



BOARD OF DIRECTORS

STEVE BRANDAU

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BRIAN PACHECO

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PETE VANDER POEL

**Meeting Location:
County of Tulare
Board of Supervisors Chambers
2800 W. Burrel Avenue
Visalia, CA 93291**

AGENDA DATE: December 11, 2020

ITEM NUMBER: Item 11

SUBJECT: Receive Consultant's Report on Plan Year 2021 Stop Loss/Reinsurance Renewal and Marketing Results and Authorize President to Execute Agreement Subject to Approval of SJVIA Counsel and Staff (A)

REQUEST(S): That the Board approve the recommended vendor and authorize the President to execute agreement subject to approval of SJVIA Counsel and Staff.

DESCRIPTION:

As part of the Plan Year 2021 SJVIA self-funded medical and prescription renewal, Keenan conducted a reinsurance marketing to secure the most competitive stop loss/reinsurance rates. It is recommended that the SJVIA:

- Move from VOYA to PartnerRe as the reinsurance carrier for the 2021 Plan Year
- Renew at the current \$450,000 reinsurance level
- Accept the rate decrease of -17.0% for a savings of \$322,064 over current rates
- Reject the 2021 VOYA renewal with a 4.8% rate increase and forgo the 2020 VOYA premium refund estimated to be \$218,398 (based on claim data through October 31,2020)

FISCAL IMPACT/FINANCING:

The reinsurance rate used in the development of the 2021 Plan Year rates was 10% over the 2020 reinsurance rates. Given the reinsurance proposal

AGENDA: San Joaquin Valley Insurance Authority

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from PartnerRe, the SJVIA will realize reinsurance costs for 2021 that are \$511,595 lower than were included in the development of the 2021 rates.

ADMINISTRATIVE SIGN-OFF:



Paul Nerland
SJVIA Manager



Lupe Garza
SJVIA Assistant Manager