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

The following pages provide a summary of the plan experience from January 1 through May 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). Please note that for the last two years the SJVIA has been made up of the County of Fresno and the County of Tulare, therefore the “Other” group (cities) have been dropped from reporting.

The SJVIA self-funded plans show a surplus position of \$2,926,590 through May 2021.

Accumulation	COF	COT	Total
Medical	\$ 711,201	\$ 2,124,374	\$ 2,835,575
Dental	\$ 136,888	\$ (45,874)	\$ 91,015
Total	\$ 848,089	\$ 2,078,500	\$ 2,926,590
Loss Ratio			
Medical	96.8%	83.0%	91.8%
Dental	90.4%	108.1%	95.4%
Vision	90.9%	106.9%	95.3%

The May position is a decrease of \$521,424 from \$3,448,014 reported through March 2021. This may be the realization of SJVIA covered members receiving services which 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 \$2,835,576 for a 91.8% total cost loss ratio through May 31, 2021.

The Delta Dental self-funded dental plan shows an accumulation of \$91,014 for a 95.4% total cost loss ratio through May 31, 2021.

The vision plan remains fully-insured and shows an accumulated position of \$14,624 through May 31, 2021. 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). Although the EPO is in a \$1,072,178 deficit position, the County of Fresno inclusive of all plans has an accumulated position of \$711,201 through May 2021.
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

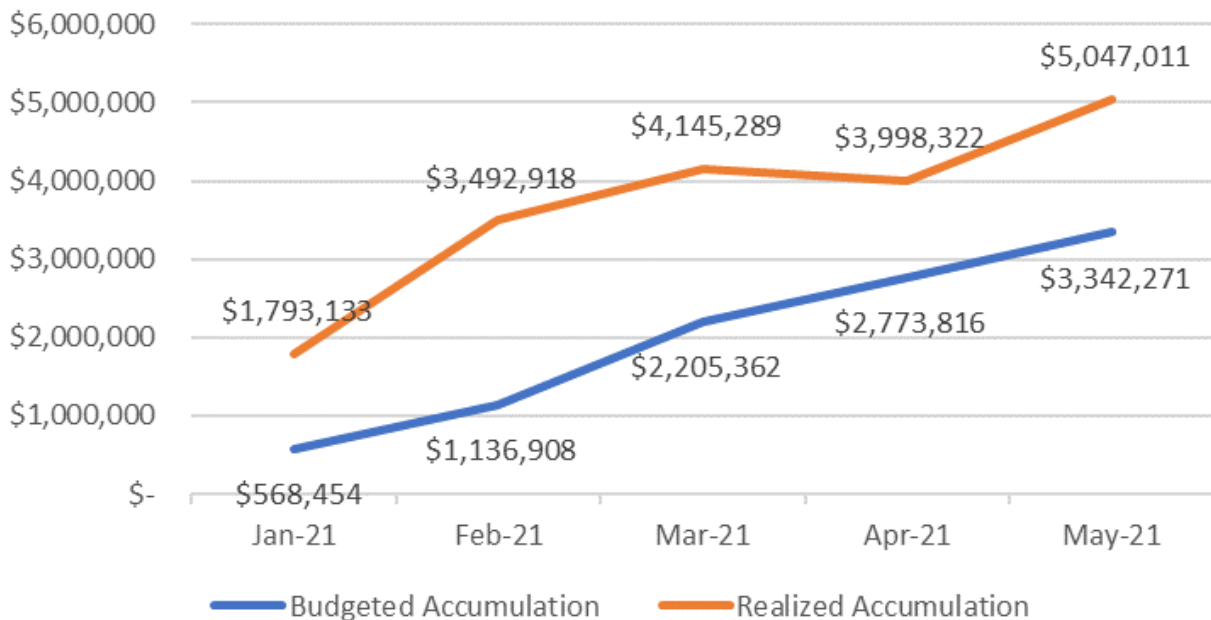
the EPO plan. Keenan estimates that the cumulative Kaiser parity reserve will be \$3,175,390 for 2021. Through May 2021, the Kaiser parity reserve accumulated \$1,037,520.

3. The County of Fresno applies a margin to all plans including Kaiser to assist the County and SJVIA in improving its accumulation position. Keenan estimates that the cumulative Kaiser margin reserve will be \$811,898 for 2021. Through May 2021, the Kaiser margin reserve accumulated \$331,140.
4. Collectively the strategies implemented by the County of Fresno have resulted in a net accumulated position through May 2021 of \$2,079,861 for the medical plans.

