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SJVIA Board Meeting: Consultant’s Report on 2020 Plan Experience (Medical, Dental, and Vision) Through February 2020

The following pages provide a summary of the plan experience from January 1 through February 29, 2020 for the self-funded medical and dental plans, as well as the fully-insured vision plan (Kaiser and Delta Dental DHMO experience is not available). The Anthem self-funded medical plan showed a surplus of \$1,742,799 for a 87.2% total cost loss ratio.

Buildup	COF	COT	COM	Total
Medical	\$ 1,061,573	\$ 689,056	\$ (7,830)	\$ 1,742,799
Dental	\$ 38,089	\$ (31,861)	\$ -	\$ 6,228
Total	\$ 1,099,662	\$ 657,195	\$ (7,830)	\$ 1,749,027
Loss Ratio				
Medical	87.9%	85.9%	n/a	87.2%
Dental	93.5%	114.5%	n/a	99.2%

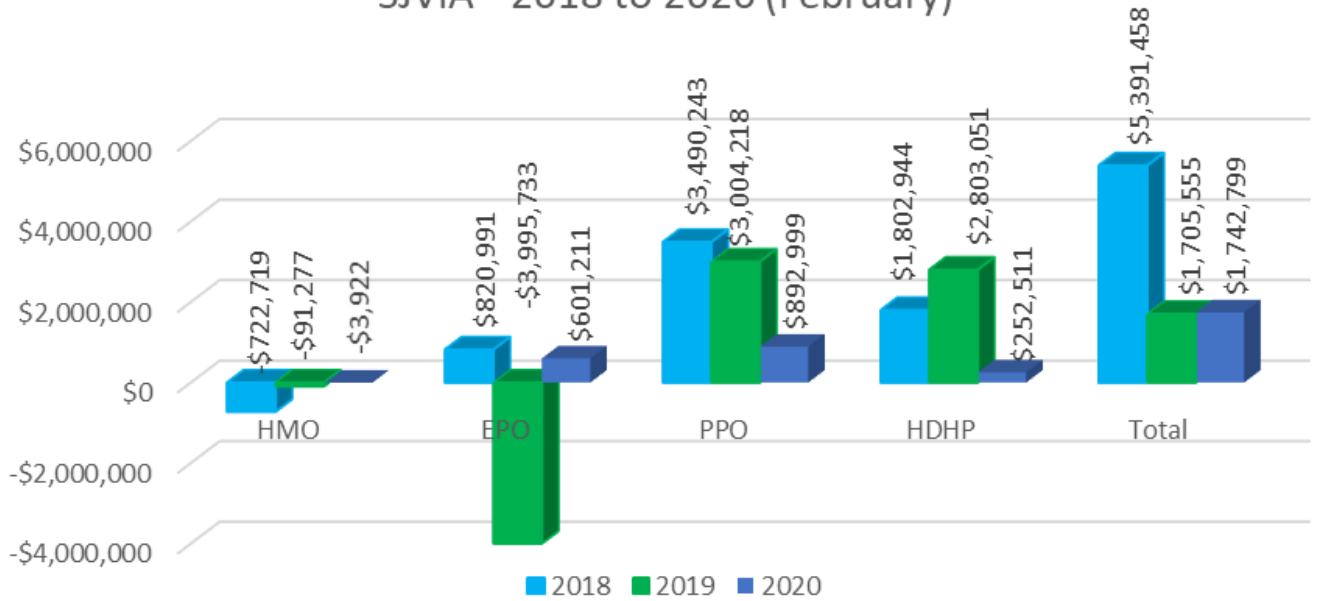
The SJVIA dental PPO plan became self-funded with the 2019 plan year. For the 2020 plan year (through February 29, 2020), the dental program has accumulated \$6,228 surplus for a 99.2% total cost loss ratio.

The vision plan remains fully-insured and is in a deficit position of -\$6,250. Under the fully-insured arrangement all deficit or surplus positions stay with the carrier.

