

December 10, 2021

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

The following pages provide a summary of the plan experience from January 1 through September 30, 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 \$1,281,840 through September 2021.

Accumulation	COF	COT	Total
Medical	\$ (3,019)	\$ 1,025,138	\$ 1,022,119
Dental	\$ 249,251	\$ 10,468	\$ 259,720
Total	\$ 246,232	\$ 1,035,606	\$ 1,281,839
Loss Ratio			
Medical	100.0%	95.2%	98.3%
Dental	90.3%	99.0%	92.8%
Vision	88.5%	106.2%	93.3%

The September position is a decrease of -\$296,826 from \$1,578,665 reported through August 2021. We have now had six months where the premium received was less than total costs of the medical plan. The first five months were predominantly due to the County of Fresno’s EPO plan, while the latest month was due predominantly due to the County of Tulare’s PPO plans.

2021	April	May	June	July	August	September
Plan Experience (Medical)	\$ (485,754)	\$ (331,137)	\$ (461,172)	\$ (1,373)	\$ (322,615)	\$ (306,160)
Plan Experience (Dental)	\$ (35,574)	\$ 37,376	\$ 94,161	\$ (1,159)	\$ 66,369	\$ 9,334

SJVIA may still be realizing SJVIA covered members receiving services that were postponed due to 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 \$1022,121 for a 98.3% total cost loss ratio.

The Delta Dental self-funded dental plan shows an accumulation of \$259,719 for a 92.8% total cost loss ratio.

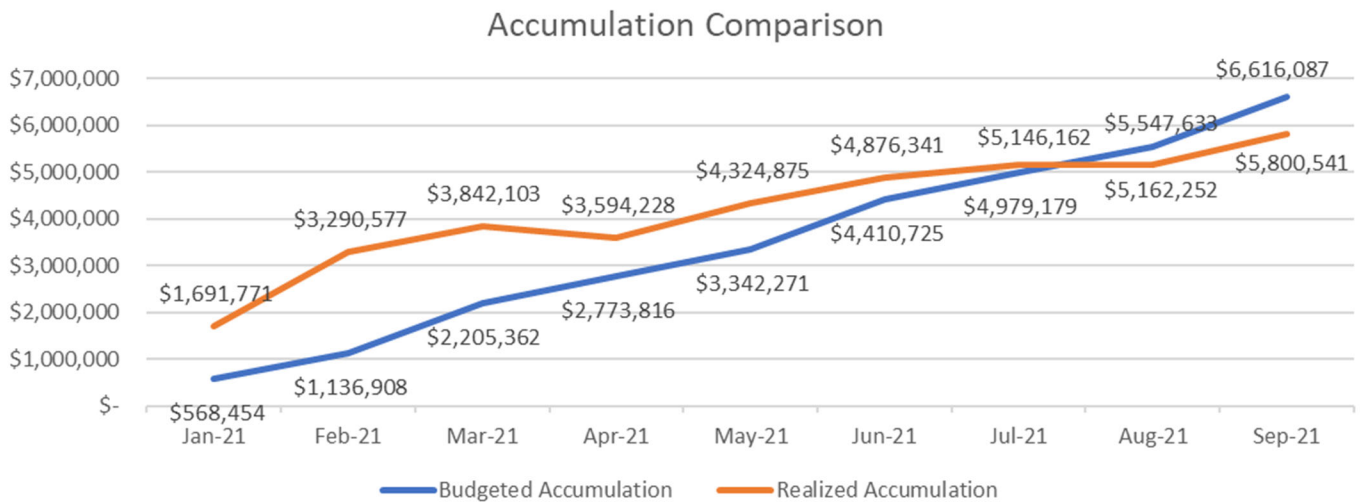
The vision plan remains fully insured and shows an accumulated position of \$36,887 for a 93.3% total cost loss ratio. Under the fully-insured arrangement all deficit or accumulated positions stay with the carrier.

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 \$2,877,830 deficit position, while the County of Fresno inclusive of all plans has an accumulated deficit position of -\$3,019.
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 September 2021, the Kaiser parity reserve accumulated \$1,863,138.
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 \$594,720 through September.
4. Collectively, the strategies implemented by the County of Fresno have resulted in a net accumulated position through September 2021 of \$2,455,009 for the medical plans.

