

Introduction

Keenan is pleased to present the SJVIA 2022 final renewal. The final renewal is prepared in accordance with guidance from the SJVIA Board and standard insurance industry underwriting guidelines. Anthem Blue Cross medical, EmpiRx pharmacy, and Delta Dental PPO dental coverages are self-funded. Kaiser medical, Delta Dental DHMO, and VSP vision coverages are fully insured.

The self-funded final renewal is produced with the following factors:

- The self-funded medical plans are underwritten on the most recent 12 months of plan experience available from July 1, 2020 through June 30, 2021
- All self-funded coverage is underwritten based on its own claim experience; the plan experience is considered 100% credible (manual rating is not included for any of the self-funded coverage)
- Fixed cost components continue to be blended for both participating entities to receive overall economies of scale and reduced fixed costs
- The final renewal assumes the continuation of the \$450,000 specific stop-loss deductible and a 10% increase in reinsurance cost
 - Please note, quotes will be solicited from the market for the Stop Loss line of coverage and staff will return at the December Board meeting with a complete analysis and recommendation
 - In addition to the current deductible, Keenan will request quotes to reduce the SJVIA risk including \$400,000, \$350,000, \$300,000, and \$250,000 deductible options
- The final renewal includes an update in the IBNR reserve requirement with an actuarial certified IBNR reserve as of June 30, 2021

At the July 23, 2021 SJVIA Board Meeting, the Board expressed their interest to staff and Keenan to review options which took a less aggressive approach in order to avoid increasing the rate burden on employees. The final renewal provides a range of options with varied levels of impact to employee rates.

Preliminary versus Final Renewal

The preliminary renewal was based on enrollment, premium, and claims experience from June 1, 2020 through May 31, 2021. The final renewal is based on the same data from July 1, 2020 through June 30, 2021. The following chart shows the change impact for the two experience periods on a per employee per month (PEPM) basis:

Changes from Preliminary Renewal to Final Renewal	COF			COT	
	EPO	PPO/HDHP	Dental	PPO/HDHP	Dental
Claim Cost PEPM					
Preliminary Renewal	\$1,113.53	\$419.96	\$50.05	\$618.51	\$38.63
Final Renewal	\$1,113.94	\$433.45	\$50.57	\$635.45	\$38.31
\$ Change	\$0.41	\$13.49	\$0.52	\$16.94	-\$0.32
% Change	0.0%	3.2%	1.0%	2.7%	-0.8%
Premium PEPM					
Preliminary Renewal	\$1,223.04	\$859.27	\$60.91	\$834.86	\$43.19
Final Renewal	\$1,215.12	\$855.06	\$61.31	\$785.26	\$43.06
\$ Change	-\$7.92	-\$4.21	\$0.40	-\$49.60	-\$0.13
% Change	-0.6%	-0.5%	0.7%	-5.9%	-0.3%

While claim cost under the EPO plan remained relatively unchanged, the PPO/HDHP claims data increased 3.2% for the County of Fresno and 2.7% for the County of Tulare. Dental cost increased by 1.0% for the County of Fresno and decreased 0.8% for the County of Tulare.

Premium revenue remained relatively unchanged from the preliminary revenue figures for all coverage except the PPO/HDHP for the County of Tulare. The 5.9% decrease in premium revenue PEPM for County of Tulare in the final 2022 rate calculation is due to the restatement of 2021 premium rates resulting from review of the original calculations.

Preliminary versus Final Renewal

Three renewal factors were given consideration for potential rate reduction of the 2022 SJVIA rates:

- The impact of funding the change in IBNR reserve
- Trend assumptions
- Margin requirements

After much discussion between Keenan and staff, Keenan recommends that two factors be adjusted to reduce the 2022 SJVIA rate impact: 1) the impact of funding the change in IBNR, and 2) margin requirements. While Keenan recognized the impact trend assumptions have on rates, a reduction in the trend factors was not included at this time. The trend analysis is included in this report's appendix to document plan performance.

IBNR Reserve

Standard underwriting practice accounts for the change in the IBNR reserve liability within the renewal rates. A value is calculated, called change in IBNR, to load rates so that any increase required for the undated IBNR reserve liability is funded within the rates. The SJVIA is in the unique position of being funded above its fully funded IBNR reserve, stabilization reserve, and loan repayment requirements. As an alternative to funding the increased IBNR reserve from rates, the SJVIA could fund the increase in the IBNR reserve from available funds as it does annually for the December 31, actuarial certified IBNR reserve valuation. Implementing this strategy would eliminate \$181,720 from the SJVIA renewal as the following chart illustrates:

IBNR Reserve Funding Analysis	COF			COT	
	EPO	PPO/HDHP	Dental	PPO/HDHP	Dental
Change in IBNR Reserve funded in Rates:					
Beginning Reserves @ 12/31/2020	(\$4,224,152)	(\$451,518)	(\$152,440)	(\$2,207,150)	(\$64,040)
Ending Reserves @ 06/30/2021	\$4,231,146	\$452,184	\$191,400	\$2,334,160	\$72,130
Impact on Rates	\$6,994	\$666	\$38,960	\$127,010	\$8,090
Impact on each County's Renewal Rates	\$46,620			\$135,100	
Change in IBNR Reserve funded through Stabilization Reserve:					
Beginning Reserves @ 12/31/2020	(\$4,231,146)	(\$451,518)	(\$191,400)	(\$2,334,160)	(\$72,130)
Ending Reserves @ 06/30/2021	\$4,231,146	\$451,518	\$191,400	\$2,334,160	\$72,130
Impact on Rates	\$0	\$0	\$0	\$0	\$0
Impact on each County's Renewal Rates	\$0			\$0	

Margin Application

Margin is applied to protect a plan against adverse claim fluctuation and to build a stabilization reserve overtime. The SJVIA has built a fully funded stabilization reserve over the past four years. In instances where a stabilization reserve can be accessed in lieu of margin, the need to include margin in the renewal rates lessens. Keenan prepared three margin options for the SJVIA to consider: 1) a Standard margin of 3.0%; 2) a 50/50 blend of Standard margin and no margin (1.5%); and 3) 0.0% margin. The following chart illustrates these options and the impact they have on cost:

Margin Analysis	COF							COT				
	EPO Medical	RX	Total Medical/RX	PPO/HDHP Medical	RX	Total Medical/RX	Dental	PPO/HDHP Medical	RX	Total Medical/RX	Dental	
Margin Requirement*												
3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	
0.00%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
* Dental includes 1.0% for COVID												
3.00%	\$28.90	\$8.24	\$37.14	\$10.36	\$3.64	\$14.00	\$3.22	\$15.12	\$6.02	\$21.14	\$2.50	
1.50%	\$14.45	\$4.12	\$18.57	\$5.18	\$1.82	\$7.00	\$1.61	\$7.56	\$3.01	\$10.57	\$1.25	
No Margin	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	

In reviewing loss ratios since 2018, it was determined that due to the differences in loss ratios, the two Counties could have separate margin requirements.

Loss Ratio	COF	COT	SJVIA
2018	92.4%	87.8%	90.8%
2019	100.7%	93.1%	98.0%
2020	95.6%	88.5%	93.1%
2021 YTD	98.2%	86.7%	94.1%

Keenan recommends the following::

- 1.5% margin be used for the 2022 self-funded coverage and Kaiser coverage for Fresno County
- 0.0% margin be used for the 2022 self-funded coverage and Kaiser coverage for Tulare County

Rate Impact on Self-funded Plans

Keenan prepared the 2022 renewal based on review with SJVIA staff, and recommendations include the following:

- IBNR funded out of reserve (not funded from renewal rates)
- Margin at 1.5% (down from 3.0%) for Fresno County, and 0.0% (down from 3.0%) for Tulare County

The following chart illustrates the renewal rate action and respective renewal cost impact.

Rate Impact	COF				COT		SJVIA			
	EPO	PPO/HDHP	Total	Dental	PPO/HDHP	Dental	EPO	PPO/HDHP	Total	Dental
Rate Impact										
Standard	12.81%	-35.85%	4.87%	-3.07%	1.68%	7.00%	12.81%	-7.12%	3.76%	-0.26%
Recommended	11.28%	-36.67%	3.46%	-4.13%	-1.01%	3.40%	11.28%	-9.38%	1.90%	-1.37%
Standard	\$5,655,004	-\$3,130,131	\$2,524,873	-\$93,875	\$474,425	\$94,844	\$5,655,004	-\$2,655,706	\$2,999,298	-\$12,520
Standard Total		\$2,430,998	4.35%		\$569,269	1.92%		\$3,000,267	3.51%	
Recommended	\$4,980,244	-\$3,201,566	\$1,778,678	-\$126,524	-\$286,656	\$46,217	\$4,980,244	-\$3,488,221	\$1,492,023	-\$80,307
Recommended Total		\$1,652,154	2.95%		-\$240,439	-0.81%		\$1,411,716	1.65%	
Alternative Renewal	EPO	PPO/HDHP	Total	Dental	PPO/HDHP	Dental	EPO	PPO/HDHP	Total	Dental
Rate Impact										
Rate Adjustment	3.74%	0.00%	3.21%	0.00%	-0.85%	0.00%	3.74%	-0.65%	1.80%	0.00%
\$ Cost	\$1,652,154	\$0	\$1,652,154	\$0	-\$240,439	\$0	\$1,652,154	-\$240,439	\$1,411,716	\$0
Total %/		\$1,652,154	2.95%		-\$240,439	-0.81%		\$1,411,716	1.65%	

The alternative renewal option follows past renewal protocol and cross subsidizes savings from the medical and dental coverage to sooth the renewal impact. Utilizing the recommended option reduces the 2022 self-funded renewal adjustment from \$3,000,267 (3.51%) to \$1,411,716 (1.65%).