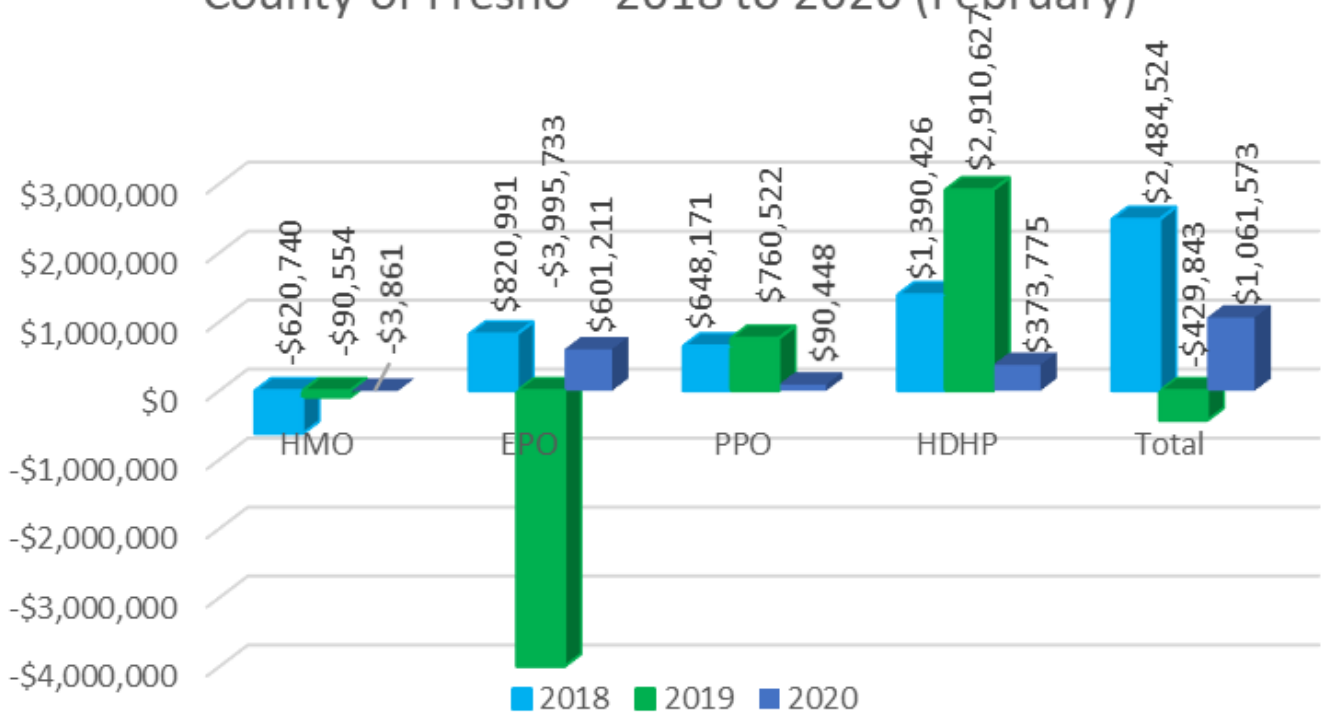
For 2020, the County of Fresno elected a parity strategy which sets the EPO and Kaiser HMO rates the same. This strategy will provide margin on the Kaiser rates which will be available to offset deficits on the EPO plan. Keenan estimates the Kaiser HMO parity reserve will develop \$2.0 million in reserves on the Kaiser enrollment for use on the EPO plan experience. Through February 2020, the Kaiser parity reserve accumulated \$602,589.

The SJVIA has been able to accumulate a total reserve buildup over the first two months of 2020 of \$2,931,786 or 44.7% of the \$6,553,714 annual reserve projection. Please note that this is the consultant’s report and prior to allocating funds for IBNR, the stabilization reserve, and to provide loan repayment, the SJVIA Auditor will provide the unaudited reserve accumulation based on actual revenue received and actual expenses paid.

