

December 8, 2023

## SJVIA Board Meeting: Consultant's Report 2023 Plan Experience (Medical, Dental, and Vision) through September 2023

The following pages provide a summary of the plan experience from January 1 through September 30, 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 reported).

Please note, claims incurred from January 1, 2023 through July 31, 2023 at Community Medical Center (CMC) have been held by Anthem and started being paid August 14, 2023. Claims from January 1 through July 31, 2023 incurred at CMC are now being processed and are included in the experience report. Anthem provided a Submitted Charges report for this seven-month period, which originally estimated the total submitted charges at \$7,831,724; however, based on data received, submitted charges totaled \$13,844,591. Through October 17, 2023 paid claims have totaled \$4,229,730. It is projected that \$2,440,525 eligible charges are still outstanding. This translates to a projected paid claim total of \$905,182. Please see the following chart:

CMC Billed Charge Adjustment	7 Month Total	Monthly Average
Total Billed Charges (01.01-07.31)	\$ 13,844,591	
Total Billed Charges Processed (08.14-10.17)	\$ 11,404,067	
Total Paid Claims (08.14-10.17)	\$ 4,229,730	
Anthem Network Discount	62.9%	
<b>Total CMC Paid Claim</b>	<b>\$ 4,229,730</b>	<b>\$ 604,247</b>
95% Fresno County (estimate)	\$ 4,018,243	\$ 574,035
5% Tulare County (estimate)	\$ 211,487	\$ 30,212
Unprocessed Billed Charges Estimate	\$ 2,440,525	
Discount Estimated	62.9%	
Unprocessed Paid Claims	\$ 905,182	
<b>Total CMC Outstanding Paid Claim Estimate</b>	<b>\$ 905,182</b>	<b>\$ 129,312</b>
95% Fresno County	\$ 859,923	\$ 122,846
5% Tulare County	\$ 45,259	\$ 6,466

The SJVIA self-funded plans show a net surplus position of \$3,458,215 through September 2023 (after the CMC adjustment). The County of Fresno has a \$3,966,776 surplus position and the County of Tulare has a (\$508,561) deficit position.

Accumulation	COF	COT	Total
Medical	\$ 4,826,699	\$ (463,302)	\$ 4,363,397
CMC Claims	\$ (859,923)	\$ (45,259)	\$ (905,182)
Net Medical	\$ 3,966,776	\$ (508,561)	\$ 3,458,215
Dental	\$ 339,033	\$ 101,116	\$ 440,149
Total	\$ 4,305,809	\$ (407,445)	\$ 3,898,364
Vision (Insured)	\$ 68,124	\$ (13,534)	\$ 54,590
Loss Ratio			
Medical	90.7%	102.2%	94.8%
Dental	86.9%	91.0%	88.2%
Vision	83.4%	108.5%	90.4%

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. Both Counties included a 1.0% margin for 2024.

The Anthem self-funded medical plans show a net accumulated surplus position of \$3,458,215 for a 94.8% total cost loss ratio.

The Delta Dental self-funded dental plan shows an accumulated surplus position of \$440,149 for an 88.2% total cost loss ratio.

The vision plan remains fully insured and shows an accumulated position of \$54,590 for a 90.4% 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 Plan Year 2025.

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 parity strategy has been removed for Plan Year 2024.

