

August 22, 2025

SJVIA Board Meeting: Consultant's Report – Plan Year 2026 Final Renewal

Introduction

Keenan has worked with SJVIA staff to finalize the SJVIA 2026 renewal. The final renewal is prepared in accordance with SJVIA Board direction and standard insurance industry underwriting guidelines. Anthem Blue Cross medical, EmpiRx pharmacy, and Delta Dental PPO dental coverages are self-funded. Kaiser medical, Delta Dental DHMO, and VSP vision coverages are fully insured.

- The self-funded medical plans are underwritten on the most recent 12 months of plan experience available, from July 1, 2024 through June 30, 2025
- All self-funded coverage is underwritten based on its own claim experience; the plan experience is considered 100% credible
- Fixed cost components continue to be blended for both participating entities to receive overall economies of scale and reduced fixed costs
- The final renewal assumes the continuation of the \$475,000 specific stop-loss deductible and a 15% increase in reinsurance cost
 - Keenan used a 20% increase in the preliminary renewal
 - Keenan will look at both the reinsurance market and the captive market for stop loss proposals
 - Stop Loss proposals require SJVIA plan experience through September 2025; Keenan will provide stop loss proposals at the December SJVIA Board meeting
- The final renewal assumes any adjustment in the IBNR (Incurred But Not Reported) reserve will be funded through excess reserves rather than the 2026 medical plan rates
- Margin and/or claim stabilization reserves are included in rates to cover adverse claim fluctuations. Since the three-month stabilization reserve is fully funded with excess reserves, the 2026 rates do not include margin for the County of Fresno or the County of Tulare
 - The Kaiser rates also exclude margin (0.0%)

Keenan has worked with the SJVIA's vendor partners and both Counties to finalize the renewals. This includes:

- Plan design changes
 - Fresno County
 - Pre-65 retiree high-deductible health plan change in deductibles
 - Tulare County
 - Increase emergency room copayment
 - Add new EPO 1250 plan
- Underwriting credit for interest income
- Retro-arrangement for Tulare County

Executive Summary

The SJIA final renewal, prior to plan design changes, is 7.14% (County of Fresno 3.29% and County of Tulare 17.29%). The following table illustrates the 2026 rate adjustments based on carrier requested renewals and standard underwriting practices:

2026 Final Renewal				
Coverage	Fresno County	Tulare County	SJIA	Comments
Self-Funded Medical/RX				
EPO	1.60%	N/A	1.60%	The renewal includes a 15.0% increase for reinsurance, 0.0% margin, and \$3.77 pepm for SJIA Administration.
PPO/HDPPPO	12.45%	18.60%	17.76%	
Total	2.32%	18.60%	7.92%	
Kaiser				
HMO	6.24%	6.25%	6.24%	Kaiser provided a 3.0% renewal option with a 5.5% renewal cap for 2027 for the non-KPSA coverage. The renewal option would require Fresno County to have employee contribution parity for the Kaiser plans with the EPO and HDPPPO plans. The annual savings would be \$1,284,873.
HDHMO	6.27%	6.27%	6.27%	
Senior Advantage	N/A	7.87%	7.87%	
Delta Dental				
PPO	0.00%	0.00%	0.00%	The PPO renewal includes 0.0% margin and a maintenance of the admin fee of \$4.40 pepm. Delta Dental is providing a three-year fee (PPO) and rate (DHMO) guarantee.
DHMO	2.49%	2.49%	2.49%	
VSP	0.00%	0.00%	0.00%	The renewal is providing a rate pass and two-year rate guarantee, effective 1/1/2026.
County and SJIA Total	3.29%	17.29%	7.14%	

Executive Summary

The following chart illustrates the projected costs for 2025 and 2026, based on 2025 current costs and 2026 renewal costs, and consistent enrollment for both plan years. Additionally, the dollar cost and percentage differentials based on the renewal action are provided.

County of Fresno	2025	2026	\$ Difference	% Difference
EPO	\$ 67,624,793	\$ 68,708,998	\$ 1,084,206	1.60%
PPO/HDHP	\$ 4,765,320	\$ 5,358,483	\$ 593,163	12.45%
Total Anthem	\$ 72,390,113	\$ 74,067,481	\$ 1,677,368	2.32%
Kaiser - HMO	\$ 27,378,795	\$ 29,086,768	\$ 1,707,973	6.24%
Kaiser - HDHMO	\$ 1,983,128	\$ 2,107,386	\$ 124,258	6.27%
Kaiser - KPSA	\$ -	\$ -	\$ -	0.00%
Total Kaiser	\$ 29,361,923	\$ 31,194,154	\$ 1,832,231	6.24%
Total Medical	\$ 101,752,036	\$ 105,261,635	\$ 3,509,600	3.45%
Delta Dental PPO	\$ 4,000,175	\$ 4,000,175	\$ -	0.00%
Delta Dental DHMO	\$ 726,000	\$ 744,098	\$ 18,097	2.49%
Total Dental	\$ 4,726,176	\$ 4,744,273	\$ 18,097	0.38%
Vision	\$ 676,039	\$ 676,039	\$ -	0.00%
Grand Total	\$ 107,154,250	\$ 110,681,948	\$ 3,527,697	3.29%
County of Tulare	2025	2026	\$ Difference	% Difference
EPO	\$ -	\$ -	\$ -	0.00%
PPO/HDHP	\$ 37,286,850	\$ 44,223,394	\$ 6,936,545	18.60%
Total Anthem	\$ 37,286,850	\$ 44,223,394	\$ 6,936,545	18.60%
Kaiser - HMO	\$ 1,130,531	\$ 1,201,175	\$ 70,645	6.25%
Kaiser - HDHMO	\$ 45,201	\$ 48,035	\$ 2,835	6.27%
Kaiser - KPSA	\$ 48,165	\$ 51,956	\$ 3,791	7.87%
Total Kaiser	\$ 1,223,896	\$ 1,301,166	\$ 77,270	6.31%
Total Medical	\$ 38,465,545	\$ 45,476,525	\$ 7,010,980	18.23%
Delta Dental PPO	\$ 1,762,837	\$ 1,762,837	\$ -	0.00%
Delta Dental DHMO	\$ 107,484	\$ 110,162	\$ 2,678	2.49%
Total Dental	\$ 1,870,322	\$ 1,873,000	\$ 2,678	0.14%
Vision	\$ 236,272	\$ 236,272	\$ -	0.00%
Grand Total	\$ 40,572,139	\$ 47,585,797	\$ 7,013,658	17.29%
SJIA	2025	2026	\$ Difference	% Difference
EPO	\$ 67,624,793	\$ 68,708,998	\$ 1,084,206	1.60%
PPO/HDHP	\$ 42,052,170	\$ 49,581,877	\$ 7,529,707	17.91%
Total Anthem	\$ 109,676,962	\$ 118,290,876	\$ 8,613,913	7.85%
Kaiser - HMO	\$ 28,509,325	\$ 30,287,943	\$ 1,778,618	6.24%
Kaiser - HDHMO	\$ 2,028,329	\$ 2,155,422	\$ 127,093	6.27%
Kaiser - KPSA	\$ 48,165	\$ 51,956	\$ 3,791	7.87%
Total Kaiser	\$ 30,585,819	\$ 32,495,321	\$ 1,909,501	6.24%
Total Medical	\$ 140,217,581	\$ 150,738,161	\$ 10,520,580	7.50%
Delta Dental PPO	\$ 5,763,013	\$ 5,763,013	\$ -	0.00%
Delta Dental DHMO	\$ 833,485	\$ 854,260	\$ 20,775	2.49%
Total Dental	\$ 6,596,497	\$ 6,617,273	\$ 20,775	0.31%
Vision	\$ 912,311	\$ 912,311	\$ -	0.00%
Grand Total	\$ 147,726,390	\$ 158,267,745	\$ 10,541,355	7.14%

