

SISC III

HEALTH BENEFITS PROGRAM BOARD OF DIRECTORS MEETING WEDNESDAY, DECEMBER 20, 2006 1:00 P.M.

MINUTES

The regular meeting of the Board of Directors of SISC III Health Benefits Program was called to order at 1:10 p.m. on Wednesday, December 20, 2006, 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
Karen Cox
Teri Schallock
Doug Miller
Russ Miller
Dan Munis
John Von Flue

ALTERNATES PRESENT:

Dean Bentley
Richard Graham
John Stenerson

OTHERS PRESENT:

Cherie Payne
Cindy Sproles
Bonnie Bowles
Kim Oliver
Tom Valos
JoAnna Reynoso – Buchman Mitchell
Lauri Phillips
Jennifer Bennett
Holly Vonderhaar – Kaiser

CONSENT CALENDAR

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

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

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

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DELTA DENTAL	Claims	\$ 3,860,650.83	
SISC ASO		253,644.76	
DENTAL COALITION	Claims	765,528.69	
DENTAL COALITION ASO		50,295.23	
DELTA CARE/PMI PREMIUM		4,111.16	
TOTAL			\$4,934,230.67
VISION SERVICE	Claims	\$ 603,846.23	
ASO		84,628.32	
MES CLAIMS		\$ 21,937.02	
ASO		<u>4,345.60</u>	
TOTAL			\$ 714,757.17
PACIFICARE/BEHAV HEALTH		\$ 435,434.92	
CIGNA BEHAV. HEALTH (MCC SELECT)		\$ 18,353.74	
SECURE HORIZONS PREM (PACIFICARE)		\$ 9,918.50	
SENIOR ADVANTAGE PREM (KAISER)		\$ 24,192.00	
SENIORITY PLUS PREM (HEALTHNET)		\$ 65,462.67	
BLUE SHIELD HMO PREMIUM		\$ 2,027,572.89	
BLUE SHIELD FULLY INSURED PPO		\$ 108,149.39	
HEALTH NET PREMIUM		\$ 1,088,161.73	
CALIFORNIA CARE PREMIUM		\$ 799,478.14	
KAISER PREMIUM		\$ 2,411,196.24	
PACIFIC CARE PREMIUM		\$ 23,188.94	
PACIFIC UNIIION DENTAL PREMIUM		\$ 2,082.09	
UNITED HEALTHCARE (LIFE INSURANCE)		\$ 130,856.69	
NAT'L BENEFIT RESOURCES (Stop Loss)		\$ 77,193.09	
BLUE CROSS MEDICAL CLAIMS		\$ 29,850,205.06	
BLUE SHIELD HEALTH CLAIMS		\$ 1,583,955.09	
BEHAVIORAL HEALTH CLAIMS		\$ 242,722.78	
ITS CLAIMS		\$ 1,071,948.95	
COMPANION CARE CLAIMS		\$ 110,860.14	
TOTAL BLUE CROSS AND BLUE SHIELD CLAIMS			\$32,859,692.02

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BLUE CROSS NETWORK ASO	\$ 1,001,812.80	
FOUNDATION ADJUDICATION ASO	\$ 504,001.80	
BLUE SHIELD ASO	\$ 108,928.65	
BEHAVIORAL HEALTH ASO	\$ 140,220.63	
ITS ASO	\$ 79,677.79	
COMPANION CARE ASO	\$ 26,832.71	
TOTAL BLUE CROSS AND BLUE SHIELD ADMIN.		<u>\$ 1,861,474.38</u>
TOTAL BLUE CROSS AND BLUE SHIELD		\$34,721,166.40
MERCK CLAIMS	\$ 7,817,503.50	
ASO-COPAY	\$ 252,549.91	
CLAIMS - DISCOUNT CARD	\$ 65,893.02	
ASO - DISCOUNT CARD	\$ 3,416.40	
CLAIMS – MEDICARE PART D	\$ 241,719.70	
ASO – MEDICARE PART D	\$ 7,804.62	
AHC CLAIMS (NOV. 1-15 ONLY)	\$ 960,460.95	
AHC – ASO (NOV. 1-15 ONLY)	\$ 27,160.00	
TOTAL RX CLAIMS		\$ 9,376,508.10
TOTAL BC, BSC AND RX		\$44,097,674.50