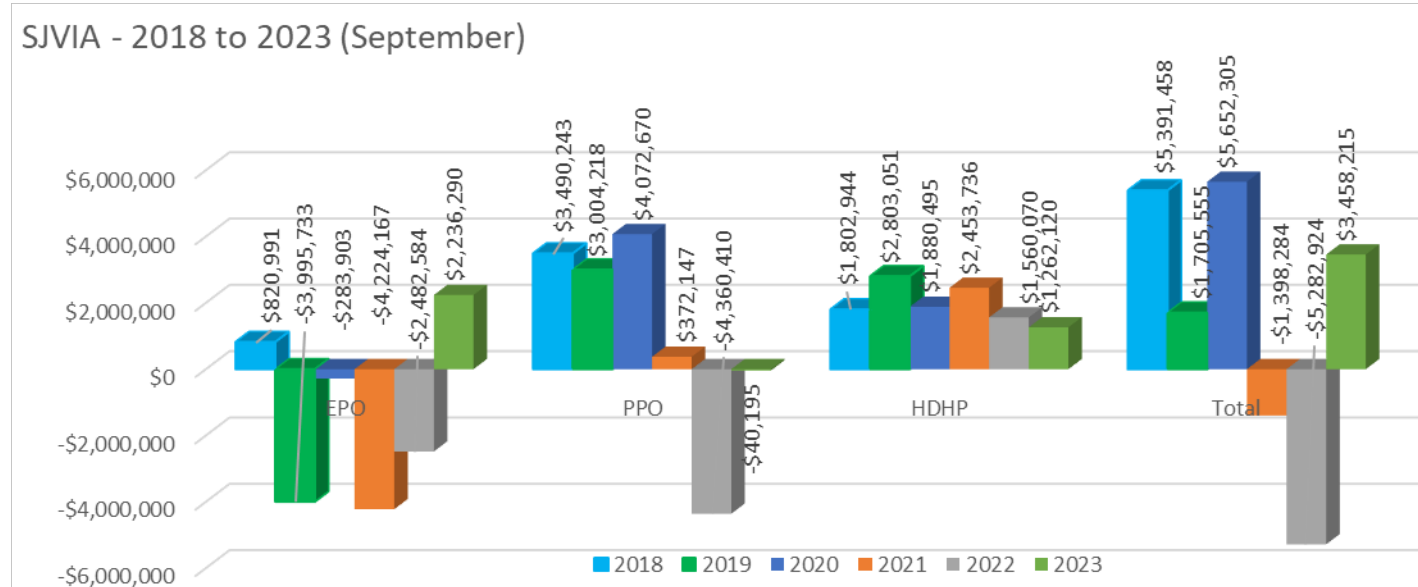
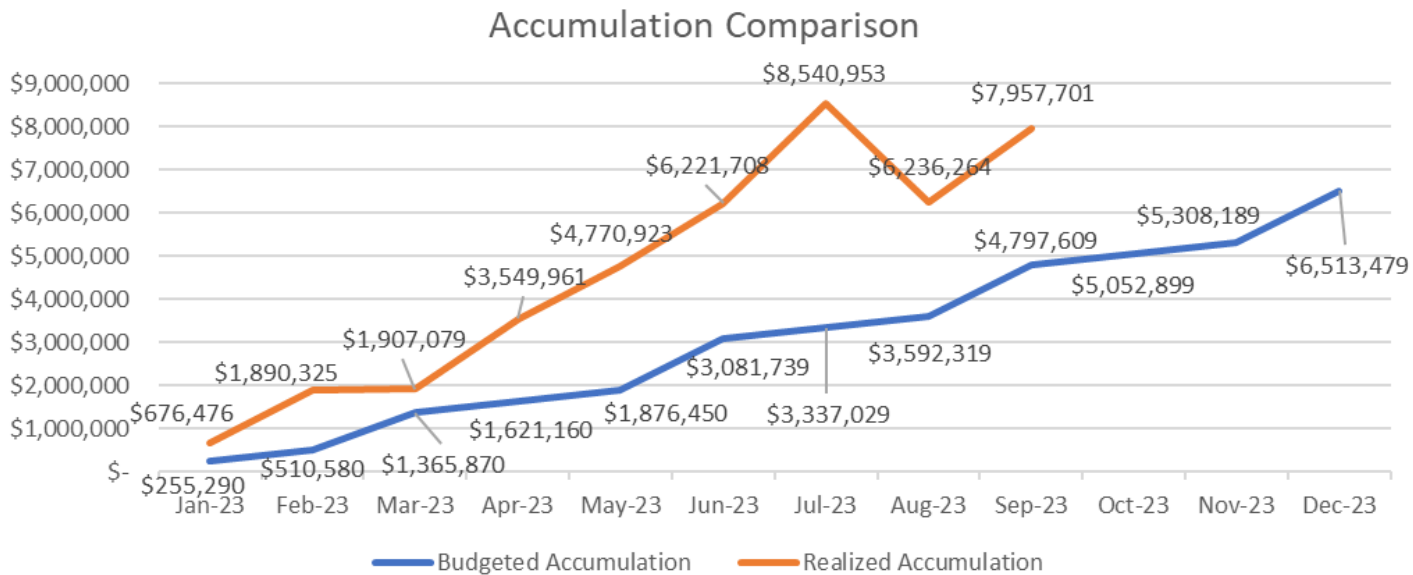
The County of Tulare had greater than expected claim costs in 2022 driven by large claims. For the first nine months of 2023, Tulare County's claim run has softened to an accumulated medical deficit position of (\$508,561), which is a considerable improvement from the 2022 deficit position of (\$4,127,536).

