

May 6, 2022

SJVIA Board Meeting: Consultant’s Report 2022 Plan Experience (Medical, Dental, and Vision) Through February 2022

The following pages provide a summary of the plan experience from January 1 through February 28, 2022 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 -\$110,788 through February 2022.

| Accumulation | COF | COT | Total |
|------------------|--------------|--------------|--------------|
| Medical | \$ (152,468) | \$ (138,640) | \$ (291,108) |
| Dental | \$ 151,725 | \$ 28,595 | \$ 180,320 |
| Total | \$ (743) | \$ (110,045) | \$ (110,788) |
| Vision (Insured) | \$ 15,620 | \$ 510 | \$ 16,130 |
| Loss Ratio | | | |
| Medical | 101.7% | 103.0% | 102.2% |
| Dental | 73.0% | 88.0% | 77.5% |
| Vision | 82.6% | 98.5% | 87.0% |

The February position is a -\$110,788 deficit position over the first two months of 2022. Both counties have a medical loss ratio above 100%. Please note that the County of Tulare includes 0.0% margin in its rates while the County of Fresno reduced its margin requirement to 1.5% from 3.0% for 2022 in an effort to curb reserve accumulation.

The Anthem self-funded medical plans show an accumulated deficit position of -\$291,108 for a 102.2% total cost loss ratio.

The Delta Dental self-funded dental plan shows an accumulated surplus position of \$180,320 for a 77.5% total cost loss ratio.

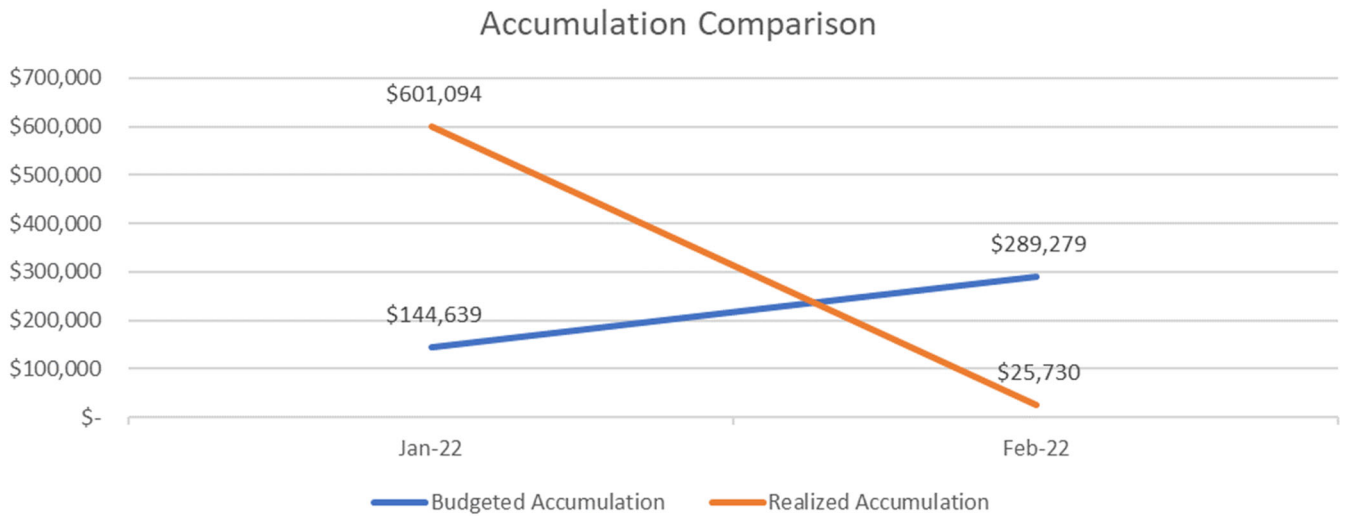
The vision plan remains fully insured and shows an accumulated position of \$16,130 for an 87.0% total cost loss ratio. Under the fully insured arrangement all deficit or surplus positions remain with the carrier.

