

SAN JOAQUIN VALLEY INSURANCE AUTHORITY (SJVIA)

2023 Stop Loss Renewal and Marketing Presentation

Presented by:



Table of Contents

Executive Summary..... Page 1

Carrier Responses..... Page 2

Financial Summary and Proposal Contingencies..... Page 3

Stop Loss Renewal & Marketing Analysis - Current/Proposed..... Page 4

Paid - Large Claims Summary (1/1/22 - 9/30/22)..... Page 5

Estimated Loss Ratio..... Page 6

SAN JOAQUIN VALLEY INSURANCE AUTHORITY (SJVIA)

Executive Summary

FINAL RESULTS

Effective Date: January 1, 2023



I. Stop Loss Marketing and Renewal Results:

- Stop loss RFP marketed to twenty (20) stop loss carriers and MGU's

II. Granular/Point 6:

Initial - Renewal offer at the current \$450,000 Specific Deductible, is an approximate +29.0% increase, or an additional \$407,256, in estimated annual premium.

- **Final** - Renewal offer at the current \$450,000 Specific Deductible, is an approximate **+19.8%** increase, or an additional \$277,941, in estimated annual premium.

Alternate Deductible Options:

- Renewal Option : **+12.5%** increase with a \$475k specific deductible or an \$176,301, in estimated annual premium.

Proposal Contingencies:

- Retirees Not Included
- Includes Mirroring Endorsement
- Includes a 40% Renewal Rate Cap
- Includes No New Lasers at renewal (NNL)
- Includes Premium Refunding
- No Re-Disclosure required

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**Stop Loss RFP Analysis
Carrier Responses**



Carrier	Financial Rating	Status	Note
American National	A (Excellent)	Quoted	Uncompetitive (+50%)
Anthem	A (Excellent)	Declined	Uncompetitive rates
Berkley	A (Excellent)	Declined	Uncompetitive rates
Companion	A (Excellent)	Declined	Uncompetitive rates
FairCo	A (Excellent)	Declined	Uncompetitive rates
Gerber Life	A (Excellent)	Declined	Uncompetitive rates
Granular (Incumbent)	A (Excellent)	Quoted	Finalist
HM Insurance	A (Excellent)	Declined	Uncompetitive rates
Nationwide	A (Excellent)	Declined	Uncompetitive rates
Pan-American	A (Excellent)	Declined	Uncompetitive rates
QBE	A (Excellent)	Declined	Uncompetitive rates
Skyward	A (Excellent)	Quoted	Quoted - uncompetitive (+24%)
Starline	A (Excellent)	Declined	Uncompetitive rates
Sun Life	A++ (Superior)	Declined	Uncompetitive rates
Swiss Re	A (Excellent)	Declined	Uncompetitive rates
Symetra	A (Excellent)	Declined	Uncompetitive rates
Unum	A (Excellent)	Declined	Uncompetitive rates
US Fire	A (Excellent)	Quoted	Uncompetitive (+40%)
Voya	A+ (Superior)	Declined	Uncompetitive rates
Zurich	A (Excellent)	Declined	Uncompetitive rates

Granular

SPECIFIC DEDUCTIBLE OPTIONS	\$450,000	\$450,000	\$475,000
	Current Premium	Final Renewal	Renewal Option
Projected Annual Premium	\$1,404,168	\$1,682,110	\$1,580,470
% Increase/Decrease over Current		19.8%	12.6%
\$ Increase/Decrease over Current		\$277,940	\$176,300

Granular/Point 6 - Please review Proposal Assumptions and Contingencies:

