

SISC III

HEALTH BENEFITS PROGRAM BOARD OF DIRECTORS MEETING WEDNESDAY, FEBRUARY 20, 2008 1:00 P.M.

MINUTES

The regular meeting of the Board of Directors of SISC III Health Benefits Program was called to order at 1:05 p.m. on Wednesday, February 20, 2008, 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:

Russ Bigler
John Caudle
Karen Cox
Dennis Franey
Kip Hearron
Nelson Heisey
Dan Munis
Gary Pickavet
Dennis Scott

ALTERNATES PRESENT:

Judy Marty
John Stenerson
Tom Valos

OTHERS PRESENT:

Cherie Payne
Cindy Sproles
Bonnie Bowles
Jennifer Bennett
Carmen Gonzales
Nick Kouklis
Raquel Acebedo
Judy Fussell – Buchman Mitchell
JoeAnna Miller – Buchman Mitchell
Dan Bly – Delta Dental
Catherine Mauldin – CSAC-EIA
Rich Edwards – Merrill Lynch

CONSENT CALENDAR

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

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

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

DELTA DENTAL CLAIMS	6,117,754.28	
SISC ASO	401,324.68	
DENTAL COALITION CLAIMS	1,046,070.20	
DENTAL COALITION ASO	68,622.21	
DELTACARE/PMI PREMIUM	4,007.08	
	TOTAL DENTAL	\$7,637,778.45
VISION SERVICE CLAIMS	1,191,524.56	
VSP ASO	90,545.04	
MES CLAIMS	40,099.53	
MES ASO	4,417.55	
	TOTAL VISION	\$1,326,586.68
PACIFICARE/BEHAV HEALTH	462,875.63	
CIGNA BEHAV. HEALTH (MCC SLECT)	17,125.33	
SECURE HORIZONS PREM (PACIFICARE)	7,830.86	
SENIOR ADVANTAGE PREM (KAISER)	40,150.00	
SENIORITY PLUS PREM (HEALTHNET)	35,357.00	
BLUE SHIELD HMO PREMIUM	1,907,213.09	
BLUE SHIELD FULLY INSURED PPO	86,703.89	
HEALTH NET PREMIUM	1,583,401.51	
CALIFORNIA CARE PREMIUM	1,016,328.00	
KAISER PREMIUM	2,708,965.80	
PACIFICARE PREMIUM (No Longer Offered)	0.00	
UNITED HEALTHCARE (FORMERLY PACIFIC UNION DENTAL)	1,480.46	
UNITED HEALTHCARE SPECIALTY BENEFITS (LIFE)	119,030.46	
NAT'L BENEFIT RESOURCES (STOP LOSS)	56,622.00	
BLUE CROSS HEALTH CLAIMS	41,205,830.21	
BLUE SHIELD HEALTH CLAIMS	3,688,839.59	
BEHAVIORAL HEALTH CLAIMS	329,198.96	
ITS CLAIMS	1,157,815.81	
COMPANION CARE CLAIMS	187,354.75	
	TOTAL BLUE CROSS AND BLUE SHIELD CLAIMS	\$46,569,039.32

BLUE CROSS NETWORK ASO	1,241,263.67	
FOUNDATION ADJUDICATION ASO	559,109.07	
BLUE SHIELD ASO	10,688.64	
BEHAVIORAL HEALTH ASO	154,549.88	
ITS ASO	67,794.43	
COMPANION CARE ASO	37,232.97	
TOTAL BLUE CROSS AND BLUE SHIELD ADMIN.		\$2,070,638.66
TOTAL BLUE CROSS AND BLUE SHIELD		\$48,639,677.98
MERCK CLAIMS	9,442,032.67	
ASO-COPAY	355,286.85	
CLAIMS - DISCOUNT CARD	67,306.76	
ASO - DISCOUNT CARD	3,504.15	
CLAIMS - MEDICARE PART D	313,945.76	
ASO - MEDICARE PART D	10,805.52	
AHC - CLAIMS	1,968,631.89	
AHC - ASO	72,548.60	
TOTAL RX CLAIMS		\$12,234,062.20
TOTAL BC, BSC AND RX		\$60,873,740.18

PUBLIC COMMENT

ACTION ITEMS

Financial Report. Cindy Sproles reviewed with the Board the Financial Report for the period ending January 31, 2008. She advised the Board that the LAIF rate is at 4.62% for the month and 4.96% for the quarter. Cindy reviewed the Quarterly Investment Summary Report with the Board and introduced Rich Edwards from Merrill Lynch. After discussion, motion was made by Director Pickavet, seconded by Director Caudle and carried ratifying the Financial Report as presented.

Request Approval of the 2006-2007 Independent Financial Audit. Cindy Sproles reviewed with the Board the SISC III Independent Financial Audit. After discussion, motion was made by Director Scott, seconded by Director Cox and carried approving the Independent Financial Audit as presented.

INFORMATION AND DISCUSSION ITEMS

Show the Monthly SISC PPO Claims History Through January 2008. John Stenerson reviewed the claims history with the Board and discussed our year over year change of 3.6%. This number includes Cities and Counties in the CSAC-EIA JPA. Now that CSAC is in their second year with us, we should start to see the percentage go up, probably to the 7-10% range. John let the Board know that Blue Cross is estimating trend to be around 10% this year, with certain parts of the central coast at 13%. John discussed how between doing so well and the estimated trend, we should be single digit increases for next year.

Update the Board on Phia Recoveries. Director Bigler discussed the success of the Phia Group and the recoveries they have made on our behalf this year. Currently our active cases are worth 5.2 million, and we are projecting to recover more than 3.4 million over the next few years.

Update the Board on SISC's Health Improvement Program. John Stenerson reviewed the new SISC Health Improvement Plan with the Board including describing the new website and the Health Risk Assessment available on-line for members to access.

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Update the Board on the CHCC Presentation given at the December Board Meeting. Director Bigler reviewed with the Board the information that Sally Covington presented at the December Board Meeting and provided an update on information gathered since then.

Update the Board on the SISC Flex Program. Director Bigler reviewed the attached sheets showing employee and district growth in this program.

Show the Board a Comparison Between the PERS and SISC GASB 45 Plans. Director Bigler let the Board know that a law was recently passed allowing PERS to do GASB 45 administration for all governmental entities. Cindy Sproles then showed the Board a comparison between the PERS plan and the SISC Plan.

Mention Blue Cross of California Name Change. Director Bigler informed the Board that Blue Cross of California will be changing it's name to Anthem Blue Cross. Blue Cross will be using commercials during American Idol soon to announce the name change, and new ID Cards will possibly be issued at open enrollment.

Review an Article for the L.A. Times. Director Bigler discussed this article with the Board regarding letters written to physicians from Blue Cross asking questions about the medical history of some of their patients. Director Bigler let the Board know these letters were sent to the physicians of patients on individual HMO policies, not SISC policies, and mostly had to do with subscribers not disclosing pre-existing conditions.

Comments From the Board of Directors. There were no comments from the Board.

ADJOURNMENT

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

NEXT MEETING

The next meeting of the Board of Directors will be held **Wednesday, March 26, 2008**, 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