Final Renewal Adjustments

Keenan has worked with the SJVIA's vendor partners and both Counties to finalize the renewals. This includes:

Underwriting Credit for Investment Earnings

Based on the SJVIA Financial statements for the year ended June 30, 2024, the auditor showed interest income of \$1,079,630. Interest income is typically accounted for in SJVIA's cash position. An appropriate usage of these funds would be to offset SJVIA rates. In the 2026 renewal, Keenan has applied 50% of the interest income toward the 2026 renewal.

Renewal Rate Adjustments

Both Counties would like to see renewal adjustments to reflect each plan's experience.

Fresno County's EPO \$0 plan had a higher loss ratio (110%+) than the other EPO plans and HDHP plan (70-80% loss ratio). Given the overall medical renewal increase of 2.32%, Fresno County has elected to do a rate pass to all medical lines of coverage except the EPO \$0 plan, which will have a 2.86% increase.

Tulare County plan experience shows the PPO \$0 and the PPO \$500 at a loss ratio of 150%+, the PPO \$750 plan with a 115%+ loss ratio, and the HDHP plan with a 64% loss ratio. Accordingly, the increase by plan is differentiated in part by the plan experience. See the rate sheet for renewal options.

Retro-Arrangement

- Tulare County would like to target a 12.0% medical/Rx renewal. Given the need for an 18.6% increase, plan design changes will reduce the renewal increase to 16.4%. A 4.40% retro arrangement allows Tulare County to get to a 12.0% renewal and lighten the renewal impact to members. Should Tulare County realize plan experience that would have required a 16.4% renewal adjustment in 2026, the retro arrangement would adjust the 2027 rates by the retro amount (4.40% or \$1,945,829).

Plan Design Changes

- Fresno County –
 - To make the pre-65 retiree high-deductible health plan eligible for an HSA account (Health Savings Account), a change in deductibles is required. The trend over the past few years is that the federal government has increased the deductible by \$50 per year. Fresno County will be increasing the deductible from \$1,650 / \$3,300 (single / family) to \$2,000 / \$4,000 to avoid making small changes over the next few years. No rate adjustment was taken since the recommended renewal action was already 0.0%.

- Tulare County –
 - A 2.2% rate credit was applied for the following two plan design adjustments.
 - Increase emergency room copayment from \$100 copayment plus coinsurance to \$250 copayment plus coinsurance.
 - Add a new EPO 1250 plan. 2,813 employees are enrolled in the PPO \$750 plan (427 employees are enrolled in the PPO \$0 and \$500 plans, and only 41 employees are enrolled in the HDHP \$2,500 plan). The County wanted to create a new plan that could potentially attract part of the 2,813 employees that would be interested in a higher deductible EPO plan and help reduce the County's costs. See the following plan design comparison.

