



P. O. Box 1538  
 Rancho Cordova, CA 95741

916 859-4900  
 916 859-7167 fax: GS  
 www.keenan.com  
 License No. 0451271

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

The following pages provide a summary of the plan experience from January 1 through June 30, 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 SJVIA self-funded plans showed a surplus position of \$5,489,566 over the first six months of 2020.

<b>Buildup</b>	<b>COF</b>	<b>COT</b>	<b>COM</b>	<b>Total</b>
Medical	\$ 2,369,610	\$ 2,442,117	\$ (14,297)	\$ 4,797,430
Dental	\$ 554,582	\$ 137,554	\$ -	\$ 692,136
Total	\$ 2,924,192	\$ 2,579,671	\$ (14,297)	\$ 5,489,566
Loss Ratio				
Medical	91.0%	83.4%	n/a	88.3%
Dental	68.3%	79.4%	n/a	71.3%
Vision	76.0%	89.6%	n/a	79.6%

The Anthem self-funded medical plan showed an accumulated position of \$4,797,430 for an 88.3% total cost loss ratio through June 30, 2020.

Starting with the 2019 plan year, the SJVIA dental PPO plan changed from a fully insured to a self-funded plan. For the 2020 plan year (through June 30, 2020), the dental program showed an accumulated position of \$692,136 which is a 71.3% cost loss ratio.

The vision plan remains fully-insured and shows an accumulated position of \$76,184 through June 30, 2020. Under the fully-insured arrangement all deficit or accumulated positions stay with the carrier.

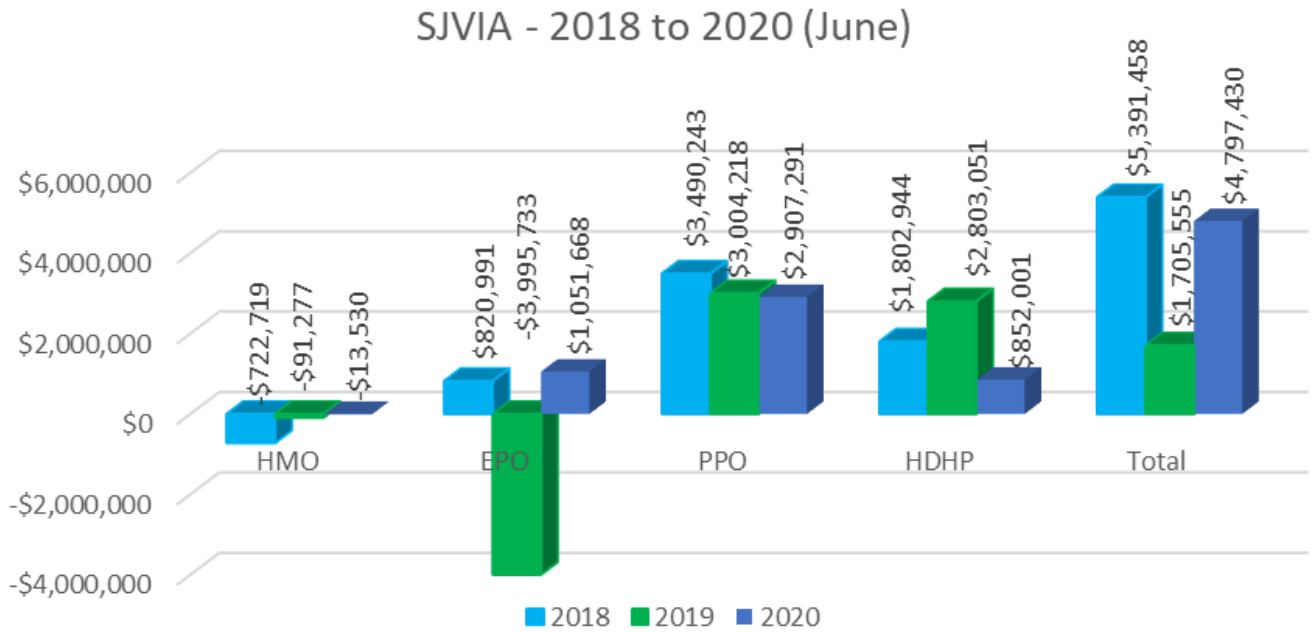
For 2020, the County of Fresno has elected a parity strategy which sets the EPO and Kaiser rates the same. This strategy provides margin on the Kaiser rates which funds a parity reserve to offset deficits on the EPO plan. Keenan estimates that the cumulative Kaiser parity reserve will be \$2.0 million. Through June 2020, the Kaiser parity reserve accumulated \$1,817,240 and over the same time the EPO plan showed an accumulated position of \$1,051,668.