The 2022 renewal recommendation includes margin accumulation of \$1,736,677 from Fresno County self-funded medical and dental coverage, Kaiser margin (1.5%), and Kaiser parity.

Margin	COF	COT	SJVIA
Self-funded Medical	\$747,885	\$0	\$747,885
Self-Funded Dental	\$67,005	\$0	\$67,005
Kaiser (1.5%)	\$462,804	\$0	\$462,804
<u>Kaiser Parity</u>	<u>\$458,983</u>	<u>\$0</u>	<u>\$458,983</u>
Total Margin	\$1,736,677	\$0	\$1,736,677

Coverage Summary

The following table illustrates the 2022 final rate adjustments based on carrier requested renewals and Keenan recommended margin levels for the self-funded plans: Results are based on current plan prior to any plan changes.

Executive Summary	Final Renewal			Comments
	COF	COT	SJVIA	
Self-Funded Medical				
EPO	11.28%	n/a	11.28%	Self-funded medical/Rx plans include 1.5% margin for Fresno County and 0.0% margin for Tulare County. \$0 was used in the underwriting for the change in IBNR.
PPO / HDHP	-36.67%	-1.01%	-9.42%	
Total	3.36%	-1.01%	1.84%	
Kaiser				
HMO	4.66%	9.74%	5.15%	Kaiser is requesting a renewal increase from 9.85% to 9.88% for the second year in a row. The predominant factor causing the high renewal is Kaiser's usage of 11.12% trend. The high trend is used to include COVID-19 related costs. The Kaiser margin was reduced to 1.5% to match the self-funded medical plans for COF.
Deductible HMO	n/a	9.71%	9.71%	
Kaiser Medicare	n/a	-6.92%	-6.92%	The 2022 County of Tulare Kaiser Medicare Senior Advantage rates have a 6.92% rate decrease for the Medicare eligible members, while the combination rates show an increase in the range from 2.80% to 7.19%.
Delta Dental				
DPPO	-4.13%	3.41%	-1.82%	The 2022 final renewal rates reduced margin to 1.5% for Fresno County and 0.0% for Tulare County. The Delta Dental DHMO rates remain unchanged with rates guaranteed through 2023.
DHMO	0.00%	0.00%	0.00%	
VSP	1.27%	1.23%	1.26%	VSP is requesting a 1.26% rate increase with a two-year rate guarantee.
All Coverage	3.51%	0.25%	2.61%	Based on all lines of coverage, the SJVIA is looking at an overall 2.61% increase in cost.

Annual Cost Summary

The following chart illustrates the projected cost for 2021 and 2022, the dollar cost differential, and percentage differential based on the recommended renewal action.

Renewal Summary				
County of Fresno	2021	2022	\$ Difference	% Difference
EPO	\$ 44,138,019	\$ 49,118,263	\$ 4,980,244	11.28%
PPO/HDHP	\$ 8,731,873	\$ 5,530,307	\$ (3,201,566)	-36.67%
Total Anthem	\$ 52,869,892	\$ 54,648,570	\$ 1,778,678	3.36%
Kaiser*	\$ 30,694,677	\$ 32,125,118	\$ 1,430,441	4.66%
Kaiser - KPSA	\$ -	\$ -	\$ -	0.00%
Total Medical	\$ 83,564,568	\$ 86,773,688	\$ 3,209,119	3.84%
Delta Dental PPO	\$ 3,060,054	\$ 2,933,530	\$ (126,524)	-4.13%
Delta Dental DHMO	\$ 856,621	\$ 856,621	\$ -	0.00%
Total Dental	\$ 3,916,675	\$ 3,790,151	\$ (126,524)	-3.23%
Vision	\$ 493,504	\$ 499,749	\$ 6,245	1.27%
Grand Total	\$ 87,974,747	\$ 91,063,588	\$ 3,088,840	3.51%
County of Tulare	2021	2022	\$ Difference	% Difference
EPO	\$ -	\$ -	\$ -	0.00%
PPO/HDHP	\$ 28,278,783	\$ 27,992,128	\$ (286,656)	-1.01%
Total Anthem	\$ 28,278,783	\$ 27,992,128	\$ (286,656)	-1.01%
Kaiser (0.0% margin)	\$ 3,315,102	\$ 3,637,516	\$ 322,415	9.73%
Kaiser - KPSA	\$ 39,115	\$ 36,407	\$ (2,707)	-6.92%
Total Medical	\$ 31,633,000	\$ 31,666,051	\$ 33,052	0.10%
Delta Dental PPO	\$ 1,355,058	\$ 1,401,275	\$ 46,217	3.41%
Delta Dental DHMO	\$ 152,188	\$ 152,188	\$ -	0.00%
Total Dental	\$ 1,507,246	\$ 1,553,463	\$ 46,217	3.07%
Vision	\$ 199,951	\$ 202,414	\$ 2,463	1.23%
Grand Total	\$ 33,340,197	\$ 33,421,928	\$ 81,732	0.25%
SJVIA	2021	2022	\$ Difference	% Difference
EPO	\$ 44,138,019	\$ 49,118,263	\$ 4,980,244	11.28%
PPO/HDHP	\$ 37,010,656	\$ 33,522,435	\$ (3,488,221)	-9.42%
Total Anthem	\$ 81,148,675	\$ 82,640,697	\$ 1,492,023	1.84%
Kaiser	\$ 34,009,778	\$ 35,762,634	\$ 1,752,856	5.15%
Kaiser - KPSA	\$ 39,115	\$ 36,407	\$ (2,707)	-6.92%
Total Medical	\$ 115,197,568	\$ 118,439,739	\$ 3,242,171	2.81%
Delta Dental PPO	\$ 4,415,112	\$ 4,334,805	\$ (80,307)	-1.82%
Delta Dental DHMO	\$ 1,008,809	\$ 1,008,809	\$ -	0.00%
Total Dental	\$ 5,423,921	\$ 5,343,614	\$ (80,307)	-1.48%
Vision	\$ 693,455	\$ 702,163	\$ 8,708	1.26%
Grand Total	\$ 121,314,944	\$ 124,485,516	\$ 3,170,572	2.61%

* Kaiser with 1.5% margin and EPO Parity Rates for 2021 and 2022

Plan Design Change Summary

County of Fresno

The County of Fresno requests to eliminate the PPO 1000 and the HDPPPO 1500 for active employees and add the two EPO plans named the EPO 500 and the EPO 1000 with benefits as outlined below. All other plans remain unchanged.

Plan Name	EPO 0/15/0 Current	EPO 500/35/250	EPO 1000/35/300
General Plan Information			
Annual Deductible/Individual/Family	None	None	None
Office/Specialist Visit/Exam	\$15 copay	\$35 copay	\$35 copay
Annual Out-of-Pocket Limit	\$1,000/\$2,000	\$3,000/\$6,000	\$4,000/\$8,000
Outpatient Services			
Preventive Services	No charge	No charge	No charge
Maternity Care			
Pregnancy and Maternity Care	No charge	\$500 hospital	\$1,000 hospital
Inpatient Hospital Services			
Inpatient Hospitalization	No charge	\$500 hospital	\$1,000 hospital
Surgical Services			
Outpatient Facility Charge	No charge	No charge	No charge
Emergency/Urgent Care Services			
Emergency Room	\$100 copay	\$250 copay	\$300 copay
Other Services			
Chiropractic Services	\$15 copay; 40 visits	\$35 copay; 40 visits	\$35 copay; 40 visits
Prescription Drug Benefits			
	Through EmpiRx	Through EmpiRx	Through EmpiRx
Retail	<u>30 day supply</u>	<u>30 day supply</u>	<u>30 day supply</u>
Generic	\$10 copay	\$10 copay	\$10 copay
Brand (Formulary/Preferred)	\$20 copay	\$20 copay	\$20 copay
Brand (Non-Formulary/Non-preferred)	\$35 copay	\$35 copay	\$35 copay
Mail Order	<u>90 day supply</u>	<u>90 day supply</u>	<u>90 day supply</u>
Generic	\$15 copay	\$15 copay	\$15 copay
Brand (Formulary/Preferred)	\$30 copay	\$30 copay	\$30 copay
Brand (Non-Formulary/Non-preferred)	\$60 copay	\$60 copay	\$60 copay

Rates are provided in the Fresno County Rate Summary.

