



**Insurance Committee
2004-05 Minutes**

May 5, 2005
May 2, 2005
April 28, 2005
April 14, 2005
March 10, 2005
February 28, 2005
February 10, 2005
December 9, 2004
October 14, 2004

**IMPERIAL VALLEY COLLEGE
INSURANCE COMMITTEE**

Unadopted Minutes

May 5, 2005

Present:	Absent:	Visitors:
Tom Hudson, Chair Cecilia Barba Mary Bell, consultant Dr. Marion Boenheim Carlos Fletes Carol Hann Zula Hartfield Chris Mays Lorraine Mazeroll Bertha Ortega Gail Parish Jim Pendley, Certificated Retiree	Rosie Pechtl, CSEA Retiree	John Abarca Chuck Mune, Blue Cross Julie Revoir, Keenan

Chairman Tom Hudson called the special meeting of the Insurance Committee to order at 3:00 p.m. on Thursday, May 5 in the Student Affairs Conference Room.

Mr. Hudson informed the committee that the purpose of the meeting was to make a decision on the renewal. Last week the committee received a quote from SISC, and Keenan has been looking into a competitive quote from Blue Cross.

Keenan/Blue Cross Renewal

Julie Revoir of Keenan stated that for the past year Keenan has been working on direct contracting with local medical groups and hospitals for the College Plan, as directed. The focus has been the College Plan, and therefore, Keenan was working on the assumption that both plans would be self-funded. Last week, Keenan was informed by Mr. Hudson that a SISC quote had been received by the College, Keenan analyzed the quote and determined that the SISC plan would be a 14% increase over the 2004-05 rate. Keenan went back to Blue Cross for a fully insured quote, and obtained a 9.8% quote to match the SISC plan, or a 12.41% renewal with no plan changes. The renewal rate would be 25.8% if the college were to self-fund both the current plan and the College Plan.

Chuck Mune of Blue Cross addressed the committee on the various benefit added programs offered by Blue Cross; he stated that Blue Cross has the deepest PPO discounts; that it has electronic data transfer for doctors to provide quicker claims payment; and that employees have the ability to check status of their claims on-line and print claims forms if needed.

Carlos Fletes made a motion, seconded by Zula Hartfield that the committee send both proposals (SISC/Blue Shield and Keenan/Blue Cross fully insured plan) to the bargaining units and negotiators for consideration. Motion did not carry. Discussion: Lori Mazeroll stated that since the unions were receiving the information anyway, a motion was not needed. Carlos Fletes stated that the committee is charged with making recommendations regarding insurance; there is a sense of urgency because the last say-so it at the negotiations table and the budget needs to be finalized. Chris Mays stated that his understanding is that if there are

no plan changes, nothing has to be negotiated. CTA has already settled its contract with no changes to the benefits plan. He stated that he has no choice but to recommend the Blue Cross 12.41% renewal because there is not time to get a vote from CSEA. Dr. Boenheim asked what effect would not implementing the College Plan have on direct contracting in the future. The committee agreed that the College Plan has potential for the future, but is not feasible at this time with a 25.8% renewal. Tom Hudson stated that the College is moving in that direction with the replacement of the College nurse with a nurse practitioner. Chris Mays asked if the College has considered that a nurse practitioner has to work under a doctor's license, and that there will be a cost for that.

M/S/C Pendley/Mays (no: Fletes) to submit the revised Blue Cross renewal to all bargaining units.

Carlos Fletes addressed the committee on the need to provide options to the bargaining units; the renewal is a 12.5% increase, approximately \$406,000. The committee is not serving its function if it is only forwarding one option to the negotiators. The committee discussed the need to begin talks on health plan options at the beginning of the school year. Dr. Boenheim stated that some thought is being given to only providing employee coverage to new hires. The committee agreed that the SISC proposal was a good one, but the benefits did not exactly match the college's current plan. The question was raised as to whether the new Blue Cross renewal figure included the \$5 million lifetime maximum. ***M/S/C Hann/Fletes to invite the Blue Cross/Keenan representatives back to the meeting to clarify the lifetime maximum amount.*** Julie Revoir confirmed that the new renewal includes a \$5 million lifetime maximum.

