

SISC III
HEALTH BENEFITS PROGRAM
BOARD OF DIRECTORS MEETING
WEDNESDAY, OCTOBER 18, 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, October 18, 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 John Caudle Dennis Franey Dan Munis Gary Pickavet	ALTERNATES PRESENT: Paul Baxter Richard Graham Judy Marty John Stenerson Bill Voss	OTHERS PRESENT: Wanda Carl Bonnie Bowles Carmen Gonzales Carmen Gonzales Janet Clary, Kern Foundation Judy Fussel, Buckman-Mitchell Jennifer Bennett
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CONSENT CALENDAR

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

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

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

DELTA DENTAL ASO	Claims	\$ 3,643,585.10 239,383.56		
DENTAL COALITION DENTAL COALITION ASO	Claims	765,040.91 50,279.34		
DELTACARE/PMI PREMIUM		<u>0.00</u>		
TOTAL				\$4,698,288.91
VISION SERVICE ASO	Claims	\$ 688,231.62 <u>84,658.58</u>		
MES CLAIMS ASO		17,474.15 <u>2,739.60</u>		
TOTAL				\$ 793,103.95

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PACIFICARE/BEHAV HLTH	\$	408,745.33	
CIGNA BEHAV. HEALTH (MCC SELECT)	\$	18,281.01	
SECURE HORIZONS PREM (PACIFICARE)	\$	9,209.43	
SENIOR ADVANTAGE PREM (KAISER)	\$	33,408.00	
SENIORITY PLUS PREM (HEALTHNET)	\$	87,848.33	
BLUE SHIELD HMO PREMIUM	\$	740,763.40	
BLUE SHIELD FULLY INSURED PPO	\$	19,584.70	
HEALTH NET PREMIUM	\$	805,344.24	
CALIFORNIA CARE PREMIUM	\$	720,842.41	
KAISER PREMIUM	\$	1,913,279.81	
PACIFICARE PREMIUM	\$	18,276.31	
PACIFIC UNION DENTAL PREMIUM	\$	1,856.32	
LIFE – UNITED HEALTH	\$	94,479.34	
NAT'L BENEFIT RESOURCES (Stop Loss)	\$	75,018.84	
BLUE CROSS HEALTH CLAIMS	\$	31,260.658.67	
BLUE SHIELD HEALTH CLAIMS	\$	1,454,020.05	
BEHAVIORAL HEALTH CLAIMS	\$	277,618.43	
ITS CLAIMS	\$	1,211,154.25	
COMPANION CARE CLAIMS	\$	134,087.57	
TOTAL BLUE CROSS AND BLUE SHIELD CLAIMS			\$ 34,337,538.97
BLUE CROSS NETWORK ASO	\$	922,869.65	
FOUNDATION ADJUDICATION ASO	\$	470,601.67	
BLUE SHIELD ASO	\$	99,983.17	
BEHAVIORAL HEALTH ASO	\$	137,027.31	
ITS ASO	\$	90,198.88	
COMPANION CARE ASO	\$	23,599.65	
TOTAL BLUE CROSS AND BLUE SHIELD ADMIN.			\$ 1,744,280.33
TOTAL BLUE CROSS AND BLUE SHIELD			\$ 36,081,819.30
MERCK CLAIMS	\$	9,446,122.06	
ASO-COPAY		359,790.68	
M/O - DISCOUNT CARD		98,496.79	
ASO-DISCOUNT CARD		4,292.99	
TOTAL MERCK CLAIMS			\$ 9,908,702.52
TOTAL BC, BSC AND MERCK			\$ 45,990,521.82

PUBLIC COMMENT

ACTION ITEMS

Financial Report. Bonnie Bowles reviewed with the Board the Financial Report for the period ending September 30, 2006. She noted that the LAIF rate is 5.02. Revolving Fund Expenditures for the period April 2006-September 2006 were also reviewed. After discussion, motion was made by Director Baxter, seconded by Director Voss and carried approving the Financial Report as presented.

INFORMATION AND DISCUSSION ITEMS

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

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Monthly Blue Cross/SISC PPO Trend Factor for September 2006. John Stenerson reviewed the Blue Cross/SISC PPO monthly trend factor for the month of September 2006

Update the Board on the SISC/SCAC-EIA Agreement. Director Bigler advised the Board that the SISC III JPA will earn over \$400,000 this fiscal year. John Stenerson mentioned that employee time is minimal.

Update the Board on Companion Care as it Relates to Medicare D. Director Bigler reminded the Board that at the last Board Meeting John Stenerson presented an update and mentioned that SISC III was going live with this program effective October 1, 2006. John Stenerson advised the Board that the program is proceeding smoothly. John Stenerson also brought the Board up to date on the American Health Care pilot program that started the same time, got off and running.

Show the Board an Article from The New Yorker Magazine. Director Bigler advised that this is a great article that we can use to understand how retirees that are furnished medical benefits by their district will impact the active employees. As you are aware, this is what GASB-45 is all about.

Show the Board a Copy of the Memorandum on National Customer Service Week. Director Bigler reviewed with the Board a copy of a memo that went to each SISC I member district.

Show the Board an Article on Medicare Part D. Director Bigler reviewed with the Board the enclosed article on Medicare Part D.

Show the Board an Article on Wellpoint. Director Bigler reminded the Board that, Wellpoint (the parent of Blue Cross of California) merged with Anthem. Although the merged name is Wellpoint, the home office is at the Anthem home office in Indianapolis, Indiana. He further advised the Board that he attached document shows a new organizational structure and it worries me that they may be creating a structure that will not allow the people that presently serve us to make the decisions and provide us with the service they are now allowed to make or provide.

Show the Board an Article on the U.S. Allowing Canadian Drug Imports. The Board was advised that this has to do with Medicare D. It will not be something that SISC III retirees would need.

Show the Board an Article Concerning the Governor and the Insurance Industry in California in General. Director Bigler advised the Board that this is an article that discusses how the Governor is handling and who he is talking to concerning various types of insurance.

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 Franey, seconded by Director BaxterMiller and carried adjourning the meeting at 1:35 p.m.

NEXT MEETING

The next meeting of the Board of Directors will be held **Wednesday, November 15, 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