

San Joaquin Valley Insurance Authority
Estimated Statement of Net Position
As of September 30, 2020
(UNAUDITED)

ASSETS

Current assets:	
Cash and cash equivalents	23,715,521
Due from other governmental units	21,146
Interest Receivable	99,670
Other receivables	977,819
Total current assets	<u>24,814,156</u>
Noncurrent assets:	
Investments	<u>-</u>
Total noncurrent assets	<u>-</u>
Total assets	<u><u>\$ 24,814,156</u></u>

LIABILITIES

Current liabilities:	
Accounts payable	4,524,758
Unearned member contributions	2,144,315
Unpaid claims and claims adjustment expenses	7,081,313
Total current liabilities	<u>13,750,386</u>
Noncurrent liabilities:	
Loans payable	9,000,000
Due to other governmental units	884,432
Interest payable	639,020
Total noncurrent liabilities	<u>10,523,452</u>
Total liabilities	<u><u>\$ 24,273,838</u></u>

NET POSITION

Unrestricted	<u>540,318</u>
Total net position	<u><u>\$ 540,318</u></u>

Note:

This statement of net position is presented on an accrual basis. Certain related adjustments presented in this report are estimates. Of the \$9,000,000 currently loaned to SJVIA, \$5,000,000 is payable to the County of Fresno and \$4,000,000 is payable to the County of Tulare, both due by December 30, 2021.

SAN JOAQUIN VALLEY INSURANCE AUTHORITY
ACTUALS VS. BUDGETED RECEIPTS & DISBURSEMENTS
AS OF SEPTEMBER 30, 2020
(UNAUDITED)

	Current Quarter				Year-To-Date			
	BUDGET*	ACTUALS	FAVORABLE/ (UNFAVORABLE)	% VARIANCE	BUDGET*	ACTUALS	FAVORABLE/ (UNFAVORABLE)	% VARIANCE
RECEIPTS								
TOTAL RECEIPTS	\$29,668,713	\$ 27,403,096	\$ (2,265,617)	(8%)	\$121,966,604	\$27,403,096	(\$94,563,508)	(78%)
DISBURSEMENTS: Fixed								
1 Specific Stop Loss Insurance (EPO/PPO/HDHP)	481,602	513,974	(32,372)	(7%)	2,022,726	513,974	1,508,752	75%
2 Claims Administration & Network Fees	852,213	899,735	(47,522)	(6%)	3,477,031	899,735	2,577,296	74%
3 Consulting Services	131,960	116,741	15,219	12%	527,837	116,741	411,096	78%
4 MyWorkplace (Hourglass) & ASI Admin	130,307	120,005	10,302	8%	521,228	120,005	401,223	77%
5 SJVIA Administration	56,046	120,581	(64,535)	(115%)	224,184	120,581	103,603	46%
6 Wellness	70,058	-	70,058	100%	280,230	-	280,230	100%
7 Communications	14,012	-	14,012	100%	56,046	-	56,046	100%
8 ACA Reinsurance/PCORI Fees	7,515	-	7,515	100%	29,027	-	29,027	100%
TOTAL FIXED DISBURSEMENTS	1,743,710	1,771,036	(27,323)	(2%)	7,138,309	1,771,036	5,367,273	75%
DISBURSEMENTS: Claims								
9 Projected Paid Claims (EPO/PPO/HDHP & RX)	17,886,623	19,375,474	(1,488,851)	(8%)	72,643,009	19,375,474	53,267,535	73%
10 Projected Paid Claims: Dental	1,110,222	1,061,742	48,480	4%	4,485,357	1,061,742	3,423,615	76%
TOTAL CLAIMS DISBURSEMENTS	18,996,845	20,437,216	(1,440,371)	(8%)	77,128,366	20,437,216	56,691,150	74%
DISBURSEMENTS: Premiums								
11 Delta Dental DHMO	288,333	369,758	(81,425)	(28%)	1,153,330	369,758	783,572	68%
12 Vision Service Plan	187,017	190,364	(3,347)	(2%)	748,067	190,364	557,703	75%
13 Kaiser Permanente	6,827,360	6,684,284	143,076	2%	28,646,489	6,684,284	21,962,205	77%
TOTAL PREMIUM DISBURSEMENTS	7,302,710	7,244,406	58,304	1%	30,547,886	7,244,406	23,303,480	76%
TOTAL DISBURSEMENTS	28,043,265	29,452,658	(1,409,393)	(5%)	114,814,561	29,452,658	85,361,903	74%
14 Change in Reserve	1,625,448	(2,049,562)	(3,675,010)	(226%)	7,152,043	(2,049,562)	(9,201,605)	(129%)
COMBINED DISBURSEMENTS & CHANGES IN RESERVES	29,668,713	\$27,403,096	(\$2,265,617)	(8%)	121,966,604	\$27,403,096	(\$94,563,508)	(78%)

