

SISC III

HEALTH BENEFITS PROGRAM BOARD OF DIRECTORS MEETING WEDNESDAY, JUNE 21, 2006 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, June 21, 2006, in the SISC Board Room on the 5th Floor of the Kern County Superintendent of Schools Office, 1300 17th Street, Bakersfield, California, with the following in attendance:

MEMBERS PRESENT:

Russell Bigler
Dennis Franey
Nelson Heisey
Russell Miller
Dan Munis
Dennis Scott

ALTERNATES PRESENT:

Judy Marty
John Stenerson

OTHERS PRESENT:

Wanda Carl
Cindy Sproles
Bonnie Bowles
Carmen Gonzales
Lynn LaValley
JoeAnna Reynoso, Buckman-Mitchell
Judy Fussel, Buckman-Mitchell
Carolyn Temple, Kern Foundation
Karen Morovich
Bill Hornback, Schools Legal Services
Tom Valos

CONSENT CALENDAR

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

Minutes. Minutes for the May 2006 Regular Board of Directors Meeting.

Report of Activity for the Month of May 2006 and Ratification of Payment as follows:

DELTA DENTAL CLAIMS	\$ 4,046,899.20	
SISC ASO	265,881.29	
DENTAL COALITION CLAIMS	851,012.12	
DENTAL COALITION ASO	55,911.51	
DELTACARE/PMI PREMIUM	4,891.76	
TOTAL DENTAL		\$5,224,595.88
VISION SERVICE PLAN CLAIMS	751,373.16	
ASO	82,292.96	

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MES CLAIMS	14,187.70	
ASO	<u>2,725.00</u>	
TOTAL VISION		850,578.82
PACIFICARE/BEHAVIORAL HEALTH	404,844.09	
CIGNA BEHAVIORAL HEALTH	18,225.32	
SECURE HORIZONS PREMIUM (PACIFICARE)	10,082.34	
SENIOR ADVANTAGE PREMIUM (KAISER)	36,282.00	
SENIORITY PLUS PREMIUM (HEALTHNET)	89,707.58	
BLUE SHIELD HMO PREMIUM	1,589,037.57	
HEALTH NET PREMIUMS	760,957.03	
CALIFORNIA CARE PREMIUMS	696,948.77	
KAISER PREMIUMS	2,152,505.21	
PACIFICARE PREMIUMS	20,268.57	
PACIFIC UNION DENTAL PREMIUM	2,412.19	
UNITED HEALTHCARE (LIFE INSURANCE)	156,864.03	
NATIONAL BENEFIT RESOURCES(Stop Loss)	64,610.64	
BLUE CROSS HEALTH CLAIMS	29,608,918.96	
BLUE SHIELD HEALTH CLAIMS	1,573,297.15	
BEHAVIORAL HEALTH CLAIMS	303,458.99	
ITS CLAIMS	1,123,204.96	
COMPANION CARE CLAIMS	122,460.46	
TOTAL BLUE CROSS AND BLUE SHIELD CLAIMS		32,731,340.52
BLUE CROSS NETWORK ASO	904,627.82	
FOUNDATION ADJUDICATION ASO	461,284.67	
BLUE SHIELD ASO	87,449.63	
BEHAVIORAL HEALTH ASO	134,694.21	
ITS ASO	92,211.06	
COMPANION CARE ASO	24,208.80	
TOTAL BLUE CROSS AND BLUE SHIELD ADMIN		<u>1,704,476.19</u>
TOTAL BLUE CROSS AND BLUE SHIELD		34,435,816.71
MERCK CLAIMS	8,505,835.74	
ASO-COPAY	319,255.55	
M/O - DISCOUNT CARD	87,664.19	
ASO - DISCOUNT CARD	<u>3,586.49</u>	
TOTAL MERCK CLAIMS		8,916,341.97
TOTAL BC, BSC AND MERCK		43,352,158.68

PUBLIC COMMENT

ACTION ITEMS

Financial Report. Cindy Sproles reviewed with the Board the Financial Report for the period ending May 31, 2006. She noted that the LAIF rate is 4.56%. After discussion, motion was made by Director Miller, seconded by Director Scott and carried approving the Financial Report as presented.

Request Approval of 2006-2007 Meeting Times, Dates and Places. Director Bigler reviewed with the Board a memorandum containing the time, date and location of the 2006-2007 monthly Board Meetings. He noted that all meetings are on the third Wednesday of the month except the months of September, March and May. September and March are months that annually have conflicts on the third Wednesday of the month. May is the Annual Board Meeting/Workshop. After discussion, motion was made by Director Miller, seconded by Director Franey and carried approving the 2006-2007 Meeting Dates as proposed.

Request Approval of the 2005 Defined Benefit Program Audit. Cindy Sproles reviewed with the Board the 2005 Defined Benefit Program Audit performed by Daniells, Phillips, Vaughan and Bock. After discussion, motion was made by Director Miller, seconded by Director Doug Franey and carried to approve the 2005 Defined Benefit Program Audit as presented.

Request Approval of the GASB-45 Program. Director Bigler reminded the Board that a year or so ago the Board requested that SISC III put together its own GASB-45 Plan. We have put together a plan that, although we have updated the Board several times, it has not been formally approved via an action item. The problem is that the Kern County Treasurer will not allow SISC III to set up a separate fund until we provide the County Treasurer with proof the SISC III Board approved the SISC III GASB-45 Plan. After discussion, motion was made by Director Scott, seconded by Director Franey and carried approving the SISC III GASB-45 Plan and execution of the attendant Resolution.

INFORMATION AND DISCUSSION ITEMS

Monthly Blue Cross/SISC PPO Trend History Through May 2006. John Stenerson reviewed with the Board the Blue Cross/SISC PPO monthly trend history for the month of May 2006.

Show the Board a Newspaper Article From the Cal PERS Magazine. Director Bigler reviewed with the Board an article from the Cal PERS Magazine stating CalPERS has just selected Medco as their new Pharmacy Benefits Manager (PBM). This is also the PBM SISC uses.

Comments From the Board. 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 Doug Franey, seconded by Director Scott and carried adjourning the meeting at 1:35 p.m.

NEXT MEETING

The next meeting of the Board of Directors will be held **Wednesday, July 19, 2006**, 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.

DOUG MILLER, Secretary