Plan Design					
Plan Name	PPO \$750 DED		EPO \$1250 DED	HDHP 2500 (HSA Eligible)	
Summary of Plans	In-Network Benefits	Out-of-Network Benefits	In-Network Benefits Only*	In-Network Benefits	Out-of-Network Benefits
General Plan Information					
Annual Deductible/Individual/Family	\$750/\$1,500		\$1,250/\$2,500	\$2,500/\$5,000	
Office/Specialist Visit/Exam	\$25 copay / \$35 copay (specialist)	50% coinsurance after deductible	\$30 copay / \$40 (specialist)	10% coinsurance after deductible	50% coinsurance after deductible
Annual Out-of-Pocket Limit	\$3,500/\$7,000		\$5,000/\$10,000	\$5,000/\$8,150	
Diagnostic Services					
Lab	No charge				
X-ray	No charge	50% coinsurance after deductible	30% coinsurance after deductible	10% coinsurance after deductible	50% coinsurance after deductible
Advanced Imaging (MRI, PET, CAT)	20% coinsurance after deductible				
Outpatient Services					
Preventive Services	100% covered	50% coinsurance after deductible	100% covered	100% covered	50% coinsurance after deductible
Maternity Care					
Pregnancy and Maternity Care	Pre/Postnatal Care: \$25 copay; Delivery 20% coinsurance	50% coinsurance after deductible	Pre/Postnatal Care: \$30 copay; Delivery 30% coinsurance	10% coinsurance after deductible	50% coinsurance after deductible
Inpatient Hospital Services					
Inpatient Hospitalization	20% coinsurance after deductible	50% coinsurance after deductible; plan max \$600 per day	30% coinsurance after deductible	10% coinsurance after deductible	50% coinsurance after deductible
Surgical Services					
Outpatient Facility & Physician Charges	20% coinsurance after deductible	50% coinsurance after deductible	30% coinsurance after deductible	10% coinsurance after deductible	50% coinsurance after deductible
Emergency/Urgent Care Services					
Emergency Room	\$250 copay + 20% ded & coins apply	\$250 copay + 20% ded & coins apply	\$250 copay + 30% ded & coins apply	10% coinsurance after deductible	10% coinsurance after deductible
Urgent Care	\$25 copay	50% coinsurance after deductible	\$40 copay	10% coinsurance after deductible	50% coinsurance after deductible
Other Services					
Chiropractic Services	\$25 copay / 12 visits	50% coinsurance after deductible / 12 visits	\$25 copay / 12 visits	10% coinsurance after deductible; 12 visits	50% coinsurance after deductible; 12 visits
Prescription Drug Benefits					
	Through EmpiRx			Through EmpiRx	
Retail (30 day supply/90 day supply)					
Generic	\$10/\$20 copay		\$10/\$20 copay	\$7/\$14 after deductible	
Brand (Formulary/Preferred)	\$20/\$40 copay		\$20/\$40 copay	\$25/\$50 after deductible	
Brand (Non-Formulary/Non-preferred)	\$35/\$60 copay		\$35/\$70 copay	\$25/\$50 after deductible	
Mail Order (30 day supply/90 day supply)				HDHP Mail Order - 90-Day Supply Only	
Generic	\$10/\$15 copay		\$10/\$15 copay	\$14 after deductible	
Brand (Formulary/Preferred)	\$20/\$30 copay		\$20/\$30 copay	\$50 after deductible	
Brand (Non-Formulary/Non-preferred)	\$35/\$50 copay		\$35/\$55 copay	\$50 after deductible	
Specialty (30 day supply)	30% (max of \$100)		30% (max of \$100)	\$7/Generic / \$25 Brand after deductible	

Renewal Recommendation

Accept renewal with final renewal adjustments as outlined in the chart below and as described above under Final Renewal Adjustments.

Fresno County	2026		
Anthem EPO 0 (excludes VSP Vision)	2.86%		
Anthem EPO 500 (excludes VSP Vision)	0.00%		
Anthem EPO 1000 (excludes VSP Vision)	0.00%		
Anthem HDPPPO	0.00%		
Anthem HDPPPO Retiree	0.00%		
Kaiser	6.24%		
Kaiser HDHP	6.27%		
Dental PPO	0.00%		
Dental HMO	2.49%		
Vision	0.00%		
Tulare County	Option 1A	Option 2A	Option3A
Anthem \$0	18.60%	22.40%	17.77%
Anthem \$500	18.60%	22.40%	17.77%
Anthem \$750	18.60%	16.40%	12.00%
Anthem EPO \$1,250	New Plan	New Plan	New Plan
Anthem \$2,500	18.60%	4.40%	0.45%
Kaiser	6.25%	6.25%	6.25%
Kaiser HDHP	6.27%	6.27%	6.27%
Kaiser Senior Advantage	7.87%	7.87%	7.87%
Dental PPO	6.99%	6.99%	6.99%
Dental HMO	2.49%	2.49%	2.49%
Vision	0.00%	0.00%	0.00%

GLP-1 Cost Management Program

SJIA Staff and Keenan will be working to develop a GLP-1 prescription drug cost-containment program for implementation in 2026. SJIA staff will come back to the SJIA Board at the December 2025 Board meeting with a recommendation.

Self-funded Medical Underwriting EPO and PPO/HDHP

Line	EPO and PPO/HDHP	Fresno			Tulare			Total		
	Line Item/Description	Medical	Rx	Total	Medical	Rx	Total	Medical	Rx	Total
1	Paid Claims (Jul 2024 through Jun 2025)	\$44,061,693	\$19,543,196	\$63,604,889	\$25,378,101	\$14,705,841	\$40,083,942	\$69,439,794	\$34,249,037	\$103,688,831
2	Claim Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Plan Change Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Rx Rebate Adjustment	\$0	(\$3,932,747)	(\$3,932,747)	\$0	(\$2,967,773)	(\$2,967,773)	\$0	(\$6,900,520)	(\$6,900,520)
5	Less Large Claims	<u>(\$2,997,962)</u>	<u>\$0</u>	<u>(\$2,997,962)</u>	<u>(\$4,729,351)</u>	<u>\$0</u>	<u>(\$4,729,351)</u>	<u>(\$7,727,313)</u>	<u>\$0</u>	<u>(\$7,727,313)</u>
6	Adjusted Paid Claims	\$41,063,731	\$15,610,449	\$56,674,180	\$20,648,750	\$11,738,068	\$32,386,818	\$61,712,481	\$27,348,517	\$89,060,998
7	Beginning Reserve - 07/2024	(\$3,843,588)	(\$911,621)	(\$4,755,209)	(\$2,677,540)	(\$687,954)	(\$3,365,494)	(\$6,521,129)	(\$1,599,575)	(\$8,120,703)
8	Ending Reserve - 06/2025	\$4,024,342	\$1,172,592	\$5,196,934	\$2,686,678	\$882,350	\$3,569,028	\$6,711,020	\$2,054,942	\$8,765,962
9	Change In Reserve Offset	<u>(\$180,754)</u>	<u>(\$260,971)</u>	<u>(\$441,725)</u>	<u>(\$9,138)</u>	<u>(\$194,396)</u>	<u>(\$203,534)</u>	(\$189,892)	(\$455,367)	(\$645,259)
10	Incurred Claims (July 2024 through June 2025)	\$41,063,731	\$15,610,449	\$56,674,180	\$20,648,750	\$11,738,068	\$32,386,818	\$61,712,481	\$27,348,517	\$89,060,998
11	Total Covered Employees (July 2024 through June 2025)	<u>56,259</u>	<u>56,259</u>	<u>56,259</u>	<u>39,247</u>	<u>39,247</u>	<u>39,247</u>	<u>95,506</u>	<u>95,506</u>	<u>95,506</u>
12	Claims Cost PEPM	\$729.91	\$277.47	\$1,007.38	\$526.12	\$299.08	\$825.20	\$646.16	\$286.35	\$932.52
13	Trend Factor	<u>1.1208</u>	<u>1.1758</u>	<u>1.1359</u>	<u>1.1208</u>	<u>1.1758</u>	<u>1.1407</u>	<u>1.1208</u>	<u>1.1758</u>	<u>1.1377</u>
14	Projected Claims Cost Per Employee	\$818.08	\$326.25	\$1,144.33	\$589.68	\$351.66	\$941.34	\$724.22	\$336.69	\$1,060.91
15	<u>Large Claims Add Back</u>	<u>\$33.77</u>	<u>\$0.00</u>	<u>\$33.77</u>	<u>\$72.62</u>	<u>\$0.00</u>	<u>\$72.62</u>	<u>\$49.74</u>	<u>\$0.00</u>	<u>\$49.74</u>
16	Adjusted Projected Claims	\$851.85	\$326.25	\$1,178.10	\$662.30	\$351.66	\$1,013.96	\$773.96	\$336.69	\$1,110.65
	<u>Fixed Costs PEPM</u>									
17	Specific Stop-Loss Premium PEPM (Estimate)			\$42.25			\$42.25			\$42.25
16	Anthem Network & Administrative Fees			\$39.65			\$39.65			\$39.65
17	Investment Income			(\$5.56)			(\$5.56)			(\$5.56)
18	All Other Program Fees			<u>\$25.75</u>			<u>\$23.75</u>			<u>\$24.93</u>
	Total Fixed Costs			\$102.10			\$100.10			\$101.27
19	Required Premium PEPM			\$1,280.20			\$1,114.05			\$1,211.92
20	Current Premium PEPM			\$1,248.91			\$939.31			\$1,121.69
21	Required Increase			2.51%			18.60%			8.04%
23	Current Subscribers (June 2025)	4,792	4,792		3,308	3,308		8,100	8,100	
24	Base Trend	7.90%	11.40%		7.90%	11.40%		7.90%	11.40%	
25	Months Trended	18	18		18	18		18	18	