County of Tulare

The County of Tulare is requesting the following changes to the PPO 500 plan:

- reduce its office visit copayment for primary care and specialists from \$35 to \$25
- eliminate the Inpatient Hospitalization copayment of \$250

A minor load of 0.10% is being applied to the self-funded medical/Rx plans to accommodate the plan design changes.

The following exhibit illustrates the plan design changes:

Summary of Plans	Current Plan 2021		Renewal Plan 2022	
Plan Name	PPO 500/35/80/60		PPO 500/35/80/60	
	In-Network Benefits	Out-of-Network Benefits	In-Network Benefits	Out-of-Network Benefits
General Plan Information				
Annual Deductible/Individual/Family	\$500/\$1,000		\$500/\$1,000	
Office/Specialist Visit/Exam	\$35 copay	60%	\$25 copay	60%
Annual Out-of-Pocket Limit	\$3,000/\$6,000	\$10,000/\$20,000	\$3,000/\$6,000	\$10,000/\$20,000
Outpatient Services				
Preventive Services	100% covered	60% covered	100% covered	60% covered
Maternity Care				
Pregnancy and Maternity Care (Pre-Natal Care)	\$250 copay hospital admission + 20%	60% covered	80% covered	60% covered
Inpatient Hospital Services				
Inpatient Hospitalization	\$250 copay hospital admission + 20%	60% covered; \$600/day	80% covered	60% covered; \$600/day
Surgical Services				
Outpatient Facility Charge	\$125/surgery + 20%	60% covered; \$350/day	\$125/surgery + 20%	60% covered; \$350/day
Emergency/Urgent Care Services				
Emergency Room	\$100 copay + 20%	\$100 copay + 20%	\$100 copay + 20%	\$100 copay + 20%
Other Services				
Chiropractic Services	\$25 copay/12 visits	60% covered/ 12 visits	\$25 copay/12 visits	60% covered/ 12 visits
Prescription Drug Benefits	Through EmpiRx		Through EmpiRx	
Retail				
Generic	\$10/\$20 copay		\$10/\$20 copay	
Brand (Formulary/Preferred)	\$20/\$40 copay		\$20/\$40 copay	
Brand (Non-Formulary/Non-preferred)	\$35/\$60 copay		\$35/\$60 copay	
Mail Order				
Generic	\$15 copay		\$15 copay	
Brand (Formulary/Preferred)	\$30 copay		\$30 copay	
Brand (Non-Formulary/Non-preferred)	\$50 copay		\$50 copay	

Recommended Overall Renewal Action

Keenan prepared two renewal options for 2022:

- Option 1 – 2022 renewals without the application of cross subsidies (PPO/HDHP and Delta Dental PPO savings offsetting EPO cost increase)
- Option 2 – 2022 renewal with the application of cross subsidies. (PPO/HDHP savings offsetting Delta Dental PPO cost increase)

Renewal Impact Option 1	County of Fresno		County of Tulare		SJVA	
	\$ Change	% Change	\$ Difference	% Difference	\$ Difference	% Difference
EPO	\$ 4,980,244	11.28%			\$ 4,980,244	11.28%
PPO/HDHP	\$ (3,201,566)	-36.67%	\$ (286,656)	-1.01%	\$ (3,488,221)	-9.42%
Total Anthem	\$ 1,778,678	3.36%	\$ (286,656)	-1.01%	\$ 1,492,023	1.84%
Kaiser	\$ 1,430,441	4.66%	\$ 322,415	9.73%	\$ 1,752,856	5.15%
Kaiser - KPSA			\$ (2,707)	-6.92%	\$ (2,707)	-6.92%
Total Medical	\$ 3,209,119	3.84%	\$ 33,052	0.10%	\$ 3,242,171	2.81%
Delta Dental PPO	\$ (126,524)	-4.13%	\$ 46,217	3.41%	\$ (80,307)	-1.82%
Delta Dental DHMO	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
Total Dental	\$ (126,524)	-3.23%	\$ 46,217	3.07%	\$ (80,307)	-1.48%
Vision	\$ 6,245	1.27%	\$ 2,463	1.23%	\$ 8,708	1.26%
Grand Total	\$ 3,088,840	3.51%	\$ 81,732	0.25%	\$ 3,170,572	2.61%
Option 2	\$ Change	% Change	\$ Difference	% Difference	\$ Difference	% Difference
EPO	\$ 1,652,154	3.74%			\$ 1,652,154	3.74%
PPO/HDHP	\$ -	0.00%	\$ (240,439)	-0.85%	\$ (240,439)	-0.65%
Total Anthem	\$ 1,652,154	3.12%	\$ (240,439)	-0.85%	\$ 1,411,716	1.74%
Kaiser	\$ 1,430,441	4.66%	\$ 322,415	9.73%	\$ 1,752,856	5.15%
Kaiser - KPSA			\$ (2,707)	-6.92%	\$ (2,707)	-6.92%
Total Medical	\$ 3,082,595	3.69%	\$ 79,269	0.25%	\$ 3,161,864	2.74%
Delta Dental PPO	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
Delta Dental DHMO	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
Total Dental	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
Vision	\$ 6,245	1.27%	\$ 2,463	1.23%	\$ 8,708	1.26%
Grand Total	\$ 3,088,840	3.51%	\$ 81,732	0.25%	\$ 3,170,572	2.61%

Keenan recommends Option 2 be implemented for 2022 with the plan design changes requested:

- Fresno County – Drop PPO 1000 and HDPPPO 1500 (for active employees); add EPO 500 and EPO 1000
- Tulare County – PPO 500 plan: 1) reduce the office visit copayment for primary care and specialists from \$35 to \$25; and 2) eliminate the Inpatient Hospitalization copayment of \$250

Self-funded Medical Underwriting EPO and PPO/HDHP

Line	EPO and PPO/HDHP	Fresno			Tulare			Total		
	Line Item/Description	Medical	Rx	Total	Medical	Rx	Total	Medical	Rx	Total
1	Paid Claims (June 2020 through May 2021)	\$35,567,698	\$12,254,943	\$47,822,641	\$16,273,283	\$7,818,601	\$24,091,884	\$51,840,981	\$20,073,544	\$71,914,525
2	Claim Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Plan Change Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Prescription Drug Rebates	\$0	(\$1,701,195)	(\$1,701,195)	\$0	(\$1,058,718)	(\$1,058,718)	\$0	(\$2,759,913)	(\$2,759,913)
5	Large Claim Adjustment (Pooling Level: \$450,000)	<u>(\$705,444)</u>	<u>\$0</u>	<u>(\$705,444)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$705,444)</u>	<u>\$0</u>	<u>(\$705,444)</u>
6	Adjusted Paid Claims	\$34,862,254	\$10,553,748	\$45,416,002	\$16,273,283	\$6,759,883	\$23,033,166	\$51,135,537	\$17,313,631	\$68,449,168
7	Beginning Reserves @ 06/30/2021	(\$3,835,240)	(\$848,090)	(\$4,683,330)	(\$1,794,680)	(\$539,480)	(\$2,334,160)	(\$5,629,920)	(\$1,387,570)	(\$7,017,490)
8	Ending Reserves @ 06/30/2021	<u>\$3,835,240</u>	<u>\$848,090</u>	<u>\$4,683,330</u>	<u>\$1,794,680</u>	<u>\$539,480</u>	<u>\$2,334,160</u>	<u>\$5,629,920</u>	<u>\$1,387,570</u>	<u>\$7,017,490</u>
9	Incurred Claims (July 1, 2020 - June 30, 2021)	\$34,862,254	\$10,553,748	\$45,416,002	\$16,273,283	\$6,759,883	\$23,033,166	\$51,135,537	\$17,313,631	\$68,449,168
10	Total Covered Employees (May 2020 - Apr 2021)	<u>47,001</u>	<u>47,001</u>	<u>47,001</u>	<u>36,247</u>	<u>36,247</u>	<u>36,247</u>	<u>83,248</u>	<u>83,248</u>	<u>83,248</u>
11	Claims Cost PEPM	\$741.73	\$224.54	\$966.27	\$448.96	\$186.49	\$635.45	\$614.26	\$207.98	\$822.24
12	Trend Factor	<u>1.1180</u>	<u>1.0759</u>	<u>1.1083</u>	<u>1.1224</u>	<u>1.0759</u>	<u>1.1088</u>	<u>1.1194</u>	<u>1.0759</u>	<u>1.1084</u>
13	Projected Claims Cost Per Employee	\$829.29	\$241.58	\$1,070.88	\$503.91	\$200.65	\$704.56	\$687.62	\$223.76	\$911.38
14	<u>Recommended Funding Margin</u>	<u>1.5%</u>	<u>1.5%</u>	<u>1.5%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>1.0%</u>	<u>0.9%</u>	<u>1.0%</u>
15	Adjusted Projected Claims	\$841.73	\$245.20	\$1,086.93	\$503.91	\$200.65	\$704.56	\$694.64	\$225.80	\$920.44
16	Fixed Costs PEPM									
17	Specific Stop-Loss Premium PEPM (Estimate)			\$22.59			\$19.08			\$21.06
18	Aggregate Stop-Loss Premium PEPM (Estimate)			\$0.00			\$0.00			\$0.00
19	Anthem Network & Administrative Fees			\$47.59			\$36.10			\$42.59
20	All Other Program Fees			\$19.19			\$17.56			\$18.48
21	Total Fixed Costs			\$89.37			\$72.74			\$82.13
22	Required Premium PEPM			\$1,176.30			\$777.30			\$1,002.57
23	Current Premium PEPM			\$1,136.99			\$785.26			\$983.84
24	Required Increase			3.46%			-1.01%			1.90%
25	Current Subscribers (May 2021)	3,878	3,878	3,878	3,001	3,001	3,001	6,879	6,879	6,879
26	Base Trend	7.35%	5.00%	6.93%	8.00%	5.00%	7.25%	7.80%	5.03%	7.14%
27	Months Trended	18	18	18	18	18	18	18	18	18