- Quoted rates include the following:
 - 0% Commission
 - 40% Renewal Rate Cap
 - No New Lasers
 - Plan Mirroring
- We will refund to You a portion of the net profit from the Policy period beginning 01/01/2023 and ending 12/31/2023 if the following conditions are satisfied:
 1. The gross premium due and paid for the Policy year is not less than \$1,000,000; and
 2. The Policy is renewed for a subsequent Policy year by Us; and
 3. The results of the refund calculation are in a positive balance. If the refund calculation results in a negative balance, no refund will be paid.
- The amount of the refund will be 73% of the result of the following calculation:
 1. XX% of gross premium due and paid by You for the Policy year shown above,
 2. Minus 100% of the Losses for the Policy year, minus the amount of the Deficit Carry Forward.
- The calculation of the Experience Refund will be completed on the later of 12 months after the end of the Policy year shown above, or the date when the Losses for that Policy year are finally determined and the Policyholder and the Company have agreed to settle and commute their interests and liabilities under the Policy.
- Rates and Factors subject to attached Qualifications and Contingencies and Plan Document Assumptions
- All claims are reported/paid in U.S. dollars.
- The proposal is based on the data provided. The proposal may be modified if data changes or under other conditions as specified in this document.
- This proposal is based on the continuation of the current plan(s) of benefits.
- If the number of covered employees or the percentage of family participants change by more than 15% this proposal may be revised.
- If this proposal includes an offer of aggregate coverage, the monthly aggregate factor cannot be finalized more than 90 days from the effective date.
- Advance Funding is included.
- Retirees are not covered.
- This proposal is valid only if presented by a licensed insurance agent or broker who is appointed by Granular Insurance Company.
- The agent/broker does not have the authority to bind or modify the terms of his offer without prior approval of Granular.
- We require notification 30 days prior to the acquisition date of any employer completed merger or acquisition. Underwriting serves the right to modify coverage terms when a new division is added or deleted from coverage or when plan and/or network changes occur.
- Granular agrees to accept for claims reimbursement the employer's plan document.
- If the aggregate is quoted, then the minimum annual aggregate total is 90% of the first month's enrollment times monthly aggregate attachment points.

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Effective Date: January 1, 2023

Stop Loss Marketing Analysis - \$450,000 and \$475,000 Specific Stop Loss Deductible

SPECIFIC STOP LOSS	Current	Final Renewal	Renewal Option
Carrier Name	Granular		
Stop Loss Deductible	\$ 450,000	\$ 450,000	\$ 475,000
Annual Max Reimbursement	Unlimited	Unlimited	Unlimited
Contract Basis	12/18	12/18	12/18
Commissions	0%	0%	0%
Covered Expense	Medical, Rx	Medical, Rx	Medical, Rx
Specific Premium			
Ee	4,602 \$ 13.79	\$ 16.52	\$ 15.52
Family	1,934 \$ 27.69	\$ 33.17	\$ 31.17
Composite Rate	6,536 \$ 17.90	\$ 21.45	\$ 20.15
Monthly	\$ 117,014	\$ 140,176	\$ 131,706
Annual Premium	\$ 1,404,168	\$ 1,682,110	\$ 1,580,470
% Difference		19.8%	12.6%
\$ Difference		\$ 277,941	\$ 176,301

SAN JOAQUIN VALLEY INSURANCE AUTHORITY (SJVIA)



**Total Claims Paid
Exceeding \$200,000**

Incurred Date Range: 1/1/2022 To 9/30/2022

Paid Date Range: 1/1/2022 To 9/30/2022

# of Claimant	Relation	County	Med Amount Paid	RX Amount Paid	Total Amount Paid
1	Employee/Self	COF	\$ 1,159,465	\$ 16,210	\$ 1,175,675
2	Child/Dependent	COF	\$ 542,931	\$ -	\$ 542,931
3	Employee/Self	COF	\$ 513,958	\$ 438	\$ 514,396
4	Employee/Self	COF	\$ 491,851	\$ 25,859	\$ 517,710
5	Child/Dependent	COF	\$ 366,862	\$ 87	\$ 366,948
6	Employee/Self	COF	\$ 355,279	\$ 148	\$ 355,427
7	Employee/Self	COF	\$ 289,389	\$ 4,082	\$ 293,471
8	Employee/Self	COF	\$ 262,662	\$ 33,105	\$ 295,766
9	Employee/Self	COF	\$ 257,422	\$ -	\$ 257,422
10	Employee/Self	COT	\$ 255,383	\$ 848	\$ 256,231
11	Spouse/Partner	COF	\$ 247,977	\$ 1,409	\$ 249,386
Total			\$ 4,743,179	\$ 82,184	\$ 4,825,363

Loss Ratio

Effective	Carrier	Specific Deductible	Basis	Covg.	Claimants Exceeding	Paid Premium	Paid Claims	Stop Loss Recovery
YTD 1/1/22 - 9/30/22	Granular	\$ 450,000	12/18	MED/RX	2	\$ 1,480,796	\$ 950,711	64.2%