Self-funded Medical Underwriting EPO

Line	EPO	Fresno			Tulare			Total		
	Line Item/Description	Medical	Rx	Total	Medical	Rx	Total	Medical	Rx	Total
1	Paid Claims (Jul 2024 through Jun 2025)	\$39,811,082	\$18,095,765	\$57,906,847				\$39,811,082	\$18,095,765	\$57,906,847
2	Claim Adjustments	\$0	\$0	\$0				\$0	\$0	\$0
3	Plan Change Adjustments	\$0	\$0	\$0				\$0	\$0	\$0
4	Rx Rebate Adjustment	\$0	(\$3,631,778)	(\$3,631,778)				\$0	(\$3,631,778)	(\$3,631,778)
5	Less Large Claims	<u>(\$2,378,565)</u>	<u>\$0</u>	<u>(\$2,378,565)</u>				<u>(\$2,378,565)</u>	<u>\$0</u>	<u>(\$2,378,565)</u>
6	Adjusted Paid Claims	\$37,432,517	\$14,463,987	\$51,896,505				\$37,432,517	\$14,463,987	\$51,896,505
7	Beginning Reserve - 07/2024	(\$3,336,057)	(\$857,145)	(\$4,193,202)				(\$3,336,057)	(\$857,145)	(\$4,193,202)
	Ending Reserve - 06/2025	\$3,523,600	\$1,085,746	\$4,609,346				\$3,523,600	\$1,085,746	\$4,609,346
7	Change In Reserve Offset	<u>(\$187,543)</u>	<u>(\$228,601)</u>	<u>(\$416,144)</u>				<u>(\$187,543)</u>	<u>(\$228,601)</u>	<u>(\$416,144)</u>
8	Incurred Claims (July 2024 through June 2025)	\$37,432,517	\$14,463,987	\$51,896,505				\$37,432,517	\$14,463,987	\$51,896,505
9	Total Covered Employees (July 2024 through June 2025)	<u>49,623</u>	<u>49,623</u>	<u>49,623</u>				<u>49,623</u>	<u>49,623</u>	<u>49,623</u>
10	Claims Cost PEPM	\$754.34	\$291.48	\$1,045.82				\$754.34	\$291.48	\$1,045.82
11	Trend Factor	<u>1.1208</u>	<u>1.1758</u>	<u>1.1361</u>				<u>1.1208</u>	<u>1.1758</u>	<u>1.1361</u>
12	Projected Claims Cost Per Employee	\$845.46	\$342.72	\$1,188.18				\$845.46	\$342.72	\$1,188.18
13	<u>Large Claims Add Back</u>	\$28.72	\$0.00	\$28.72				\$28.72	\$0.00	\$28.72
14	Adjusted Projected Claims	\$874.18	\$342.72	\$1,216.90				\$874.18	\$342.72	\$1,216.90
	<u>Fixed Costs PEPM</u>									
15	Specific Stop-Loss Premium PEPM (Estimate)			\$42.25						\$42.25
16	Anthem Network & Administrative Fees			\$39.65						\$39.65
17	Investment Income			(\$5.56)						(\$5.56)
18	All Other Program Fees			<u>\$25.75</u>						<u>\$25.75</u>
	Total Fixed Costs			\$102.10						\$102.10
19	Required Premium PEPM			\$1,318.99						\$1,318.99
20	Current Premium PEPM			\$1,298.18						\$1,298.18
21	Required Increase			1.60%						1.60%
22	Current Subscribers (June 2025)	4,341	4,341					4,341	4,341	
23	Base Trend	7.90%	11.40%					7.90%	11.40%	
24	Months Trended	18	18					18	18	