The committee agreed to accept the revised renewal, with no plan changes, including the \$5 million lifetime maximum.

Meeting adjourned at 4:15 p.m.

Recording Secretary: Mary Carter

**IMPERIAL VALLEY COLLEGE
INSURANCE COMMITTEE**

Unadopted Minutes

May 2, 2005

Present:	Absent:	Visitors:
Tom Hudson, Chair	Lorraine Mazeroll	Russell Bigler, SISC
Cecilia Barba	Rosie Pechtl, CSEA Retiree	Teresa Higgins, Tyler Insurance
Mary Bell, consultant		Allen Tyler, Tyler Insurance
Dr. Marion Boenheim		
Carlos Fletes		
Carol Hann		
Zula Hartfield		
Chris Mays		
Bertha Ortega		
Gail Parish		
Jim Pendley, Certificated		
Retiree		

Chairman Tom Hudson called the special meeting of the Insurance Committee to order at 3:30 p.m. on Monday, May 2, 2005 in Board Room. He stated that the College has received an alternate proposal from Tyler Insurance, the College's broker for Workers Comp and Liability Insurance.

Allen Tyler, of Tyler Insurance, and Russell Bigler, Executive Director of SISC made a presentation to the committee on a medical plan available through SISC (SISC is a joint powers authority consisting of over 300 California school districts with \$574 million in assets).

The carrier for the plan would be Blue Shield. The SISC 90% plan (see pages 2 and 3 of these minutes) is the one that most closely matches the College's current plan. The deductible is waived for office visits, and the drug card is \$5/\$7, with \$8/\$8 mail order prescriptions. The lifetime maximum is \$5 million. The cost is \$762.00 per employee/per month. The \$762.00 rate is super-composite, and includes the RX plan but not dental and vision. There is no formulary on the RX plan. The plan is self-funded and pooled with the other SISC member districts. The Blue Shield plan is richer in some areas than the College's current plan, not as rich in others. Carol Hann asked how dual covered IVC employees/retirees would be handled, and was told that coverage would be 100%.

The committee asked about rate increases for SISC members; Mr. Bigler responded that increases have been running 0-4% for Imperial County. The committee wanted to know how many community colleges are members of SISC: there are five.

The Blue Shield plan would have an annual open enrollment, and SISC and/or Tyler Insurance can provide claims resolutions days. SISC also has a Flex 125 Plan with a debit card.

Recording Secretary: Mary Carter

SISC

Blue Shield of California 90% Plan D

Benefit Summary

(Uniform Health Plan Benefits and Coverage Matrix)

Highlights: \$200 individual/\$500 per family medical deductible

DEDUCTIBLES [#]	Participating Providers ¹	Non-Participating Providers ¹
Provider Network(s) - Hospital - Professional	Blue Shield Preferred PPO	
Calendar-year medical deductible(s) Per individual/per family	\$200/\$500	
Calendar-year copayment maximum[#] Per individual	\$600/\$1,800	
LIFETIME MAXIMUMS	\$5,000,000	
Covered Services		
PROFESSIONAL SERVICES		
Physician services Physician and specialist office visits	Deductible waived	50% [#]
	\$10 co-pay [#]	
Laboratory and X-rays	90%	50% [#]
Allergy testing or treatment	90%	50% [#]
Diagnostic testing	90%	50% [#]
Surgeon and anesthetist	90%	50% [#]
Preventive care Routine exam and immunizations for dependent children (age 0-25)	90%	50% [#]
Routine exam for employee and spouse	90%	50% [#]
	Up to \$200 per year	
Laboratory, including mammogram and Pap test screening or other FDA-approved cervical and prostate cancer screening tests	90%	50% [#]
OUTPATIENT SERVICES		
Outpatient hospital/facility (non-emergency)	90%	90% less 25% in non-network facility [#]
HOSPITALIZATION SERVICES		
Inpatient physician services (including pregnancy and maternity care)	90%	50% [#]
Semi-private room and board, medically necessary services and supplies (prior authorization required)	90%	\$580 per day
Skilled nursing facility (SNF) services⁴ (Up to 100 combined days per calendar year; semi-private accommodations)	90%	90%
EMERGENCY HEALTH COVERAGE		
Facility services	90%	90%
Emergency room physician services	90%	90% [#]
AMBULANCE SERVICES	90%	90%
PRESCRIPTION DRUG COVERAGE	Administered by Medco Health	

