

## Tri-County Schools Insurance Group

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Joint Powers Board & Executive Committee Meeting  
Tuesday, April 14, 2009  
The Bonanza Inn Convention Center  
1001 Clark Avenue  
Yuba City, CA 95991

### Joint Powers Board Members Present

Brittan Elementary	None
Browns Elementary	Vivian Patche
CIF	None
Camptonville Elementary	None
Capay Elementary	None
Colusa COE	None
Colusa Unified	None
Corning Union High	None
East Nicolaus High	None
Feather River College	Cameron Abbott, Jamie Cannon
Flournoy Elementary	None
Fort Sage Joint Unified	None
Franklin Elementary	Doug Reeder
Gerber Union Elementary	None
Glenn COE	None
Kirkwood Elementary	None
Lake Elementary	None
Lake Tahoe Community College	Susan Walter
Los Molinos Unified	None
Manton Elementary	None
Marcum-Illinois	None
Marysville	Dixon Coulter
Maxwell Unified	Ron Turner, Danielle Wilson
Meridian Elementary	None
Mineral Elementary	None
Modoc Unified	None
Nuestro Elementary	Irwin Karp
Pierce Joint Unified	Daena Meras
Plaza Elementary	None
Pleasant Grove Elementary	None
Plum Valley	None
Plumas COE	None
Plumas Elementary	Ajit Kang, Dr. Jeffrey Roberts
Red Bluff Union High	None
Sierra County	Susan Roberts
Sierra-Plumas	None
Stony Creek	None
Sutter County	Larry Combs, Stephanie Larson
Sutter COE	Jeffrey Holland
Sutter County Superior Court	Laura Santana, Karen Smith
Sutter Union High	Ryan Robison
Tahoe-Truckee Unified	None

Tehama Dept. of Education  
Wheatland School District  
Wheatland High  
Winship-Robbins  
Yuba City Unified  
Yuba College  
Yuba COE

Georgene Neher  
Debra Pearson  
Wayne Gadberry  
None  
Baldev Johal  
Al Alt  
Cindy Sutfin

#### Consultants and Others Present

Blue Cross  
Delta Dental  
Delta Health Systems  
EnvisionRx Options  
Evans, Wieckowski & Ward  
Human Behavior Associates  
Sierra Self-Insurance  
Sutter County  
TCSIG  
  
Turner Consulting  
Vision Service Plan  
Wells Fargo of California

Pam Oliveto, Jeanette Price, Dairne Ryan  
Ryan Neese  
Natalie Mosesian, Joseph Neff, Laura Rodriguez  
Sean Morrison  
Matt Evans, James Ward  
Yolanda Calderon, James Wallace  
Mike Bryant, Mike Krill  
Stephanie Larsen  
Dianna DeLashmutt, Richard Hare, Dena Palacio  
Lynn Whitlock, Roberta Womer  
David Turner  
Kierston Winters  
John Klein

#### A. Call to Order

The regular meeting of the Joint Powers Board and Executive Committee was called to order by President Robison at 12:02 p.m. President Robison welcomed the members and guests. He asked that each person present introduce themselves.

President Robison stated that there was not a quorum of the Joint Powers Board of Directors; however, there was a quorum of the Executive Committee which will allow us to continue today's meeting and take action.

President Robison thanked all of the members who attended today's meeting.

President Robison also thanked our service partners who have sponsored the luncheon for this meeting. The sponsors were Pam Oliveto, Jeanette Price, Dairne Ryan of Anthem Blue Cross; Ryan Neese of Delta Dental of California, Joe Neff, Natalie Mosesian and Laura Rodriguez of Delta Health Systems; Sean Morrison of EnvisionRx Options; Yolanda Calderon and Jim Wallace of Human Behavior Associates; Mike Bryant and Mike Krill of Sierra Self-Insurance Services; Matt Evans and James Ward of Evans, Wieckowski and Ward; David Turner, of Turner Benefits Consulting; Kierston Winters of Vision Service Plan and John Klein of Wells Fargo Insurance Services.

#### B. Comments from Visitors

President Robison asked if there were any comments from visitors.

There were no comments from the visitors.

#### C. Consent Agenda

##### C1. Approval of Minutes of April 10, 2008

Mr. Ron Turner made a motion to approve the Consent Agenda. Ms. Georgene Neher seconded the motion which carried.

D. Reports

D1. President's Report

Many things today are going through drastic changes, but I am very happy to say that this year we are on a steady course with our Joint Powers Authority. TCSIG was formed 26 years ago, with the intent of saving the taxpayers and our public entities money by self-insuring our risk together and going to the marketplace to purchase insurance together.

That fundamental premise has played out very well over time resulting in a very solid organization that could very well be in place 26 years from now or much longer.

This year again, we come to the JPA Board with a recommendation that we do not increase our rates in any of our programs. The last time we increased rates in our Medical Program was July, 2005. And, last year we cut the rates in our High Deductible Health Plans by 5%.

In part, the recommendation to hold the line on rates is based on the knowledge that many of our public entities are struggling, due to the state's budget difficulties. But that alone cannot be the deciding factor.

We have to remember that we are first responsible for the success of this organization. If this organization falters all of us together will feel the negative impacts.