Keenan projects prescription drug rebates of \$3,450,000 for 2023. Third and Fourth quarter 2022 rebates have posted in 2023 for \$1,127,509. The first quarter 2023 prescription drug rebate has been received in the amount of \$1,154,820 and is accounted for in the month of September.

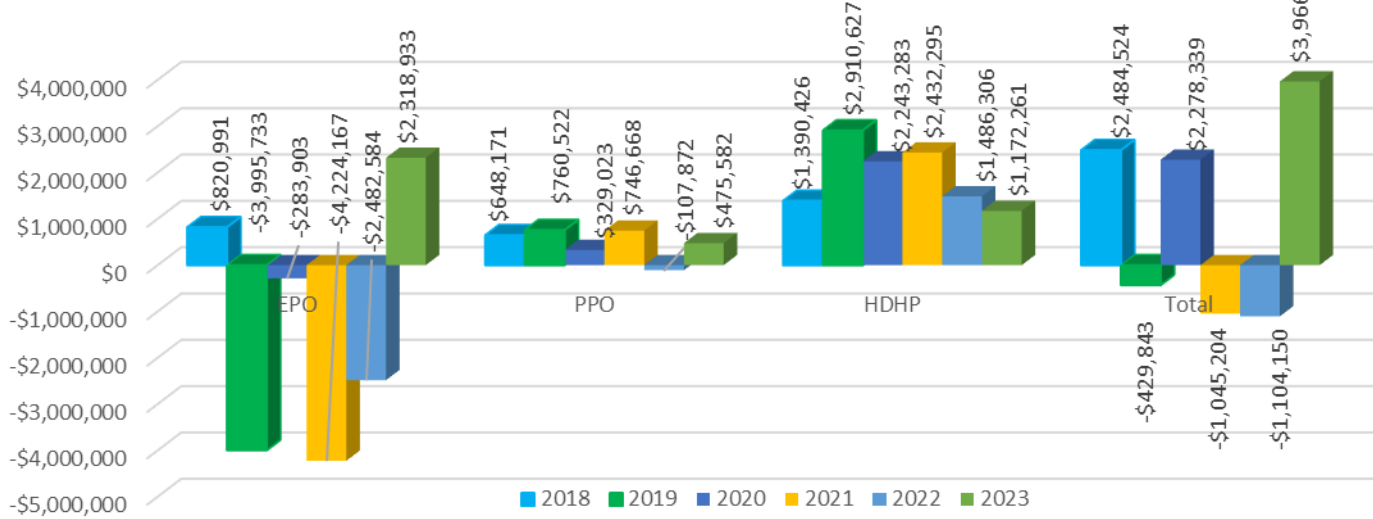
Fresno County budgeted Kaiser margin and EPO Parity margin in 2023 is \$2,197,502. Over the first nine months, the SJVIA has realized \$1,777,010 (80.9% of the annual target).

Over the first nine months of 2023, the SJVIA has accumulated \$7,957,701 in margin (122.2% of the \$6,513,479 annual budget).

