



Arthur J. Gallagher & Co.  
BUSINESS WITHOUT BARRIERS™

## 2015 Preliminary Renewal



# SJVIA

San Joaquin Valley  
Insurance Authority

Plan Year: January 1, 2015 - December 31, 2015

Presented By:

**Gallagher Benefit Services**

CA License #: 0D36879

July 25, 2014

**Important Note:** This presentation represents estimations of the scope, size and operation of SJVIA subject to its formation and inclusion of the counties to which it is presenting. This analysis is for illustrative purposes only, and is not a guarantee of future expenses, claims costs, managed care savings, etc. There are many variables that can affect future health care costs including utilization patterns, catastrophic claims, changes in plan design, health care trend increases, etc. This analysis does not amend, extend, or alter the coverage provided by the actual insurance policies and contracts. Please see your policy or contact us for specific information or further details in this regard.

## San Joaquin Valley Insurance Authority Paid Claims History - All PPO Plans

<b>2010 Plan Year</b>		<b>Medical</b>	<b>Rx</b>	<b>Total</b>
<b>Totals</b>	<b>44,423</b>	<b>\$17,200,878</b>	<b>\$5,311,947</b>	<b>\$22,512,825</b>
<b>Average per Employee</b>		<b>\$387.21</b>	<b>\$119.58</b>	<b>\$506.78</b>

<b>2011 Plan Year</b>				
<b>Totals</b>	<b>42,120</b>	<b>\$16,784,754</b>	<b>\$6,260,546</b>	<b>\$23,045,300</b>
<b>Average per Employee (Enrollment lagged 2 months)</b>		<b>\$398.50</b>	<b>\$148.64</b>	<b>\$547.13</b>
<b>Percentage Change from Prior Year</b>		<b>2.92%</b>	<b>24.30%</b>	<b>7.96%</b>

<b>2012 Plan Year</b>				
<b>Totals</b>	<b>42,630</b>	<b>\$17,271,644</b>	<b>\$6,651,370</b>	<b>\$23,923,014</b>
<b>Average per Employee (Enrollment lagged 2 months)</b>		<b>\$405.16</b>	<b>\$156.03</b>	<b>\$561.18</b>
<b>Percentage Change from Prior Year</b>		<b>1.67%</b>	<b>4.97%</b>	<b>2.57%</b>

*\*City of Tulare Joined SJVIA with enrollment in EE, ES, and EF Tiers*

### 2013 Plan Year

Month-Year	Enrollment				Total EE's	Paid Claims		
	EE	ES	EC	EF		Medical	Rx	Combined
Jan-13	2,914	382	133	244	3,673	1,379,070	554,202	1,933,272
Feb-13	2,914	385	132	244	3,675	1,355,513	526,129	1,881,643
Mar-13	2,891	384	129	248	3,652	1,521,017	534,099	2,055,116
Apr-13	2,884	378	130	246	3,638	1,329,384	558,016	1,887,401
May-13	2,892	369	131	252	3,644	1,190,872	594,640	1,785,512
Jun-13	2,899	366	130	253	3,648	1,601,788	527,981	2,129,769
Jul-13	2,929	399	136	328	3,792	1,506,432	739,675	2,246,107
Aug-13	2,919	401	136	335	3,791	1,995,618	571,953	2,567,571
Sep-13	2,898	399	136	331	3,764	1,125,764	610,843	1,736,607
Oct-13	2,909	392	134	331	3,766	1,821,267	586,049	2,407,316
Nov-13	2,911	388	131	333	3,763	1,441,710	557,743	1,999,453
Dec-13	<u>2,896</u>	<u>387</u>	<u>132</u>	<u>335</u>	<u>3,750</u>	<u>1,224,187</u>	<u>591,170</u>	<u>1,815,357</u>
Sub Total	34,856	4,630	1,590	3,480	44,556	17,492,621	6,952,501	24,445,122
Rolling 12 month Stop Loss Reimbursement						-	-	-
City of Tulare Run-Out Claims						10,586	-	10,586
<b>Totals</b>						<b>\$17,503,207</b>	<b>\$6,952,501</b>	<b>\$24,455,708</b>
<b>Average per Employee (Enrollment lagged 2 months)</b>					<b>44,666</b>	<b>\$391.87</b>	<b>\$155.66</b>	<b>\$547.53</b>
<b>Percentage Change from Prior Year</b>						<b>-3.28%</b>	<b>-0.24%</b>	<b>-2.43%</b>