The primary reason for this request is financial. Over the last few years several of our programs have developed significant surpluses and it is in the interest of this organization to decrease those surpluses to reasonable levels through prudent acceptance of risk. After much deliberation it is believed, by the Executive Committee that our reserves are ample and able to deal with the potential fluctuation in claims experience.

Next year may be the year we come back and request an increase in rates. That was a request most of us always expected. However, as we have committed to being proactive in all of our programs, we hope to decrease the constantly increasing cost trend. Prevention will continue to be our emphasis.

Much of what has been accomplished has been done so with the partnerships we have developed. Those service partners are to be congratulated too for the health of our organization. They are also to be thanked for their generosity in sponsoring this luncheon.

D2. Executive Director's Report

Mr. Hare reported that Tri-County Schools Insurance Group's website has been updated and displayed it for the Board.

Mr. Hare reviewed the 15 year rate history of Tri-County Schools Insurance Group's medical, dental and vision programs. He noted that the 15 year average increase in the medical program was 7.3%. He also reviewed graphs of procedure cost analysis, average monthly medical cost per employee, and two graphs comparing the premiums of PERS Choice and PERS Care to Tri-County Schools Insurance Group's Premier and Standard Plans.

E. Action Items

E1. Property/Casualty Rates FY 2009/2010

Mr. Hare stated that the recommendation of the Executive Committee for the Property/Casualty Rates for fiscal year 2009/2010 were:

FY2009/2010 property program rates to our members to remain the same as FY 2007/2008 and FY2008/2009.

FY2009/2010 liability rates to our members to remain the same as FY2007/2008 and FY2008/2009.

Self-insurance deductible fund requires no increase.

The contribution to Superior California Excess Liability Fund to remain the same as FY2007/2008 and FY2008/2009 (\$204,434).

Designate retained earnings for claims stabilization reserve as seven times the SIR of \$250,000 x 7 = \$1,750,000.

Purchase excess liability from \$250,000 to \$5,000,000 through Genesis.

Purchase \$20,000,000 excess liability above \$5,000,000 through SELF.

Vice President Johal made a motion to adopt the rates for property/liability program as presented. Mr. Larry Combs seconded the motion which carried.

E2. Medical Rates for FY 2009/2010

Mr. Hare stated that the recommendation of the Executive Committee was that the rates for Premier Plus, Premier, Standard, Basic, HDHP plans and waiver assessment remain the same for fiscal year 2009/2010. Further, it is recommended that the Kaiser rates for the active employee and early retiree plans be increased 10% and the Medicare Advantage Plans remain the same.

Ms. Georgene Neher made a motion to adopt the rates as recommended by the Executive Committee. Mr. Cameron Abbott seconded the motion which carried.

E3. Group Life Rates FY 2009/2010

Mr. Hare reported that this is the third year of the group life contract and that the Executive Committee was recommending no change in the rates for the Group Life program from fiscal year 2008/2009..

Secretary Alt made a motion to adopt the recommendation of the Executive Committee for group life rates for FY 2009/2010. Mr. Jeff Holland seconded the motion which carried.

E4. Dental Rates FY 2009/2010

Mr. Hare reported that the Executive Committee was recommending a no increase in the dental program rates over fiscal year 2008/2009. The rates would remain the same.

Ms. Susan Roberts made a motion to adopt a zero percent increase in the dental program rates for 2009/2010. Mr. Ron Turner seconded the motion which carried.

E5. Vision Rates for FY 2009/2010

Mr. Hare reported that the Executive Committee was recommending no increase in the vision program rates. The rates would remain the same.

Vice President Johal made a motion to adopt the recommendation of the Executive Committee for the vision program for 2009/2010. Secretary Alt seconded the motion which carried.

E6. Budget FY 2009/2010

Mr. Hare briefly reviewed the budget. He noted a possible 2.6 million drawdown of reserves for the medical program depending on the claims experience for the next year.

Mr. Cameron Abbott made a motion to adopt the 2009/2010 budget as recommended by the Executive Committee. Mr. Larry Combs seconded the motion which carried.

F. Information and Discussion

F1. Delta Health Systems Claims Data Analysis

Mr. Joseph Neff and Ms. Natalie Mosesian presented their findings and analysis of the claims data for Tri-County Schools Insurance Group's Basic Plan. It was noted that the Basic Plan's preventive care services were under utilized. Ms. Mosesian made several recommendations for increasing the Basic Plan's enrollees participation in preventive services.

Ms. Mosesian presented awards to representatives of Feather River College and Franklin Elementary for their outstanding job of getting their employees to participate in the free health evaluations. Another award was accepted by President Robison on behalf of Gerber Elementary School for their outstanding participation in the evaluations.

G. Items for Next Agenda

None

H. Adjournment

President Robison thanked the Executive Committee. He stated that they are an outstanding group of individuals. President Robison also thanked the service partners for their attendance today and for their generosity in sponsoring the luncheon and bringing awards.

President Robison called for a motion to adjourn. Mr. Larry Combs made a motion to adjourn the meeting. Secretary Alt seconded the motion which carried.

President Robison adjourned the meeting at 12:51 p.m.

Respectfully submitted,

*(Signature on Original)*

Roberta Womer  
Recorder  
04-14-09