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SJVIA Board Meeting: Consultant’s Report 2021 Plan Experience (Medical, Dental, and Vision) Through December 2021

The following pages provide a summary of the plan experience from January 1 through December 31, 2021 for the self-funded medical and dental plans, as well as the fully insured vision plan (Kaiser and Delta Dental DHMO experience is not available). The SJVIA self-funded plans show a deficit position of -\$932,275 through December 2021.

Accumulation	COF	COT	Total
Medical	\$ (1,045,204)	\$ (353,080)	\$ (1,398,284)
Dental	\$ 396,414	\$ 69,594	\$ 466,009
Total	\$ (648,790)	\$ (283,486)	\$ (932,275)
Vision (Insured)	\$ 64,912	\$ (14,030)	\$ 50,882
Loss Ratio			
Medical	102.0%	101.2%	101.7%
Dental	88.4%	94.9%	90.2%
Vision	87.9%	106.9%	93.1%

The December position is a decrease of -\$2,214,114 from \$1,281,839 reported last through September 2021. Both counties end the year with medical loss ratios above 100%. Since June of 2021, the self-funded reserve accumulation has fluctuated between \$4.8 million and \$5.8 million, with a current position at \$5,081,462 (compared to the budgeted accumulation of \$8,821,449).

Reserve Accumulation	Budget	Actual	\$ Difference	% Difference
Plan Experience (Medical)	\$ 2,761,249	\$ (1,398,284)	\$ (4,159,533)	-150.6%
Plan Experience (Dental)	\$ 72,913	\$ 466,009	\$ 393,096	539.1%
Kaiser Accumulation	\$ 811,898	\$ 788,665	\$ (23,232)	-2.9%
Kaiser EPO Parity Accumulation	\$ 3,175,390	\$ 2,469,507	\$ (705,884)	-22.2%
Prescription Drug Rebates	\$ 2,000,000	\$ 2,755,566	\$ 755,566	37.8%
Other	\$ -	\$ -	\$ -	0.0%
2021 Calculated Accumulation	\$ 8,821,449	\$ 5,081,462	\$ (3,739,987)	-42.4%

SJVIA may still be realizing SJVIA covered members receiving services which were postponed due to COVID, which resulted in a higher-than-normal volume of large claims experience, or higher large claim volume unrelated to COVID. Keenan will continue to monitor the claims experience to detect any trends.

The Anthem self-funded medical plans show an accumulated deficit position of \$1,398,284 for a 101.7% total cost loss ratio.

The Delta Dental self-funded dental plan shows an accumulated surplus position of \$466,009 for a 90.2% total cost loss ratio.

The vision plan remains fully insured and shows an accumulated position of \$50,882 for a 93.1% total cost loss ratio. Under the fully insured arrangement all deficit or surplus positions remain with the carrier.

For 2021, the County of Fresno is continuing with two strategies to keep the EPO affordable for its membership:

1. The County cross subsidizes plan costs between the EPO, PPO and High Deductible Health Plans (HDHP). The EPO is in a -\$4,224,167 deficit position, while the County of Fresno inclusive of all plans has an accumulated deficit position of -\$1,045,204.
2. The County realized a surplus accumulation of \$396,414.
3. The County's EPO/Kaiser parity strategy sets the EPO and Kaiser rates equivalent. This strategy provides margin on the Kaiser rates which funds a parity reserve to offset deficits to the EPO plan. Through 2021, the Kaiser parity reserve accumulated \$2,469,507.
4. The County of Fresno applies a margin to all plans including Kaiser to assist the County and SJVIA in improving its accumulation position. The cumulative Kaiser margin reserve is \$788,665 through 2021.
5. Collectively the strategies implemented by the County of Fresno have resulted in a net accumulated position through 2021 of \$2,609,382 for the SJVIA.

