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SJVIA Board Meeting: Consultant’s Report 2021 Plan Experience (Medical, Dental, and Vision) Through August 2021

The following pages provide a summary of the plan experience from January 1 through August 31, 2021 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 show a surplus position of \$1,578,665 through August 2021.

Accumulation	COF	COT	Total
Medical	\$ (59,355)	\$ 1,387,634	\$ 1,328,279
Dental	\$ 253,693	\$ (3,308)	\$ 250,386
Total	\$ 194,338	\$ 1,384,326	\$ 1,578,665
Loss Ratio			
Medical	100.2%	92.6%	97.6%
Dental	88.9%	100.4%	92.1%
Vision	89.1%	104.1%	93.2%

The August position is a decrease of -\$258,778 from \$1,837,443 reported through June 2021. We have now had five months where the premium received was less than total costs of the medical plan.

2021	January	February	March	April	May	June	July	August
Plan Experience (Medical)	\$ 1,353,029	\$ 1,298,026	\$ 279,275	\$ (485,754)	\$ (331,137)	\$ (461,172)	\$ (1,373)	\$ (322,615)
Plan Experience (Dental)	\$ 64,691	\$ 26,113	\$ (1,592)	\$ (35,574)	\$ 37,376	\$ 94,161	\$ (1,159)	\$ 66,369

This may be due to SJVIA covered members receiving services that were postponed because of COVID, which resulted in a higher-than-normal volume of large claims experience, or higher large claim volume unrelated to COVID. Keenan will continue to monitor the claims experience to detect any trends.

The Anthem self-funded medical plan shows an accumulated position of \$1,328,280 for a 97.6% total cost loss ratio.

The Delta Dental self-funded dental plan shows an accumulation of \$250,385 for a 92.1% total cost loss ratio.

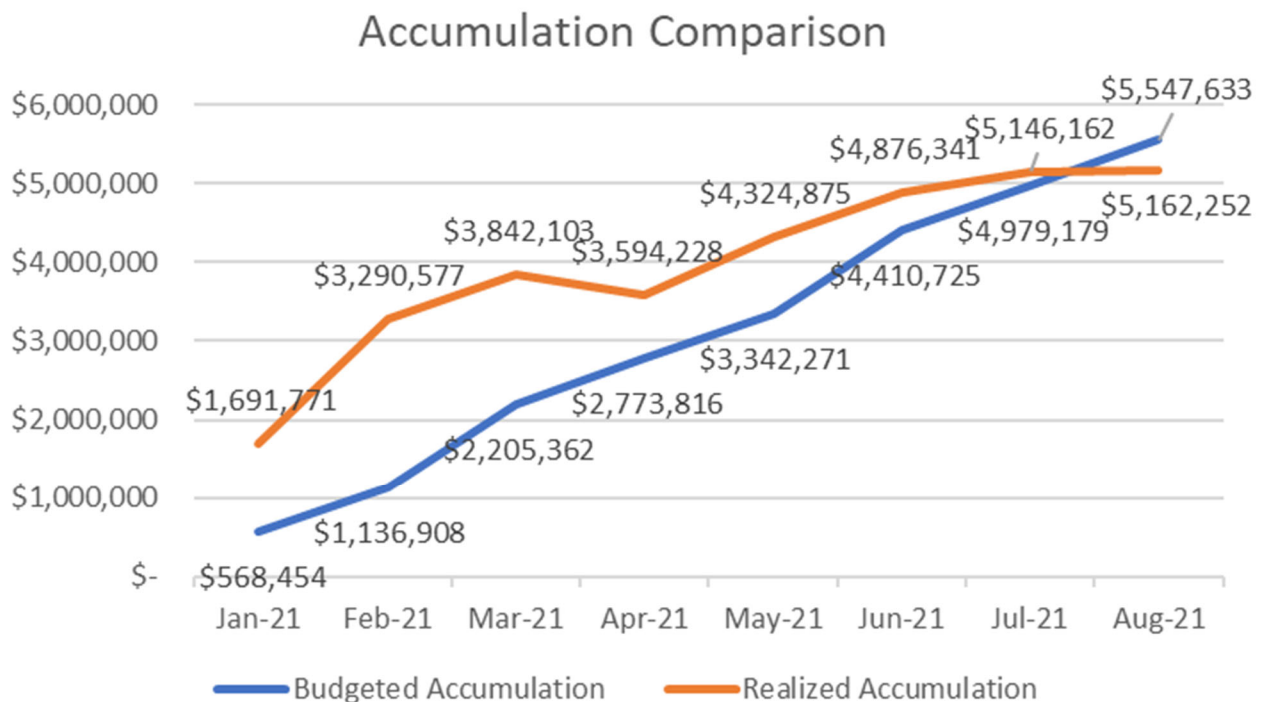
The vision plan remains fully insured and shows an accumulated position of \$33,449 for a 93.2% total cost loss ratio. Under the fully-insured arrangement all deficit or accumulated positions stay with the carrier.

