

**SUMMARY OPEN-SESSION MINUTES
SOUTHERN CALIFORNIA SCHOOLS
VOLUNTARY EMPLOYEES BENEFITS ASSOCIATION (VEBA)
September 3, 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, Jesus Gandara, Joyce LaFleur, Sam Lucero, Kevin Ogden, Erik Olson Fernandez

Absent: Thomas Eggleston,

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

Consultant: Ron Mason, Lan Brown, and Susan Giesting

Guests: Edwina Cardenas (Kaiser), Sandra Chambers (Kaiser), Christopher Dick (PacifiCare/United), Jessica Ghaemmaghami (PBH), Cynthia Haro (Aetna), Todd Torgerson (Sweetwater UHSD), Linda Townley (PacifiCare),

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

Minutes:

MOTION: (Joyce LaFleur) that the open-session minutes of August 13, 2008, be approved as submitted. Seconded by John deBeck and approved.

Committee Reports:

California Health Care Coalition (CHCC)

Doretha Albee reported that there was no meeting held in September. George McGregor noted that a copy of a survey of CPEEHCC participants regarding CHCC was included in the Board packet and will now be forwarded to CHCC.

California Public Employers Employees Health Care Coalition (CPEEHCC)

The annual training conference agenda will be available next month.

Executive Committee

- The VEBA administrator reported that letters have gone out to non-compliant districts that have not submitted action plans.
- It was clarified that rates for re-tiered districts, already receiving a “capped” as opposed to actual rate renewal, will not include the Medco .8% rate reduction.
- In response to a request from the Executive Committee, the Action Item Summary, included in the Board packet, now has all new items indicated in red type.
- It was noted that the Continuity of Care item on the Action Item Summary would need to be expanded to include potential applicability of COC not only to members of districts discontinuing the PacifiCare POS plans, but also to members of districts changing to the PacifiCare Value-Focused HMO plans.

MOTION: (Doretha Albee) that the following three items listed on the Executive Committee Consent Agenda, be approved

- The Financial Statements for June 2008 and related schedules be approved as submitted
- The Ombudsman Job Description be approved as submitted
- The proposed 2009 renewal calendar be approved

Seconded by Ronnie Adair and approved.

Executive Committee (continued)

- The VEBA administrator noted that the Prohibited Investment List requested by the Board was included in the Board packet at the Executive Committee's request.

Consultants Reports:

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- Ron Mason reviewed the Claims Update report. He also noted that the VEBA has been advised that based on laws of certain states, the UnitedHealthcare EPO plan will not be available in twenty-three states. He also noted he had received a finalized draft of the Medco SPD.
- Susan Giesting reported on communications activities completed and underway.

Administrative Reports:

- The VEBA Advocacy Programs report included information about, Best Doctors utilization, the new Walking Challenge program, the Optum/Sharp Project, and the WebNeuro online tools.
- George McGregor referenced case number 4680 from the Best Doctors report and noted the value derived from the program.
- The VEBA Ombudsman reported on visits with member districts, employee organizations/associations, and carrier representatives. He also commented about the well-received breakfast meeting for benefits administrators and thanked the Board members who were able to attend. Prospecting activity was also reported.

New Business

- The VEBA Administrator called attention to a withdrawal letter received from Santee School District and the VEBA's letter in response noting that the notice to terminate must be signed by all contractual parties.
- Included in the Board packet was a copy of a letter from the SCEET Employer Employee Trust marketing to VEBA districts. Following a review of the letter, the Board discussed changes that have been taking place regarding previous non-compete agreements with other Trusts. The VEBA administrator is to send a letter formally notifying the SCEET chair that the VEBA will also be providing VEBA participation opportunities to SCEET-member trusts.
- The Board discussed an expansion strategy of adding to VEBA/continuing to grow while maintaining the pool's integrity. The VEBA administrator is in the process of developing a concept paper that he hopes to present to the Board in November 2008, regarding a Purchasing Cooperative through the VEBA. He mentioned other Trusts that have expressed an interest.
- The Board addressed the proposed changes to VEBA Administrative Policies and Procedures and Board Practices that had previously been submitted for Board review. Attention was called to the information shared earlier in the meeting about the UnitedHealthcare EPO plan not being available in twenty-three states and the need for an additional revision.

MOTION: (Doretha Albee) that the proposed changes be approved with revision to the appropriate underwriting sections of both documents indicating the limitation of availability of the EPO plan by inserting "as permitted by state law". Seconded by John deBeck and approved with the revisions.

Doretha Albee noted that it should be understood that this action does not restrict making changes to these documents as necessary.

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- Board members will receive new replacement documents for their VEBA Operations Manuals.
- The 2009 meeting calendar and budget will need to be adopted in the October 2008 Board meeting. Board members were asked to bring their calendars to the meeting and to notify the VEBA administrator via email of any budget concerns that should be addressed.

Carrier Comments:

Sandra Chambers, Kaiser, noted the Labor and Trust Funds Forum scheduled for September 23, 2008. She also reported that Kaiser is looking for two people to work mid October through mid November, to assist with open enrollment.

The meeting adjourned for closed session at 9:20 a.m.

The next meeting will be held at the San Diego County Office of Education on October 1, 2008.