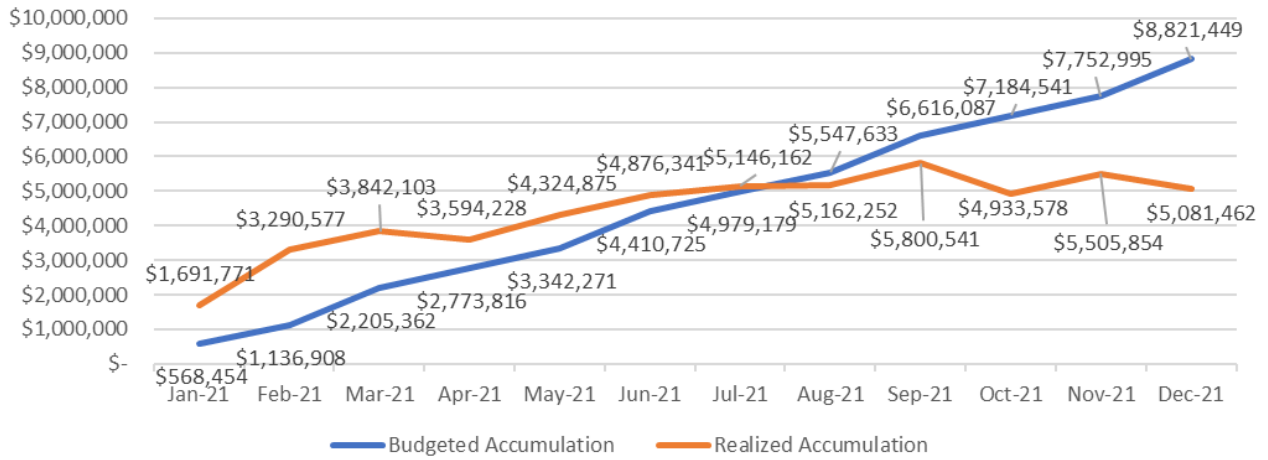
For 2021, the County of Tulare had margin built into the self-funded medical and dental rates to provide coverage for adverse claim activity. No further surplus accumulation strategies are in place.

1. The County realized an accumulated deficit positions on its medical plans of -\$353,080.
2. The County realized an accumulated surplus position on its dental plan of \$69,594.
3. Collectively the plan performance of the County of Tulare plans realized a deficit position on the year of -\$283,486 for the SJVIA.

The SJVIA received the fourth quarter (April - June 2021) prescription drug rebate for \$694,892 (\$194,892 above the budgeted amount). This amount is accounted for in the December accumulated position.

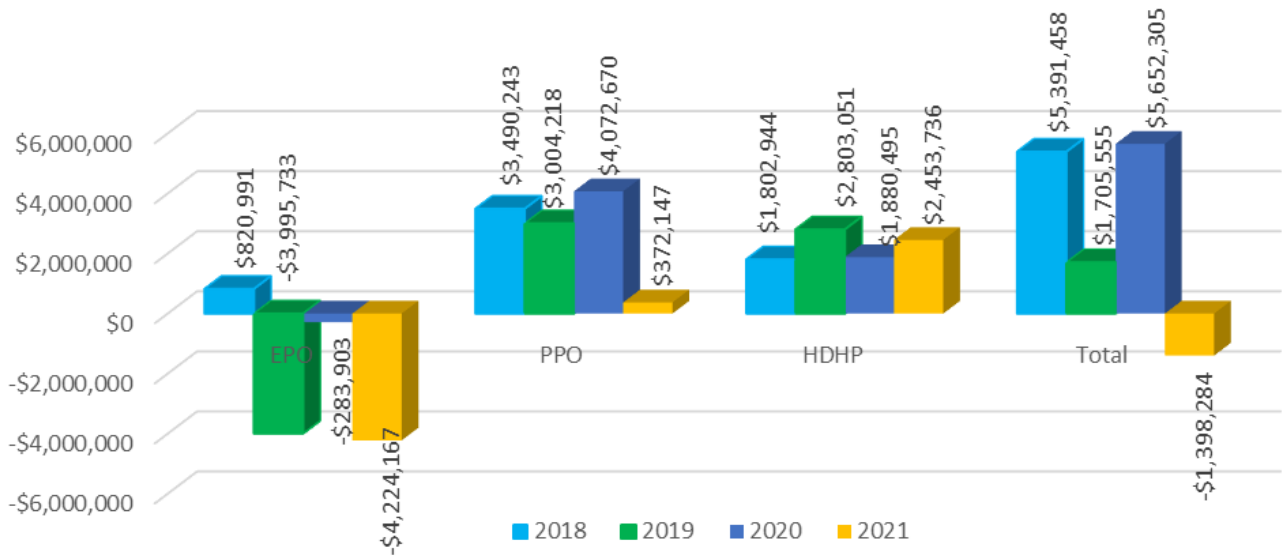
The SJVIA has an annual accumulative position for 2021 of \$5,081,462 or 57.6% of the budgeted accumulative position of \$8,821,449 for the 2021 plan year. Actual accumulations fell \$3,739,987 short of the budgeted accumulation.

