

July 19, 2024

## **SJVIA Board Meeting: Consultant's Report – 2024 Plan Experience (Medical, Dental, and Vision) through May 2024**

The following pages provide a summary of the plan experience from January 1 through May 31, 2024, for the self-funded medical and dental plans, as well as the fully insured vision plan (Kaiser and Delta Dental DHMO experience is not reported).

The SJVIA self-funded plans show a net surplus position of \$1,973,972 through May 2024. The County of Fresno has a \$2,493,783 surplus position and the County of Tulare has a (\$519,811) deficit position.

<b>Accumulation</b>	<b>COF</b>	<b>COT</b>	<b>Total</b>
Medical	\$ 2,271,943	\$ (491,504)	\$ 1,780,439
Dental	\$ 221,840	\$ (28,307)	\$ 193,533
Total	\$ 2,493,783	\$ (519,811)	\$ 1,973,972
Vision (Insured)	\$ 43,986	\$ (13,965)	\$ 30,021
<b>Loss Ratio</b>			
Medical	91.6%	103.5%	95.7%
Dental	86.1%	103.9%	91.7%
Vision	82.2%	114.8%	91.2%

The County of Fresno and the County of Tulare both have 1.0% margin inclusive of the 2024 medical rates.

The Anthem self-funded medical plans show a net accumulated surplus position of \$1,780,439 for a 95.7% total cost loss ratio.

The Delta Dental self-funded dental plan shows an accumulated surplus position of \$193,533 for a 91.7% total cost loss ratio.

The Vision Service Plan (VSP) vision plan is fully-insured and shows an accumulated position of \$30,021 for a 91.2% total cost loss ratio. Under the fully-insured arrangement, all deficit or surplus positions remain with the carrier. SJVIA may want to consider going to a self-funded arrangement for PY 2025.

Fresno County continues its cross-subsidy strategy between the EPO, PPO, and High Deductible Health Plans (HDHP). Fresno County removed its EPO/Kaiser parity strategy for 2024, allowing both Kaiser and the EPO plans to renew based on plan experience only.

The County of Tulare has a deficit of -\$491,504 through May. For 2024, the County of Tulare allocated \$2,000,126 of the renewal (from 11.51% to 5.00%) utilizing ARPA funds. When considering the 2024 rate readjustment, County of Tulare is in a \$1,508,622 surplus position. The total Tulare County ARPA fund transfer to SJVIA was \$2,593,347.

The County of Fresno transferred \$2,426,734 in ARPA funds, for a two-county total of \$5,020,081.

Keenan projected prescription drug rebates of \$4,412,000 in 2024. The prescription drug rebates are underwritten into the 2024 rates and are therefore excluded as a line item in the 2024 budget calculation. The prescription drug rebates are included in the calculated accumulation and total \$2,407,305. The \$2,407,305 are accumulated for the third and fourth quarter of 2023. There is typically a six-month lag in the funding of prescription drug rebates.

Keenan projected a medical and dental margin of \$897,142 for 2024. The margin is underwritten into the 2024 rates and is therefore also excluded as a line item in the 2024 budget calculation. The margin is included in the calculated accumulation and total \$1,973,972. This is well above the projected margin accumulation of \$373,805 through May and the \$897,142 annual 2024 budget.

