



BOARD OF DIRECTORS

GARRY BREDEFELD

NATHAN MAGSIG

BUDDY MENDES

LARRY MICARI

BRIAN PACHECO

AMY SHUKLIAN

PETE VANDER POEL

Meeting Location:
County of Tulare
Board of Supervisors Chambers
2800 West Burrel Avenue
Visalia, CA 93291

AGENDA DATE: May 30, 2025

ITEM NUMBER: Item 10

SUBJECT: Receive Consultant's Medical, Dental, and Vision Experience Reports through March 2025 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 March 2025 and update on projected plan experience surplus accumulation and projections.

DESCRIPTION:

The Consultant's report shows that on a total cost basis from January through March 2025 (2025 YTD), the self-insured medical premium of \$27,533,427 exceeded the three-month cost of \$27,256,284, for a surplus of \$277,144, or a 99.0% loss ratio. The quarterly prescription drug rebate amounted to \$1,766,350, which increased the surplus position to \$2,043,494 for an overall net loss ratio of 92.6%.

For the self-insured dental plan, the report shows that on a total cost basis, the dental premium of \$1,446,702 exceeded the total cost of \$1,336,878, for a surplus accumulation of \$109,823, or a 92.4% loss ratio.

The vision plan remains fully insured and has an accumulation of \$14,329, for a 93.7% loss ratio. Under the fully insured arrangement, all deficit or surplus positions remain with the carrier.

Keenan projected a \$420,109 accumulation for the 2025 plan year. The accumulation is built from premiums exceeding plan costs, built-in margin on the Kaiser plan, prescription drug rebates, and other sources. The 2025 YTD position is \$2,153,317.

AGENDA: San Joaquin Valley Insurance Authority

DATE: May 30, 2025

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 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 2025 YTD plan year experience resulted in a \$277,144 medical surplus and a \$109,824 dental surplus.

Other sources contributing to the surplus include:

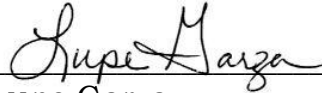
- the prescription drug rebate of \$1,766,350, and
- the Kaiser margin of \$81,309

The collective 2025 YTD reserve accumulation is \$2,234,626. 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:



Hollis Magill
SJVIA Manager



Lupe Garza
SJVIA Assistant Manager