

Meeting Minutes

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 Location:
Fresno County Employee Retirement
Association Board Chambers
1111 H Street
Fresno, CA 93721
October 7, 2011
9:00 AM

1. Call to Order

Meeting was called to order by President Judith Case at 9:06am.

2. Roll Call

Roll was called by Michele Mills, Gallagher Benefit Services. Present were President Judith Case, Vice President Pete Vander Poel, Director Susan Anderson, Director Steve Worthley, and Director Mike Ennis.

Director Deborah Poochigian arrived after roll call was taken.

3. Approval of Agenda

Paul Nerland, SJVIA Manager, requested to add to the agenda a Brief Staff Report.

Director Poochigian moved to approve this item, Director Vander Poel seconded the motion. Motion unanimously approved.

4. Public Comment

President Case opened the meeting for public comment – no public comment was given.

5. Approval of Minutes – Board Meeting of August 26, 2011

Director Anderson moved to approve the minutes as presented, Director Ennis seconded the motion. Motion unanimously approved.

6. Approval of the 2012 Board Meeting Calendar

Director Poochigian moved to approve the calendar as presented, Director Ennis seconded the motion. Motion unanimously approved.

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7. Approval of 2011 Anthem Blue Cross Administrative Services Only and Minimum Premium Contracts

Paul Nerland, SJVIA Manager, stated that the 2011 Anthem Blue Cross ASO and MPP Agreements have been reviewed and signed by Anthem. He then asked for approval to execute the final agreements for the 2011 plan year.

Director Worthley moved to approve the 2011 Anthem Blue Cross Administrative Services Only and Minimum Premium Contracts as presented, Director Anderson seconded the motion. Motion unanimously approved.

8. Approval of the Wellness Program Contract with Delta TeamCare

Michele Mills, Gallagher Benefit Services, stated that we have received the Wellness Contract from Delta TeamCare and are asking approval to execute for the 2012 plan year.

Director Ennis moved to approve the Wellness Program Contract with Delta TeamCare as presented, Director Anderson seconded the motion. Motion unanimously approved.

9. Report on Updated HM Life Specific and Aggregate Stop Loss Rates and Authorize Staff to Execute 2012 Policy

Michele Mills, Gallagher Benefit Services, explained that stop loss rates were approved, however, September claims still need to be reviewed before they finalize the rates. We should expect to see a 15% increase to the Specific Stop Loss rate and 3.7% to the Aggregate Stop Loss rate.

President Case asked if Stop Loss rates were increasing due to high claims and inquired about a Large Claim Report. Michele Mills explained HM Life was looking at a couple of ongoing large claims – there are three in Fresno County and 1 in Tulare County over the Specific deductible as well as another approaching. Paul Nerland, SJVIA Manager, advised that SJVIA staff would bring a more detailed report to the Board on this issue.

President Case also noted that we may be able to use those large claim reports to focus on our Wellness Program. Michele Mills stated that

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Anthem is already using these reports and is targeting them in the 360 program currently in place.

Director Ennis moved to approve the HM Life Specific and Aggregate Stop Loss rates and authorized staff to execute the 2012 policy, Director Worthley seconded the motion. Motion unanimously approved.

10. Review and Approval of SJVIA New Member Underwriting Guidelines

Alan Thaxter, Gallagher Benefit Services, gave an overview of the SJVIA underwriting guidelines. He explained how this new model will be helpful in attracting other entities and rating them accordingly. New groups will be rated on the exact same methodology as SJVIA.

Director Poochigian asked if new groups would have their own plans or adopt SJVIA plans. Alan Thaxter explained that this is a decision the Board will need to make after considering the positives and negatives. Director Anderson moved to approve the SJVIA New Member Underwriting Guidelines, Director Ennis seconded the motion. Motion unanimously approved.

11. Gallagher Benefit Services Staffing

Jeff Cardell, SJVIA Assistant Manager, stated that SJVIA staff has had conversations with Gallagher Benefit Services and have reached an agreement to appoint Michele Mills the single point of contact. She will be the dedicated account manager, spending 80-90 percent of her time on SJVIA. This does not mean other resources at Gallagher will not be utilized. Additionally, Staff has established a schedule for board meeting materials and will be meeting with Gallagher Benefit Services every Friday to discuss any business related items.

No action was required on this item.

12. Gallagher Medical/Rx Executive Claims Summary Report

President Case pointed out the rising cost of claims in the HMO plan. Bruce Caldwell, Gallagher Benefit Services, explained that this was due to the amount of large claims. Gallagher indicated that graphs can be added to future reports to illustrate this.

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No action was required on this item.

13. Receive and File Catalyst Rx Notice Regarding AWP Pricing Source

No questions or comments.

No action was required on this item.

14. Staff Reports

Paul Nerland explained that Walgreens Pharmacy will no longer be contracting with Express Scripts as of January 1, 2012. This change will only affect the HDPPO plans and a letter has already been mailed to all HDPPO participants giving details of the change.

No action was required on this item.

15. Directors Reports

There were no director reports.

Meeting was adjourned at 10:02 am by President Judith Case.