Self-funded Medical Underwriting PPO/HDHP

Line	PPO/HDHP	Fresno			Tulare			Total		
	Line Item/Description	Medical	Rx	Total	Medical	Rx	Total	Medical	Rx	Total
1	Paid Claims (Jul 2024 through Jun 2025)	\$4,250,611	\$1,447,431	\$5,698,042	\$25,378,101	\$14,705,841	\$40,083,942	\$29,628,712	\$16,153,272	\$45,781,984
2	Claim Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Plan Change Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Rx Rebate Adjustment	\$0	(\$300,970)	(\$300,970)	\$0	(\$2,967,773)	(\$2,967,773)	\$0	(\$3,268,742)	(\$3,268,742)
5	Less Large Claims	<u>(\$619,397)</u>	<u>\$0</u>	<u>(\$619,397)</u>	<u>(\$4,729,351)</u>	<u>\$0</u>	<u>(\$4,729,351)</u>	<u>(\$5,348,749)</u>	<u>\$0</u>	<u>(\$5,348,749)</u>
6	Adjusted Paid Claims	\$3,631,214	\$1,146,461	\$4,777,675	\$20,648,750	\$11,738,068	\$32,386,818	\$24,279,963	\$12,884,530	\$37,164,493
7	Beginning Reserve - 07/2024	(\$507,531)	(\$54,476)	(\$562,007)	(\$2,677,540)	(\$687,954)	(\$3,365,494)	(\$3,185,071)	(\$742,430)	(\$3,927,501)
8	Ending Reserve - 06/2025	\$500,742	\$86,846	\$587,588	\$2,686,678	\$882,350	\$3,569,028	\$3,187,420	\$969,196	\$4,156,616
9	Change In Reserve Offset	<u>\$6,789</u>	<u>(\$32,369)</u>	<u>(\$25,581)</u>	<u>(\$9,138)</u>	<u>(\$194,396)</u>	<u>(\$203,534)</u>	<u>-\$2,349</u>	<u>-\$226,766</u>	<u>-\$229,115</u>
10	Incurred Claims (July 2024 through June 2025)	\$3,631,214	\$1,146,461	\$4,777,675	\$20,648,750	\$11,738,068	\$32,386,818	\$24,279,963	\$12,884,530	\$37,164,493
11	Total Covered Employees (July 2024 through June 2025)	<u>6,636</u>	<u>6,636</u>	<u>6,636</u>	<u>39,247</u>	<u>39,247</u>	<u>39,247</u>	<u>45,883</u>	<u>45,883</u>	<u>45,883</u>
12	Claims Cost PEPM	\$547.20	\$172.76	\$719.96	\$526.12	\$299.08	\$825.20	\$529.17	\$280.81	\$809.98
13	Trend Factor	<u>1.1208</u>	<u>1.1758</u>	<u>1.1340</u>	<u>1.1208</u>	<u>1.1758</u>	<u>1.1407</u>	<u>1.1208</u>	<u>1.1758</u>	<u>1.1399</u>
14	Projected Claims Cost Per Employee	\$613.30	\$203.14	\$816.44	\$589.68	\$351.66	\$941.34	\$593.10	\$330.18	\$923.27
15	<u>Large Claims Add Back</u>	<u>\$71.58</u>	<u>\$0.00</u>	<u>\$71.58</u>	<u>\$72.62</u>	<u>\$0.00</u>	<u>\$72.62</u>	<u>\$72.47</u>	<u>\$0.00</u>	<u>\$72.47</u>
16	Adjusted Projected Claims	\$684.88	\$203.14	\$888.02	\$662.30	\$351.66	\$1,013.96	\$665.56	\$330.18	\$995.74
	<u>Fixed Costs PEPM</u>									
17	Specific Stop-Loss Premium PEPM (Estimate)			\$42.25			\$42.25			\$42.25
16	Anthem Network & Administrative Fees			\$39.65			\$39.65			\$39.65
17	Investment Income			(\$5.56)			(\$5.56)			(\$5.56)
18	All Other Program Fees			<u>\$25.75</u>			<u>\$23.75</u>			<u>\$24.04</u>
	Total Fixed Costs			\$102.10			\$100.10			\$100.38
19	Required Premium PEPM			\$990.11			\$1,114.05			\$1,096.13
20	Current Premium PEPM			\$880.51			\$939.31			\$930.81
21	Required Increase			12.45%			18.60%			17.76%
22	Current Subscribers (June 2025)	451	451		3,308	3,308		3,759	3,759	
23	Base Trend	7.90%	11.40%		7.90%	11.40%		7.90%	11.40%	
24	Months Trended	18	18		18	18		18	18	

Self-funded Proposed Medical /RX Rates – Fresno County

Status Quo (All Rates remain unchanged from 2025 except EPO 0 +2.86% rate adjustment)

County of Fresno 2026 Rates	Monthly Rates				Bi-Weekly Rates			
	EE	ES	EC	FA	EE	ES	EC	FA
Anthem EPO 0 (excludes VSP Vision)	\$1,077.40	\$1,954.25	\$1,711.55	\$2,574.21	\$497.26	\$901.96	\$789.94	\$1,188.09
Anthem EPO 500 (excludes VSP Vision)	\$906.97	\$1,642.79	\$1,438.56	\$2,162.78	\$418.60	\$758.21	\$663.95	\$998.21
Anthem EPO 1000 (excludes VSP Vision)	\$854.30	\$1,547.43	\$1,355.05	\$2,037.23	\$394.29	\$714.20	\$625.41	\$940.26
Anthem HDPPO	\$653.08	\$1,383.36	\$1,240.23	\$1,889.95	\$301.42	\$638.47	\$572.41	\$872.28
Anthem HDPPO Retiree	\$914.24	\$1,618.51	\$1,428.18	\$2,130.68	N/A	N/A	N/A	N/A
County of Fresno 2025 Rates	Monthly Rates				Bi-Weekly Rates			
	EE	ES	EC	FA	EE	ES	EC	FA
Anthem EPO 0 (excludes VSP Vision)	\$1,047.44	\$1,899.91	\$1,663.96	\$2,502.63	\$483.43	\$876.88	\$767.98	\$1,155.06
Anthem EPO 500 (excludes VSP Vision)	\$906.97	\$1,642.79	\$1,438.56	\$2,162.78	\$418.60	\$758.21	\$663.95	\$998.21
Anthem EPO 1000 (excludes VSP Vision)	\$854.30	\$1,547.43	\$1,355.05	\$2,037.23	\$394.29	\$714.20	\$625.41	\$940.26
Anthem HDPPO	\$653.08	\$1,383.36	\$1,240.23	\$1,889.95	\$301.42	\$638.47	\$572.41	\$872.28
Anthem HDPPO Retiree	\$914.24	\$1,618.51	\$1,428.18	\$2,130.68	N/A	N/A	N/A	N/A

