



BOARD OF DIRECTORS

STEVE BRANDAU
NATHAN MAGSIG
BUDDY MENDES
LARRY MICARI
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 12

SUBJECT: Receive and Accept Consultant's SJVIA Actuarially Certified Incurred But Not Reported (IBNR) Reserve Report as of December 31, 2023 and Maintain the Current IBNR Reserve Levels for a Fully-Funded IBNR Reserve Status (A)

REQUEST(S): That the Board receive the consultant's SJVIA actuarially certified IBNR report as of December 31, 2023 and maintain the current IBNR reserve levels for a fully-funded status of \$10,363,820.

DESCRIPTION:

IBNR reserve calculates the outstanding liability for claims that have been incurred but have not yet been paid. The SJVIA Board has directed staff to maintain a fully-funded IBNR reserve. The SJVIA IBNR reserve is calculated for each participating entity (the County of Fresno and the County of Tulare) and is based on actuarial models.

For the December 31, 2023 valuation date, the total IBNR reserve liability is \$11,046,500 for medical, prescription drugs, and dental. This is an increase of \$682,680 from the current actuarially certified IBNR reserve of \$10,363,820.

The December 31, 2023 valuation includes the CMC claims that were incurred from January 1, 2023 through June 30, 2023 and were paid starting August 14, 2023 by Anthem. The CMC claims totaled over \$5.2 million in paid claims, and in part, explains the increase in the calculated June 30, 2023 IBNR reserve. Keenan recommends holding the current reserve and not increasing the IBNR reserve until claim fluctuation normalizes.

AGENDA: San Joaquin Valley Insurance Authority

DATE: February 9, 2024

FISCAL IMPACT/FINANCING:

None, already reserved.

ADMINISTRATIVE SIGN-OFF:



Lupe Garza
SJVIA Manager



Hollis Magill
SJVIA Assistant Manager