Covered Services

	Participating Providers ¹	Non-Participating Providers ¹
DURABLE MEDICAL EQUIPMENT		
• Home medical equipment, prosthetics/orthotics ⁵	90%	90% [#]
MENTAL HEALTH (PSYCHIATRIC) & CHEMICAL DEPENDENCY SERVICES		
• Inpatient hospital facility services (30 days per calendar year)	80% [#]	\$270 [#] per day
• Outpatient visits for mental health conditions	50% [#] up to \$50	50% [#] up to \$25
HOME HEALTH SERVICES⁴ (Combined maximum of 100 prior authorized visits per calendar year)		
• Home health and home infusion care (See "Prescription Drug Coverage" for home self-administered injectables)	90%	90% [#]
HOSPICE⁴ (\$10,000 maximum per member)		
• Routine home care and inpatient respite care	90%	90% [#]
• 24 hour continuous home care and general inpatient care	90%	90% [#]
OTHER		
Alternative care⁷		
• Chiropractic services (up to 26 visits per calendar year)	90% up to \$50 per visit	50% [#] up to \$25 per visit
• Acupuncture services	90%	50% [#]
Rehabilitative therapy services		
• Outpatient visits (medically necessary)	90%	50% [#]
Pregnancy and maternity care		
• Prenatal and postnatal physician office visits (For all necessary inpatient hospital services, see "Hospitalization Services.")	Deductible waived \$10 co-pay [#]	50% [#]
Family planning		
• Family planning counseling	90%	50% [#]
• Elective abortion, tubal ligation, vasectomy	90%	50% [#]
Covered out-of-state benefits Benefits provided through BlueCard Program, for out-of-state emergency and non-emergency care, are provided at the preferred level of the local Blue Plan allowable amount when you use a Blue Cross/Blue Shield provider.	90%	50% [#]
Diabetes care		
• Equipment, devices and non-testing supplies (for testing supplies, see "Prescription Drug Coverage")	90%	50% [#]
• Self-management training and education	90%	50% [#]

[#] Copayments and charges in excess of the allowable amount continue to be the member's responsibility after the calendar-year copayment maximum is reached. The deductible does not apply toward the calendar-year maximum. Please refer to the *Evidence of Coverage*, the *Disclosure Form* and for exact terms and conditions of coverage.

1 Preferred providers accept Blue Shield's allowable amount as full payment for covered services. Non-preferred providers can charge more than these amounts. When members use non-preferred providers, they must pay the applicable copayment plus any amount that exceeds Blue Shield's allowable amount. Charges above the allowable amount do not count toward the calendar-year deductible or copayment maximum.

4 Services may require prior authorization by Blue Shield. When these services are authorized in advance, members will receive the participating percentage based on the allowable amount.

5 Orthosis benefits except for services covered under diabetes care are limited to a \$2,000 maximum per person per calendar year.

7 All outpatient non-severe mental health, outpatient substance abuse, acupuncture and chiropractic visits accrue to the calendar-year visit maximum regardless of medical necessity.

Benefits are subject to modification for subsequently enacted state or federal legislation.



Blue Shield of California
An Independent Member of the Blue Shield Association

**IMPERIAL VALLEY COLLEGE
INSURANCE COMMITTEE**

Unadopted Minutes

April 28, 2005

Present:	Absent:	Visitors:
Tom Hudson, Chair	Cecilia Barba	Julie Revoir, Keenan
Mary Bell, consultant	Rosie Pechtl, CSEA Retiree	Bob Quemaltz, Keenan
Dr. Marion Boenheim		Mike Davis, Keenan
Carlos Fletes		John Abarca
Carol Hann		Patty Robles
Zula Hartfield		
Chris Mays		
Lorraine Mazeroll		
Bertha Ortega		
Gail Parish		
Jim Pendley, Certificated Retiree		

Chairman Tom Hudson called the meeting of the Insurance Committee to order at 12:30 p.m. on Thursday, April 28, 2005 in Board Room.

