

May 05, 2023

SJVIA Board Meeting: Consultant’s Report 2023 Plan Experience (Medical, Dental, and Vision) through February 2023

The following pages provide a summary of the plan experience from January 1 through February 28, 2023 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 surplus position of (\$2,190,960) through February 2023. The County of Fresno has a \$1,941,764 surplus position and the County of Tulare has a \$249,196 surplus position prior to adjustments for Kaiser margin and parity, Prescription Drug Rebates and other adjustments.

Accumulation	COF	COT	Total
Medical	\$ 1,849,313	\$ 216,172	\$ 2,065,485
Dental	\$ 92,451	\$ 33,024	\$ 125,475
Total	\$ 1,941,764	\$ 249,196	\$ 2,190,960
Vision (Insure)	\$ 17,049	\$ (4,707)	\$ 12,342
Loss Ratio			
Medical	80.3%	88.5%	85.8%
Dental	83.3%	86.8%	84.4%
Vision	81.2%	113.2%	90.2%

The County of Tulare reduced its margin to 0.0% for 2022 and 2023. The County of Fresno has maintained a 1.5% for 2022 and 2023. These levels will be reconsidered for the 2024 renewal.

The Anthem self-funded medical plans show an accumulated surplus position of \$2,065,485 for a 85.8% total cost loss ratio.

The Delta Dental self-funded dental plan shows an accumulated surplus position of \$125,475 for an 84.4% total cost loss ratio.

The vision plan remains fully insured and shows an accumulated position of \$12,342 for a 90.2% total cost loss ratio. Under the fully insured arrangement all deficit or surplus positions remain with the carrier. SJVIA may want to consider going to a self-funded arrangement for 2024.

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

The County of Tulare has had greater than expected claim costs in 2022 driven by large claim cost. For the first two months of 2023 Tulare County has accumulated a surplus position.

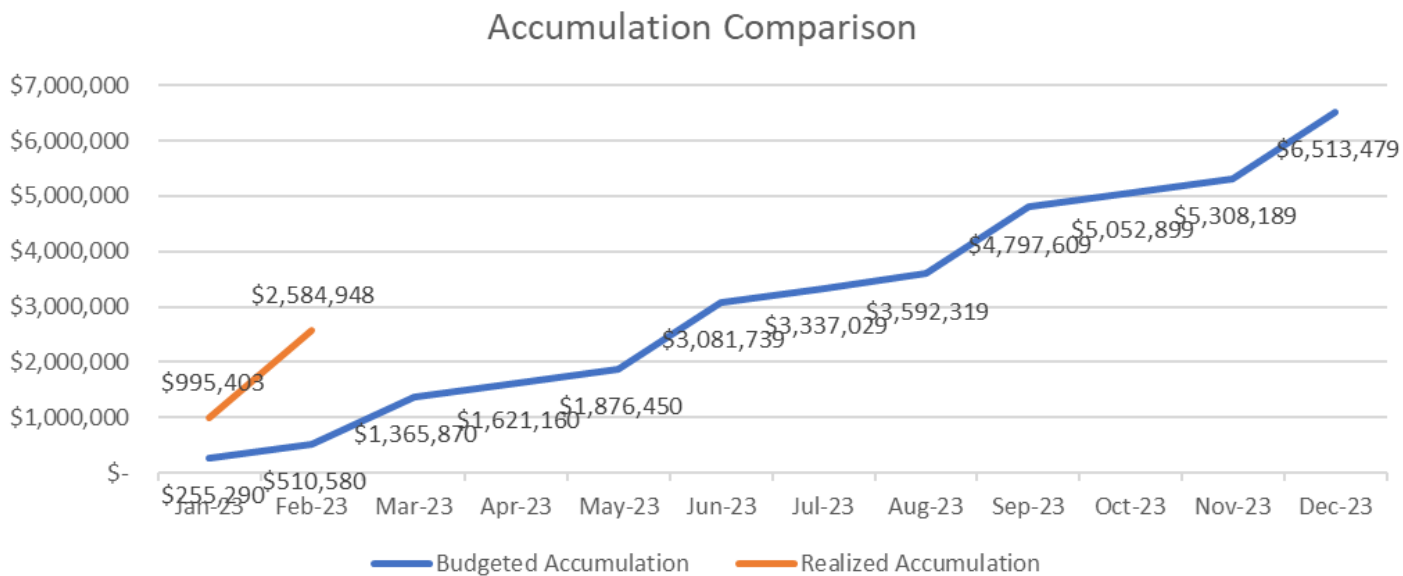
Keenan projects prescription drug rebates of \$3,450,000 for 2023. Rebates post quarterly and have not yet posted for 2023.

