

SISC III

HEALTH BENEFITS PROGRAM BOARD OF DIRECTORS July 20, 2011 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, July 20, 2011 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:

Nick Kouklis
Erica Andrews
John Caudle
Karen Cox
Chris Crawford
Kip Hearon
Steve McClain
Russell Miller

ALTERNATES PRESENT:

Russ Bigler
Judy Marty

OTHERS PRESENT:

Laurie Swan
Bonnie Bowles
Jennifer Bennett
John Stenerson
Megan Hanson
Carolyn Temple
Lola Nickell
Russell Shipley
Joanna Miller
Steve Bargeon
Dan Bly
Lauri Phillips
Arman Khorozyan
Fred Bayles – Wells Fargo Advisor LLC

CONSENT CALENDAR

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

Minutes. Minutes for the June 2011 Regular Board of Directors Meeting.

Report of Activity for the Month of June 2011 and Ratification of Payment as follows:

B. Report of Activity for the Month of July 2011 and ratification of payment as follows:

Nick Kouklis

DELTA DENTAL CLAIMS	7,359,920.15	
DELTA DENTAL ASO	482,810.84	
	TOTAL DENTAL	7,842,730.99
VSP CLAIMS	1,162,042.22	
MES CLAIMS	48,050.67	
VSP ASO	90,413.32	
MES ASO	5,216.81	
	TOTAL VISION	1,305,723.02
ANTHEM BLUE CROSS HEALTH CLAIMS	47,160,017.30	
BLUE SHIELD HEALTH CLAIMS	7,208,141.39	
ANTHEM BC BEHAVIORAL HEALTH CLAIMS	288,046.91	
ANTHEM BC COMPANION CARE RETIREE CLAIMS	209,440.03	
MEDCO DISCOUNT CARD CLAIMS	50,141.62	
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TOTAL HEALTH CLAIMS	54,915,787.25	
ANTHEM BLUE CROSS ASO	1,361,273.52	
BLUE SHIELD ASO	196,854.01	
ANTHEM BC BEHAVIORAL HEALTH ASO	154,712.29	
ANTHEM BC COMPANION CARE RETIREE ASO	42,664.60	
FOUNDATION CLMS PROCESSING ASO	551,996.64	
MEDCO DISCOUNT CARD ASO	1,391.92	
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TOTAL HEALTH ASO	2,308,892.98	
	TOTAL HEALTH	57,224,680.23
MEDCO CLAIMS	11,208,076.91	
AMERICAN HEALTH CARE CLAIMS	1,915,897.56	
MEDCO ASO	316,877.57	
AMERICAN HEALTH CARE ASO	50,676.80	

TOTAL RX 13,491,528.84

FULLY-INSURED PRODUCTS

AETNA HMO	1,217,366.24
BLUE SHIELD HMO	1,038,740.90
ANTHEM BC CALIFORNIA CARE HMO	962,966.80
HEALTH NET HMO	1,818,102.55
KAISER HMO	2,746,367.73
PACIFIC CARE BEHAVIORAL HEALTH	475,998.65
CIGNA BEHAVIORAL HEALTH	16,248.23
UNITED HEALTHCARE DENTAL	837.80
DELTACARE/PMI DENTAL	4,053.84
KAISER SENIOR ADVANTAGE RETIREE PLAN	50,202.00
HEALTH NET SENIORITY PLUS RETIREE PLAN	43,716.00
AETNA FULLY INSURED PPO	56,029.41
BLUE SHIELD FULLY INSURED PPO	23,142.00
HEALTH NET FULLY INSURED PPO	3,977.85
MUTUAL OF OMAHA LIFE	125,684.70
ZURICH LIFE	12,532.00
TOTAL FULLY-INSURED	8,595,966.70
SISC FLEX CLAIMS	154,265.80
STOP LOSS - VISTA UNDERWRITING PARTNERS	46,588.66
WELLNESS	5,353.08
ALL OTHER	5,917,808.72
TOTAL III PAYMENTS	94,584,646.04

PUBLIC COMMENT

None

ACTION ITEMS

Financial Report Financial Report. Bonnie Bowles reviewed with the Board the Financial Report for the period ending June 30, 2011, noting the LAIF rate was up a bit at 0.45 %. Director Bigler explained "confidence level" and "expected confidence level" to new members of the Board. After discussion, motion was made by Director Bigler seconded by Director Cox, and carried approving the Financial Report as presented.

Request Approval of the Defined Benefit Program Audit. Megan Hanson reviewed the Defined Benefit Program Audit with the Board. There were no changes in the plan. A motion was made by Director Bigler, seconded by Director Miller, and carried to approve the Defined Benefit Program Audit as presented.

INFORMATION AND DISCUSSION ITEMS

Monthly SISC PPO Claims History Through June 2011. John Stenerson reviewed with the Board the SISC PPO claims history through June 2011. He also reviewed the comparison of budget to actual with the Board.

Give Each Board Member a Copy of the 2011-2012 Meeting Dates Calendar. Director Kouklis reviewed the meeting dates for this year with the Board. Director Kouklis noted that Board meetings are held the third Wednesday of every month with the exception of September, March and May.

Give Each Board Member a Copy of all Board Members. Director Kouklis informed the Board that a list of directors and their contact information was distributed in the Board packet and to notify Laurie Swan if corrections need to be made.

Review the Spouse/Domestic Partner Overlay Program. Jennifer Bennett reviewed with the Board the Spouse/Domestic Partner Overlay Program.

Review the Investment Policy

Bonnie Bowles reviewed the Investment Policy with the Board and noted that we are not recommending any changes or modifications at this time. Safety of Principal, Liquidity and Return on Investment continue to be the main priorities.

Show the Board Two Articles on President Obama's Health Care Law. Director Bigler reviewed these articles with the Board.

Show the Board an Article on California's Two Health Insurance Regulators. Director Bigler discussed the articles 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 including Public Participation, Staffing, Late Premium Payments and Annual Funding.

Comments From the Board of Directors.

Director Kouklis thanked Director Bigler for his participation and providing historical information to the Board.

Comments From the Board. There were no further comments from the Board.

ADJOURNMENT

There being no further business to come before the Board, motion was made by Director Scott, seconded by Director Hawkins and carried adjourning the meeting at 1:35 p.m.

NEXT MEETING

The next meeting of the Board of Directors will be held **Wednesday, August 17, 2011**, 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/Treasurer