

August 23, 2024

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

The following pages provide a summary of the plan experience from January 1 through June 30, 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 \$2,601,905 through June 2024. The County of Fresno has a \$3,163,693 surplus position and the County of Tulare has a (\$561,788) deficit position.

	COF	COT	Total
Medical	\$ 2,901,105	\$ (533,443)	\$ 2,367,662
Dental	\$ 262,588	\$ (28,345)	\$ 234,243
Total	\$ 3,163,693	\$ (561,788)	\$ 2,601,905
Vision (Insured)	\$ 46,437	\$ (12,785)	\$ 33,652
Loss Ratio			
Medical	91.1%	103.2%	95.2%
Dental	86.2%	103.2%	91.6%
Vision	84.4%	111.3%	89.9%

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

The Anthem self-funded medical plans show a net accumulated surplus position of \$2,367,662 for a 95.2% total cost loss ratio.

The Delta Dental self-funded dental plan shows an accumulated surplus position of \$234,243 for a 91.6% total cost loss ratio.

The Vision Service Plan (VSP) vision plan is fully insured and shows an accumulated position of \$33,652 for an 89.9% 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 the Kaiser and EPO plans to renew based on plan experience only.

The County of Tulare has a deficit of (\$533,443) through June. For 2024, the County of Tulare allocated \$2,000,126 of the ARPA funds toward the renewal, reducing the increase from 11.51% to 5.00%. When considering the 2024 rate readjustment, County of Tulare is in a \$1,466,683 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 an SJVIA 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 therefore is excluded as a line item in the 2024 budget calculation. The margin is included in the calculated accumulation and total \$2,601,905. This is well above the projected margin accumulation of \$448,566 through June and the \$897,142 2024 annual budget.

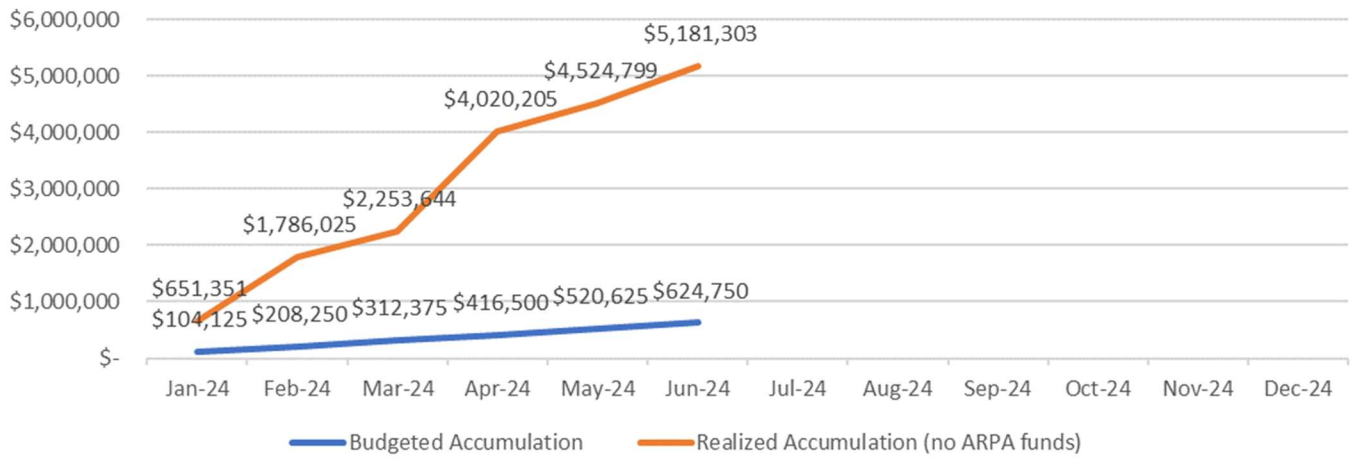
The 2024 SJVIA Kaiser margin was budgeted at \$352,372 but realized a margin of \$172,093 through June.

