair to Execute Agreements pending acceptance of County of Fresno and Tulare and approval of SJVIA staff and Counsel.