

## Mission Statement

The Health Pool of South Dakota has a strong commitment to provide broad health care coverage to public entities in South Dakota.

As a self-insured pool the Health Pool of South Dakota was created for its Members and is controlled by its Members.

## Board of Trustees

Al Cerny  
Chairman

Yvonne Taylor  
Secretary

Chip Schroeder  
Board Member

Jennifer Eimers  
Board Member

Mike Grosek  
Board Member

## Sponsored & Endorsed By:

South Dakota Municipal League  
Yvonne Taylor, Executive Director  
Sandi Larson, Director of Risk Sharing Services  
208 Island Drive  
Ft. Pierre, SD 57532  
(800) 658-3633

## Service Providers

**Administration & Marketing**  
South Dakota Municipal League  
208 Island Drive  
Ft. Pierre, SD 57532  
800-658-3633

**Claims Administration**  
Wellmark BCBS  
1601 W. Madison Street  
Sioux Falls, SD 57104  
800-965-2818

**Financial Audit**  
RSM  
110 S. Phillips Ave., Suite 300  
Sioux Falls, SD 57104

**Re-Insurance**  
Wellmark, Inc.  
1331 Grand Avenue  
Des Moines, IA 50309-3705

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# 2017 Annual Report

The Health Pool  
of South Dakota

## To the Membership



# The Health Pool of South Dakota

## Selected Financial Data

Assets	As of December 31,	As of June 30,			
	2017	2016	2015	2014	2013
Cash and cash equivalents	\$ 956,030	\$ 374,816	\$ 711,851	\$ 1,076,084	\$ 1,402,054
Investments	3,190,458	3,017,922	3,103,377	2,202,396	1,847,434
Receivables and other	89,793	94,938	47,307	62,133	74,065
<b>Total assets</b>	<b>\$ 4,236,281</b>	<b>\$ 3,487,676</b>	<b>\$ 3,862,535</b>	<b>\$ 3,340,613</b>	<b>\$ 3,323,553</b>
<b>Liabilities and Net Position</b>					
Estimated liability for reported and unreported claims and claims adjustment expenses	\$ 325,000	\$ 300,000	\$ 300,000	\$ 275,000	\$ 275,000
Accounts payable and accrued expenses and other	160,776	58,205	156,730	44,614	9,000
Net position - unrestricted	3,750,505	3,129,471	3,405,805	3,020,999	3,039,553
<b>Total liabilities and net position</b>	<b>\$ 4,236,281</b>	<b>\$ 3,487,676</b>	<b>\$ 3,862,535</b>	<b>\$ 3,340,613</b>	<b>\$ 3,323,553</b>
<b>Statements of Revenues and Expenses</b>					
	Six-Months Ended December 31	Years Ended June 30			
	2017	2016	2015	2014	2013
Member contributions earned	\$ 2,446,870	\$ 3,193,157	\$ 3,275,352	\$ 3,007,289	\$ 2,547,229
Less: Reinsurance premiums ceded	285,254	372,633	340,868	338,512	287,368
<b>Net operating revenues</b>	<b>2,161,616</b>	<b>2,820,524</b>	<b>2,934,484</b>	<b>2,668,777</b>	<b>2,259,861</b>
Claims and claims adjustment expenses incurred, less pharmacy rebates	2,035,583	3,391,297	2,509,925	2,758,723	2,449,764
Reinsurance recoveries	(3,318)	(357,394)	(76,567)	(151,880)	(70,130)
<b>Total claims and claims adjustment expenses incurred</b>	<b>2,032,265</b>	<b>3,033,903</b>	<b>2,433,358</b>	<b>2,606,843</b>	<b>2,379,634</b>
General and administrative expenses	67,058	143,481	143,371	113,970	95,948
<b>Operating income (loss)</b>	<b>62,293</b>	<b>(356,860)</b>	<b>357,755</b>	<b>(52,036)</b>	<b>(215,721)</b>
Net investment income	22,164	46,373	32,270	23,274	16,482
Net unrealized gains (losses) on investments	(759)	34,153	(5,219)	10,208	(6,160)
<b>Total nonoperating revenues</b>	<b>21,405</b>	<b>80,526</b>	<b>27,051</b>	<b>33,482</b>	<b>10,322</b>
<b>Change in net position</b>	<b>\$ 83,698</b>	<b>\$ (276,334)</b>	<b>\$ 384,806</b>	<b>\$ (18,554)</b>	<b>\$ (205,399)</b>