

SISC III

HEALTH BENEFITS PROGRAM BOARD OF DIRECTORS MEETING WEDNESDAY, NOVEMBER 17, 2010 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, November 17, 2010, 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
Eva Chavez
Karen Cox
Brian Hawkins
Kip Hearron
Steve McClain
Gary Pickavet
Bryon Schaefer
Ernie Unruh

ALTERNATES PRESENT:

Judy Marty
John Mendiburu
Tom Valos

OTHERS PRESENT:

Jackie Brouillette
Cindy Mattern
Bonnie Bowles
Jennifer Bennett
Megan Hanson
John Stenerson
Toni Smith
Cherie Payne
Lauri Phillips
Lola Nickell
Rich Edwards – Merrill Lynch
Fred Bayles – Wells Fargo Advisors
Carolyn Temple – Kern Foundation
Dan Bly – Delta Dental
Susan Wooden – KHSD CSEA Representative
Earl Johnson – KCEA Representative

CONSENT CALENDAR

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

Minutes. Minutes for the October 2010 Regular Board of Directors Meeting.

Report of Activity for the Month of October 2010 and Ratification of Payment as follows:

DELTA DENTAL CLAIMS	5,598,769.41	
DELTA DENTAL ASO	361,120.68	
	TOTAL DENTAL	5,959,890.09
VSP CLAIMS	726,911.41	
MES CLAIMS	91,931.02	
VSP ASO	82,380.18	
MES ASO	15,314.11	
	TOTAL VISION	916,536.72

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ANTHEM BLUE CROSS HEALTH CLAIMS		43,031,999.28	
BLUE SHIELD HEALTH CLAIMS		8,501,941.51	
ANTHEM BC BEHAVIORAL HEALTH CLAIMS		204,773.58	
ANTHEM BC COMPANION CARE RETIREE CLAIMS		238,792.30	
MEDCO DISCOUNT CARD CLAIMS		117,766.64	
	TOTAL HEALTH CLAIMS	52,095,273.31	
ANTHEM BLUE CROSS ASO		1,545,334.27	
BLUE SHIELD PPO ASO		256,935.88	
ANTHEM BC BEHAVIORAL HEALTH ASO		464.25	
ANTHEM BC COMPANION CARE RETIREE ASO		48,208.00	
FOUNDATION CLMS PROCESSING ASO		560,139.84	
MEDCO DISCOUNT CARD ASO		2,334.34	
	TOTAL HEALTH ASO	2,413,416.58	
	TOTAL HEALTH		54,508,689.89
MEDCO CLAIMS		18,695,890.90	
AMERICAN HEALTH CARE CLAIMS		2,004,991.79	
MEDCO ASO		543,254.64	
AMERICAN HEALTH CARE ASO		59,120.20	
	TOTAL RX	21,303,257.53	
INSURED PRODUCTS			
ANTHEM BC HMO CLAIMS		1,872,296.14	
ANTHEM BC HMO ADMIN FEE		1,686,773.54	
ANTHEM BC EAP		128,365.75	
BLUE SHIELD HMO CLAIMS		1,457,326.59	
BLUE SHIELD HMO ADMIN FEE		826,279.30	
AETNA HMO	NONE DUE		
HEALTH NET HMO	NONE DUE		
KAISER HMO		3,888,032.09	
PACIFIC CARE BEHAVIORAL HEALTH	NONE DUE		
CIGNA BEHAVIORAL HEALTH	NONE DUE		
UNITED HEALTHCARE DENTAL		912.30	
DELTACARE/PMI DENTAL		3,723.06	
KAISER SENIOR ADVANTAGE RETIREE PLAN		60,584.00	
HEALTH NET SENIORITY PLUS RETIREE PLAN	NONE DUE		
AETNA INSURED PPO	NONE DUE		
MUTUAL OF OMAHA LIFE INS		141,780.05	
ZURICH LIFE		13,012.00	
	TOTAL INSURED	10,079,084.82	
SISC FLEX CLAIMS			186,491.78
WELLNESS			0.00
ALL OTHER			524,744.40
	TOTAL III PAYMENTS		93,478,695.23

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PUBLIC COMMENT

- A. Marco Flores, former candidate for Kern County Board of Education; Trustee Area 1 addressed the Board.
- B. Charles Phillips, M.D. with Century Medical Group addressed the Board.

ACTION ITEMS

Financial Report. Cindy Mattern reviewed with the Board the Financial Report for the period ending October 31, 2010. Cindy pointed out that the LAIF rate for the month of October was down again at 0.48%. Cindy also discussed the annualized returns of the SISC Investment Pool, Wachovia Securities and Merrill Lynch with the Board, commenting that interest earnings were better than expected. Cindy also reviewed with the Board the quarterly investment report and the revolving fund expenditures. After discussion, motion was made by Director Pickavet, seconded by Director Caudle and carried approving the Financial Report as presented.

Request Approval of the 2009-2010 GASB 45 Audit. Cindy Mattern briefly discussed the GASB 45 Audit with the Board, letting them know the audit went well, there were no significant or unusual trust activity. Since the audit had been e-mailed to all Board Members with the Board Packet, Cindy opened up the floor to any questions from the Board. After discussion, motion was made by Director Cox, seconded by Director Hearron and carried approving the 2009-2010 GASB 45 Audit as presented.

INFORMATION AND DISCUSSION ITEMS

Monthly SISC PPO Trend History Through October 2010. John Stenerson reviewed the monthly SISC PPO Trend history through October 2010. John told the Board the 4.7% trend is down from the 10.7% of October 2009.

Show the Board the Agenda of the Santa Barbara SISC/SIPE Board Meeting. Director Bigler presented the Agenda and Minutes of the October 21, 2010 board meeting of which SISC staff member, Tim Beard represents SISC in this meeting.

Show the Board an Article on Quantitative Easing. In addition to the article Director Bigler provided the Board, Richard Edwards from Merrill Lynch and Fred Bayles from Wells Fargo gave a presentation on Quantitative Easing.

Comments From the Board of Directors. Director Hawkins thanked SISC and John Stenerson for taking the lead in dealing with the Department of Health and Human Services about the early retiree plan.

ADJOURNMENT

There being no further business to come before the Board, motion was made by Director Hawkins, seconded by Director Cox and carried adjourning the meeting at 2:02 p.m.

NEXT MEETING

The next meeting of the Board of Directors will be held **Wednesday, December 15, 2010**, 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.

KAREN COX, Secretary