Notes:

Other Program Fees include: Wellness, Claims Management/Communication, Consulting Fees, SJVIA Fees, PCORI, Myworkplace and ASI.
 Large claim credits are obtained from Anthem medical reports and EmpiRX prescription drug reports.

Self-funded Medical Underwriting EPO

Line	EPO Line Item/Description	Fresno			Tulare			Total		
		Medical	Rx	Total	Medical	Rx	Total	Medical	Rx	Total
1	Paid Claims (June 2020 through May 2021)	\$32,298,484	\$10,922,338	\$43,220,822				\$32,298,484	\$10,922,338	\$43,220,822
2	Claim Adjustments	\$0	\$0	\$0				\$0	\$0	\$0
3	Plan Change Adjustments	\$0	\$0	\$0				\$0	\$0	\$0
4	Prescription Drug Rebates	\$0	(\$1,520,093)	(\$1,520,093)				\$0	(\$1,520,093)	(\$1,520,093)
5	Large Claim Adjustment (Pooling Level: \$450,000)	(\$705,444)	\$0	(\$705,444)				(\$705,444)	\$0	(\$705,444)
6	Adjusted Paid Claims	\$31,593,040	\$9,402,245	\$40,995,285				\$31,593,040	\$9,402,245	\$40,995,285
7	Beginning Reserves @ 12/31/2020	(\$3,475,590)	(\$755,556)	(\$4,231,146)				(\$3,475,590)	(\$755,556)	(\$4,231,146)
8	Ending Reserves @ 06/30/2021	\$3,475,590	\$755,556	\$4,231,146				\$3,475,590	\$755,556	\$4,231,146
9	Incurred Claims (July 1, 2020 - June 30, 2021)	\$31,593,040	\$9,402,245	\$40,995,285				\$31,593,040	\$9,402,245	\$40,995,285
10	Total Covered Employees (May 2020 - Apr 2021)	<u>36,802</u>	<u>36,802</u>	<u>36,802</u>				<u>36,802</u>	<u>36,802</u>	<u>36,802</u>
11	Claims Cost PEPM	\$858.46	\$255.48	\$1,113.94				\$858.46	\$255.48	\$1,113.94
12	Trend Factor	<u>1.1224</u>	<u>1.0759</u>	<u>1.1117</u>				<u>1.1224</u>	<u>1.0759</u>	<u>1.1117</u>
13	Projected Claims Cost Per Employee	\$963.54	\$274.87	\$1,238.41				\$963.54	\$274.87	\$1,238.41
14	<u>Recommended Funding Margin</u>	<u>1.5%</u>	<u>1.5%</u>	<u>1.5%</u>				<u>1.5%</u>	<u>1.5%</u>	<u>1.5%</u>
15	Adjusted Projected Claims	\$977.99	\$278.99	\$1,256.99				\$977.99	\$278.99	\$1,256.99
16	Fixed Costs PEPM									
17	Specific Stop-Loss Premium PEPM (Estimate)			\$24.19						\$24.19
18	Aggregate Stop-Loss Premium PEPM (Estimate)			\$0.00						\$0.00
19	Anthem Network & Administrative Fees			\$50.78						\$50.78
20	All Other Program Fees			\$20.27						\$20.27
21	Total Fixed Costs			\$95.24						\$95.24
22	Required Premium PEPM			\$1,352.23						\$1,352.23
23	Current Premium PEPM			\$1,215.12						\$1,215.12
24	Required Increase			11.28%						11.28%
25	Current Subscribers (May 2021)	3,027	3,027	3,027				3,027	3,027	3,027
26	Base Trend	8.00%	5.00%	7.45%				8.00%	5.00%	7.45%
27	Months Trended	18	18	18				18	18	18

Notes:

Other Program Fees include: Wellness, Claims Management/Communication, Consulting Fees, SJVIA Fees, PCORI, Myworkplace and ASI.
 Large claim credits are obtained from Anthem medical reports and EmpiRX prescription drug reports.

Self-funded Medical Underwriting PPO/HDHP

Line	PPO/HDHP Line Item/Description	Fresno			Tulare			Total		
		Medical	Rx	Total	Medical	Rx	Total	Medical	Rx	Total
1	Paid Claims (July 1, 2020 - June 30, 2021)	\$3,269,214	\$1,332,605	\$4,601,819	\$16,273,283	\$7,818,601	\$24,091,884	\$19,542,497	\$9,151,206	\$28,693,703
2	Claim Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Plan Change Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Prescription Drug Rebates	\$0	(\$181,102)	(\$181,102)	\$0	(\$1,058,718)	(\$1,058,718)	\$0	(\$1,239,820)	(\$1,239,820)
5	Large Claim Adjustment (Pooling Level: \$450,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	Adjusted Paid Claims	\$3,269,214	\$1,151,503	\$4,420,717	\$16,273,283	\$6,759,883	\$23,033,166	\$19,542,497	\$7,911,386	\$27,453,883
7	Beginning Reserves @ 12/31/2020	(\$359,650)	(\$92,534)	(\$452,184)	(\$1,794,680)	(\$539,480)	(\$2,334,160)	(\$2,154,330)	(\$632,014)	(\$2,786,344)
8	Ending Reserves @ 06/30/2021	\$359,650	\$92,534	\$452,184	\$1,794,680	\$539,480	\$2,334,160	\$2,154,330	\$632,014	\$2,786,344
9	Incurred Claims (July 1, 2020 - June 30, 2021)	\$3,269,214	\$1,151,503	\$4,420,717	\$16,273,283	\$6,759,883	\$23,033,166	\$19,542,497	\$7,911,386	\$27,453,883
10	Total Covered Employees (May 2020 - Apr 2021)	<u>10,199</u>	<u>10,199</u>	<u>10,199</u>	<u>36,247</u>	<u>36,247</u>	<u>36,247</u>	<u>46,446</u>	<u>46,446</u>	<u>46,446</u>
11	Claims Cost PEPM	\$320.54	\$112.90	\$433.45	\$448.96	\$186.49	\$635.45	\$420.76	\$170.34	\$591.09
12	Trend Factor	<u>1.0759</u>	<u>1.0759</u>	<u>1.0759</u>	<u>1.1224</u>	<u>1.0759</u>	<u>1.1088</u>	<u>1.1168</u>	<u>1.0769</u>	<u>1.1035</u>
13	Projected Claims Cost Per Employee	\$344.87	\$121.47	\$466.34	\$503.91	\$200.65	\$704.56	\$468.99	\$183.26	\$652.25
14	<u>Recommended Funding Margin</u>	<u>1.5%</u>	<u>1.5%</u>	<u>1.5%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.2%</u>	<u>0.2%</u>	<u>0.2%</u>
15	Adjusted Projected Claims	\$350.04	\$123.29	\$473.34	\$503.91	\$200.65	\$704.56	\$470.12	\$183.66	\$653.78
16	Fixed Costs PEPM									
17	Specific Stop-Loss Premium PEPM (Estimate)			\$16.83			\$19.08			\$18.59
18	Aggregate Stop-Loss Premium PEPM (Estimate)			\$0.00			\$0.00			\$0.00
19	Anthem Network & Administrative Fees			\$36.10			\$36.10			\$36.10
20	All Other Program Fees			\$15.28			\$17.56			\$17.06
21	Total Fixed Costs			\$68.21			\$72.74			\$71.75
22	Required Premium PEPM			\$541.55			\$777.30			\$725.53
23	Current Premium PEPM			\$855.06			\$785.26			\$800.59
24	Required Increase			-36.67%			-1.01%			-9.38%
25	Current Subscribers (May 2021)	851	851	851	3,001	3,001	3,001	3,852	3,852	3,852
26	Base Trend	5.00%	5.00%	5.06%	8.00%	5.00%	7.25%	7.64%	5.06%	6.90%
27	Months Trended	18	18	18	18	18	18	18	18	18

Notes:

Other Program Fees include: Wellness, Claims Management/Communication, Consulting Fees, SJVIA Fees, PCORI, Myworkplace and ASI.
Large claim credits are obtained from Anthem medical reports and EmpiRX prescription drug reports.