For 2022, the County of Fresno discontinued two PPO plans with marginal enrollment and added two EPO plans containing greater cost share features with covered members. The result over the first two months has been a modest reserve buildup of \$13,397.

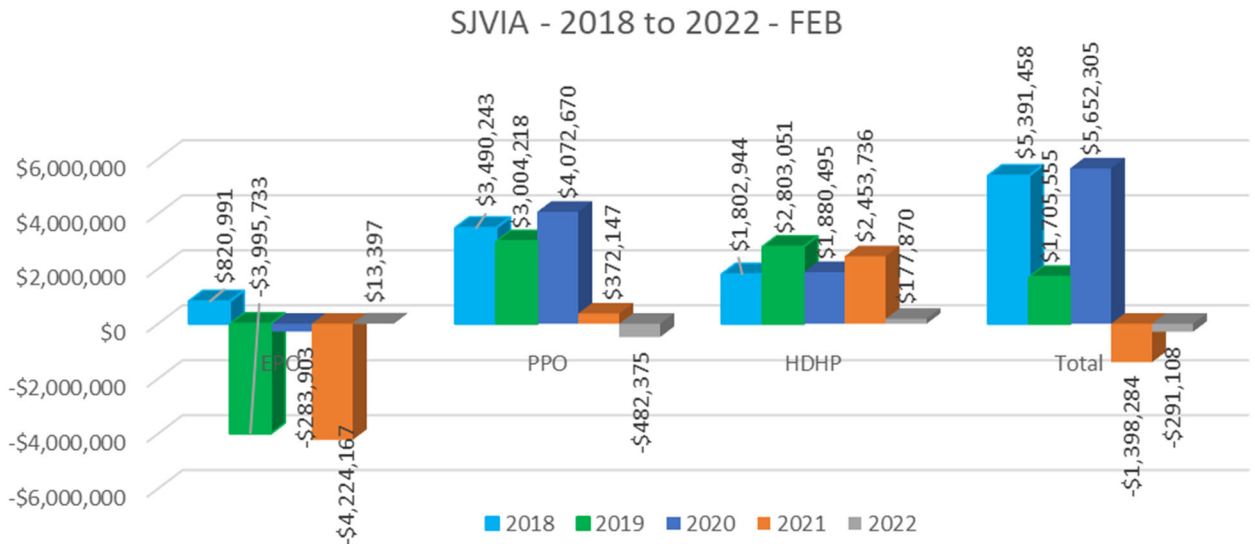
The County continues its cross-subsidy strategy between the EPO, PPO and High Deductible Health Plans (HDHP) and the EPO/Kaiser parity strategy setting the EPO and Kaiser rates equivalent.

Based on the 2022 renewals implemented, Keenan projects a reserve accumulation of \$4,135,672 including \$2,400,000 in prescription drug rebates.

