

December 6, 2024

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

The following pages provide a summary of the plan experience from January 1 through September 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).

SJVIA show a net surplus position of \$1,141,450 through September 2024. The County of Fresno has a \$3,486,407 surplus position and the County of Tulare has a **-\$2,344,957** deficit position.

	COF	COT	Total
Medical	\$3,139,894	(\$2,344,938)	\$794,956
Dental	\$346,513	(\$19)	\$346,494
Total	\$3,486,407	(\$2,344,957)	\$1,141,450
Vision (Insured)	\$69,635	(\$14,380)	\$55,255
Loss Ratio			
Medical	93.6%	109.3%	98.9%
Dental	87.9%	100.0%	87.5%
Vision	84.6%	108.5%	91.1%

The SJVIA self-funded plans reserve accumulations realized the following results over the 2<sup>nd</sup> quarter of 2024:

- SJVIA: Overall (medical and dental):
  - Overall \$1,141,450 YTD, June 2024 \$2,601,905 for a difference of **-\$1,460,455**
  - Medical \$794,956 YTD, June 2024 \$2,367,662 for a difference of **-\$1,572,706**
  - Dental \$346,494 YTD, June 2024 \$234,243, for a difference of \$112,251
- Fresno County: Overall (medical and dental):
  - Overall \$3,486,407 YTD, June 2024 \$3,163,693 for a difference of \$322,714
  - Medical \$3,139,894 YTD, June 2024 \$2,901,105 for a difference of \$238,789
  - Dental \$346,513 YTD, June 2024 \$262,588, for a difference of \$83,925
- Tulare County: Overall (medical and dental):
  - Overall **-\$2,344,957** YTD, June 2024 **-\$561,788** for a difference of **-\$1,783,169**
  - Medical **-\$2,344,938** YTD, June 2024 **-\$533,443** for a difference of **-\$1,811,495**
  - Dental **-\$19** YTD, June 2024 **-\$28,345** for a difference of \$28,326

The County of Tulare has a medical deficit of **-\$2,344,938** through September 2024. For 2024, the County of Tulare allocated \$2,000,126 of ARPA funds toward the renewal (reducing the cost increase from 11.51% to 5.00%). When considering the 2024 rate readjustment, County of Tulare is in a **-\$344,812** deficit position. The total Tulare County ARPA fund transfer to SJVIA was \$2,593,347.

The County of Fresno transferred \$2,426,724 in ARPA funds, for a two-county total of \$5,020,071.

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 \$794,956 for a 98.9% total cost loss ratio.

The Delta Dental self-funded dental plan shows an accumulated surplus position of \$346,494 for a 87.5% total cost loss ratio.

The Vision Service Plan (VSP) vision plan is fully insured and shows an accumulated position of \$55,255 for a 91.1% total cost loss ratio. Under the fully insured arrangement, all deficit or surplus positions remain with the carrier.

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.

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 \$4,025,905 through September. The \$4,025,905 are accumulated for the third and fourth quarter of 2023 and first quarter of 2024. There is typically a six-month lag in the funding of prescription drug rebates. The second quarter of 2024 has been received and will be posted to October 2024 for \$1,730,100 for an annual total of \$5,756,005.

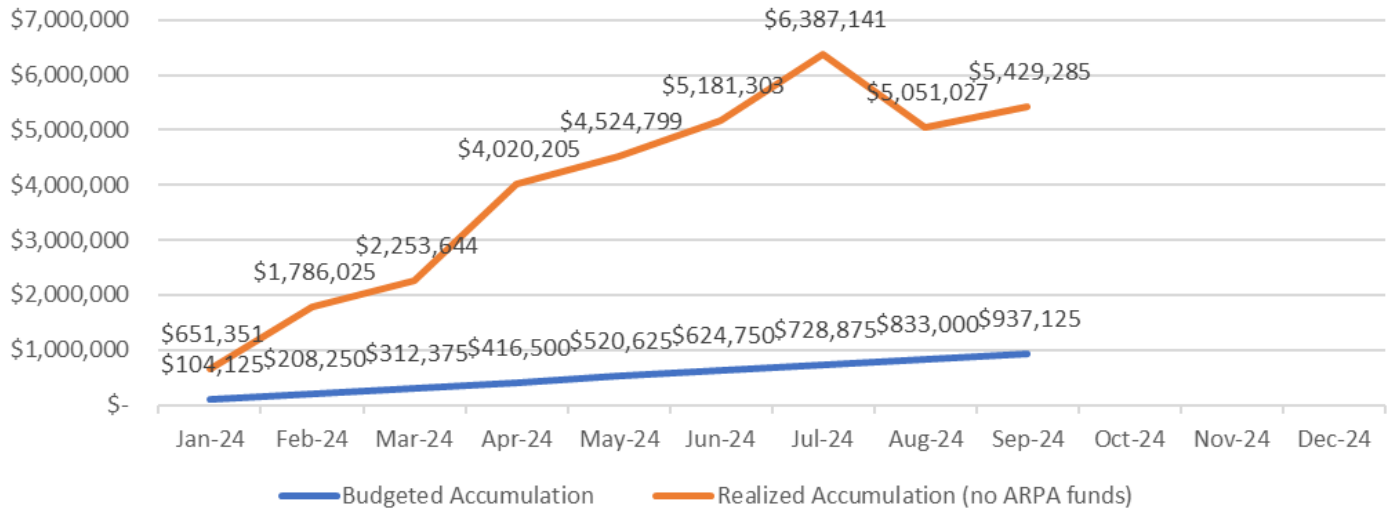
Keenan projected a medical and dental margin of \$897,142 for 2024. The margin is underwritten into the 2024 rates and is therefore also excluded as a line item in the 2024 budget calculation. The margin is included in the calculated accumulation and total \$1,141,450. This is above the projected annual margin accumulation.