The SJVIA has an overall accumulated position of \$5,181,303 (excluding ARPA funds). This is \$3,931,789 (or 314.7%) above the budgeted accumulation of \$1,249,514 in the 2024 annual 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.

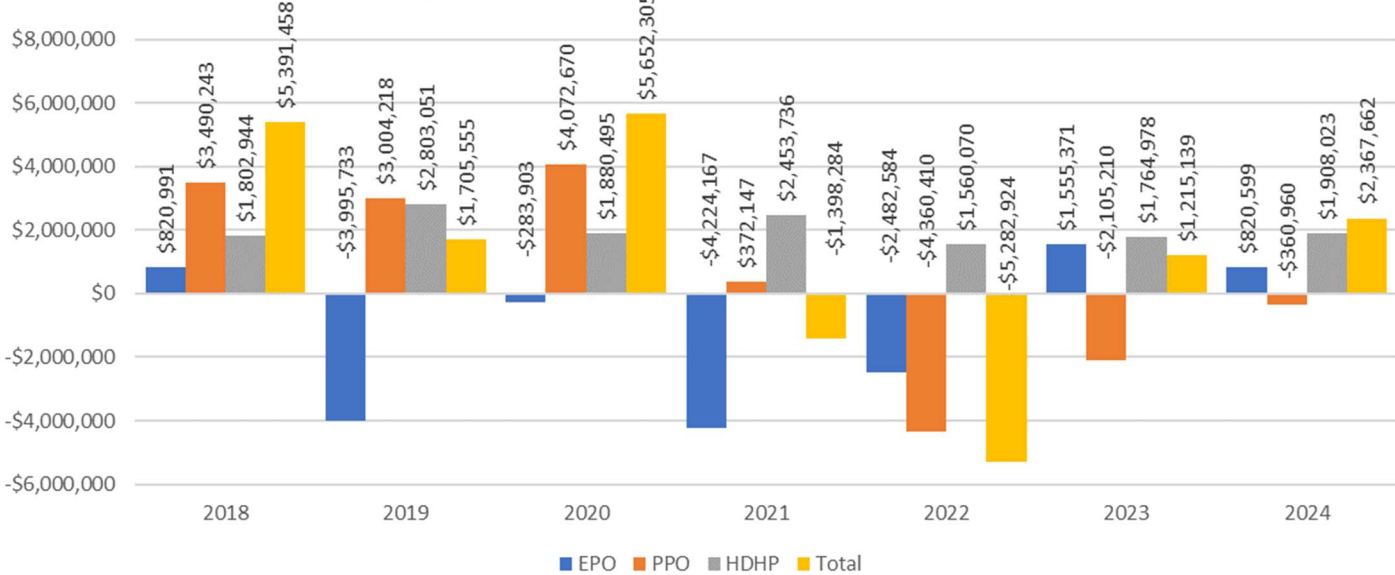