For 2021, the County of Fresno is continuing with two strategies to keep the EPO affordable for its membership:

1. The County cross subsidizes plan costs between the PPO and High Deductible Health Plans (HDHP). The EPO is in a \$2,698,823 deficit position, while the County of Fresno inclusive of all plans has an accumulated deficit position of -\$59,355.
2. The County's EPO/Kaiser parity strategy sets the EPO and Kaiser rates equivalent. This strategy provides margin on the Kaiser rates which funds a parity reserve to offset deficits to the EPO plan. Through August 2021, the Kaiser parity reserve accumulated \$1,657,540.
3. The County of Fresno applies a margin to all plans including Kaiser to assist the County and SJVIA in improving its accumulation position. The cumulative Kaiser margin reserve is \$529,540 through August.
4. Collectively the strategies implemented by the County of Fresno have resulted in a net accumulated position through August 2021 of \$2,127,725 for the medical plans.

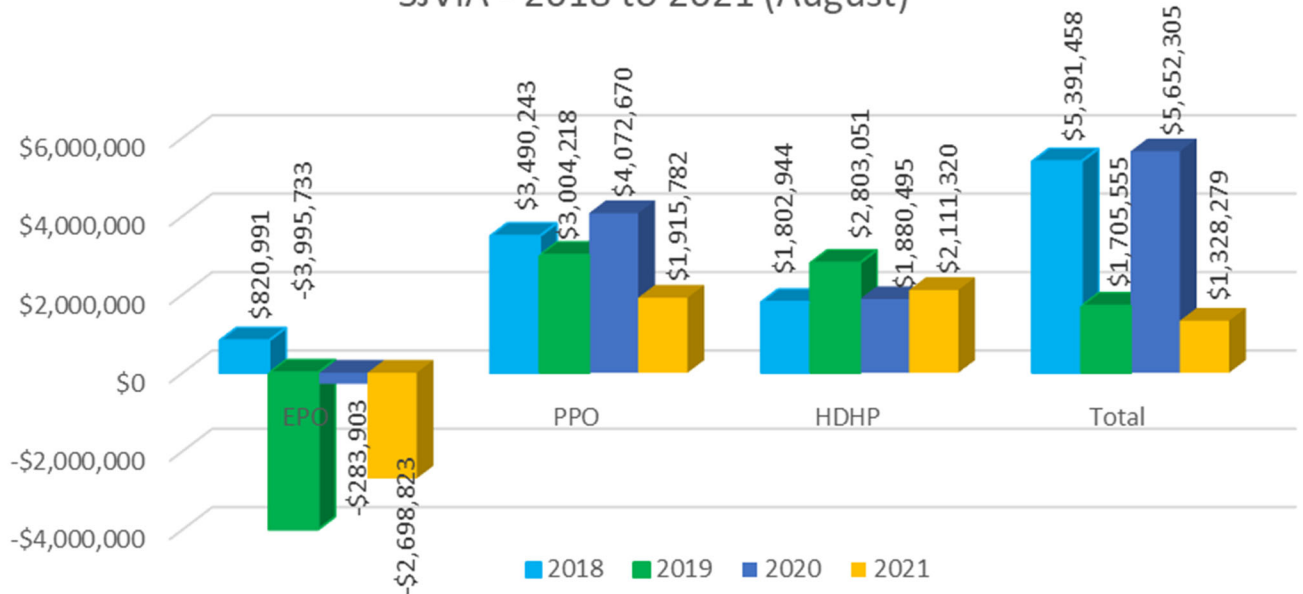
The SJVIA received the 2020 fourth quarter (October - December 2020) prescription drug rebate for \$645,084 (\$145,084 above the budgeted amount). This amount is accounted for in the June accumulated position. The 2021 first quarter (January - March 2021) prescription drug rebate amount was recently audited by Keenan Pharmacy Services and a payment of \$663,828 was released to the SJVIA in early September.

