

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

AGENDA DATE: February 28, 2025

ITEM NUMBER: Item 12

SUBJECT: Receive Consultant's Medical, Dental, and Vision Experience Reports through December 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 December 2024 and update on projected plan experience accumulation.

DESCRIPTION:

The Consultant's report shows that on a total cost basis from January through December 2024, the self-insured medical premium of \$100,190,695 fell short of the total cost of \$101,371,450, for a deficit of \$1,180,754, or a 101.2% loss ratio.

For the self-insured dental plan, the report shows that on a total cost basis, the dental premium of \$6,576,063 exceeded the total cost of \$5,060,759 for an accumulation of \$515,304 or a 90.1% loss ratio.

The vision plan remains fully insured and has an accumulation of \$102,226. Under the fully insured arrangement, all deficit or surplus positions remain 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 \$5,436,119 (excluding \$5,020,071 in ARPA funds) or a 335.1% loss ratio.

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

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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 December 2024 resulted in a \$1,180,755 medical deficit and a \$515,304 dental surplus.

Prescription drug rebates in the amount of \$5,756,005 have been received. With the Kaiser reserve of \$345,564, the collective total reserve accumulation is \$5,436,119 for the 2024 plan year through December (excluding ARPA funds). 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