

San Joaquin Valley Insurance Authority
Estimated Statement of Net Position
As of March 31, 2020
(UNAUDITED)

ASSETS

Current assets:

Cash and cash equivalents	17,134,879
Due from other governmental units	123,177
Interest Receivable	71,870
Total current assets	17,329,926

Noncurrent assets:

Other receivables	977,819
Total noncurrent assets	977,819

Total assets	\$ 18,307,745
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LIABILITIES

Current liabilities:

Accounts payable	2,974,279
Unearned member contributions	2,233,143
Unpaid claims and claims adjustment expenses	2,063,536
Total current liabilities	7,270,958

Noncurrent liabilities:

Due to other governmental units	9,887,669
Interest payable	539,157
Total noncurrent liabilities	10,426,826

Total liabilities	\$ 17,697,784
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NET POSITION

Unrestricted	609,961
Total net position	\$ 609,961

Note:

This statement of net position is presented on an accrual basis. Certain related adjustments presented in this report are estimates. Additionally, this statement of net position does not include an IBNR accrual. Of the nine million currently loaned to SJVIA, five million is payable to the County of Fresno and four million 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 MARCH 31, 2020
(UNAUDITED)

	Current Quarter				Year-To-Date			
	BUDGET*	ACTUALS	FAVORABLE/ (UNFAVORABLE)	% VARIANCE	BUDGET*	ACTUALS	FAVORABLE/ (UNFAVORABLE)	% VARIANCE
RECEIPTS								
TOTAL RECEIPTS	\$28,473,564	\$ 30,872,700	\$ 2,399,136	8%	\$112,277,056	\$94,614,441	(\$17,662,615)	(16%)
DISBURSEMENTS: Fixed								
1 Specific Stop Loss Insurance (EPO/PPO)	541,626	503,945	37,681	7%	2,062,175	1,601,860	460,315	22%
2 Anthem Claims Administration & Network Fees (EPO/PPO)	904,843	881,911	22,932	3%	3,578,002	2,863,221	714,781	20%
3 Hourglass & ASI Administration (Anthem & Kaiser)	115,480	116,893	(1,413)	(1%)	461,920	390,204	71,716	16%
4 Keenan Consulting	89,857	128,442	(38,585)	(43%)	359,426	359,106	320	0%
5 SJVIA Administration	58,254	425,949	(367,695)	(631%)	233,016	2,340,017	(2,107,001)	(904%)
6 Wellness	72,465	-	72,465	100%	289,860	-	289,860	100%
7 Communications	14,493	-	14,493	100%	57,972	-	57,972	100%
8 Delta Dental Claims Administration	115,092	-	115,092	100%	453,443	-	453,443	100%
9 ACA Reinsurance/PCORI (EPO/PPO)	-	-	-	0%	-	27,854	(27,854)	0%
TOTAL FIXED DISBURSEMENTS	1,912,109	2,057,140	(145,030)	(8%)	7,495,814	7,582,262	(86,448)	(1%)
DISBURSEMENTS: Claims								
10 Projected Paid Claims: EPO/PPO & RX	17,735,725	17,489,725	246,000	1%	69,544,622	55,067,380	14,477,242	21%
11 Projected Paid Claims Dental	977,047	1,044,506	(67,459)	(7%)	3,856,323	2,943,199	913,124	24%
TOTAL CLAIMS DISBURSEMENTS	18,712,772	18,534,231	178,541	1%	73,400,945	58,010,579	15,390,366	21%
DISBURSEMENTS: Premiums								
12 Delta Dental	271,719	358,419	(86,700)	(32%)	1,061,293	1,204,664	(143,371)	(14%)
13 Vision Service Plan	179,540	186,434	(6,894)	(4%)	707,700	608,004	99,696	14%
14 Kaiser Permanente	6,519,807	6,398,555	121,252	2%	26,592,095	22,507,169	4,084,926	15%
TOTAL PREMIUM DISBURSEMENTS	6,971,065	6,943,408	27,658	0%	28,361,088	24,319,837	4,041,251	14%
TOTAL DISBURSEMENTS	27,595,946	27,534,779	61,167	0%	109,257,847	89,912,678	19,345,169	18%
16 Change in Reserve	877,618	3,337,921	2,460,303	280%	3,019,209	4,701,763	1,682,554	56%
COMBINED DISBURSEMENTS & CHANGES IN RESERVES	\$28,473,564	\$30,872,700	\$2,399,136	8%	112,277,056	\$94,614,441	(\$17,662,615)	(16%)

*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 7/19/2019 Board Meeting.