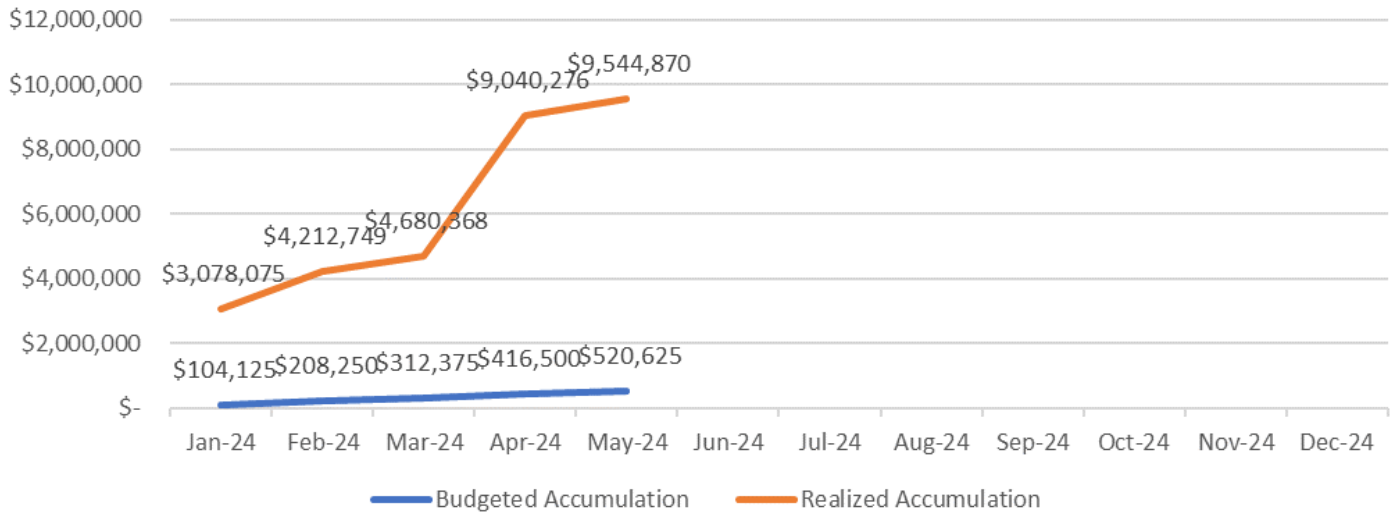
The SJVIA budgeted Kaiser margin is \$352,372 for 2024 with a realized margin of \$143,522 through May.

The SJVIA has an overall accumulated position of \$4,524,799 (excluding ARPA funds). This is \$3,275,285 (or 262.1%) above the budgeted accumulation of \$1,249,514 in the annual 2024 budget.

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 unaudited cash position based on actual revenue received and actual expenses paid.

Please note minor differences in dollar amounts may exist from the experience reports due to rounding.

