

August 22, 2025

SJVIA Board Meeting: Consultant's Report – 2025 Plan Experience (Medical, Dental, and Vision) through June 2025

This report provides a summary of the plan experience from January 1 through June 30, 2025 (2025 YTD), 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).

2025 SJVIA medical/Rx premium rate equivalents were developed based on underwriting plan experience, and crediting prescription drug rebates. The premium equivalent rates alone develop a deficit position of (\$437,120). When we add in the prescription drug rebates, SJVIA accumulated a \$2,977,530 surplus. The self-funded dental plans developed a \$159,874 surplus. For an overall 2025 YTD SJVIA total surplus of \$3,137,404.

| YTD (June) | COF | COT | Total |
|------------------------------|--------------------|--------------------|--------------------|
| Gross Medical/RX | \$1,595,108 | \$2,032,228 | \$437,120 |
| RX Rebates | \$1,971,747 | \$1,442,903 | \$3,414,650 |
| Net Medical/RX | \$3,566,855 | \$589,325 | \$2,977,530 |
| Dental | \$162,316 | \$2,442 | \$159,874 |
| Total Surplus/Deficit | \$3,729,171 | \$591,767 | \$3,137,404 |
| Vision (Insured) | \$48,915 | \$5,980 | \$42,935 |
| <u>Loss Ratio</u> | | | |
| Net Medical/RX | 95.6% | 110.9% | 100.8% |
| Dental | 91.9% | 100.3% | 94.5% |
| Vision | 85.4% | 105.1% | 90.5% |

The SJVIA 2025 YTD \$3,137,404 surplus is divided between the two Counties based on plan experience and prescription drug rebates. Fresno County's surplus is \$3,729,171. Tulare County shows a deficit of (\$591,767).

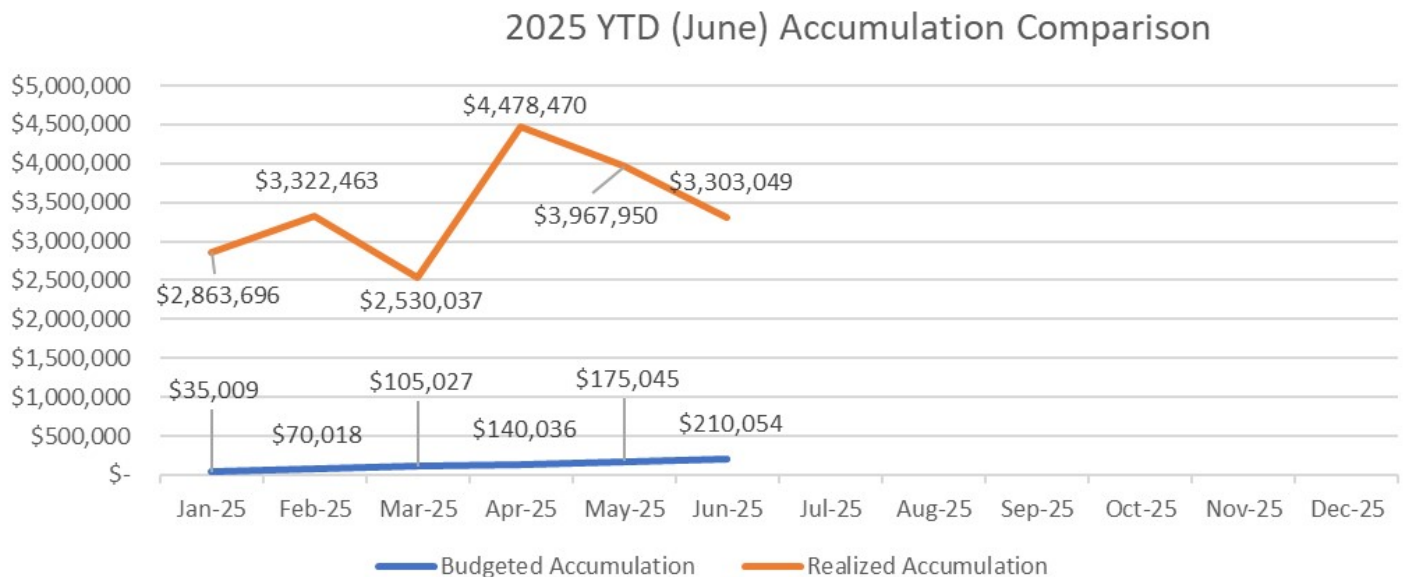
The Vision Service Plan (VSP) vision plan is fully insured and shows an accumulated position of \$42,935 for a 90.5% total cost loss ratio. Under the fully insured arrangement, all deficit or surplus positions remain with the carrier.

