

SISC III

HEALTH BENEFITS PROGRAM BOARD OF DIRECTORS MEETING WEDNESDAY, JULY 16, 2008 1:00 P.M.

MINUTES

The regular meeting of the Board of Directors of SISC III Health Benefits Program was called to order at 1:08 p.m. on Wednesday, July 16, 2008, 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
Nelson Heisey
Dan Munis
Gary Pickavet
Richard Pierucci
Dennis Scott
Ernie Unruh

ALTERNATES PRESENT:

Judy Marty
John Mendiburu
Tom Valos

OTHERS PRESENT:

Cherie Payne
Cindy Sproles
Bonnie Bowles
Jennifer Bennett
Carmen Gonzales
Lauri Phillips
Raquel Acebedo
Lola Nickell
Jennifer Thomas – Blue Cross
Steve Bargeon – Kings/Tulare Found.
Janet Clary – Kern Foundation
Melanie Goldsmith – Blue Shield
Rose Burcina – RESIG
Gerrie Kincaid – Panama Buena Vista

CONSENT CALENDAR

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

Minutes. Minutes for the June 2008 Regular Board of Directors Meeting.

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Report of Activity for the Month of June 2008 and Ratification of Payment as follows:

DELTA DENTAL CLAIMS	4,393,445.23	
SISC ASO	288,210.02	
DENTAL COALITION CLAIMS	742,435.81	
DENTAL COALITION ASO	48,703.79	
DELTACARE/PMI PREMIUM	3,850.96	
	TOTAL DENTAL	\$5,476,645.81
VISION SERVICE CLAIMS	1,004,262.70	
VSP ASO	90,347.46	
MES CLAIMS	28,832.67	
MES ASO	4,393.92	
	TOTAL VISION	\$1,127,836.75
PACIFICARE/BEHAV HEALTH	458,150.04	
CIGNA BEHAV. HEALTH (MCC SLECT)	16,853.27	
SECURE HORIZONS PREM (PACIFICARE)	5,497.02	
SENIOR ADVANTAGE PREM (KAISER)	39,552.20	
SENIORITY PLUS PREM (HEALTHNET)	35,696.00	
BLUE SHIELD HMO PREMIUM	1,899,713.15	
BLUE SHIELD FULLY INSURED PPO	38,210.02	
HEALTH NET PREMIUM	1,586,362.27	
CALIFORNIA CARE PREMIUM	1,002,664.00	
KAISER PREMIUM	2,713,227.20	
UNITED HEALTHCARE (FORMERLY PACIFIC UNION DENTAL)	1,532.12	
UNITED HEALTHCARE SPECIALTY BENEFITS (LIFE)	140,684.88	
NAT'L BENEFIT RESOURCES (STOP LOSS)	51,492.75	
BLUE CROSS HEALTH CLAIMS	39,049,355.79	
BLUE SHIELD HEALTH CLAIMS	4,641,598.44	
BEHAVIORAL HEALTH CLAIMS	287,941.91	
ITS CLAIMS	1,091,822.73	
COMPANION CARE CLAIMS	236,547.42	
	TOTAL BLUE CROSS AND BLUE SHIELD CLAIMS	\$45,307,266.29
BLUE CROSS NETWORK ASO	1,290,915.06	
FOUNDATION ADJUDICATION ASO	556,049.52	
BLUE SHIELD ASO	146,396.07	
BEHAVIORAL HEALTH ASO	153,461.76	
ITS ASO	84,898.09	
COMPANION CARE ASO	37,492.68	
	TOTAL BLUE CROSS AND BLUE SHIELD ADMIN.	\$2,269,213.18
	TOTAL BLUE CROSS AND BLUE SHIELD	\$47,576,479.47

MERCK CLAIMS	15,024,043.61	
ASO-COPAY	279,540.74	
CLAIMS - DISCOUNT CARD	100,604.75	
ASO - DISCOUNT CARD	2,260.70	
CLAIMS - MEDICARE PART D	496,048.15	
ASO - MEDICARE PART D	10,850.09	
AHC - CLAIMS	2,039,568.58	
AHC - ASO	80,740.40	
TOTAL RX CLAIMS		\$18,033,657.02
TOTAL BC, BSC AND RX		\$65,610,136.49

PUBLIC COMMENT

ACTION ITEMS

Financial Report. Cindy Sproles reviewed with the Board the Financial Report for the period ending June 30, 2008, noting that the LAIF rate is 2.89%. After discussion, motion was made by Director Scott, seconded by Director Unruh and carried approving the Financial Report as presented.

Election of Vice Chairman for the 2008-2009 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/treasurer to serve as officers of the Board for a term of one (1) year. After discussion, motion was made by Director Heisey, seconded by Director Caudle and carried appointing Dennis Scott as Vice Chairman for the 2008-2009 Fiscal Year.

Election of Secretary/Treasurer for the 2008-2009 Fiscal Year. Motion was made by Director Scott, seconded by Director Pickavet and carried appointing Dan Munis as Secretary/Treasurer for the 2008-2009 Fiscal Year.

Request Approval of the 2007 Defined Benefit Program Audit. Cindy Sproles reviewed with the Board the 2007 Defined Benefit Program Audit performed by Daniells, Phillips, Vaughan and Bock. Director Bigler mentioned two added valued products. After discussion, motion was made by Director Scott, seconded by Director Munis and carried to approve the 2007 Defined Benefit Program Audit as presented.

INFORMATION AND DISCUSSION ITEMS

Monthly PPO Trend History Through June 2008. Cindy Sproles reviewed with the Board the PPO monthly trend history for the month of June 2008. Cindy discussed that our year-over-year change is at 6%. Cindy let the Board know that the year-over-year numbers are now reflecting the CSAC figures. We had expected to be around 7% with CSAC, so we are still trending lower than expected.

Give Each Board Member a Copy of the 2008-09 Meeting Dates Calendar. Director Bigler reviewed the meeting dates for this year with the Board.

In-Service for New and Review for Returning Board Members. Director Bigler reviewed a few SISC policies with the new and returning Board Members.

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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.

Show the Board an Article from the L.A. Times. Director Bigler discussed this article with the Board regarding patient errors at California Hospitals now being called “adverse events”, or “never events”. Steve Bargeon and Janet Clary with the Foundations described how some facilities are already being subjected to audits around “never events” and the possibility of insurance not paying out when preventable mistakes are made.

Show the Board a Copy of the Latest Newsletter from CHCC. Director Bigler reviewed with the Board the objective of the CHCC and went over the latest newsletter from them.

Show the Board a Newspaper Article Showing California is Suing Prime Healthcare Over Balance Billing. Director Bigler reviewed this article with the Board regarding lawsuits being filed against hospitals that are not under any insurance contract, and their on-going practice of billing patients the difference between what the insurance pays and the billed amount (balance billing).

Comments From the Board. Gary Pickavet discussed the issue of “Balance Billing” on our PPO plans in emergency situations.

ADJOURNMENT

There being no further business to come before the Board, motion was made by Director Scott, seconded by Director Caudle and carried adjourning the meeting at 2:01 p.m.

NEXT MEETING

The next meeting of the Board of Directors will be held **Wednesday, August 20, 2008**, 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.

DAN MUNIS, Secretary