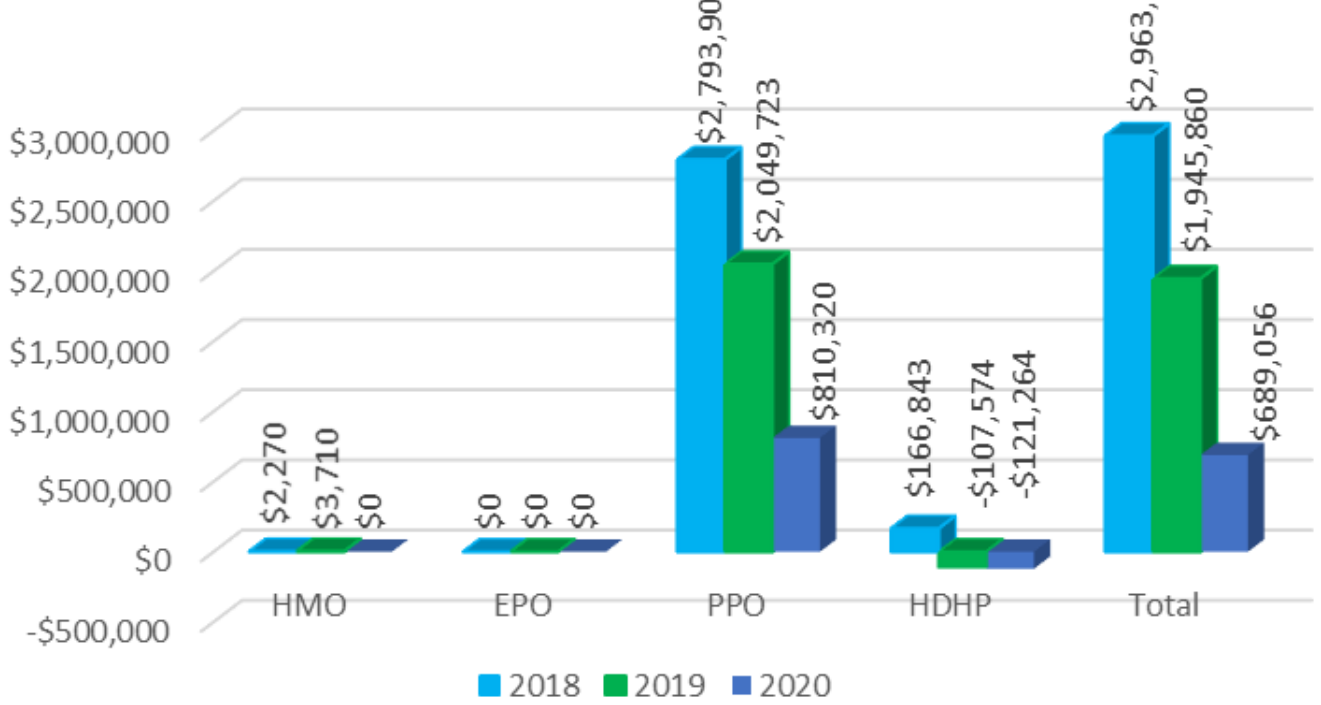
SJVA - 2018 to 2020 (February)



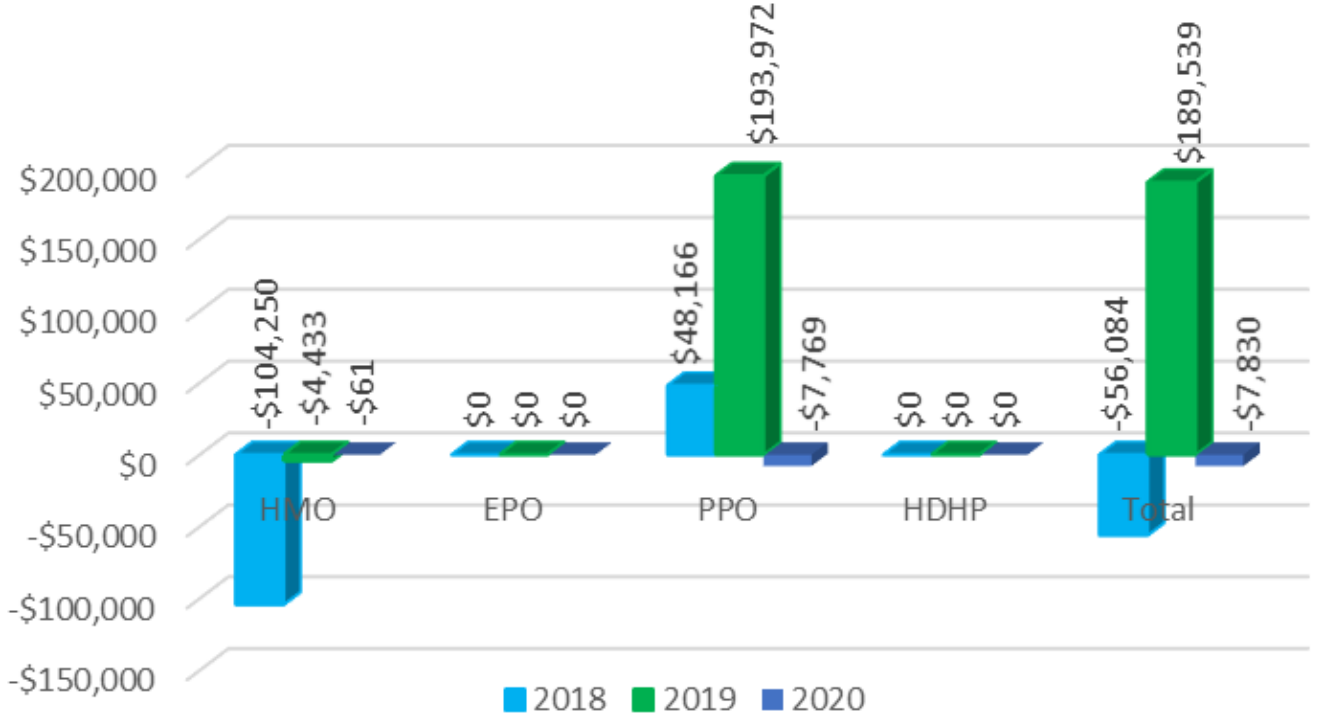
County of Fresno - 2018 to 2020 (February)



