

**SISC III**  
**HEALTH BENEFITS PROGRAM**  
**BOARD OF DIRECTORS MEETING**  
**WEDNESDAY, NOVEMBER 21, 2007**  
**1:00 P.M.**

**M I N U T E S**

The regular meeting of the Board of Directors of SISC III Health Benefits Program was called to order at 1:06 p.m. on Wednesday, November 21, 2007, 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  
 Karen Cox  
 Kip Hearron  
 Nelson Heisey  
 Russell Miller  
 Dan Munis  
 Gary Pickavet  
 Teri Schallock  
 Dennis Scott

**ALTERNATES PRESENT:**

Dean Bentley  
 Judy Marty  
 John Stenerson

**OTHERS PRESENT:**

Cherie Payne  
 Cindy Sproles  
 Lauri Phillips  
 Carmen Gonzales  
 Raquel Acebedo  
 Carolyn Temple  
 Steve Bargeon  
 Holly VonderHaar  
 Judy Fussel  
 Tom Valos  
 Jennifer Bennett  
 Kim Oliver  
 JoeAnna Reynoso

**CONSENT CALENDAR**

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

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

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

DELTA DENTAL CLAIMS	3,857,188.58	
SISC ASO	253,031.56	
DENTAL COALITION CLAIMS	646,313.91	
DENTAL COALITION ASO	42,398.19	
DELTACARE/PMI PREMIUM	4,163.20	
	<b>TOTAL DENTAL</b>	<b>4,803,095.44</b>
VISION SERVICE CLAIMS	684,783.23	
VSP ASO	90,470.28	
MES CLAIMS	34,837.54	
MES ASO	4,284.62	
	<b>TOTAL VISION</b>	<b>814,375.67</b>

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PACIFICARE/BEHAV HEALTH	466,825.31	
CIGNA BEHAV. HEALTH (MCC SLECT)	19,214.83	
SECURE HORIZONS PREM (PACIFICARE)	4,292.07	
SENIOR ADVANTAGE PREM (KAISER)	37,769.00	
SENIORITY PLUS PREM (HEALTHNET)	72,380.00	
BLUE SHIELD HMO PREMIUM	1,766,828.09	
BLUE SHIELD FULLY INSURED PPO	85,612.43	
HEALTH NET PREMIUM	1,201,666.58	
CALIFORNIA CARE PREMIUM	1,074,982.67	
KAISER PREMIUM	2,685,519.97	
PACIFICARE PREMIUM	26,218.50	
UNITED HEALTHCARE (FORMERLY PACIFIC UNION DENTAL)	1,895.22	
UNITED HEALTHCARE (LIFE INSURANCE)	144,100.28	
NAT'L BENEFIT RESOURCES (STOP LOSS)	55,344.00	
BLUE CROSS HEALTH CLAIMS	38,505,141.87	
BLUE SHIELD HEALTH CLAIMS	3,531,094.93	
BEHAVIORAL HEALTH CLAIMS	247,451.45	
ITS CLAIMS	1,176,086.05	
COMPANION CARE CLAIMS	187,198.66	
<b>TOTAL BLUE CROSS AND BLUE SHIELD CLAIMS</b>		<b>43,646,972.96</b>
BLUE CROSS NETWORK ASO	1,106,314.20	
FOUNDATION ADJUDICATION ASO	559,124.28	
BLUE SHIELD ASO	130,485.96	
BEHAVIORAL HEALTH ASO	153,713.22	
ITS ASO	86,948.12	
COMPANION CARE ASO	31,341.80	
<b>TOTAL BLUE CROSS AND BLUE SHIELD ADMIN.</b>		<b>2,067,927.58</b>
<b>TOTAL BLUE CROSS AND BLUE SHIELD</b>		<b>45,714,900.54</b>
MERCK CLAIMS	9,341,281.05	
ASO-COPAY	274,464.85	
CLAIMS - DISCOUNT CARD	68,078.00	
ASO - DISCOUNT CARD	2,655.85	
CLAIMS - MEDICARE PART D	285,821.31	
ASO - MEDICARE PART D	10,070.84	
AHC - CLAIMS	2,037,940.76	
AHC - ASO	80,944.40	
<b>TOTAL RX CLAIMS</b>		<b>12,098,257.06</b>
<b>TOTAL BC, BSC AND RX</b>		<b>57,813,157.60</b>

**PUBLIC COMMENT**

**ACTION ITEMS**

**Financial Report.** Cindy Sproles reviewed with the Board the Financial Report for the period ending October 31, 2007. Cindy pointed out that the LAIF rate for the month of October was 5.14%. Cindy also reviewed with the Board the quarterly investment report. After discussion, motion was made by Director Cox, seconded by Director Pickavet and carried approving the Financial Report as presented.

**INFORMATION AND DISCUSSION ITEMS**

**Monthly Blue Cross/SISC PPO Trend History Through October 2007** John Stenerson reviewed the monthly Blue Cross/SISC PPO Trend history through October 2007. John discussed with the Board that adding CSAC in to our numbers lowered our percentage of change year-over-year due to them having more single coverage than family coverage. John estimated that without CSAC, our percentage of change would be around 4%, which is still outstanding.

**Presentation by Sally Covington in December.** Director Bigler informed the Board that Sally Covington, the Executive Director of the California Health Care Coalition, CHCC, of which SISC is a member, will be here in December to give us a presentation on what the Coalition has done thus far, and what their plans are for the future.

**Show the Board a Newspaper Article on Surgery and Sightseeing.** Director Bigler discussed this article with the Board re: a new business that assists people in searching for locations to go for medical procedures outside the country for a reduced rate with a vacation.

**Show the Board a Newspaper Article on Test Strips.** Director Bigler discussed this article regarding the high cost of test strips with Board. Director Bigler let the Board know that he and John met with a Pharmacist from CalPERS and talked about the varied cost of test strips. They are also talking to Medco about this topic.

**Update the Board on 403(b) Compliance.** Director Bigler updated the Board on this topic. Director Bigler let the Board know that Cindy Sproles, Ken Gragg and he attended a CASBO sponsored workshop on this topic and based on what they learned, we don't believe it is part of the SISC III mission. We may be able to assist districts get a jump start with compliance before the January 1, 2009 deadline, however, we still need more clarification and approval on an Information Sharing Agreement from Schools Legal.

**Update the Board on Sansum Medical Clinic.** Director Bigler discussed the Blue Shield contract with the Board and that it looked like it might be cancelled. However, right before the Board Meeting Director Bigler was notified that a 2-year contract had just been signed.

**Show the Board a Video on Prescription Drug Rebates.** Director Bigler showed the Board this video regarding prescription drug rebates to doctors and discussed the amount of money being made by pharmaceutical companies.

**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 Caudle, seconded by Director Schallock and carried adjourning the meeting at 1:35 p.m.

**NEXT MEETING**

The next meeting of the Board of Directors will be held **Wednesday, December 19, 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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DAN MUNIS, Secretary