

**SISC III
HEALTH BENEFITS PROGRAM
BOARD OF DIRECTORS MEETING
FEBRUARY 17, 2010
1:00 P.M.**

A G E N D A

I. CONSENT CALENDAR

- A. Approval of Minutes for January 2010 Board of Directors Meeting Russell Bigler
- B. Report of Activity for the Month of January 2010 and ratification of payment as follows: Russell Bigler

DELTA DENTAL CLAIMS	7,338,704.65	
DELTA DENTAL ASO	481,419.08	
TOTAL DENTAL		\$7,820,123.73
VISION SERVICE CLAIMS	1,232,043.50	
MES CLAIMS	103,102.80	
VSP ASO	86,598.78	
MES ASO	11,186.40	
TOTAL VISION		\$1,432,931.48
ANTHEM BLUE CROSS HEALTH CLAIMS	39,025,709.02	
BLUE SHIELD HEALTH CLAIMS	6,375,658.82	
ANTHEM BC BEHAVIORAL HEALTH CLAIMS	251,619.67	
ANTHEM BC COMPANION CARE RETIREE CLAIMS	267,941.52	
MEDCO DISCOUNT CARD CLAIMS	52,613.82	
TOTAL HEALTH CLAIMS	45,973,542.85	
ANTHEM BLUE CROSS ASO	1,357,150.01	
BLUE SHIELD ASO	163,725.26	
ANTHEM BC BEHAVIORAL HEALTH ASO	164,446.61	
ANTHEM BC COMPANION CARE RETIREE ASO	45,570.00	
FOUNDATION CLMS PROCESSING ASO	557,060.40	
MEDCO DISCOUNT CARD ASO	1,749.03	
TOTAL HEALTH ASO	2,289,701.31	
TOTAL HEALTH		48,263,244.16
MEDCO CLAIMS	11,898,208.71	
AMERICAN HEALTH CARE CLAIMS	1,892,307.38	
MEDCO ASO	324,698.23	
AMERICAN HEALTH CARE ASO	53,534.00	
TOTAL RX		14,168,748.32
INSURED PRODUCTS		
ANTHEM BC HMO CLAIMS	615,143.85	
ANTHEM BC HMO ADMIN FEE	552,465.59	
BLUE SHIELD HMO CLAIMS	730,062.91	
BLUE SHIELD HMO ADMIN FEE	173,556.80	
AETNA HMO	1,388,826.39	
HEALTH NET HMO	341,610.60	
KAISER HMO	2,856,927.39	

PACIFICARE BEHAVIORAL HEALTH	509,135.55	
CIGNA BEHAVIORAL HEALTH	15,985.80	
UNITED HEALTH CARE DENTAL	697.35	
DELTACARE/PMI DENTAL	3,608.22	
KASIER SENIOR ADVANTAGE RETIREE PLAN	53,721.00	
HEALTH NET SENIORITY PLUS RETIREE PLAN	50,555.00	
AETNA INSURED PPO	73,096.13	
BLUE SHIELD INSURED PPO	0.00	
HEALTH NET INSURED PPO	0.00	
MUTUAL OF OMAHA LIFE	134,078.51	
ZURICH LIFE	12,576.40	
TOTAL BLUE CROSS AND BLUE SHIELD CLAIMS		\$7,512,047.49
SISC FLEX CLAIMS	153,174.23	
STOP LOSS - VISTA UNDERWRITING PARTNERS	0.00	
WELLNESS	144,800.00	
ALL OTHER	258,073.73	
TOTAL SISC III PAYMENTS		\$79,753,143.14

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 Billing Districts on a "Pay as Billed" Basis vs. a Payroll Based System | Russell Bigler |