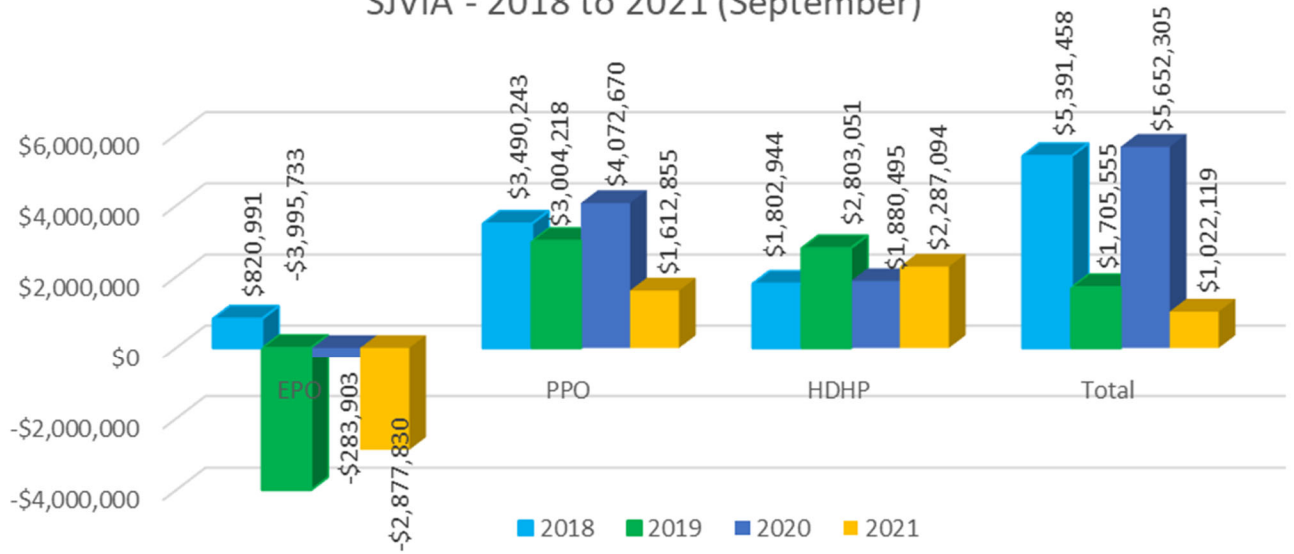
The SJVIA received the third quarter (January - March 2021) Prescription drug rebate for \$663,828 (\$163,828 above the budgeted amount). This amount is accounted for in the September accumulated position. The fourth quarter (April - June 2021) Prescription drug rebate is estimated at \$694,892 and is currently being audited by KPS and expected to fund to the SJVIA in December 2021.

The SJVIA has an annual accumulative position through September 2021 of \$5,800,541 or 65.8% of the budgeted accumulative position of \$8,821,449 for the 2021 plan year. The accumulation is 9.2% (\$815,546) behind the budgeted September 2021 position of \$6,616,087 (75.0%).

