

**SUMMARY OPEN-SESSION MINUTES  
SOUTHERN CALIFORNIA SCHOOLS  
VOLUNTARY EMPLOYEES BENEFITS ASSOCIATION (VEBA)  
August 13, 2008**

Members Present: Co-chair Ed Nelson, Co-chair Steve Kaplan, Ronnie Adair, Elizabeth Ahlgren, Doretha Albee, Mark Anderson, Janice Cook, John deBeck, Lora Duzyk, David Fernandez, Joyce LaFleur, Kevin Ogden, Erik Olson Fernandez

Absent: Thomas Eggleston, Jesus Gandara, Sam Lucero

Administrative Staff: George McGregor, Dawna Agosto, Rebeca Aspe, Betty Ormsbee, Barbara Severino, Sherrie Shumaker, Annemieke Tomey, Nancy White, Bob Whiting

Consultant: Lan Brown and Susan Giesting

Guests: Sandra Chambers (Kaiser), Christopher Dick (PacifiCare/United), Todd Torgerson (Sweetwater UHSD), Linda Townley (PacifiCare), Randall Ward (Superintendent, SDCOE)

The meeting was called to order by Ed Nelson at 8:00 a.m.

**Minutes:**

**MOTION:** (Janice Cook) that the open-session minutes of July 9, 2008, be approved as submitted. Seconded by Joyce LaFleur and approved.

**Committee Reports:**

California Health Care Coalition (CHCC)

George McGregor reported that meetings with CHCC have been very productive.

California Public Employers Employees Health Care Coalition (CPEEHCC)

George McGregor said that the annual conference agenda should be available next month. Doretha Albee highly recommended attendance at the conference scheduled for January 21-23, 2009, at Harrahs, Las Vegas.

Executive Committee

Steve Kaplan reported on a .8% reduction in the Medco rate renewal for 2009. He reviewed proposed options that could be given to participating employers regarding the savings.

**MOTION:** (Kevin Ogden) that due to the better than expected negotiations with Medco for the 2009 renewal, participating VEBA employers and their employee organizations/associations be given the option of either of the following:

- Taking a reduction in their 2009 PacifiCare renewal rates, or
- Pooling the amount and designating it to be used for wellness or disease management activities. The pooled amount must be used by 12/31/2009.

The motion was seconded by Joyce LaFleur and approved.

The Board acknowledged the quality of Ron Mason's work and the "great job" he was doing for the VEBA.

George McGregor called attention to the Action Item Summary included in the board packet. He said that this report was created to track the progress of activities/actions that require follow up. It was reviewed in detail at the Executive Committee meeting and will be included in the Board packet each month.

### **Consultant Reports:**

#### **Towers Perrin**

Lan Brown reported the following:

- Rates will be provided related to the .8% reduction for Medco
- Renewal status and rates still needing to be finalized
- Claims updates on VEBA plans
- Benefits resulting from the early renewal with Medco

Discussion followed regarding how members are to find out if a specific drug is covered and who is responsible to pay for it when they receive denials and conflicting information from providers. George McGregor said that members should contact the VEBA Advocacy Office for assistance. Nancy White will analyze the scope of the problem and bring a report to the Executive Committee and then to the Board and will recommend a way to advise members of steps that can be taken to ensure that the appropriate parties are financially responsible for physician-administered drugs.

Susan Giesting reported on communications activities completed and underway.

There was discussion about continuity of care (COC) for members of districts who will be dropping the POS plan and offering the HMO plan only. It was noted that districts should be advised about COC and when it may be applicable.

### **VEBA Administrative Reports:**

#### **Financial Report**

**MOTION:** (Ronnie Adair) that the May 2008 Disbursement Reports be approved as submitted. Seconded by Doretha Albee and approved.

#### **VEBA Advocacy Programs**

Nancy White presented the Advocacy Programs Report. The following was noted:

- A proposed contest to increase member awareness of the Best Doctors program. Prizes would be supplied by Best Doctors.
- Kim Rizzuti, Best Doctors is the new VEBA account manager
- Information about the Optum Webneuro Tool and a possible application available for parents to identify ADHD in children
- Proposed Health and Fitness Challenge program

#### **Ombudsman Report**

Bob Whiting reported on activities completed and those underway including:

- Visits to, and status of, non-compliant districts
- Meetings with districts, associations, and carriers
- Contacts with prospective clients

**MOTION:** (John deBeck) that subject to employee organization/association sign-off, the action plans of districts submitting such plans, as indicated on the Non-Compliant Districts Update report, be approved and that the proposed letter, as submitted, be sent to those districts indicated on the report that have failed to submit plans (adding Santee to this list). Seconded by Doretha Albee and approved.

- A meeting for district benefits administrators was announced for August 19, 2008, at the Mission Bay Hilton, 8:30 a.m. Board members were also invited to attend.
- COBRA notices were mailed with a cover letter and it was noted that the number of phone calls was one-third of what is normally received.
- The COBRA seminar has been scheduled for December 2, 2008.
- The VEBA Ombudsman job description was reviewed and discussed.

**MOTION:** (Janice Cook) that the VEBA Administrator be authorized to revise the job description to reflect current and expanded roles and to delete items no longer applicable. Seconded by Doretha Albee and approved.

The revised job description will be shared at the next executive committee meeting and then presented to the Board.

Concept Plan

George McGregor presented the concept of developing a Public Purchasing Association (PPA) designed to protect the risk pool but still grow the VEBA. In response to Board interest, he will bring forth a concept paper outlining the formation and development of a PPA.

**New Business:**

Dual Coverage

The Board reviewed the draft language presented to incorporate the Dual Coverage Exclusion Option into the Administrative Policies and Procedures.

**MOTION:** (John deBeck) that revisions to the Administrative Policies and Procedures be approved as submitted. Seconded by Doretha Albee and approved.

Other

Board members were reminded of the IFEBP conference scheduled for November 16-19, 2008,

**Carrier Comments:**

Kaiser

Sandra Chambers, Executive Account Manager, Labor and Trust, reminded the Board again of the Labor and Trust Funds Forum scheduled for September 23, 2008, from 9:30 a.m. to 12:30 p.m.

PacifiCare

Linda Townley reported that the custom networks have been officially approved and that a dedicated case manager has been assigned for the VEBA. She also reported that large claims will now be audited on a quarterly basis.

The meeting adjourned for closed session at 10:25 a.m.

The next meeting will be held at the San Diego County Office of Education on September 3, 2008, at 8:00 a.m.