

# SISC III

## HEALTH BENEFITS PROGRAM BOARD OF DIRECTORS MEETING WEDNESDAY, MARCH 28, 2007 1:00 P.M.

### MINUTES

The regular meeting of the Board of Directors of SISC III Health Benefits Program was called to order at 1:05 p.m. on Wednesday, March 28, 2007, in the SISC Board Room on the 5<sup>th</sup> Floor of the Kern County Superintendent of Schools Office, 1300 17<sup>th</sup> Street, Bakersfield, California, with the following in attendance:

**MEMBERS PRESENT:**

Russell Bigler  
John Caudle  
Karen Cox  
Dennis Franey  
Dan Munis  
Gary Pickavet  
Dennis Scott  
John Von Flue

**ALTERNATES PRESENT:**

Dean Bentley  
Richard Graham  
Judy Marty  
John Stenerson

**OTHERS PRESENT:**

Cherie Payne  
Bonnie Bowles  
Jennifer Bennett  
Carmen Gonzales  
Lauri Phillips  
Judy Fussell – Buckman-Mitchell  
Joanna Reynoso – Buckman-Mitchell  
Carolyn Temple – Foundation  
Holly VonderHaar - Kaiser  
Jennifer Thomas – Blue Cross  
Bob Hunter  
Catherine Mauldin – CSAC-EIA  
Tom Ross  
Turner Houston – Houston Insurance  
John Beck – Tulare City Elementary

**CONSENT CALENDAR**

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

**Minutes.** Minutes for the February 2007 Regular Board of Directors Meeting..

**Report of Activity for the Month of February 2007 and Ratification of Payment as follows:**

DELTA DENTAL SISC ASO	Claims	\$ 4,822,769.62 316,585.96	
DENTAL COALITION DENTAL COALITION ASO	Claims	1,018,137.78 67,254.79	
DELTACARE/PMI PREMIUM TOTAL		<u>3,174.40</u>	\$6,227,922.55

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VISION SERVICE	Claims	\$ 866,262.27	
ASO		84,948.72	
MES CLAIMS		\$ 29,045.01	
ASO		<u>4,361.30</u>	
TOTAL			\$ 984,617.30
PACIFICARE/BEHAV HEALTH		\$ 429,421.04	
CIGNA BEHAV. HEALTH (MCC SELECT)		\$ 18,327.56	
SECURE HORIZONS PREM (PACIFICARE)		\$ 0.00	
SENIOR ADVANTAGE PREM (KAISER)		\$ 19,416.00	
SENIORITY PLUS PREM (HEALTHNET)		\$ 74,111.00	
BLUE SHIELD HMO PREMIUM		\$ 1,798,819.33	
BLUE SHIELD FULLY INSURED PPO		\$ 94,310.42	
HEALTH NET PREMIUM		\$ 856,618.19	
CALIFORNIA CARE PREMIUM		\$ 826,718.83	
KAISER PREMIUM		\$ 2,366,282.78	
PACIFIC CARE PREMIUM		\$ 25,753.35	
PACIFIC UNIION DENTAL PREMIUM		\$ 1,983.78	
UNITED HEALTHCARE (LIFE INSURANCE)		\$ 132,406.47	
NAT'L BENEFIT RESOURCES (Stop Loss)		\$ 81,346.59	
BLUE CROSS HEALTH CLAIMS		\$ 30,117,781.97	
BLUE SHIELD HEALTH CLAIMS		\$ 2,424,504.62	
BEHAVIORAL HEALTH CLAIMS		\$ 191,350.06	
ITS CLAIMS		\$ 670,216.32	
COMPANION CARE CLAIMS		\$ 136,214.91	
TOTAL BLUE CROSS AND BLUE SHIELD CLAIMS		\$ 33,540,067.88	
BLUE CROSS NETWORK ASO		\$ 1,026,024.32	
FOUNDATION ADJUDICATION ASO		\$ 516,178.15	
BLUE SHIELD ASO		\$ 108,021.76	
BEHAVIORAL HEALTH ASO		\$ 140,011.46	
ITS ASO		\$ 57,117.53	
COMPANION CARE ASO		\$ <u>28,372.46</u>	
TOTAL BLUE CROSS AND BLUE SHIELD ADMIN.			\$ <u>1,875,725.68</u>
TOTAL BLUE CROSS AND BLUE SHIELD			\$35,415,793.56
MERCK CLAIMS		\$ 9,165,070.03	
ASO-COPAY		279,028.17	
CLAIMS - DISCOUNT CARD		78,793.55	
ASO - DISCOUNT CARD		3,095.38	
CLAIMS - MEDICARE PART D		288,102.48	
ASO - MEDICARE PART D		7,710.29	
AHC CLAIMS (JAN 16-31 AND FEB)		2,722,127.95	
AHC - ASO (JAN 16-31 AND FEB)		146,882.50	
TOTAL RX CLAIMS			\$ <u>12,690,810.35</u>
TOTAL BC, BSC AND RX			\$48,106,603.91