The SJVIA has an annual accumulative position through August 2021 of \$5,162,252 or 58.5% of the budgeted accumulative position of \$8,821,449 for the 2021 plan year. The accumulation is 8.2% (\$718,714) behind of the budgeted August 2021 position of \$5,880,966 (66.67%).

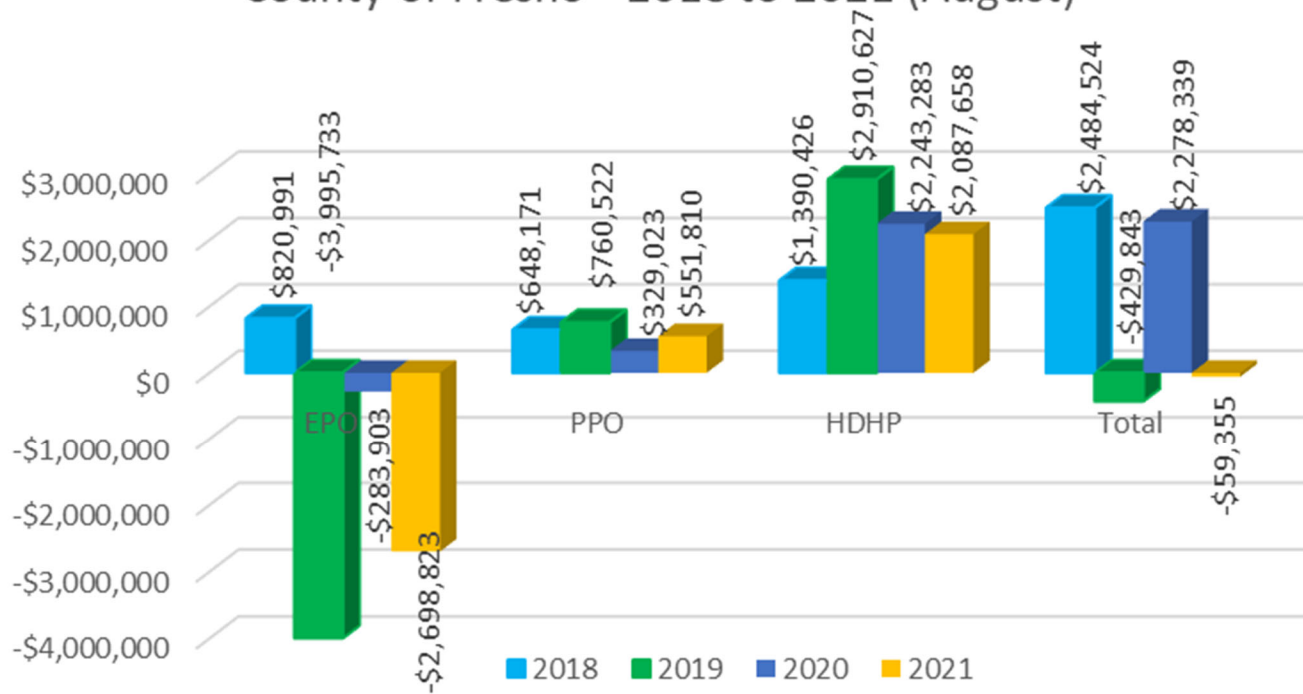


Please note that this is the consultant's report and prior to allocating funds for IBNR, the stabilization reserve, and to provide loan repayment, the SJVIA Auditor will provide the unaudited cash position based on actual revenue received and actual expenses paid.

