

SISC III

HEALTH BENEFITS PROGRAM BOARD OF DIRECTORS MEETING WEDNESDAY, JULY 19, 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 1:00 p.m. on Wednesday, July 19, 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
Ken Hochnadel
Doug Miller
Dan Munis
Gary Pickavet
Dennis Scott

ALTERNATES PRESENT:

Paul Baxter
Richard Graham
Judy Marty
John Stenerson
Adolph Wirth

OTHERS PRESENT:

Wanda Carl
Cindy Sproles
Bonnie Bowles
Carmen Gonzeles
Cherie Payne
Lauri Phillips
Ken Hammer
Janet Clary, Kern Foundation
Steve Bargeon, FMC of Tulare
Joe Anna Reynoso – Buckman-Mitchell
Judy Fussel – Buckman-Mitchell
Dan Bly – Delta Dental of California
Kelly Cooper - Keenan
Mary Bouchard – Kaiser Permanente

CONSENT CALENDAR

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

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

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

DELTA DENTAL CLAIMS	\$ 4,526,744.85	
DELTA DENTAL ASO	297,407.14	
DENTAL COALITION CLAIMS	996,651.98	
DENTAL COALITION ASO	65,480.03	
DELTACARE/PMI PREMIUM	<u>4,787.68</u>	
TOTAL DENTAL		\$5,891,071.68
VISION SERVICE PLAN CLAIMS	\$ 775,710.33	
ASO	82,300.08	
MES CLAIMS	\$ 14,800.91	
ASO	2,721.00	
TOTAL VISION		\$875,532.32
PACIFICARE/BEHAV HLTH	\$ 405,113.05	
CIGNA BEHAVIORAL HEALTH	\$ 18,541.30	
SEC HORIZ PREM (PACIFICARE)	\$ 9,856.38	
SENIOR ADVANTAGE PREMIUM (KAISER)	\$ 33,764.00	
SENIORITY PLUS PREMIUM (HEALTHNET)	\$ 86,341.58	
BLUE SHIELD HMO PREMIUM	\$ 1,638,470.14	
HEALTH NET PREMIUM	\$ 846,226.00	
CALIFORNIA CARE PREMIUM	\$ 703,450.88	
KAISER PREMIUM	\$ 2,170,819.85	
PACIFICARE PREMIUMS	\$ 10,941.16	
PACIFIC UNION DENTAL PREMIUM	\$ 2,412.19	
UNITED HEALTHCARE (LIFE INSURANCE)	\$ 157,367.41	
NAT'L BENEFIT RESOURCES (STOP LOSS)	\$ 64,755.42	
BLUE CROSS HEALTH CLAIMS	\$ 29,895,463.66	
BLUE SHIELD HEALTH CLAIMS	\$ 1,487,324.83	
BEHAVIORAL HEALTH CLAIMS	\$ 262,138.78	
ITS CLAIMS	\$ 944,286.06	
COMPANION CARE CLAIMS	<u>\$ 114,541.87</u>	
TOTAL BLUE CROSS AND BLUE SHIELD CLAIMS		\$ 32,703,755.20
BLUE CROSS NETWORK ASO	\$ 906,391.09	
FOUNDATION ADJUDICATION ASO	\$ 462,199.43	
BLUE SHIELD ASO	\$ 88,041.94	
BEHAVIORAL HEALTH ASO	\$ 135,082.13	
ITS ASO	\$ 91,639.01	
COMPANION CARE ASO	<u>\$ 23,619.30</u>	
TOTAL BLUE CROSS AND BLUE CHILD ADMIN		\$ 1,706,972.90
TOTAL BLUE CROSS AND BLUE SHIELD		<u>\$34,410,728.10</u>
MERCK CLAIMS	\$ 12,759,442.12	
ASO-COPAY	\$ 329,077.20	
M/O - DISCOUNT CARD	\$ 145,509.37	
ASO - DISCOUNT CARD	<u>\$ 3,974.00</u>	
TOTAL MERCK CLAIMS		\$13,238,002.69
TOTAL BC, BSC AND MERCK		\$47,648,730.79

PUBLIC COMMENT

ACTION ITEMS

Financial Report. Cindy Sproles reviewed with the Board the Financial Report for the period ending June 30, 2006, noting that the LAIF rate is 4.7%. After discussion, motion was made by Director Hochnadel, seconded by Director Munis and carried approving the Financial Report as presented.

Election of Vice Chairman for the 2006-2007 Fiscal Year. Director Bigler advised the Board that Article VIII(c) provides that the Board shall, at the regular July meeting of each year, elect from its membership a vice chairman, a secretary and a treasurer to serve as officers of the Board for a term of one (1) year. After discussion, motion was made by Director Miller, seconded by Director Baxter and carried appointing Dennis Scott as Vice Chairman for the 2006-2007 Fiscal Year.

Election of Secretary/Treasurer for the 2006-2007 Fiscal Year. Motion was made by Director Scott, seconded by Director Munis and carried appointing Doug Miller as Secretary/Treasurer for the 2006-2007 Fiscal Year.

INFORMATION AND DISCUSSION ITEMS

Monthly Blue Cross/SISC PPO Trend History Through June 2006. John Stenerson reviewed with the Board the Blue Cross/SISC PPO monthly trend history for the month of June 2006.

Show the Board a Newspaper Article on High Deductible Accounts. Director Bigler reviewed with the Board an article on high deductible accounts and how they are growing in popularity.

Show the Board a Newspaper Article on Holistic Dentists. Director Bigler reviewed with the Board an article from the Los Angeles Times about insurers denying claims from holistic dentists.

Review the Investment Policy. Cindy Sproles advised the Board that pursuant to Ed. Code we are required to bring the SISC Investment Policy to the Board on an annual basis. We are not requesting any changes at this time.

Update the Board on Our Prilosec OTC Program. Director Bigler reviewed with the Board a recent press release and early figures on our Prilosec OTC Program. Director Pickavet commented that he has been receiving complaints from subscribers about the 30-40 minute wait for these prescriptions at the COSTCO facilities in the Santa Barbara area. Director Bigler mentioned that he would check into this.

Review Policies for New Board Members. Director Bigler reviewed with the Board Policies on Public Participation at Board Meetings, Relations Between Other Governmental Agencies and Professional Organizations, Late Premium Payments, Claims Experience, and Funding Stabilization Reserve.

Retirement of Ken Hochnadel. Director Bigler announced that Ken Hochnadel is retiring from the Board effective this month and that he would be missed. Ken mentioned that John Caudle with the Tulare Office of Education, would be taking his place.

Comments From the Board. 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 Scott, seconded by Director Baxter and carried adjourning the meeting at 1:40 p.m.

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NEXT MEETING

The next meeting of the Board of Directors will be held **Wednesday, August 16, 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