IV. DISCUSSION AND INFORMATION ITEMS

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| A. Show the Monthly SISC PPO Claims History Through January 2010 | John Stenerson |
| B. Update the Board on the Federal Government Health Care Bill | Russ Bigler |
| C. Show the Board the Percentage of Reserves to Liabilities Over the Past 5 Years | John Stenerson |
| D. Mention the 2010-11 Rates for Every Product except the Medical with be Presented At the March Meeting | Russ Bigler |
| E. Update the Board on the SISC Wellness Program | Jennifer Bennett |
| F. Update the Board on Continuity of Operations Plan | Russell Bigler |
| G. Update the Board on SISC Flex Enrollment and Deposits | Cindy Mattern |
| H. Update the Board on the Anthem Changes to their Physical Therapy, Occupational Therapy, and Speech Therapy Networks | Russell Bigler |
| I. Comments from the Board of Directors Will Be Heard | |
| J. Adjournment | |
| K. Next Meeting: | Wednesday, March 24, 2010 |

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 BOARD OF DIRECTORS

INFORMATION ITEMS

- A. **Monthly SISC PPO Claims History Through January 2010.** The SISC PPO claims history through January 2010 will be shown at the meeting.

- B. **Update the Board on the Federal Government Health Care Bill.** The Republican Scott Brown's victory over Democrat Martha Coakley for the U.S. Senate seat in Massachusetts gives the Republicans the 41st vote they need to block legislation in the Senate. This is causing the Democrats to rethink their options.

- C. **Show the Board the Percentage of Reserves to Liabilities Over the Past 5 Years.** John Stenerson will go over this.

- D. **Mention the 2010-11 Rates for every Product except the Medical and RX will be Presented at the March Meeting.** Per our January 2010 Board Meeting, staff will ask approval for 2010-11 rates for dental, vision and behavioral health.

- E. **Update the Board on the SISC Wellness Program.** We are entering the 2nd year of an excellent Wellness Program and the staff has been marketing it throughout SISC Member Districts because it continues to be the next big area for cost containment.

- F. **Update the Board on Continuity of Operations Plan.** Background: The old name was Disaster Recovery. Counting SISC I, II, III and the added value programs in the SISC Finance Department, we are talking about one billion dollars a year and somewhere around 380 school districts or county offices from the Oregon to the Mexican borders and from the Pacific Coast to the Arizona/Nevada borders. As we work with the business community, the vendors, many of them smaller than SISC, are amazed we don't have our servers duplicated off-site.

We have realized for sometime, and the independent audit firm reconfirmed, we need an offsite location to replicate our servers and we believe we have found such a site.

The San Luis Obispo County Office of Education has worked with the Kern County Office of Education for several years. With that as background, it appears we could utilize a portion of their site, at no cost, to house a replica of the current server farm currently utilized by SISC for daily warehousing. KCSOS would do the same for SLOSOS. There will be the cost of hardware and some ongoing cost but not nearly as much as there would be if we were going on our own.

At some point we know we need to establish an offsite work area for staff to utilize to continue to serve members and member districts in case of a fire, flood, earthquake, etc. to this building. However, right now we are concentrating on the protection of SISC data.

Update: The Construction job went to bid several weeks ago, and we have accepted the low bid of \$114,495.00. This represents a substantial reduction in cost from what was originally thought the cost to be, due to SISC and KCSOS working together to redesign the original plan. Construction is expected to take several months and finish some time in April. We are currently getting prices on the equipment we will need once construction has been completed.

G. **Update the Board on SISC Flex Enrollment and Deposits.** Per the attachment you can see more people are participating and they are putting more money in their SISC Flex Plan.

H. **Update the Board on the Anthem Changes to their Physical Therapy, Occupational Therapy, and Speech Therapy Networks.** At our monthly Anthem Service Meeting, on January 29, 2010, we learned Anthem was making, and the reasons for making, the changes mentioned in the handout to their P.T., O.T. and Speech Therapy Networks. Anthem cited the following reasons for making these changes;

Expand the provider network, improve member access to care and reduce overall medical costs.

We are closely monitoring this and are ready to communicate these changes to member districts if we believe that would be the best thing to do.

I. **Comments from the Board of Directors**