



#### 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 W. Burrel Avenue**  
**Visalia, CA 93291**

**AGENDA DATE:** May 30, 2025

**ITEM NUMBER:** Item 15

**SUBJECT:** Receive Consultant's Report on Plan Year 2025 Stop Loss/Reinsurance Renewal and Marketing Results and Ratify SJVIA Manager's Decision and Signature Renewing with the Incumbent Carrier, Granular Life Insurance Company (A)

**REQUEST(S):** That the Board approve and ratify the SJVIA Manager's decision and signature renewing the Plan Year 2025 stop loss/reinsurance coverage with the incumbent carrier Granular Life Insurance Company.

#### **DESCRIPTION:**

As part of the Plan Year 2025 SJVIA self-funded medical and prescription reinsurance renewal, Keenan obtained the renewal from the incumbent vendor in addition to conducting a marketing to secure the most competitive stop loss/reinsurance rates.

#### **Stop Loss Renewal with Granular (incumbent)**

In the 2025 SJVIA overall renewal presented and approved at the August 23, 2024 SJVIA Board meeting, SJVIA budgeted a 15.0% or \$360,273 renewal increase for stop loss reinsurance.

For Plan Year 2025, Granular offered a renewal at the current \$475k specific deductible for a +29.4% increase, or an additional \$706,476, in estimated overall annual premium.

Several alternate deductible options are offered with increases ranging between +16.2% to +25.7%.

**AGENDA:** San Joaquin Valley Insurance Authority

**DATE:** May 30, 2025

In 2024, there have been four large claims over \$500,000 and a total of 13 claimants with claims above \$200,000.

### **Stop Loss Marketing**

Keenan marketed to 23 carriers, including the incumbent, Granular. Of the 22 non-incumbent carriers, two quoted with uncompetitive proposals and the remaining carriers declined to quote.

### **Recommendation**

It was recommended that the SJVIA:

- Select Granular, the incumbent carrier, as the reinsurer for the 2025 Plan Year;
- Renew at the \$475,000 reinsurance level;
- Accept the increase of +29.4%, and
- Fund the 14.4% (\$346,203) above the budgeted 15% (\$360,273) amount from the SJVIA's excess reserve.

Due to the canceling of the December 2024 SJVIA Board meeting, the SJVIA Manager made the decision to renew with the incumbent carrier as recommended and is requesting that the SJVIA Board ratify this decision.

### **FISCAL IMPACT/FINANCING:**

The reinsurance rates used in the development of the 2025 Plan Year budget was 15% over the PY 2024 reinsurance rates.

The stop loss renewal (29.4%) will be 14.4% higher than the 15% budget for the PY 2025 renewal. The 14.4% (\$346,203) is recommended to be funded from the excess stabilization reserve.

### **ADMINISTRATIVE SIGN-OFF:**

  
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Hollis Magill  
SJVIA Manager

  
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Lupe Garza  
SJVIA Assistant Manager