



**BOARD OF DIRECTORS**

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

**AGENDA DATE:** July 27, 2023

**ITEM NUMBER:** Item 9

**SUBJECT:** Receive Consultant's Medical, Dental, and Vision Experience Reports through May 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 May 2023 and update on projected plan experience accumulation.

**DESCRIPTION:**

The Consultant's report shows that on a total cost basis from January through May 2023, the self-insured medical premium of \$36,406,985 exceeded the total cost of \$31,616,519 for an accumulation of \$4,790,466, or an 86.8% loss ratio.

Please note that claims incurred from January 1, 2023 through May 31, 2023 at Community Medical Center (CMC) are being held by Anthem. Keenan has estimated the paid claims and current discounts as shown in the Consultant's Report (Attachment 1).

For the self-insured dental, the report shows that on a total cost basis, the dental premium of \$2,045,656 exceeded total cost of \$1,811,764 for an accumulation of \$233,892 or an 88.57% loss ratio.

The vision plan remains fully insured and has an accumulation of \$25,650. 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

**AGENDA:** San Joaquin Valley Insurance Authority

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five months of 2023, the position is \$1,158,618, 17.8% of the projected annual total.

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

**FISCAL IMPACT/FINANCING:**

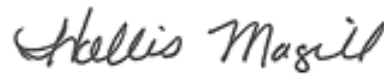
The 2023 plan year experience developed a \$4,790,466 medical surplus and a \$233,893 dental surplus for a total self-funded surplus of \$5,024,358. A prescription drug rebate in the amount of \$532,281 has been received. The Kaiser reserve of \$165,306 and the Kaiser EPO parity reserve of \$821,715, brings the collective total reserve accumulation to a surplus of \$4,299,950 for the first five months of 2023 (note: total includes estimated CMC held claims deduction). 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:**



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Lupe Garza  
SJVIA Manager



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Hollis Magill  
SJVIA Assistant Manager