

Health Service Board City & County of San Francisco

Incurred But Not Reported (IBNR) Reserve Fund Status Presentation

February 11, 2016

Introduction

Current policy requires an Incurred But Not Reported (IBNR) reserve for each plan that is self-funded / flex-funded. An IBNR reserve is an estimate of the unpaid claims liability for run-out claims that were incurred before a given point in time, but have not yet been paid as of that point in time, e.g. a claim incurred June 20, 2015 that isn't paid until July 16, 2015.

In this presentation we will review the status of the IBNR reserve for each of the self-funded / flex-funded plans.

Fund Status

The recommended IBNR reserve as of June 30, 2015 is as follows:

Plan	June 30, 2014	June 30, 2015	\$ Change	% Change
UHC City Plan	\$3,933,023	\$4,214,588	\$281,565	7%
Delta Dental of California PPO Plan	\$2,959,582	\$2,999,190	\$39,608	1%
Blue Shield of California Plan	\$22,263,177	\$22,128,990	-\$134,187	-1%
TOTAL	\$29,155,782	\$29,342,768	\$186,986	1%

The City Plan, Blue Shield of California and Delta Dental of California IBNR reserves are currently fully funded.

These estimates will be reset as of June 30, 2016 after the close of the fiscal year.