



BOARD OF DIRECTORS

STEVE BRANDAU
NATHAN MAGSIG
BUDDY MENDES
LARRY MICARI
BRIAN PACHECO
AMY SHUKLIAN
PETE VANDER POEL

**Meeting Location:
County of Fresno
Board of Supervisors Chambers
2281 Tulare Street, #301
Fresno, CA 93721**

AGENDA DATE: July 19, 2024

ITEM NUMBER: Item 9

SUBJECT: Receive Consultant's Medical, Dental, and Vision Experience Reports through May 2024 with Update on Projected Plan Experience Surplus Accumulation and Projections (I)

REQUEST(S): That the Board receive the Consultant's medical, dental, and vision experience reports through May 2024 and update on projected plan experience accumulation.

DESCRIPTION:

The Consultant's report shows that on a total cost basis from January through May 2024, the self-insured medical premium of \$41,173,545 exceeded the total cost of \$39,393,107 for an accumulation of \$1,780,439, or an 95.7% loss ratio.

For the self-insured dental, the report shows that on a total cost basis, the dental premium of \$2,322,682 exceeded total cost of \$2,129,148 for an accumulation of \$193,533 or an 91.7% loss ratio.

The vision plan remains fully insured and has an accumulation of \$30,022 Under the fully-insured arrangement, all deficit or surplus positions stay with the carrier.

Keenan projected a \$1,249,514 accumulation for the 2024 plan year. The accumulation is built from premiums exceeding plan costs, built-in margin on the Kaiser plan, prescription drug rebates, and other sources. For the 2024 plan year, the position is \$4,524,799, 262.1% greater than the projected annual total.

Please note this is the consultant's report. Prior to allocating funds for the IBNR reserve and stabilization reserve, the SJVIA Auditor will provide the

AGENDA: San Joaquin Valley Insurance Authority

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unaudited reserve accumulation based on actual revenue received and actual expenses paid. Additionally, due to rounding, figures in this report may be off by de minimis amounts.

FISCAL IMPACT/FINANCING:

The 2024 plan year experience through May 2024 developed a \$1,780,439 medical surplus and a \$193,533 dental surplus for a total self-funded surplus of \$1,973,972.

Prescription drug rebates in the amount of \$2,407,305 have been received. With the Kaiser reserve of \$143,522, the collective total reserve accumulation is \$4,524,799 for the 2024 plan year through May. This is based on the Consultant's report; the Auditor will provide the unaudited reserve accumulation based on actual revenue received and actual expenses paid.

ADMINISTRATIVE SIGN-OFF:



Lupe Garza
SJVIA Manager



Hollis Magill
SJVIA Assistant Manager