SAN JOAQUIN VALLEY INSURANCE AUTHORITY
ANALYSIS OF ADMINISTRATION, WELLNESS & COMMUNICATIONS (FEES) - RECEIPTS & DISBURSEMENTS
AS OF MARCH 31, 2020
(UNAUDITED)

	Current Quarter			Year-To-Date		
	SJVIA FEES			SJVIA FEES		
	Administration (*Line 5)	Wellness (*Line 6)	Communication (*Line 7)	Administration (Line 5)	Wellness (Line 6)	Communication (Line 7)
<u>FY 19-20</u>						
Receipts*	58,737		14,996	171,278		43,656
Disbursements:						
Auditor-Treasurer Services	15,453			59,918		
Legal Services (CoF & CoT)	18,507			45,021		
Litigation	323,730			1,972,119		
Human Resource Services	35,167			112,352		
Insurance (Liability, Bond, Etc)				71,624		
Audit Fees	26,350			55,145		
Actuary Fees						
Bank Service Fees	6,742			23,838		
Wellness						
Communications						
Total Disbursements**	\$ 425,949	\$ -	\$ -	\$ 2,340,017	\$ -	\$ -
Change in Administration, Wellness & Communications Reserve	\$ (367,212)		\$ 14,996	\$ (2,168,739)		\$ 43,656

*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 March 31, 2020
(UNAUDITED)

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	TOTAL
BEGINNING CASH BALANCES:										
Claims Funding Account (294)	\$ 530,373	\$ 382,713	\$ 710,859	\$ 656,093	\$ 710,661	\$ 101,709	\$ 185,725	\$ 366,296	\$ 608,197	\$ 530,373
Claims Main Account (819)	3,144,247	2,682,789	980,093	1,595,878	2,805,543	3,265,198	2,505,841	2,516,578	1,190,016	3,144,247
Investment Pool	9,710,504	9,345,969	12,533,705	9,840,038	10,306,952	11,074,128	14,454,088	12,116,886	15,914,402	9,710,504
Total Beginning Balances	13,385,124	12,411,471	14,224,657	12,092,009	13,823,156	14,441,035	17,145,654	14,999,760	17,712,615	13,385,124
RECEIPTS:										
Claims Funding Account (294)	5,721,609	4,903,671	4,833,449	5,011,111	4,028,695	4,417,732	4,443,269	4,752,173	4,621,692	42,733,401
Claims Main Account (819)	9,687,192	8,732,786	8,648,210	11,650,802	8,778,663	8,622,868	8,701,463	8,661,499	8,855,182	82,338,665
Investment Pool	6,635,465	9,187,736	3,306,333	9,466,914	6,767,176	9,379,960	3,662,798	9,797,516	6,725,491	64,929,387
	22,044,266	22,824,193	16,787,992	26,128,827	19,574,534	22,420,560	16,807,530	23,211,188	20,202,365	190,001,453
DISBURSEMENTS:										
Claims Funding Account (294)	5,869,269	4,575,525	4,888,215	4,956,543	4,637,647	4,333,716	4,262,698	4,510,272	5,122,634	43,156,519
Claims Main Account (819)	10,148,650	10,435,482	8,032,425	10,441,137	8,319,008	9,382,225	8,690,726	9,988,061	9,002,486	84,440,200
Investment Pool	7,000,000	6,000,000	6,000,000	9,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	58,000,000
TOTAL DISBURSEMENTS	23,017,919	21,011,007	18,920,640	24,397,680	18,956,655	19,715,941	18,953,424	20,498,333	20,125,120	185,596,719
ENDING CASH BALANCES:										
Claims Funding Account (294)	382,713	710,859	656,093	710,661	101,709	185,725	366,296	608,197	107,255	107,255
Claims Main Account (819)	2,682,789	980,093	1,595,878	2,805,543	3,265,198	2,505,841	2,516,578	1,190,016	1,042,712	1,042,712
Investment Pool	9,345,969	12,533,705	9,840,038	10,306,952	11,074,128	14,454,088	12,116,886	15,914,402	16,639,893	16,639,891
Total Ending Balances	\$ 12,411,471	\$ 14,224,657	\$ 12,092,009	\$ 13,823,156	\$ 14,441,035	\$ 17,145,654	\$ 14,999,760	\$ 17,712,615	\$ 17,789,860	\$ 17,789,858
Less Outstanding Checks										(654,979)
Cash per Estimated Statement of Net Position										<u>\$ 17,134,879</u>

