

SISC III
HEALTH BENEFITS PROGRAM
BOARD OF DIRECTORS MEETING
WEDNESDAY, NOVEMBER 16, 2011
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, November 16, 2011 by Director Kouklis, 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:

Nick Kouklis
 John Caudle
 Scott Cole
 Chris Crawford
 Kip Hearron
 Gary Pickavet
 Richard Stotler

ALTERNATES PRESENT:

Judy Marty

OTHERS PRESENT:

Cindy Mattern
 Bonnie Bowles
 John Stenerson
 Jennifer Bennett
 Megan Hanson
 Raquel Acebedo
 Carmen Gonzales
 Lola Nickell
 Melanie Goldsmith
 Carolyn Temple
 Dan Bly
 Andrea Juarez
 Fred Bayles – Wells Fargo Advisors, LLC
 Rich Edwards – Merrill Lynch

CONSENT AGENDA

Motion was made by Director Crawford, seconded by Director Caudle and carried 8-0, to approve the Consent Agenda as follows:

Minutes. Minutes for the October 2011 Board of Directors Meeting.

Claims.

DELTA DENTAL CLAIMS	5,824,082.77	
DELTA DENTAL ASO	375,070.96	
	TOTAL DENTAL	6,199,153.73
VSP CLAIMS	670,417.75	
MES CLAIMS	113,970.58	
VSP ASO	71,776.50	
MES ASO	16,502.45	
	TOTAL VISION	872,667.28

ANTHEM BLUE CROSS HEALTH CLAIMS	44,481,831.55	
BLUE SHIELD HEALTH CLAIMS	10,657,290.77	
ANTHEM BC COMPANION CARE RETIREE CLAIMS	292,689.03	
MEDCO DISCOUNT CARD CLAIMS	34814,.87	
TOTAL HEALTH CLAIMS	55,466,626.22	
ANTHEM BLUE CROSS ASO	1,654,173.70	
BLUE SHIELD PPO ASO	345,116.90	
ANTHEM BC COMPANION CARE RETIREE ASO	52,345.68	
FOUNDATION CLMS PROCESSING ASO	553,119.84	
MEDCO DISCOUNT CARD ASO	740.00	
TOTAL HEALTH ASO	2,605,496.12	
	TOTAL HEALTH	58,072,122.34
MEDCO CLAIMS	13,841,180.72	
AMERICAN HEALTH CARE CLAIMS	2,222,427.77	
MEDCO ASO	295,532.14	
AMERICAN HEALTH CAREASO	56,172.80	
BC RX	14,165.76	
	TOTAL RX	16,429,479.19
<u>INSURED PRODUCTS</u>		
ANTHEM BC HMO CLAIMS	1,719,848.49	
ANTHEM BC HMO ADMIN FEE	1,666,629.66	
ANTHEM BC EAP	135,597.74	
BLUE SHIELD HMO CLAIMS	1,973,315.73	
BLUE SHIELD HMO ADMIN FEE	1,857,501.57	
KAISER HMO	5,915,936.08	
SIMNSA	46,113.66	
DELTACARE/PMI DENTAL	3,366.42	
KAISER SENIOR ADVANTAGE RETIREE PLAN	75,847.00	
MUTUAL OF OMAHA LIFE INS	174,130.37	
ZURICH LIFE	13,256.60	
	TOTAL INSURED	13,581,543.32
SISC FLEX CLAIMS		208,641.05
WELLNESS		446,406.00
ALL OTHER		571,849.92
	TOTAL III PAYMENTS	96,381,862.83

PUBLIC COMMENT

None

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ACTION ITEMS

Financial Report. Cindy Mattern reviewed with the Board the Financial Report for the period ending October 31, 2011. After discussion, motion was made by Director Hearn, seconded by Director Stotler and carried, 8-0, approving the Financial Report as presented.

Request Approval of the GASB 45 Trust A Independent Financial Audit Report for the Year Ended 06/30/11. Cindy Mattern presented the GASB45 Trust A Independent Financial Audit Report to the Board. After discussion, motion was made by Director Caudle, seconded by Director Stotler and carried, 8-0 approving the GASB 45 Trust A Independent Financial Audit Report as presented.

Request Approval of the GASB 45 Trust B Independent Financial Audit Report for the Year Ended 06/30/11. Cindy Mattern presented the GASB 45 Trust B Independent Financial Audit Report to the Board. After discussion, motion was made by Director Pickavet, seconded by Director Crawford and carried, 8-0, approving the GASB 45 Trust B Independent Financial Audit Report as presented.

INFORMATION AND DISCUSSION ITEMS

Monthly SISC PPO Trend History Through September 2011. John Stenerson reviewed the monthly SISC PPO Trend history through October 2011.

Blue Shield 2% Pledge Credit. John Stenerson reviewed with the Board a letter from Blue Shield announcing their pledge to limit annual net income to 2%.

Blue Shield is Returning \$275,000 to SISC. John Stenerson discussed an anticipated credit from Blue Shield.

Show the Board an Article from the Visalia Times-Delta, "Tulare Hospital Board Approves Lease of Equipment for Robot Surgery". Director Kouklis presented this article to the Board for review.

Show the Board an Article from the Washington Post, "World Population Not Only Grows, But Grows Old". Director Kouklis presented this article to the Board for review.

Show the Board an Article from the Wall Street Journal, "Going Off Scripts?" Walgreens could leave Express Scripts network of pharmacies next year over Reimbursement rates for filling prescriptions. Director Kouklis presented this article to the Board for review.

Comments from the Board of Directors. Director Chavez would like additional communication for employees. Director Hearn suggested information be made available on the SISC web site.

ADJOURNMENT

There being no further business to come before the Board, a motion was made by Director Caudle, seconded by Director Stotler and the motion carried 8-0 adjourning the meeting at 2:10 p.m.

NEXT MEETING

The next meeting of the Board of Directors will be held **Wednesday December 21, 2011**, 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.