The SJVIA budgeted Kaiser margin is \$352,372 for 2024 with a realized margin of \$261,930 through September.

The SJVIA has an overall accumulated position of \$5,429,285 (excluding ARPA funds). This is \$4,179,771 (or 334.5%) 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. Minor differences in dollar amounts may exist from the experience reports due to rounding.

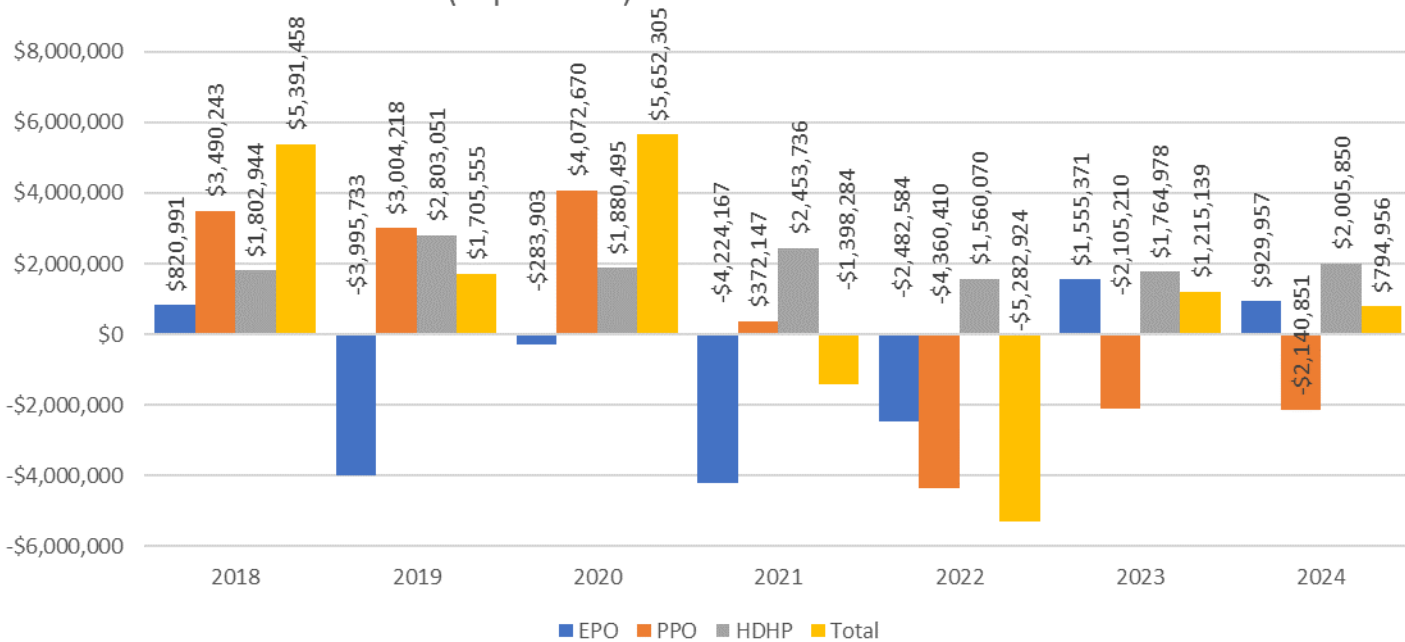
### 2024 Accumulation Comparison



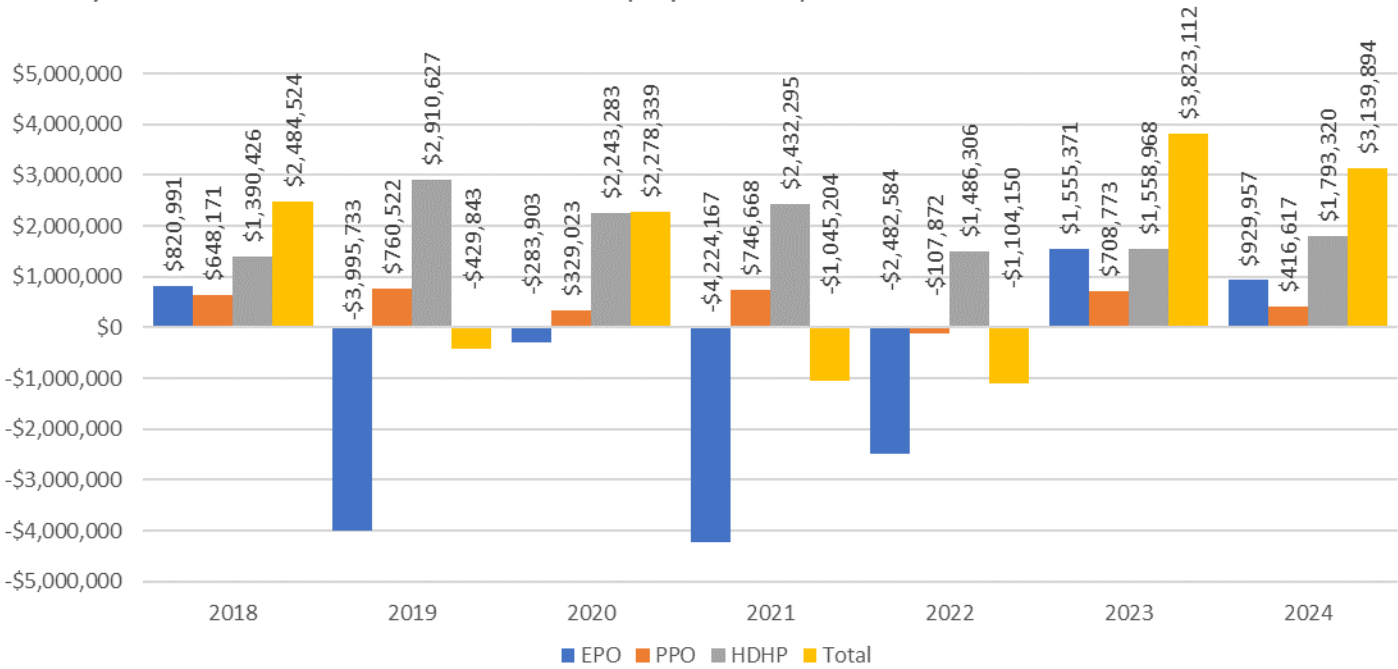
2024 Accumulation Comparison excludes the \$5,020,081 in ARPA funds from both counties.

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

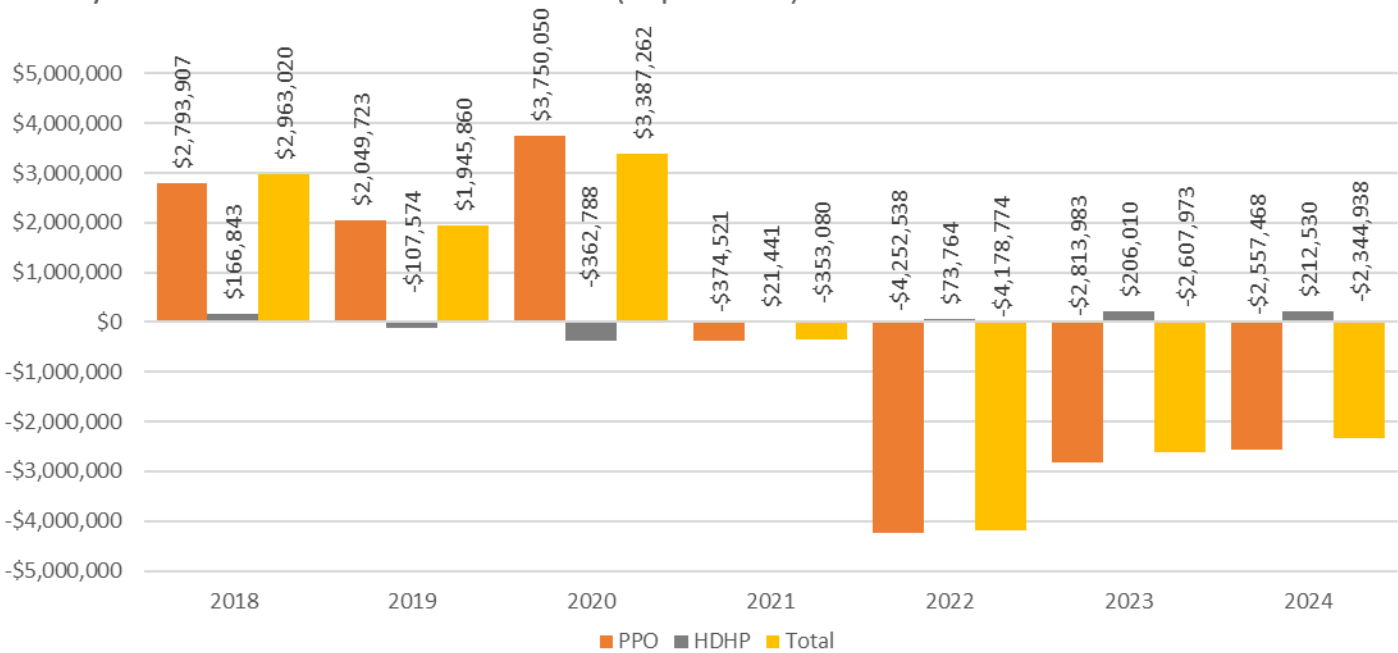
### SJVIA - Medical 2018 to 2024 (September)