The SJVIA budgeted Kaiser margin is \$333,788 for 2025. The 2025 YTD calculated accumulation is \$165,645 compared to a 2025 YTD budgeted accumulation of \$166,896.

Including the Kaiser accumulated surplus, the SJVIA has an overall accumulated position of \$3,303,049. This is \$2,882,940 over the annual budgeted accumulation of \$420,109. The 2025 medical premium equivalent rates did not include margin, thus making the annual budgeted accumulation \$0 for budgeted medical accumulation and an overall budgeted accumulation that is lower than in previous years.

Keenan's projected 2025 prescription drug rebates of \$5,258,880 are underwritten into the 2025 rates and are therefore excluded as a line item in the 2025 budget accumulation. The prescription drug rebates are included in the calculated accumulation with the first two of four quarterly rebates totaling \$3,414,650 (unchanged from the previous report). The prescription drug rebates represent the rebates for the third quarter and fourth quarter of 2024. There is typically a six-month lag in the funding of prescription drug rebates.

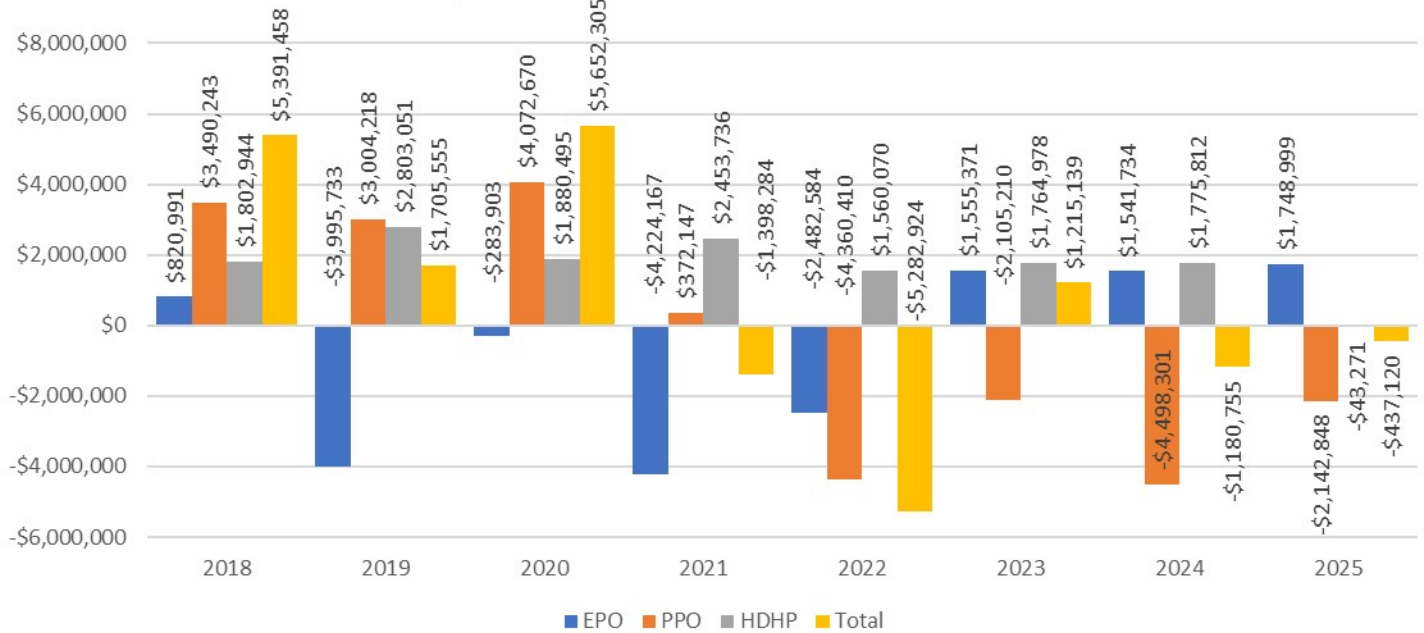
Please note, this is the Consultant's report. Prior to allocating funds for the IBNR reserve and stabilization reserve, the SJVIA Auditor will provide the unaudited cash position based on actual revenue received and actual expenses paid. Minor differences in dollar amounts may exist from the experience reports due to rounding.