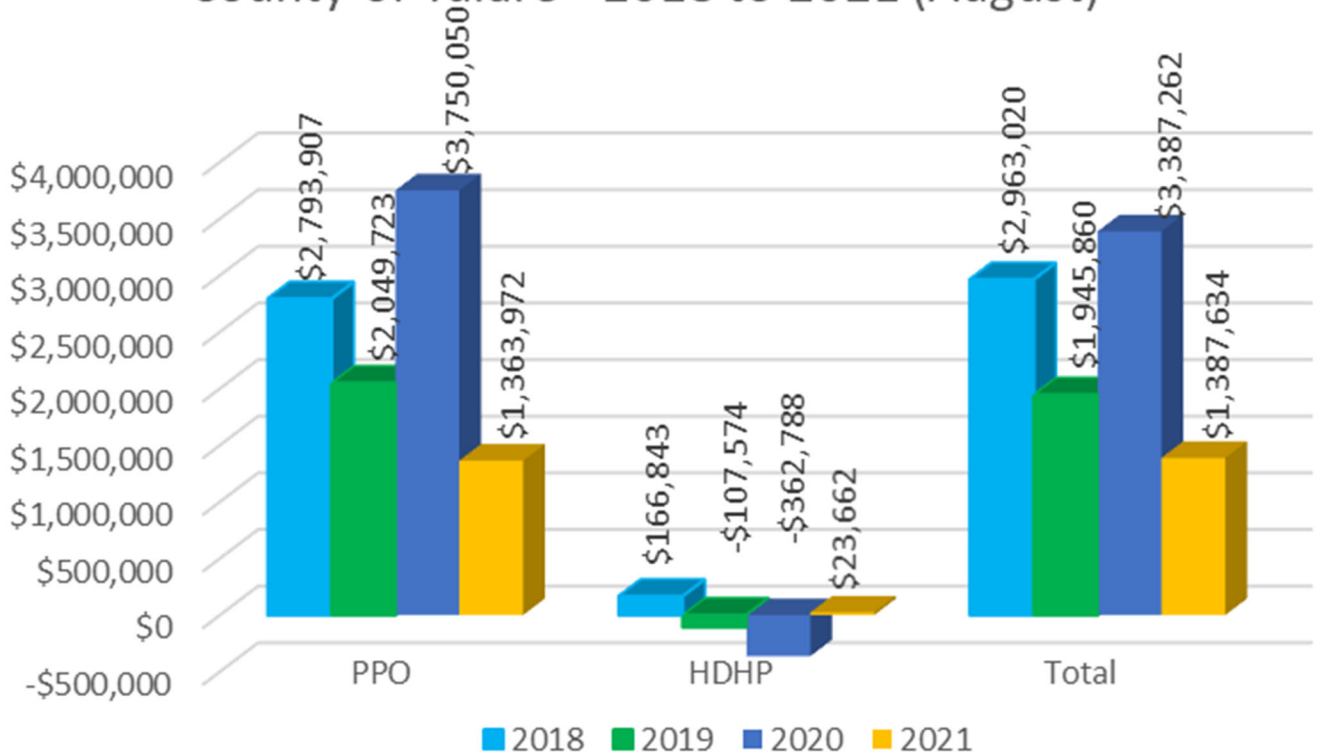
SJVIA - 2018 to 2021 (August)