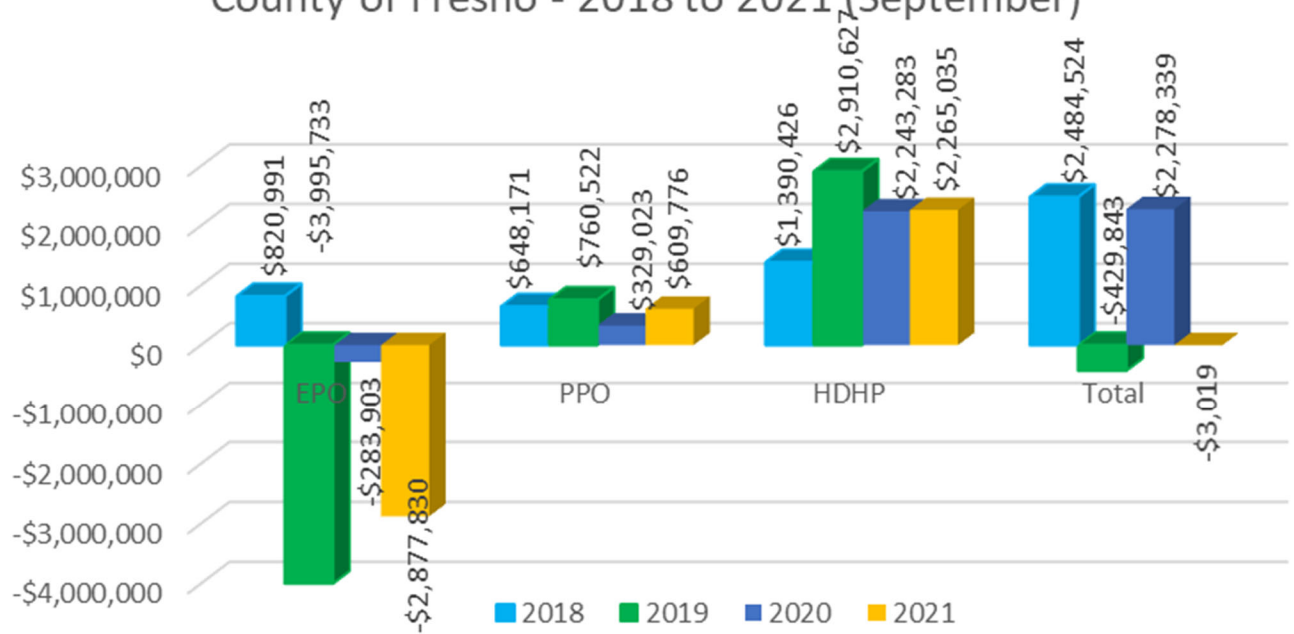


Please note, this is the consultant's report and prior to allocating funds for IBNR, the stabilization reserve, and to provide loan repayment, the SJVIA Auditor will provide the unaudited cash position based on actual revenue received and actual expenses paid.

### SJVIA - 2018 to 2021 (September)



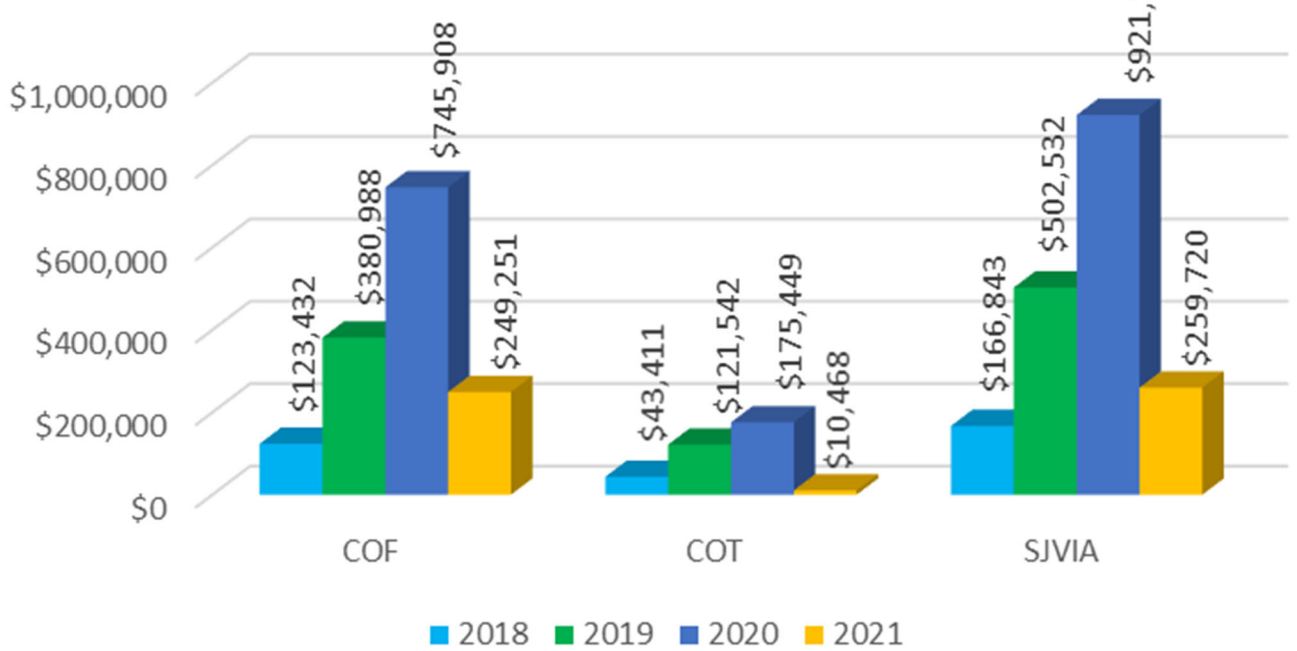
### County of Fresno - 2018 to 2021 (September)



