

AGENDA
SHASTA-TRINITY SCHOOLS INSURANCE GROUP
BOARD OF DIRECTORS MEETING
Hilltop Inn – Cascade Library Room (Upstairs)
2300 Hilltop Drive, Redding, CA
FRIDAY, APRIL 23, 2010 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 March 26, 2010 Exec. Comm. Meeting	A	
3.0	APPROVAL OF MINUTES	Approve Minutes of January 22, 2010 Exec. Comm. 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 Cascade Union Elementary School District's Certificated Unit for withdrawal effective 7/1/10. Recommend acceptance of Resolution of Intent to Withdraw.	A	4
6.0	CONSENT AGENDA			
6.1	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: 6724 Lockheed Drive, Suite 3A, Redding, CA 96002 530/221-6444 530/221-6225 (fax)	A	7
6.2	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
6.3	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
6.4	Approve Multi-County Local Agency Biennial Report	Approve Fair Political Practices Multi-County Local Agency Biennial Report for 2010.	A	10
6.5	Approve Resolution Appointing Michael Strech and Adam Hillman, President as PARS Plan Administrators	Presented is a resolution to appoint the JPA Executive Director and/or JPA President as Plan Administrators for the JPA's PARS ARS program.	A	11
6.6	Approve Financial Audit Contract	Matson & Isom's 2-year proposal for performing the financial audit is presented for approval.	A	12
6.7	Approve InterWest's Proposal for Broker Services	InterWest Insurance Services presented their proposal for broker services for the 2010/11 program year with no increase from prior year's contract price.	A	17

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6.8	Set Meeting Dates for 2010/11	<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>Friday, Sept. 24, 2010 Friday, April 22, 2011</p> <p>Friday, Jan. 21, 2011</p> <p>Friday, March 25, 2011</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	7
7.0	GENERAL BUSINESS			
7.1	Financial Reports			18
	7.1.1 Year-to-Date Financial Reports (2009/10)	Financial Reports are presented for the Board's information.	I	19
	7.1.2 Approve Final Revised Budget for 2009/10	The Final Revised Budget for 2009/10 will be presented for approval.	A	21
	7.1.3 Approve Preliminary 2010/11 Budget	The Preliminary Budget for 2010/11 will be presented for approval.	A	22
7.2	Adopt Stabilization Fund Policy	The Finance Committee proposed a recommendation for each program defining equity goals consistent with industry standards and sound IBNR policies for the individual programs. However, in consideration of the Workers' Comp. program, this portion of the policy was not consistent with current practice and needed to be revisited by the Finance Committee. Recommend approval of Medical, Dental, and Vision Policies. The Workers' Comp Policy will be forthcoming at a later date.	A	28
8.0	WORKERS' COMPENSATION PROGRAM			
8.1	Actuarial Study	Mike Harrington from Bickmore Risk Services, the company who performs our Workers' Comp. Actuarial Study, will be presenting this year's report. Recommend approval of 2010 Actuarial Study as presented.	A	30
8.2	2010/11 Workers' Comp. Rates and Ex-Mods	Mike Strech will make a rate recommendation for 2010/11 and present Ex-Mod Factors	A	31

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8.3	Risk Management/Loss Control Programs	A report will be given regarding Risk Management and Loss Control Programs including a list of trainings performed by Danté Bellino, InterWest Insurance Services, for the 2009/10 program year, as well as the likely approach for 2010/11. Michael Strech is requesting that he be allowed to enter into a mutually-agreeable contract with InterWest for Loss Control Services for the 2010/11 plan year based upon the Executive Committee's recommendation at their 3/26/10 meeting, as long as it meets the criteria outlined with no increase from the present contract.	A	39
8.4	Self-Insured Claims Prior to July 1995 (Take Over Claims) and Self-Insured Claims After July 2003	Claims will be presented for the Board's information.	I I	43
8.5	ADJOURN TO CLOSED SESSION	Per Gov. Code Sec. 54956.9(a) the Board of Directors will enter into a closed session to discuss settlement of Workers' Compensation claims as proposed by LWP Claims Solutions, Inc.	A	49
8.6	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	49
8.7	Recommend Formulation of Claims Settlement Committee for Workers' Compensation Claims	Rather than taking all claims above \$50,000 to the Board for approval, it is recommended that a Committee be established to review and approve claims settlement to a threshold of \$150,000, unless the claim merits further consideration by the Board before settling.	A	50
9.0	HEALTH BENEFITS PROGRAMS			
9.1	Medical Program 9.1.1 Review Claims and Discuss Trend for 2010/11 9.1.2 2010/11 Plan Changes for Cost-Cutting Measures 9.1.3 Wellness Incentive Plan/ Plan Design Changes 9.1.4 Recommend 2010/11 Rate	Claims will be presented and Trend for 2010/11 will be presented by Mercer. Cost cutting measures that will save 3.2% off the rate increase are presented and recommended. Incentivizing membership to utilize the Wellness benefits leads to a healthier population. A Wellness Incentive Plan including plan design changes are included and recommended. Based upon the data and the plan design changes/Wellness Incentive Plan/cost-cutting measures, a 5.85% increase is proposed and recommended.	I A A A	51 56 57 62

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9.2	Anthem Blue Cross Report 9.2.1 NurseLine Utilization 9.2.2 CMS Issue	Anthem Blue Cross will give a report on the utilization and effectiveness of the NurseLine which was put into place July 2009. CMS (Centers for Medicare & Medicaid Services) has been taking money from the County for claims they believe were paid by Medicare in error. The County is requesting the JPA pay for the funds that were taken from their grant monies. Not all claims are for JPA; some are for CVT.	I A	63 69
9.3	Set Vision Program Rates	The Vision program has an excess of reserves that keeps the rate viable with no increase for 2010/11.	A	79
9.4	Set Dental Program Rates	After last year's increase and plan design changes, the program is progressing well and it is recommended that there be no increase to the 2010/11 rates.	A	79
9.5	Open Enrollment Preview	Open Enrollment begins May 1 st and goes through June 15 th . STSIG JPA will be presenting at least 26 Open Enrollment Regional Meetings throughout Shasta, Trinity and Tehama Counties. A preview of the Meetings will be presented for the Board's information. A schedule of the Meetings is also included.	I	81
10.0	ADJOURNMENT NEXT MEETING: The next meeting will be an Executive Committee Meeting on Friday, September 24, 2010 from 9:00 a.m. to 12:00 p.m. at Hilltop Inn 2300 Hilltop Drive, Redding, CA		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.