### 2014 Plan Year

Month-Year	Enrollment				Total EE's	Paid Claims		
	EE	ES	EC	EF		Medical	Rx	Combined
Jan-14	2,939	418	144	403	3,904	1,480,472	571,568	2,052,040
Feb-14	2,918	424	160	428	3,930	1,668,736	605,419	2,274,155
Mar-14	2,960	422	157	417	3,956	1,644,388	674,815	2,319,203
Apr-14	2,976	429	164	427	3,996	2,073,142	671,369	2,744,511
May-14	<u>2,951</u>	<u>421</u>	<u>163</u>	<u>423</u>	<u>3,958</u>	<u>2,484,196</u>	<u>564,621</u>	<u>3,048,817</u>
Sub Total	14,744	2,114	788	2,098	19,744	9,350,934	3,087,792	12,438,727
Rolling 12 month Stop Loss Reimbursement						352,466	-	-
<b>Totals</b>						<b>\$8,998,468</b>	<b>\$3,087,792</b>	<b>\$12,086,261</b>
<b>Average per Employee (Enrollment lagged 2 months)</b>					<b>19,303</b>	<b>\$466.17</b>	<b>\$159.96</b>	<b>\$626.13</b>
<b>Percentage Change from Prior Year</b>						<b>18.96%</b>	<b>2.77%</b>	<b>14.36%</b>

<b>Rolling 12 Month Totals (Enrollment lagged 2 months)</b>	<b>45,346</b>	<b>\$19,715,234</b>	<b>\$7,273,207</b>	<b>\$26,988,440</b>
<b>Average per Employee (Enrollment lagged 2 months)</b>		<b>\$434.77</b>	<b>\$160.39</b>	<b>\$595.17</b>
<b>Percentage Change from Prior Year</b>		<b>10.95%</b>	<b>3.04%</b>	<b>8.70%</b>

<b>4 Year Average Claims Trend</b>	<b>3.06%</b>	<b>8.02%</b>	<b>4.20%</b>
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SJVIA PPO

# 2015 Claims Projection

Paid Claims Period: June 2013 through May 2014

	<b>Medical</b>	<b>Rx</b>	<b>Total</b>
Total Paid Claims	\$ 20,067,700	\$ 7,273,207	\$ 27,340,906
Claims in Excess of Pooling + Rx Rebates	<u>\$ 352,466</u>	<u>\$ 660,781</u>	<u>\$ 1,013,247</u>
Total Paid Claims Net of Pooling	\$ 19,715,234	\$ 6,612,425	\$ 26,327,659
Enrollment lagged 2 months	45,346	45,346	45,346
Average Paid Claim for Period	\$ 434.77	\$ 145.82	\$ 580.59
Trend (Med.- 7.5%, Rx - 4.5%)	1.1281	1.0761	1.1150
<b>Projected Paid Claim</b>	<b>\$ 490.47</b>	<b>\$ 156.92</b>	<b>\$ 647.39</b>
Current Monthly Enrollment (May 2014)	3,958	3,958	3,958
Monthly Projected Paid Claims	\$ 1,941,271	\$ 621,095	\$ 2,562,366
<b>2015 Annual Projected Paid Claims</b>	<b>\$ 23,295,252</b>	<b>\$ 7,453,141</b>	<b>\$ 30,748,393</b>
<b>Projected Required Reserve (16%Med/5% Rx)</b>	<b>\$ 3,727,240</b>	<b>\$ 372,657</b>	<b>\$ 4,099,897</b>
<b>Current Reserve*</b>			<b>\$ 9,724,949</b>
<b>Contingent Reserve</b>			<b>\$ 5,625,052</b>
<i>*Calculated from May 2014 Claims Data - represents all premiums paid from inception less all costs from inception</i>			