Self-funded Dental Underwriting Total SJVIA

Dental Program		County of Fresno	County of Tulare	SJVIA
1 Paid Claims (7/1/2020 - 6/30/2021)		\$ 2,845,995	\$ 1,198,627	\$ 4,044,622
2 Beginning Reserve (06/30/21)		\$ (191,400)	\$ (72,130)	\$ (263,530)
3 Ending Reserve (06/30/21)		\$ 191,400	\$ 72,130	\$ 263,530
4 Incurred Claims		\$ 2,845,995	\$ 1,198,627	\$ 4,044,622
5 Covered Employees		56,280	31,284	87,564
6 Incurred Claims/EE/Month		\$ 50.57	\$ 38.31	\$ 46.19
7 Trend Factor	4.00%	1.0530	1.0530	1.0530
8 Expected Incurred Claims		\$ 53.25	\$ 40.34	\$ 48.64
9 Covid-19 Adjustment (only on COF)	0.50%	\$ 0.27	\$ -	\$ 0.17
10 Administration		\$ 4.19	\$ 4.19	\$ 4.19
11 Margin (only on COF)	1.00%	\$ 1.07	\$ -	\$ 0.66
12 Required Funding		\$ 58.78	\$ 44.53	\$ 53.66
13 Current Funding Level		\$ 61.31	\$ 43.06	\$ 54.79
14 Calculated Funding Action = (12)/(13)-1		-4.13%	3.40%	-2.07%

Fully-Insured Vision Underwriting Total SJVIA

Vision Program		County of Fresno	County of Tulare	SJVIA
1 Paid Claims (7/1/2020 - 6/30/2021)		\$ 400,346	\$ 195,539	\$ 595,885
2 Beginning Reserve 5%		\$ (17,599)	\$ (8,578)	\$ (26,177)
3 Ending Reserve 5%		\$ 20,259	\$ 9,708	\$ 29,967
4 Incurred Claims		\$ 403,006	\$ 196,669	\$ 599,675
5 Covered Employees		51,588	34,476	86,064
6 Incurred Claims/EE/Month		\$ 7.81	\$ 5.70	\$ 6.97
7 Trend Factor	3.00%	1.0453	1.0453	1.0453
8 Expected Incurred Claims		\$ 8.17	\$ 5.96	\$ 7.28
9 Covid-19 Adjustment	1.00%	\$ 0.08	\$ 0.06	\$ 0.07
10 Administration		\$ 1.36	\$ 0.76	\$ 1.12
11 Margin	2.00%	\$ 0.16	\$ 0.12	\$ 0.15
12 Required Funding (8+9+10+11)		\$ 9.77	\$ 6.90	\$ 8.62
13 Current Funding Level		\$ 10.46	\$ 5.85	\$ 8.61
14 Calculated Funding Action = (12)/(13)-1		-6.57%	17.94%	0.11%

The SJVIA vision plan is fully insured with VSP with a two-year rate guarantee for 2022 and 2023. The underwriting exhibit is illustrative only.

Kaiser – SJVIA

County of Fresno Bi-Weekly Rates*	Lives	2021				2022			
		Kaiser Rate	3.0% Margin	SJVIA Admin.	SJVIA Rate	Kaiser Rate	1.5% Margin	SJVIA Admin.	SJVIA Rate
Subscriber Only	1,521	\$ 362.45	\$ 10.87	\$ 12.85	\$ 386.17	\$ 398.14	\$ 5.97	\$ 12.63	\$ 416.74
Subscriber & Spouse	131	\$ 650.44	\$ 19.51	\$ 12.85	\$ 682.80	\$ 714.51	\$ 10.72	\$ 12.63	\$ 737.86
Subscriber & Child(ren)	500	\$ 573.43	\$ 17.20	\$ 12.85	\$ 603.48	\$ 629.90	\$ 9.45	\$ 12.63	\$ 651.98
<u>Subscriber & Family</u>	<u>134</u>	<u>\$ 860.73</u>	<u>\$ 25.82</u>	<u>\$ 12.85</u>	<u>\$ 899.40</u>	<u>\$ 945.50</u>	<u>\$ 14.18</u>	<u>\$ 12.63</u>	<u>\$ 972.31</u>
Annual Amount	2,286	\$ 27,002,220	\$ 809,873	\$ 763,753	\$ 28,575,845	\$ 29,661,288	\$ 444,855	\$ 750,677	\$ 30,856,819
\$ Difference						\$ 2,659,068	\$ (365,018)	\$ (13,076)	\$ 2,280,974
% Difference						9.85%	-45.07%	-1.71%	7.98%

County of Tulare Monthly HMO Rates	Lives	2021				2022			
		Kaiser Rate	0.0% Margin	SJVIA Admin.	SJVIA Rate	Kaiser Rate	0.0% Margin	SJVIA Admin.	SJVIA Rate
Subscriber Only	43	\$ 823.25	\$ -	\$ 10.85	\$ 834.10	\$ 904.49	\$ -	\$ 10.63	\$ 915.12
Subscriber & Spouse	4	\$ 1,646.50	\$ -	\$ 10.85	\$ 1,657.35	\$ 1,808.98	\$ -	\$ 10.63	\$ 1,819.61
Subscriber & Child(ren)	10	\$ 1,490.08	\$ -	\$ 10.85	\$ 1,500.93	\$ 1,637.12	\$ -	\$ 10.63	\$ 1,647.75
<u>Subscriber & Family</u>	<u>1</u>	<u>\$ 2,469.76</u>	<u>\$ -</u>	<u>\$ 10.85</u>	<u>\$ 2,480.61</u>	<u>\$ 2,713.47</u>	<u>\$ -</u>	<u>\$ 10.63</u>	<u>\$ 2,724.10</u>
Annual Amount	58	\$ 1,543,264	\$ -	\$ 16,362	\$ 1,559,626	\$ 1,695,555	\$ -	\$ 16,030	\$ 1,711,585
\$ Difference						\$ 152,291	\$ -	\$ (332)	\$ 151,959
% Difference						9.87%	0.00%	-2.03%	9.74%

County of Tulare Monthly DHMO Rates	Lives	2021				2022			
		Kaiser Rate	0.0% Margin	SJVIA Admin.	SJVIA Rate	Kaiser Rate	0.0% Margin	SJVIA Admin.	SJVIA Rate
Subscriber Only	75	\$ 630.95	\$ -	\$ 10.85	\$ 641.80	\$ 693.29	\$ -	\$ 10.63	\$ 703.92
Subscriber & Spouse	2	\$ 1,261.90	\$ -	\$ 10.85	\$ 1,272.75	\$ 1,386.59	\$ -	\$ 10.63	\$ 1,397.22
Subscriber & Child(ren)	8	\$ 1,142.02	\$ -	\$ 10.85	\$ 1,152.87	\$ 1,254.85	\$ -	\$ 10.63	\$ 1,265.48
<u>Subscriber & Family</u>	<u>4</u>	<u>\$ 1,892.86</u>	<u>\$ -</u>	<u>\$ 10.85</u>	<u>\$ 1,903.71</u>	<u>\$ 2,079.87</u>	<u>\$ -</u>	<u>\$ 10.63</u>	<u>\$ 2,090.50</u>
Annual Amount	89	\$ 1,730,369	\$ -	\$ 25,107	\$ 1,755,476	\$ 1,901,333	\$ -	\$ 24,598	\$ 1,925,931
\$ Difference						\$ 170,965	\$ -	\$ (509)	\$ 170,455
% Difference						9.88%	0.00%	-2.03%	9.71%

Kaiser EPO Parity

Based on the 9.85% Kaiser increase and reduced margin in the self-funded renewal, the EPO/Parity rate is an increase of 4.66% for Kaiser and the EPO plan and includes \$458,983 in Kaiser Parity margin.