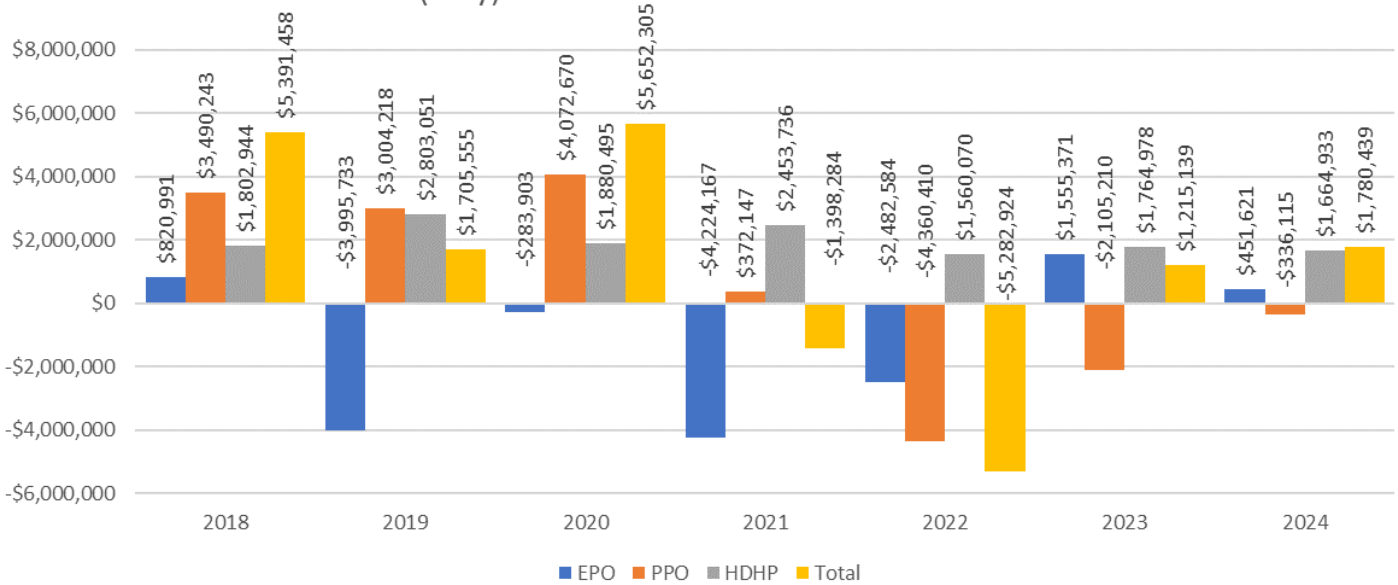
### 2024 Accumulation Comparison



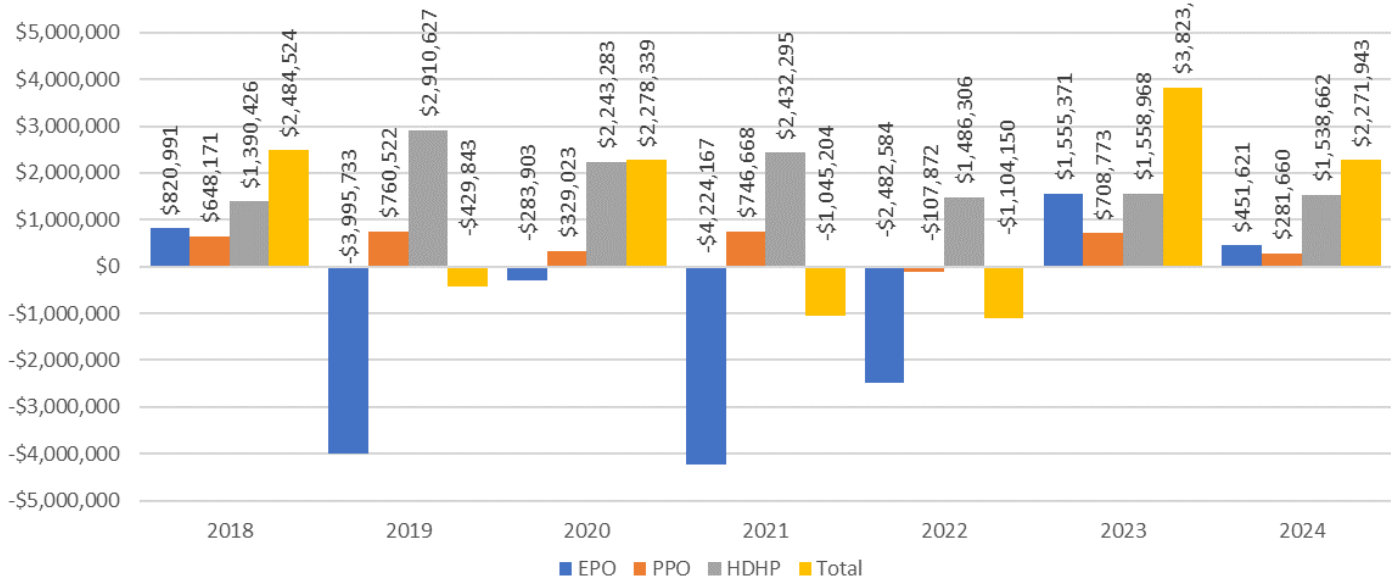
2024 Accumulation Comparison includes \$5,020,081 in ARPA funds from both counties.

The following self-funded medical/rx graphs exclude ARPA funds.