In June 2020, the SJVIA received the 2018 year-end accounting from its reinsurer Voya. Based on favorable claims experience for claimants with large claim amounts above the \$450,000 pooling level for the 2018 plan year, Voya is providing a \$111,779 premium refund.

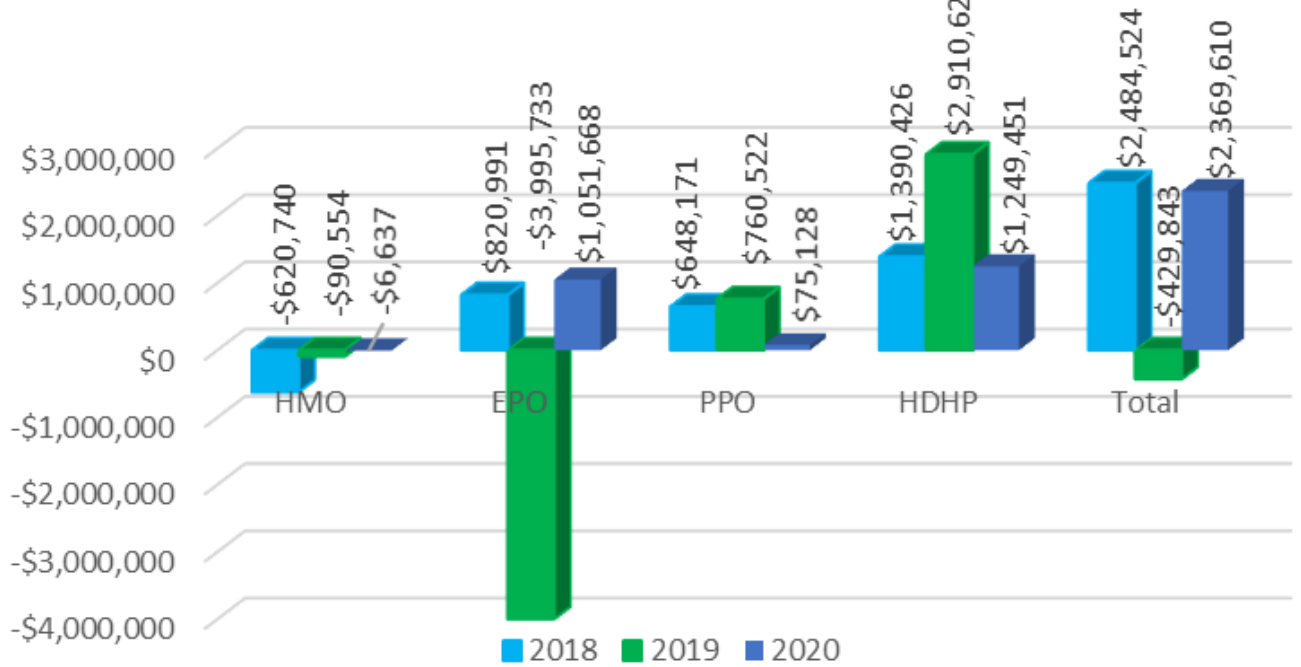
The SJVIA has a cumulative position over the first six months of 2020 in the amount of \$8,737,036 or 133.3% of the \$6,553,714 total annual reserve projection for the entire year.

In July 2020, the SJVIA received the EmpiRx 2019 4<sup>th</sup> quarter prescription drug rebate of \$473,497. Additionally, Anthem provided the December 31, 2017 year-end accounting for the HMO plan and provided \$977,813 to the SJVIA. Inclusive of these two items the cumulative position is \$10,188,352 or 155.5% of the \$6,553,714 total annual reserve projection for the entire year.

