

**SUMMARY OPEN-SESSION MINUTES  
SOUTHERN CALIFORNIA SCHOOLS  
VOLUNTARY EMPLOYEES BENEFITS ASSOCIATION (VEBA)  
June 10, 2009**

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, Kevin Holt, Joyce LaFleur, Sam Lucero, Kim Myers, Kevin Ogden, Erik Olson Fernandez

Administrative Staff: George McGregor, Laura Harris, Jessica McGregor, Betty Ormsbee, Sherrie Shumaker, Annemieke Tomey, Nancy White, Bob Whiting

Consultants: Ron Mason, Susan Giesting

The meeting was called to order by Steve Kaplan at 10:10 a.m.

**Minutes:**

**MOTION:** (Janice Cook) Approval of open-session minutes of May 14, 2009. Seconded by David Fernandez and approved.

**Investment Summary:**

George McGregor reported that Paul Tembe, Dowling and Yahnke, presented the investment report to the Executive Committee and it had been found consistent with established policy. Tembe will be rebalancing the portfolio in the near term.

**Committee Reports:**

**CPEEHCC**

- George McGregor resigned as CPEEHCC administrator effective June 30, 2009
- Ron Riley, HUB International, will become administrator
- Management of the Delta Dental program will be transferred from CVT to SISC pending CVT's approval

**CHCC**

- Six new board members have been appointed, McGregor will serve as a management board member
- Ken Stewart, IBEW, was elected chair
- VEBA influential on setting agenda through the new Cooperative
- Anthem/Blue Shield will share claims data
- MOU signed between VEBA, American Institutes for Research, and CHCC for the Evidence-Based Health Care Communication Toolkit Dissemination and Case Studies Project

**Executive Committee Meeting:**

The following items were forwarded from the VEBA Executive Committee for review and consideration:

- Action Item Summary
- Letter from Memorial Academy providing formal notification of school dissolution effective June 30, 2009

**MOTION:** (Ronnie Adair) Approve the withdrawal of Memorial Academy due to the closure of the school. Seconded by Doretha Albee and approved.

VEBA Executive Committee (continued)

- March 2009 Financial Report

**MOTION:** (Doretha Albee) Approve March 2009, Schedule 3, Disbursement Report. Seconded by John deBeck and approved.

- Letter from Jamul-Dulzura requesting consideration regarding the 4% rate load
- Summary report from The Results Group, facilitator for the VEBA retreat
- Revised payment procedure for Fallbrook Union Elementary School District
- Letter from San Diego County Office of Education Superintendent appointing Kevin Holt as VEBA Board replacement for Jesus Gandara
- VEBA Resolution, Health Care Costs, 2009-2010
- VEBA Web COBRA Update
- Letter from Delta Dental regarding recent A. M. Best ratings

Employee Group Waiver Plan (EGWP)

Ron Mason introduced visitors from Medco and presented information about the benefits that VEBA and retirees enrolled in the Medicare Supplement Plan could realize by implementing the Medicare EGWP. Mason pointed out that there would be some increased administration requirements, but any costs for administration could be offset by the savings. Additionally, he said that there was an impact for San Diego Community Colleges in reimbursements they currently receive. VEBA Board member, Kim Myers, San Diego Community Colleges, said that they had considered the impact. Mason summarized the options as 1) move ahead, 2) wait until 2011, or 3) do nothing.

**MOTION:** (Doretha Albee) Implement the EGWP effective January 1, 2010. Seconded by John deBeck and approved.

VEBA HIPAA Privacy Policies and Procedures

**MOTION:** (John deBeck) Adoption of the VEBA HIPAA Privacy Policies and Procedures and ratify by signatures the HIPAA Privacy Rule Restated Certification by Board of Directors. Seconded by Doretha Albee and approved.

**Administrative Reports:**

VEBA Advocacy Programs

Reports included:

- A good response to the new Bucket List Challenge which began June 1, 2009.
- Strength challenge results
- Health coaching results
- Challenge successes
- Workplace safety information sheet
- Medco quarterly review

VEBA Ombudsman

The report included organization visits, carrier meetings, district visits, Communication Council meeting, and prospecting activities.

**New Business:**

2010 Renewal

Steve Kaplan reported that negotiations were still underway. Decisions will be reported when finalized.

VEBA Purchasing Cooperative

George McGregor distributed a report titled "Cooperative 2009". He reported that the Cooperative has been formed under the name "California Coalition of Employee Benefit Plan Sponsors". He said that extreme interest has been expressed, and to move the organization forward, formation of a Development Board is needed. The Cooperative report proposed the Development Board be composed of five members as follows: Doretha Albee, Janice Cook, Lora Duzyk, Steve Kaplan, and Kevin Ogden. McGregor said he recommended to the Executive Committee that Ken Stewart, IBEW and new CHCC Co-Chair, and Diane Crosier, Executive Director Risk Management, SDCOE, be invited to attend the Development meetings.

**MOTION:** (John deBeck) Doretha Albee, Janice Cook, Lora Duzyk, Steve Kaplan, and Kevin Ogden should be seated as members of the Cooperative Development Board. Seconded by Elizabeth Ahlgren and approved.

McGregor pointed out that the Cooperative, as a 501(c)(6), a Business League, is allowed lobbying activities. To the question asked about the IRS ruling requested for the VEBA, he answered that though six months past due, there has been no response and the VEBA attorney thinks that it could still be some time before one will be received.

The meeting adjourned at 11:45 a.m.

The next open-session meeting of the Board will be held at 8:00 a.m., July 8, 2009, at the San Diego County Office of Education.