Self-funded Proposed Medical /RX Rates – Tulare County

- Option 1A Status Quo, Option 2A with Plan Design Changes, Option 3A with Plan Design Changes and Retro Arrangement

County of Tulare	2025 Monthly Rates				
	EE	ES	EC	FA	
Anthem \$0	\$1,089.38	\$2,177.59	\$1,987.81	\$3,301.43	
Anthem \$500	\$820.33	\$1,641.44	\$1,503.38	\$2,588.97	
Anthem \$750	\$720.58	\$1,440.15	\$1,321.43	\$2,195.38	
Anthem \$2,500	\$682.94	\$1,364.81	\$1,252.30	\$2,080.57	
County of Tulare 2026 Renewal Rates	Option 1A +18.6%				Rate Change
Anthem \$0	\$1,292.00	\$2,582.62	\$2,357.54	\$3,915.50	18.60%
Anthem \$500	\$972.91	\$1,946.75	\$1,783.01	\$3,070.52	18.60%
Anthem \$750	\$854.61	\$1,708.02	\$1,567.22	\$2,603.72	18.60%
Anthem \$2,500	\$809.97	\$1,618.66	\$1,485.23	\$2,467.56	18.60%
County of Tulare 2026 Renewal Rates	Option 2A +16.4%				Rate Change
Anthem \$0	\$1,333.40	\$2,665.37	\$2,433.08	\$4,040.95	22.40%
Anthem \$500	\$1,004.08	\$2,009.12	\$1,840.14	\$3,168.90	22.40%
Anthem \$750	\$838.76	\$1,676.33	\$1,538.14	\$2,555.42	16.40%
Anthem EPO \$1,250	\$776.69	\$1,552.28	\$1,424.32	\$2,366.32	New Plan
Anthem \$2,500	\$712.99	\$1,424.86	\$1,307.40	\$2,172.12	4.40%
County of Tulare 2026 Renewal Rates	Option 3A +12.0% (4.4% Retro)				Rate Change
Anthem \$0	\$1,283.00	\$2,564.62	\$2,341.11	\$3,888.20	17.77%
Anthem \$500	\$966.13	\$1,933.17	\$1,770.58	\$3,049.11	17.77%
Anthem \$750	\$807.05	\$1,612.96	\$1,480.00	\$2,458.82	12.00%
Anthem EPO \$1,250	\$747.33	\$1,493.60	\$1,370.48	\$2,276.87	New Plan
Anthem \$2,500	\$686.04	\$1,371.00	\$1,257.98	\$2,090.01	0.45%
Option 1A Status Quo, No changes					
Option 2A Plan Design Changes					
Option 3A Plan Design Changes with 4.4% retro arrangement					

Self-funded Dental Underwriting Total SJVIA

	County of Fresno	County of Tulare	SJVIA
1 Paid Claims (7/1/2024 - 6/30/2025)	\$3,230,321	\$1,576,420	\$4,806,742
2 Beginning Reserve	(176,055)	(68,495)	(244,550)
3 Ending Reserve	183,249	95,918	279,167
4 Incurred Claims	\$3,237,516	\$1,603,843	\$4,841,359
5 Covered Employees	63,402	35,573	98,975
6 Incurred Claims/EE/Month	\$51.06	\$45.09	\$48.91
7 Trend Factor: 5% Annual - Compounded 18 Months	1.0759	1.0759	1.0759
8 Expected Incurred Claims (1/1/2026 - 12/31/2026)	\$54.94	\$48.51	\$52.63
9 Administration	\$4.40	\$4.40	\$4.40
10 Plan Adjustments	\$0.00	\$0.00	\$0.00
11 Calculated Funding Level Without Margin	\$59.34	\$52.91	\$57.03
12 Current Average Funding Level	\$62.08	\$49.46	\$57.54
13 <u>Calculated Funding Action Without Margin = (11)/(12)</u>	-4.41%	6.99%	-0.89%
14 Recommended Margin = Margin % x (8) 2.0%	\$1.10	\$0.97	\$1.05
15 Calculated Funding Level With Margin = (10)+(14)	\$60.44	\$53.88	\$58.08
16 Current Average Funding Level = (12)	\$62.08	\$49.46	\$57.54
17 <u>Calculated Funding Action With Margin = (15)/(16)</u>	-2.64%	8.95%	0.94%

Fully Insured Vision Underwriting Total SJVIA - The plans are fully insured with VSP with a two-year rate guarantee for 2024 - 2025.

	County of Fresno	County of Tulare	SJVIA
1 Paid Claims (7/1/2024 - 6/30/2025)	\$449,356	\$204,970	\$654,326
2 Beginning Reserve 5%	(20,040)	(10,523)	(30,563)
3 Ending Reserve 5%	22,468	10,249	32,716
4 Incurred Claims	\$451,784	\$204,696	\$656,480
5 Covered Employees	60,470	37,898	98,368
6 Incurred Claims/EE/Month	\$7.47	\$5.40	\$6.67
7 Trend Factor: 3.5% Annual - Compounded 18 Months	1.0530	1.0530	1.0530
8 Expected Incurred Claims (1/1/2026 - 12/31/2026)	\$7.87	\$5.69	\$7.03
9 Administration -13% Estimated	\$0.97	\$0.70	\$0.87
10 Plan Adjustments	\$0.00	\$0.00	\$0.00
11 Calculated Funding Level Without Margin	\$8.84	\$6.39	\$7.90
12 Current Average Funding Level	\$10.78	\$6.13	\$9.00
13 Calculated Funding Action Without Margin = (11)/(12)	-17.98%	4.31%	-12.25%
14 Recommended Margin = Margin % x (8) 2.0%	\$0.16	\$0.11	\$0.14
15 Calculated Funding Level With Margin = (11)+(14)	\$9.00	\$6.51	\$8.04
16 Current Average Funding Level = (12)	\$10.78	\$6.13	\$9.00
17 Calculated Funding Action With Margin = (15)/(16)	-16.52%	6.17%	-10.69%

