



**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**

**AGENDA DATE:** August 24, 2018

**ITEM NUMBER:** Item 19

**SUBJECT:** 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)

**REQUEST(S):** That the Board 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.

**DESCRIPTION:**

**Medical Anthem (Self-funded)** - The Final Renewal Report updates the plan experience by one month, utilizing 12 months of data through June 2018. The staff recommendation is to increase the County of Fresno self-funded rates by 6.5% (\$3,296,140), the County of Tulare by 2.35% (\$636,939) and the City of Marysville by 4.91% (\$40,233). The renewal action includes \$946,465 in IBNR reserve buildup and \$2,336,945 in stabilization reserve build-up for a total of \$3,283,410. Anthem Blue Cross is offering \$50,000 for 2019 as a contribution to SJVIA wellness efforts.

**Medical Kaiser** – Kaiser is requesting a renewal increases of 4.83% for the County of Fresno, 4.76% HMO and 4.57% DHMO for the County of Tulare, and 4.81% for the City of Marysville. SJVIA staff recommends accepting the renewal and requests a 3.0% surcharge be added to the rates for the stabilization reserve. Given 2017's Kaiser rate decreases, this would net the entities an overall increase from 2018 charged rates of 3.07% for the County of Fresno, 2.18% for the County of Tulare, and 2.95% for the City of Marysville for a total surcharge of \$719,171. Kaiser's renewal includes a

**AGENDA:** San Joaquin Valley Insurance Authority

**DATE:** August 24, 2018

\$50,000 contribution in 2019 for wellness to be used for Kaiser-approved wellness activities.

**Dental** – SJVIA staff recommends the Delta Dental plans be self-funded to allow the Delta Dental PSR funds to be transferred to the SJVIA’s stabilization reserve (\$655,844). The self-funded dental plans would implement a rate pass for 2019.

**Vision** – VSP will be going into the second year of a two-year rate guarantee; therefore, there is no rate increase.

**FISCAL IMPACT/FINANCING:**

The annual financial impact for the 2019 renewal is an increase of \$4,691,330 or 4.36% to the SJVIA overall benefits program.

**ADMINISTRATIVE SIGN-OFF:**



---

Paul Nerland  
SJVIA Manager



---

Rhonda Sjostrom  
SJVIA Assistant Manager