College Plan

Julie Revoir and Bob Quemaltz reported the following regarding the College Plan:

- There would not be any out of pocket if Tier 1 providers are used
- The CCN Network is comparable to the Blue Cross network, it is nation-wide, and includes about 95% of local providers. The provider list is available on the CCN website www.ccnusa.com
- Dual coverage under the College Plan would pay 100% of C&R (customary and reasonable charges)
- Retirees would continue with a supplement to Medicare (Jim Pendley stated that retirees must pay for Medicare Part B; therefore, they are not getting equivalent coverage as promised. It was suggested that the CTA contract be consulted and that the issue be addressed in negotiations).
- Employees would have a choice whether to enroll in the College Plan, or remain in the current plan. (Chris Mays asked whether taking employees out of the current plan would increase the risk and also the rate, Bob Quemaltz stated that the two plan would be combined financially).
- Bob Quemaltz suggesting offering a monthly enrollment option for the College Plan in the beginning of the program, so that employees could try it with the option of going back to the current plan. ***M/S/C Fletes/Hartfield (No: Mazeroll, Abstain: Hann, Parish) to allow employees the option of changing quarterly (in addition to qualifying events, i.e. marriage, birth, etc.) between the College Plan and current plan for the first year, pending acceptance of the College Plan.***
- Chris May noted that there is only one pediatrician in the Tier 1 providers, and that more employees would be willing to try the College Plan if there were more local providers, including pediatricians.

- Tom Hudson reported that the College will be hiring a College Nurse who will be a Nurse Practitioner, who will serve both students and staff; eventually the College Plan would have its own doctors.
- Bob Quemaltz reported that there are signed contracts with the IVFMG and the two hospitals, the local providers are interested in the College Plan, but are not rushing to the table.

Lifetime Maximum: The Committee noted that the SISC/Blue Shield Plan has a \$5 million lifetime maximum (point at which coverage for an employee would terminate). Julie Revoir and Mike Davis of Keenan stated that the cost to increase the present \$2 million lifetime maximum to \$5 million would be small, about .50%. ***M/S/C Mays/Pendley to recommend that the lifetime maximum be increased to \$5 million.***

Mental health benefits: Julie Revoir presented a proposal from MHN. The Dual Choice option would cost \$14.72 per employee/per month under the Blue Cross plan, or \$16.15 under the College Plan. Mental health benefits are currently embedded in the current plan, and pay 50% of \$50 on up to 50 outpatient visits per year. The MHN (Blue Cross Plan) would have \$25 copay, (50 visit limits) versus \$5 copay, unlimited visits for outpatient professional psychiatric visits under the College Plan.

RX Plan: Caremark has purchased Advance RX. Mike Davis, the underwriter, stated that under the current mail order co-pay, the plan does not save money by encouraging the use of mail order. Changing to a 90 day supply for two co-pays would generate savings. A \$10/\$20 co-pay would save 2-3% on the drug program, and .5% overall. A \$5/\$10/\$15 "Voluntary Formulary" would generate more significant savings: 2-3% overall. Drug costs: IVC's drug costs are 20-25% higher than an average school district, probably due to high utilization of brand name drugs.

Marketing of Plan (Bids)

Julie Revoir reported that Keenan went out to market on IVC's plan and Aetna, Blue Shield and PacificCare declined to bid on the fully insured option, and there was no response from HealthNet. She was unable to get a separate quote from AccessBaja, which is owned by Blue Shield. Tom Hudson stated that he is interested in a quote for direct contracting with AccessBaja; Julie Revoir will try to get a quote by Monday.

Recording Secretary: Mary Carter

**IMPERIAL VALLEY COLLEGE
INSURANCE COMMITTEE**

Unadopted Minutes

April 14, 2005

Present:	Absent:	Visitors:
Tom Hudson, Chair	Cecilia Barba	Julie Revoir, Keenan
Mary Bell, consultant	Zula Hartfield	
Dr. Marion Boenheim	Chris Mays	
Carlos Fletes	Lorraine Mazeroll	
Carol Hann	Rosie Pechtl, CSEA Retiree	
Bertha Ortega		
Gail Parish		
Jim Pendley, Certificated Retiree		

Chairman Tom Hudson called the meeting of the Insurance Committee to order at 2:00 p.m. on Thursday, April 14, 2005 in Room 303.

