

SISC III

HEALTH BENEFITS PROGRAM
BOARD OF DIRECTORS MEETING
WEDNESDAY, AUGUST 19, 2009
1:00 P.M.

MINUTES

The regular meeting of the Board of Directors of SISC III Health Benefits Program was called to order at 1:00 p.m. on Wednesday, August 19, 2009 by Director John Caudle in the absence of Director Bigler, in the SISC Board Room on the Fifth Floor of the Kern County Superintendent of Schools Office, 1300 17th Street, Bakersfield, California, with the following in attendance:

MEMBERS PRESENT:

Thomas Alvarez
 John Caudle
 Eva Chavez
 Brian Hawkins
 Kip Hearn
 Steve McClain
 Gary Pickavet
 Dennis Scott
 Ernie Unruh

ALTERNATES PRESENT:

John Mendiburu

OTHERS PRESENT:

Cherie Payne
 Cindy Mattern
 Bonnie Bowles
 John Stenerson
 Joe Anna Miller - Buckman-Mitchell
 Judy Fussel – Buckman-Mitchell
 Megan Hanson
 Nelson Heisey
 Henry Barker
 Kelly Cooper – Burnham Benefits
 Trish Srimingol - Kaiser
 Rich Edwards – Merrill Lynch
 Fred Bayles – Wells Fargo Advisors

CONSENT CALENDAR

Motion was made by Director Cox, seconded by Director Heisey and carried to approve the Consent Calendar as follows:

Minutes. Minutes for the July 2008 Regular Board of Directors Meeting.

Report of Activity for the Month of July 2008 and Ratification of Payment as follows:

DELTA DENTAL CLAIMS	7,359,920.15	
DELTA DENTAL ASO	482,810.84	
	TOTAL DENTAL	7,842,730.99
VSP CLAIMS	1,162,042.22	
MES CLAIMS	48,050.67	
VSP ASO	90,413.32	
MES ASO	5,216.81	
	TOTAL VISION	1,305,723.02
ANTHEM BLUE CROSS HEALTH CLAIMS	47,160,017.30	
BLUE SHIELD HEALTH CLAIMS	7,208,141.39	

**SISC III BOARD MEETING
WEDNESDAY, AUGUST 19, 2009
PAGE 2**

ANTHEM BC BEHAVIORAL HEALTH CLAIMS	288,046.91	
ANTHEM BC COMPANION CARE RETIREE CLAIMS	209,440.03	
MEDCO DISCOUNT CARD CLAIMS	50,141.62	
TOTAL HEALTH CLAIMS	54,915,787.25	
ANTHEM BLUE CROSS ASO	1,361,273.52	
BLUE SHIELD ASO	196,854.01	
ANTHEM BC BEHAVIORAL HEALTH ASO	154,712.29	
ANTHEM BC COMPANION CARE RETIREE ASO	42,664.60	
FOUNDATION CLMS PROCESSING ASO	551,996.64	
MEDCO DISCOUNT CARD ASO	1,391.92	
TOTAL HEALTH ASO	2,308,892.98	
TOTAL HEALTH		57,224,680.23
MEDCO CLAIMS	11,208,076.91	
AMERICAN HEALTH CARE CLAIMS	1,915,897.56	
MEDCO ASO	316,877.57	
AMERICAN HEALTH CARE ASO	50,676.80	
TOTAL RX		13,491,528.84
<u>FULLY-INSURED PRODUCTS</u>		
AETNA HMO	1,217,366.24	
BLUE SHIELD HMO	1,038,740.90	
ANTHEM BC CALIFORNIA CARE HMO	962,966.80	
HEALTH NET HMO	1,818,102.55	
KAISER HMO	2,746,367.73	
PACIFIC CARE BEHAVIORAL HEALTH	475,998.65	
CIGNA BEHAVIORAL HEALTH	16,248.23	
UNITED HEALTHCARE DENTAL	837.80	
DELTACARE/PMI DENTAL	4,053.84	
KAISER SENIOR ADVANTAGE RETIREE PLAN	50,202.00	
HEALTH NET SENIORITY PLUS RETIREE PLAN	43,716.00	
AETNA FULLY INSURED PPO	56,029.41	
BLUE SHIELD FULLY INSURED PPO	23,142.00	
HEALTH NET FULLY INSURED PPO	3,977.85	
MUTUAL OF OMAHA LIFE	125,684.70	
ZURICH LIFE	12,532.00	
TOTAL FULLY-INSURED		8,595,966.70
SISC FLEX CLAIMS		154,265.80
STOP LOSS - VISTA UNDERWRITING PARTNERS		46,588.66
WELLNESS		5,353.08
ALL OTHER		5,917,808.72
TOTAL III PAYMENTS		94,584,646.04

