SISC III

HEALTH BENEFITS PROGRAM
BOARD OF DIRECTORS MEETING
WEDNESDAY, APRIL 19, 2006
1:00 P.M.

M I N U T E S

The regular meeting of the Board of Directors of SISC III Health Benefits Program was called to order at 1:10 p.m. on Wednesday, April 19, 2006, in the SISC Board Room on the 5th Floor of the Kern County Superintendent of Schools Office, 1300 17th Street, Bakersfield, California, with the following in attendance:

MEMBERS PRESENT:	**ALTERNATES PRESENT:**	**OTHERS PRESENT:**
Russell Bigler	Paul Baxter	Cindy Sproles
Ken Hochnadel	Richard Graham	Bonnie Bowles
Doug Miller	Judy Marty	Lynn LaValley
Dan Munis	John Stenerson	Nancy Russo
Dennis Scott		Mary Bouchard – Kaiser Permanente
John Von Flue		Carolyn Temple – Kern Foundation
Michael Rucks		Steve Beargeon – Tulare Foundation
		Judy Fussel, Buckman-Mitchell
		JoeAnna Reynoso, Buckman-Mitchell
		Heather Clark
		Lori Brackett
		Jennifer Bennett
		Cherie Payne
		Kim Oliver

CONSENT CALENDAR

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

Minutes. Minutes for the March 2006 Regular Board of Directors Meeting..

Report of Activity for the Month of March 2006 and Ratification of Payment as follows:

DELTA DENTAL	Claims	$ 5,745,770.93	
SISC ASO		377,497.13	
DENTAL COALITION	Claims	1,327,972.35	
DENTAL COALITION ASO		87,247.79	
DELTACARE/PMI PREMIUM		4,787.68	
TOTAL			$7,543,275.88

VISION SERVICE	Claims	$ 754,141.43	
ASO		82,422.90	
MES CLAIMS –		$ 17,692.44	
ASO –		2,781.10	
TOTAL			$ 857,037.87
PACIFICARE/BEHAV HEALTH		$ 405,102.38	
CIGNA BEHAV. HEALTH (MCC SELECT)		$ 10,082.34	
SECURE HORIZON PREMIUM (PACIFICARE)		$ 10,082.34	
SENIOR ADVANTAGE PREMIUM (KAISER)		$ 33,462.00	
SENIORITY PLUS PREMIUM (HEALATHNET)		$ 88,437.08	
BLUE SHIELD HMO PREMIUM		$1,641,805.13	
HEALTH NET PREMIUM		$ 812,516.65	
CALIFORNIA CARE PREMIUM		$ 697,369.52	
KAISER PREMIUM		$2,161,668.81	
PACIFIC CARE PREMIUM		$ 3,383.19	
PACIFIC UNION DENTAL PREMIUM		$ 2,412.19	
UNITED HEALTHCARE (LIFE INSURANCE)		$ 151,503.04	
NAT'L BENEFIT RESOURCES (Stop Loss)		$ 65,007.36	
BLUE CROSS HEALTH CLAIMS		$30,409,864.41	
BLUE SHIELD HEALTH CLAIMS		$ 1,473,320.58	
BEHAVIORAL HEALTH CLAIMS		$ 255,493.33	
ITS CLAIMS		$ 945,713.79	
COMPANION CARE CLAIMS		$ 120,026.25	
TOTAL BLUE CROSS AND BLUE SHIELD CLAIMS			$33,204,418.36
BLUE CROSS NETWORK ASO		$ 909,732.10	
FOUNDATION ADJUDICATION ASO		$ 463,910.37	
BLUE SHIELD ASO		$ 87,529.61	
BEHAVIORAL HEALTH ASO		$ 133,161.68	
ITS ASO		$ 1,472.85	
TOTAL BLUE CROSS AND BLUE SHIELD ADMIN.			$ 1,620,054.71
TOTAL BLUE CROSS AND BLUE SHIELD			$34,824,473.07
MERCK CLAIMS		$ 8,367,363.19	
ASO-COPAY		$ 326,120.35	
M/O - DISCOUNT CARD		89,461.40	
ASO - DISCOUNT CARD		3,446.46	
TOTAL MERCK CLAIMS			8,786,391.40
TOTAL BC, BSC AND MERCK			$43,610,864.47

PUBLIC COMMENT

ACTION ITEMS

Financial Report. Cindy Sproles reviewed with the Board the Financial Report for the period ending March 31, 2006. After discussion, motion was made by Director Doug Miller seconded by Dennis Scott and carried approving the Financial Report as presented. Revolving Fund Expenditures for the period October 2005 -March 2006 were reviewed.