Report by Keenan

Julie Revoir reported that the College's plan has been marketed to six carriers to bid on the current fully insured plan. Direct contracting talks have been held with ECRMC, IV Family Medical Group, PMH and UCSD, as well as CCN Network for the current plan as well as the second tier of the College Plan.

Contract Status (College Plan):

- Stressing to local providers the importance of keeping in the community for their health services
- Local control
- Non-profit margin
- Increase market share over time
- Provider friendly
- Develop an advisory board.
- IV Family Medical Care Group has signed a contract
- ECRMC contract should be finalized this week; they want a per diem versus percent of billed charges.
- Pioneers Hospital – contract should be finalized within two weeks; discussing per diem rates.
- UCSD – still in negotiations, they are only offering a 10% discount.

Self Funding

- Stop loss has been bid out to three carriers, plus Blue Cross.
- Cost of wellness program is approximately .50 per person/per month
- Disease management cost is \$6.25 per person/per month
- There is a chance that the plan will not be able to obtain Stop Loss insurance because it is unknown what the enrollment of the College Plan will be.
- The College will need to set up banking arrangements for self-funding, as well as build the recommended reserve.

- The College Plan must be self-funded in order to do direct contracting, and the current plan will also have to be self-funded because of not being able to administer/insure them separately; unknown number of participants in each plan.

Key components of savings

- Disease management and a wellness program will provide long term savings
- More cost distinction between generic and brand drug co-pays would save the plan money.
- Initially the College Plan won't show a savings, over time it should be cheaper and include more providers.

Discussion: The committee asked which doctors in the IVFMC group accept Medicare because this will be an issue for retirees. How would the College Plan work? It will be a richer benefit, however there will be narrow network of first tier providers, and the second tier of the providers will be the CCN Network. Employees would choose to enroll in the College Plan during the open enrollment period, and would be enrolled for the year.

Carlos Fletes asked what is the "drop-dead" date for making decisions regarding the plan; insurance costs as well as salary negotiations have a significant impact the College's budget which is currently being developed. Julie Revoir stated that the upcoming April 28 meeting will be the critical meeting; numbers on the self-funding will be presented, and an insurance underwriter will be present to answer questions.

Dental and Vision Utilization/Final Renewal

The final dental and vision renewal figures have been received based on 94% claims loss ratio for dental and 107% for vision. The dental renewal is now 7.01%, down from the 13.78% preliminary renewal. The vision renewal, with 5% margin, is 5.48%. A 5% margin is recommended by Keenan to build reserve for the dental and vision programs; reserve funds remain with the District, Keenan only pays claims incurred. Carlos Fletes stated that since the end of the self-funded medical insurance program the reserve funds have been accounted for in the General Fund. He will make the appropriate transfer to the Insurance Fund in the amount of approximately \$38,000.

M/S/C Boenheim/Pendley to recommend approval of the dental and vision renewal, with the 5% recommended margin.

Reserve for Self-funding

The committee discussed the reserve requirement for self-funding, Julie Revoir stated that a reserve equal to approximately one and 1/2 months of claims is needed (approximately \$500,000). Tom Hudson stated that the funds could be transferred from the Board Reserve to the Insurance Fund during the budget process.

Blue Cross Enrollment and Tiered Rating Analysis

The committee reviewed the Blue Cross Renewal, for rates effective July 1, 2005 for the fully insured plan. The final renewal is a 25% increase (\$755,874 increase on current enrollees).

Premium, effective 7/1/05 – 6/30/06

Faculty	\$1,109.43 tenthly	\$11,094.30 annually
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Classified/Administrators/

Board	\$1,130.02 tenthly	\$11,300.20 annually
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Carlos Fletes urged the committee members to share information with their union memberships. Gail Parish stated that CSEA members have indicated that they are not interested in the College Plan, and Carol Hann stated that faculty members are not interested either. Faculty may consider a change to the medical benefits for new hires.