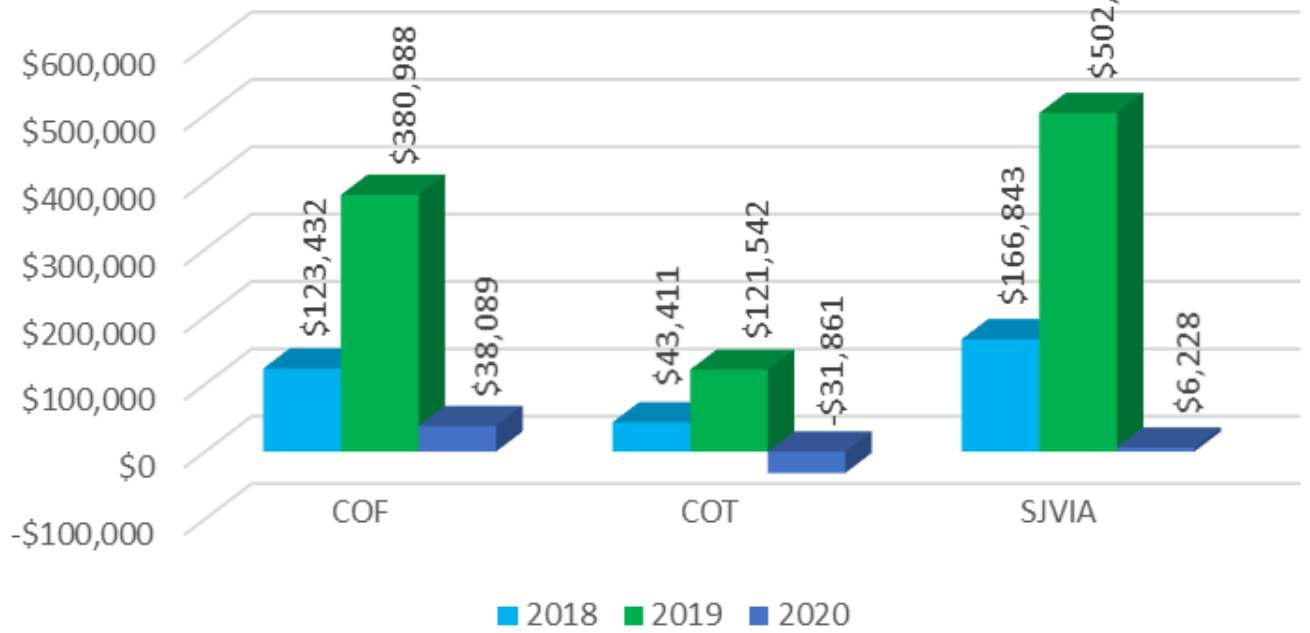
County of Tulare - 2018 to 2020 (February)



All Other - 2018 to 2020 (February)



Dental - 2018 to 2020 (February)