2024 Accumulation Comparison



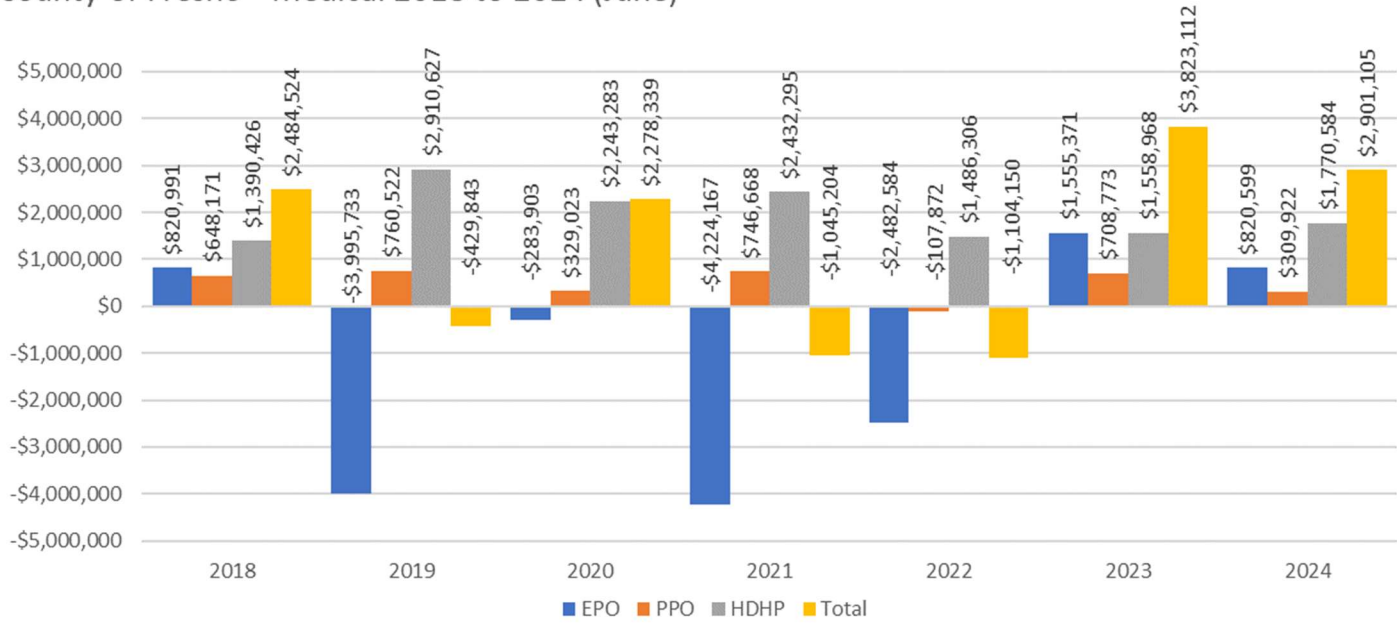
2024 Accumulation Comparison excludes the \$5,020,081 in ARPA funds from both counties.

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

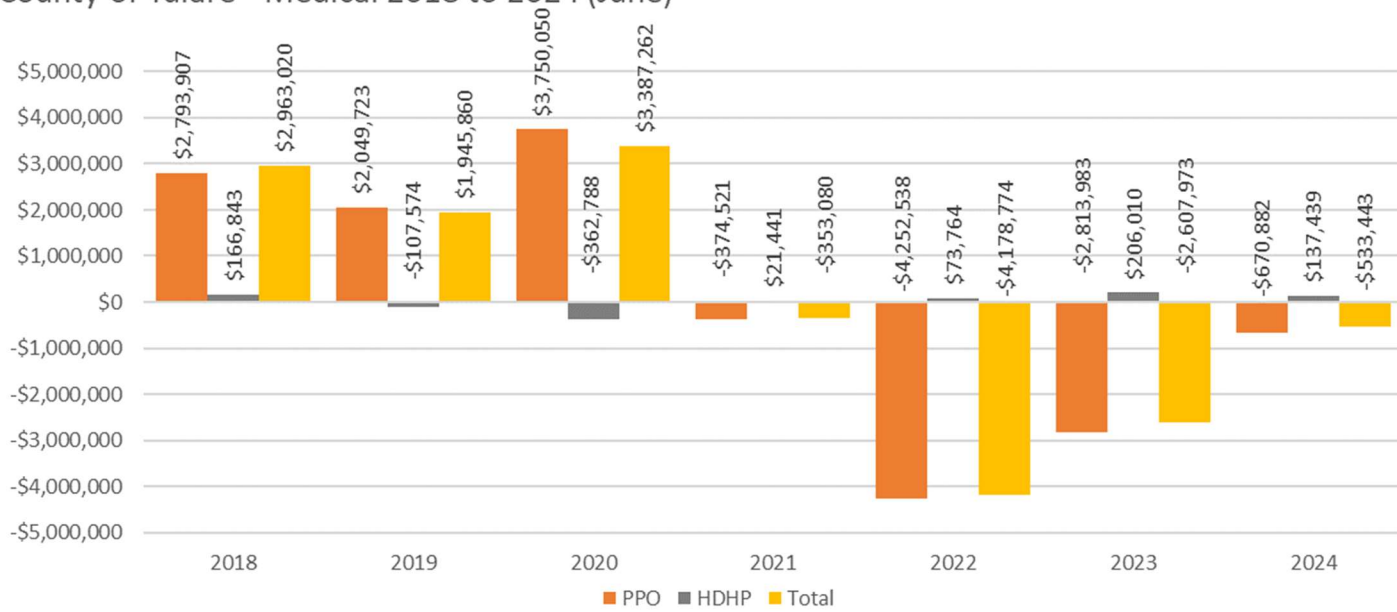
SJVIA - Medical 2018 to 2024 (June)