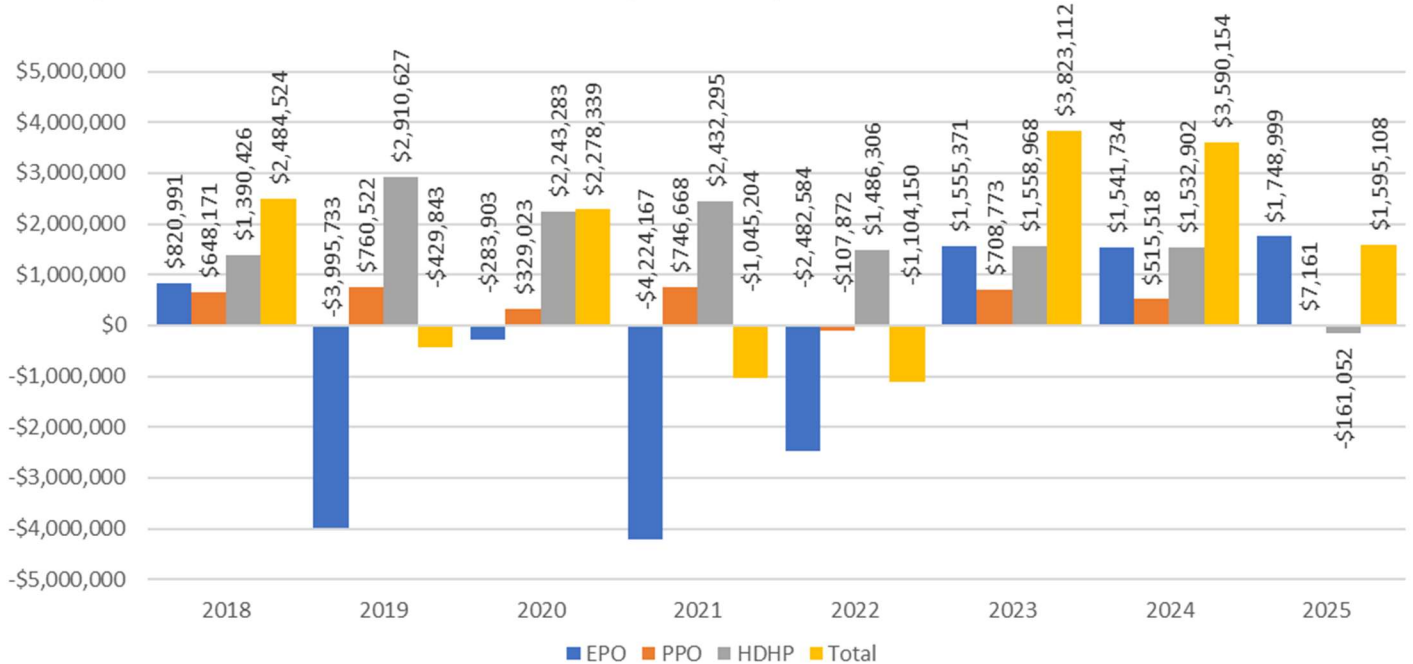
2025 Accumulation Comparison excludes \$400,000 in ARPA funds from Tulare County.

The following self-funded medical/Rx graphs compare premium rate equivalent to total medical/Rx cost (prescription drug rebates, ARPA funds, and settlements are excluded).

SJVIA - Medical 2018 to 2025 (YTD June)



