



BOARD OF DIRECTORS

STEVE BRANDAU
NATHAN MAGSIG
BUDDY MENDES
LARRY MICARI
BRIAN PACHECO
AMY SHUKLIAN
PETE VANDER POEL

**Meeting Location:
County of Fresno
Board of Supervisors Chambers
2281 Tulare Street, #301
Fresno, CA 93721**

AGENDA DATE: February 18, 2022

ITEM NUMBER: Item 13

SUBJECT: Receive and Accept Consultant's SJVIA Actuarially Certified Incurred But Not Reported (IBNR) Reserve Report as of December 31, 2021 and Maintain the Fully-Funded Status of the IBNR Reserve (A)

REQUEST(S): That the Board receive the consultant's SJVIA Actuarially Certified IBNR Report as of December 31, 2021 and approve an increase of \$1,169,530 to the IBNR reserve to maintain the fully funded status at \$8,450,550, and that the Board approve the \$1,169,530 be taken from surplus margin accumulation and not be built into the 2023 rates.

DESCRIPTION:

IBNR reserve calculates the outstanding liability for claims that have been incurred but have not yet been paid. The SJVIA Board has directed staff to maintain a fully funded IBNR reserve. The SJVIA IBNR reserve is calculated for each participating entity (the County of Fresno and the County of Tulare) and is based on actuarial models.

For the December 31, 2021 valuation date, the total IBNR reserve liability is \$8,450,550 for medical, prescription drugs, and dental. This is an increase of \$1,169,530 from the June 31, 2021 actuarially certified IBNR reserve of \$7,281,020.

FISCAL IMPACT/FINANCING:

The IBNR reserve liability for the self-funded medical, prescription drugs, and the dental PPO coverage program increased by \$1,169,530 from \$7,281,020 on the June 30, 2021 valuation date to \$8,450,550 on the December 31, 2021 valuation date. The December 31, 2021 valuation amount includes a 15% or \$1,102,248 margin.

AGENDA: San Joaquin Valley Insurance Authority

DATE: February 18, 2022

ADMINISTRATIVE SIGN-OFF:



Hollis Magill
SJVIA Manager



Lupe Garza
SJVIA Assistant Manager