

**Meeting Locations:**

**County of Fresno CAO Conference  
Room 304, Hall of Records  
2281 Tulare Street  
Fresno, CA 93721**

**County of Tulare Board Chambers  
Administrative Building  
2800 West Burrel Avenue  
Visalia, CA 93291**

**December 7, 2018 9:30 AM**

**AGENDA DATE:** December 7, 2018

**ITEM NUMBER:** Item 6

**SUBJECT:** Receive Consultant's Report on Reinsurance Renewal and Marketing Results and Authorize the President to Execute Agreement Subject to Approval of SJVIA Counsel and Staff (A)

**REQUEST(S):** That the Board of Directors approve the recommendation and authorize the President to execute agreement subject to approval of SJVIA Counsel and Staff.

**DESCRIPTION:**

As part of the 2019 SJVIA self-funded medical/Rx renewal, Keenan requested and received the 2019 reinsurance renewal. Additionally, Keenan conducted a reinsurance marketing to secure the most competitive reinsurance rates. It is recommended that the SJVIA:

- Select Voya, the incumbent carrier, as the reinsurer for 2019;
- Renew at the \$450,000 reinsurance level;
- For 2020, revisit a risk share pool arrangement for the SJVIA with the County of Fresno at \$250,000, the County of Tulare at \$200,000, and the City of Marysville at \$75,000 to the reinsurance level of \$450,000 to allow greater rate stability.

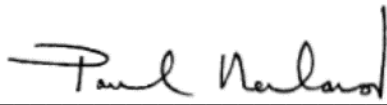
**AGENDA:** San Joaquin Valley Insurance Authority

**DATE:** December 7, 2018

**FISCAL IMPACT/FINANCING:**

The reinsurance rate used in the development of the 2019 rates was 15.0% higher than the 2018 reinsurance rate. The recommended 2019 reinsurance rate is 9.0% higher than the 2018 reinsurance rate. The 6.0% or \$102,151 difference will be available for reserve accumulation. Keenan does not recommend revising the 2019 rates for the difference.

**ADMINISTRATIVE SIGN-OFF:**



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Paul Nerland  
SJVIA Manager



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Rhonda Sjostrom  
SJVIA Assistant Manager