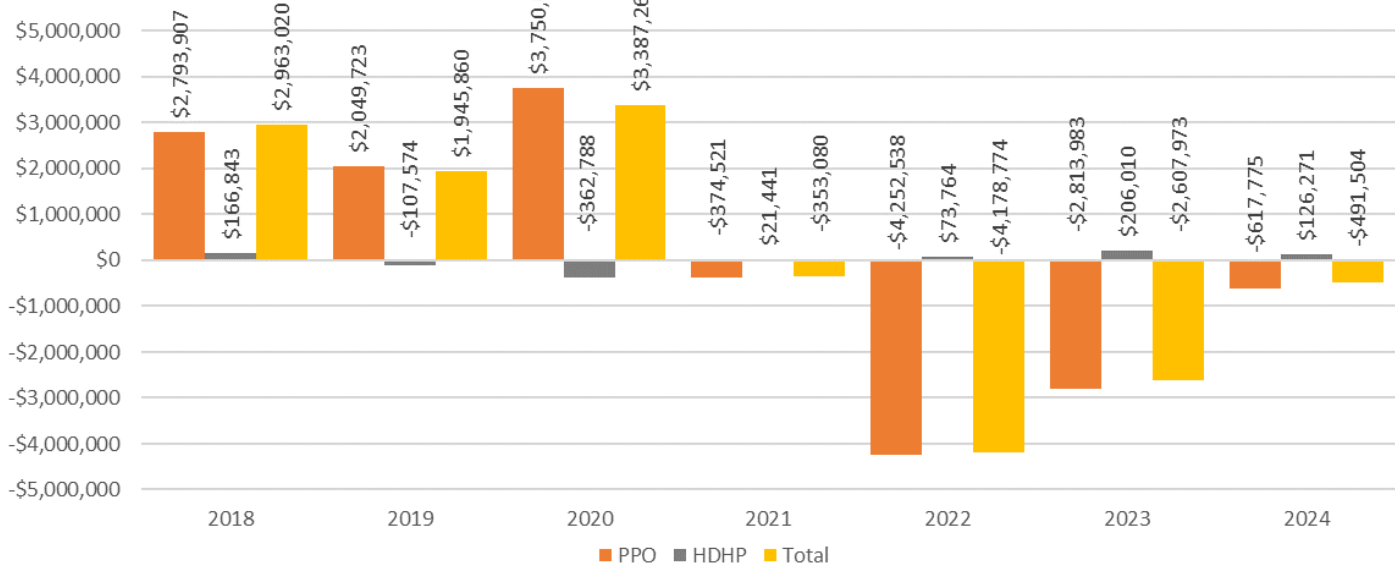
### SJVIA - Medical 2018 to 2024 (May)



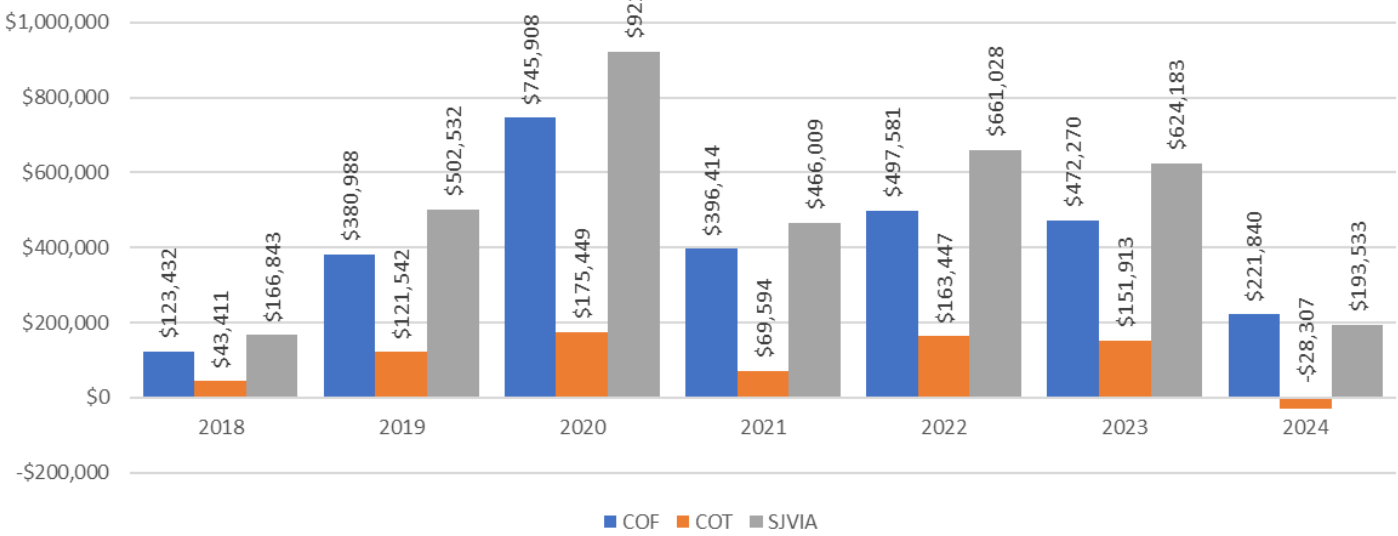
### County of Fresno - Medical 2018 to 2024 (May)



