

AGENDA
SHASTA-TRINITY SCHOOLS INSURANCE GROUP
BOARD OF DIRECTORS MEETING
Hilltop Inn – DOWNSTAIRS CONFERENCE ROOM
2300 Hilltop Drive, Redding, CA
THURSDAY, APRIL 21, 2011 9:00 A.M. to NOON

Item No.	Item	Background/Recommendation	Action/Information	Page No.
1.0	CALL TO ORDER PLEDGE OF ALLEGIANCE	Announcement of Quorum	A	
2.0	APPROVAL OF AGENDA	Approve Agenda of April 21, 2011 Board Meeting	A	
3.0	APPROVAL OF MINUTES	Approve Minutes of January 21, 2011 Board Meeting	A	1
4.0	PUBLIC COMMENTS	Members of the public may address the Board regarding any items on the agenda within the subject matter jurisdiction of the Board, provided that NO action may be taken on off-agenda items unless authorized by law. Comments shall be limited to 3 minutes per person and 20 minutes for all comments, unless different time limits are set by the President subject to the approval of the Committee.	I	
5.0	CORRESPONDENCE	A letter and Resolution of Intent to Withdraw was received from Fall River Joint Unified School District for withdrawal effective 7/1/11. Additionally, correspondence from three districts regarding Tiered Rate Status changes was received for an effective date of 7/1/11.	I	4
6.0	CLOSED SESSION			
6.1	ADJOURN TO CLOSED SESSION	Per Gov. Code Secs. 54956.9(b)(1) and 54957, the Board of Directors will enter into a closed session to discuss pending litigation and Public Employee Performance Evaluation.	A	
6.2	RECONVENE IN OPEN SESSION Announcement of Any Reportable Actions Taken in Closed Session	Open Session/Call to Order With respect to every item of business discussed in Closed Session	A	
7.0	CONSENT AGENDA			
7.1	Designate Official Correspondence Address and Phone Number for the Shasta-Trinity Schools Insurance Group	The official address and phone number of the Shasta-Trinity Schools Insurance Group is: 350 Hartnell Avenue, Suite D, Redding, CA 96002 530/221-6444 530/221-6225 (fax)	A	7
7.2	Designate Official Representatives and Alternates to the Board of Directors.	Attached is the current list of representatives and their alternates to the Shasta-Trinity Schools Insurance Group Board of Directors.	A	8
7.3	Annual Review and Adoption of Investment Policy	Pursuant to G.C. 53646, a statement of investment policy must be reviewed by the Board for adoption. The investment policy has not changed, nor are there any proposed changes.	A	9

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7.4	<p>Contract Approval</p> <p>7.4.1 InterWest Insurance Services Proposal for Broker & Loss Control Services</p> <p>7.4.2 LWP Contract Proposal</p> <p>7.4.3 Mercer Broker Services</p> <p>7.4.4 Mercer Wellness Services</p> <p>7.4.5 Healthyroads Wellness Platform</p>	<p>The following contracts are recommended for approval:</p> <p>A proposal from InterWest to provide Broker and Loss Control Services for the 2011/12 program year is presented with no increase.</p> <p>LWP Claims Solutions has presented a proposal for renewal of their Third-Party Administrator services and is included with this packet and represents no increase.</p> <p>Mercer has presented a proposal for Broker Services with no increase and is included with this packet.</p> <p>Mercer has presented a proposal for Wellness Services and is included with this packet. The proposal represents a slight decrease from the 09/10 contract.</p> <p>Based on the Health Benefits Committee recommendation, Healthyroads has presented a proposal for their Wellness Platform and it is included with this packet. The proposal represents a 10% decrease from the 09/10 contract with the competitor.</p>	A	
7.5	Policy re: Charge-Back to Programs	The Finance Committee recommended the enclosed policy for Charge-back to Programs. The policy has been discussed at the Executive Committee and is recommended for adoption.	A	
7.6	Set Meeting Dates for 2011/12	<p>Meeting dates for the Board and Executive Committee are proposed as follows:</p> <p><u>Executive Committee:</u> <u>Board of Directors:</u></p> <p>Thursday, Sept. 2011 (TBD)* Friday, April 20, 2012</p> <p>Friday, Jan. 27, 2012</p> <p>Friday, March 23, 2012</p> <p>*This meeting is proposed as a Board Retreat at McConnell Foundation and will be held prior to the Executive Committee Meeting. The date is to be determined.</p> <p>All meetings are at 9:00 a.m. unless otherwise specified and will be held at the Hilltop Inn in Redding, CA. All meetings are open to the public and your participation is encouraged.</p>	A	
8.0	GENERAL BUSINESS			
8.1	<p>Financial Reports</p> <p>8.1.1 Year-to-Date Financial Reports (2010/11)</p> <p>8.1.2 Approve Final Revised Budget for 2010/11</p>	<p>Financial Reports are presented for the Board's information.</p> <p>The Final Revised Budget for 2009/10 will be presented for approval.</p>	<p>I</p> <p>A</p>	
8.2	Third Quarter Investment Report	The 3 rd Quarter Investment Report is presented for the Board's review and information.	I	

