



BOARD OF DIRECTORS

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

**Meeting Location:
County of Tulare
Human Resources & Development Dept.
Innovation Conference Room
2500 W. Burrel Avenue
Visalia, CA 93291**

AGENDA DATE: August 26, 2022

ITEM NUMBER: Item 14

SUBJECT: Receive Consultant's Plan Year 2023 Underwriting Renewal Report, approve 2023 Rates and Fees, Authorize Consultant and SJVIA Staff to Negotiate Agreements, and President to Execute Agreements Subject to Approval of SJVIA Counsel and Staff (A)

REQUEST(S): That the Board finalize and approve Plan Year 2023 rates and fees, authorize consultant and SJVIA staff to negotiate agreements, and President to execute agreements subject to approval of SJVIA counsel and staff.

DESCRIPTION:

Keenan has prepared the proposal for the 2023 renewal for the SJVIA. The final renewal report updates the plan experience by one month, utilizing 12 months of data through June 2022. Keenan gave consideration to and implemented the following renewal factors:

- High claim cost smoothing strategy
- Margin adjustments
- Change in IBNR funding strategy
- Trend adjustments
- Cross subsidy strategy
- Reserve Accumulation Strategy
- EPO/Kaiser Parity strategy

These strategies resulted in a recommended rate adjustment of:

County of Fresno: +4.39% on the EPO and Kaiser plans, 0.00% on the PPO/HDHP, dental and vision coverage.

AGENDA: San Joaquin Valley Insurance Authority

DATE: August 26, 2022

County of Tulare: +5.00% on the PPO/HDHP plans, 2.64% on Kaiser plans, - 11.84% on KPSA, 0.00% on Dental and Vision coverage.

FISCAL IMPACT/FINANCING:

Based on underwriting requirements and carrier renewal requirements, the 2023 SJVIA renewal adjustment is 4.01% or \$4,806,034 (from \$119,978,682 in 2022 to \$124,784,716).

ADMINISTRATIVE SIGN-OFF:



Hollis Magill
SJVIA Manager



Lupe Garza
SJVIA Assistant Manager