

**Meeting Location:
County of Tulare
Board of Supervisors Chambers
2800 W. Burrel Avenue
Visalia, CA 93291**

AGENDA DATE: May 5, 2023

ITEM NUMBER: Item 9

SUBJECT: Receive Consultant's Medical, Dental, and Vision Experience Reports through February 2023 with Update on Projected Plan Experience Surplus Accumulation and Projections (I)

REQUEST(S): That the Board receive the Consultant's medical, dental, and vision experience reports through February 2023 and update on projected plan experience accumulation.

DESCRIPTION:

The Consultant's report shows that on a total cost basis from January through February 2023, the self-insured medical premium of \$14,502,681 exceeded the total cost of \$12,437,196 for an accumulation of \$2,065,485, or an 85.8% loss ratio.

For the self-insured dental, the report shows that on a total cost basis, the dental premium of \$801,982 exceeded total cost of \$676,507 for an accumulation of \$125,475 or an 84.4% loss ratio.

The vision plan remains fully insured and has an accumulation of \$12,342. Under the fully insured arrangement all deficit or surplus positions stay with the carrier.

Keenan has projected a \$6,513,479 accumulation for the 2023 plan year. The accumulation is built from premium exceeding plan costs, built-in margin on the Kaiser plan, prescription drug rebates, and other sources. After the first two months of 2023, the position is \$2,584,948, 39.7% of the projected annual total.

Please note this is the consultant's report. Prior to allocating funds for IBNR reserve and stabilization reserve, the SJVIA Auditor will provide the

AGENDA: San Joaquin Valley Insurance Authority

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unaudited reserve accumulation based on actual revenue received and actual expenses paid.

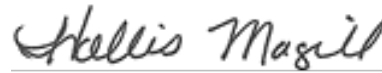
FISCAL IMPACT/FINANCING:

The 2023 plan year experience developed a \$2,065,485 medical surplus and a \$125,475 dental surplus for a total self-funded surplus of \$2,190,960. No prescription drug rebates have been received yet for 2023. The Kaiser reserve of \$65,968 and the Kaiser EPO parity reserve of \$328,020, brings the collective total reserve accumulation to a surplus of \$2,584,948 for the first two months of 2023. This is based on Consultant's report; the Auditor will provide the unaudited reserve accumulation based on actual revenue received and actual expenses paid.

ADMINISTRATIVE SIGN-OFF:



Lupe Garza
SJVIA Manager



Hollis Magill
SJVIA Assistant Manager