

# SISC III

## HEALTH BENEFITS PROGRAM BOARD OF DIRECTORS MEETING WEDNESDAY, NOVEMBER 16, 2005 1:00 P.M.

### MINUTES

The regular meeting of the Board of Directors of SISC III Health Benefits Program was called to order at 1:04 p.m. on Wednesday, November 16, 2005, 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:**

Russell Bigler  
Nelson Heisey  
Ken Hochnadel  
Mike Lingo  
Dan Munis  
Michael Rucks

**ALTERNATES PRESENT:**

Mike Kileen  
Judy Marty  
Marysia Ochej  
John Stenerson

**OTHERS PRESENT:**

Wanda Carl  
Cindy Sproles  
Bonnie Bowles  
Carmen Gonzales  
Judy Fussel, Buckman-Mitchell  
Steve Bargeon, FMC of Tulare  
Karen Morovich  
Cherie Payne  
Jennifer Bennett  
Lori Brackett  
Tom Valos

**CONSENT CALENDAR**

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

**Minutes.** Minutes for the October 2005 Regular Board of Directors Meeting..

**Report of Activity for the Month of October 2005 and Ratification of Payment as follows:**

DELTA DENTAL CLAIMS	\$ 3,289,506.65	
SISC ASO	216,120.60	
DENTAL COALITION CLAIMS	588,460.00	
DENTAL COALITION ASO	40,242.36	
DELTACARE/PMI PREMIUM	<u>5,451.50</u>	
TOTAL DENTAL		\$4,139,781.11

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VSP CLAIMS	\$ 659,391.99	
ASO	80,060.88	
MES CLAIMS - OCT 1-15 ONLY	\$ 14,676.70	
ASO	<u>2,670.30</u>	
TOTAL VISION		\$ 756,799.87
PACIFICARE/BEHAV HEALTH	\$ 398,965.95	
CIGNA BEHAV. HEALTH SEPTEMBER	19,146.22	
SECURE HORIZONS PREM (PACIFICARE)	\$ 11,734.60	
SENIOR ADVANTAGE PREM (KAISER)	\$ 37,171.00	
SENIORITY PLUS PREM (HEALTHNET)	\$ 84,845.31	
BLUE SHIELD HMO PREMIUM	\$ 478,562.66	
HEALTH NET PREM	\$ 772,833.11	
CALIFORNIA CARE PREMIUM	\$ 686,416.72	
KAISER PREMIUM	\$ 1,975,087.32	
PACIFICARE PREMIUM	\$ 22,878.70	
PACIFIC UNION DENTAL PREMIUM	2,412.19	
LIFE - UNITED HEALTHCARE	\$ 150,031.42	
NAT'L BENEFIT RESOURCES (STOP LOSS)\$	60,72748033.38	
BLUE CROSS MEDICAL CLAIMS	\$26,528,746.83	
BLUE SHEILD HEALTH CLAIMS	\$ 1,119,553.60	
BEHAVIORAL HEALTH CLAIMS	\$ 182,500.72	
COMPANION CARE CLAIMS	\$ 1,413.21	
ITS CLAIMS	<u>\$ 1,086,742.44</u>	
TOTAL BLUE CROSS AND BLUE SHIELDCLAIMS		\$28,916,956.80
BLUE CROSS NETWORK ASO	\$ 891,761.24	
FOUNDATION ADJUDICATION ASO	\$ 444,022.81	
BLUE SHIELD ASO	\$ 40,579.10	
BEHAVIORAL HEALTH ASO	\$ 131,955.49	
ITS ASO	\$ 89,674.72	
COMPANION CARE ASO	\$ 12,835.45	
TOTAL BLUE CROSS AND BLUE SHIELD ADMIN.		\$ 1,621,828.81
TOTAL BLUE CROSS AND BLUE SHIELD		\$30,540,785.61
MEDCO CLAIMS	\$7,384,113.96	
ASO-COPAY	298,852.67	
M/O - DISCOUNT CARD	75,878.71	
ASO - DISCOUNT CARD	<u>4,451.87</u>	
TOTAL MEDCO		7,763,297.21
TOTAL BC AND MEDCO		\$38,304,082.82

**PUBLIC COMMENT**

## **ACTION ITEMS**

**Financial Report.** Cindy Sproles reviewed with the Board the Financial Report for the period ending October 31, 2005 and Investment Report for the period ending September 30, 2005. It was noted that the Kern County Rate is 2.97% and the LAIF rate is 3.46<sup>^</sup>. She advised the Board that Kraft Securities and Viacom have a BBB+ rating but are still acceptable for the portfolio. After discussion, motion was made by Director Ochej, seconded by Director Heiseyt and carried ratifying the Financial Report and Investment Report as presented.

## **INFORMATION AND DISCUSSION ITEMS**

**Monthly Blue Cross/SISC PPO Trend Factor for October 2005.** John Stenerson reviewed the Blue Cross/SISC PPO monthly trend factor for the month of October 2005.

**Show the Board a Memorandum on the Seventy-Five Percent Composite Premium Policy.** Director Bigler reviewed with the Board a Memorandum dated November 2, 2005 regarding the seventy-five percent composite premium policy criteria and reporting guidelines.

**Show the Board a Copy of the Memorandum Explaining Medicare Part D.** He then reviewed with the Board a letter dated October 31, 2005 regarding Medicare's new prescription drug plan available to those that are enrolled in Medicare Parts A and B. Lori Brackett explained Medicare Part D.

**Show the Board a Copy of the Membership Satisfaction Survey.** Director Bigler reviewed with the Board a memorandum dated November 2005 directed to District Superintendents and Key Contact Personnel of SISC III Member Districts containing a Membership Satisfaction Survey.

**Update the Board on the Free Generic Drug Program at Costco.** Director Bigler advised the Board that Longs is complaining because we have worked out the zero copay for generic drugs with COSTCO. We told Medco representatives that generics through COSTCO are \$4.00 less per prescription than Longs. If they would reduce their costs \$4.00 per prescription we would really like to include them in the program. COSTCO has doubled its Rx business with SISC just in the short time this program has been implemented. It was pointed out that brand names are cheaper at COSTCO as well, providing savings on both generic and brand name drugs.

**Show the Board a Copy of the GASB-45 Memorandum.** A memorandum dated November 2, 2005, directed to SISC III member districts was reviewed regarding GASB 43 and GASB 45. The Board was advised that the memorandum was e-mailed, which seemed to work great.

**Show the Board a Copy of the Customer Service Complaint Procedure.** Director Bigler reviewed with the Board a copy of the SISC III Customer Service Complaint Procedure. We are sending it to members in the San Luis Obispo, Inyo and Mono Counties. Districts in these three counties have their claims processed at Coastal Health Care, Administrators in Salinas. This is where we believe we are having most of our problems. We are also working on an individual customer satisfaction survey. It will be sent directly to members that recently used their benefits.

**Comments From the Board of Directors.** There were no comments from the Board of Directors at this time.

## **ADJOURNMENT**

There being no further business to come before the Board, motion was made by Director Hochnadel, seconded by Director Ochej and carried adjourning the meeting at 1:30 p.m.

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**NEXT MEETING**

The next meeting of the Board of Directors will be held **Wednesday, December 21, 2005**, at 1:00 p.m. in the SISC Board Room on the Fifth Floor of the Kern County Superintendent of Schools Office, 1300 17<sup>th</sup> Street, Bakersfield, California.

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DOUG MILLER, Secretary