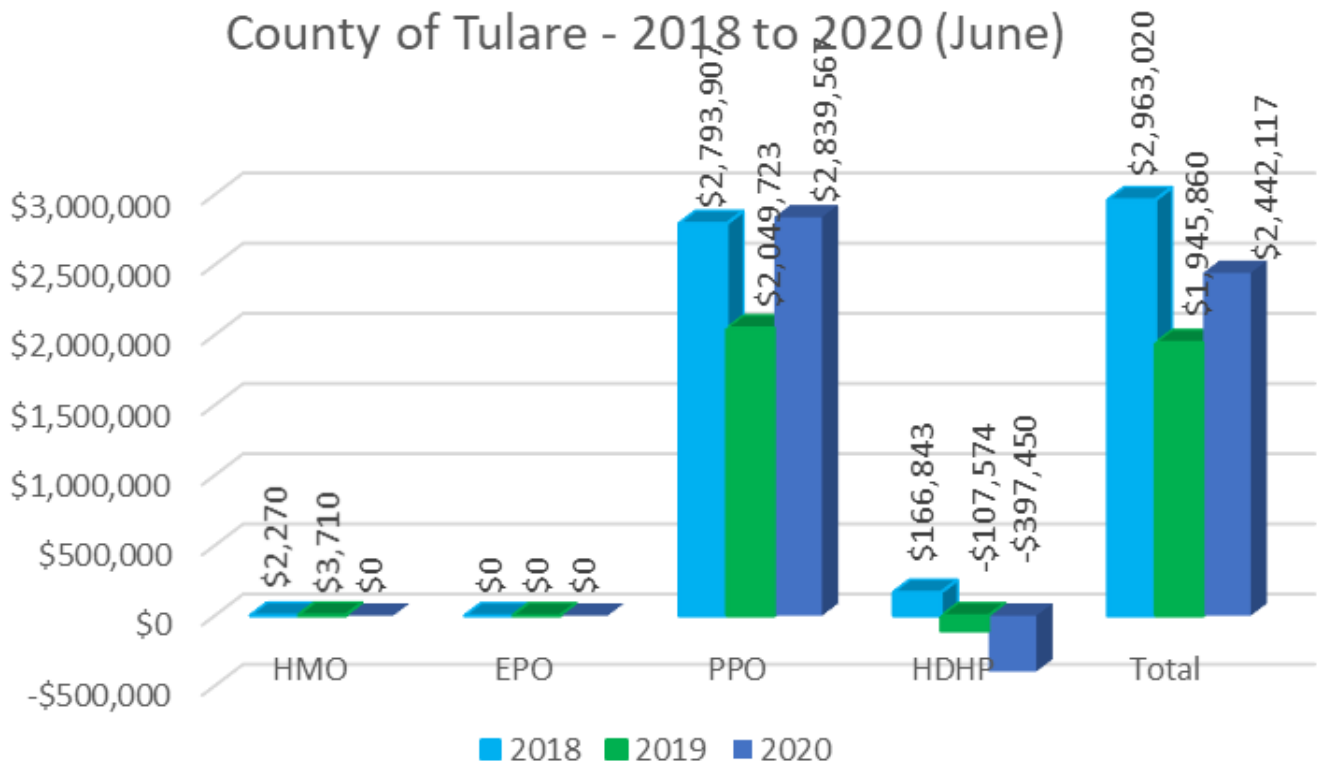
Please note that this is the consultant’s report and prior to allocating funds for IBNR, the stabilization reserve, and to provide loan repayment, the SJVIA Auditor will provide the unaudited cash position based on actual revenue received and actual expenses paid.



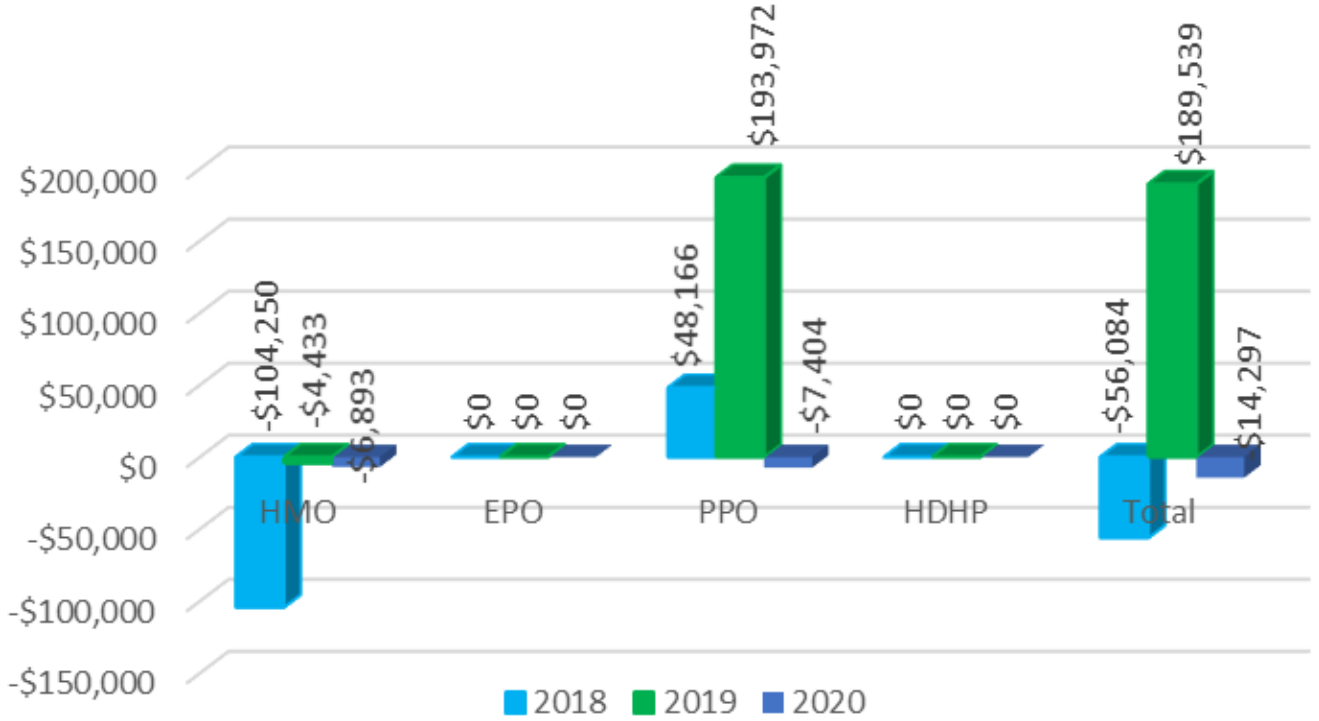
### County of Fresno - 2018 to 2020 (June)



