

**SISC III
HEALTH BENEFITS PROGRAM
BOARD OF DIRECTORS MEETING
JANUARY 21, 2009 – 1:00 P.M.**

AGENDA

I. CONSENT CALENDAR

- A. Approval of Minutes for December 2008 Board of Directors Meeting Russell Bigler
- B. Report of Activity for the Month of December 2008 and ratification of payment as follows: Russell Bigler

DELTA DENTAL CLAIMS	5,552,063.06	
DELTA DENTAL ASO	364,215.33	
TOTAL DENTAL		\$5,916,278.39
VISION SERVICE CLAIMS	702,420.91	
MES CLAIMS	29,271.48	
TOTAL VISION		\$828,636.84
ANTHEM BLUE CROSS HEALTH CLAIMS	40,967,772.51	
BLUE SHIELD HEALTH CLAIMS	4,985,407.98	
ANTHEM BC BEHAVIORAL HEALTH CLAIMS	298,306.91	
ANTHEM BC COMPANION CARE RETIREE CLAIMS	209,892.14	
MEDCO DISCOUNT CARD CLAIMS	37,755.03	
TOTAL HEALTH CLAIMS	46,499,134.57	
ANTHEM BLUE CROSS ASO	1,364,810.07	
BLUE SHIELD ASO	177,815.52	
ANTHEM BC BEHAVIORAL HEALTH ASO	158,205.20	
ANTHEM BC COMPANION CARE RETIREE ASO	40,205.08	
FOUNDATION CLMS PROCESSING ASO	562,554.72	
MEDCO DISCOUNT CARD ASO	1,701.08	
TOTAL HEALTH ASO	2,305,291.67	
TOTAL HEALTH		48,804,426.24
MEDCO CLAIMS	10,068,676.34	
AMERICAN HEALTH CARE CLAIMS	2,026,966.53	
MEDCO ASO	276,891.33	
AMERICAN HEALTH CARE ASO	87,736.20	
TOTAL RX		12,460,270.40

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FULLY INSURED PRODUCTS		
AETNA HMO	1,259,189.41	
BLUE SHIELD HMO	849,964.10	
ANTHEM BC CALIFORNIA CARE HMO	977,211.70	
HEALTH NET HMO	1,844,061.61	
KAISER HMO	2,620,522.72	
PACIFICARE BEHAVIORAL HEALTH	478,142.24	
CIGNA BEHAVIORAL HEALTH	16,331.98	
UNITED HEALTH CARE DENTAL	432.61	
DELTACARE/PMI DENTAL	4,213.86	
KASIER SENIOR ADVANTAGE RETIREE PLAN	39,298.46	
HEALTH NET SENIORITY PLUS RETIREE PLAN	42,766.00	
AETNA FULLY INSURED PPO	59,333.53	
BLUE SHIELD FULLY INSURED PPO	24,618.00	
HEALTH NET FULLY INSURED PPO	3,977.85	
MUTUAL OF OMAHA LIFE	134,595.50	
ZURICH LIFE	12,728.20	
TOTAL BLUE CROSS AND BLUE SHIELD CLAIMS		\$8,367,387.77
SISC FLEX CLAIMS	210,800.16	
STOP LOSS - VISTA UNDERWRITING PARTNERS	47,177.66	
WELLNESS	232,500.00	
ALL OTHER	424,780.32	
TOTAL SISC III PAYMENTS		\$77,292,257.78