## SJVIA 2014 PPO Cost Worksheet: Combined - Anthem Blue Cross

Enrollment	Single	EE +Sp	EE + Ch	Family	Total
Anthem Blue Cross PPO	2,797	416	163	248	3,624
BSC/HNAS PPO	154	5	-	175	334
<b>Total PPO - May 2014</b>	<b>2,951</b>	<b>421</b>	<b>163</b>	<b>423</b>	<b>3,958</b>
				<b>Total Members</b>	<b>5,735</b>
				<b>Non Founding Member Employees</b>	<b>694</b>

  

<b>2014 Fixed Costs:</b>	Single	EE +Sp	EE + Ch	Family	Totals
PPO - Specific Stop Loss (HM Life \$450,000 ded. 12/15)	\$ 12.92	\$ 12.92	\$ 12.92	\$ 12.92	\$ 613,648
PPO - Aggregate Stop Loss (HM Life 12/15)	\$ 0.85	\$ 0.85	\$ 0.85	\$ 0.85	\$ 40,372
PPO - Blue Cross Core Administration	\$ 26.57	\$ 26.57	\$ 26.57	\$ 26.57	\$ 1,261,969
PPO - Blue Cross 360 Claims Management	\$ 2.10	\$ 2.10	\$ 2.10	\$ 2.10	\$ 99,742
Claims Management/Communication	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 142,488
JPA Consulting	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 189,984
SJVIA Fee	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 94,992
SJVIA Non Founding Member Fee	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 94,992
Hourglass (Consolidated Billing, COBRA, Flex Admin)	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50	\$ 308,724
PCORI Fee	\$ 0.26	\$ 0.26	\$ 0.26	\$ 0.26	\$ 12,349
Transitional Reinsurance Fee	\$ 8.33	\$ 8.33	\$ 8.33	\$ 8.33	\$ 395,642
<b>Total Fixed Cost</b>	<b>\$ 68.53</b>	<b>\$ 68.53</b>	<b>\$ 68.53</b>	<b>\$ 68.53</b>	<b>\$ 3,254,901</b>

  

<b>2014 Claims Costs:</b>	Single	EE +Sp	EE + Ch	Family	Totals
PPO - Medical Claims	\$ 434.77	\$ 434.77	\$ 434.77	\$ 434.77	\$ 20,649,996
PPO - Rx Claims	\$ 145.82	\$ 145.82	\$ 145.82	\$ 145.82	\$ 6,925,942
<b>Total Claims</b>	<b>\$ 580.59</b>	<b>\$ 580.59</b>	<b>\$ 580.59</b>	<b>\$ 580.59</b>	<b>\$ 27,575,938</b>
Aggregate Attachment Factors	\$ 803.33	\$ 803.33	\$ 803.33	\$ 803.33	\$ 38,154,962

  

<b>Projected Total PPO Cost - 2014</b>	<b>\$ 30,830,839</b>
<b>Current PPO Plan Rates/Funding</b>	<b>\$ 33,314,116</b>

  

<b>2015 Fixed Costs: (Projected)</b>	Single	EE +Sp	EE + Ch	Family	Totals	Increase
PPO - Specific Stop Loss (HM Life \$450,000 ded. 12/15)	\$ 14.21	\$ 14.21	\$ 14.21	\$ 14.21	\$ 675,013	10%
PPO - Aggregate Stop Loss (HM Life 12/15)	\$ 0.94	\$ 0.94	\$ 0.94	\$ 0.94	\$ 44,409	10%
PPO - Blue Cross Core Administration	\$ 27.92	\$ 27.92	\$ 27.92	\$ 27.92	\$ 1,214,185	5%
PPO - Blue Cross 360 Claims Management	\$ 2.21	\$ 2.21	\$ 2.21	\$ 2.21	\$ 96,108	5%
PPO - Blue Shield / HNAS Administration	\$ 34.11	\$ 34.11	\$ 34.11	\$ 34.11	\$ 136,713	
Claims Management/Communication	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 142,488	0%
JPA Consulting	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 189,984	0%
SJVIA Fee	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 94,992	0%
SJVIA Non Founding Member Fee	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 16,656	0%
Hourglass (Consolidated Billing, COBRA, Flex Admin)	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50	\$ 308,724	0%
PCORI Fee	\$ 0.24	\$ 0.24	\$ 0.24	\$ 0.24	\$ 11,470	-7%
Transitional Reinsurance Fee	\$ 5.19	\$ 5.19	\$ 5.19	\$ 5.19	\$ 246,605	-38%
<b>Total Fixed Cost Anthem Blue Cross</b>	<b>\$ 66.21</b>	<b>\$ 66.21</b>	<b>\$ 66.21</b>	<b>\$ 66.21</b>		
<b>Total Fixed Cost BSC/HNAS</b>	<b>\$ 70.19</b>	<b>\$ 70.19</b>	<b>\$ 70.19</b>	<b>\$ 70.19</b>		
<b>Total PPO Fixed Costs</b>					<b>\$ 3,177,347</b>	-2.4%

