August 21, 2026

RE: SJVIA Board Meeting: Consultant's Report – 2026 Plan Experience (Medical, Dental, and Vision)

This report provides a summary of the plan experience from January 1, 2026 through June 30, 2026, for the self-funded medical and dental plans, as well as the fully insured vision plan. Kaiser and Delta Dental DHMO experience are not reported.

2026 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 ($18,168,915). When we add in estimated 2026 stop-loss reimbursements and Rx Rebates, SJVIA has an accumulated deficit position of ($2,497,324) for the applicable time period. The self-funded dental plans developed a ($8,920) deficit. For an overall 2026 SJVIA deficit position of ($2,506,244) through June 2026.

2026	COF	COT	Total
Gross Medical/Rx	-$11,587,917	-$6,580,998	-$18,168,915
Est. Sl Reimbursements	$5,626,207	$4,384,142	$10,010,349
Est. Rx Rebates	$3,375,663	$2,285,579	$5,661,242
Net Medical/Rx	**-$2,586,048**	**$88,724**	**-$2,497,324**
Dental	$63,530	-$72,451	-$8,920
Total Surplus/Deficit	**-$2,522,517**	**$16,273**	**-$2,506,244**
Vision (Insured)	$29,112	-$24,920	$4,193
Total Expense Loss Ratio			
Net Medical/Rx	106.7%	99.6%	104.2%
Dental	96.9%	107.9%	100.3%
Vision	91.6%	121.0%	99.1%

1. January 2026 through June 2026

For the combined Medical and Dental plan experience, Fresno County realized a deficit of ($2,522,517), while Tulare County realized a surplus of $16,273 net of estimated stop loss reimbursements and drug rebates.

The Vision Service Plan (VSP) vision plan is fully insured and shows an accumulated surplus position of $4,193 for a 99.1% total cost loss ratio. Under the fully insured arrangement, all deficit or surplus positions remain with the carrier.

The 2026 medical premium equivalent rates did not include margin, thus making the annual budgeted accumulation $0 for the budgeted medical reserve. Dental included a minor margin estimated to be $50,576; however, due to higher-than-expected utilization, the plan now sits at deficit position of ($8,920). The SJVIA removed margin from Kaiser for 2026.

The SJVIA Board requested to include a chart showing fiscal year budget to actual. The following chart illustrates the annual budget, twelve-month budget allocation, and the twelve-month actual based on USI's experience reports and calculated fixed costs. The twelve-month actual deficit position is ($18,398,931).

FY 25/26	Annual Budget	12 month Budget	12 month Actual
Revenue			
Medical	$ 147,821,305	$ 147,821,305	$ 144,842,267
Dental	$ 6,727,037	$ 6,727,037	$ 6,644,638
Vision	$ 912,310	$ 912,310	$ 922,134
Total	$ 155,460,652	$ 155,460,652	$ 152,409,039
Expenses			
Medical	$ 135,122,168	$ 135,122,168	$ 153,515,255
Dental	$ 6,165,223	$ 6,165,223	$ 6,400,494
Vision	$ 869,228	$ 869,228	$ 922,134
Fixed Costs	$ 10,868,874	$ 10,868,874	$ 9,970,087
Total	$ 153,025,493	$ 153,025,493	$ 170,807,970
Difference	$ 2,435,159	$ 2,435,159	$ (18,398,931)

1. Fixed costs include stop loss premiums, ASO fees, wellness, claims/communication management, consulting fees, MyWorkplace, Navia, PCORI Fees, and 98.6 rider.

Please note that prior to allocating funds for 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 and consultants report.

The following shows a month-by-month breakdown of the budgeted revenue position versus calculated accumulation of expenses paid through June 2026 for the 2025/2026 fiscal year. The total deficit for fiscal year versus budgeted revenue is ($15,347,318).

