

Meeting Location: County of Fresno Board of Supervisors Chambers 2281 Tulare Street, #301 Fresno, CA 93721 October 27, 2017 9:00 AM

BOARD OF DIRECTORS

ANDREAS BORGEAS
KUYLER CROCKER
NATHAN MAGSIG
BUDDY MENDES
BRIAN PACHECO
PETE VANDER POEL
J. STEVEN WORTHLEY

AGENDA DATE: October 27, 2017

ITEM NUMBER: Item 17

SUBJECT: Receive Update on the County of Fresno's Anthem

EPO Fee (A)

REQUEST(S): That the Board be apprised of the increase in the

County of Fresno's EPO fee for Anthem and that the difference will be made up from the Anthem reserve element that will be building in 2018.

DESCRIPTION:

After the August 25, 2017 SJVIA Board meeting, Keenan advised SJVIA Staff that the Anthem EPO administration fee was incorrect. The renewal utilized a fee of \$45.34, while the correct fee is \$48.08. The difference amounts to \$2.74 per employee per month. Keenan researched how this error occurred and determined that the HMO administration fee was used in the revised Anthem renewal instead of the EPO administration fee.

FISCAL IMPACT/FINANCING:

The impact of this error is approximately \$105,000 for 2018. It is recommended this be funded from the County of Fresno's 2018 Anthem EPO rates, which included \$1,135,000 in margin (3.00%). It should be noted that the 2018 renewal rates shall remain unchanged.

ADMINISTRATIVE SIGN-OFF:

Paul Nerland SJVIA Manager Rhonda Sjostrom SJVIA Assistant Manager

Thorda Sjostrom