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**Meeting Location:
Fresno County Employees' Retirement
Association Board Chambers
1111 H Street
Fresno, CA 93721
August 22, 2014 9:00 AM**

- AGENDA DATE:** August 22, 2014
- ITEM NUMBER:** 7
- SUBJECT:** Approve Kaiser HMO Renewal Rates for the 2015 Plan Year
- REQUEST(S):** Approve the acceptance of renewal proposal from Kaiser Permanente for the 2015 Plan year and Authorize Chair to Execute Agreements pending acceptance of participating entities and approval of SJVIA Staff and Counsel.
- DESCRIPTION:**

Beginning in 2014, the SJVIA elected to include Kaiser as a component offering to existing and potential members. Current enrollment in Kaiser plans through the SJVIA is 571 employees. Kaiser has completed their underwriting for the SJVIA and has proposed the following action for 2015:

- County of Fresno (286 employees – 50% of SJVIA Kaiser membership) will receive a 15.87% rate reduction
- County of Tulare (197 employees – 34.5% of SJVIA Kaiser membership) will receive a 5% rate increase
- City of Ceres (19 employees – 3% of SJVIA Kaiser membership) will receive a 5% rate increase
- City of Reedley (37 employees – 6% of SJVIA Kaiser membership) will receive a 5% rate increase
- City of Shafter (32 employees – 6% of SJVIA Kaiser membership) will receive a 5% rate increase

AGENDA: San Joaquin Valley Insurance Authority

DATE: August 22, 2014

Gallagher Benefit Services and the Underwriting Committee of the SJVIA have received a commitment from Kaiser to issue a blended (or shared-risk) renewal for 2016 that will establish a unified rating action for all entities in the SJVIA. This methodology brings Kaiser in line with the overall rating philosophy of the SJVIA.

FISCAL IMPACT/FINANCING:

Overall Kaiser premium will reduce approximately 6.6% from \$5,939,460 in 2014 to \$5,544,168 in 2015

ADMINISTRATIVE SIGN-OFF:



Rhonda Sjostrom
SJVIA Manager



Paul Nerland
SJVIA Assistant Manager