Fresno County budgeted Kaiser margin and EPO Parity margin in 2023 of \$2,197,502. Over the first two months, the SJVIA has realized \$393,988 (17.9% of the annual target).

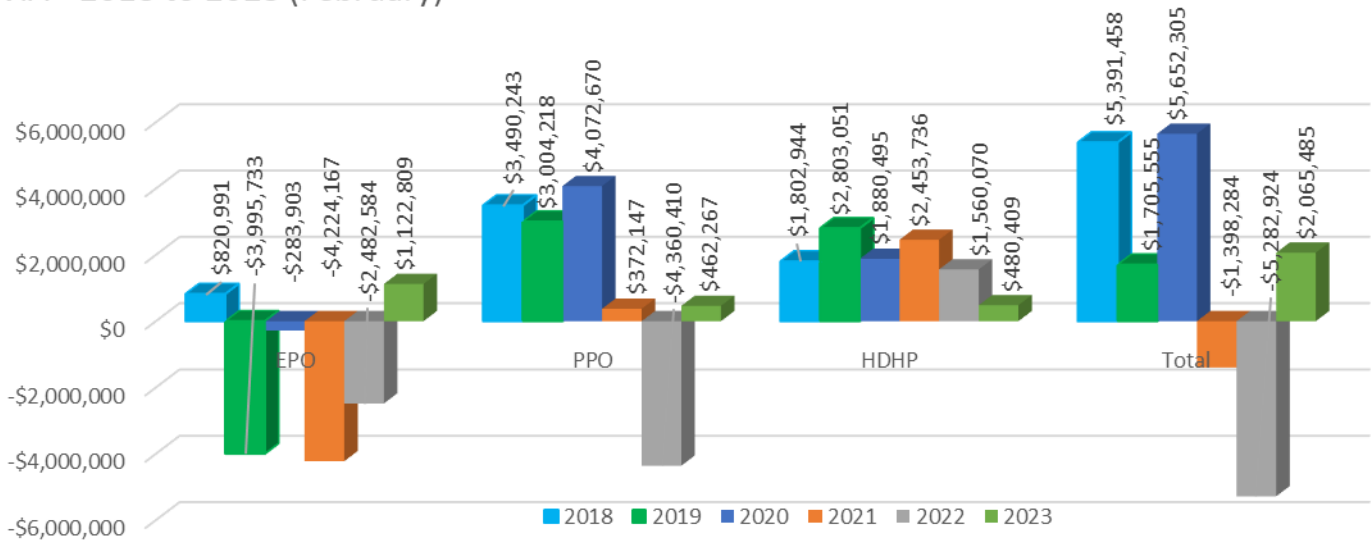
Over the first two months of 2023, the SJVIA has accumulated \$2,584,948 in margin (39.7% of the \$6,513,479 annual budget). Well ahead of the 16.7% the SJVIA was scheduled to be after two months.

Please note that due to the Anthem CMC provider network contract issues, CMC claims were held from January 1 through March 31. The SJVIA will see these claims realized through the direct contract the SJVIA entered into with CMC which is applied retrospectively back to January 1, 2023 and will be paid out in April, May and June (approximately \$1.15M including April, May, and June's claims). The new contract anticipates an additional \$2.3M in claims that were not budgeted for, but for which the margin accumulation should cover the additional cost.