PUBLIC COMMENT

ACTION ITEMS

Financial Report. Cindy Sproles reviewed with the Board the Financial Report for the period ending November 30, 2006. She advised that the LAIF rate was 5.13%. After discussion, motion was made by Director Cox, seconded by Director Graham and carried ratifying the Financial Report as presented.

Approval of 2007 Defined Benefit Budget. Cindy Sproles reviewed with the Board the 2007 Defined Benefit Budget. After discussion, motion was made by Director Doug Miller, seconded by Director Russell Miller and carried approving the 2007 Defined Benefit Budget as presented.

Appointment of Privacy and Security Officer per HIPPA Guidelines. Director Bigler discussed the need to appoint a Privacy and Security Officer, and explained the reasons that he believed that task should be given to Jennifer Bennett the Coordinator of SISC III. After discussion, motion was made by Director Bentley, seconded by Director Graham and carried, approving the appointment of Jennifer Bennett.

INFORMATION AND DISCUSSION ITEMS

Show the Monthly SISC PPO Claims History Through November 2006. John Stenerson reviewed the claims history with the Board, and reported that claims have gone down. John anticipates they will remain stable.

Show the Board Copies of the Notification of PHI SISC Sent and Also the One Blue Cross Sent. Director Bigler discussed with the Board that a box being delivered by UPS, to the Foundation arrived with nothing inside. Director Bigler went over the letters that were sent out by SISC and Blue Cross with the Board, and also let them know that SISC continues to work with Blue Cross directly to monitor the situation.

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Show the Board the Annual Growth of the Medical PPO. Director Bigler reviewed with the Board information showing the continued year over year growth of PPO Enrollment numbers.

Show the Board Information Concerning Credible Coverage. John Stenerson presented to the Board an explanation of Credible Coverage as it relates to Medicare Part D

Show the Board a Newspaper Article Concerning Target Stores and Generic Prescriptions. Director Bigler reviewed with the Board information regarding Target Stores and the recent availability of generic prescription drugs at their stores nationwide for a low fixed amount. Director Bigler reminded the Board of Walmart's similar program, and discussed the national move towards generic drugs.

Show the Board an Article Concerning the Governor and His Thoughts on Health Care for 2007. Director Bigler discussed an article with the Board regarding the Governor's thoughts on Health Care. The article discusses that the Governor is looking at ways to decrease the uninsured population, and is known to admire the newly passed Health Care Law in Massachusetts due to go in to effect July 1, 2007.

Discuss the Governor's State of the State Address as it Relates to Health Care. Director Bigler discussed the upcoming State of the State Address, and informed the Board of the probability that the Governor will be discussing his ideas on Health Care Reform. It is likely that the Governor will discuss the possibility of introducing programs in 2007 that will require employers to either provide insurance or pay in to a state pool that would buy insurance on behalf of workers. Director Bigler showed the Board a memo that went out to District's asking for the number of employees they have that are currently not participating in benefits so that we can try to gain a better understanding of the percentage of member district employees that are uninsured.

Comments From the Board of Directors. Director Bigler mentioned that Wanda Carl was retiring on 12/29/2006 and that Cherie Payne had been hired as the Office Manager.

ADJOURNMENT

There being no further business to come before the Board, motion was made by Director Doug Miller, seconded by Director Cox and carried adjourning the meeting at 2:15 p.m.

NEXT MEETING

The next meeting of the Board of Directors will be held **Wednesday, January 17, 2007**, 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.

DOUG MILLER, Secretary