The SJVIA received the first quarter (July-September 2020) prescription drug rebate for \$751,762 (\$251,762 above the budgeted amount). This amount is accounted for in the May accumulated position. The SJVIA has also received the second quarter (October -December 2020) prescription drug rebate for \$645,084 (\$145,084 above the budgeted amount). The second quarter rebate will be included in the June numbers.

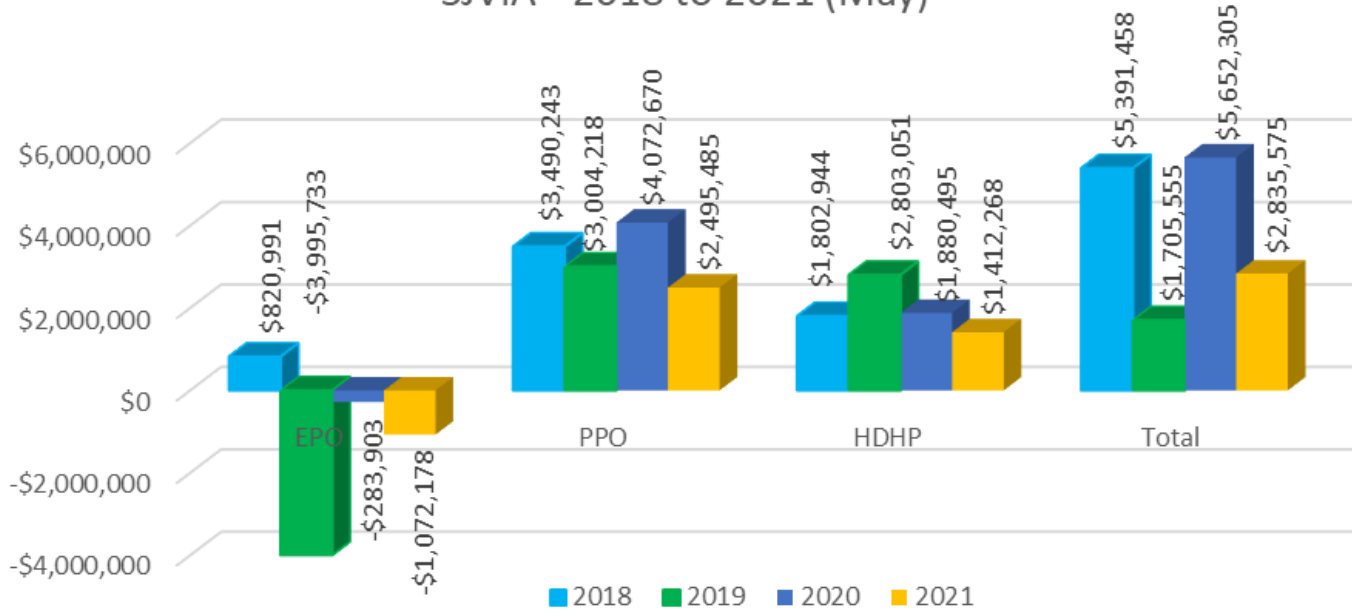
The SJVIA has an annual accumulative position through May 2021 of \$5,047,011 or 57.2% of the budgeted accumulative position of \$8,821,449 for the 2021 plan year. The accumulation is 15.5% ahead of the budgeted May 2021 position of \$3,342,271 (41.7%).