II. PUBLIC COMMENT

III. ACTION ITEMS

A. Financial Report - Financial Statements For Prior Month Presented For Approval

Cindy Mattern

IV. DISCUSSION AND INFORMATION ITEMS

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| A. Show the Monthly SISC PPO Claims History Through December 2008 | John Stenerson |
| B. Review the Governor's State of the State as it Relates to Health Care | Russell Bigler |
| C. Show the Board an Article from the <u>U.S.A. Today</u> | Russell Bigler |
| D. Show the Board a Summary of SISC's Annual Review of Our Prescription Drug Program | Russell Bigler |
| E. Show the Board an Article from the <u>LA Times</u> | Russell Bigler |
| F. Update the Board on SISC's GASB 45 Trust | Russell Bigler |
| G. Show the Board an Article from School Services <u>Fiscal Report</u> | Russell Bigler |
| H. Show the Board an Article from <u>The Sacramento Bee</u> on Balance Billing | Russell Bigler |
| I. Show the Board an Article from the <u>LA Times</u> | Russell Bigler |
| J. Mention to the Board the Reason for Bringing out Rates Later | Russell Bigler |
| K. Show the Board an Article from <u>The Sacramento Bee</u> | Russell Bigler |
| L. Discuss the Annual Board Meeting | Russell Bigler |
| M. Comments from the Board of Directors Will Be Heard | |
| N. Adjournment | |
| O. Next Meeting: | Wednesday, February 18, 2009
1:00 p.m.
SISC Board Room - City Centre |

**Any materials required by law to be made available to the public prior to a meeting of the Board of Directors of the Joint Powers Authority can be inspected at the following address during normal business hours at
1300 17th Street, Bakersfield, Ca. 93301**

SISC III INFORMATION ITEMS JANUARY 21, 2009

- A. **Monthly SISC PPO Claims History Through December 2008.** The SISC PPO claims history through December 2008 will be shown at the meeting.
- B. **Review the Governor's State of the State as it Relates to Health Care.** Director Bigler will review this at the Board Meeting.
- C. **Show the Board an Article from the U.S.A. Today.** If this is correct, it certainly flies in the face of what other studies, and the industries perception of the value of direct to consumer, DTC, advertising as it relates to sales.
- D. **Show the Board a Summary of SISC's Annual Review of Our Prescription Drug Program.** John Stenerson will review this with the Board. Remember there are two parts:
- The part showing all of the information on everything except the program staff customized.
 - The part showing the program staff customized. It is called the Consumer Share Program.
- E. **Show the Board an Article from the LA Times.** This article is about seeking medical treatment abroad. Not that this is for our membership but interesting to note the numbers of people involved and what appears to be the dollar savings. A factor not mentioned, but something to consider, is the unrest in some of the countries that provide these services.
- F. **Update the Board on SISC's GASB 45 Trust.** Cindy Mattern will go over this with the Board.
- G. **Show the Board an Article from School Services Fiscal Report.** They have printed an article from Mercer's Annual National Survey of Employer Sponsored Health Plans. Although it's good information, the trends they cite may not be the trends SISC is experiencing.
- H. **Show the Board an Article from The Sacramento Bee on Balance Billing.** Balance Billing is becoming more and more of a problem.
- I. **Show the Board an Article from the LA Times.** Two years ago the Governor directed his DMHC to adopt regulations banning balance billing when a person, that is covered by an HMO, goes out of network for emergency care. As this article points out, the Californian Supreme Court upheld these regulations and ruled that non-network providers could not balance bill an HMO patient for emergency care as long as the HMO pays what is "reasonable and fair". Obviously, reasonable and fair will be debated. However, this is not the big issue for SISC. The big issue for SISC is to work to get this same thing for members that utilize our PPO products.
- We all know about the "hidden tax"; where people with insurance have to pay higher premiums to make up for the people that don't have insurance. This is similar and may very well cause the cost of services to be increased; causing patients in a PPO plan to have a larger balance to pay because HMO members will not have to pay their balance.
- J. **Mention to the Board the Reason for Bringing out Rates Later.** Rates, for the next fiscal year, have in the past been adopted at the March meeting and based on the trend (inflation factor) from the previous 12 months (Feb. to Feb.). These rates have to fund the program for the next 12 month period from the coming Oct. (known as the window period and is 8 months away) to the following Oct. (20 months away). With budgets as tight as they are we would like to give the district ballpark estimates in March but give out actual rates in May because the shorter the window period, the more accurate we can be. We could give out actual Vision, Dental and Life rates but estimates for the Medical and RX.
- K. **Show the Board an Article from The Sacramento Bee.** Obviously there are two sides to every story, but I thought this article was interesting because it talked about CalPERS and Health Care.
- L. **Discuss the Annual Board Meeting.** Director Bigler will discuss this with the Board.
- M. **Comments from the Board of Directors Will Be Heard.** Comments will be heard at this time.