

**SISC III
HEALTH BENEFITS PROGRAM
BOARD OF DIRECTORS MEETING
SEPTEMBER 23, 2009
1:00 P.M.**

AGENDA

I. CONSENT CALENDAR

- A. Approval of Minutes for August 2009 Board of Directors Meeting Russell Bigler
- B. Report of Activity for the Month of August 2009 and ratification of payment as follows: Russell Bigler

DELTA DENTAL CLAIMS	6,462,797.34	
DELTA DENTAL ASO	423,959.49	
TOTAL DENTAL		\$6,886,756.83
VISION SERVICE CLAIMS	1,254,603.23	
MES CLAIMS	51,206.95	
VSP ASO	90,233.54	
MES ASO	5,208.02	
TOTAL VISION		\$1,401,251.74
ANTHEM BLUE CROSS HEALTH CLAIMS	43,681,635.39	
BLUE SHIELD HEALTH CLAIMS	6,283,151.89	
ANTHEM BC BEHAVIORAL HEALTH CLAIMS	269,405.64	
ANTHEM BC COMPANION CARE RETIREE CLAIMS	225,332.94	
MEDCO DISCOUNT CARD CLAIMS	52,536.74	
TOTAL HEALTH CLAIMS	50,512,062.60	
ANTHEM BLUE CROSS ASO	1,459,880.93	
BLUE SHIELD ASO	189,063.57	
ANTHEM BC BEHAVIORAL HEALTH ASO	154,842.80	
ANTHEM BC COMPANION CARE RETIREE ASO	42,877.45	
FOUNDATION CLMS PROCESSING ASO	551,041.92	
MEDCO DISCOUNT CARD ASO	1,328.83	
TOTAL HEALTH ASO	2,399,035.50	
TOTAL HEALTH		52,911,098.10
MEDCO CLAIMS	10,850,482.67	
AMERICAN HEALTH CARE CLAIMS	1,964,311.53	
MEDCO ASO	249,318.99	
AMERICAN HEALTH CARE ASO	50,356.30	
TOTAL RX		13,114,469.49
FULLY INSURED PRODUCTS		
AETNA HMO	0.00	
BLUE SHIELD HMO	370,874.70	
ANTHEM BC CALIFORNIA CARE HMO	928,668.00	
HEALTH NET HMO	1,781,245.28	

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KAISER HMO	2,468,967.50	
PACIFICARE BEHAVIORAL HEALTH	471,625.76	
CIGNA BEHAVIORAL HEALTH	15,565.57	
UNITED HEALTH CARE DENTAL	708.48	
DELTACARE/PMI DENTAL	0.00	
KASIER SENIOR ADVANTAGE RETIREE PLAN	51,292.00	
HEALTH NET SENIORITY PLUS RETIREE PLAN	44,348.00	
AETNA FULLY INSURED PPO	0.00	
BLUE SHIELD FULLY INSURED PPO	0.00	
HEALTH NET FULLY INSURED PPO	3,977.85	
MUTUAL OF OMAHA LIFE	98,419.44	
ZURICH LIFE	12,497.40	
TOTAL BLUE CROSS AND BLUE SHIELD CLAIMS		\$6,248,189.98
SISC FLEX CLAIMS	153,769.03	
STOP LOSS - VISTA UNDERWRITING PARTNERS	46,085.22	
WELLNESS	-992.68	
ALL OTHER	440,345.81	
TOTAL SISC III PAYMENTS		\$81,200,973.52

II. PUBLIC COMMENT

III. ACTION ITEMS

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| A. Financial Report - Financial Statements For Prior Month Presented For Approval | Cindy Mattern |
| B. Request Approval of the 2009-2010 Budget | Cindy Mattern |

IV. DISCUSSION AND INFORMATION ITEMS

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| A. Monthly SISC PPO Trend History Through August 2009 | John Stenerson |
| B. Update the Board on the California Health Care Coalition | Russell Bigler |
| C. Review the August 19 th Anthem Blue Cross Consumer Relations Committee Meeting | Russell Bigler |
| D. Update the Board on the Auto Payment Program as it relates to The Individual Retiree Program | Jennifer Bennett |
| E. Update the Board on Anthem Blue Cross contracting with MFA Medical Group and Emanuel Medical Center | Russell Bigler |
| F. Show the Board a Newspaper Article on Hospitals | Russell Bigler |
| G. Comments from the Board of Directors Will Be Heard | |
| H. Adjournment | |
| I. Next Meeting: | Wednesday, October 15, 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 AND DISCUSSION ITEMS

SEPTEMBER 23, 2009

- A. **Monthly SISC PPO Trend History Through August 2009.** The monthly SISC PPO Trend History through August 2009 will be presented.
- B. **Update the Board on the California Health Care Coalition.** As the handout shows CECHCR is made up of 9 professional organizations within the school community. The executive committee has determined the best way to provide affordable health care to school employees is through a statewide pool. I will update you on this process at the Board Meeting.
- C. **Review the August 19th Anthem Blue Cross Consumer Relations Committee Meeting.** I have enclosed the agenda from the August 19th meeting. Some highlights are:
- A survey of the trend by ABC of the following insurance companies shows –
 - Aetna – 12.7%
 - United – 12.7%
 - Humana – 13.7%
 - Cigna – 12.0%
 - Anthem – 13.0%

As John pointed out, the SISC trend is staying in the 5-6% range. This is mostly because the overhead at SISC is so much less than with the insurance companies.

- Balance Billing from Non-Par Providers continues to be a top Administrative Appeal reason for both Anthem's HMO and PPO Fully Insured book of business.
 - At the July meeting I showed you a letter I had sent to the Insurance Commissioner, Steve Poizner, because this is also a huge concern to SISC.
 - Ann-Louise Kuhns, Anthem's V.P. for State Affairs mentioned I had also sent her a copy and I e-mailed the letter to another committee member. The point is, nothing is going to happen unless enough people involve state legislatures.
 - Most of the insurance companies have lost some business due to the economy. This has mainly come from small groups so they are working on plan designs and pricing to make this happen
 - Two of the things we have wanted to provide for a very long time are a wellness program people will use that won't break the bank, which we now have, and products we, or an insurance company can make available to part-time employees. This is very difficult because of adverse selection but there might be something with these products that are being put together.
- D. **Update the Board in the Auto Payment Program as it relates to the Individual Retiree Program.** We are getting more and more retiree participation in this program. This is good for SISC and good for the retiree. Someone from Health will elaborate.
- E. **Update the Board on Anthem Blue Cross Contracting with MFA Medical Group and Emanuel Medical Center.** Last month it was mentioned that Anthem Blue Cross (ABC) was in negotiations with MFA Medical Group out of Merced and Emanuel Medical Center out of Turlock. We also showed you the copy of a letter we wrote to ABC, each provider and faxed it to area Superintendents.
- As of this writing 9/1/09, MFA Medical Group and ABC have settled, see attached e-mail, and ABC and Emanuel are still talking.
- F. **Show the Board a Newspaper Article on Hospitals.** Interesting article on how hospital CEO's see ways to save costs in the future.
- G. **Comments From the Board of Directors.** Comments from members of the Board will be heard at this time.