*The approved budget contains assumptions that may differ throughout the fiscal year. The budget amounts presented in this report were revised and approved on the 7/17/2020 Board Meeting.

SAN JOAQUIN VALLEY INSURANCE AUTHORITY
ANALYSIS OF ADMINISTRATION, WELLNESS & COMMUNICATIONS (FEES) - RECEIPTS & DISBURSEMENTS
AS OF SEPTEMBER 30, 2020
(UNAUDITED)

	Current Quarter			Year-To-Date		
	SJVIA FEES			SJVIA FEES		
	Administration (*Line 5)	Wellness (*Line 6)	Communications (*Line 7)	Administration (Line 5)	Wellness (Line 6)	Communications (Line 7)
FY 20-21						
Receipts*	42,692			42,692		
Disbursements:						
Auditor-Treasurer Services	\$ 17,354			\$ 17,354		
Legal Services (CoF & CoT)	5,332			5,332		
Litigation	14,532			14,532		
Human Resource Services	30,727			30,727		
Insurance (Liability, Bond, Etc)	45,074			45,074		
Audit Fees	880			880		
Actuary Fees	-			-		
Bank Service Fees	6,682			6,682		
Wellness	-	-			-	
Communications	-		-			-
Total Disbursements**	\$ 120,581	\$ -	\$ -	\$ 120,581	\$ -	\$ -
Change in Administration, Wellness & Communications Reserve	\$ (77,889)	\$ -	\$ -	\$ (77,889)	\$ -	\$ -

*Receipts consist of fees collected from relevant enrollees at the following rates per employee per month: Various rates for administration(\$2.00 for SJVIA administration fees & various rates for non-founding member fees depending upon a participant's enrollment), \$2.50 for wellness & \$.50 for communications fees.

**Total disbursements for each column correspond to the line number shown on the "ACTUALS VS. BUDGETED RECEIPTS & DISBURSEMENTS" report.

San Joaquin Valley Insurance Authority
Schedule of Cash Flows by Month
As of September 30, 2020
(UNAUDITED)

	JULY	AUGUST	SEPTEMBER	TOTAL
BEGINNING CASH BALANCES:				
Claims Funding Account (294)	\$ 215,284	\$ 470,282	\$ 703,900	\$ 215,284
Claims Main Account (819)	3,676,862	3,577,148	2,180,524	3,676,862
Investment Pool	<u>18,670,979</u>	<u>19,339,868</u>	<u>23,036,371</u>	<u>18,670,979</u>
Total Beginning Balances	22,563,125	23,387,298	25,920,795	22,563,125
 RECEIPTS:				
Claims Funding Account (294)	4,889,535	5,428,768	4,203,545	14,521,848
Claims Main Account (819)	9,220,825	8,746,112	8,737,102	26,704,038
Investment Pool	<u>6,668,889</u>	<u>9,696,503</u>	<u>6,823,507</u>	<u>23,188,900</u>
	20,779,249	23,871,383	19,764,154	64,414,786
 DISBURSEMENTS:				
Claims Funding Account (294)	4,634,537	5,195,150	4,511,997	14,341,684
Claims Main Account (819)	9,320,539	10,142,736	9,698,029	29,161,304
Investment Pool	<u>6,000,000</u>	<u>6,000,000</u>	<u>6,000,000</u>	<u>18,000,000</u>
TOTAL DISBURSEMENTS	19,955,076	21,337,886	20,210,026	61,502,988
 ENDING CASH BALANCES:				
Claims Funding Account (294)	470,282	703,900	395,448	395,448
Claims Main Account (819)	3,577,148	2,180,524	1,219,597	1,219,596
Investment Pool	<u>19,339,868</u>	<u>23,036,371</u>	<u>23,859,878</u>	<u>23,859,879</u>
Total Ending Balances	<u>\$ 23,387,298</u>	<u>\$ 25,920,795</u>	<u>\$ 25,474,923</u>	<u>\$ 25,474,923</u>
Less Outstanding Checks				(1,759,402)
Cash per Estimated Statement of Net Position				<u>\$ 23,715,521</u>

