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2255 Glades Rd
Boca Raton, FL 33431
USA

561-998-6755
www.ajg.com

December 18, 2019

David Cook
Executive Director
Intergovernmental Personnel Benefit Cooperative
800 Roosevelt Road, Building C, Suite 312
Glen Ellyn, IL 60137

Re: Adequacy of Reserves Held by the Intergovernmental Personnel Benefit Cooperative ("IPBC") as of
June 30, 2019

Dear Mr. Cook:

I have been asked to review and opine on the reserves held by the IPBC self-funded health plan as of June 30, 2019. I have based my review and opinion on the Annual Financial Report As Of and For the Years Ended June 30, 2019 and June 30, 2018 prepared by IPBC.

Based on my review, it is my understanding that the plan has approximately \$166.3 million in assets as of June 30, 2019 and an estimated liability for claims and other amounts payable of approximately \$35.7 million. The remaining assets are divided between reserves of approximately \$69.1 million due to members and \$61.5 million in unrestricted reserves. Both of these amounts are available to pay plan expenses if necessary. The annual claim expense in the 2018/19 plan year was \$250.4 million and that was very consistent with the \$247.0 million in claims in the 2017/18 plan year. The available reserve equates to over 6 months of claim expense at the 2018/19 claim level.

Based on this understanding, it is my opinion that the reserves held by the IPBC self-funded health plan are more than adequate and will be sufficient to cover all expenses that the plan might incur under the most adverse of circumstances.

I certify that I am a Member of the American Academy of Actuaries and a Fellow of the Society of Actuaries and that I meet the Academy's Qualification Standards for issuing this statement of actuarial opinion. I also certify that I am independent of the IPBC and I am not aware of any facts or circumstances that would impair my ability to conduct this analysis in an objective manner.

If there are any questions about this opinion, I can be reached at the number shown below.

Sincerely,

Glen R. Volk, FSA, MAAA
Consulting Actuary

cc: Melissa Ginter, Gallagher Benefit Services