Accumulation Comparison

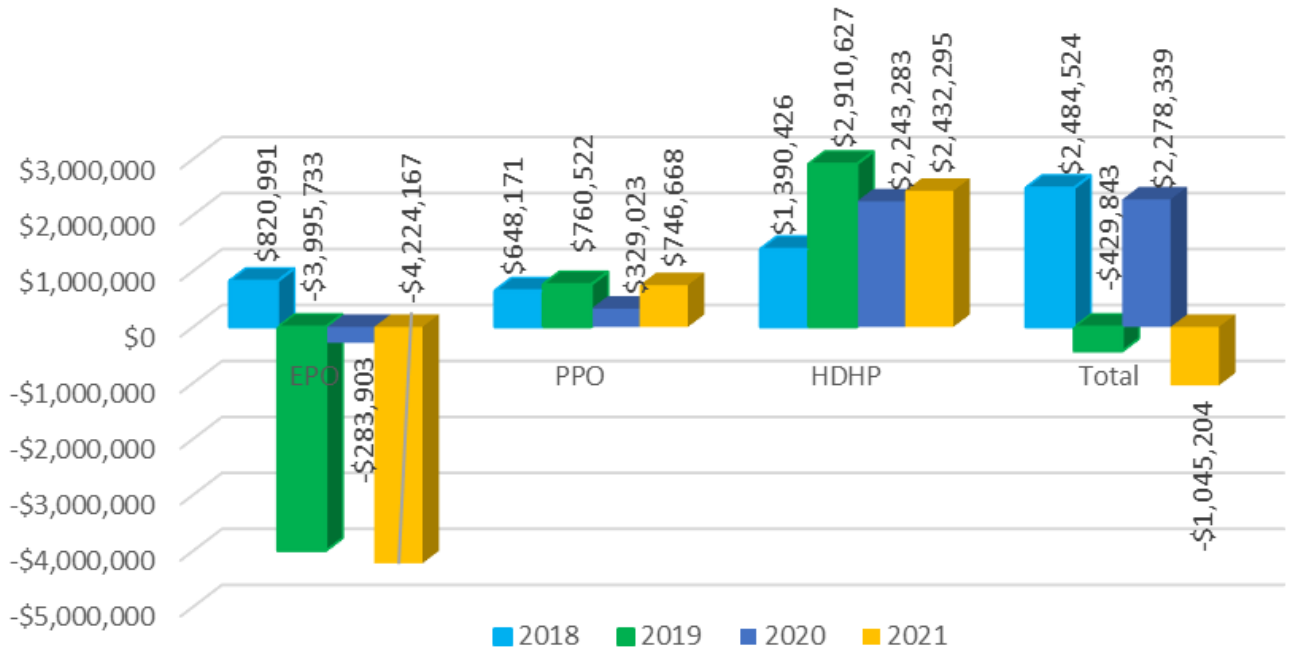


Please note that this is the consultant’s report and prior to allocating funds for IBNR, the stabilization reserve, and to provide loan repayment, the SJVIA Auditor will provide the unaudited cash position based on actual revenue received and actual expenses paid.