Glossary of Terms:

1 **Specific Stop Loss Insurance (PPO)**

Specific: Insurance coverage for eligible individual specific claims in excess of the \$450,000 plan year deductible

2 **Administration & Network Fees (Anthem EPO/PPO/HDHP):**

Administrative services for the EPO/PPO/HDHP plans. Anthem Blue Cross administration fees to process claims, access the Anthem PPO network of providers, and Anthem services including claims management, utilization management, and customer service.

3 **EmpiRx Administration Fee (Anthem EPO/PPO):**

Administrative services to process and adjudicate EPO/PPO prescription drug claims. EmpiRx administration fee also includes prescription drug plan discount pricing, clinical management, utilization review, and customer service.

4 **Keenan Pharmacy Services (Anthem EPO/PPO):**

Consulting fee service for the negotiations of the PBM contract, preparing prescription drug plan performance reports, audit of PBM performance including: prescription drug rebates, prescription drug pricing performance standards, and claims adjudication accuracy.

5 **Myworkplace (Hourglass) Administration**

An independent vendor providing consolidated billing, eligibility and automated enrollment services.

6 **ASI Administration**

An independent vendor providing COBRA/retiree billing, and Section 125 administrative services.

7 **Keenan Consulting**

Keenan is a benefits consulting and brokerage firm who provides professional guidance to SJVIA and respective members concerning health plan matters including but not limited to compliance, underwriting, renewal bidding, employee communication, cost analysis, actuarial, etc.

8 **SJVIA Association Fee**

The association fee is used by SJVIA for administrative, management, legal, accounting and other services needed to effectively establish and maintain proper functioning of the Joint Powers Authority.

SJVIA Non-Founding Member Fee

This fee is assessed to non-founding member entities and is used to offset administrative, management, legal, accounting and other services needed to effectively establish and maintain proper functioning of the Joint Powers Authority.

9 **Wellness (EPO/PPO/HDHP/Kaiser)**

SJVIA provides wellness services and a financial allocation for each member entity's wellness program based on available funds.

10 **Communications**

SJVIA provides funding for member communication campaigns and special employee communication materials. It may include fees for maintaining a presence at such trade associations as CAJPA, CALPELRA, etc.

11 **Delta Dental Claims Administration**

Administrative services for the dental plans. Delta Dental administration fees to process claims, access the PPO network of providers, and Delta Dental services including claims management, utilization management, and customer service.

12 **ACA Reinsurance/PCORI (EPO/PPO)**

The Affordable Care Act (ACA) includes the Patient Centered Outcomes Research Institute (PCORI) fee. No fee announced for 2018 may be reinstated in the future.

14 **Projected Incurred Claims EPO/PPO/HDHP & Rx**

Projected self-insured paid claims for medical and prescription drugs and any adjustment to the Incurred But Not Reported (IBNR)

15 **Projected Incurred Claims Dental**

Projected self-insured paid claims for dental and any adjustment to the Incurred But Not Reported (IBNR) reserve

12 **Delta Dental**

Premium for entities covered under the SJVIA's fully-insured Delta Dental DHMO program

13 **VSP**

Premium for entities covered under the SJVIA's fully-insured VSP Vision program

14 **Kaiser Permanente**

Premium for entities covered under the SJVIA's fully-insured Kaiser HMO and DHMO program

15 **Kaiser Permanente - Senior Advantage**

Premium for entities covered under the SJVIA's fully-insured Kaiser Senior Advantage program