

SHASTA-TRINITY SCHOOLS INSURANCE GROUP
EXECUTIVE COMMITTEE MEETING MINUTES
September 16, 2005
Best Western Hilltop Inn

ATTENDANCE

Members Present: President, Jim French, Trinity County Office of Education
Vice President, Donna Heller, Black Butte & Columbia Elementary School District
RoseAnne Adams, French Gulch, Igo Ono, Shasta Union & Redding Elementary SDs
Treasurer, Karen Kratzer, Shasta County Office of Education
Adam Hillman, Enterprise Elementary School District
Art Schmitt, Shasta Union High School District
Patricia Demo, Shasta College
Marla Kraft, Gateway Unified School District
Harley North, Evergreen Union School District

Ex-Officio: Patrick Casey, Executive Consultant

Staff: DeDe Davis, Benefits Administrator

Others Present: See Attendance Sheet

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1.0 **CALL TO ORDER** – The meeting was called to order at 9:00 a.m. by President, Jim French

2.0 **APPROVAL OF AGENDA** – It was moved by Harley North, Evergreen, seconded by Art Schmitt, SUHSD and unanimously approved to accept the agenda with the move of Item 8.1 to be heard after Item 3.0. The Agenda was unanimously approved by the Committee.

3.0 **APPROVAL OF MINUTES** – The minutes of the March 18, 2005 Executive Committee meeting were presented for approval. It was moved by Marla Kraft, Gateway, seconded by RoseAnn Adams, Redding and unanimously approved to accept the minutes as presented.

8.0 **HEALTH BENEFITS PROGRAMS**

8.1 **Medical Plan**

8.1.1 Medical Claims and Cost Trend – Pat Casey introduced Lorie Hauser who is Tracey Michaud’s replacement as Director, Account Executive of Public Entities for Blue Cross of California. The Medical Trend was reviewed by Lorie. Lorie stated that the current trend for our JPA is between 11% and 12% with pharmacy trend at 13%. Trey Naron, Marsh reported that their trend calculations differ from those of Blue Cross. His calculated trend is between 5% and 7% for both medical and pharmacy. Karen Kratzer, SCOE inquired about the difference in trend calculations between Blue Cross and Marsh. Lorie Hauser commented that the Blue Cross trend is calculated by zip code. Pat Casey recommended that a notice be sent to the districts with a trend estimate of 13%-15%. The Executive Committee would prefer to wait until later on in the plan year when there is an accurate trend calculation. There was also discussion about the continuation of coverage for retirees over 65. Blue Cross was asked to provide the JPA what it costs to cover retirees over 65.

8.1.2 Medicare Part D Prescription Drug - Pat Casey reviewed the Waiver Program for Medicare Part D Enrollment and recommended that the JPA approve the Waiver Program and Blue Cross to handle the enrollment of all eligible retirees in Medicare Part D. A motion to approve the recommendation was made by Harley North, Evergreen and seconded by Marla Kraft. The motion was unanimously approved by the Executive Committee.

4.0 **PUBLIC COMMENTS** – There were no comments at this time.

5.0 **CORRESPONDENCE/EXECUTIVE COMMITTEE/EXECUTIVE CONSULTANT COMMENTS**

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There was no new correspondence.

6.0 **GENERAL BUSINESS**

6.1 Approve List of Expenditures through August 2005 – A list of checks and wires were presented in the packet. A motion to approve the expenditures was made by Karen Kratzer, SCOE and seconded by Donna Heller, Columbia. The motion was unanimously approved by the Executive Committee.

6.2

6.2.1 Preliminary Year-End Financial Reports (2004/2005) – A preliminary year-End financial report for the 2004/2005 plan year was distributed for the Committee’s information. Pat Casey noted that there is a net income in all accounts except the Old Workers’ Compensation Account. Dental and Vision continue to accumulate net income building the reserves. The JPA will be able to talk about dividends in the future. Pat also commented that due to the recent group number change in the Dental Plan, it is easier to see if the reserves are adequate. The Self-Insured Workers’ Compensation Account has cash which will be invested with CAMP as soon as the interest rates improve. The Old Workers’ Compensation Account is down to 49 claims. There was more money expensed than budgeted due to claims settlements.