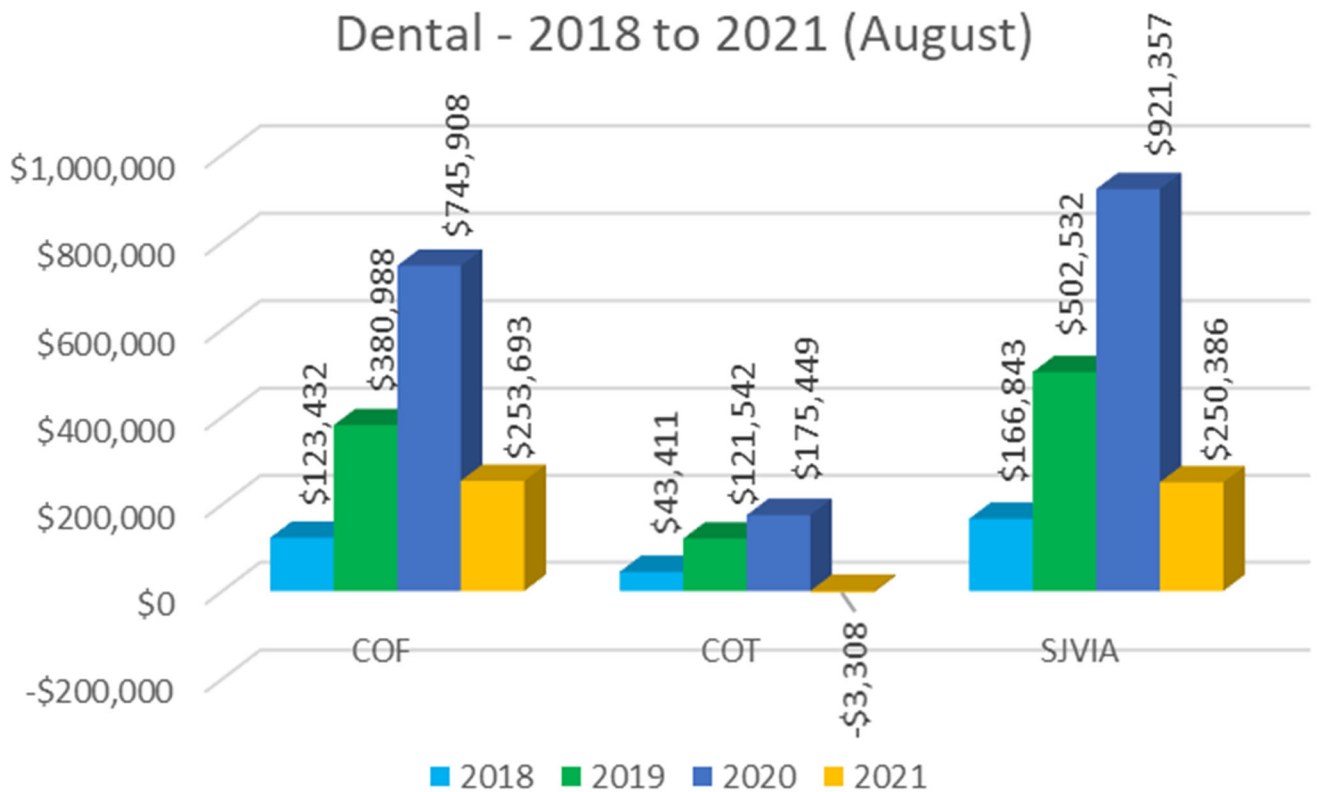
County of Fresno - 2018 to 2021 (August)



