

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

Clifford "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

2018 Financial Audit
Eide Bailly LLP
4310 17th Ave South
 Fargo ND, 58108
(RSM provided audits for prior
periods presented)

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

2018 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 December 31, | As of June 30, | | |
|---|---------------------------|---------------------------------|---------------------|---------------------|---------------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Cash and cash equivalents | \$ 1,178,665 | \$ 956,030 | \$ 374,816 | \$ 711,851 | \$ 1,076,084 |
| Investments | 3,743,061 | 3,190,458 | 3,017,922 | 3,103,377 | 2,202,396 |
| Receivables and other | 250,150 | 89,793 | 94,938 | 47,307 | 62,133 |
| Total assets | \$ 5,171,876 | \$ 4,236,281 | \$ 3,487,676 | \$ 3,862,535 | \$ 3,340,613 |
| Liabilities and Net Position | | | | | |
| Estimated liability for reported and unreported claims and claims adjustment expenses | \$ 325,000 | \$ 325,000 | \$ 300,000 | \$ 300,000 | \$ 275,000 |
| Accounts payable and accrued expenses and other | 324,392 | 160,776 | 58,205 | 156,730 | 44,614 |
| Net position - unrestricted | 4,522,484 | 3,750,505 | 3,129,471 | 3,405,805 | 3,020,999 |
| Total liabilities and net position | \$ 5,171,876 | \$ 4,236,281 | \$ 3,487,676 | \$ 3,862,535 | \$ 3,340,613 |
| Statements of Revenues and Expenses | | | | | |
| | Year Ended December 31 | Six-Months Ended December 31 | Years Ended June 30 | | |
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Member contributions earned | \$ 5,750,629 | \$ 2,446,870 | \$ 3,193,157 | \$ 3,275,352 | \$ 3,007,289 |
| Less: Reinsurance premiums ceded | 692,314 | 285,254 | 372,633 | 340,868 | 338,512 |
| Net operating revenues | 5,058,315 | 2,161,616 | 2,820,524 | 2,934,484 | 2,668,777 |
| Claims and claims adjustment expenses incurred, less pharmacy rebates | 4,411,118 | 2,035,583 | 3,391,297 | 2,509,925 | 2,758,723 |
| Reinsurance recoveries | (260,160) | (3,318) | (357,394) | (76,567) | (151,880) |
| Total claims and claims adjustment expenses incurred | 4,150,958 | 2,032,265 | 3,033,903 | 2,433,358 | 2,606,843 |
| General and administrative expenses | 189,158 | 67,058 | 143,481 | 143,371 | 113,970 |
| Operating income (loss) | 718,199 | 62,293 | (356,860) | 357,755 | (52,036) |
| Net investment income | 69,407 | 22,164 | 46,373 | 32,270 | 23,274 |
| Net unrealized gains (losses) on investments | (15,627) | (759) | 34,153 | (5,219) | 10,208 |
| Total nonoperating revenues | 53,780 | 21,405 | 80,526 | 27,051 | 33,482 |
| Change in net position | \$ 771,979 | \$ 83,698 | \$ (276,334) | \$ 384,806 | \$ (18,554) |

***** Note the summarized schedule does not represent audited financial statements and no opinion is expressed on them. The audited financial statements with required GAAP presentation and notes are available upon request.