



Medical Benefits Committee

Minutes

Thursday, April 20, 2006

9:00 am

Room 804A

Present: Pegi Ard, Debora Bone, Olivia Hand, Leah Hlavaty, Sue Holt, Cliff Nichols, Cathleen Reno, Stephanie Stainback, Sue Torres, Kathie Welch

Absent: Doug Deaver, Kate Hartzell, Michele Rivard, Topsy Smalley

I. Call to Order

Pegi opened the meeting at 9:00 am.

II. Minutes

The committee approved the minutes unanimously (Bone/Torres).

III. Chris Kerns and Pency Lee, Driver Alliant

Chris and Pency confirmed to the committee that HealthNet and Blue Shield members may reenroll electronically, but PPO members will need to sign a consent form. SISC will not re-rate on enrollment shifts. The quotes are valid for 15 months.

Chris and Pency reviewed the plan details with the committee. Pency and Chris will check on the coverage of CT, MRI and PET scans and get back to the committee. Blood lab work, mammograms, and x-rays are covered at 100%. The Blue Shield high deductible plan is compatible with an HSA. 90% coverage is a big improvement from 50%. Chiropractic care has a \$15 copay; Acupuncture is discounted 30% on HealthNet's wellness program. A comparison of HMO and PPO plans is on page 11 of the handout. Pency will double check on the coverage for injectibles.

The 1.7% discount from HealthNet is to go to the new plan, from 56T to 66T. The 3-tiered prescription plan option makes a very slight difference in price.

With regard to the PPO plans, D and E are identical except for the deductible. The medium PPO option is what people are used to, but G is a better plan if you anticipate meeting your deductible and use a Flex 125 plan to pay it.

Kris recommended having 2 of each option; adding a 3rd option may create unnecessary confusion. A 3rd option could be introduced next year with an HSA plan.

When the current PPO plan is compared to the SISC option, and people are educated in how to use the Flex 125 program to cover out of pocket expenses, more people may be

encouraged to get Flex 125 plans that don't currently have them. SISC's Flex 125 includes debit cards.

Dental coverage (page 13):

Driver Alliant's pool is the ACSIG/EDGE pool. The 15 month rate is a 5% increase over our current Delta Dental rate. \$2000 is their most common annual maximum. Increasing the annual max to \$2500 would require a 12% rate increase.

The committee chose to go with plans E and G for PPO; Option 2. There is flexibility in who participates. Most people in the catastrophic coverage have secondary coverage, they want the least cost option. People on secondary coverage don't qualify for HSAs. Total out of pocket is \$5,000 on either D or G.

Catastrophic: Option 2:

PPO plans: page 9: Those that want PPO plan but don't use it that much want 80% plan. Plans/coverage are the same, it's how they use the plan that makes a difference. E is less expensive than D once you meet out of pocket.

Dental: implement a passive PPO.

The next meeting will be on Monday, April 24 from 5:00-6:30 pm. Chris Kerns cell is 714-585-4138. The office number is 415-403-1462; if we get voice mail, press 0.

- IV. Retirees: Agenda: finalize HMO and PPO plans. Will come back with the pharmacy. Will have Delta contract to see about run out liability.

The meeting was adjourned at 10:00 am.