Request The Board Approve Covering Temporomandibular Joint Disorder. Director Bigler advised the Board that two years ago we requested the Board increase the frame allowance for our vision plan because the current one had fallen behind. Last year we requested that the Board increase the PPO lifetime maximum from $2 million to $5 million. To stay competitive we need to continue to constatly make changes to our products and the way we do business. With the above as background, Director Bigler advised the Board that we need to cover Temporomandibular Joint Disorders. He advised that we get this thrown in our face when we are marketing and when we are servicing member districts. It will only cost a fraction of a percent. After discussion, motion was made by Director Doug Miller, seconded by Director Scott and carried with Director Hochnadel voting in the negative, authorizing covering Temporomandibular Joint Disorder starting with the 2006-2007 contract year. Director Hochnadel requested a copy of the plan.

Request the Board Approve Covering Hearing Aids. Director Bigler further advised the Board that two years ago we requested that they increase the frame allowance for our vision plan because the current one had fallen behind. Last hear we requested that the Board increase the PPO lifetime maximum from $2 milliion to $5 million. To stay competitive we need to continue to constantly make changes to our products and the way we do business. With the above as background, Director Bigler advised the Board that we need to cover hearing aids. He advised that we get this thrown in our face when we are marketing and when we are servicing member districts. It will only cost a fraction of a percent. After discussion, motion was made by Director Scott, seconded by Director Miller and carried, 8 for and 1 against, approving coverage of hearing aids up to $1000.00 every 36 months starting with the 2006-2007 contract year.

INFORMATION AND DISCUSSION ITEMS

Kaiser Permanente Staff Will Discuss Childhood Obesity Program. Mary Bouchard, Kaiser Permanente, presented information on Childhood Obesity and programs being instituted by Kaiser Permanente to combat the problem.

Monthly SISC PPO Claims History Through March 2006. John Stenerson reviewed with the Board the SISC PPO claims history through March 2006.

Show the Board a Copy of the Customer Service Memorandum. Director Bigler advised the Board that we have discussed sending several different customer service items to the members. He reviewed with the Board a Customer Service Memorandum dated March 2006.

Discuss the May Board Meeting Workshop. The SISC Annual Coastal Board Meeting has been scheduled for May 18 and 19, 2006, at Mandalay Beach Resort Embassy Suites in Oxnard, California. The schedule of events is as follows:

Thursday, May 18, 2006	1:30 p.m.	SISC I Board Meeting
	2:30 p.m.	SISC II Board Meeting
	3:30 p.m.	SISC III Board Meeting
	5:00-7:00 p.m.	Reception and Networking
Friday, May 19, 2006	7:00-8:30 a.m.	Breakfast
	8:30 a.m.	Program

Show the Board a Copy of the Draft Press Release Concerning Prilosec OTC. Director Bigler reviewed with the Board a draft of a press release concerning Prilosec OTC.

1. If a doctor writes Prilosec OTC they can get it for no co-payment at any RX.
    - Before, the pharmacist would go into the computer, see that it isn't covered and tell the person to go get it over on aisle 24 at a cost of $17±
2. We will be sending a letter to each member explaining what we are doing.
3. The firm we are working with to put this together is going to:
    - Have representatives visit a third of the doctors' offices in Bakersfield and Visalia as a pilot. We will use the heads of the two Foundations to pinpoint the visits.
    - Send a package explaining what is going on to one third of the pilot group doctors.
    - Not send a packet to one third of the pilot group doctors.

Then compare results.

John Stenerson Will Discuss Health Trends. Director Bigler advised the Board that John recently made a presentation at the Central Section CASBO Mid-Year Conference. John discussed a couple of pages from his presentation.

Show the Board an Article From the Palm Beach Post. Director Bigler reviewed with the Board an interesting article from the Palm Beach Post on the relationship between Medicare Part D and buying drugs from Canada.

Show the Board a Copy of the Prescription Drug Benefit Annual Statement. Director Bigler reviewed with the Board a sample of the Prescription Drug Benefit Annual Statement sent out by Medco. It is a real eye opener for most members.

Show the Board an Article from School Services of California. Director Bigler reviewed with the Board an article which talks about health care benefits provided to retired public employees. It also talks about the difference in funding health care benefits vs. funding pension benefits. It showed that pension benefits are fairly well funded but health care benefits are not.

CSEA Handout. A letter dated April 5, 2006 from the California School Employees Association re SB-840/Single Payer Cost Savings Calculation Request was distributed and discussed. SISC III will oppose this bill.

Comments from the Board of Directors Will Be Heard There were no comments from the Board at this time.

ADJOURNMENT

There being no further business to come before the Board, motion was made by Director Chapman, seconded by Director Rucks and carried adjourning the meeting at 2:20 p.m.

NEXT MEETING

The next meeting of the Board of Directors will be held **Thursday, May 18, 2006,** at 3:30 p.m.at Mandalay Beach Resort Embassy Suites in Oxnard, California.

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DOUG MILLER, Secretary