**PUBLIC COMMENT**

**ACTION ITEMS**

**Financial Report.** Bonnie Bowles reviewed with the Board the Financial Report for the period ending February 28, 2007. After discussion, motion was made by Director Bentley seconded by Director Caudle and carried approving the Financial Report as presented.

**Request Approval of 2007-2008 Rates.** The Rates Committee met on March 27, 2007. John Stenerson reviewed with the Board the recommendations of the Committee.

**2007-2008 Dental Rates.** John gave the Board a presentation on Dental Implants and notified the Board that due to the widespread use of implants, Delta will now be covering Implants on their book of business. John told the Board SISC should provide Dental Implant coverage on the SISC book of business, and how that might effect claims experience. John received information from Delta indicating, based on their experience, the over-all impact of allowing coverage should be minimal due to there being a maximum amount in a calendar year that a member could access. The SISC Administration mentioned that it would research the feasibility of allowing districts with unlimited dental care to have dental implant coverage and bring this information back to the Board. After discussion, motion was made by Director Scott, seconded by Director Pickavet and carried approving a 7.8% increase.

**2007-2008 Vision Rates.** After discussion, motion was made by Director Bentley, seconded by Director Pickavet and carried, keeping rates the same in both Medical Eye Services and VSP .

**2007-2008 Behavioral Health Rates.** After discussion, motion was made by Director Franey, seconded by Director Pickavet and carried to approve a 8.1% increase in Behavioral Health Rates.

**2007-2008 Prescription Drug Card Rates.** After discussion, motion was made by Director Pickavet, seconded by Director Bentley and carried approving the rates for each co-payment group as presented to the Board.

**2007-2008 SISC/PPO Premiums.** John Stenerson reviewed with the Board the financial history of the SISC/PPO Premiums. After discussion, motion was made by Director Pickavet, seconded by Director Caudle and carried approving the rate changes contained in the PPO Renewal Summary by Pool.

**Request Approval for the Santa Cruz City School District to Join the SISC III JPA.** Director Bigler addressed the Board regarding approval for the admittance of the Santa Cruz City School District to the SISC III JPA. Director Bigler discussed the factors that make Santa Cruz a good fit for SISC, and the importance of numbers in the Self Insurance business. After discussion, motion was made by Director Bentley, seconded by Director Franey and carried approving the admittance of Santa Cruz City School District in to the SISC III JPA.

**INFORMATION AND DISCUSSION ITEMS**

**Monthly SISC PPO Claims History Through February 2007.** John Stenerson reviewed with the Board the SISC PPO claims history through February 2007. John notified the Board that we are in great shape at 4.4%, but that we should keep in mind that trend is typically around 12%, and that we don't have to go very far back in our history to find an 11.3%.

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**Show the Board the Calendar Showing Presentations on Plans, Rates, etc., for the 2007-2008 Fiscal Year.** Director Bigler reviewed with the Board a calendar showing anticipated presentations on Plans and Rates for the 2007-2008 fiscal year. A flyer will go to each district.

**Discuss the May Board Meeting Workshop.** Director Bigler reminded the Board that the SISC Annual Coastal Board Meeting has been scheduled for May 17 and 18, 2007, at Mandalay Beach Resort Embassy Suites in Oxnard, California. The schedule of events is as follows:

Thursday, May 17, 2006	1:30 p.m.	SISC I Board Meeting
	2:30 p.m.	SISC II Board Meeting
	3:30 p.m.	SISC III Board Meeting
	5:00-6:30 p.m.	Reception and Networking
Friday, May 18, 2006	7:00-8:00 a.m.	Breakfast
	8:00 a.m.	Speaker

**Comments from the Board of Directors Will Be Heard** 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 Graham, seconded by Director Franey and carried adjourning the meeting at 1:55 p.m.

**NEXT MEETING**

The next meeting of the Board of Directors will be held **Wednesday, April 18, 2007**, at 1:00 p.m. in the SISC Board Room on the Fifth Floor of the Kern County Superintendent of Schools Office, 1300 17<sup>th</sup> Street, Bakersfield, California.

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DOUG MILLER, Secretary