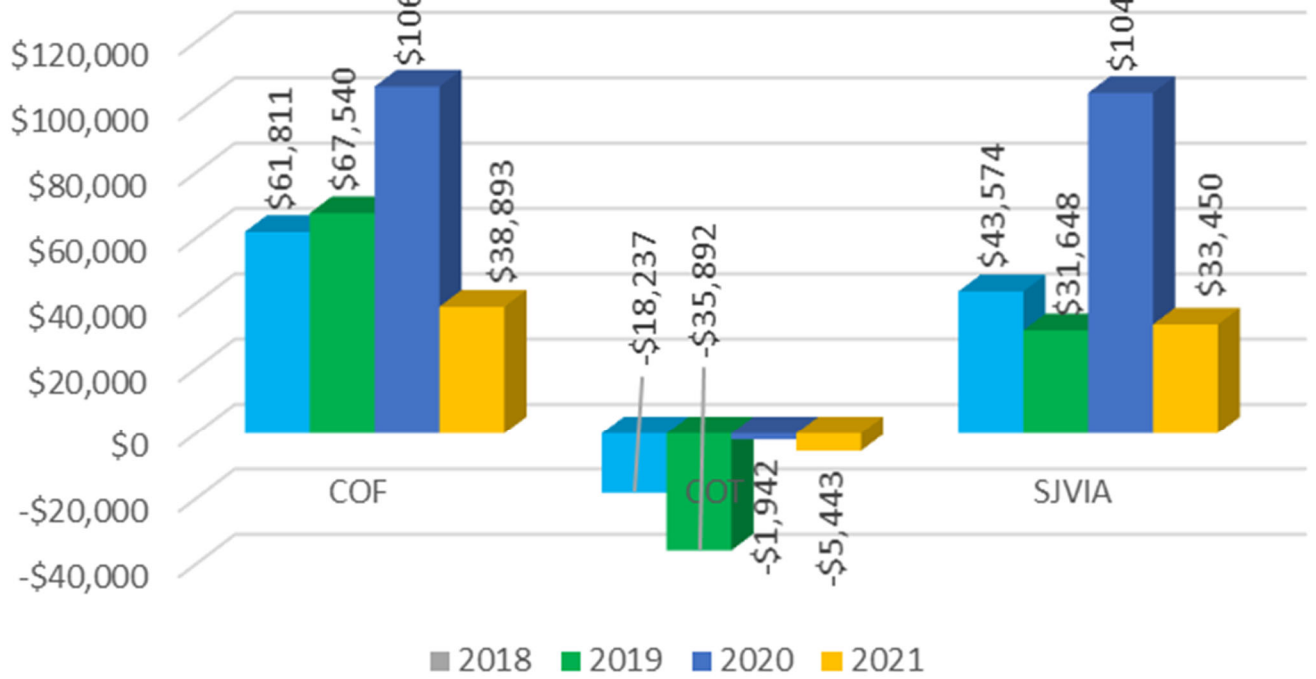
County of Tulare - 2018 to 2021 (August)



Dental - 2018 to 2021 (August)



Vision - 2018 to 2021 (August)