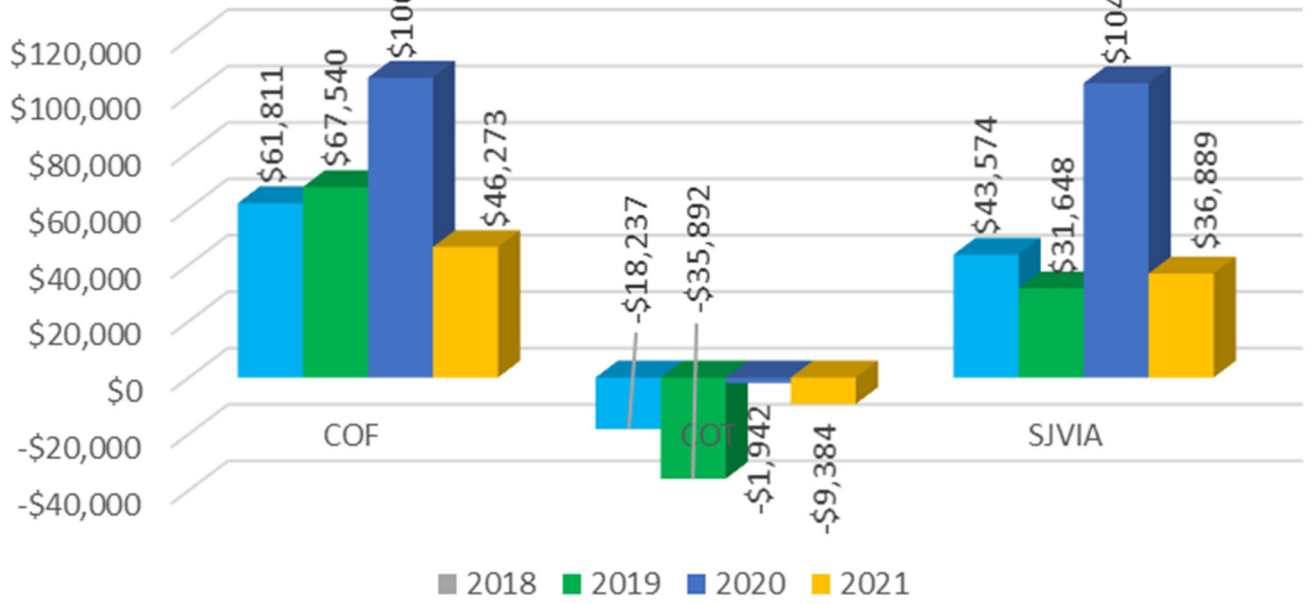
### County of Tulare - 2018 to 2021 (September)



### Dental - 2018 to 2021 (September)



### Vision - 2018 to 2021 (September)



Budget vs. Calculated Accumulation													
2020	January	February	March	April	May	June	July	August	September	October	November	December	Total
<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	\$ 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
<b>Budget</b>													
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
<b>Calculated</b>													
Plan Experience (Medical)	\$ 1,353,029	\$ 1,298,026	\$ 279,275	\$ (485,754)	\$ (331,137)	\$ (461,172)	\$ (1,373)	\$ (322,615)	\$ (306,160)	\$ -	\$ -	\$ -	\$ 1,022,119
Plan Experience (Dental)	\$ 64,691	\$ 26,113	\$ (1,592)	\$ (35,574)	\$ 37,376	\$ 94,161	\$ (1,159)	\$ 66,369	\$ 9,334	\$ -	\$ -	\$ -	\$ 259,720
Kaiser Accumulation	\$ 66,307	\$ 66,453	\$ 66,255	\$ 66,166	\$ 65,959	\$ 66,167	\$ 65,943	\$ 65,952	\$ 65,688	\$ -	\$ -	\$ -	\$ 594,890
Kaiser EPO Parity Accumulation	\$ 207,743	\$ 208,215	\$ 207,587	\$ 207,287	\$ 206,687	\$ 207,226	\$ 206,410	\$ 206,384	\$ 205,598	\$ -	\$ -	\$ -	\$ 1,863,138
Prescription Drug Rebates	\$ -	\$ -	\$ -	\$ -	\$ 751,762	\$ 645,084	\$ -	\$ -	\$ 663,828	\$ -	\$ -	\$ -	\$ 2,060,674
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021 Calculated Accumulation	\$ 1,691,771	\$ 1,598,807	\$ 551,526	\$ (247,875)	\$ 730,647	\$ 551,466	\$ 269,821	\$ 16,090	\$ 638,289	\$ -	\$ -	\$ -	\$ 5,800,541

Note: Apr-Jun Q2 2021 estimated net rebate amount is \$694,892 and will be paid out in December, 2021. 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.