County of Fresno - Biweekly Rates		2021	2022			
Kaiser	Lives	SJVIA Rate	Kaiser Rate	1.5% Margin	SJVIA Admin.	SJVIA Rate
Subscriber Only	1,521	\$ 410.91	\$ 416.74	\$ 6.25	\$ 5.83	\$ 428.82
Subscriber & Spouse	131	\$ 745.34	\$ 737.86	\$ 11.07	\$ 5.83	\$ 754.76
Subscriber & Child(ren)	500	\$ 652.75	\$ 651.98	\$ 9.78	\$ 5.83	\$ 667.59
<u>Subscriber & Spouse & 1 or more Child(ren)</u>	<u>134</u>	<u>\$ 981.76</u>	<u>\$ 972.31</u>	<u>\$ 14.58</u>	<u>\$ 5.83</u>	<u>\$ 992.72</u>
Annual Amount	2,286	\$30,694,677	\$30,856,819	\$ 462,804	\$ 346,512	\$31,666,135
\$ Difference						\$ 971,458
% Difference						3.16%

County of Fresno - Bi-Weekly Rates		2021	2022			
EPO and Vision	Lives	SJVIA EPO Rate	EPO Rate +3.74%	VSP Rate		SJVIA EPO Rate
Subscriber Only	1,671	\$ 410.91	\$ 426.28	\$ 3.64		\$ 429.92
Subscriber & Spouse	300	\$ 745.34	\$ 773.22	\$ 6.54		\$ 779.76
Subscriber & Child(ren)	824	\$ 652.75	\$ 677.16	\$ 6.42		\$ 683.58
<u>Subscriber & Spouse & 1 or more Child(ren)</u>	<u>270</u>	<u>\$ 981.76</u>	<u>\$ 1,018.48</u>	<u>\$ 9.39</u>		<u>\$ 1,027.87</u>
Annual Amount	3,065	\$44,542,519	\$46,208,482	\$ 412,615		\$46,621,098
\$ Difference						\$ 2,078,579
% Difference						4.67%

Parity Bi-Weekly Rates		2021	2022			
	Lives	SJVIA Parity Rate			Kaiser Parity Margin	EPO/Kaiser Parity Rate
Subscriber Only	3,192	\$ 410.91			\$ 1.10	\$ 429.92
Subscriber & Spouse	431	\$ 745.34			\$ 25.00	\$ 779.76
Subscriber & Child(ren)	1,324	\$ 652.75			\$ 15.99	\$ 683.58
<u>Subscriber & Spouse & 1 or more Child(ren)</u>	<u>404</u>	<u>\$ 981.76</u>			<u>\$ 35.15</u>	<u>\$ 1,027.87</u>
Annual Amount	5,351	\$75,237,196			\$ 458,983	\$78,746,216
\$ Difference						\$ 3,509,020
% Difference						4.66%

Delta Dental – DHMO and PPO

COF - Dental PPO	Enrollment	2021	2022 Option A	2022 Option B
Employee Only	2538	\$ 50.29	\$ 48.21	\$ 50.29
Employee + Spouse	339	\$ 80.19	\$ 76.88	\$ 80.19
Employee + Children	983	\$ 69.88	\$ 66.99	\$ 69.88
Employee + Family	307	\$ 102.58	\$ 98.34	\$ 102.58
Total	4167	\$ 3,060,054	\$ 2,933,530	\$ 3,060,054
\$ Difference			\$ (126,524)	\$ -
% Difference			-4.13%	0.00%
County of Fresno - DHMO	Enrollment	2021	2022	
Employee Only	1425	\$ 27.38	\$ 27.38	
Employee + Spouse	159	\$ 47.51	\$ 47.51	
Employee + Children	366	\$ 47.83	\$ 47.83	
Employee + Family	106	\$ 68.95	\$ 68.95	
Total	2056	\$ 856,621	\$ 856,621	
\$ Difference			\$ -	
% Difference			0.00%	
COT - Dental PPO	Enrollment	2021	2022 Option A	2022 Option B
Employee Only	2067	\$ 35.43	\$ 36.64	\$ 35.43
Employee + Spouse	194	\$ 61.42	\$ 63.51	\$ 61.42
Employee + Children	258	\$ 69.60	\$ 71.97	\$ 69.60
Employee + Family	95	\$ 103.32	\$ 106.83	\$ 103.32
Total	2614	\$ 1,355,058	\$ 1,401,275	\$ 1,355,058
\$ Difference			\$ 46,217	\$ -
% Difference			3.41%	0.00%
County of Tulare - DHMO	Enrollment	2021	2022	
Employee Only	328	\$ 27.38	\$ 27.38	
Employee + Spouse	21	\$ 47.51	\$ 47.51	
Employee + Children	45	\$ 47.83	\$ 47.83	
Employee + Family	8	\$ 68.95	\$ 68.95	
Total	402	\$ 152,188	\$ 152,188	
\$ Difference			\$ -	
% Difference			0.00%	

Vision Service Plan – VSP

County of Fresno	Enrollment	2021	2022	2022
Employee Only	2423	\$ 7.79	\$ 7.89	1.28%
Employee + Spouse	349	\$ 14.00	\$ 14.18	1.29%
Employee + Children	846	\$ 13.73	\$ 13.90	1.24%
Employee + Family	286	\$ 20.10	\$ 20.35	1.24%
Total	3904	\$ 493,504	\$ 499,749	1.27%
\$ Difference			\$ 6,245	
% Difference				1.27%
County of Tulare	Enrollment	2021	2022	2022
Employee Only	2238	\$ 4.96	\$ 5.02	1.21%
Employee + Spouse	209	\$ 8.36	\$ 8.47	1.32%
Employee + Children	285	\$ 8.85	\$ 8.96	1.24%
Employee + Family	98	\$ 13.19	\$ 13.36	1.29%
Total	2830	\$ 199,951	\$ 202,414	1.23%
\$ Difference			\$ 2,463	
% Difference				1.23%

The SJVIA vision plan is fully insured with VSP with a two-year rate guarantee for 2022 and 2023.

SJVIA – Fixed Costs

SJVIA Fixed Costs	County of Fresno		County of Tulare	
	2021	2022	2021	2022
Actual Specific Stop-Loss Premium Employee Only	\$13.33	TBD	\$13.33	TBD
Actual Specific Stop-Loss Premium Employee + Dependents	\$32.40	TBD	\$32.40	TBD
Estimated Specific PPO/HDHP Stop-Loss Premium PEPM	\$20.40	\$16.83	\$22.70	\$19.08
Estimated Specific EPO Stop-Loss Premium PEPM	\$29.40	\$24.19	N/A	N/A
Aggregate Stop-Loss Premium PEPM	N/A	N/A	N/A	N/A
PPO/HDHP Anthem Network & Admin. Fees	\$35.05	\$36.10	\$35.05	\$36.10
EPO Anthem Network & Admin. Fees	\$49.30	\$50.78	N/A	N/A
EmpiRx Administration Fee	\$5.28	\$3.54	\$5.28	\$3.54
Wellness	\$2.50	\$2.50	\$2.50	\$2.50
Claims Mgmt/Communication	\$0.50	\$0.50	\$0.50	\$0.50
Keenan Consulting Fee	\$3.10	\$2.88	\$3.10	\$2.88
Keenan Pharmacy Services Fee (EPO/PPO)	\$2.16	\$2.04	\$2.16	\$2.04
SJVIA Fee	\$2.00	\$2.00	\$2.00	\$2.00
MyWorkplace - Benefits Administration	\$2.75	\$2.75	\$2.75	\$2.75
ASi - COBRA and Retiree Administration	\$2.00	\$2.00	\$0.00	\$0.00
PCORI/Transitional Reinsurance Fees PPO/HDHP	\$0.24	\$0.28	\$0.28	\$0.34
PCORI/Transitional Reinsurance Fees EPO	\$0.42	\$0.49	N/A	N/A
98.6 Rider	N/A	\$1.57	N/A	\$1.07
Disease Management	N/A	N/A	N/A	N/A
Total Fixed Cost - Self-Funded PPO Medical Plans	\$75.98	\$72.99	\$76.32	\$72.80
Total Fixed Cost - Self-Funded HDHP HSA Medical Plans	\$68.54	\$67.41	\$68.88	\$67.22
Total Fixed Cost - Self-Funded EPO Medical Plans	\$99.41	\$95.24	N/A	N/A
Total Fixed Cost - Kaiser	\$12.85	\$12.63	\$10.85	\$10.63
Total Fixed Cost - Delta Dental	\$3.99	\$4.19	\$3.99	\$4.19