Glossary of Terms:

Actuals vs. Budgeted Receipts & Disbursements

1 Specific & Aggregate Stop Loss Insurance (PPO)

Specific: Insurance coverage for eligible individual specific claims in excess of the \$450,000 plan year deductible up to the lifetime maximum of \$6 million.

Aggregate: Insurance coverage for eligible claims under the specific deductible on the aggregated amount for all member claims.

2 Administration & Network Fees (Anthem & Blue Shield PPO)

ASO is "Administrative Services Only". These are administrative services for the PPO plans. This definition includes Anthem Blue Cross & Health Now Administrative Services administration fees and includes access fees to use the Anthem Blue Cross & Blue Shield networks of providers. These services do not include the Anthem HMO plan.

3 Administrative Solutions Inc. (ASi)/Hourglass Systems Administration (Anthem & Kaiser)

ASi and Hourglass are independent vendors providing COBRA billing, eligibility, automated enrollment and Section 125 administrative services. This line is for health plans excluding HealthNow/Blue Shield.

4 Benefit Consulting

These are payments to the benefit consultant 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.

5 SJVIA Administration

These fees will be used by SJVIA for administrative, management, legal, accounting and other services needed to effectively establish and maintain proper functioning of the Joint Powers Authority. It includes the association fee and the non-founding member fee which is assessed to non-founding member entities.

6 Wellness

This rate category is earmarked for special claims management services and may include some wellness applications that are outside and additional to the claims management services provided by the insurance company.

7 Communications

This rate category is earmarked for special employee communication materials and prospective new City/County member promotional materials. It may include fees for maintaining a presence at such trade associations as CALPELRA, etc.

8 Anthem HMO Pooling

This is for the specific stop loss pooling insurance for claims in excess of \$400k within the HMO (not PPO).

9 Anthem HMO Administration/Retention

These are Anthem Blue Cross administration fees and include access fees to use the Blue Cross network of providers for the HMO plan.

10 ACA Reinsurance/PCORI (PPO & HMO)

The Affordable Care Act (ACA) includes the following fees on insurance plans: 1) Patient Centered Outcomes Research Institute (PCORI) fee. 2) Transitional Reinsurance Fee.

11 Projected Paid Medical & Rx Claims-PPO and Non-Cap HMO

Projected self-insured PPO claims for medical and Rx and non-capitated HMO claims (hospital).

12 Anthem MPP HMO Capitation

Amount paid in advance of services on a fixed per member per month basis for professional services (physician) as part of the HMO.

13 Delta Dental

Premium for entities covered under the SJVIA Delta Dental program.

Glossary of Terms:

Actuals vs. Budgeted Receipts & Disbursements

14 Vision Service Plan

Premium for entities covered under the SJVIA VSP Vision program.

15 Kaiser Permanente

Premium for entities covered under the SJVIA Kaiser HMO program.

16 Change in Reserve

Excess receipts over claims, premiums and fixed costs.

Estimated Statement of Net Position

17 Due from other governmental units

These represent premiums due to SJVIA from various participants.

18 Other receivables

This is primarily a deposit that SJVIA is required to keep with Anthem Blue Cross as part of the capitated HMO claims activity. For a discussion of capitated HMO claims, see item 12 above.

19 Accounts payable

This represents non-claims payments owed to vendors which have not yet been remitted.

20 Unearned member contributions

This represents premiums paid early to SJVIA before the premiums are due.

21 Unpaid claims and claims adjustment expenses

This represents claims payments owed to vendors which have not yet been remitted.

22 Due to other governmental units

This represents various loans made to SJVIA by the County of Fresno & the County of Tulare as well as start up payments made by the County of Fresno at SJVIA's inception.

23 Unrestricted Net Position

This represents the assets less any liabilities.