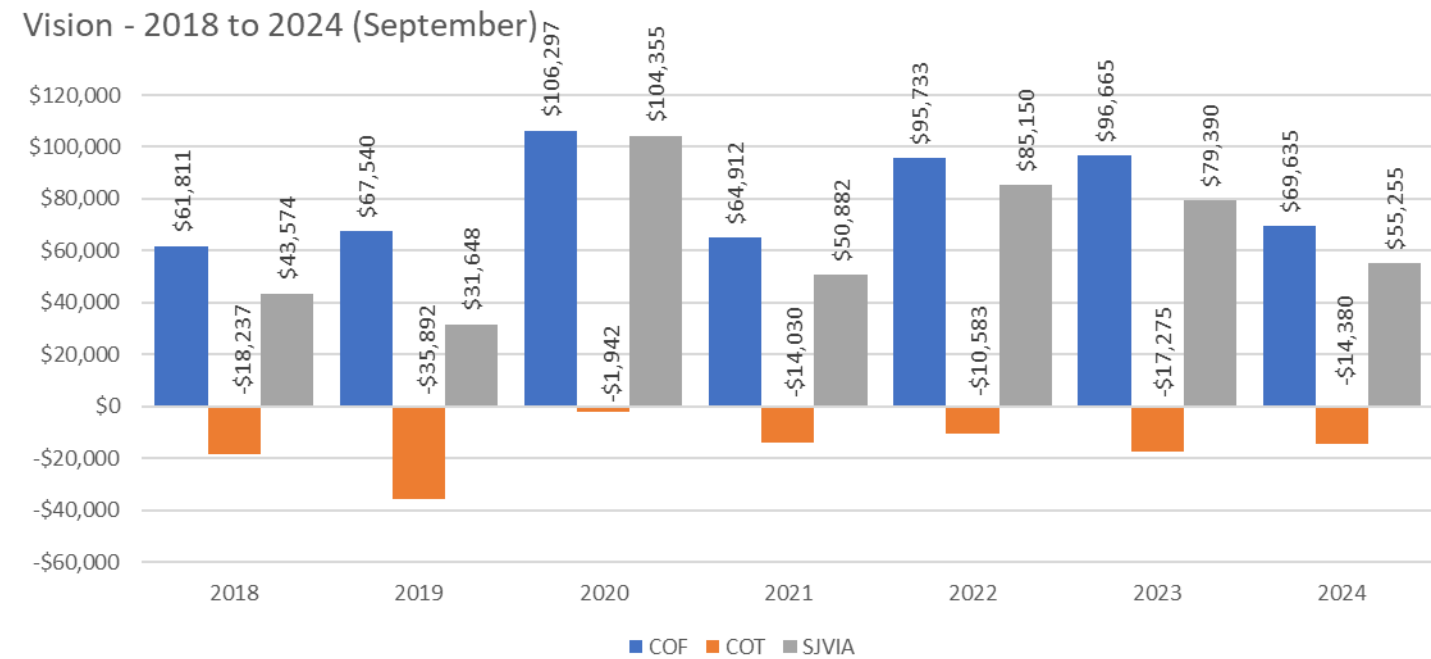
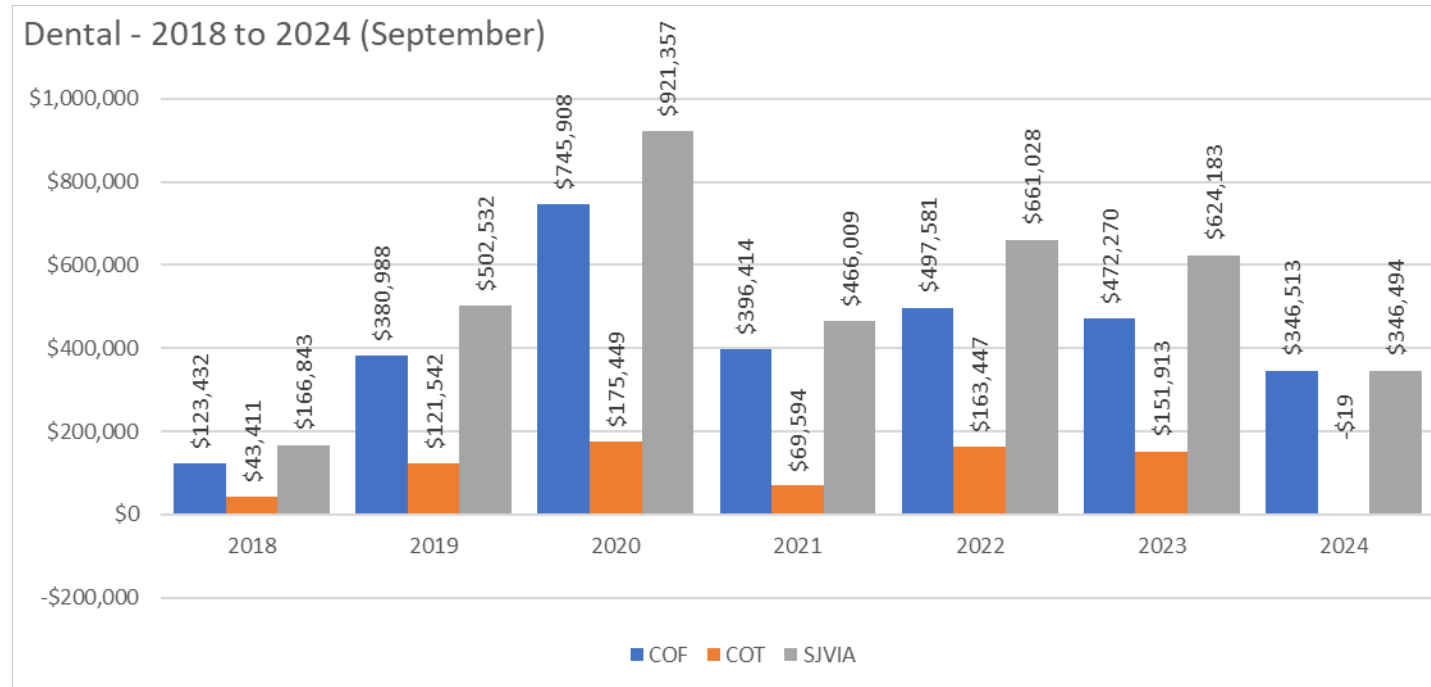