Accumulation Comparison

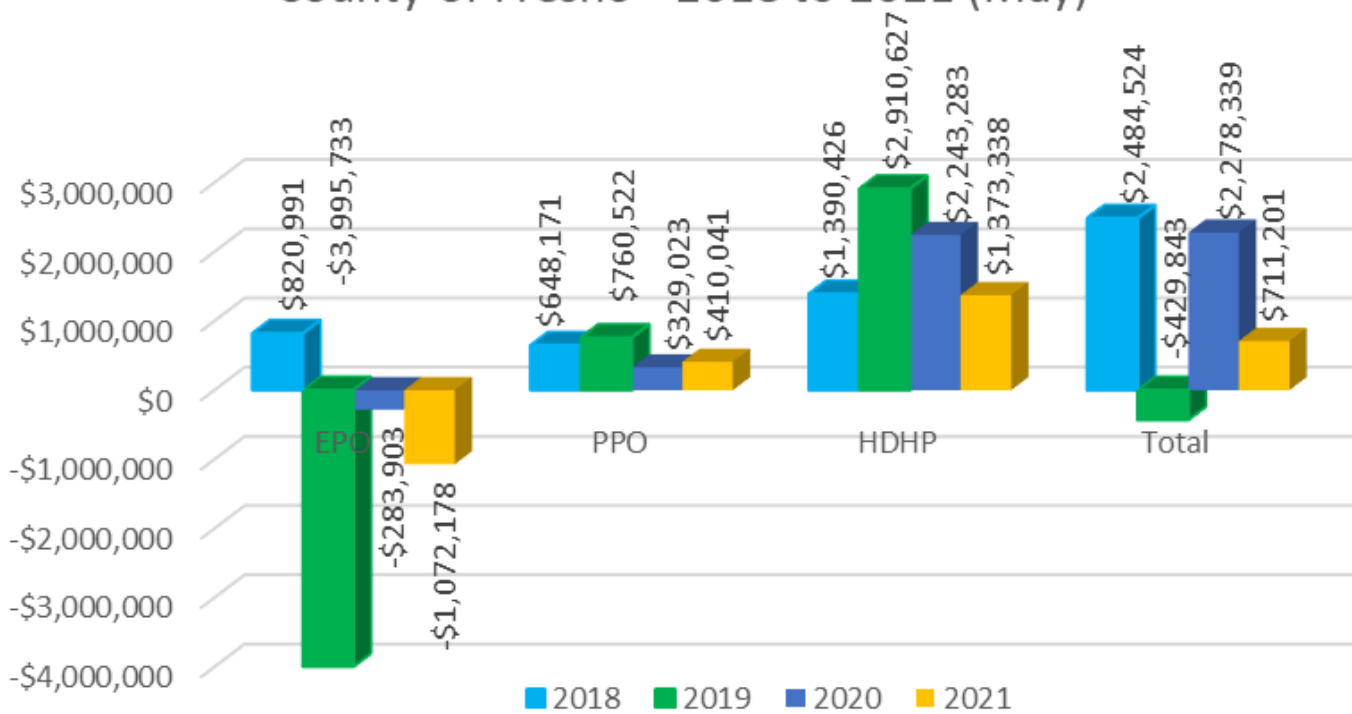


Please note that this is the consultant's report and prior to allocating funds for IBNR, the stabilization reserve, and to provide loan repayment, the SJVIA Auditor will provide the unaudited cash position based on actual revenue received and actual expenses paid.

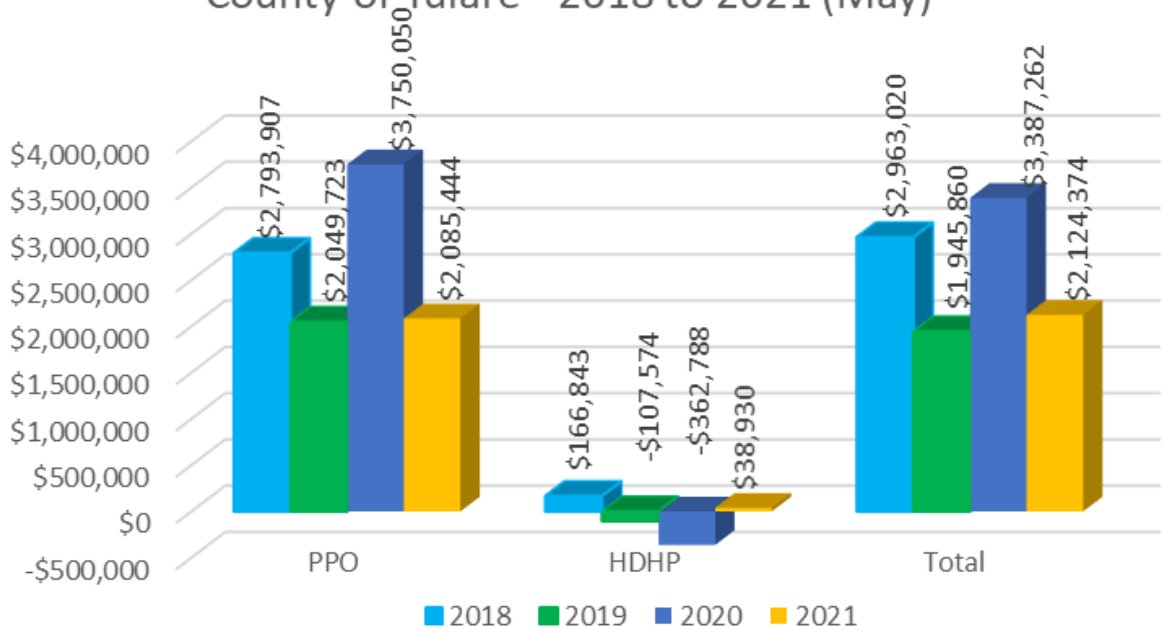
SJVIA - 2018 to 2021 (May)