  

<b>2015 Claims Costs: (Projected)</b>	Single	EE +Sp	EE + Ch	Family	Totals	Increase
PPO - Projected Claims	\$ 490.47	\$ 490.47	\$ 490.47	\$ 490.47	\$ 23,295,252	12.8%
PPO - Projected Rx Claims	\$ 156.92	\$ 156.92	\$ 156.92	\$ 156.92	\$ 7,453,141	7.6%
<b>Total Claims</b>	<b>\$ 647.39</b>	<b>\$ 647.39</b>	<b>\$ 647.39</b>	<b>\$ 647.39</b>	<b>\$ 30,748,393</b>	11.5%
Aggregate Attachment Factors	\$ 803.33	\$ 803.33	\$ 803.33	\$ 803.33	\$ 38,154,962	0%

  

<b>Projected Total PPO Cost</b>	<b>\$ 33,925,740</b>
<b>Current PPO Plan Rates/Funding</b>	<b>\$ 33,314,116</b>
<b>Rate Action</b>	<b>1.8%</b>

San Joaquin Valley Insurance Authority  
**Paid Claims History - All HMO Plans**

**2010 Plan Year**

Month-Year	Enrollment				Total EE's	Capitation	Non Capitated		Combined
	EE	ES	EC	EF			Medical	Rx	
<b>Totals</b>	<b>27,516</b>	<b>8,247</b>	<b>16,644</b>	<b>8,194</b>	<b>60,601</b>	<b>\$ 12,438,557</b>	<b>\$ 18,037,889</b>	<b>\$ 6,196,669</b>	<b>\$ 38,336,460</b>
<b>Average per Employee</b>						<b>\$240.97</b>	<b>\$297.65</b>	<b>\$102.25</b>	<b>\$632.60</b>

**2011 Plan Year**

<b>Totals</b>	<b>25,459</b>	<b>8,099</b>	<b>17,456</b>	<b>8,064</b>	<b>59,078</b>	<b>\$13,198,510</b>	<b>\$17,891,946</b>	<b>\$7,249,950</b>	<b>\$38,340,406</b>
<b>Average per Employee (Enrollment lagged 2 months)</b>					<b>59,329</b>	<b>\$240.97</b>	<b>\$301.57</b>	<b>\$122.20</b>	<b>\$646.23</b>
<b>Percentage Change from Prior Year</b>							<b>1.32%</b>	<b>19.51%</b>	<b>2.15%</b>

**2012 Plan Year**

<b>Totals</b>	<b>11,764</b>	<b>3,738</b>	<b>8,088</b>	<b>3,625</b>	<b>55,289</b>	<b>13,589,192</b>	<b>19,668,689</b>	<b>7,179,142</b>	<b>40,437,022</b>
<b>Average per Employee (Enrollment lagged 2 months)</b>						<b>\$248.07</b>	<b>\$355.75</b>	<b>\$129.85</b>	<b>\$731.38</b>
<b>Percentage Change from Prior Year</b>						<b>2.95%</b>	<b>17.96%</b>	<b>6.26%</b>	<b>13.18%</b>