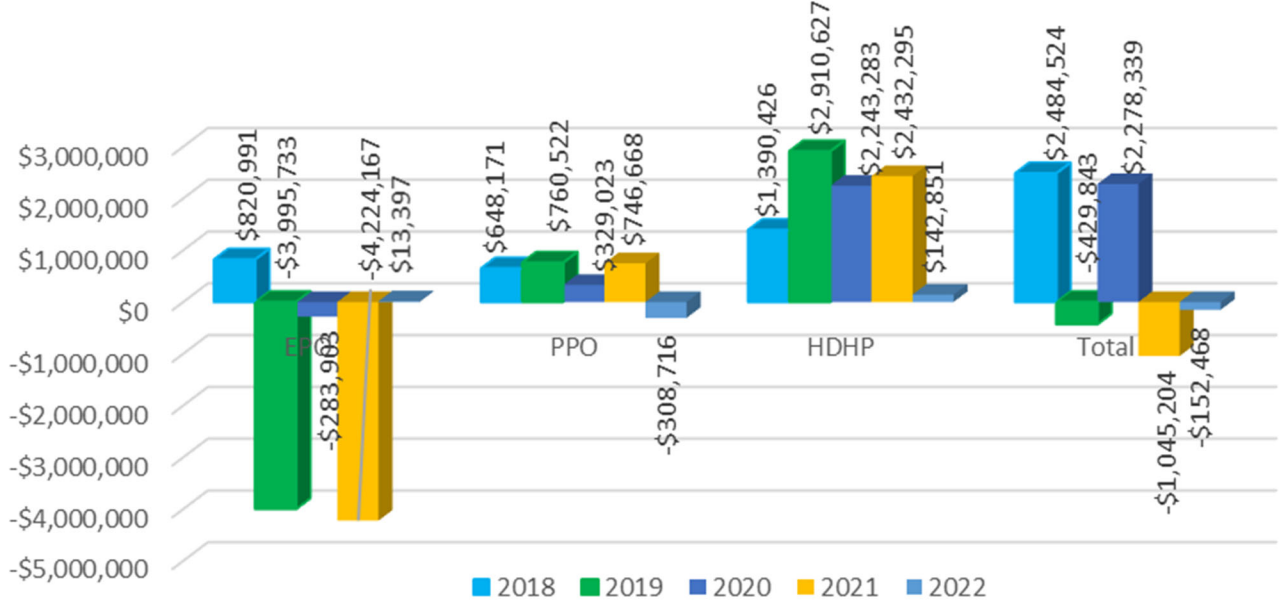
Over the first two months of the year a budgeted accumulation of \$289,279 was projected (7.0% of budget), while \$25,730 was realized (0.6% of the budget).



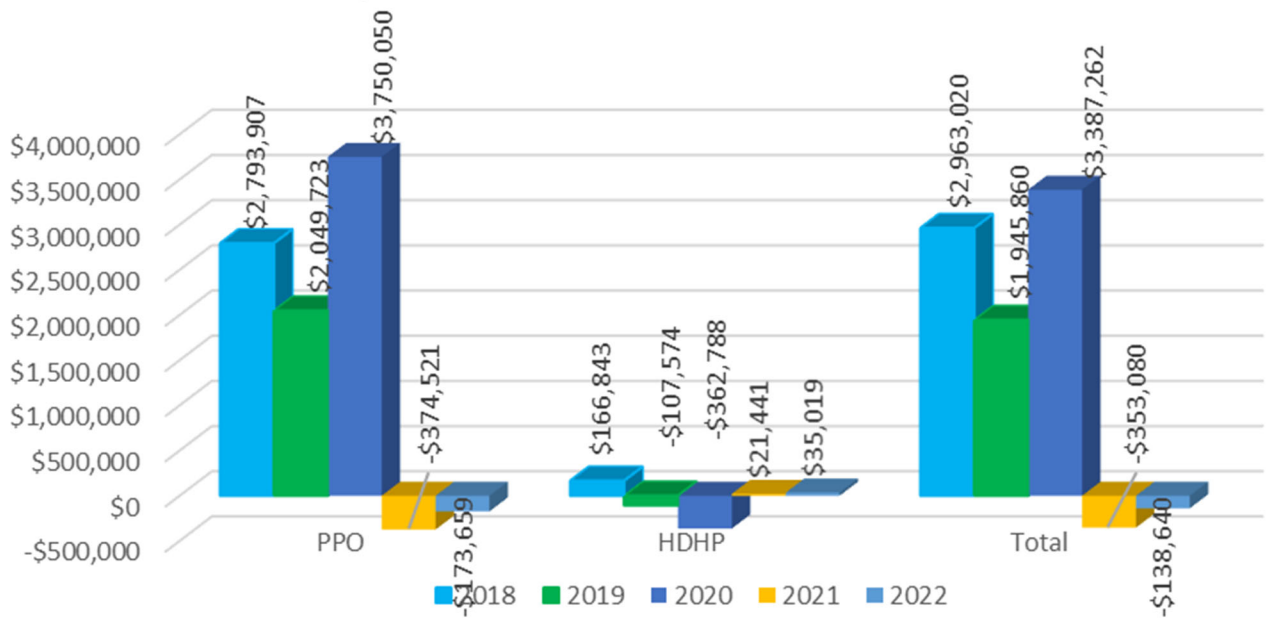
Please note that this is the consultant’s report and prior to allocating funds for IBNR, the stabilization reserve, and to provide loan repayment, the SJVIA Auditor will provide the unaudited cash position based on actual revenue received and actual expenses paid.