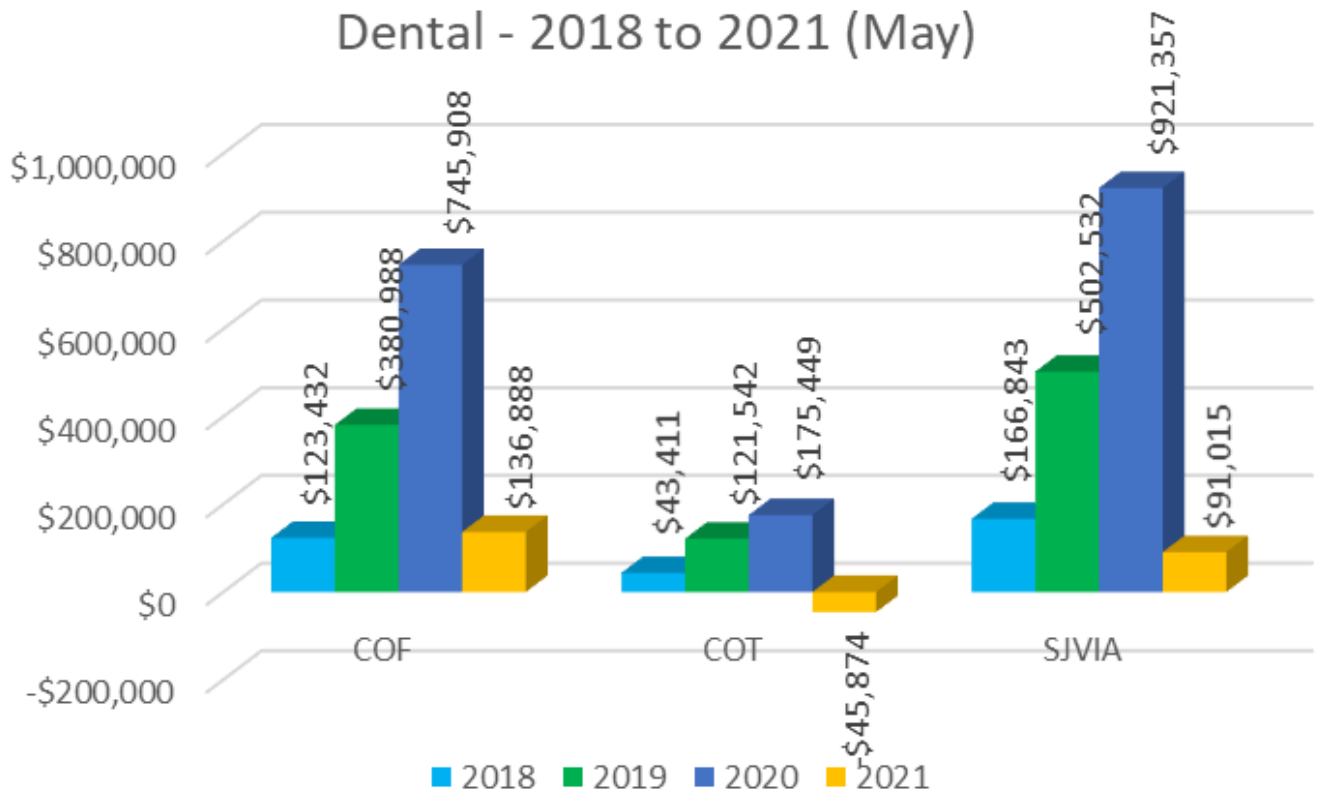
County of Fresno - 2018 to 2021 (May)