Budget vs. Calculated Accumulation													
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 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
Calculated													
Plan Experience (Medical)	\$ 719,955	\$ 1,022,844	\$ (107,282)	\$ 961,782	\$ 1,013,371	\$ 1,186,760	\$ 229,036	\$ (485,775)	\$ 325,160	\$ 147,490	\$ 169,133	\$ 469,831	\$ 5,652,305
Plan Experience (Dental)	\$ 7,830	\$ (1,602)	\$ 71,933	\$ 244,874	\$ 251,996	\$ 117,106	\$ (2,167)	\$ 83,889	\$ 58,852	\$ (27,210)	\$ 70,676	\$ 45,180	\$ 921,357
Kaiser Accumulation	\$ 67,723	\$ 67,721	\$ 67,742	\$ 67,653	\$ 68,624	\$ 69,209	\$ 68,940	\$ 68,709	\$ 68,821	\$ 68,339	\$ 68,317	\$ 68,542	\$ 820,340
Kaiser EPO Parity Accumulation	\$ 300,988	\$ 301,602	\$ 301,286	\$ 300,610	\$ 305,046	\$ 307,708	\$ 305,644	\$ 304,548	\$ 305,603	\$ 303,806	\$ 303,745	\$ 304,353	\$ 3,644,938
Prescription Drug Rebates	\$ -	\$ 444,726	\$ -	\$ -	\$ 465,054	\$ -	\$ 473,497	\$ 546,922	\$ -	\$ 578,620	\$ -	\$ -	\$ 2,508,819
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 111,779	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 111,779
2020 Calculated Accumulation	\$ 1,096,496	\$ 1,835,290	\$ 333,678	\$ 1,574,919	\$ 2,104,091	\$ 1,792,562	\$ 1,074,950	\$ 518,293	\$ 758,436	\$ 1,071,045	\$ 611,871	\$ 887,906	\$ 13,659,539
2021	January	February	March	April	May	June	July	August	September	October	November	December	Total
Budget													
Plan Experience (Medical)	\$ 230,104	\$ 230,104	\$ 230,104	\$ 230,104	\$ 230,104	\$ 230,104	\$ 230,104	\$ 230,104	\$ 230,104	\$ 230,104	\$ 230,104	\$ 230,104	\$ 2,761,249
Plan Experience (Dental)	\$ 6,076	\$ 6,076	\$ 6,076	\$ 6,076	\$ 6,076	\$ 6,076	\$ 6,076	\$ 6,076	\$ 6,076	\$ 6,076	\$ 6,076	\$ 6,076	\$ 72,913
Kaiser Accumulation	\$ 67,658	\$ 67,658	\$ 67,658	\$ 67,658	\$ 67,658	\$ 67,658	\$ 67,658	\$ 67,658	\$ 67,658	\$ 67,658	\$ 67,658	\$ 67,658	\$ 811,898
Kaiser EPO Parity Accumulation	\$ 264,616	\$ 264,616	\$ 264,616	\$ 264,616	\$ 264,616	\$ 264,616	\$ 264,616	\$ 264,616	\$ 264,616	\$ 264,616	\$ 264,616	\$ 264,616	\$ 3,175,390
Prescription Drug Rebates	\$ -	\$ -	\$ 500,000	\$ -	\$ -	\$ 500,000	\$ -	\$ -	\$ 500,000	\$ -	\$ -	\$ 500,000	\$ 2,000,000
2021 Budgeted Accumulation	\$ 568,454	\$ 568,454	\$ 1,068,454	\$ 568,454	\$ 568,454	\$ 1,068,454	\$ 568,454	\$ 568,454	\$ 1,068,454	\$ 568,454	\$ 568,454	\$ 1,068,454	\$ 8,821,449
Calculated													
Plan Experience (Medical)	\$ 1,353,029	\$ 1,298,026	\$ 279,275	\$ (485,754)	\$ (331,137)	\$ (461,172)	\$ (1,373)	\$ (322,615)	\$ -	\$ -	\$ -	\$ -	\$ 1,328,279
Plan Experience (Dental)	\$ 64,691	\$ 26,113	\$ (1,592)	\$ (35,574)	\$ 37,376	\$ 94,161	\$ (1,159)	\$ 66,369	\$ -	\$ -	\$ -	\$ -	\$ 250,386
Kaiser Accumulation	\$ 66,307	\$ 66,453	\$ 66,255	\$ 66,166	\$ 65,959	\$ 66,167	\$ 65,943	\$ 65,952	\$ -	\$ -	\$ -	\$ -	\$ 529,202
Kaiser EPO Parity Accumulation	\$ 207,743	\$ 208,215	\$ 207,587	\$ 207,287	\$ 206,687	\$ 207,226	\$ 206,410	\$ 206,384	\$ -	\$ -	\$ -	\$ -	\$ 1,657,540
Prescription Drug Rebates	\$ -	\$ -	\$ -	\$ -	\$ 751,762	\$ 645,084	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,396,846
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021 Calculated Accumulation	\$ 1,691,771	\$ 1,598,807	\$ 551,526	\$ (247,875)	\$ 730,647	\$ 551,466	\$ 269,821	\$ 16,090	\$ -	\$ -	\$ -	\$ -	\$ 5,162,252

Note: Jan-Mar Q1 2021 estimated net rebate amount is \$663,828. RX Rebate is currently being audited by KPS

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.