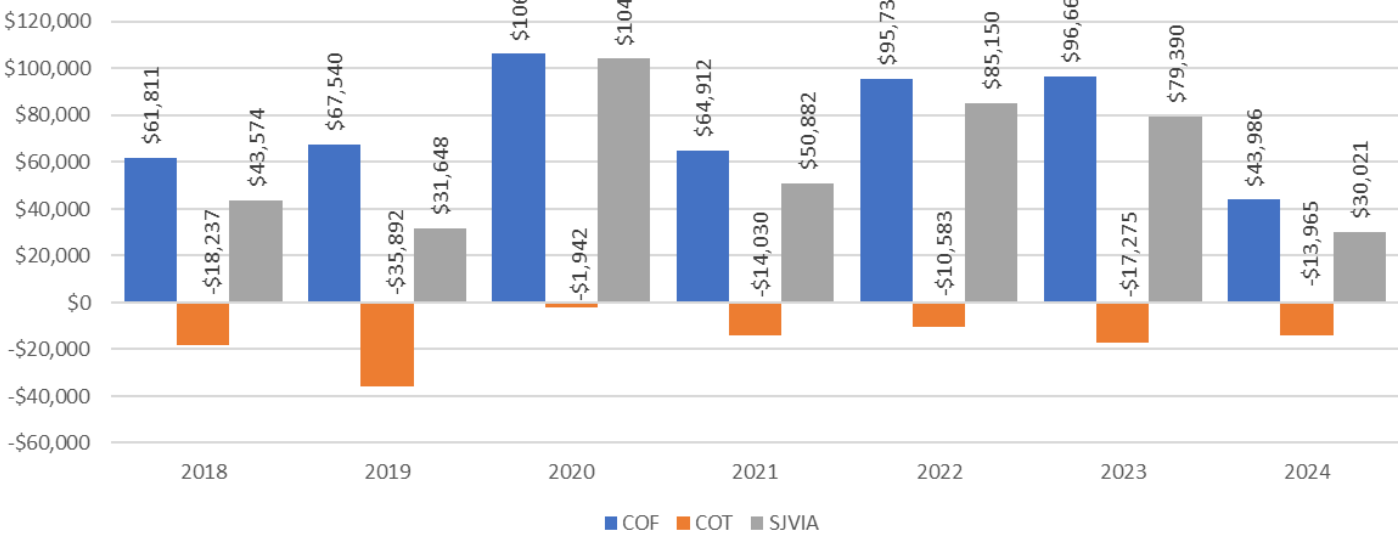
### County of Tulare - Medical 2018 to 2024 (May)