Rate Summary – County of Fresno

2021 County of Fresno Rates to be remitted to SJVIA	Monthly Rates				Bi-Weekly Rates			
	Effective January 1, 2021				Effective December 14, 2020			
	EE	ES	EC	FA	EE	ES	EC	FA
Anthem PPO \$250	\$1,187.65	\$2,493.10	\$2,258.71	\$3,444.21	\$548.15	\$1,150.66	\$1,042.48	\$1,589.64
Anthem PPO \$1000	\$881.72	\$1,850.91	\$1,676.89	\$2,557.01	\$406.95	\$854.27	\$773.95	\$1,180.16
Anthem PPO \$1,500 Active	\$799.28	\$1,677.83	\$1,520.09	\$2,317.91	\$368.90	\$774.38	\$701.58	\$1,069.80
Anthem PPO \$1,500 Retiree	\$914.24	\$1,618.51	\$1,428.18	\$2,130.68	N/A	N/A	N/A	N/A
Anthem PPO \$3,000	\$653.08	\$1,383.36	\$1,240.23	\$1,889.95	\$301.42	\$638.47	\$572.41	\$872.28
Anthem EPO (includes VSP Vision)	\$886.06	\$1,604.96	\$1,405.36	\$2,112.91	\$410.91	\$745.34	\$652.75	\$981.76
Kaiser HMO (includes parity reserve)	\$886.06	\$1,604.96	\$1,405.36	\$2,112.91	\$410.91	\$745.34	\$652.75	\$981.76
Delta Dental PPO	\$50.29	\$80.19	\$69.88	\$102.58	\$23.21	\$37.01	\$32.25	\$47.34
Delta Dental DHMO	\$27.38	\$47.51	\$47.83	\$68.95	\$12.64	\$21.93	\$22.08	\$31.82
VSP Vision	\$7.79	\$14.00	\$13.73	\$20.10	\$3.60	\$6.46	\$6.34	\$9.28
2022 County of Fresno Rates to be remitted to SJVIA	Monthly Rates				Bi-Weekly Rates			
	Effective January 1, 2022				Effective December 13, 2021			
	EE	ES	EC	FA	EE	ES	EC	FA
Anthem PPO \$250	\$1,187.65	\$2,493.10	\$2,258.71	\$3,444.21	\$548.15	\$1,150.66	\$1,042.48	\$1,589.64
Anthem PPO \$1000	Not Available				Not Available			
Anthem PPO \$1,500 Active	Not Available				Not Available			
Anthem PPO \$1,500 Retiree	\$914.24	\$1,618.51	\$1,428.18	\$2,130.68	N/A	N/A	N/A	N/A
Anthem PPO \$3,000	\$653.08	\$1,383.36	\$1,240.23	\$1,889.95	\$301.42	\$638.47	\$572.41	\$872.28
EPO 500 (includes VSP Vision)	\$846.99	\$1,534.09	\$1,344.79	\$2,021.28	\$390.92	\$708.04	\$620.67	\$932.90
EPO 1000 (includes VSP Vision)	\$798.26	\$1,445.81	\$1,267.49	\$1,905.07	\$368.43	\$667.30	\$585.00	\$879.26
Anthem EPO (includes VSP Vision)	\$931.49	\$1,689.48	\$1,481.09	\$2,227.05	\$429.92	\$779.76	\$683.58	\$1,027.87
Kaiser HMO (includes parity reserve)	\$931.49	\$1,689.48	\$1,481.09	\$2,227.05	\$429.92	\$779.76	\$683.58	\$1,027.87
Delta Dental PPO	\$50.29	\$80.19	\$69.88	\$102.58	\$23.21	\$37.01	\$32.25	\$47.34
Delta Dental DHMO	\$27.38	\$47.51	\$47.83	\$68.95	\$12.64	\$21.93	\$22.08	\$31.82
VSP Vision	\$7.89	\$14.18	\$13.90	\$20.35	\$3.64	\$6.54	\$6.42	\$9.39

Rate Summary – County of Tulare

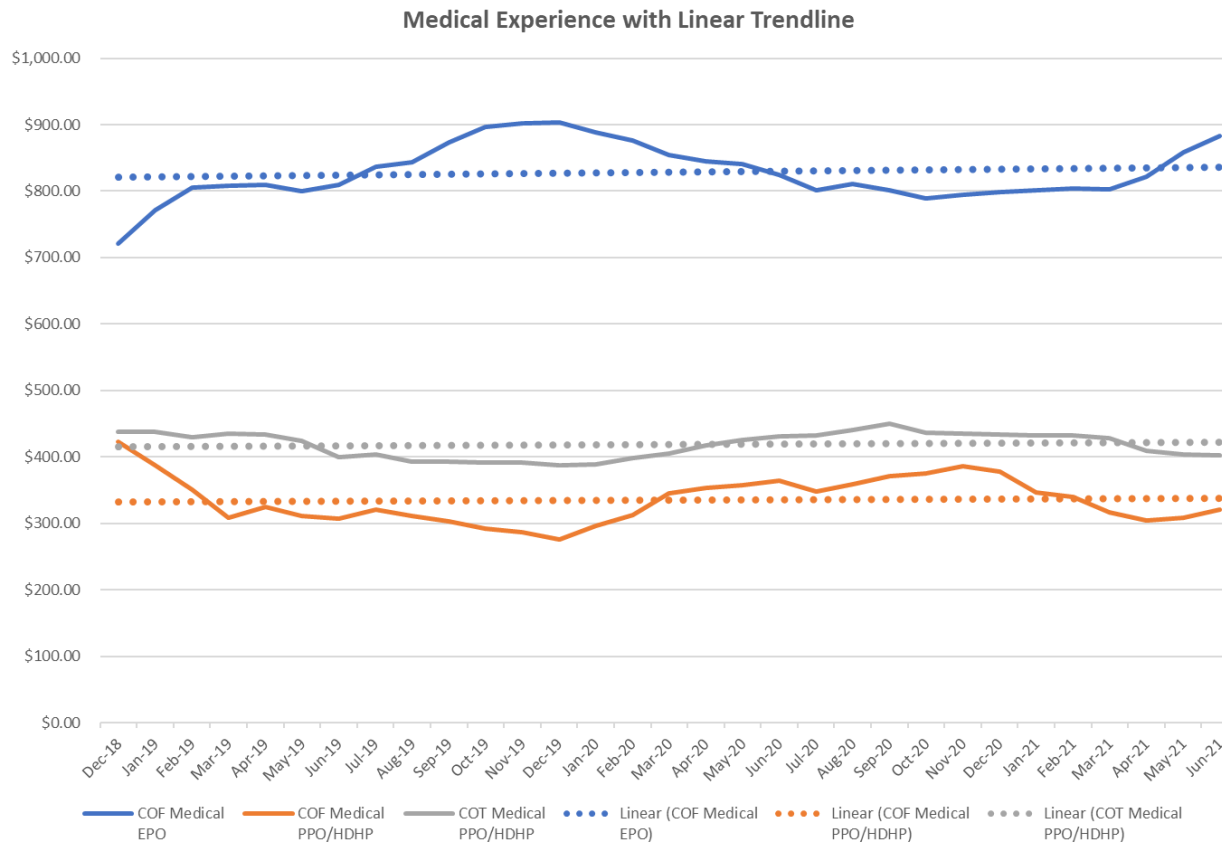
2021 County of Tulare Rates to be remitted to SJVIA	Monthly Rates			
	Effective January 1, 2021			
	EE	ES	EC	FA
Anthem \$0	\$932.88	\$1,864.75	\$1,702.24	\$2,827.14
Anthem \$500	\$702.47	\$1,405.64	\$1,287.40	\$2,217.04
Anthem \$750	\$617.06	\$1,233.26	\$1,131.59	\$1,880.00
Anthem \$2,500	\$584.83	\$1,168.73	\$1,072.39	\$1,781.68
Kaiser HMO	\$834.10	\$1,657.35	\$1,500.93	\$2,480.61
Kaiser DHMO	\$641.80	\$1,272.75	\$1,152.87	\$1,903.71
KPSA -Medicare Senior Advantage	\$297.31	\$583.77		
Delta Dental PPO	\$35.43	\$61.42	\$69.60	\$103.32
Delta Dental DHMO	\$27.38	\$47.51	\$47.83	\$68.95
VSP Vision	\$4.96	\$8.36	\$8.85	\$13.19

2022 County of Tulare Rates to be remitted to SJVIA	Monthly Rates			
	Effective January 1, 2022			
	EE	ES	EC	FA
Anthem \$0	\$925.87	\$1,850.75	\$1,689.46	\$2,805.90
Anthem \$500	\$697.20	\$1,395.08	\$1,277.73	\$2,200.39
Anthem \$750	\$612.42	\$1,223.99	\$1,123.09	\$1,865.88
Anthem \$2,500	\$580.44	\$1,159.95	\$1,064.33	\$1,768.30
Kaiser HMO	\$915.12	\$1,819.61	\$1,647.75	\$2,724.10
Kaiser DHMO	\$703.92	\$1,397.22	\$1,265.48	\$2,090.50
KPSA -Medicare Senior Advantage	\$276.78	\$542.93		
Delta Dental PPO	\$35.43	\$61.42	\$69.60	\$103.32
Delta Dental DHMO	\$27.38	\$47.51	\$47.83	\$68.95
VSP Vision	\$5.02	\$8.47	\$8.96	\$13.36

