

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

**AGENDA DATE:** May 8, 2020

**ITEM NUMBER:** Item 13

**SUBJECT:** Receive Consultant's Medical, Dental, and Vision Experience Reports through February 2020 with Update on Projected Plan Experience Surplus Accumulation and Projections (I)

**REQUEST(S):** That the Board receive the Consultant's Medical, Dental, and Vision experience reports through February 2020 and update on projected plan experience surplus accumulation and projections.

**DESCRIPTION:**

The report shows that on a total cost basis from January through February 2020, the medical premium of \$13,652,353 exceeded total cost of \$11,909,554 for a projected plan experience surplus position of \$1,742,799, or a 87.2% loss ratio.

The dental PPO plan became self-insured in 2019. The report shows that on a total cost basis, the dental premium of \$803,144 exceeded total cost of \$796,917 for a projected plan experience surplus position of \$6,227 or a 99.2% loss ratio.

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

Based on the 2020 renewal approved by the SJVIA Board on August 23, 2019, and January 2020 enrollment, Keenan projected a \$6,553,714 plan experience surplus position for the 2020 plan year. Keenan projected a plan experience surplus to be built from premium exceeding plan costs, built in margin on the Kaiser plan, prescription drug rebates and other sources. In total, Keenan currently projects that \$1,742,799 (44.7%) in plan experience surplus position may be attributed to January through February for plan year

**AGENDA:** San Joaquin Valley Insurance Authority

**DATE:** May 8, 2020

2020. Please note that this is the consultant's report and projection of plan performance, not a statement of actual cash on hand or actual reserve, and not a statement of actual revenue received or actual expenses paid.

**FISCAL IMPACT/FINANCING:**

The 2020 plan year experience through February developed a projected plan experience \$1,742,799 medical surplus and a \$6,228 dental surplus for a total of \$1,749,087. The addition of the prescription drug rebates of \$444,726, Kaiser plan experience surplus of \$135,444, and Kaiser EPO parity plan experience surplus of \$602,589 brings the collective total plan experience projected surplus for plan year 2020 up to \$2,931,786.

**ADMINISTRATIVE SIGN-OFF:**



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Rhonda Sjostrom  
SJVIA Manager



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Paul Nerland  
SJVIA Assistant Manager