Kaiser – SJVIA

County of Fresno Bi-Weekly HMO Rates	Lives	2025					2026				
		Kaiser Rate	Margin	SJVIA Admin.	Vision	SJVIA Rate	Kaiser Rate	Margin	SJVIA Admin.	Vision	SJVIA Rate
Subscriber Only	970	\$ 529.57	\$ 5.30	\$ 5.80	\$ -	\$ 540.67	\$ 567.91	\$ -	\$ 6.58	\$ -	\$ 574.49
Subscriber & Spouse	76	\$ 950.39	\$ 9.50	\$ 5.80	\$ -	\$ 965.69	\$ 1,019.19	\$ -	\$ 6.58	\$ -	\$ 1,025.77
Subscriber & Child(ren)	371	\$ 837.85	\$ 8.38	\$ 5.80	\$ -	\$ 852.03	\$ 898.50	\$ -	\$ 6.58	\$ -	\$ 905.08
Subscriber & Family	109	\$ 1,257.63	\$ 12.58	\$ 5.80	\$ -	\$ 1,276.01	\$ 1,348.68	\$ -	\$ 6.58	\$ -	\$ 1,355.26
Annual Amount	1,526	\$26,879,751	\$ 268,923	\$ 230,121	\$ -	\$27,378,795	\$28,825,700	\$ -	\$ 261,068	\$ -	\$29,086,768
\$ Difference							\$ 1,945,949		\$ 30,947		\$ 1,707,973
% Difference							7.24%		13.45%		6.24%
County of Fresno Bi-Weekly DHMO Rates	Lives	2025					2026				
		Kaiser Rate	Margin	SJVIA Admin.	Vision	SJVIA Rate	Kaiser Rate	Margin	SJVIA Admin.	Vision	SJVIA Rate
Subscriber Only	82	\$ 381.47	\$ 3.81	\$ 5.80	\$ -	\$ 391.08	\$ 409.13	\$ -	\$ 6.58	\$ -	\$ 415.71
Subscriber & Spouse	7	\$ 684.61	\$ 6.85	\$ 5.80	\$ -	\$ 697.26	\$ 734.23	\$ -	\$ 6.58	\$ -	\$ 740.81
Subscriber & Child(ren)	25	\$ 603.53	\$ 6.04	\$ 5.80	\$ -	\$ 615.37	\$ 647.29	\$ -	\$ 6.58	\$ -	\$ 653.87
Subscriber & Family	26	\$ 905.93	\$ 9.06	\$ 5.80	\$ -	\$ 920.79	\$ 971.60	\$ -	\$ 6.58	\$ -	\$ 978.18
Annual Amount	140	\$ 1,942,596	\$ 19,420	\$ 21,112	\$ -	\$ 1,983,128	\$ 2,083,435	\$ -	\$ 23,951	\$ -	\$ 2,107,386
\$ Difference							\$ 140,839		\$ 2,839		\$ 124,258
% Difference							7.25%		13.45%		6.27%
County of Tulare Monthly HMO Rates	Lives	2025					2026				
		Kaiser Rate	Margin	SJVIA Admin.	Vision	SJVIA Rate	Kaiser Rate	Margin	SJVIA Admin.	Vision	SJVIA Rate
Subscriber Only	45	\$ 1,205.49	\$ 12.05	\$ 10.51	\$ -	\$ 1,228.05	\$ 1,292.77	\$ -	\$ 12.26	\$ -	\$ 1,305.03
Subscriber & Spouse	6	\$ 2,410.98	\$ 24.11	\$ 10.51	\$ -	\$ 2,445.60	\$ 2,585.54	\$ -	\$ 12.26	\$ -	\$ 2,597.80
Subscriber & Child(ren)	6	\$ 2,181.94	\$ 21.82	\$ 10.51	\$ -	\$ 2,214.27	\$ 2,339.92	\$ -	\$ 12.26	\$ -	\$ 2,352.18
Subscriber & Family	3	\$ 3,616.47	\$ 36.16	\$ 10.51	\$ -	\$ 3,663.14	\$ 3,878.31	\$ -	\$ 12.26	\$ -	\$ 3,890.57
Annual Amount	60	\$ 1,111,848	\$ 11,116	\$ 7,567	\$ -	\$ 1,130,531	\$ 1,192,348	\$ -	\$ 8,827	\$ -	\$ 1,201,175
\$ Difference							\$ 80,500		\$ 1,260		\$ 70,645
% Difference							7.24%		16.65%		6.25%
County of Tulare Monthly DHMO Rates	Lives	2025					2026				
		Kaiser Rate	Margin	SJVIA Admin.	Vision	SJVIA Rate	Kaiser Rate	Margin	SJVIA Admin.	Vision	SJVIA Rate
Subscriber Only	2	\$ 924.55	\$ 9.25	\$ 10.51	\$ -	\$ 944.31	\$ 991.54	\$ -	\$ 12.26	\$ -	\$ 1,003.80
Subscriber & Spouse	1	\$ 1,849.10	\$ 18.49	\$ 10.51	\$ -	\$ 1,878.10	\$ 1,983.08	\$ -	\$ 12.26	\$ -	\$ 1,995.34
Subscriber & Child(ren)	0	\$ 1,673.44	\$ 16.73	\$ 10.51	\$ -	\$ 1,700.68	\$ 1,794.69	\$ -	\$ 12.26	\$ -	\$ 1,806.95
Subscriber & Family	0	\$ 2,773.65	\$ 27.74	\$ 10.51	\$ -	\$ 2,811.90	\$ 2,974.62	\$ -	\$ 12.26	\$ -	\$ 2,986.88
Annual Amount	3	\$ 44,378	\$ 444	\$ 378	\$ -	\$ 45,201	\$ 47,594		\$ 441		\$ 48,035
\$ Difference							\$ 3,216		\$ 63		\$ 2,835
% Difference							7.25%		16.65%		6.27%

Kaiser Senior Advantage – County of Tulare

County of Tulare Kaiser Senior Advantage	Enrollment	Kaiser KPSA Rates	
		2025	2026
Subscriber with Medicare	11	\$308.75	\$333.05
Subscriber with Medicare + Spouse with Medicare	<u>1</u>	<u>\$617.50</u>	<u>\$666.10</u>
Total	12	\$48,165.00	\$51,955.80
\$ Difference		\$3,781.44	\$3,790.80
% Difference		8.52%	7.87%