2025/2026 FY	July	August	September	October	November	December	January	February	March	April	May	June	Total
Budgeted Revenue													
Medical	$ 11,713,297	$ 11,713,297	$ 11,713,297	$ 11,713,297	$ 11,713,297	$ 11,713,297	$ 12,923,587	$ 12,923,587	$ 12,923,587	$ 12,923,587	$ 12,923,587	$ 12,923,587	$ 147,821,305
Dental	$ 554,940	$ 554,940	$ 554,940	$ 554,940	$ 554,940	$ 554,940	$ 566,233	$ 566,233	$ 566,233	$ 566,233	$ 566,233	$ 566,233	$ 6,727,037
Vision (Insured)	$ 76,026	$ 76,026	$ 76,026	$ 76,026	$ 76,026	$ 76,026	$ 76,026	$ 76,026	$ 76,026	$ 76,026	$ 76,026	$ 76,026	$ 912,310
Total	**$ 12,344,263**	**$ 12,344,263**	**$ 12,344,263**	**$ 12,344,263**	**$ 12,344,263**	**$ 12,344,263**	**$ 13,565,846**	**$ 13,565,846**	**$ 13,565,846**	**$ 13,565,846**	**$ 13,565,846**	**$ 13,565,846**	**$ 155,460,652**
Calculated Expenses													
Fixed Costs	$ (811,824)	$ (808,672)	$ (808,802)	$ (807,871)	$ (807,442)	$ (827,957)	$ (857,184)	$ (854,616)	$ (849,022)	$ (846,390)	$ (843,704)	$ (846,603)	$ (9,970,087)
Anthem Claims	$ (9,793,257)	$ (10,509,260)	$ (10,104,311)	$ (13,108,390)	$ (9,822,874)	$ (8,441,538)	$ (10,734,732)	$ (10,270,687)	$ (7,832,220)	$ (15,530,810)	$ (9,770,726)	$ (7,651,220)	$(123,570,026)
Kaiser (Insured)	$ (2,502,227)	$ (2,502,227)	$ (2,502,227)	$ (2,502,227)	$ (2,502,227)	$ (2,502,227)	$ (2,488,645)	$ (2,488,645)	$ (2,488,645)	$ (2,488,645)	$ (2,488,645)	$ (2,488,645)	$ (29,945,229)
Dental Claims	$ (506,749)	$ (423,272)	$ (396,569)	$ (491,528)	$ (394,457)	$ (425,765)	$ (448,332)	$ (503,084)	$ (523,508)	$ (584,628)	$ (478,740)	$ (424,730)	$ (5,601,364)
Dental DHMO (Insured)	$ (69,457)	$ (69,457)	$ (69,457)	$ (69,457)	$ (69,457)	$ (69,457)	$ (63,731)	$ (63,731)	$ (63,731)	$ (63,731)	$ (63,731)	$ (63,731)	$ (799,130)
VSP (Insured)	$ (75,641)	$ (75,333)	$ (75,473)	$ (75,295)	$ (75,353)	$ (78,510)	$ (78,958)	$ (78,484)	$ (78,358)	$ (78,218)	$ (74,649)	$ (77,861)	$ (922,134)
Total Calculated Expenses	**$ (13,759,155)**	**$ (14,388,221)**	**$ (13,956,839)**	**$ (17,054,768)**	**$ (13,671,810)**	**$ (12,345,454)**	**$ (14,671,583)**	**$ (14,259,248)**	**$ (11,835,484)**	**$ (19,592,423)**	**$ (13,720,195)**	**$ (11,552,790)**	**$(159,255,180)**
Total Surplus/Deficit	**$ (1,414,892)**	**$ (2,043,958)**	**$ (1,612,576)**	**$ (4,710,505)**	**$ (1,327,547)**	**$ (1,191)**	**$ (1,105,738)**	**$ (693,402)**	**$ 1,730,361**	**$ (6,026,577)**	**$ (154,350)**	**$ 2,013,056**	**$ (15,347,318)**

1. Fixed costs include stop loss premiums, ASO fees, wellness, claims/communication management, consulting fees, MyWorkplace, Navia, PCORI Fees, and 98.6 rider.
2. Anthem claims are net of stop loss reimbursements and Rx rebates.