SJVIA
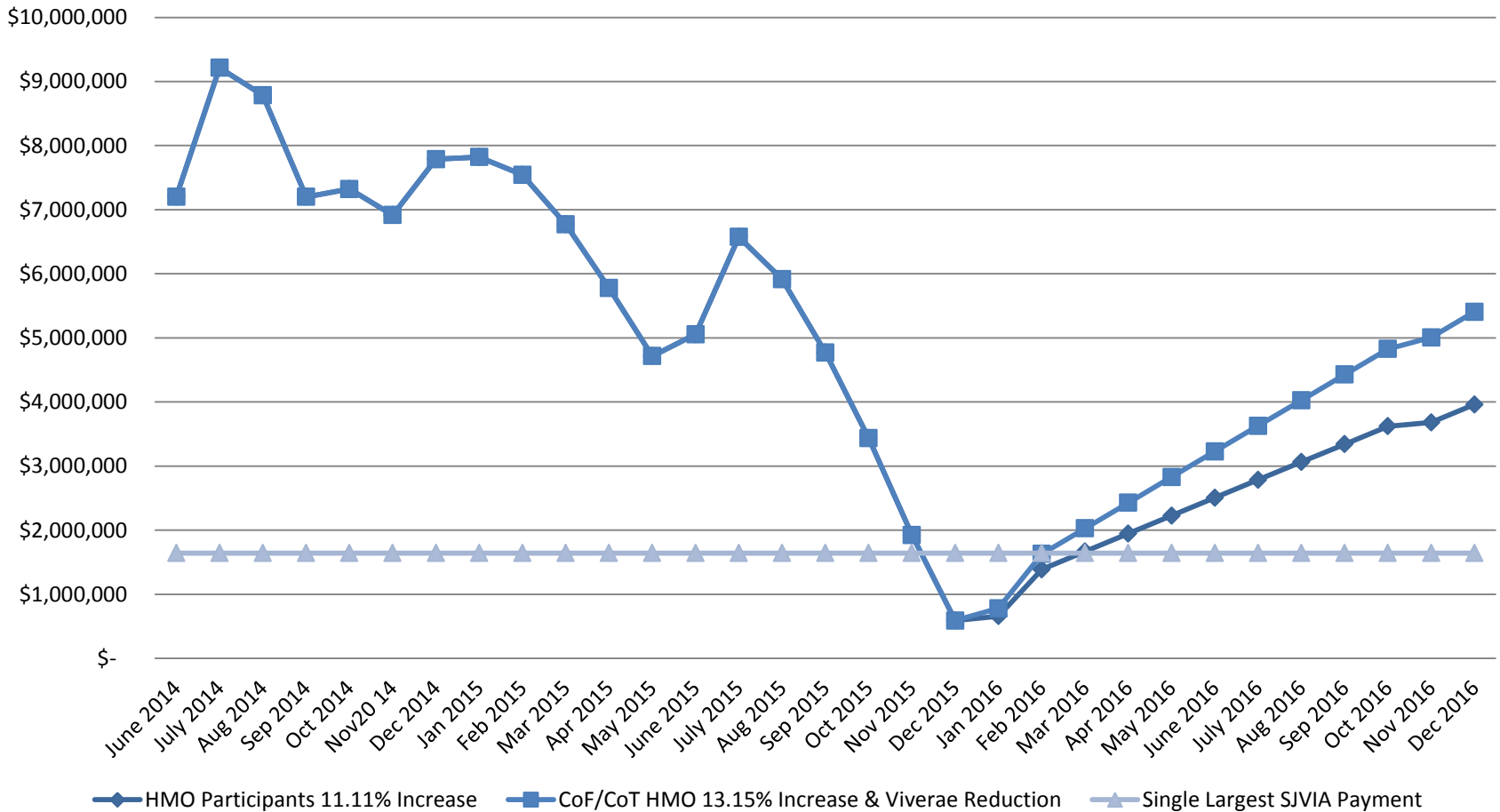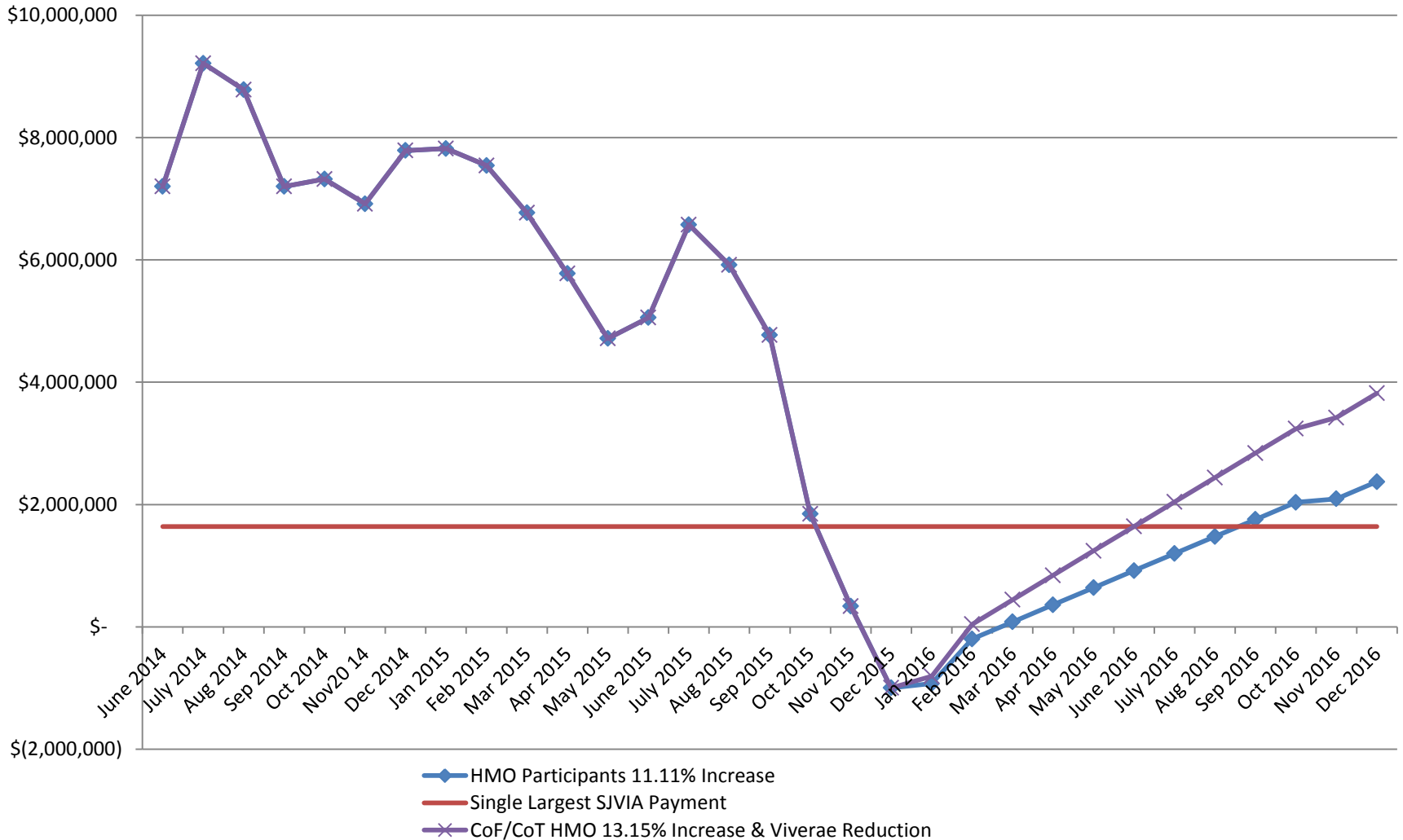
San Joaquin Valley
Insurance Authority