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8.3	Accept Fall River Jt. Unified School District's Resolution of Intent to Withdraw	As mentioned under Correspondence, Fall River's withdrawal will be effective 7/1/11. Recommend acceptance of request to withdraw.	A	
8.4	Accreditation/Bylaw Committee Formation	The process of applying for CAJPA Accreditation will begin July 2011 and is a process that will include rewriting the JPA's bylaws and governance documents. It is recommended that the Executive Committee act as the Accreditation/Bylaw Committee.	A	
8.5	Open Enrollment Schedule	Open Enrollment meeting attendance is again encouraged and the schedule is presented for the Board's information. Once again, attendance will be the first step in the Wellness Program that reduces the member's copay and deductibles.	I	
8.6	Elections of Officers and Executive Committee Members	A nomination ballot was sent to the Board of Directors requesting nominations for positions on the Executive Committee as well as Officers. The results are presented on a ballot for the election process which is included in this packet. Please complete the Ballot and bring with you to the meeting for announcement of results.	A	
8.7	Bylaw Change	It is recommended by the Executive Committee that the bylaws be changed regarding collecting withdrawing districts' IBNR at one time by the beginning of January of the subsequent year, rather than two payments, which has created a cash flow problem in the past.	A	
9.0	WORKERS' COMPENSATION PROGRAM			
9.1	Workers' Compensation Claims Report 9.1.1 New Self-Insured Program 9.1.2 Old Self-Insured Program	Claims will be presented for the New and Old Self-Insurance Programs by LWP.	I	
9.2	2011/12 Workers' Comp. Rates	Based on the Actuarial Report prepared and presented by BRS at the March 25, 2011 Executive Committee Meeting, along with the Finance Committee recommendations for rate stabilization, a rate increase for the Workers' Compensation Program will be presented for approval as recommended by the Executive Committee.	A	
9.3	2011/12 Experience Modification Factors	Likewise, the Ex-Mods are presented as recommended by the Executive Committee for approval.	A	
9.4	Risk Management/Loss Control Programs	A report will be given regarding Risk Management and Loss Control Programs. In addition, Mike Strech will be working with Danté Belino of InterWest in order to formulate a multi-faceted approach for loss control including a more aggressive Return to Work Program, Safety Committee organization, additional communication to the Districts, as well as more education, all in preparation for a future incentive program.	I	

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9.5	Old Self-Insured Program Reserves	Currently, the only monies going into the bank account to pay claims for the "Old" Self-Insured Program are recovery checks from claims that are in excess of our low policy limits from the 80s & 90s. The claims payments are sporadic in terms of timing and the amounts unpredictable. Recommend providing authority to Executive Director for a one-time replenishment from the "New" program when needed to a maximum amount of \$150,000. This should provide ample funding for the immediate future.	A	
10.0	HEALTH BENEFITS PROGRAMS			
10.1	<p>Medical Program</p> <p>10.1.1 Review Claims and Trend for 2011/12</p> <p>10.1.2 2011/12 Plan Changes for Cost-Cutting and Wellness Incentive Plan Design Change Measures</p> <p>10.1.3 Prescription Drug Plan</p> <p>10.1.4 Recommend 2011/12 Rate</p>	<p>Claims will be presented and Trend for 2011/12 will be presented by Mercer.</p> <p>Cost cutting measures that will save 2.4 % off the rate are presented and recommended by the Health Benefits Committee and Executive Committee.</p> <p>STSIG has not visited the option of changing Prescription Drug vendors in several years and Mercer has taken the option out to market to get quotes for potential savings. A report will be given and a recommendation will be presented.</p> <p>Based upon the trend data and the plan design changes/ cost-cutting measures, a proposed rate increase will be presented.</p>	<p>I</p> <p>A</p> <p>A</p> <p>A</p>	
10.2	<p>Dental & Vision Rates</p> <p>10.2.1 Set Dental Rates</p> <p>10.2.2 Set Vision Rates</p>	<p>The Executive Committee recognizes the need to keep rates as reasonable as possible, therefore it is the intent of the vision and dental rate change to eliminate the need for an increase to the vision program by decreasing the rate on dental in order to create a net 0% impact for both programs. The 5% vision increase will be offset by a 1% decrease in the dental program equal to approximately \$28,000.</p>	A	
11.0	GENERAL BUSINESS			
11.1	Approve Preliminary 2011/12 Budget	Based on the rate recommendations and financial reports, the Preliminary Budget for 2011/12 is presented for approval.	A	
12.0	<p>ADJOURNMENT</p> <p>NEXT MEETING: The next meeting will be a Board Retreat and Executive Committee Meeting on Thursday, September 22, 2011 from 9:00 a.m. to 3:00 p.m. and 3:15 to 5:00 p.m. respectively at McConnell Foundation 800 Shasta View Drive, Redding, CA</p>		A	

AMERICANS WITH DISABILITIES ACT ASSISTANCE

Auxiliary aids and services include a wide range of services and devices that promote effective communication for individuals with disabilities. If you require such assistance, please notify our office (221-6444) as soon as possible. We will make every effort to give primary consideration to expressed preferences, or provide equally effective means of communication to ensure equal access to Shasta-Trinity Schools Insurance Group programs and events.