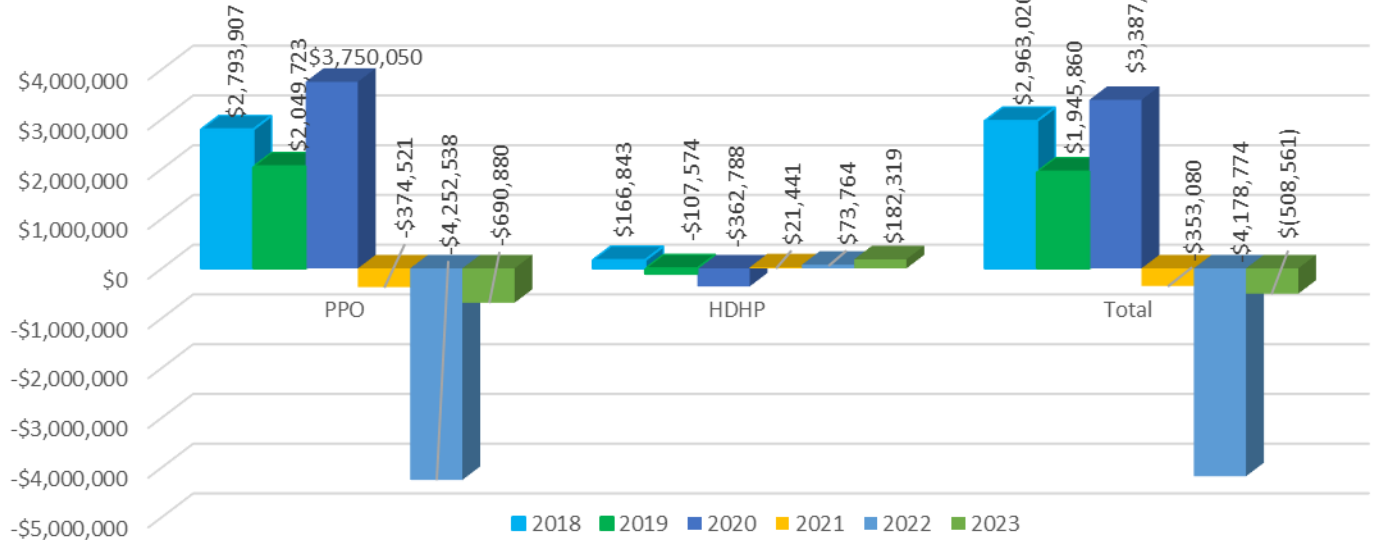
Please note, this is the consultant's report and prior to allocating funds for IBNR reserve and the stabilization reserve, the SJVIA Auditor will provide the unaudited cash position based on actual revenue received and actual expenses paid.



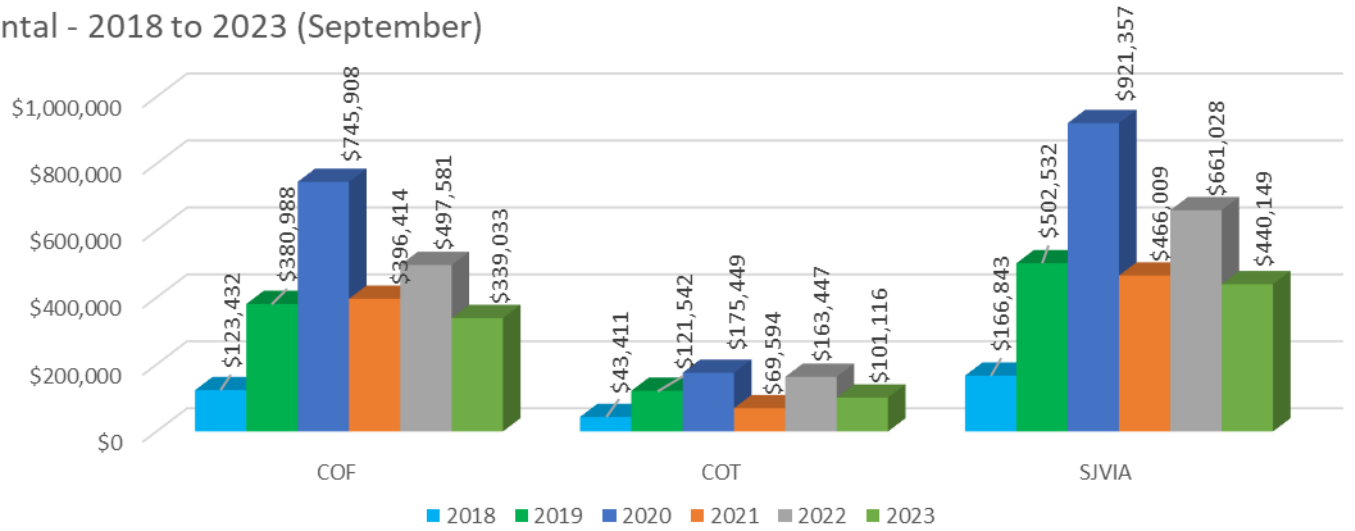
### County of Fresno - 2018 to 2023 (September)



