

MINUTES

BOARD OF DIRECTORS

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

**Meeting Location:
County of Tulare
Board of Supervisors Chambers
2800 W. Burrel Avenue
Visalia, CA 93291
August 24, 2018 9:00 AM**

1. Call to Order
2. Pledge of Allegiance
3. Roll Call

All Directors present.

4. Approval of Agenda (A)

Motion to approve by Director Borgeas; Seconded by Director Worthley;
Motion approved unanimously.

5. Closed Session CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov. Code, § 54956.9, subd. (d)(1)) — San Joaquin Valley Insurance Authority v. Gallagher Benefit Services, Inc., Fresno County Superior Court Case No. 17CECG01632, United States District Court for the Eastern District of California Case No. 1:17-cv-00861-LJO-EPG

The public may comment on Closed Session items prior to the Board's recess to Closed Session.

The remainder of the agenda will be heard following the Closed Session item.

No public comments.

6. Public Comment: At this time, members of the public may comment on any item, within the jurisdiction of the SJVIA, not appearing on the agenda. In order for everyone to be heard, please limit your comments to 3 minutes or less. Anyone wishing to be placed on the agenda for a specific topic should contact the SJVIA Manager's Office and submit correspondence at least 14 days before the desired date of appearance.

No public comments.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the SJVIA Manager at 559-600-1810 or the Assistant SJVIA Manager at 559-636-4900. Notification 48 hours prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility. Documents related to the items on this Agenda submitted to the Board after distribution of the Agenda packet are available for public inspection at the County of Fresno plaza Building, 2220 Tulare St, 14th Floor, Fresno, CA during normal business hours. All documents are also posted online to www.sjvia.org.

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7. Approval of Minutes – Board Meeting of July 20, 2018 (A)

Motion to approve by Director Worthley; Seconded by Director Vander Poel;
Motion approved unanimously.

8. SJVIA Director Questions, Announcements, and Activity Reports (Gov. Code, § 54954.2, subd. (a)(2)) (I)

No Director questions or announcement were made.

9. Receive Update from Auditor-Treasurer on Cash Flow Projections (I)

Presented by Sonexay Sopha, County of Fresno

10. Receive Update From Auditor-Treasurer on SJVIA Financials as of June 30, 2018 (I)

Presented by Sonexay Sopha, County of Fresno

Director Worthley pointed out that Interest Payable was not included in the total for Noncurrent liabilities; therefore, Total Liability should be updated to \$16,825,56.

Director Magsig questioned the bank service fees and if the bank was doing any additional services or if all transactions were done electronically; given the amount of funds flowing through, reduced fees or no fees may be explored.

Director Borgeas requested clarification on Line Item 3 and the 11% variance between budget vs. actuals. Paul Nerland responded that 9 times out of 10 it is a timing issue of funding rather than a budget issue.

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11. Approve Revised 2018 SJVIA Board Meeting Calendar (A)

Presented by Larry Gomez, County of Fresno

Discussion revealed that both the upcoming October and December meetings would need to be rescheduled.

Paul Nerland asked Counsel if the Board can give broad direction to Staff to work with both County calendars and facilities to come back and post those rescheduled meetings; Counsel confirmed that the Board can; the Board agreed.

12. Approve and Authorize Staff to Send the 2018 Multi-County Biennial Notices to the California Fair Political Practices Commission (FPPC) (A)

Presented by Rhonda Sjostrom, County of Tulare

Motion to approve by Director Crocker; Seconded by Director Borgeas;
Motion approved unanimously.

13. Approve and Authorize President to Execute Third Amendment to Agreement with County of Fresno for Cash Advances and Repayment (A)

Presented by Paul Nerland, County of Fresno

Motion to approve by Director Borgeas; Seconded by Director Crocker;
Motion approved unanimously.

14. Authorize President to Execute Prior Year Anthem Blue Cross Minimum Premium Funding Endorsements for SJVIA Participating Entities (A)

Motion to approve by Director Worthley; Seconded by Director Vander Poel;
Motion approved unanimously.

15. Receive and File Consultant's Report on PBM Experience with EmpiRx for January through June 2018 (I)

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Presented by Bordan Darm, Keenan & Associates

Director Vander Poel requested that Keenan come back with a comparison of projections vs. actuals.

16. Receive and File Consultant's Report on Medical, Dental, and Vision Experience Through June 2018 (I)

Presented by Bordan Darm, Keenan & Associates

17. Receive and File Consultant's SJVIA Actuarially Certified Incurred But Not Reported (IBNR) Reserve Report as of June 30, 2018 (I)

Presented by Bordan Darm, Keenan & Associates

18. Receive and File Consultant's Report on Reserve Accumulation (I)

Presented by Bordan Darm, Keenan & Associates

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19. Receive Consultant's Plan Year 2019 Underwriting Renewal Report, Finalize and Approve 2019 Rates and Fees, Authorize Consultant and SJVIA Staff to Negotiate Agreements, and President to Execute Agreements Subject to Approval of SJVIA Counsel and Staff (A)

Presented by Bordan Darm, Keenan & Associates

One adjustment to the renewal for the County of Fresno was shared and was not reflected in the Consultant's renewal report. To avoid further migration to the Kaiser plan, the request was made to consider a common renewal increase of 5.5% to both the County of Fresno's Kaiser and self-funded Anthem plans.

Motion to renew:

- County of Fresno
 - Anthem 5.5% increase
 - Kaiser 5.5% increase
 - Includes 3% margin

- County of Tulare
 - Anthem 2.35% increase
 - Kaiser 2.18% increase
 - Includes 3% margin

- City of Marysville
 - Anthem 4.91% increase
 - Kaiser 2.95% increase
 - Includes 3% margin

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- All Entities
 - Delta Dental – hold current PY 2018 rates; 0% increase
 - Move Dental PPO to a self-funded arrangement
 - VSP – hold current PY 2018 rates; 0% increase

by Director Vander Poel; Seconded by Director Worthley; Motion approved unanimously.

20. Approve an Extension of Notification by City of Marysville of Intent to Terminate from 120 Days as Provided in Section 9 of the SJVIA Participation Agreement to 90 Days (A)

Presented by Rhonda Sjostrom, County of Tulare

Motion to approve by Director Vander Poel; Seconded by Director Worthley; Motion approved unanimously.

21. Adjournment

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