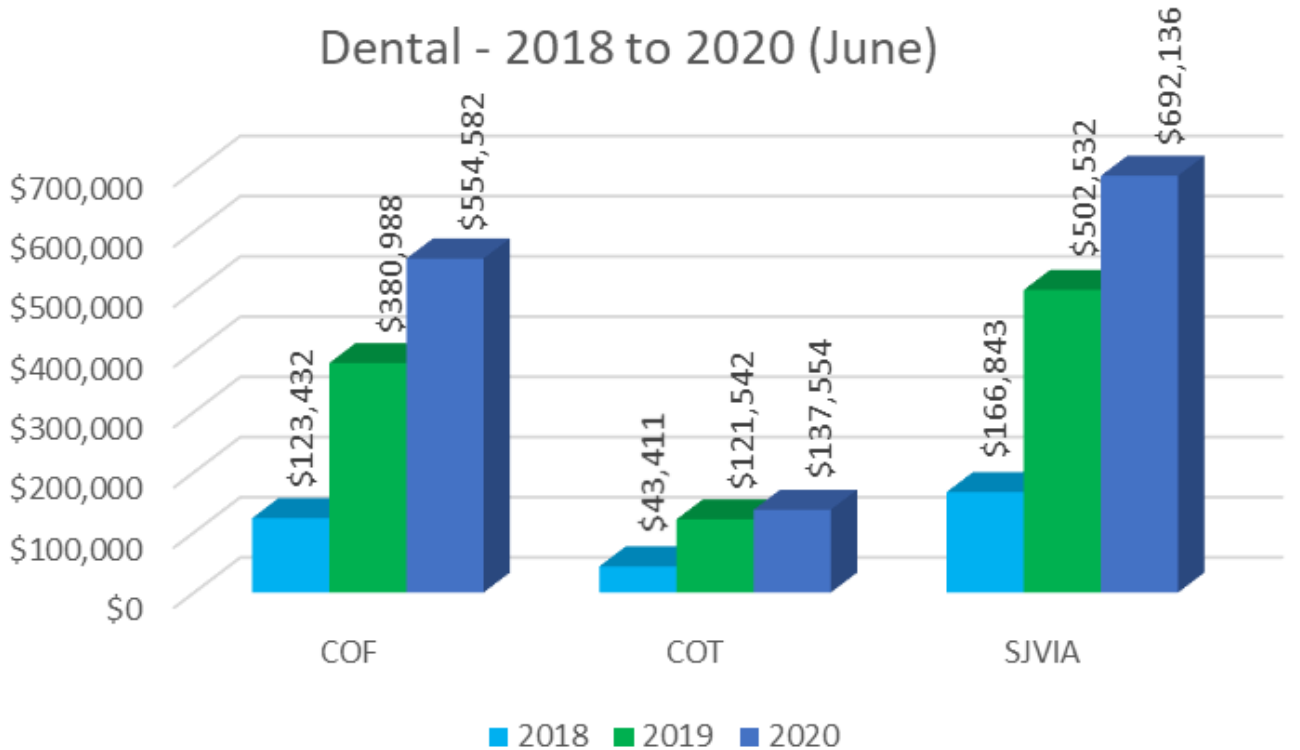
### County of Tulare - 2018 to 2020 (June)



