

**SISC III
HEALTH BENEFITS PROGRAM
BOARD OF DIRECTORS MEETING
SEPTEMBER 22, 2010
1:00 P.M.**

A G E N D A

I. CONSENT CALENDAR

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| A. | Approval of Minutes for August 2010 Board of Directors Meeting | Russell Bigler |
| B. | Report of Activity for the Month of August 2010 and ratification of payment as follows: | Russell Bigler |

DELTA DENTAL CLAIMS	5,185,955.53	
DELTA DENTAL ASO	340,198.78	
TOTAL DENTAL		\$5,526,154.31
VISION SERVICE CLAIMS	939,851.20	
MES CLAIMS	98,368.73	
VSP ASO	85,842.28	
MES ASO	11,786.42	
TOTAL VISION		\$1,135,848.63
ANTHEM BLUE CROSS HEALTH CLAIMS	49,043,628.20	
BLUE SHIELD HEALTH CLAIMS	8,642,347.25	
ANTHEM BC BEHAVIORAL HEALTH CLAIMS	403,291.79	
ANTHEM BC COMPANION CARE RETIREE CLAIMS	229,276.41	
MEDCO DISCOUNT CARD CLAIMS	52,090.92	
TOTAL HEALTH CLAIMS	58,370,634.57	
ANTHEM BLUE CROSS ASO	1,478,892.07	
BLUE SHIELD ASO	200,844.28	
ANTHEM BC BEHAVIORAL HEALTH ASO	170,189.29	
ANTHEM BC COMPANION CARE RETIREE ASO	45,668.00	
FOUNDATION CLMS PROCESSING ASO	149,451.12	
MEDCO DISCOUNT CARD ASO	1,191.00	
TOTAL HEALTH ASO	2,046,235.76	
TOTAL HEALTH		60,416,870.33
MEDCO CLAIMS	12,582,749.50	
AMERICAN HEALTH CARE CLAIMS	2,227,329.63	
MEDCO ASO	300,757.09	
AMERICAN HEALTH CARE ASO	54,270.50	
TOTAL RX		15,165,106.72
INSURED PRODUCTS		
ANTHEM BC HMO CLAIMS	1,247,995.16	
ANTHEM BC HMO ADMIN FEE	715,444.96	
BLUE SHIELD HMO CLAIMS	1,532,588.39	
BLUE SHIELD HMO ADMIN FEE	800,688.42	
AETNA HMO	1,149,078.26	
HEALTH NET HMO	326,673.10	
KAISER HMO	3,198,445.86	
PACIFICARE BEHAVIORAL HEALTH	524,758.15	
	15,979.10	

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CIGNA BEHAVIORAL HEALTH		
UNITED HEALTH CARE DENTAL	868.92	
DELTACARE/PMI DENTAL	3,608.22	
KASIER SENIOR ADVANTAGE RETIREE PLAN	54,497.00	
HEALTH NET SENIORITY PLUS RETIREE PLAN	49,370.00	
AETNA INSURED PPO	47,878.26	
MUTUAL OF OMAHA LIFE	129,439.93	
ZURICH LIFE	12,946.60	
TOTAL BLUE CROSS AND BLUE SHIELD CLAIMS		\$9,810,260.33
SISC FLEX CLAIMS	223,446.68	
WELLNESS	70,462.00	
ALL OTHER	476,735.67	
TOTAL SISC III PAYMENTS		\$92,824,884.67

II. PUBLIC COMMENT

III. ACTION ITEMS

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|---|---------------|
| A. Financial Report - Financial Statements for Prior Month Presented for Approval | Cindy Mattern |
| B. Request Approval of the 2010-2011 Budget | Cindy Mattern |

IV. DISCUSSION AND INFORMATION ITEMS

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|--|---|
| A. Monthly SISC PPO Trend History Through August 2010 | John Stenerson |
| B. Show the Board a Copy of the PHIA Group SISC Subrogation Through the Second Quarter of 2010. | Russell Bigler |
| C. Show the Board a Copy of the Seasonal Flu and Whooping Cough Vaccine Information that was Sent to Member Districts. | John Stenerson |
| D. Show the Board an Article from the June 4, 2010 Edition of Business Insurance | Russell Bigler |
| E. Update the Board on the Switch to Pay as Billed | Jennifer Bennett |
| F. Show the Board a Newspaper Article on Anthem Blue Cross and Blue Shield Rate Increases | Russ Bigler |
| G. Show the Board an Article Concerning For-Profit vs. Not-For-Profit Hospitals | Russ Bigler |
| H. Show the Board a Newspaper Article That Projects the National Cost of Health Care to 2019. | Russ Bigler |
| I. Discuss Information From Dr. Charles Phillips | Russ Bigler |
| J. Comments from the Board of Directors Will Be Heard | |
| K. Adjournment | |
| L. Next Meeting: | Wednesday, October 20, 2010
1:00 p.m.
SISC Board Room - City Centre |

Any materials required by law to be made available to the public prior to a meeting of the Board of Directors of the Joint Powers Authority can be inspected at the following address during normal business hours at 1300 17th Street, Bakersfield, Ca. 93301

SISC III
INFORMATION AND DISCUSSION ITEMS
SEPTEMBER 22, 2010

- A. **Monthly SISC PPO Trend History Through August 2010.** The monthly SISC PPO Trend History through August 2010 will be presented.
- B. **Show the Board a Copy of the PHIA Group SISC Subrogation Through the Second Quarter of 2010.** In 2009 you approved the motion to take this away from Anthem Blue Cross because it didn't seem like we were getting as much as we should (about \$300,000 per year) given our size. At the time PHIA told us, given our size, we should be getting over \$1 million per year and it has turned out they were correct.
- C. **Show the Board a Copy of the Seasonal Flu and Whooping Cough Vaccine Information Sent to Member Districts.** As you are aware, we are heading into the Flu season. It appears California is headed for a very bad outbreak of whooping cough, as well. John Stenerson sent the enrolled memorandum letting member districts know their employees are covered by most medical plans under the Routine/Preventative Care Benefit.
- D. **Show the Board an Article from the June 4, 2010 Edition of Business Insurance.** Business Insurance is a well respected journal and we are excited about this June 4, 2010 article. In addition to these impressive figures, Finance manages the following:
- \$111 million in our GASB 45 Program
 - \$85 million in our Investment Pool
 - \$27 million in our Defined Benefit Plan
- All told you can see it is well over one billion dollars.
- E. **Update the Board on the Switch to Pay as Billed.** Jennifer Bennett will update us on how this new billing process is going.
- F. **Show the Board a Newspaper Article on Anthem Blue Cross and Blue Shield Rate Increases.** Keep in mind, these rate increases are for their fully insured books of business and don't effect SISC because we are self insured. Basically, we just pay them a fee, called Administrative Services Only (ASO) to rent the network, supply the card, etc.
- G. **Show the Board an Article Concerning For-Profit vs. Non-Profit Hospitals.** From time to time I have shown you articles that suggest there is a profit motive behind some medical care. This article suggests that is happening in for-profit hospitals as it relates to surgical births vs. a vaginal delivery.
- H. **Show the Board a Newspaper Article that Projects the National Cost of Health Care to 2019.** This is an interesting article comparing the projected cost increase under the healthcare overhaul vs. the increase if the law had not been enacted.
- I. **Discuss Information from Dr. Charles Phillips.** We will discuss this at the Board Meeting.
- J. **Comments From the Board of Directors.** Comments from members of the Board will be heard at this time.