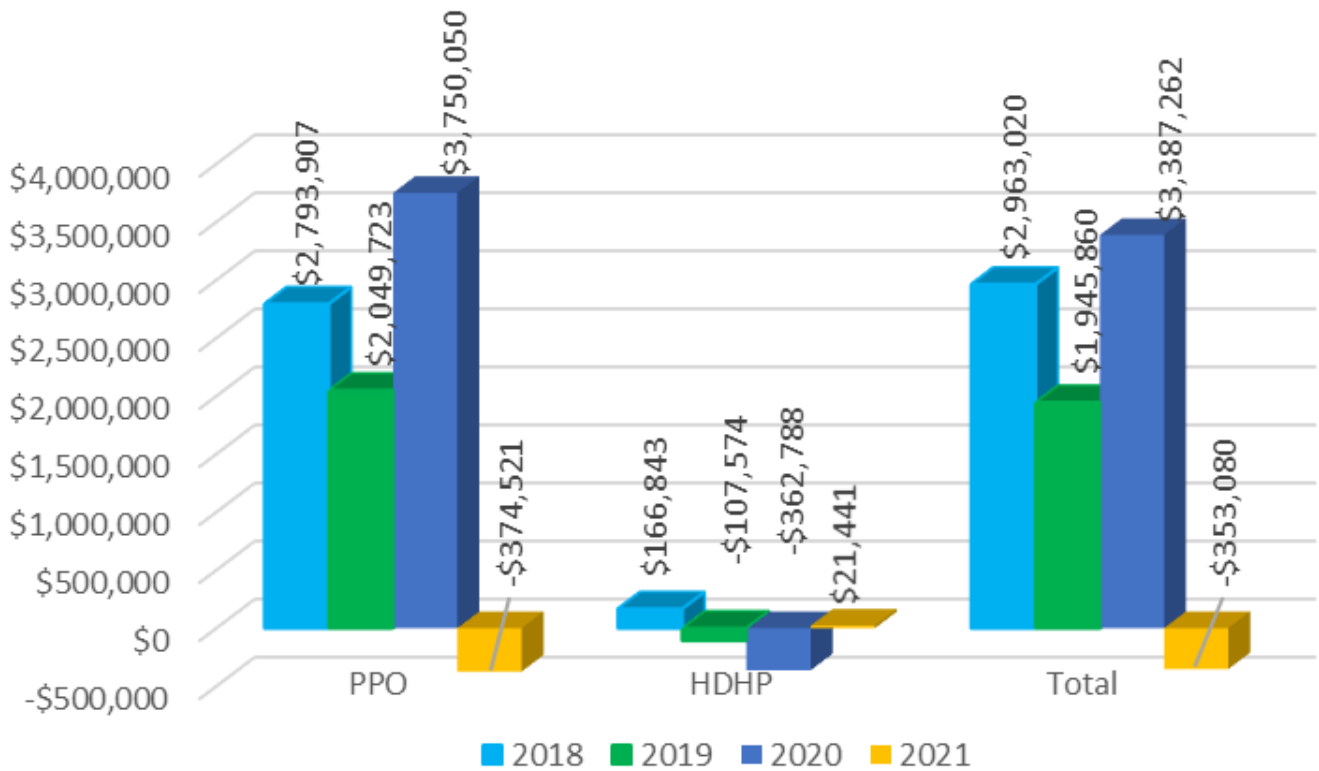
SJVIA - 2018 to 2021



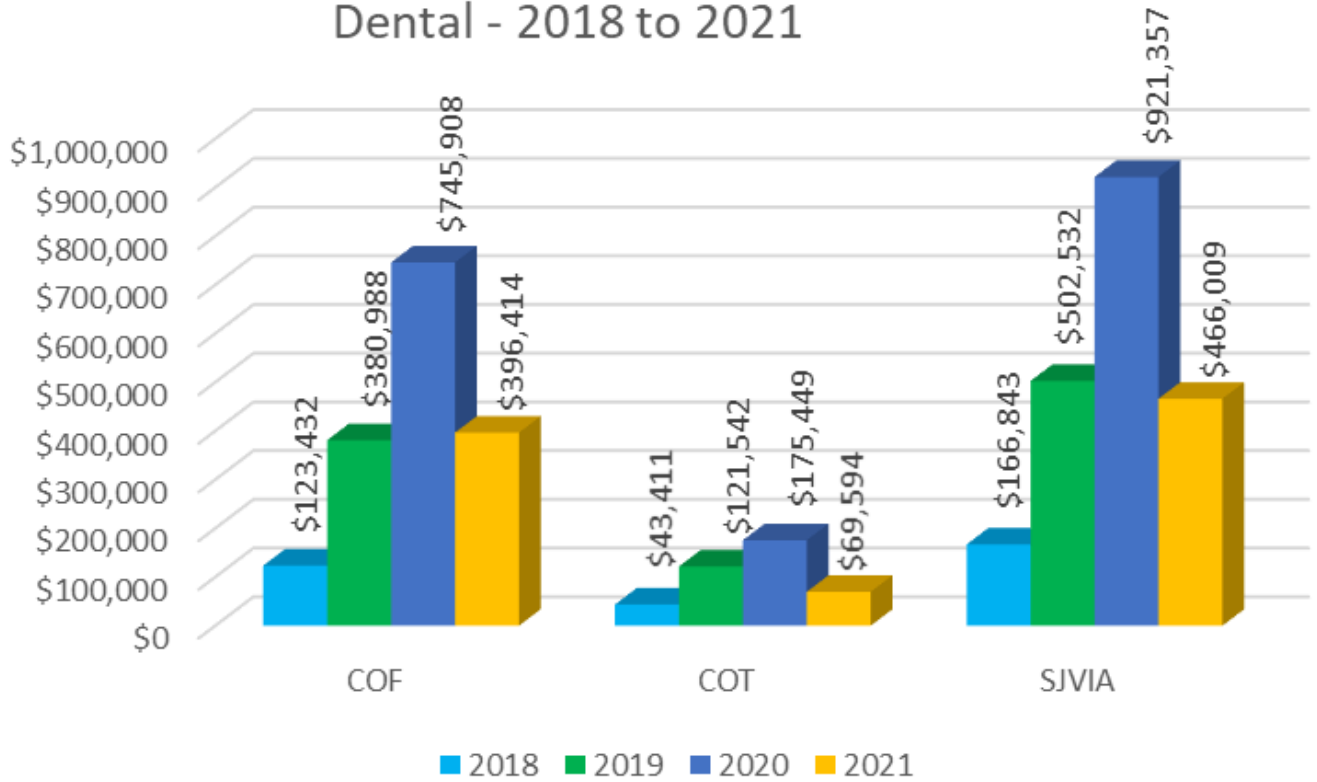
County of Fresno - 2018 to 2021



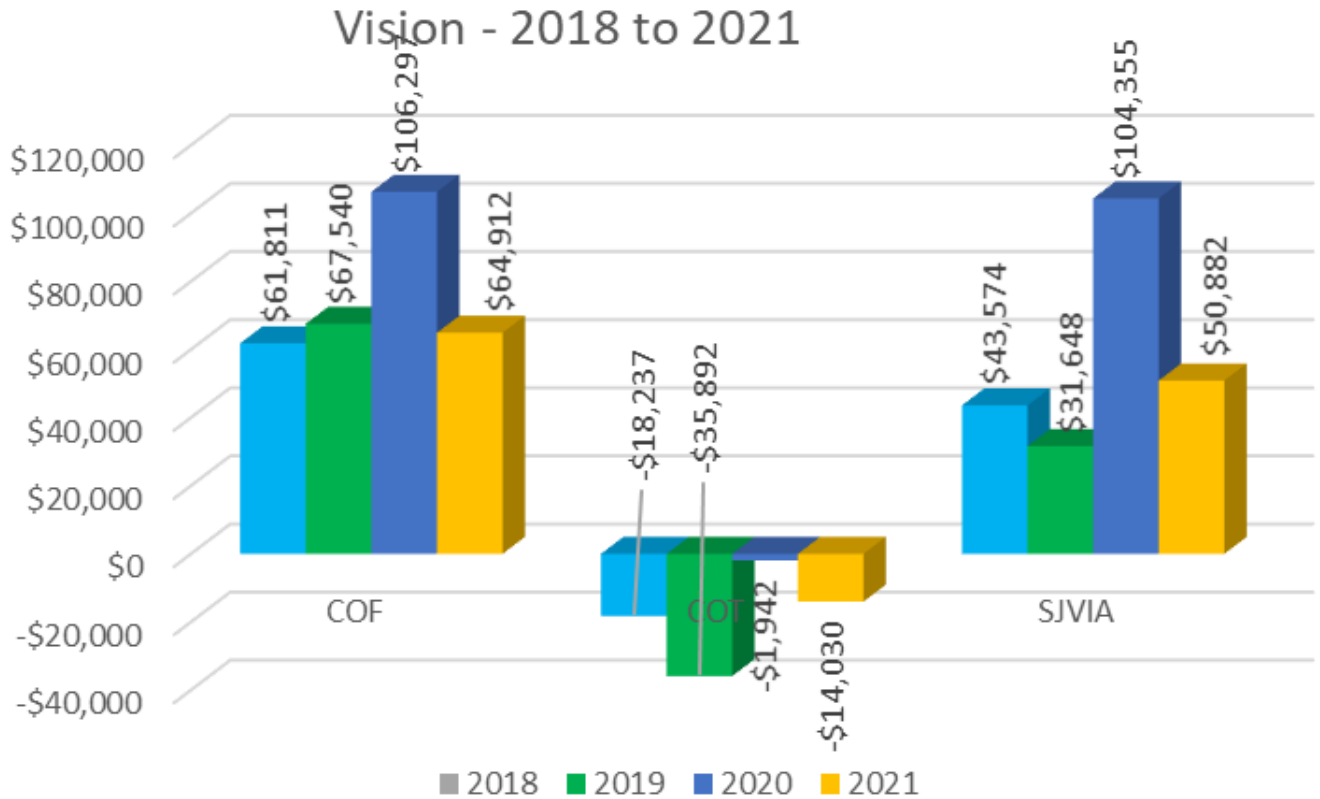
County of Tulare - 2018 to 2021



Dental - 2018 to 2021



Vision - 2018 to 2021



Budget vs. Calculated Accumulation													
2020	January	February	March	April	May	June	July	August	September	October	November	December	Total
Budget													
Plan Experience (Medical)	\$ 168,530	\$ 168,530	\$ 168,530	\$ 168,530	\$ 168,530	\$ 168,530	\$ 168,530	\$ 168,530	\$ 168,530	\$ 168,530	\$ 168,530	\$ 168,530	\$ 2,022,355
Plan Experience (Dental)	\$ 6,991	\$ 6,991	\$ 6,991	\$ 6,991	\$ 6,991	\$ 6,991	\$ 6,991	\$ 6,991	\$ 6,991	\$ 6,991	\$ 6,991	\$ 6,991	\$ 83,897
Kaiser Accumulation	\$ 68,981	\$ 68,981	\$ 68,981	\$ 68,981	\$ 68,981	\$ 68,981	\$ 68,981	\$ 68,981	\$ 68,981	\$ 68,981	\$ 68,981	\$ 68,981	\$ 827,773
Kaiser EPO Parity Accumulation	\$ 168,307	\$ 168,307	\$ 168,307	\$ 168,307	\$ 168,307	\$ 168,307	\$ 168,307	\$ 168,307	\$ 168,307	\$ 168,307	\$ 168,307	\$ 168,307	\$ 2,019,689
Prescription Drug Rebates	\$ -	\$ -	\$ 400,000	\$ -	\$ -	\$ 400,000	\$ -	\$ -	\$ 400,000	\$ -	\$ -	\$ 400,000	\$ 1,600,000