**2013 Plan Year**

Month-Year	Enrollment				Total EE's	Capitation	Non Capitated Paid Claims		Combined
	EE	ES	EC	EF			Medical	Rx	
Jan-13	2,241	646	1,413	655	4,955	1,282,850	1,758,813	713,502	3,755,165
Feb-13	2,265	644	1,412	664	4,985	1,290,885	1,553,541	664,853	3,509,280
Mar-13	2,289	640	1,418	666	5,013	1,298,101	2,201,042	721,627	4,220,770
Apr-13	2,327	639	1,418	659	5,043	1,305,832	1,884,434	757,054	3,947,321
May-13	2,296	634	1,416	666	5,012	1,297,722	2,236,723	741,845	4,276,290
Jun-13	2,322	636	1,425	680	5,063	1,311,837	1,588,607	683,590	3,584,034
Jul-13	2,356	636	1,422	688	5,102	1,321,827	2,184,670	742,765	4,249,262
Aug-13	2,344	632	1,425	688	5,089	1,318,659	2,006,960	758,755	4,084,375
Sep-13	2,358	621	1,426	694	5,099	1,321,540	1,907,913	766,216	3,995,669
Oct-13	2,363	622	1,405	694	5,084	1,317,492	2,557,500	706,425	4,581,417
Nov-13	2,370	615	1,412	685	5,082	1,317,159	1,744,290	665,364	3,726,814
Dec-13	<u>2,377</u>	<u>618</u>	<u>1,415</u>	<u>688</u>	<u>5,098</u>	<u>1,321,465</u>	<u>1,529,322</u>	<u>692,614</u>	<u>3,543,401</u>
Sub Total	27,908	7,583	17,007	8,127	60,625	15,705,371	23,153,816	8,614,610	47,473,796
Rolling 12 month Large Claim Credit (Pooling Limit @ \$400K)							-	n/a	-
<b>Totals</b>					<b>60,625</b>	<b>\$15,705,371</b>	<b>\$23,153,816</b>	<b>\$8,614,610</b>	<b>\$47,473,796</b>
<b>Average per Employee (Enrollment lagged 2 months)</b>					<b>59,690</b>	<b>\$259.06</b>	<b>\$387.90</b>	<b>\$144.32</b>	<b>\$795.34</b>
<b>Percentage Change from Prior Year</b>						<b>4.43%</b>	<b>9.04%</b>	<b>11.15%</b>	<b>8.75%</b>

**2014 Plan Year**

Month-Year	Enrollment				Total EE's	Capitation	Non Capitated Paid Claims		Combined
	EE	ES	EC	EF			Medical	Rx	
Jan-14	2,402	640	1,435	739	5,216	1,410,719	1,453,837	782,651	3,647,207
Feb-14	2,406	638	1,434	742	5,220	1,411,801	1,730,599	783,486	3,925,885
Mar-14	2,426	648	1,452	740	5,266	1,424,242	1,861,318	936,204	4,221,764
Apr-14	2,446	639	1,448	730	5,263	1,423,431	1,594,709	764,169	3,782,309
May-14	<u>2,461</u>	<u>629</u>	<u>1,432</u>	<u>726</u>	<u>5,248</u>	<u>1,419,374</u>	<u>2,289,963</u>	<u>860,911</u>	<u>4,570,248</u>
Sub Total	12,141	3,194	7,201	3,677	26,213	7,089,568	8,930,426	4,127,421	20,147,414
Rolling 12 month Large Claim Credit (Pooling Limit @ \$400K)							2,821	n/a	2,821
<b>Totals</b>					<b>26,213</b>	<b>\$7,089,568</b>	<b>\$8,927,605</b>	<b>\$4,127,421</b>	<b>\$20,144,593</b>
<b>Average per Employee (Enrollment lagged 2 months)</b>					<b>25,882</b>	<b>\$273.92</b>	<b>\$340.58</b>	<b>\$159.47</b>	<b>\$778.32</b>
<b>Percentage Change from Prior Year</b>						<b>5.74%</b>	<b>-12.20%</b>	<b>10.50%</b>	<b>-2.14%</b>

<b>Rolling 12 Month Totals (Enrollment lagged 2 months)</b>					<b>61,374</b>	<b>\$16,319,549</b>	<b>22,449,687</b>	<b>\$9,143,149</b>	<b>\$47,912,386</b>
<b>Average per Employee (Enrollment lagged 2 months)</b>						<b>\$265.90</b>	<b>\$351.61</b>	<b>\$148.97</b>	<b>\$766.49</b>
<b>Percentage Change from Prior Year</b>							<b>-9.35%</b>	<b>3.22%</b>	<b>-3.63%</b>