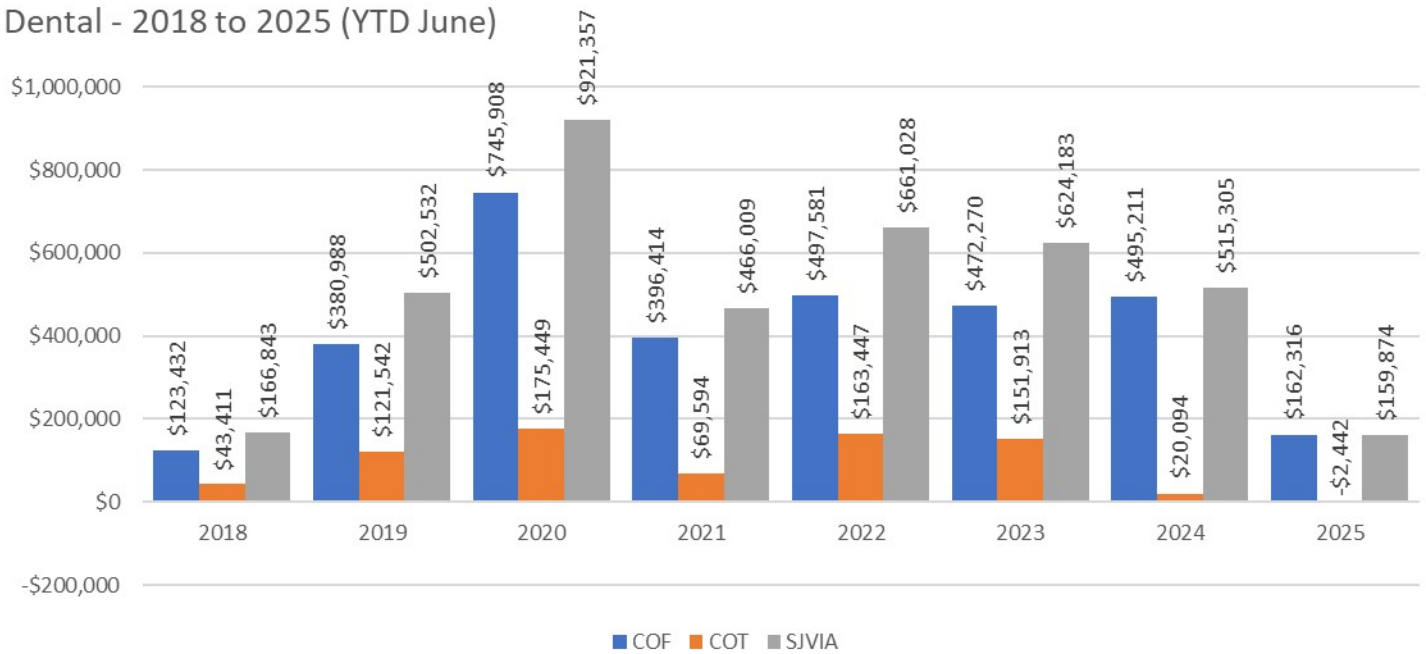
County of Fresno - Medical 2018 to 2025 (YTD June)



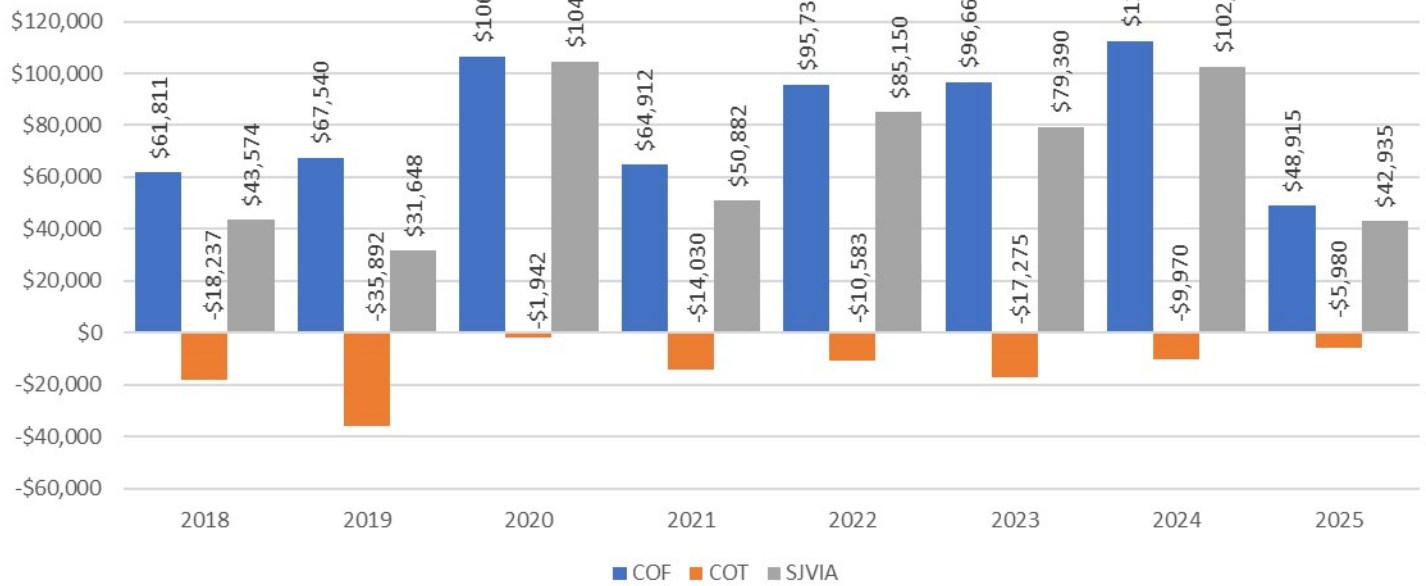
County of Tulare - Medical 2018 to 2025 (YTD June)



