

MINUTES

BOARD OF DIRECTORS

ANDREAS BORGEAS
KUYLER CROCKER
NATHAN MAGSIG
BUDDY MENDES
BRIAN PACHECO
PETE VANDER POEL
J. STEVEN WORTHLEY

**Meeting Location:
County of Tulare
Board of Supervisors Chambers
2800 W. Burrel Avenue
Visalia, CA 93291
August 25, 2017 9:00 AM**

1. Call to Order
2. Pledge of Allegiance
3. Roll Call

All Directors present.

4. Approval of Agenda (A)

Motion to approve by Director Magsig; Seconded by Director Worthley;
Motion approved unanimously.

5. Public Comment: At this time, members of the public may comment on any item, within the jurisdiction of the SJVIA, not appearing on the agenda. In order for everyone to be heard, please limit your comments to 3 minutes or less. Anyone wishing to be placed on the agenda for a specific topic should contact the SJVIA Manager's Office and submit correspondence at least 14 days before the desired date of appearance.

Public comments were made by Sandra Brock, Bobby Bloyed, Jonathan Ramos, and Laura Hernandez.

Agenda Item 16, Closed Session, moved to this point in the Board Meeting.

16. Closed Session CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov. Code, § 54956.9, subd. (d)(1)) — San Joaquin Valley Insurance Authority v. Gallagher Benefit Services, Inc., Fresno County Superior Court Case No. 17CECG01632, United States District Court for the Eastern District of California Case No. 1:17-cv-00861-LJO-EPG

The public may comment on Closed Session items prior to the Board's recess to Closed Session.

No comments.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the SJVIA Manager at 559-600-1810 or the Assistant SJVIA Manager at 559-636-4900. Notification 48 hours prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility. Documents related to the items on this Agenda submitted to the Board after distribution of the Agenda packet are available for public inspection at the County of Fresno plaza Building, 2220 Tulare St, 14th Floor, Fresno, CA during normal business hours. All documents are also posted online to www.sjvia.org.

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6. Approval of Minutes—Board Meeting of July 14, 2017 (A)

Motion to approve by Director Crocker; Seconded by Director Mendes;
Motion approved unanimously.

7. SJVIA Director Questions, Announcements, and Activity Reports (Gov. Code, § 54954.2, subd. (a)(2)) (I)

Director Vander Poel commented that we must be mindful of getting the SJVIA into a better financial position. The SJVIA has loans from respective counties and the loans are going to be repaid, but how? What will be the formal policy for repayment of loans? Once the SJVIA gets into a position of having reserves in excess of the Incurred But Not Reported (IBNR) levels, that would be considered surplus and that could be used to repay the loans. We need to have a policy adopted by the Board and direct Staff to bring something back in the future.

8. Receive Update from Auditor-Treasurer on Cash Flow Projections (I)

Presented by Lawrence Seymour, County of Fresno

Director Vander Poel requested, for future presentations, that specific dollar amounts for bank account balances be included to support cash flow projections.

Director Magsig commented that once the Anthem bank account is sufficiently funded to pay claims, amounts above the INBR reserve could be included in an investment pool and earn some interest.

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9. Request the Board Approve an Extension of Notification by SJVIA Member Entities of Their Intent to Terminate from 120 Days as Provided in Section 9 of the SJVIA Participation Agreement to 90 Days (A)

Presented by Paul Nerland, County of Fresno

Motion to approve by Director Worthley; Seconded by Director Crocker; Motion approved unanimously.

10. Receive Consultant's Report on the SJVIA Mobile Mammography Vendor RFP, Approve SJVIA Staff Recommendation, and Authorize President to Execute Agreements Subject to Approval of SJVIA Counsel and Staff (A)

Presented by Matthew Szenderski, Keenan & Associates

Motion to approve by Director Worthley; Seconded by Director Magsig; Motion approved unanimously.

11. Receive and File Consultant's Report Update on the SJVIA Wellness Vendor RFP (I)

Presented by Matthew Szenderski, Keenan & Associates

Public comments made by Riley Talford, Sandra Brock, and Santiago Ocegüera.

Director Vander Poel commented that this was an Information item and asked Counsel if the Board needs to take action to extend the item to allow time to conduct finalist interviews.

Motion to hold over the Item for recommendation until the next Board meeting made by Director Magsig; Seconded by Director Worthley; Motion approved unanimously.

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12. Direct Staff to Give Thirty (30) Days Written Notice to Chimienti & Associates Insurance Services of the Intent to Terminate Agreement as Provided in Section 4, Item C of that Agreement (A)

Presented by Paul Nerland, County of Fresno

Motion to approve by Director Mendes; Seconded by Director Crocker;
Motion approved unanimously.

13. Direct Staff to Give Ninety (90) Days Written Notice to US Script, Inc. (DBA Envolve Pharmacy Solutions) of the Intent to Terminate Agreement as Provided in Section 4.2 of that Agreement (A)

Presented by Rhonda Sjostrom, County of Tulare

Motion to approve by Director Worthley; Seconded by Director Magsig;
Motion approved unanimously.

14. Receive and File Consultant's Report on SJVIA Plan Experience Through June, 2017 (I)

Presented by Bordan Darm, Keenan & Associates

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15. Receive Consultant's 2018 Underwriting Renewal Report, Finalize and Approve 2018 Rates and Fees, Authorize Consultant and SJVIA Staff to Negotiate Agreements, and President to Execute Agreements Subject to Approval of SJVIA Counsel and Staff (A)

Presented by Bordan Darm, Keenan & Associates

Director Vander Poel made comments that he would hope that any assumptions made in the renewal, such as PBM disruption and HMO migration to EPO, would be conservative and actuarially sound.

Public comments made by Jennifer Jenton, Santiago Ocegueda, Bobby Bloyed, John Adams, and Sandra Brock.

Motion to approve by Director Worthley to:

- Accept Anthem Self-Funded Medical rates and fees as outlined in Consultant's Renewal report
- Kaiser - Maintain 2017 Rates
- Delta Dental – Accept Renewal with a two year rate guarantee as follows:
 - DHMO – accept renewal with increase of 5.36%
 - PPO – accept renewal with 2% subsidized rates, along with a Premium Holiday for January 2018
- VSP Option 3 – Accept 2% increase to rates and two year rate guarantee

Seconded by Director Crocker; Motion approved unanimously.

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During the Board Meeting, Item 16, Closed Session, was moved to after Item 5, Public Comment.

16. Closed Session CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov. Code, § 54956.9, subd. (d)(1)) — San Joaquin Valley Insurance Authority v. Gallagher Benefit Services, Inc., Fresno County Superior Court Case No. 17CECG01632, United States District Court for the Eastern District of California Case No. 1:17-cv-00861-LJO-EPG
17. Adjournment

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