<b>4 Year Average Claims Trend</b>							<b>4.74%</b>	<b>10.03%</b>	<b>5.11%</b>
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SJVIA HMO  
**2015 Claims Projection - All HMO Plans**  
 Paid Claims Period: June 2013 through May 2014

	<u>Non Capitated</u>	<u>Capitation</u>	<u>Rx</u>	<u>Total</u>
Total Paid Claims	\$ 22,449,687	\$ 16,319,549	\$ 9,143,149	\$ 47,912,386
Claims in Excess of Pooling + Rx Rebates	\$ 2,821	-	807,622	810,443
Total Paid Claims Net of Pooling	\$ 22,446,866	\$ 16,319,549	\$ 8,335,528	\$ 47,101,943
Enrollment lagged 2 months	61,374	61,374	61,374	61,374
Average Paid Claim for Period (Non-Cap)	\$ 365.74	\$ 259.06	\$ 135.82	\$ 760.61
Trend (Med.- 7.5%, Rx -4.5%)	1.1281	1.0656	1.0761	1.0975
<b>Projected Paid Claim</b>	<b>\$ 412.59</b>	<b>\$ 276.05</b>	<b>\$ 146.15</b>	<b>\$ 834.79</b>
Current Monthly Enrollment (May 2014)	5,248	5,248	5,248	5,248
Monthly Projected Paid Claims	2,165,272	1,448,710	767,013	4,380,996
<b>2014 Annual Projected Paid Claim Reserves needed for 16% Me</b>	<b>\$ 25,983,270</b>	<b>\$ 17,384,525</b>	<b>\$ 9,204,161</b>	<b>\$ 52,571,956</b>
<b>Projected Required Reserve (16% Medical/5% Rx)</b>	<b>\$4,157,323</b>	<b>N/A</b>	<b>\$460,208</b>	<b>\$4,617,531</b>
<b>Current Reserve*</b>				<b>\$4,175,469</b>
<b>Reserves Held by Anthem Blue Cross</b>				<b>\$1,065,596</b>
<b>Contingent Reserve</b>				<b>\$623,534</b>
<i>*Calculated from May 2014 Claims Data - represents all premiums paid from inception less all costs from inception</i>				

# SJVIA 2014 HMO Cost Worksheet: Combined - Anthem Blue Cross

<u>Enrollment</u>	<u>Single</u>	<u>EE +Sp</u>	<u>EE + Ch</u>	<u>Family</u>	<u>Total</u>
<b>Total HMO - May 2014</b>	<b>2,461</b>	<b>629</b>	<b>1,432</b>	<b>726</b>	<b>5,248</b>
<b>Non Founding Member Employees</b>					
					<b>263</b>
<b><u>2014 Fixed Costs:</u></b>	<u>Single</u>	<u>EE +Sp</u>	<u>EE + Ch</u>	<u>Family</u>	<u>Totals</u>
HMO - Pooling (\$400,000)	\$ 22.72	\$ 22.72	\$ 22.72	\$ 22.72	\$ 1,430,815
HMO - Blue Cross MPP Retention (incl 360 Health)	\$ 39.27	\$ 39.27	\$ 39.27	\$ 39.27	\$ 2,473,068
ACA Reinsurance	\$ 11.37	\$ 11.37	\$ 11.37	\$ 11.37	\$ 716,037
Claims Management/Communication	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 188,928
JPA Consulting	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 251,904
SJVIA Fee	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 125,952
SJVIA Non Founding Member Fee	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 6,312
Hourglass (Consolidated Billing, COBRA, Flex Admin)	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50	\$ 409,344
<b>Total Fixed Cost</b>	<b>\$ 90.86</b>	<b>\$ 90.86</b>	<b>\$ 90.86</b>	<b>\$ 90.86</b>	<b>\$ 5,602,359</b>
<b><u>2014 Claims Costs:</u></b>					
HMO - Capitation	\$ 270.46	\$ 270.46	\$ 270.46	\$ 270.46	\$ 17,032,489
HMO - Medical Claims	\$ 365.74	\$ 365.74	\$ 365.74	\$ 365.74	\$ 23,032,780
HMO - Rx Claims	\$ 135.82	\$ 135.82	\$ 135.82	\$ 135.82	\$ 8,553,104
<b>Total Claims</b>	<b>\$ 772.01</b>	<b>\$ 772.01</b>	<b>\$ 772.01</b>	<b>\$ 772.01</b>	<b>\$ 48,618,373</b>
<i>Aggregate Factors</i>	\$ 509.37	\$ 509.37	\$ 509.37	\$ 509.37	\$ 32,078,085
<b>Projected Total HMO Costs - 2014</b>					<b>\$ 54,220,732</b>
<b>Current HMO Plan Rates/Funding</b>					<b>\$ 53,513,101</b>

