



BOARD OF DIRECTORS

STEVE BRANDAU

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BUDDY MENDES

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BRIAN PACHECO

AMY SHUKLIAN

PETE VANDER POEL

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

AGENDA DATE: February 9, 2024

ITEM NUMBER: Item 10

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

DESCRIPTION:

The Consultant's report shows that on a total cost basis from January through December 2023, the self-insured medical premium of \$88,160,015 exceeded the total cost of \$86,944,875 for an accumulation of \$1,215,141, or a 98.6% loss ratio.

Please note that claims incurred from January 1, 2023 through July 31, 2023 at Community Medical Center (CMC) are being paid under the SJVIA's direct contract and were held by Anthem through August 14, 2023. This report includes all CMC paid claims paid through December 2023. It is anticipated that over 99% of the CMC charges have been processed and that any residual balance charged to the plan will be minimal.

For the self-insured dental, the report shows that on a total cost basis, the dental premium of \$4,979,025 exceeded the total cost of \$4,354,844 for an accumulation of \$624,181 or an 87.5% loss ratio.

The vision plan remains fully insured and has an accumulation of \$79,389 for an 89.6% loss ratio. Under the fully insured arrangement all deficit or surplus positions stay with the carrier.

AGENDA: San Joaquin Valley Insurance Authority

DATE: February 9, 2024

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. For the 2023 plan year, the position is \$7,701,808, 118.2% 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 \$1,215,141 medical surplus and a \$624,181 dental surplus for a total self-funded surplus of \$1,839,322. Prescription drug rebates in the amount of \$3,494,513 have been received. The Kaiser reserve of \$396,447 and the Kaiser EPO parity reserve of \$624,183, bring the collective total reserve accumulation to a surplus of \$7,701,808 for the 2023 plan year. 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