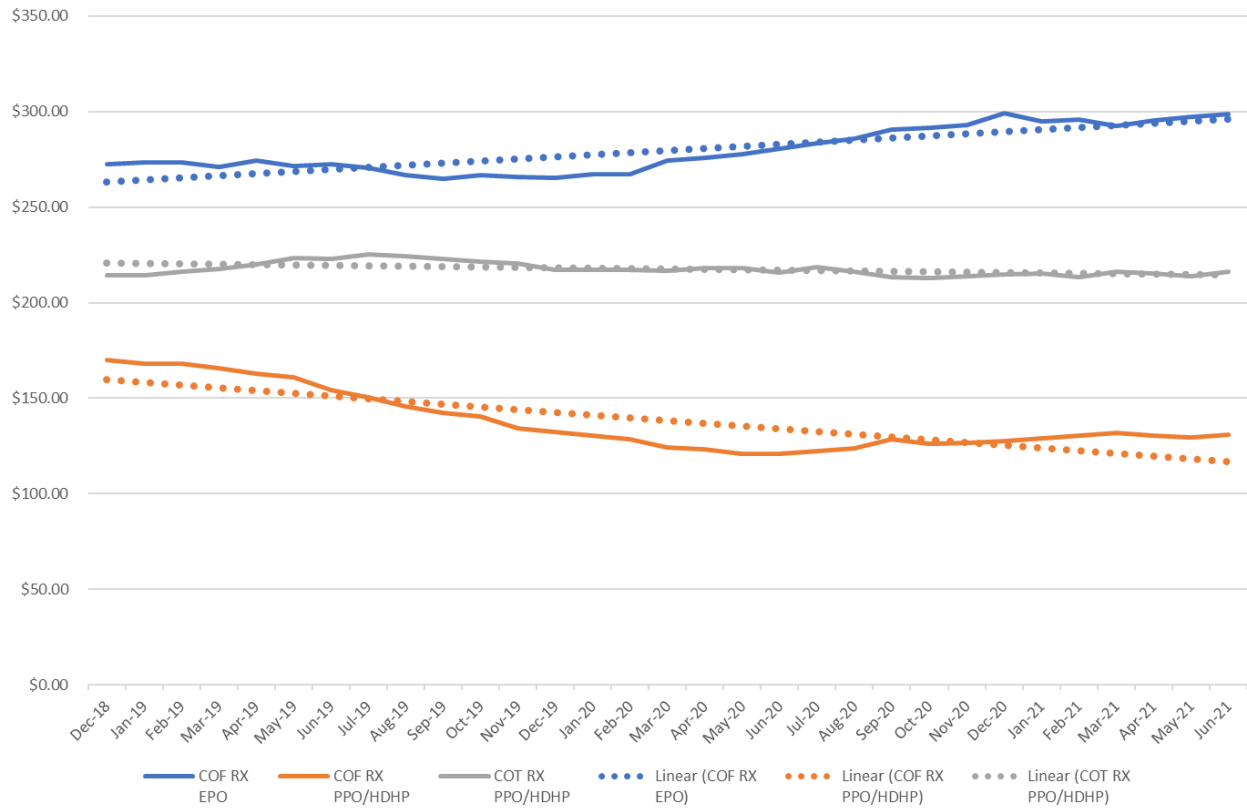
Appendix

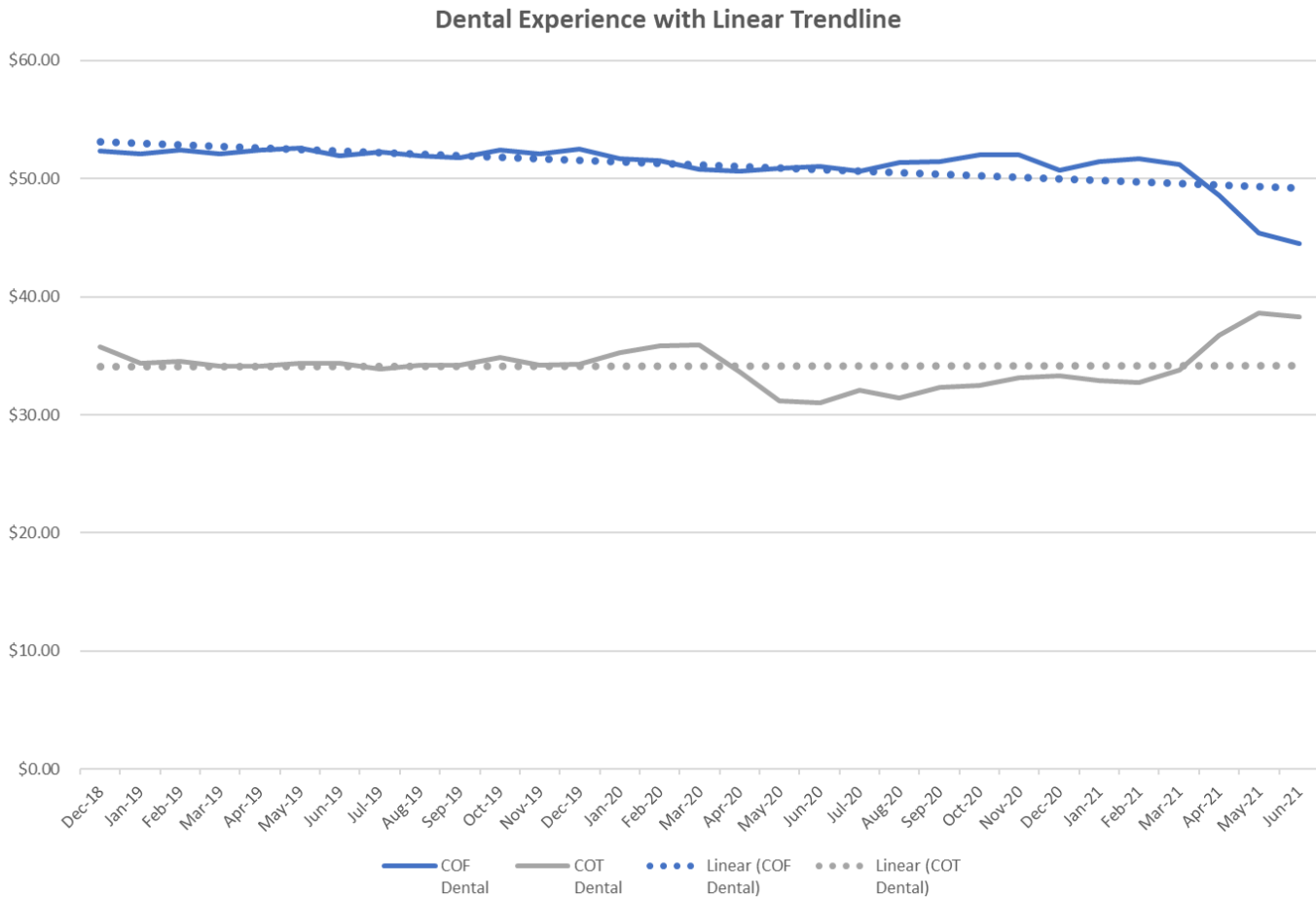
Trend Assumptions

Trend is added to renewals to account for inflation and utilization changes. Typically, standard trend or industry trend is applied. Keenan maintains a database with carrier trend which is updated on a quarterly basis. We expect self-funded plans to perform approximately 2.0% better than fully insured carrier trend since insurance carriers tend to be very conservative in their trend assumptions. Based on how conservative or liberal one applies trend determines whether trend also accumulates margin over the renewal period. Keenan analyzed SJVIA data and developed the following charts on a rolling 12 month claim cost PEPM and added a trendline.



Prescription Drug Experience with Linear Trendline





The medical trendline is relatively flat (meaning very little trend). The prescription drug trendlines show the COF EPO plan with a positive trendline, the COT PPO/HDHP plans with a flat trendline, and the COF PPO/HDHP with a negative trendline. Keenan ran multiple regression analysis to determine the internal trendlines with the SJVIA and eventually arrived at three trend options for the SJVIA Board to consider. Option 1 Standard trend, Option 2 a 50/50 blend of Standard/Internal trend and Option 3 Internal trend. The following chart illustrates the trend and cost impact of varying trend approaches:

Trend Analysis	COF							COT			
	EPO Medical	RX	Total Medical/RX	PPO/HDHP Medical	RX	Total Medical/RX	Dental	PPO/HDHP Medical	RX	Total Medical/RX	Dental
Trend											
Annual Trend Assumption											
Standard	8.00%	5.00%		5.00%	5.00%		4.00%	8.00%	5.00%		4.00%
50/50	6.00%	5.80%		6.10%	2.50%		2.00%	5.55%	2.50%		2.20%
Internal*	4.00%	6.60%		7.20%	0.00%		0.00%	3.10%	0.00%		0.40%
* 0.00% Trend denotes a negative trend											
Trend Factor (18 Months)											
Standard	1.1224	1.0759	1.1117	1.0759	1.0759	1.0759	1.0606	1.1224	1.0759	1.1090	1.0606
50/50	1.0913	1.0882	1.0906	1.0929	1.0377	1.0785	1.0301	1.0844	1.0377	1.0709	1.0332
Internal	1.0606	1.1006	1.0698	1.1099	1.0000	1.0813	1.0000	1.0469	1.0000	1.0334	1.0060
Claim Cost Adjustment from Standard PEPM											
Standard	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
50/50	-\$26.70	\$3.14	-\$23.56	\$5.45	-\$4.31	\$1.14	-\$1.54	-\$15.99	-\$6.50	-\$22.49	-\$1.05
Internal	-\$53.06	\$6.31	-\$46.75	\$10.90	-\$8.57	\$2.33	-\$3.06	-\$31.77	-\$12.92	-\$44.69	-\$2.10