2020 Budgeted Accumulation	\$ 412,810	\$ 412,810	\$ 812,810	\$ 412,810	\$ 412,810	\$ 812,810	\$ 412,810	\$ 412,810	\$ 812,810	\$ 412,810	\$ 412,810	\$ 812,810	\$ 6,553,714
Calculated													
Plan Experience (Medical)	\$ 719,955	\$ 1,022,844	\$ (107,282)	\$ 961,782	\$ 1,013,371	\$ 1,186,760	\$ 229,036	\$ (485,775)	\$ 325,160	\$ 147,490	\$ 169,133	\$ 469,831	\$ 5,652,305
Plan Experience (Dental)	\$ 7,830	\$ (1,602)	\$ 71,933	\$ 244,874	\$ 251,996	\$ 117,106	\$ (2,167)	\$ 83,889	\$ 58,852	\$ (27,210)	\$ 70,676	\$ 45,180	\$ 921,357
Kaiser Accumulation	\$ 67,723	\$ 67,721	\$ 67,742	\$ 67,653	\$ 68,624	\$ 69,209	\$ 68,940	\$ 68,709	\$ 68,821	\$ 68,339	\$ 68,317	\$ 68,542	\$ 820,340
Kaiser EPO Parity Accumulation	\$ 300,988	\$ 301,602	\$ 301,286	\$ 300,610	\$ 305,046	\$ 307,708	\$ 305,644	\$ 304,548	\$ 305,603	\$ 303,806	\$ 303,745	\$ 304,353	\$ 3,644,938
Prescription Drug Rebates	\$ -	\$ 444,726	\$ -	\$ -	\$ 465,054	\$ -	\$ 473,497	\$ 546,922	\$ -	\$ 578,620	\$ -	\$ -	\$ 2,508,819
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 111,779	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 111,779