### County of Fresno - Medical 2018 to 2024 (September)



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





Budget vs. Calculated Accumulation	January	February	March	April	May	June	July	August	September	October	November	December	Total
<b>2022</b>													
<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 Reimbursemer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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)
<b>2023</b>													
<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
<b>2024</b>													
<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	\$ 587,223	\$ (143,893)	\$ (1,697,149)	\$ 268,336				\$ 794,956
Plan Experience (Dental)	\$ 125,029	\$ (21,595)	\$ 77,975	\$ 56,621	\$ (44,497)	\$ 40,710	\$ 85,243	\$ (54,498)	\$ 81,506				\$ 346,494
Kaiser Accumulation	\$ 28,970	\$ 28,927	\$ 28,610	\$ 28,468	\$ 28,547	\$ 28,571	\$ 28,633	\$ 32,788	\$ 28,416				\$ 261,930
Other - RX Rebates	\$ 1,186,675	\$ -	\$ -	\$ 1,220,630	\$ -	\$ -	\$ 1,235,855	\$ 382,745					\$ 4,025,905
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	\$ 1,205,838	\$ (1,336,114)	\$ 378,258	\$ -	\$ -	\$ -	\$ 10,449,356

Note: Received 2nd quarter 2024 rebate check \$1,730,100 to be reported October 2024.

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.