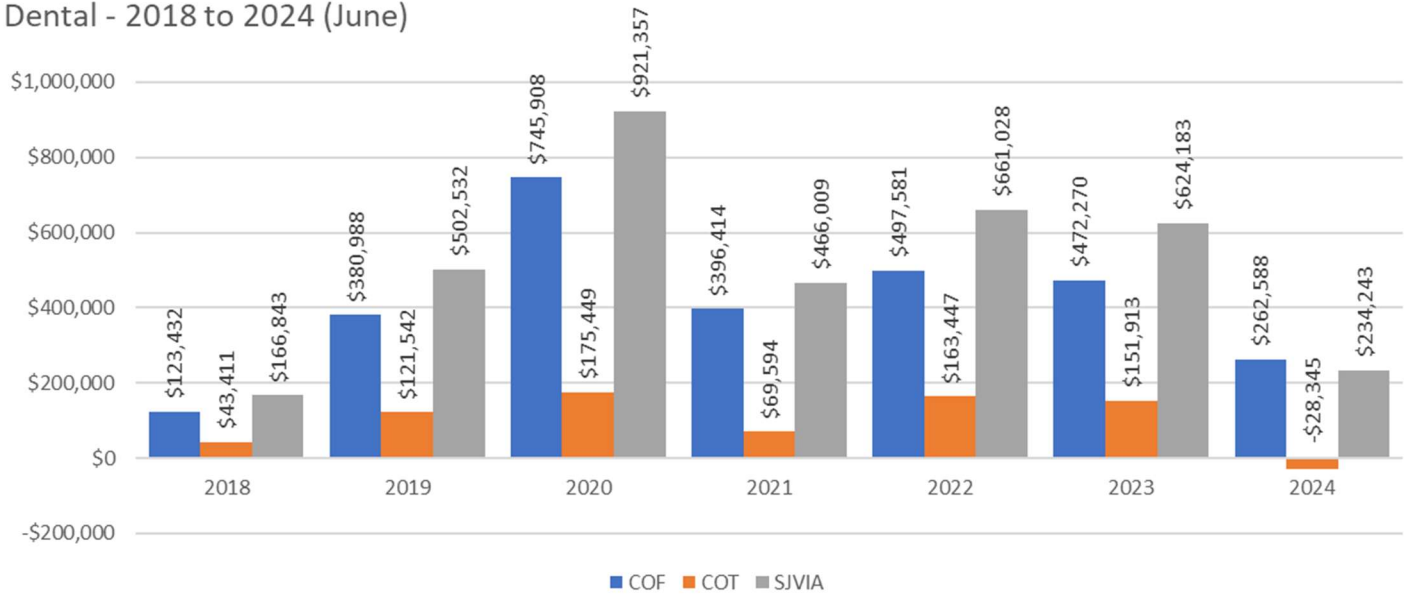
County of Fresno - Medical 2018 to 2024 (June)



