

San Joaquin Valley Insurance Authority

BOARD OF DIRECTORS

SUSAN B. ANDERSON

JUDITH CASE

MIKE ENNIS

ALLEN ISHIDA

PHIL LARSON

DEBORAH POOCHIGIAN

PETE VANDER POEL

Meeting Minutes:
August 20, 2010
8:30 AM

1. Call to Order

Meeting was called to order at 8:30 AM by President Case.

2. Roll Call

Attendance called by Michele Mills, Gallagher Benefit Services. In attendance were President Judy Case, Vice President Pete Vander Poel, Director Mike Ennis, Director Allen Ishida, Director Phil Larson, and Director Deborah Poochigian and Director Susan Anderson. There were no director's absent.

3. Approve Minutes of Meeting of July 16, 2010

President Case called for any amendments or correction to the minutes. Director Larson motioned and Director Ennis seconded the approval of the minutes. The motion passed unanimously.

4. Year to Date Claims Review and Adoption of Rates for 2011

Mark Tucker, GBS explained that at the last board meeting claims data was only available through May. The data presented to the board for this meeting contained claims through the month of July.

President Case asked that if two months of claims affect the rate, can the SJVIA continue to expect the projections to be a moving target? Mr. Tucker stated that as claims data continues to mature it will become more stable. Rates can still be affected on a month to month basis, but adjustments to the rates to not to be made outside of the annual renewal process.

President Case asked that it might be a consideration to have a Board briefing to discuss rates and prepare for meetings. Vice President Vander Poel agreed

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that it may be necessary to meet prior to Board meetings to review items such as rates.

Mark gave an overview of the fixed costs for the plans for the SJVIA. He explained that the stop loss rates are not locked, as the carrier will not finalize rates before 90 days prior to the plan year start. He also stated that because the stop loss is such small cost line item, any fluctuation in the renewal projection will not be of material consequence to the overall renewal plan cost. Mr. Tucker stated that it is GBS's recommendation the SJVIA approve a 5.89% funding increase to the HMO plan and no increase to the PPO funding.

Alan Thaxter, GBS, gave an overview of the renewal rates for County of Tulare. Mr. Thaxter explained that with the two additional months of claims, the SJVIA should adopt an overall funding increase for the County of Tulare Plans of 14.1%.

Director Poochigian made the motion to approve the rates as stated, and Director Larson seconded the motion. The motion was unanimously approved to adopt the rates as presented.

Alan Thaxter outlined the claims review for year to date, discussing two quarters of claims data. Director Poochigian questioned the HIPAA compliance of the current outreach programs. Alan stated that all outreach comes from Anthem, going to the home address, and is all compliant with HIPAA regulations.

Due to a prior time commitment, Director Mike Ennis was not able to attend the remainder of the meeting

5. Recommended Strategies for Claims Mitigation Actions

Mr. Thaxter gave an overview of the need for claims mitigation strategies. He gave a brief history, including Claremont partners and their withdrawal of their offer to work with the SJVIA. He also added that Anthem Blue Cross, at a past meeting, presented their capabilities. In addition to these programs, GBS looked into other long range strategies for this topic.

Tim Huntley spoke as the HR Director and on behalf of the County of Tulare. He mentioned that each County would like to choose the option that best suits each population's needs to provide wellness options for their employees. He

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explained that Tulare is looking at providing onsite mammography during the month of October. He asked that County of Tulare be approved to spend their portion of the Claims Mitigation funds in the budget.

President Case suggested that the monies in the budget be separated according to pro rata shared. Director Vander Poel agreed that this is a good strategy. Director Anderson stated that there needs to be a way to measure the return and success of the claims mitigation measures. She also expressed interest separating the money and having each report the outcomes of their chosen programs.

John Glynn, California Health Care Coalition, presented an overview of the program to the Board.

Vice President Vander Poel commented that he questioned the value of the CHCC and needed to see concrete results of their services. Director Poochigian followed this with a question regarding the definition of their services and stated she would also like to see results from the services of CHCC.

Motion made by Director Anderson to participate in the CHCC for the plan year 2010. Director Anderson, President Case, and Director Larson were in favor. Director Poochigian and Vice President Vander Poel were opposed. Motion passed.

Motion presented by Vice President Vander Poel and seconded by Director Poochigian to allow each county to spend their pro rata portion of the claims mitigation funds. Direction was given to separate funds and go back to each County's Board for approval. Motion was unanimously passed.

6. Proposed Guidelines for SJVIA Future Expansion

Due to remaining board members having a prior commitment, this item was moved to the September 17th meeting agenda.

7. Adoption of Class Specifications for SJVIA Positions

Due to remaining board members having a prior commitment, this item was moved to the September 17th meeting agenda.

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8. Directors reports – Information

There were no director's reports.

9. Public Comment

There was no public comment.

Board discussion regarding time constraints of meetings and holding meetings earlier moving forward. Next Board Meeting is set for September 17th at 8:30 in Fresno.

Meeting adjourned at 11:05 AM.