Dental - 2018 to 2025 (YTD June)



Vision - 2018 to 2025 (YTD June)



| Budget vs. Calculated Accumulation | | | | | | | | | | | | | |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|--------------|----------------|----------------|--------------|----------------|
| 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 | \$ (143,893) | \$ (1,697,149) | \$ 268,336 | \$ (170,380) | \$ (1,560,692) | \$ (244,639) | \$ (1,180,755) |
| Plan Experience (Dental) | \$ 125,029 | \$ (21,595) | \$ 77,975 | \$ 56,621 | \$ (44,497) | \$ 40,710 | \$ 85,243 | \$ (54,498) | \$ 81,506 | \$ 13,786 | \$ 83,073 | \$ 71,952 | \$ 515,305 |
| Kaiser Accumulation | \$ 28,970 | \$ 28,927 | \$ 28,610 | \$ 28,468 | \$ 28,547 | \$ 28,571 | \$ 28,633 | \$ 32,788 | \$ 28,416 | \$ 28,455 | \$ 28,269 | \$ 26,910 | \$ 345,564 |
| Other - RX Rebates | \$ 1,186,675 | \$ - | \$ - | \$ 1,220,630 | \$ - | \$ - | \$ 1,235,855 | \$ 382,745 | \$ - | \$ 1,730,100 | \$ - | \$ - | \$ 5,756,005 |
| 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 | \$ 1,601,961 | \$ (1,449,350) | \$ (145,777) | \$ 10,456,190 |
| 2025 | January | February | March | April | May | June | July | August | September | October | November | December | Total |
| Budget Accumulation | | | | | | | | | | | | | |
| Plan Experience (Medical) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 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 | \$ 27,816 | \$ 27,816 | \$ 27,816 | \$ 27,816 | \$ 27,816 | \$ 27,816 | \$ 27,816 | \$ 27,816 | \$ 27,816 | \$ 27,816 | \$ 27,816 | \$ 27,812 | \$ 333,788 |
| Other | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 Budgeted Accumulation | \$ 35,009 | \$ 35,009 | \$ 35,009 | \$ 35,009 | \$ 35,009 | \$ 35,009 | \$ 35,009 | \$ 35,009 | \$ 35,009 | \$ 35,009 | \$ 35,009 | \$ 35,010 | \$ 420,109 |
| Calculated Accumulation | | | | | | | | | | | | | |
| Plan Experience (Medical) | \$ 1,035,042 | \$ 370,010 | \$ (832,497) | \$ 228,655 | \$ (478,744) | \$ (759,586) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (437,120) |
| Plan Experience (Dental) | \$ 37,226 | \$ 60,519 | \$ 12,078 | \$ 43,505 | \$ (59,961) | \$ 66,507 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 159,874 |
| Kaiser Accumulation | \$ 25,078 | \$ 28,238 | \$ 27,993 | \$ 27,973 | \$ 28,185 | \$ 28,178 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 165,645 |
| Other - RX Rebates* | \$ 1,766,350 | \$ - | \$ - | \$ 1,648,300 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,414,650 |
| Other - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 Calculated Accumulation | \$ 2,863,696 | \$ 458,767 | \$ (792,426) | \$ 1,948,433 | \$ (510,520) | \$ (664,901) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,303,049 |

* Q1 25 Rx rebate received July, 2025 for \$1,755,770

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.