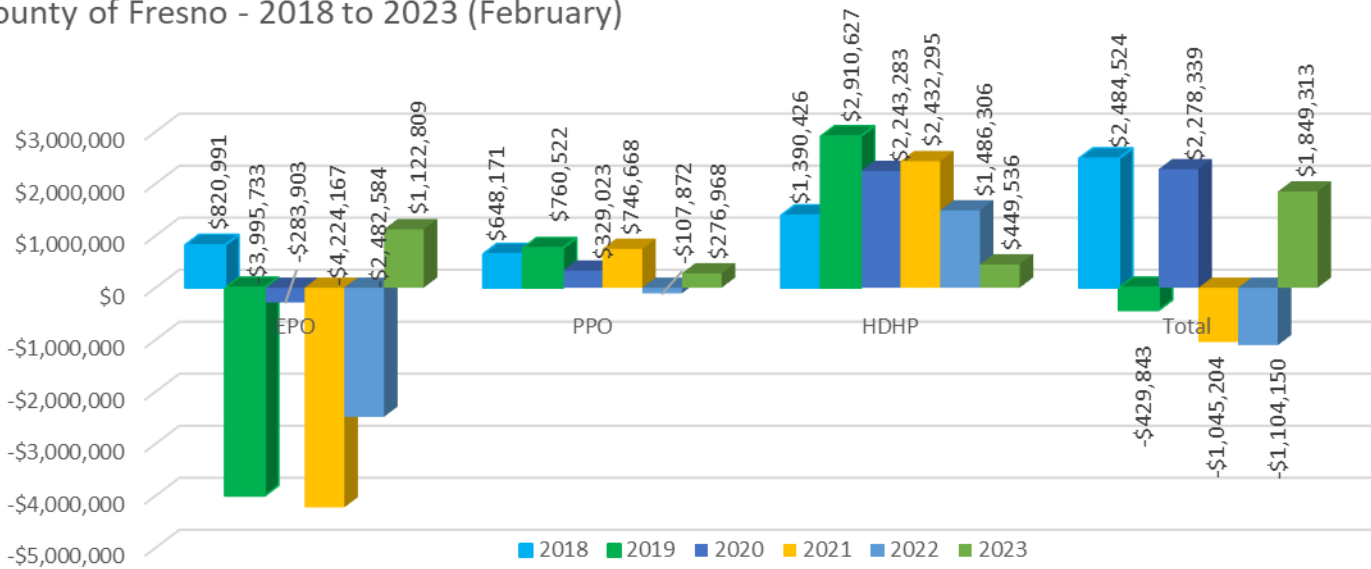
Please note, this is the consultant's report and prior to allocating funds for IBNR reserve and the stabilization reserve, the SJVIA Auditor will provide the unaudited cash position based on actual revenue received and actual expenses paid.



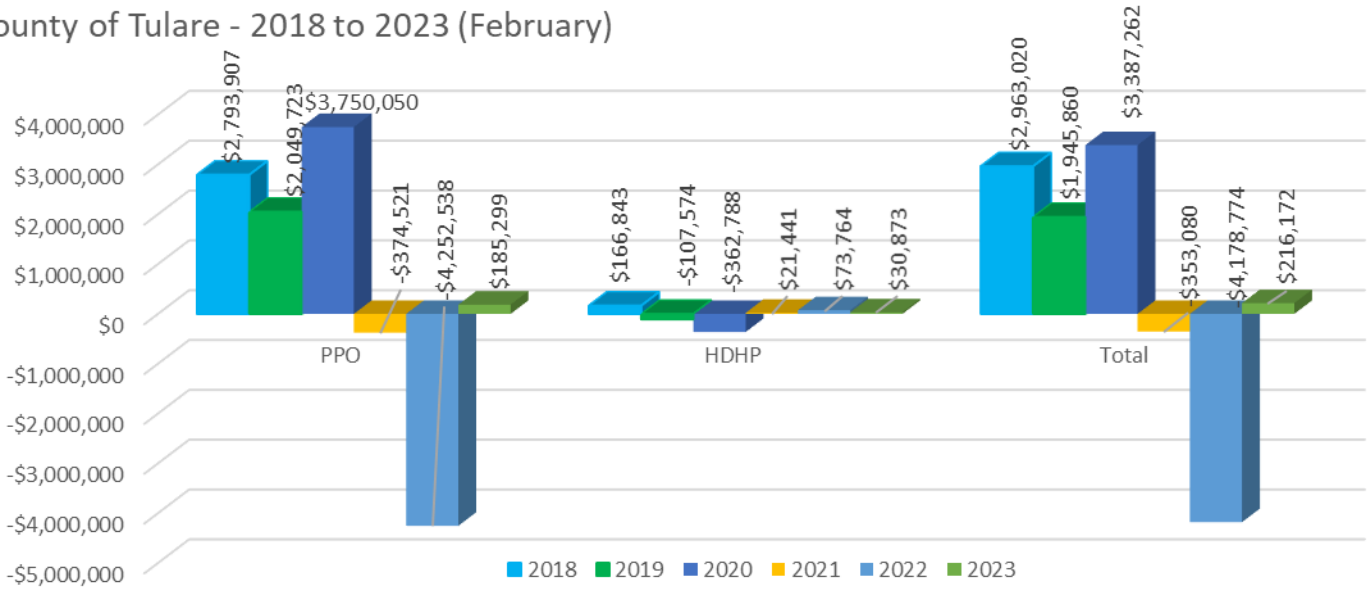
SJVIA - 2018 to 2023 (February)



