

## 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

**2019 Financial Audit**  
Eide Bailly LLP  
4310 17th Ave South  
Fargo ND, 58108  
(RSM provided audits for  
periods prior to 2018  
presented)

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

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# 2019 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,	
	2019	2018	2017	2016	2015
Cash and cash equivalents	\$ 1,361,491	\$ 1,178,665	\$ 956,030	\$ 374,816	\$ 711,851
Investments	3,933,870	3,743,061	3,190,458	3,017,922	3,103,377
Receivables and other	268,782	250,150	89,793	94,938	47,307
<b>Total assets</b>	<b>\$ 5,564,143</b>	<b>\$ 5,171,876</b>	<b>\$ 4,236,281</b>	<b>\$ 3,487,676</b>	<b>\$ 3,862,535</b>
<b>Liabilities and Net Position</b>					
Estimated liability for reported and unreported claims and claims adjustment expenses	\$ 569,272	\$ 325,000	\$ 325,000	\$ 300,000	\$ 300,000
Accounts payable and accrued expenses and other	273,681	324,392	160,776	58,205	156,730
Net position - unrestricted	4,721,190	4,522,484	3,750,505	3,129,471	3,405,805
<b>Total liabilities and net position</b>	<b>\$ 5,564,143</b>	<b>\$ 5,171,876</b>	<b>\$ 4,236,281</b>	<b>\$ 3,487,676</b>	<b>\$ 3,862,535</b>
<b>Statements of Revenues and Expenses</b>					
	Years Ended December 31		Six-Months Ended December 31	Years Ended June 30	
	2019	2018	2017	2016	2015
Member contributions earned	\$ 6,222,721	\$ 5,750,629	\$ 2,446,870	\$ 3,193,157	\$ 3,275,352
Less: Reinsurance premiums ceded	777,084	692,314	285,254	372,633	340,868
<b>Net operating revenues</b>	<b>5,445,637</b>	<b>5,058,315</b>	<b>2,161,616</b>	<b>2,820,524</b>	<b>2,934,484</b>
Claims and claims adjustment expenses incurred, less pharmacy rebates	5,930,503	4,411,118	2,035,583	3,391,297	2,509,925
Reinsurance recoveries	(699,712)	(260,160)	(3,318)	(357,394)	(76,567)
<b>Total claims and claims adjustment expenses incurred</b>	<b>5,230,791</b>	<b>4,150,958</b>	<b>2,032,265</b>	<b>3,033,903</b>	<b>2,433,358</b>
General and administrative expenses	178,148	189,158	67,058	143,481	143,371
<b>Operating income (loss)</b>	<b>36,698</b>	<b>718,199</b>	<b>62,293</b>	<b>(356,860)</b>	<b>357,755</b>
Net investment income	92,899	69,407	22,164	46,373	32,270
Net unrealized gains (losses) on investments	69,109	(15,627)	(759)	34,153	(5,219)
<b>Total nonoperating revenues</b>	<b>162,008</b>	<b>53,780</b>	<b>21,405</b>	<b>80,526</b>	<b>27,051</b>
<b>Change in net position</b>	<b>\$ 198,706</b>	<b>\$ 771,979</b>	<b>\$ 83,698</b>	<b>\$ (276,334)</b>	<b>\$ 384,806</b>

\*\*\*\*\* 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.