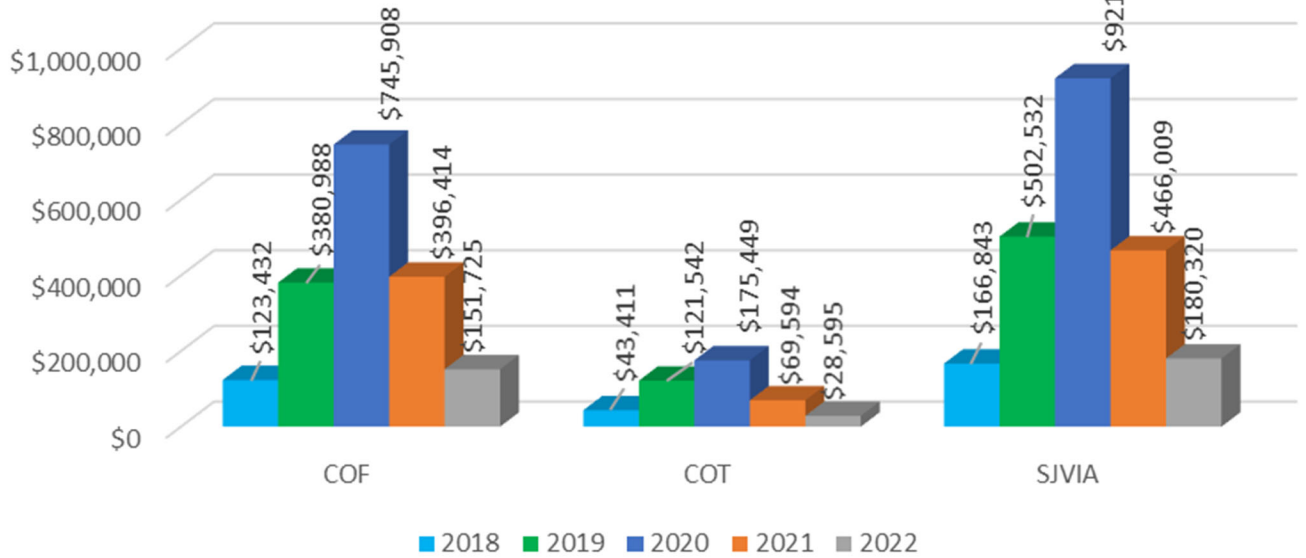
County of Fresno - 2018 to 2022 - FEB



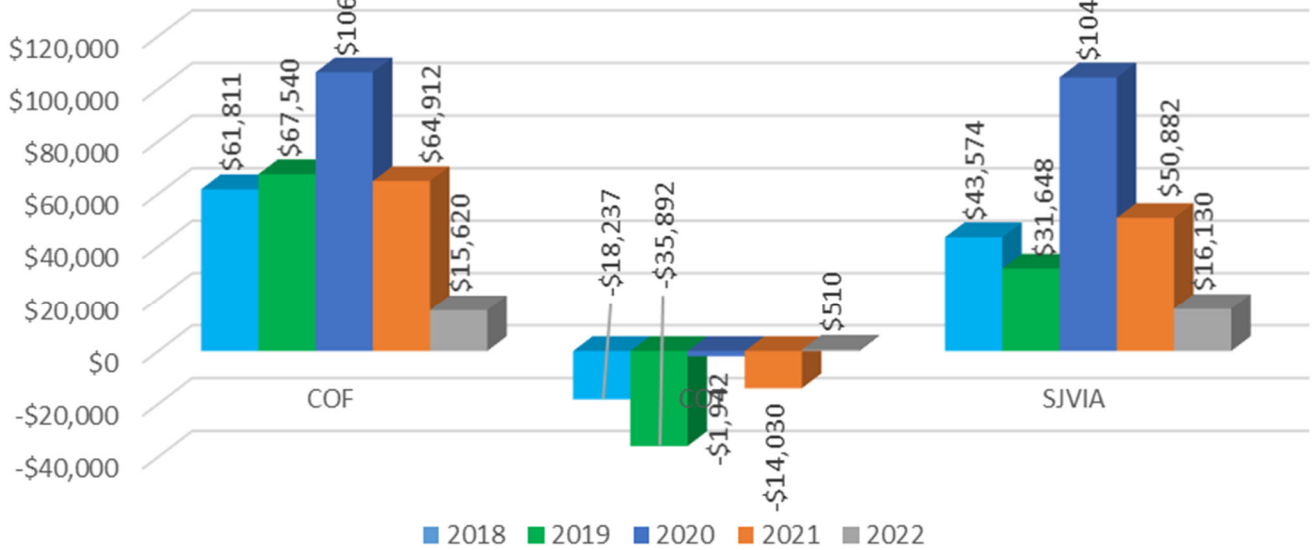
County of Tulare - 2018 to 2022 - FEB



Dental - 2018 to 2022 - FEB



Vision - 2018 to 2022 - FEB



| 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 |
| 2022 | January | February | March | April | May | June | July | August | September | October | November | December | Total |
| Budget | | | | | | | | | | | | | |
| Plan Experience (Medical) | \$ 62,242 | \$ 62,242 | \$ 62,242 | \$ 62,242 | \$ 62,242 | \$ 62,242 | \$ 62,242 | \$ 62,242 | \$ 62,242 | \$ 62,242 | \$ 62,242 | \$ 62,242 | \$ 746,903 |
| Plan Experience (Dental) | \$ 5,584 | \$ 5,584 | \$ 5,584 | \$ 5,584 | \$ 5,584 | \$ 5,584 | \$ 5,584 | \$ 5,584 | \$ 5,584 | \$ 5,584 | \$ 5,584 | \$ 5,584 | \$ 67,005 |
| Kaiser Accumulation | \$ 38,565 | \$ 38,565 | \$ 38,565 | \$ 38,565 | \$ 38,565 | \$ 38,565 | \$ 38,565 | \$ 38,565 | \$ 38,565 | \$ 38,565 | \$ 38,565 | \$ 38,565 | \$ 462,781 |
| Kaiser EPO Parity Accumulation | \$ 38,249 | \$ 38,249 | \$ 38,249 | \$ 38,249 | \$ 38,249 | \$ 38,249 | \$ 38,249 | \$ 38,249 | \$ 38,249 | \$ 38,249 | \$ 38,249 | \$ 38,249 | \$ 458,983 |
| Prescription Drug Rebates | \$ - | \$ - | \$ 600,000 | \$ - | \$ - | \$ 600,000 | \$ - | \$ - | \$ 600,000 | \$ - | \$ - | \$ 600,000 | \$ 2,400,000 |
| 2022 Budgeted Accumulation | \$ 144,639 | \$ 144,639 | \$ 744,639 | \$ 144,639 | \$ 144,639 | \$ 744,639 | \$ 144,639 | \$ 144,639 | \$ 744,639 | \$ 144,639 | \$ 144,639 | \$ 744,639 | \$ 4,135,672 |
| Calculated | | | | | | | | | | | | | |
| Plan Experience (Medical) | \$ 416,646 | \$ (707,754) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (291,108) |
| Plan Experience (Dental) | \$ 115,834 | \$ 64,486 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 180,320 |
| Kaiser Accumulation | \$ 34,185 | \$ 33,794 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 67,979 |
| Kaiser EPO Parity Accumulation | \$ 34,429 | \$ 34,110 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 68,538 |
| Prescription Drug Rebates | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 Calculated Accumulation | \$ 601,094 | \$ (575,364) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 25,730 |

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.