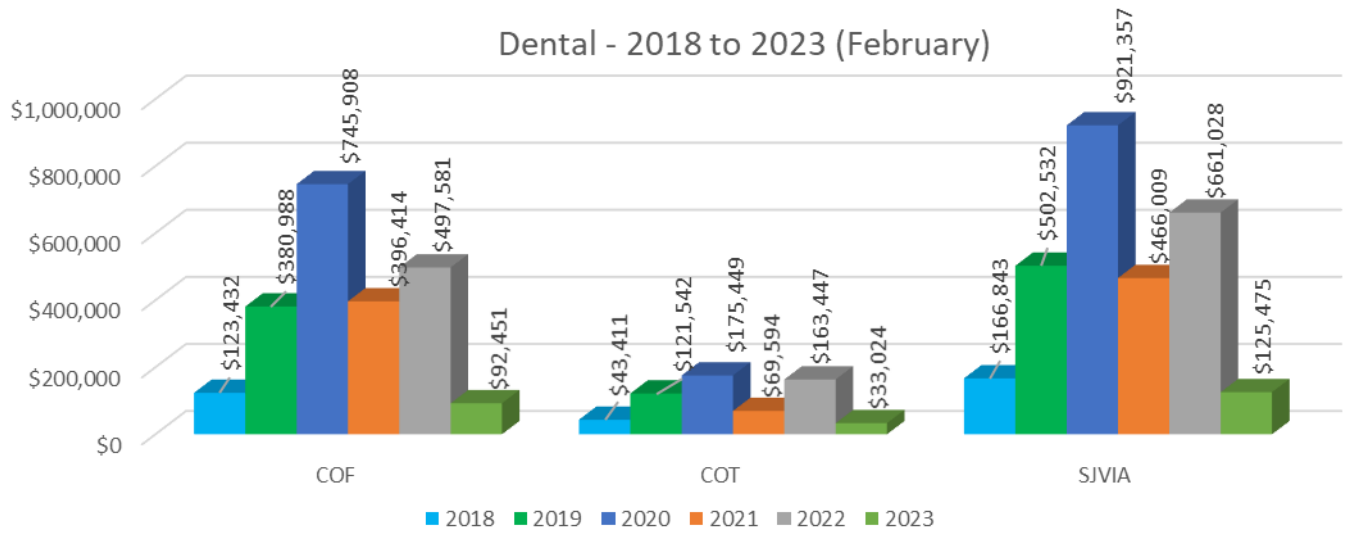
County of Fresno - 2018 to 2023 (February)

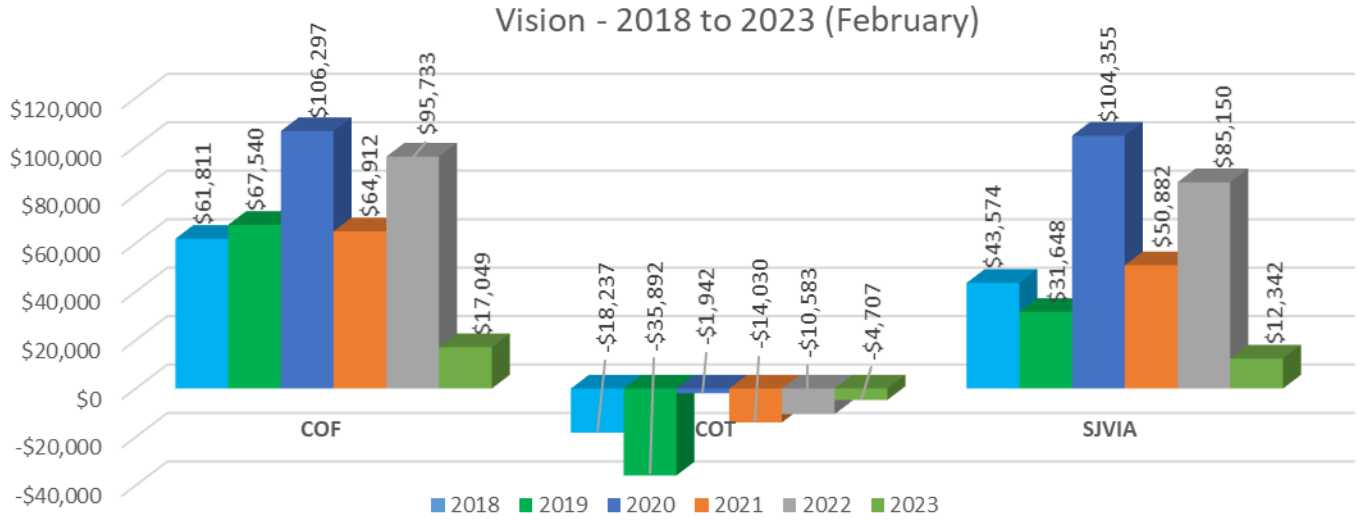


County of Tulare - 2018 to 2023 (February)



Dental - 2018 to 2023 (February)