PUBLIC COMMENT

ACTION ITEMS

Financial Report. Cindy Mattern reviewed with the Board the Financial Report for the period ending July 31, 2009. The Investment Summary Report for the period April-June 2009 was reviewed as well. After discussion, motion was made by Director Hearn, seconded by Director Scott and carried approving the Financial Report as presented.

Request Approval of the 2009-2010 GASB 45 Budget. Cindy Mattern reviewed the proposed 2009-2010 GASB 45 Budget for the Board. After discussion, motion was made by Director Hawkins, seconded by Director Mendiburu, and carried approving the 2009-2010 GASB 45 Budget as presented.

Request Approval of the 2008-2009 SISC GASB 45 Budget. Cindy Sproles reviewed the proposed GASB 45 budget with the Board and discussed the reason for the requested increase is due to the business picking up the last year. We anticipate quite a bit of new districts coming on in the next year. After discussion, motion was made by Director Hearn, seconded by Director Cox and carried approving the 2008-2009 GASB 45 budget as presented.

INFORMATION AND DISCUSSION ITEMS

Monthly SISC PPO Trend History Through July 2009. John Stenerson reviewed the monthly SISC PPO Trend history through July 2009. John pointed out the drop in membership and let the Board know it was most likely due to lay-offs. John informed the Board about the meaning of the middle column (lagged), and pointed out that we are consistently running around 6%, which is very good in the industry.

Provide Each Board Member With a List of All Board Members. Director Caudle reviewed with the Board a listing of current Board Members.

Update the Board on the California Health Care Coalition. John Stenerson reviewed the history of the CHCC and let the Board know of his participation on their board. John pointed out that CHCC includes both employers and organizations, along with unions. John discussed the PQI Program which encompasses CHCC developing agreements with selected hospitals to improve safety, quality and outcomes of care. John discussed a letter that SISC sent to CHCC agreeing to review the PQI program and possibly participate.

Show the Board an Article from the L.A. Times on Getting RX Drugs. John Stenerson reviewed this article with the Board which discussed Casino's adding pharmacies to the features they have available in house.

Show the Board the Progress of the Federal Health Care Bill. John Stenerson reviewed this article with the Board which provided an update on the Health Care Bill.

Show the Board a Copy of a Memo that Was Sent Showing our Programs. John Stenerson discussed this memo that recently went out to districts describing the programs offered by SISC that members may not be aware of including, the 24/7 Nurse Hotline, Health Smarts, the Costco \$0 Generic Co-Pay Program and \$0 Generic Co-Pays for Diabetic Supplies.

Update the Board on an Anthem Blue Cross popular Provider Issue. John Stenerson discussed this situation regarding a Medical Group in the Merced area that is currently in negotiations with Anthem Blue Cross. The Medical Group is widely used and is currently in jeopardy of leaving the Anthem Blue Cross system. A letter was sent from Russ to the President of the Medical Group letting them know how important it is to the SISC membership in the area for the group and Blue Cross to come to some agreement.

**SISC III BOARD MEETING
WEDNESDAY, AUGUST 19, 2009
PAGE 4**

Comments From the Board of Directors. Director Caudle let the Board know that Director Heisey has retired and this meeting would be his last. Director Caudle praised Heisey for his service and expertise over the years and wished him well in his retirement.

ADJOURNMENT

There being no further business to come before the Board, motion was made by Director Scott, seconded by Director McClain and carried adjourning the meeting at 1:42 p.m.

NEXT MEETING

The next meeting of the Board of Directors will be held **Wednesday, September 23, 2009**, at 1:00 p.m. in the SISC Board Room on the Fifth Floor of the Kern County Superintendent of Schools Office, 1300 17th Street, Bakersfield, California.

DAN MUNIS, Secretary