

**Meeting Location:  
County of Fresno  
Board of Supervisors Chambers  
2281 Tulare Street, #301  
Fresno, CA 93721  
November 8, 2019 9:00 AM**

**AGENDA DATE:** November 8, 2019

**ITEM NUMBER:** Item 16

**SUBJECT:** Receive Consultant's Medical, Dental, and Vision Experience Reports through September 2019 with Update on Reserve Accumulation and Projections (I)

**REQUEST(S):** That the Board receive the Consultant's Medical, Dental, and Vision Experience Reports through September 2019 and update on Reserve Accumulation and Projections.

**DESCRIPTION:**

The report shows that on a total cost basis from January through September 2019, the medical premium of \$59,826,516 exceeded total cost of \$59,523,922 for a surplus position of \$302,593 or a 99.5% loss ratio.

The dental PPO plan became self-insured with the 2019 plan year. The report shows that on a total cost basis, the dental premium of \$3,426,319 exceeded total cost of \$3,110,420 for a surplus position of \$315,899 or a 90.8% loss ratio.

The vision plan remains fully-insured and is in a surplus position of \$7,217. Under the fully-insured arrangement all deficit or surplus positions stay with the carrier.

The SJVIA is projecting a \$4,798,979 surplus position for the 2019 plan year. The surplus is built from plan premium exceeding plan costs, built in margin on the Kaiser plan, the transference of the Delta Dental Premium Stabilization Reserve (PSR), and prescription drug rebates and other funds realized from the prescription drug program. In total \$3,445,013 (71.8%) has been realized through September 2019.

**AGENDA:** San Joaquin Valley Insurance Authority

**DATE:** November 8, 2019

**FISCAL IMPACT/FINANCING:**

The 2019 plan year experience through September developed a \$302,593 medical surplus and a \$315,899 dental surplus for a total of \$618,492. These numbers include the realization of IBNR as paid claims for groups and coverage that have terminated. The addition of the prescription drug rebates of \$1,338,510, Kaiser Surcharge of \$539,378 and the Delta Dental PSR transfer of \$948,664 brings the collective total reserve accumulation up to \$3,445,013.

**ADMINISTRATIVE SIGN-OFF:**



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Rhonda Sjostrom  
SJVIA Manager



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Paul Nerland  
SJVIA Assistant Manager