Budget vs. Calculated Accumulation													
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	\$ -	\$ -	\$ 633,828	\$ -	\$ -	\$ 694,892	\$ 2,725,566
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021 Calculated Accumulation	\$ 1,691,771	\$ 1,598,807	\$ 551,526	\$ (247,875)	\$ 730,647	\$ 551,466	\$ 269,821	\$ 16,090	\$ 608,289	\$ (866,963)	\$ 572,276	\$ (424,392)	\$ 5,051,462
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	\$ (707,755)	\$ 334,315	\$ (579,163)	\$ (111,439)	\$ (76,438)	\$ (125,469)	\$ (2,224,386)	\$ 257,541	\$ (781,002)	\$ (907,033)	\$ (778,741)	\$ (5,282,924)
Plan Experience (Dental)	\$ 115,834	\$ 64,486	\$ (58,680)	\$ 46,312	\$ 40,850	\$ 13,054	\$ 107,262	\$ 76,505	\$ 23,023	\$ 82,402	\$ 88,343	\$ 61,637	\$ 661,028
Kaiser Accumulation	\$ 34,185	\$ 33,794	\$ 33,676	\$ 33,547	\$ 33,454	\$ 33,279	\$ 33,080	\$ 32,987	\$ 33,071	\$ 32,712	\$ 32,711	\$ 32,388	\$ 398,886
Kaiser EPO Parity Accumulation	\$ 34,429	\$ 34,110	\$ 34,004	\$ 33,848	\$ 33,684	\$ 33,536	\$ 33,169	\$ 33,011	\$ 33,202	\$ 32,507	\$ 32,768	\$ 32,249	\$ 400,516
Prescription Drug Rebates	\$ -	\$ -	\$ 745,118	\$ -	\$ 700,150	\$ -	\$ -	\$ 642,132	\$ -	\$ 643,951	\$ -	\$ -	\$ 2,731,351
Other: COF-COVID-19 Reimburse	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,426,734	\$ 2,426,734
2022 Calculated Accumulation	\$ 601,094	\$ (575,365)	\$ 1,088,433	\$ (465,456)	\$ 696,699	\$ 3,431	\$ 48,043	\$ (1,439,750)	\$ 346,837	\$ 10,570	\$ (753,211)	\$ 1,774,266	\$ 1,335,591
2023	January	February	March	April	May	June	July	August	September	October	November	December	Total
Budget													
Plan Experience (Medical)	\$ 65,284	\$ 65,284	\$ 65,284	\$ 65,284	\$ 65,284	\$ 65,284	\$ 65,284	\$ 65,284	\$ 65,284	\$ 65,284	\$ 65,284	\$ 65,284	\$ 783,407
Plan Experience (Dental)	\$ 6,881	\$ 6,881	\$ 6,881	\$ 6,881	\$ 6,881	\$ 6,881	\$ 6,881	\$ 6,881	\$ 6,881	\$ 6,881	\$ 6,881	\$ 6,881	\$ 82,570
Kaiser Accumulation	\$ 34,161	\$ 34,161	\$ 34,161	\$ 34,161	\$ 34,161	\$ 34,161	\$ 34,161	\$ 34,161	\$ 34,161	\$ 34,161	\$ 34,161	\$ 34,161	\$ 409,938
Kaiser EPO Parity Accumulation	\$ 148,964	\$ 148,964	\$ 148,964	\$ 148,964	\$ 148,964	\$ 148,964	\$ 148,964	\$ 148,964	\$ 148,964	\$ 148,964	\$ 148,964	\$ 148,964	\$ 1,787,564
Prescription Drug Rebates	\$ -	\$ -	\$ 600,000	\$ -	\$ -	\$ 950,000	\$ -	\$ -	\$ 950,000	\$ -	\$ -	\$ 950,000	\$ 3,450,000
2023 Budgeted Accumulation	\$ 255,290	\$ 255,290	\$ 855,290	\$ 255,290	\$ 255,290	\$ 1,205,290	\$ 255,290	\$ 255,290	\$ 1,205,290	\$ 255,290	\$ 255,290	\$ 1,205,290	\$ 6,513,479
Calculated													
Plan Experience (Medical)	\$ 704,945	\$ 1,360,540	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,065,485
Plan Experience (Dental)	\$ 94,579	\$ 30,896	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 125,475
Kaiser Accumulation	\$ 32,807	\$ 33,162	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,968
Kaiser EPO Parity Accumulation	\$ 163,072	\$ 164,948	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 328,020
Prescription Drug Rebates	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023 Calculated Accumulation	\$ 995,403	\$ 1,589,546	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,584,948

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