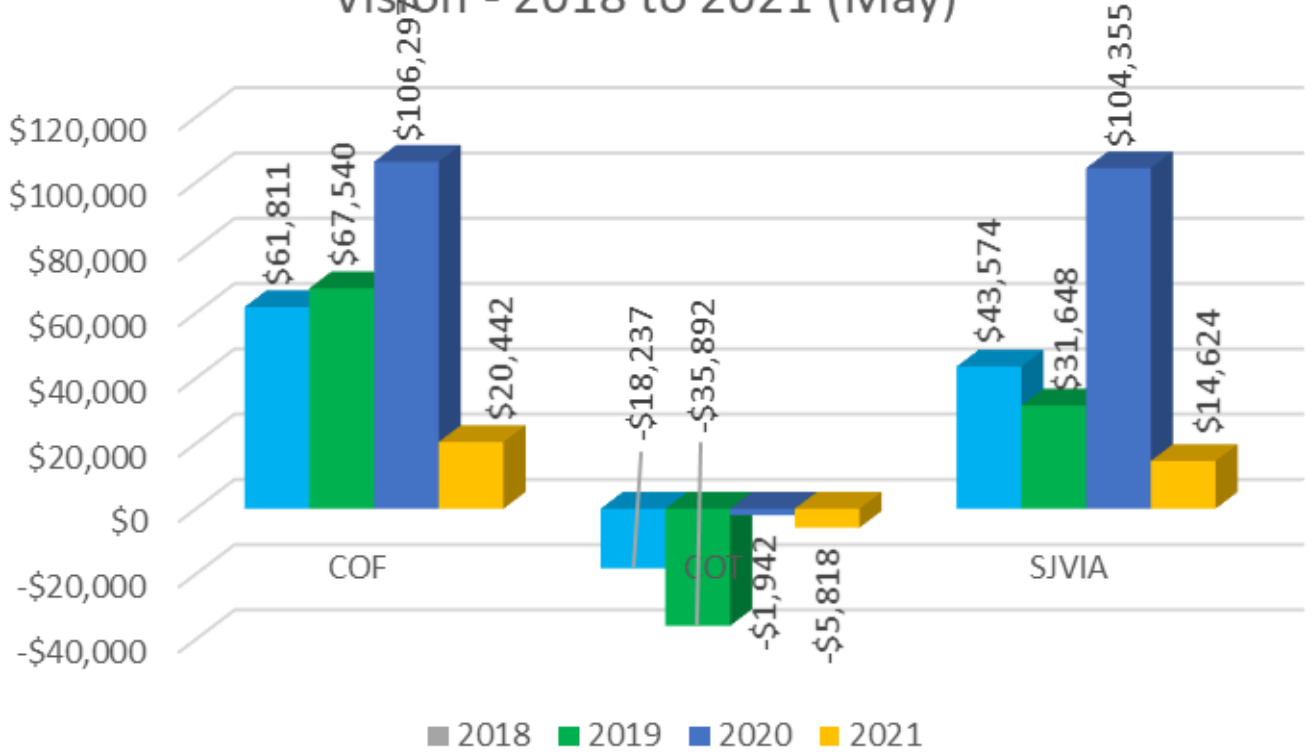
County of Tulare - 2018 to 2021 (May)



Dental - 2018 to 2021 (May)



Vision - 2018 to 2021 (May)



Budget vs. Calculated Accumulation													
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
<u>Delta Dental PSR Transfer</u>	<u>\$ 398,199</u>	<u>\$ 265,466</u>	<u>\$ 132,733</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 796,398</u>
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
Calculated													
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
<u>Delta Dental PSR Transfer</u>	<u>\$ 379,822</u>	<u>\$ 379,190</u>	<u>\$ 189,652</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 948,664</u>
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
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
<u>Prescription Drug Rebates</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 400,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 400,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 400,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 400,000</u>	<u>\$ 1,600,000</u>
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
<u>Other</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 111,779</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 111,779</u>
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
<u>Prescription Drug Rebates</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500,000</u>	<u>\$ 2,000,000</u>
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)	\$ 1,454,391	\$ 1,399,005	\$ 380,120	\$ (384,846)	\$ (13,095)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,835,575
Plan Experience (Dental)	\$ 64,691	\$ 26,113	\$ (1,592)	\$ (35,574)	\$ 37,376	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 91,015
Kaiser Accumulation	\$ 66,307	\$ 66,453	\$ 66,255	\$ 66,166	\$ 65,959	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 331,140
Kaiser EPO Parity Accumulation	\$ 207,743	\$ 208,215	\$ 207,587	\$ 207,287	\$ 206,687	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,037,520
Prescription Drug Rebates	\$ -	\$ -	\$ -	\$ -	\$ 751,762	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 751,762
<u>Other</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
2021 Calculated Accumulation	\$ 1,793,133	\$ 1,699,786	\$ 652,371	\$ (146,967)	\$ 1,048,689	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,047,011

Note: Received 2nd Quarter (Oct-Dec 2020) Rx Rebate in June \$645,084

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