2020 Calculated Accumulation	\$ 1,096,496	\$ 1,835,290	\$ 333,678	\$ 1,574,919	\$ 2,104,091	\$ 1,792,562	\$ 1,074,950	\$ 518,293	\$ 758,436	\$ 1,071,045	\$ 611,871	\$ 887,906	\$ 13,659,539
2021	January	February	March	April	May	June	July	August	September	October	November	December	Total
Budget													
Plan Experience (Medical)	\$ 230,104	\$ 230,104	\$ 230,104	\$ 230,104	\$ 230,104	\$ 230,104	\$ 230,104	\$ 230,104	\$ 230,104	\$ 230,104	\$ 230,104	\$ 230,104	\$ 2,761,249
Plan Experience (Dental)	\$ 6,076	\$ 6,076	\$ 6,076	\$ 6,076	\$ 6,076	\$ 6,076	\$ 6,076	\$ 6,076	\$ 6,076	\$ 6,076	\$ 6,076	\$ 6,076	\$ 72,913
Kaiser Accumulation	\$ 67,658	\$ 67,658	\$ 67,658	\$ 67,658	\$ 67,658	\$ 67,658	\$ 67,658	\$ 67,658	\$ 67,658	\$ 67,658	\$ 67,658	\$ 67,658	\$ 811,898
Kaiser EPO Parity Accumulation	\$ 264,616	\$ 264,616	\$ 264,616	\$ 264,616	\$ 264,616	\$ 264,616	\$ 264,616	\$ 264,616	\$ 264,616	\$ 264,616	\$ 264,616	\$ 264,616	\$ 3,175,390
Prescription Drug Rebates	\$ -	\$ -	\$ 500,000	\$ -	\$ -	\$ 500,000	\$ -	\$ -	\$ 500,000	\$ -	\$ -	\$ 500,000	\$ 2,000,000
2021 Budgeted Accumulation	\$ 568,454	\$ 568,454	\$ 1,068,454	\$ 568,454	\$ 568,454	\$ 1,068,454	\$ 568,454	\$ 568,454	\$ 1,068,454	\$ 568,454	\$ 568,454	\$ 1,068,454	\$ 8,821,449