### Dental - 2018 to 2024 (May)



### Vision - 2018 to 2024 (May)



Budget vs. Calculated Accumulation													
2022	January	February	March	April	May	June	July	August	September	October	November	December	Total
<b>Budget Accumulation</b>													
Plan Experience (Medical)	\$ 62,242	\$ 62,242	\$ 62,242	\$ 62,242	\$ 62,242	\$ 62,242	\$ 62,242	\$ 62,242	\$ 62,242	\$ 62,242	\$ 62,242	\$ 62,242	\$ 746,903
Plan Experience (Dental)	\$ 5,584	\$ 5,584	\$ 5,584	\$ 5,584	\$ 5,584	\$ 5,584	\$ 5,584	\$ 5,584	\$ 5,584	\$ 5,584	\$ 5,584	\$ 5,584	\$ 67,005
Kaiser Accumulation	\$ 38,565	\$ 38,565	\$ 38,565	\$ 38,565	\$ 38,565	\$ 38,565	\$ 38,565	\$ 38,565	\$ 38,565	\$ 38,565	\$ 38,565	\$ 38,565	\$ 462,781
Kaiser EPO Parity Accumulation	\$ 38,249	\$ 38,249	\$ 38,249	\$ 38,249	\$ 38,249	\$ 38,249	\$ 38,249	\$ 38,249	\$ 38,249	\$ 38,249	\$ 38,249	\$ 38,249	\$ 458,983
Prescription Drug Rebates	\$ -	\$ -	\$ 600,000	\$ -	\$ -	\$ 600,000	\$ -	\$ -	\$ 600,000	\$ -	\$ -	\$ 600,000	\$ 2,400,000
2022 Budgeted Accumulation	\$ 144,639	\$ 144,639	\$ 744,639	\$ 144,639	\$ 144,639	\$ 744,639	\$ 144,639	\$ 144,639	\$ 744,639	\$ 144,639	\$ 144,639	\$ 744,639	\$ 4,135,672
<b>Calculated Accumulation</b>													
Plan Experience (Medical)	\$ 416,646	\$ (707,755)	\$ 334,315	\$ (579,163)	\$ (111,439)	\$ (76,438)	\$ (125,469)	\$ (2,224,386)	\$ 257,541	\$ (781,002)	\$ (907,033)	\$ (778,741)	\$ (5,282,924)
Plan Experience (Dental)	\$ 115,834	\$ 64,486	\$ (58,680)	\$ 46,312	\$ 40,850	\$ 13,054	\$ 107,262	\$ 76,505	\$ 23,023	\$ 82,402	\$ 88,343	\$ 61,637	\$ 661,028
Kaiser Accumulation	\$ 34,185	\$ 33,794	\$ 33,676	\$ 33,547	\$ 33,454	\$ 33,279	\$ 33,080	\$ 32,987	\$ 33,071	\$ 32,712	\$ 32,711	\$ 32,388	\$ 398,886
Kaiser EPO Parity Accumulation	\$ 34,429	\$ 34,110	\$ 34,004	\$ 33,848	\$ 33,684	\$ 33,536	\$ 33,169	\$ 33,011	\$ 33,202	\$ 32,507	\$ 32,768	\$ 32,249	\$ 400,516
Prescription Drug Rebates	\$ -	\$ -	\$ 745,118	\$ -	\$ 700,150	\$ -	\$ -	\$ 642,132	\$ -	\$ 643,951	\$ -	\$ -	\$ 2,731,351
Other: COF-COVID-19 Reimbursements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022 Calculated Accumulation	\$ 601,094	\$ (575,365)	\$ 1,088,433	\$ (465,456)	\$ 696,699	\$ 3,431	\$ 48,043	\$ (1,439,750)	\$ 346,837	\$ 10,570	\$ (753,211)	\$ (652,468)	\$ (1,091,143)
2023	January	February	March	April	May	June	July	August	September	October	November	December	Total
<b>Budget Accumulation</b>													
Plan Experience (Medical)	\$ 65,284	\$ 65,284	\$ 65,284	\$ 65,284	\$ 65,284	\$ 65,284	\$ 65,284	\$ 65,284	\$ 65,284	\$ 65,284	\$ 65,284	\$ 65,284	\$ 783,407
Plan Experience (Dental)	\$ 6,881	\$ 6,881	\$ 6,881	\$ 6,881	\$ 6,881	\$ 6,881	\$ 6,881	\$ 6,881	\$ 6,881	\$ 6,881	\$ 6,881	\$ 6,881	\$ 82,570
Kaiser Accumulation	\$ 34,161	\$ 34,161	\$ 34,161	\$ 34,161	\$ 34,161	\$ 34,161	\$ 34,161	\$ 34,161	\$ 34,161	\$ 34,161	\$ 34,161	\$ 34,161	\$ 409,938
Kaiser EPO Parity Accumulation	\$ 148,964	\$ 148,964	\$ 148,964	\$ 148,964	\$ 148,964	\$ 148,964	\$ 148,964	\$ 148,964	\$ 148,964	\$ 148,964	\$ 148,964	\$ 148,964	\$ 1,787,564