Delta Dental – Self-Funded PPO

COF - Dental PPO	Enrollment	2025	2026
Employee Only	3,219	\$ 50.29	\$ 50.29
Employee + Spouse	452	\$ 80.19	\$ 80.19
Employee + Children	1,157	\$ 69.88	\$ 69.88
Employee + Family	<u>530</u>	\$ 102.58	\$ 102.58
Total	5,358	\$ 4,000,175	\$ 4,000,175
\$ Difference		\$ -	\$ -
% Difference		0.00%	0.00%
COT - Dental PPO	Enrollment	2025	2026
Employee Only	2,216	\$ 40.30	\$ 40.30
Employee + Spouse	225	\$ 69.87	\$ 69.87
Employee + Children	333	\$ 79.17	\$ 79.17
Employee + Family	<u>132</u>	\$ 117.53	\$ 117.53
Total	2,906	\$ 1,762,837	\$ 1,762,837
\$ Difference		\$ -	\$ -
% Difference		0.00%	0.00%

Delta Dental – Fully Insured DHMO

County of Fresno - DHMO	Enrollment	2025	2026
Employee Only	1,229	\$ 27.38	\$ 28.06
Employee + Spouse	136	\$ 47.51	\$ 48.70
Employee + Children	285	\$ 47.83	\$ 49.03
Employee + Family	<u>98</u>	\$ 68.95	\$ 70.67
Total	1,748	\$ 726,000	\$ 744,098
\$ Difference		\$ -	\$ 18,097
% Difference		0.00%	2.49%
County of Tulare - DHMO	Enrollment	2025	2026
Employee Only	197	\$ 27.38	\$ 28.06
Employee + Spouse	19	\$ 47.51	\$ 48.70
Employee + Children	34	\$ 47.83	\$ 49.03
Employee + Family	<u>15</u>	\$ 68.95	\$ 70.67
Total	265	\$ 107,484	\$ 110,162
\$ Difference		\$ -	\$ 2,678
% Difference		0.00%	2.49%

2026 DHMO Rates and 2026 PPO admin fee guaranteed through 2028.

2026 Admin fee remaining at \$4.40 pepm

Vision Service Plan – VSP

County of Fresno	Enrollment	2025	2026
Employee Only	3,210	\$ 7.89	\$ 7.89
Employee + Spouse	454	\$ 14.18	\$ 14.18
Employee + Children	1,046	\$ 13.90	\$ 13.90
<u>Employee + Family</u>	<u>493</u>	<u>\$ 20.35</u>	<u>\$ 20.35</u>
Total	5,203	\$ 676,039	\$ 676,039
\$ Difference		\$ -	\$ -
% Difference		0.00%	0.00%
County of Tulare	Enrollment	2025	2026
Employee Only	2,427	\$ 5.02	\$ 5.02
Employee + Spouse	247	\$ 8.47	\$ 8.47
Employee + Children	388	\$ 8.96	\$ 8.96
<u>Employee + Family</u>	<u>145</u>	<u>\$ 13.36</u>	<u>\$ 13.36</u>
Total	3,207	\$ 236,272	\$ 236,272
\$ Difference		\$ -	\$ -
% Difference		0.00%	0.00%

VSP rates are guaranteed for through 2027.

SJVIA – Fixed Costs

Fixed Cost Schedule										
SJVIA Total Fixed Costs Built into Rates	2025					2026				
	EPO	PPO/HDHP		Kaiser		EPO	PPO/HDHP		Kaiser	
	Fresno	Fresno	Tulare	Fresno	Tulare	Fresno	Fresno	Tulare	Fresno	Tulare
Specific Stop-Loss Premium PEPM	\$39.00	\$33.99	\$34.31	\$0.00	\$0.00	\$44.85	\$39.09	\$39.46	\$0.00	\$0.00
Aggregate Stop-Loss Premium PEPM	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Anthem Network & Admin. Fees	\$38.70	\$38.70	\$38.70	\$0.00	\$0.00	\$39.65	\$39.65	\$39.65	\$0.00	\$0.00
EmpiRX Admin Fee	\$8.35	\$8.35	\$8.35	\$0.00	\$0.00	\$5.82	\$5.82	\$5.82	\$0.00	\$0.00
Wellness	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
Claims Mgmt/Communication	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
Keenan Consulting Fee	\$2.46	\$2.46	\$2.46	\$2.46	\$2.46	\$2.44	\$2.44	\$2.44	\$2.44	\$2.44
KPS Fee	\$1.34	\$1.34	\$1.34	\$0.00	\$0.00	\$1.24	\$1.24	\$1.24	\$0.00	\$0.00
SJVIA Fee	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$3.77	\$3.77	\$3.77	\$3.77	\$3.77
MyWorkplace - Benefit Administration	\$3.05	\$3.05	\$3.05	\$3.05	\$3.05	\$3.05	\$3.05	\$3.05	\$3.05	\$3.05
Navia - Benefit Administration	\$2.00	\$2.00	\$0.00	\$2.00	\$0.00	\$2.00	\$2.00	\$2.00	\$2.00	\$0.00
PCORI Fees	\$0.45	\$0.45	\$0.45	\$0.00	\$0.00	\$0.47	\$0.47	\$0.47	\$0.00	\$0.00
98.6 Rider	\$1.90	\$1.90	\$1.90	\$0.00	\$0.00	\$1.90	\$1.90	\$1.90	\$0.00	\$0.00
Total Fixed Cost	\$102.25	\$97.24	\$95.56	\$12.51	\$10.51	\$108.19	\$102.43	\$102.80	\$14.26	\$12.26
Total Fixed Costs From Reserves	EPO	PPO/HDHP		Kaiser		EPO	PPO/HDHP		Kaiser	
	Fresno	Fresno	Tulare	Fresno	Tulare	Fresno	Fresno	Tulare	Fresno	Tulare
SJVIA Fee	\$1.77	\$1.77	\$1.77	\$1.77	\$1.77	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00