

**SUMMARY OPEN-SESSION MINUTES
SOUTHERN CALIFORNIA SCHOOLS
VOLUNTARY EMPLOYEES BENEFITS ASSOCIATION (VEBA)
August 12, 2009**

Members Present: Co-Chair Ed Nelson, Co-Chair Steve Kaplan, Elizabeth Ahlgren, Doretha Albee, Mark Anderson, Janice Cook, John deBeck, Lora Duzyk, David Fernandez, Kevin Holt, Ken Leighton, Sam Lucero, Kim Myers, Kevin Ogden, Erik Olson Fernandez

Absent: Joyce LaFleur

Co. Superintendent: Randolph Ward, San Diego County Superintendent of Schools

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

Consultants: Ron Mason

Guests: Sandra Chambers (Kaiser), Christopher Dick (UnitedHealthcare), Gloria Feldman (Medco), Wendy Hileman (Healthy Adventures), Tim O'Neill (CTA), Todd Torgerson (Sweetwater Union High School District)

The meeting was called to order by Steve Kaplan at 8:02 a.m.

Minutes:

MOTION: (Doretha Albee) Approval of open-session minutes of July 08, 2009. Seconded by Kevin Ogden and approved.

Investments:

The Dowling & Yahnke investment report was reviewed briefly by the VEBA administrator.

Committee Reports:

California Health Care Coalition (CHCC)

- Review of by-laws are continuing
- Progress reported on the Medical Appropriateness Study; two major hurdles crossed, one remaining

California Public Employers/Employees Health Care Coalition (CPEEHCC)

- Annual Training Conference scheduled for January 20-22, 2010, at Harrah's, Las Vegas
- Delta Dental plan administration change still in negotiations
- Policies and Procedures discussion delayed to November 2009.

VEBA Executive Committee

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

- Action Item Summary
- May 2009 Financial Reports

MOTION: (John deBeck) Approval of May 2009, Schedule 3 Disbursement Reports. Seconded by Doretha Albee and approved.

- Date changed for next Executive Committee Meeting to August 26, 2009.

Consultant's Report:

Ron Mason, Towers Perrin

Reports included:

- Detailed claims update report on VEBA medical and prescription drug plans
- Review of coverage for non-sedating antihistamines (NSAs)
- Options for eliminating or modifying coverage for non-sedating antihistamines

MOTION: (John deBeck) Effective January 1, 2010, eliminate legend NSAs from coverage; provide coverage for generic over-the-counter products at mail only (Claritin and Zyrtec) at the generic copay (\$10). Seconded by Doretha Albee and approved.

- Information regarding the NSA change is to be included in open enrollment material

Administrative Reports:

VEBA Advocacy Programs

Reports included:

- Information about the PacifiCare Secure Horizons Diabetes Self-Management reminder campaign
- VEBA wellness programs and outcomes was presented by Wendy Hileman, Healthy Adventures Foundation

VEBA Ombudsman

Reports/Announcements included:

- Results from attendance at the annual CSEA conference
- COBRA/HIPAA seminar scheduled for December 3, 2009, at Marina Village Conference Center
- Update on withdrawal status of Chula Vista Elementary School District's certificated employees
- A detailed review of the contents of the renewal binders being delivered to, and discussed with, VEBA districts and employee organizations
- Update on the number of districts where open enrollment meetings have been scheduled; twenty so far
- PacifiCare/Medco changes noted as follows:
 - The name of the senior supplement plan is changing to UnitedHealthcare Senior Supplement
 - An EPO plan will be offered in lieu of the HMO plans currently available in Nevada and Arizona
 - The notice regarding Medco formulary changes will be going out September 20, 2009
- November 16, 2009, is the deadline for open enrollment forms to be submitted to the VEBA administrator in order to get identification cards to members prior to January 1, 2010

Marketing and Communications Update:

Reports/Announcements included:

- Completed and ongoing communication activities
- Exhibit C's can start going out August 24, 2009, for districts/associations who have submitted 2010 plan selections
- To eliminate member confusion, Medco has proposed delaying implementation of the Board-approved step therapy changes to October 15, 2009, but proceed with the generic copay waiver program for October 1, 2009

Other:

- Board members received new VEBAonline.com log-in instructions
- Letter received from SDUSD rescinding request for four-tier rates

New Business:

- Proposed language was reviewed for inclusion in VEBA Administrative Policies and Procedures documenting the renewal process for district/association plan selections and sign-off.

MOTION: (Janice Cook) Approval of the annual renewal policy as submitted for inclusion in VEBA Administrative Policies and Procedures. Seconded by Sam Lucero and approved.

- Protocols were discussed regarding contact with professionals; e.g., VEBA attorney, consultant, etc. The VEBA administrator will draft a protocol policy for review at the next Executive Committee meeting and presentation to the VEBA Board in September 2009.
- Purchasing Cooperative by-laws meeting announced for 9:00 – 11:00 a.m., August 25, 2009, at the VEBA administrator's office.
- Referenced in the Board materials was a proposal from the California Education Coalition for Health Care Reform (CECHCR) for a Statewide School Pool.
- Medco fourth quarter Formulary Rebate Report was noted.
- San Diego Unified School District audit update included a letter from Vavrinek, Trine, Day & Company confirming modifications to the previously issued draft audit report and issuance of a new draft report.

The meeting adjourned at 10:05 a.m. for a short break prior to commencement of closed session.

The next open-session meeting of the Board will be held at 8:00 a.m., September 2, 2009, at the San Diego County Office of Education.