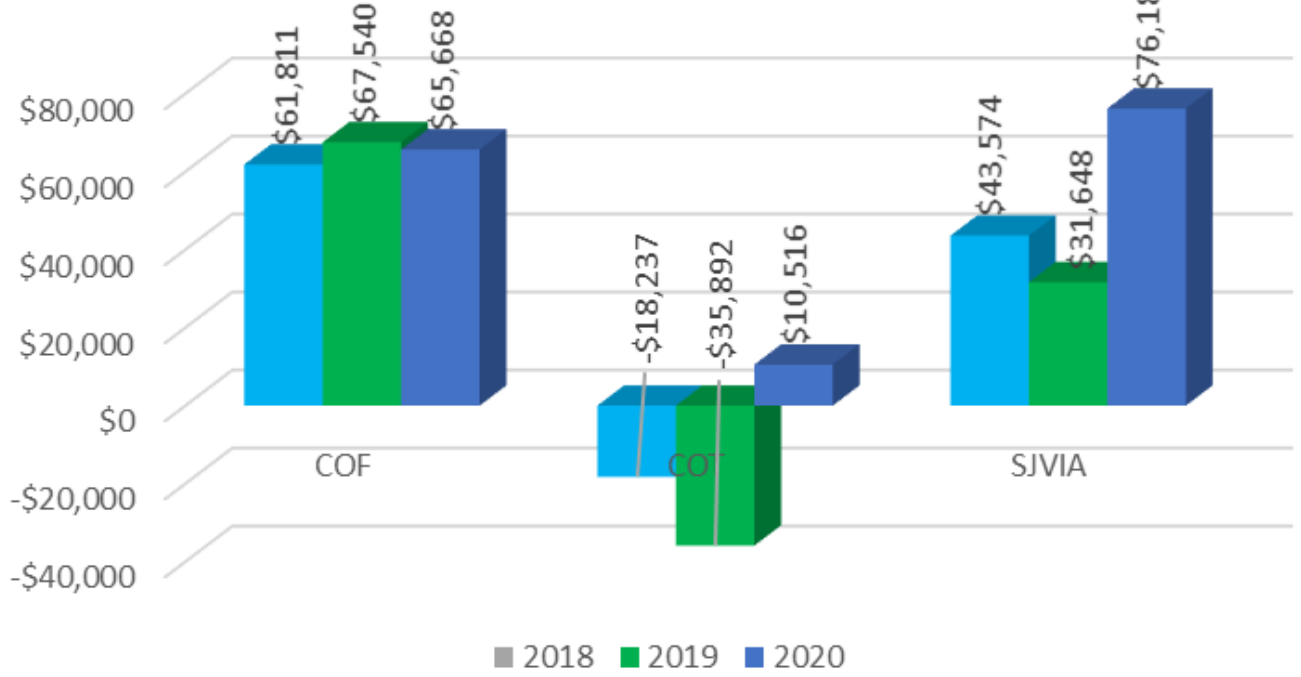
### All Other - 2018 to 2020 (June)



### Dental - 2018 to 2020 (June)



### Vision - 2018 to 2020 (June)



<b>Budget vs. Calculated Accumulation</b>													
<b>2019</b>	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>	<b>Total</b>
<b>Budget</b>													
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 Accumulation	\$ 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
<b>Calculated</b>													
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 Calculated Accumulation	\$ 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
<b>2020</b>	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>	<b>Total</b>
<b>Budget</b>													
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 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 Accumulation	\$ 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
<b>Calculated</b>													
Plan Experience (Medical)	\$ 719,955	\$ 1,022,844	\$ (107,282)	\$ 961,782	\$ 1,013,371	\$ 1,186,760							\$ 4,797,430
Plan Experience (Dental)	\$ 7,830	\$ (1,602)	\$ 71,933	\$ 244,874	\$ 251,995	\$ 117,106							\$ 692,136
Kaiser Accumulation	\$ 67,723	\$ 67,721	\$ 67,742	\$ 67,653	\$ 68,624	\$ 69,209							\$ 408,671
Kaiser EPO Parity Accumulation	\$ 300,988	\$ 301,602	\$ 301,286	\$ 300,610	\$ 305,046	\$ 307,708							\$ 1,817,240
Prescription Drug Rebates	\$ -	\$ 444,726	\$ -	\$ -	\$ 465,054	\$ -	\$ 473,497						\$ 1,383,277
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 111,779	\$ 977,819						\$ 1,089,598
2020 Calculated Accumulation	\$ 1,096,496	\$ 1,835,290	\$ 333,678	\$ 1,574,919	\$ 2,104,090	\$ 1,792,562	\$ 1,451,316	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,188,352

The chart above shows budgeted to calculated accumulation 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 the County of Fresno’s EPO plan (Parity Plan).

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