Calculated													
Plan Experience (Medical)	\$ 1,353,029	\$ 1,298,026	\$ 279,275	\$ (485,754)	\$ (331,137)	\$ (461,172)	\$ (1,373)	\$ (322,615)	\$ (306,160)	\$ (1,214,629)	\$ 223,704	\$ (1,429,478)	\$ (1,398,284)
Plan Experience (Dental)	\$ 64,691	\$ 26,113	\$ (1,592)	\$ (35,574)	\$ 37,376	\$ 94,161	\$ (1,159)	\$ 66,369	\$ 9,334	\$ 77,344	\$ 83,324	\$ 45,621	\$ 466,009
Kaiser Accumulation	\$ 66,307	\$ 66,453	\$ 66,255	\$ 66,166	\$ 65,959	\$ 66,167	\$ 65,943	\$ 65,952	\$ 65,688	\$ 65,449	\$ 64,245	\$ 64,081	\$ 788,665
Kaiser EPO Parity Accumulation	\$ 207,743	\$ 208,215	\$ 207,587	\$ 207,287	\$ 206,687	\$ 207,226	\$ 206,410	\$ 206,384	\$ 205,598	\$ 204,873	\$ 201,003	\$ 200,492	\$ 2,469,507
Prescription Drug Rebates	\$ -	\$ -	\$ -	\$ -	\$ 751,762	\$ 645,084	\$ -	\$ -	\$ 663,828	\$ -	\$ -	\$ 694,892	\$ 2,755,566
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021 Calculated Accumulation	\$ 1,691,771	\$ 1,598,807	\$ 551,526	\$ (247,875)	\$ 730,647	\$ 551,466	\$ 269,821	\$ 16,090	\$ 638,289	\$ (866,963)	\$ 572,276	\$ (424,392)	\$ 5,081,462

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