

SISC III
HEALTH BENEFITS PROGRAM
BOARD OF DIRECTORS MEETING
WEDNESDAY, AUGUST 16, 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 1:08 p.m. on Wednesday, August 17, 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
 Karen Cox
 John Caudle
 Doug Miller
 Russell Miller
 Gary Pickavet
 Dennis Scott

ALTERNATES PRESENT:

Richard Graham
 Judy Marty
 John Stenerson

OTHERS PRESENT:

Wanda Carl
 Cindy Sproles
 Bonnie Bowles
 Carmen Gonzales
 Joe Anna Reynoso-Buckman-Mitchell
 Judy Fussel – Buckman-Mitchell
 Janet Clary – Kern Foundation
 Steve Bargeon, FMC of Tulare
 Kelly Cooper, Keenan
 Catherine Mauldin, EIA
 Ken Hammer

CONSENT CALENDAR

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

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

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

DELTA DENTAL CLAIMS	\$3,970,384.67	
DELTA DENTAL ASO	260,854.28	
DENTAL COALITION CLAIMS	903,739.42	
DENTAL COALITION ASO	59,375.69	
DELTACARE/PMI PREMIUM	<u>4,631.56</u>	
TOTAL DENTAL		\$5,198,985.62
VISION SERVICE PLAN CLAIMS	\$ 1,002,544.99	
ASO	81,773.20	
MES CLAIMS	\$ 17,100.25	
ASO	2,735.10	
TOTAL VISION		1,104,153.54

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PACIFICARE/BEHAV HLTH	\$	407,796.28	
CIGNA BEHAVIORAL HEALTH	\$	18,396.96	
SEC HORIZ PREM (PACIFICARE)	\$	9,856.38	
SENIOR ADVANTAGE PREMIUM (KAISER)	\$	34,670.00	
SENIORITY PLUS PREMIUM (HEALTHNET)	\$	87,259.58	
BLUE SHIELD HMO PREMIUM	\$	1,301,535.62	
HEALTH NET PREMIUM	\$	808,672.99	
CALIFORNIA CARE PREMIUM	\$	692,954.08	
KAISER PREMIUM	\$	2,074,199.29	
PACIFICARE PREMIUMS	\$	18,164.37	
PACIFIC UNION DENTAL PREMIUM	\$	2,319.41	
UNITED HEALTHCARE (LIFE INSURANCE)	\$	157,012.20	
NAT'L BENEFIT RESOURCES (STOP LOSS)	\$	64,721.22	
BLUE CROSS HEALTH CLAIMS		\$30,692,640.88	
BLUE SHIELD HEALTH CLAIMS	\$	1,330,989.81	
BEHAVIORAL HEALTH CLAIMS	\$	235,131.58	
ITS CLAIMS	\$	1,059,655.52	
COMPANION CARE CLAIMS	\$	<u>129,857.64</u>	
TOTAL BLUE CROSS AND BLUE SHIELD CLAIMS			\$ 33,448,275.43
BLUE CROSS NETWORK ASO	\$	901,212.38	
FOUNDATION ADJUDICATION ASO	\$	459,565.26	
BLUE SHIELD ASO	\$	99,155.56	
BEHAVIORAL HEALTH ASO	\$	134,436.19	
ITS ASO	\$	122,838.56	
COMPANION CARE ASO	\$	<u>23,914.05</u>	
TOTAL BLUE CROSS AND BLUE CHILD ADMIN			\$ 1,741,122.00
TOTAL BLUE CROSS AND BLUE SHIELD			<u>\$35,189,397.43</u>
MERCK CLAIMS	\$	9,239,026.77	
ASO-COPAY	\$	273,791.90	
M/O - DISCOUNT CARD	\$	79,164.84	
ASO - DISCOUNT CARD	\$	<u>2,653.49</u>	
TOTAL MERCK CLAIMS			\$9,594,637.00
TOTAL BC, BSC AND MERCK			\$44,784,034.43

PUBLIC COMMENT

ACTION ITEMS

Financial Report. Cindy Sproles reviewed with the Board the Financial Report for the period ending July 31, 2006. The Investment Summary Report for the period April-June 2006 was reviewed as well. After discussion, motion was made by Director Scott, seconded by Director Doug Miller and carried approving the Financial Report as presented.

INFORMATION AND DISCUSSION ITEMS

Monthly Blue Cross/SISC PPO Trend History Through July 2006 John Stenerson reviewed the monthly Blue Cross/SISC PPO Trend history through July 2006.

Provide Each Board Member With a List of All Board Members. Director Bigler reviewed with the Board a listing of current Board Members/

Mention SISC's Size at VSP. Director Bigler mentioned to the Board that SISC is VSP's sixth largest client in California and 21st largest throughout the United States.

Show the Board an Article on Outsourcing of Medical Care. The Board was advised that although this is more suited for an employee with a health plan that has a high deductible with a large copayment, this is happening more and more.

Show the Board an Article on Wellpoint, Inc. Director Bigler mentioned that if a person doesn't understand the concept of Self-Insurance they read these articles and think this has a huge effect on their SISC premium.

Show the Board an Article on Transparency Concerning Prescription Drug Pricing. Director Bigler reminded the Board that not long ago he mentioned that we were putting in a new word "transparency" in our Health Benefits Terminology Section. John Stenerson will go over this article with us.

Show the Board an Article on Dental Implants. The Board was advised that dental implants are becoming more a part of dentistry. There was a discussion on making dental implants a covered or partially covered benefit beginning October 1, 2007.

Update the Board on Getting Prescriptions Filled at Costco. Director Bigler advised that he had received an answer to a response on this matter from Craig Norman, Vice President of US Pharmacy Operations for Costco. His response seemed like a pretty thorough review of how they handle things and suggests there may be some staffing issues they have already moved to address. He mentioned that their standard wait time at the Goleta location is typically around 30 minutes for patients that present in person and notify them they will wait for their prescription. This could easily swell to 40 to 45 minutes if there were any issues with the prescriptions that had to be verified or if the patient was a new customer to Costco. Given the above, additional ancillary staff were just put on the payroll in the last couple of weeks. He also mentioned that Santa Barbara is a very tough market to find qualified pharmacists and they are currently trying to fill a fulltime position but this has been supplemented with relief staff until the proper candidate is recruited.

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

ADJOURNMENT

There being no further business to come before the Board, motion was made by Director Doug Miller, seconded by Director Russ Miller and carried adjourning the meeting at 1:35 p.m.

NEXT MEETING

The next meeting of the Board of Directors will be held **Wednesday, September 27, 2006**, 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.

S/Doug Miller

DOUG MILLER, Secretary