Reserve Accumulation /Funding Model													
2019	January	February	March	April	May	June	July	August	September	October	November	December	Total
Budget													
Plan Experience	\$ 273,618	\$ 273,618	\$ 273,618	\$ 273,618	\$ 273,618	\$ 273,618	\$ 273,618	\$ 273,618	\$ 273,618	\$ 273,618	\$ 273,618	\$ 273,618	\$ 3,283,410
Kaiser Rate Surcharge	\$ 59,931	\$ 59,931	\$ 59,931	\$ 59,931	\$ 59,931	\$ 59,931	\$ 59,931	\$ 59,931	\$ 59,931	\$ 59,931	\$ 59,931	\$ 59,931	\$ 719,171
Delta Dental PSR Transfer	\$ 398,199	\$ 265,466	\$ 132,733	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 796,398
2019 Budgeted Reserve Buildup	\$ 731,747	\$ 599,014	\$ 466,281	\$ 333,548	\$ 333,548	\$ 333,548	\$ 333,548	\$ 333,548	\$ 333,548	\$ 333,548	\$ 333,548	\$ 333,548	\$ 4,798,979
Actual													
Plan Experience (Medical)	\$ 266,540	\$ 571,444	\$ (526,484)	\$ (116,911)	\$ 556,905	\$ 555,716	\$ (807,303)	\$ 9,423	\$ 97,325	\$ (74,071)	\$ 403,481	\$ 769,490	\$ 1,705,555
Plan Experience (Dental)	\$ 69,763	\$ 25,643	\$ 41,648	\$ 27,807	\$ (4,548)	\$ 56,692	\$ 72,159	\$ (21,223)	\$ 65,340	\$ (30,719)	\$ 75,246	\$ 124,724	\$ 502,532
Prescription Drug Rebates*	\$ 382,100	\$ -	\$ 303,186	\$ 343,529	\$ -	\$ -	\$ 309,695	\$ -	\$ -	\$ 400,385	\$ -	\$ -	\$ 1,738,894
Kaiser Rate Surcharge	\$ 59,931	\$ 59,931	\$ 59,931	\$ 59,931	\$ 59,931	\$ 59,931	\$ 59,931	\$ 59,931	\$ 59,931	\$ 59,931	\$ 59,931	\$ 59,931	\$ 719,171
Delta Dental PSR Transfer	\$ 379,822	\$ 379,190	\$ 189,652	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 948,664
2019 Actual Reserve Buildup	\$ 1,158,156	\$ 1,036,208	\$ 67,932	\$ 314,356	\$ 612,288	\$ 672,339	\$ (365,518)	\$ 48,131	\$ 222,596	\$ 355,526	\$ 538,658	\$ 954,145	\$ 5,614,816
2020	January	February	March	April	May	June	July	August	September	October	November	December	Total
Budget													
Plan Experience (Medical)	\$ 168,530	\$ 168,530	\$ 168,530	\$ 168,530	\$ 168,530	\$ 168,530	\$ 168,530	\$ 168,530	\$ 168,530	\$ 168,530	\$ 168,530	\$ 168,530	\$ 2,022,355
Plan Experience (Dental)	\$ 6,991	\$ 6,991	\$ 6,991	\$ 6,991	\$ 6,991	\$ 6,991	\$ 6,991	\$ 6,991	\$ 6,991	\$ 6,991	\$ 6,991	\$ 6,991	\$ 83,897
Kaiser Reserve Accumulation	\$ 68,981	\$ 68,981	\$ 68,981	\$ 68,981	\$ 68,981	\$ 68,981	\$ 68,981	\$ 68,981	\$ 68,981	\$ 68,981	\$ 68,981	\$ 68,981	\$ 827,773
Kaiser EPO Parity Accumulation	\$ 168,307	\$ 168,307	\$ 168,307	\$ 168,307	\$ 168,307	\$ 168,307	\$ 168,307	\$ 168,307	\$ 168,307	\$ 168,307	\$ 168,307	\$ 168,307	\$ 2,019,689
Prescription Drug Rebates	\$ -	\$ -	\$ 400,000	\$ -	\$ -	\$ 400,000	\$ -	\$ -	\$ 400,000	\$ -	\$ -	\$ 400,000	\$ 1,600,000
2020 Budgeted Reserve Buildup	\$ 412,810	\$ 412,810	\$ 812,810	\$ 412,810	\$ 412,810	\$ 812,810	\$ 412,810	\$ 412,810	\$ 812,810	\$ 412,810	\$ 412,810	\$ 812,810	\$ 6,553,714
Actual													
Plan Experience (Medical)	\$ 719,955	\$ 1,022,844											\$ 1,742,799
Plan Experience (Dental)	\$ 7,830	\$ (1,602)											\$ 6,228
Kaiser Reserve Accumulation	\$ 67,723	\$ 67,721											\$ 135,444
Kaiser EPO Parity Accumulation	\$ 300,988	\$ 301,602											\$ 602,589
Prescription Drug Rebates	\$ -	\$ 444,726											\$ 444,726
2020 Actual Reserve Buildup	\$ 1,096,496	\$ 1,835,290	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,931,786

The chart above shows budgeted reserve buildup to realized buildup based on plan experience for 2020. For 2020, the SJVIA budgeted accumulation is \$6,553,714. This includes \$2,019,689 on the County of Fresno’s Kaiser plan which is specifically setup to offset any 2020 deficit position of County of Fresno’s EPO plan.

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