- 6.2.2 August 2005 Financial Report – Financial reports for August 2005 were distributed for the Committee’s information. Pat Casey reviewed the August Financial Reports. There is not much data to review only being one month into the Plan Year. Dental and Vision are still showing net income. The Self-Insured Workers’ Compensation Account is where expected.
- 6.2.3 Quarterly Investment Reports and addition to LAIF transaction authorization – Quarterly Investment Reports were included in the packets for the Committee’s information. Pat Casey recommended that he be approved as an Authorized Person for LAIF transactions in order to expedite transfer of funds to CAMP. The Executive Committee chose to continue the existing process of having the approved Executive Committee members authorizing the transactions. A motion to approve the Quarterly Investment Reports was made by Marla Kraft, Gateway and seconded by Donna Heller, Columbia. The motion was unanimously approved by the Executive Committee.
- 6.2.4 Casey Consulting Contract – At the April 15, 2005 Board Meeting, Pat Casey proposed a 4% increase to his contract. After a reassessment of ongoing contract services cost, Pat requested a 5.5% increase to his contract. A survey of Executive Director’s Base Salary and Total Compensation for other JPA’s was included in the packet for the Committee’s review. After much discussion, a motion to approve the 5.5% increase was made by Art Schmitt, SUHSD and seconded by Harley North, Evergreen. The motion did not carry with 4 AYES and 5 NOES. A motion was made by Adam Hillman, Enterprise and seconded by Marla Kraft to approve the original 4% increase request. The motion was unanimously approved by the Executive Committee. This increase is retro-active to July 1, 2005.
- 6.2.5 Contract Services Provided by Nancy Panks – Pat Casey and Nancy Panks reviewed the contract services provided by Nancy. Pat explained that in addition to the Database that Nancy has developed of all of the JPA members and processing all First Aid claims, Pat and Nancy had met with RIOH and negotiated a 25% discount in their fees for services. Karen Kratzer, SCOE inquired about the average hours that Nancy would be putting in with the JPA. Nancy stated that the estimate is approximately 50 hours per month maximum. Adam Hillman, Enterprise inquired as to whether or not the JPA should be paying contractors for mileage. Nancy explained that it is common for contractors to bill for mileage. President Jim French, TCOE commented that he appreciates Nancy’s efforts on the JPA’s behalf.

7.0 WORKERS’ COMPENSATION PROGRAM

7.1 Self-Insured Program-Claims Prior to July 1, 1995

- 7.1.1 Review of Claims through August 2005 – LWP – A summary of LWP claims through August 2005 was presented for the Committee’s information. Pat Casey reviewed the remaining open 49 claims. Melanie Cich, SCOE asked how many of the remaining 49 claims are active employees and what kind of restrictions they are adhering to in their workplace. Pat will present a report at the next meeting as to how many of the claims are active employees.

Self-Insured Program – Claims After July 1, 2003

- 7.1.2 Review of Claims through August 2005 – LWP – Pat Casey commented that out of the claims closed for 2004-05, 42% were indemnity and 86% were medical. The frequency of claims is declining. SCOE is now training summer school employees on workplace safety to help reduce their claims.

- 7.2 Risk Management Program** – Pat Casey reviewed Risk Management and Loss Control services provided. Pat discussed the site visits and workshops at the different school districts. Pat noted that most claims are attributed to over exertion and lifting problems as well as blood borne pathogens.

8.0 Health Benefits Programs

- 8.2 Dental Program – Pat Casey noted that the dental plan is continuing to provide a net income.
- 8.3 Vision Program – Pat Casey noted that the vision program is also continuing to provide a net income.

9.0 ADJOURNMENT – Pat Casey recommended that the next meeting be a Board of Director’s Meeting in lieu of an Executive Committee Meeting. The next Board of Director’s Meeting will be on December 9th at 9 a.m. at the Hilltop Inn in Redding. There being no further business to come before the Executive Committee, the meeting was adjourned at 10:50 a.m.

Respectfully submitted,

DeDe Davis
Benefits Administrator

Patrick H. Casey, Executive Consultant
Shasta-Trinity Schools Insurance Group

James B. French, President
Shasta-Trinity Schools Insurance Group