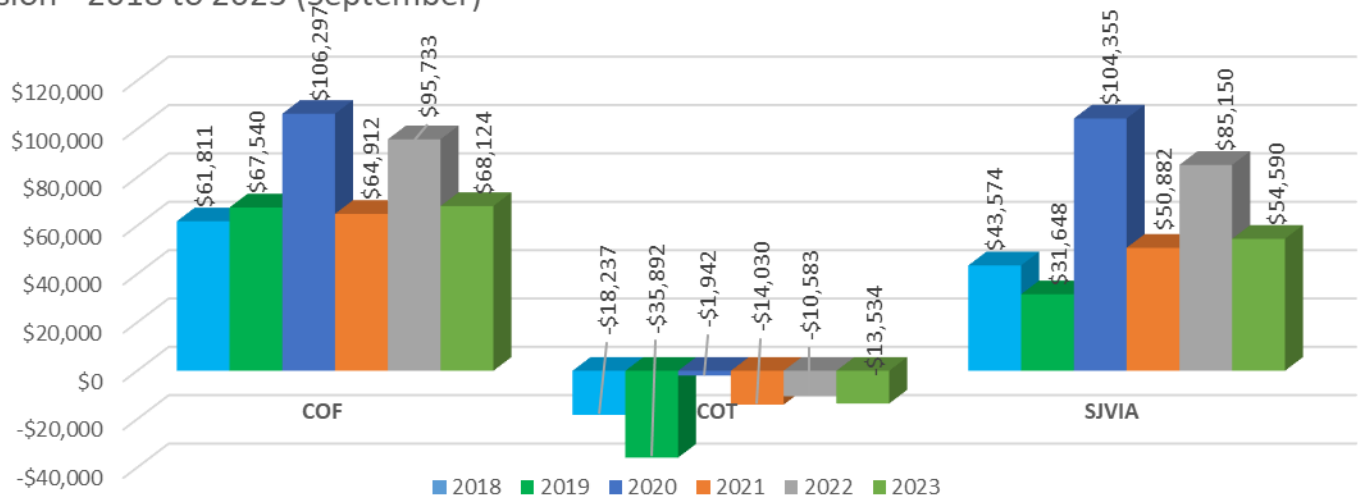
### County of Tulare - 2018 to 2023 (September)



### Dental - 2018 to 2023 (September)



### Vision - 2018 to 2023 (September)



Budget vs. Calculated Accumulation													
2021	January	February	March	April	May	June	July	August	September	October	November	December	Total
<b>Budget</b>													
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
<b>Calculated</b>													
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
<b>Budget</b>													
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
<b>Calculated</b>													
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 Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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)	\$ (652,468)	\$ (1,091,143)
2023	January	February	March	April	May	June	July	August	September	October	November	December	Total
<b>Budget</b>													
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
<b>Calculated</b>													
Plan Experience (Medical)	\$ 515,330	\$ 1,114,156	\$ (42,789)	\$ 984,315	\$ 1,093,276	\$ 775,401	\$ 2,139,099	\$ (2,481,008)	\$ 265,617	\$ -	\$ -	\$ -	\$ 4,363,397
Plan Experience (Dental)	\$ 94,579	\$ 30,896	\$ (9,934)	\$ 58,534	\$ 59,818	\$ 12,122	\$ 111,348	\$ (21,091)	\$ 103,877	\$ -	\$ -	\$ -	\$ 440,149
Kaiser Accumulation	\$ 32,807	\$ 33,162	\$ 33,294	\$ 33,008	\$ 33,035	\$ 33,053	\$ 33,175	\$ 33,044	\$ 32,981	\$ -	\$ -	\$ -	\$ 297,559
Kaiser EPO Parity Accumulation	\$ 163,072	\$ 164,948	\$ 165,495	\$ 164,055	\$ 164,146	\$ 164,293	\$ 164,936	\$ 164,365	\$ 164,142	\$ -	\$ -	\$ -	\$ 1,479,451
Prescription Drug Rebates	\$ -	\$ -	\$ -	\$ 532,281	\$ -	\$ 595,228	\$ -	\$ -	\$ 1,154,820	\$ -	\$ -	\$ -	\$ 2,282,329
CMC Direct Contract Claims to be Paid	\$ (129,312)	\$ (129,312)	\$ (129,312)	\$ (129,312)	\$ (129,312)	\$ (129,312)	\$ (129,312)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (905,184)
2023 Calculated Accumulation	\$ 676,476	\$ 1,213,850	\$ 16,754	\$ 1,642,881	\$ 1,220,962	\$ 1,450,785	\$ 2,319,245	\$ (2,304,690)	\$ 1,721,437	\$ -	\$ -	\$ -	\$ 7,957,701

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.