<u>2015 Fixed Costs: (Projected)</u>	<u>Single</u>	<u>EE +Sp</u>	<u>EE + Ch</u>	<u>Family</u>	<u>Totals</u>	<u>Increase</u>
HMO - Pooling (\$400,000)	\$ 29.76	\$ 29.76	\$ 29.76	\$ 29.76	\$ 1,874,166	31%
HMO - Blue Cross MPP Retention (incl 360 Health)	\$ 41.10	\$ 41.10	\$ 41.10	\$ 41.10	\$ 2,588,314	5%
ACA Reinsurance/PCORI	\$ 8.29	\$ 8.29	\$ 8.29	\$ 8.29	\$ 522,071	-27%
Claims Management/Communication	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 188,928	0%
JPA Consulting	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 251,904	0%
SJVIA Fee	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 125,952	0%
SJVIA Non Founding Member Fee	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 6,312	0%
Hourglass (Consolidated Billing, COBRA, Flex Admin)	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50	\$ 409,344	0%
<b>Total Fixed Cost</b>	<b>\$ 96.65</b>	<b>\$ 96.65</b>	<b>\$ 96.65</b>	<b>\$ 96.65</b>	<b>\$ 5,966,990</b>	<b>7%</b>
<b><u>2015 Claims Costs: (Projected)</u></b>						
HMO - Capitation	\$ 276.05	\$ 276.05	\$ 276.05	\$ 276.05	\$ 17,384,525	2%
HMO - Projected Medical Claims	\$ 412.59	\$ 412.59	\$ 412.59	\$ 412.59	\$ 25,983,270	13%
HMO - Projected Rx Claims	\$ 146.15	\$ 146.15	\$ 146.15	\$ 146.15	\$ 9,204,161	7.6%
<b>Total Claims</b>	<b>\$ 834.79</b>	<b>\$ 834.79</b>	<b>\$ 834.79</b>	<b>\$ 834.79</b>	<b>\$ 52,571,956</b>	<b>8%</b>
<i>Aggregate Factors</i>	\$ 548.65	\$ 548.65	\$ 548.65	\$ 548.65	\$ 34,551,782	
<b>Projected Total HMO Cost - 2015</b>					<b>\$ 58,538,946</b>	
<b>Current HMO Plan Rates/Funding</b>					<b>\$ 53,513,101</b>	
<b>Rate Action</b>						<b>9.39%</b>

**San Joaquin Valley Insurance Authority**  
**2015 Renewal Summary**

Effective January 1, 2015

**Cost Recap**

	PPO	HMO	SJVIA Total
<b>2014 Premium Funding</b>	\$33,314,116	\$53,513,101	\$86,827,217
<b>2015 Projected Costs</b>	\$33,925,740	\$58,538,946	\$92,464,686
<b>Change</b>	<b>1.84%</b>	<b>9.39%</b>	<b>6.49%</b>

**Reserve Recap - All Plans**

	Medical	Rx	Total
<b>Projected Required Reserve (16% Medical/5% Rx)</b>	<b>\$7,884,564</b>	<b>\$832,865</b>	<b>\$8,717,429</b>
<b>Current Reserve*</b>			<b>\$14,966,014</b>
<b>Contingent Reserve</b>			<b>\$6,248,586</b>

*\*Calculated from May 2014 Claims Data - represents all premiums paid from inception less all costs from inception*