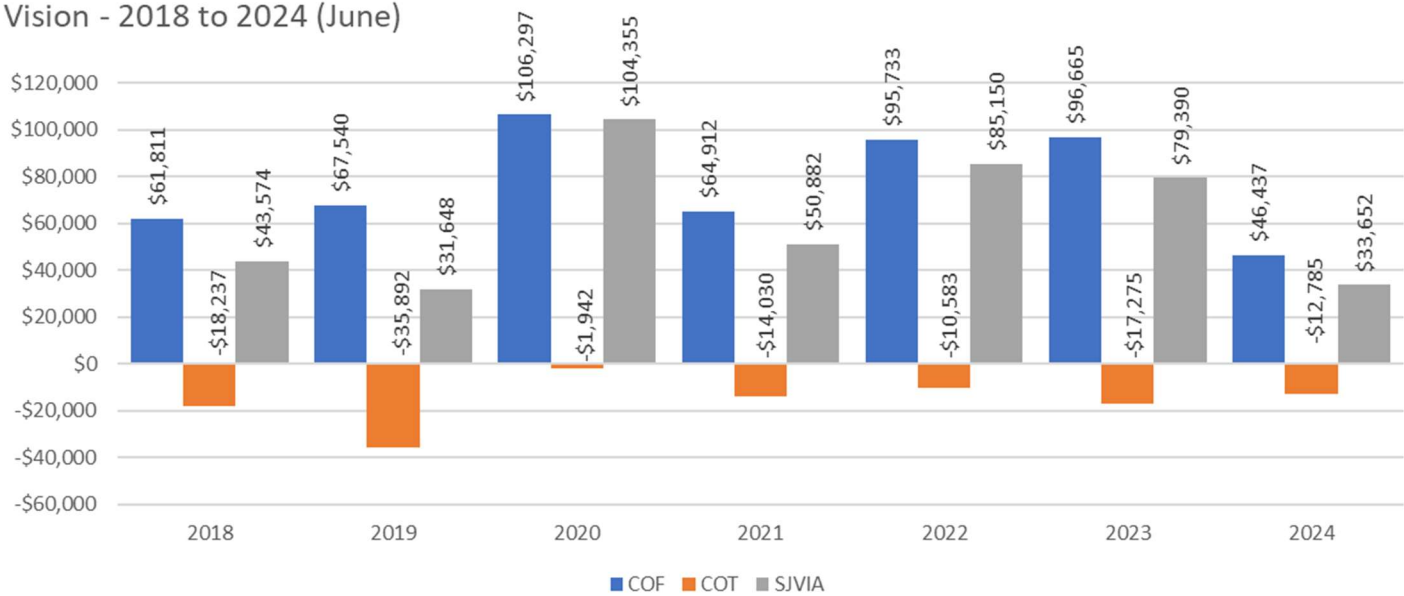
County of Tulare - Medical 2018 to 2024 (June)



Dental - 2018 to 2024 (June)



Vision - 2018 to 2024 (June)



Budget vs. Calculated Accumulation													
2022	January	February	March	April	May	June	July	August	September	October	November	December	Total
Budget Accumulation													
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
Calculated Accumulation													
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 Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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
Budget Accumulation													
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
Calculated Accumulation													
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
Budget Accumulation													
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
Calculated Accumulation													
Plan Experience (Medical)	\$ (689,323)	\$ 1,127,342	\$ 361,034	\$ 460,842	\$ 520,544	\$ 587,223							\$ 2,367,662
Plan Experience (Dental)	\$ 125,029	\$ (21,595)	\$ 77,975	\$ 56,621	\$ (44,497)	\$ 40,710							\$ 234,243
Kaiser Accumulation	\$ 28,970	\$ 28,927	\$ 28,610	\$ 28,468	\$ 28,547	\$ 28,571							\$ 172,093
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	\$ 656,504	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,201,374

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.