Prescription Drug Rebates	\$ -	\$ -	\$ 600,000	\$ -	\$ -	\$ 950,000	\$ -	\$ -	\$ 950,000	\$ -	\$ -	\$ 950,000	\$ 3,450,000
2023 Budgeted Accumulation	\$ 255,290	\$ 255,290	\$ 855,290	\$ 255,290	\$ 255,290	\$ 1,205,290	\$ 255,290	\$ 255,290	\$ 1,205,290	\$ 255,290	\$ 255,290	\$ 1,205,290	\$ 6,513,479
<b>Calculated Accumulation</b>													
Plan Experience (Medical)	\$ 515,330	\$ 1,114,156	\$ (42,789)	\$ 984,315	\$ 1,093,276	\$ 775,401	\$ 1,686,721	\$ (2,479,927)	\$ 265,617	\$ (1,173,278)	\$ (1,622,314)	\$ 98,631	\$ 1,215,139
Plan Experience (Dental)	\$ 94,579	\$ 30,896	\$ (9,934)	\$ 58,534	\$ 59,818	\$ 12,122	\$ 111,348	\$ (21,091)	\$ 103,877	\$ 52,949	\$ 23,097	\$ 107,988	\$ 624,183
Kaiser Accumulation	\$ 32,807	\$ 33,162	\$ 33,294	\$ 33,008	\$ 33,035	\$ 33,053	\$ 33,175	\$ 33,044	\$ 32,981	\$ 32,865	\$ 33,067	\$ 32,955	\$ 396,447
Kaiser EPO Parity Accumulation	\$ 163,072	\$ 164,948	\$ 165,495	\$ 164,055	\$ 164,146	\$ 164,293	\$ 164,936	\$ 164,365	\$ 164,142	\$ 163,491	\$ 164,552	\$ 164,033	\$ 1,971,527
Prescription Drug Rebates	\$ -	\$ -	\$ -	\$ 532,281	\$ -	\$ 595,228	\$ -	\$ -	\$ 1,154,820	\$ -	\$ -	\$ 1,212,184	\$ 3,494,513
CMC Claims (See Plan Experience)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023 Calculated Accumulation	\$ 805,788	\$ 1,343,162	\$ 146,066	\$ 1,772,193	\$ 1,350,274	\$ 1,580,097	\$ 1,996,179	\$ (2,303,609)	\$ 1,721,437	\$ (923,973)	\$ (1,401,597)	\$ 1,615,791	\$ 7,701,808
2024	January	February	March	April	May	June	July	August	September	October	November	December	Total
<b>Budget Accumulation</b>													
Plan Experience (Medical)	\$ 67,568	\$ 67,568	\$ 67,568	\$ 67,568	\$ 67,568	\$ 67,568	\$ 67,568	\$ 67,568	\$ 67,568	\$ 67,568	\$ 67,568	\$ 67,573	\$ 810,821
Plan Experience (Dental)	\$ 7,193	\$ 7,193	\$ 7,193	\$ 7,193	\$ 7,193	\$ 7,193	\$ 7,193	\$ 7,193	\$ 7,193	\$ 7,193	\$ 7,193	\$ 7,198	\$ 86,321
Kaiser Accumulation	\$ 29,364	\$ 29,364	\$ 29,364	\$ 29,364	\$ 29,364	\$ 29,364	\$ 29,364	\$ 29,364	\$ 29,364	\$ 29,364	\$ 29,364	\$ 29,368	\$ 352,372
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2024 Budgeted Accumulation	\$ 104,125	\$ 104,125	\$ 104,125	\$ 104,125	\$ 104,125	\$ 104,125	\$ 104,125	\$ 104,125	\$ 104,125	\$ 104,125	\$ 104,125	\$ 104,139	\$ 1,249,514
<b>Calculated Accumulation</b>													
Plan Experience (Medical)	\$ (689,323)	\$ 1,127,342	\$ 361,034	\$ 460,842	\$ 520,544								\$ 1,780,439
Plan Experience (Dental)	\$ 125,029	\$ (21,595)	\$ 77,975	\$ 56,621	\$ (44,497)								\$ 193,533
Kaiser Accumulation	\$ 28,970	\$ 28,927	\$ 28,610	\$ 28,468	\$ 28,547								\$ 143,522
Other - RX Rebates	\$ 1,186,675	\$ -	\$ -	\$ 1,220,630	\$ -								\$ 2,407,305
Other - ARPA Funds	\$ 2,426,724	\$ -	\$ -	\$ 2,593,347	\$ -								\$ 5,020,071
2024 Calculated Accumulation	\$ 3,078,075	\$ 1,134,674	\$ 467,619	\$ 4,359,908	\$ 504,594	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,544,870

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