SJVIA Projected Cash Flows as of 10/15/15

SJVIA Projected Cash Flows as of 11/06/15

Legend:
- HMO Participants 11.11% Increase
- Single Largest SJVIA Payment
- CoF/CoT HMO 13.15% Increase & Viverae Reduction

Cash Flow Projection Assumptions

- Actuals used for June 2014 through October 2015

- Projections for Nov and Dec 2015 based on September 2015 activity
  - adjustments to remove the effect of any 1-time receipts or payments

- January 2016 through December 2016 based on latest budget update from GBS
  - adjustments for ACA and Dental Rate Premium holiday

Reasons for Steep Decline in October

- PPO payments were up $300,000 (rnd) as compared to September 2015

- US Script payments were up $200,000 (rnd) compared to September 2015

- There were 5 weekly HMO payments, as compared to 4 in September 2015; these payments average $700,000 / invoice

- 12 premium receipts in September, that were paid in October $1,000,000

Mitigation Efforts

- County of Fresno advanced $1million against its future premium liabilities to allow for a quicker transfer of funds to SJVIA

- Contract and payment terms have been reviewed and we are paying 'at the edge'

- Monitoring the receipt of payments of all SJVIA participants

- Reduction of Wellness Vendor expenditures under consideration

Mitigation Efforts (cont.)

- Auditor-Treasurer (CoF) staff are in the process of drafting items to go before the County of Fresno Debt Advisory Comm. and Board of Supervisors to authorize a $3million line of credit for SJVIA
  - DAC is scheduled for November 20th, 2015
  - BOS is scheduled for December 08th, 2015
- Auditor-Treasurer staff is working with Chase to explore other avenues including use of a Credit Card that would provide a 45 day float

Mitigation Efforts (cont)

- Auditor-Treasurer personnel continue to work with CoF and CoT personnel departments to refine cash flow projection methodology and assumptions provide the most accurate projections possible
  - Includes communication and making of appropriate adjustments for payments that are being held due to cash flow restraints