Open Enrollment

Julie Revoir stated two days will be needed for enrollment meetings for the Section 125 Plan and voluntary products. May 9 and 10 would be ideal dates. She asked the committee to recommend a third voluntary product to be offered during the enrollment. The voluntary products make it possible to offer the Section 125 plan without fees. The committee recommended offering cancer and accident insurance.

Next Meeting

The next meeting will be Thursday, April 28, from 12:00 noon until 3:00 p.m., with lunch provided.

**IMPERIAL VALLEY COLLEGE
INSURANCE COMMITTEE**

Unadopted Minutes

March 10, 2005

Present:	Absent:	Visitors:
Tom Hudson, Chair	Cecilia Barba	Julie Revoir, Keenan
John Abarca (for Chris Mays)	Chris Mays	Lisa Cross
Mary Bell, consultant	Rosie Pechtl, CSEA Retiree	Patty Robles
Dr. Marion Boenheim		
Carlos Fletes		
Carol Hann		
Zula Hartfield		
Bertha Ortega		
Lorraine Mazeroll (CTA)		
Gail Parish		
Jim Pendley, Certificated Retiree		

Chairman Tom Hudson called the meeting of the Insurance Committee to order at 2:00 p.m. on Thursday, March 10, 2005 in the Board Room.

Lorraine Mazeroll reported that she is assuming the vacant CTA position on the committee, pending approval of the CTA Executive Committee.

Report by Keenan

Update on College Plan:

Julie Revoir of Keenan and Associates reported that she and Tom Hudson will be meeting with Imperial Valley Family Medical Care at 4:00 p.m., regarding further discussions on direct contracting. Ms. Revoir reported that self-funding is the only option for both the College Plan and the medical plan. Gail Parish suggested that a survey is needed to determine the number of employees willing to participate in the College Plan. John Abarca stated that CSEA members are concerned about it being similar to a HMO. Other questions included the impact on retirees, and what groups had approved the plan. Mr. Hudson stated that the College will have both plans; that the College is looking at the College Plan option in order to get control of the cost of medical services. He stated that the College is at the mercy of the insurance companies, and the increasing cost of insurance could bankrupt the College. The proposed 25% increase in medical insurance costs equals 8% of the College budget. The College Plan would improve working conditions for doctors because they will be seeing fewer patients and will improve health care for employees. The College Plan would be phased in, with the goal of having the doctors/providers eventually working for the College. Malpractice insurance costs for providers should go down due to a lower number of patients seen.

The committee asked about other option to control costs such as wellness programs and disease management. Dr. Boenheim reported that Human Resources will be doing a survey to determine how many employees would be interested in a stop-smoking program. The committee also asked what percentage of costs are related to doctor's fees; Julie Revoir will provide a utilization report at

the next meeting. The committee asked what options employees would have if they were not happy with the College Plan; Julie Revoir stated that there would be an out-of-network option that would cost more than in-network services.

Blue Cross Renewal

Julie Revoir distributed information related to the Blue Cross renewal for 2005-06. She noted that Blue Cross lost \$356,215 on the IVC plan in 2004, so it was good that IVC went fully insured. In addition, there were four claims in excess of \$75,000. The 25 instructors already hired and the hiring of an additional 25 will have a significant impact on the plan because there is usually a jump in claims the first year or two when new hires begin taking advantage of their benefits. She noted that insurance companies reserve the right to recalculate the renewal when the covered population increases by 10%.

Julie Revoir reported that CUHS has added Access Baja, a HMO with facilities in Mexicali. The plan is a fully insured HMO program, costing \$80 a month per employee. The committee suggested looking at the possibility of offering a similar program for IVC employees.

Carlos Fletes asked about analyzing the cost of a tiered rate instead of a supercomposite rate. Gail Parish asked about the cost savings of moving faculty retirees to a Medicare supplement. Julie Revoir will provide cost estimates at the next meeting. Jim Pendley suggested looking into offering less than full family coverage to new hires. Julie Revoir will provide a cost analysis of single versus family coverage.

- The renewal rate for Faculty is \$1,114.09 (tenths), or \$11,149.90 annually.
- The renewal rate for Classified, administrators, and board members is \$1,134.68 tenths or \$11,346.80 annually.
- The increased cost of the IVC plan is \$772,446.83 based on 356 present employees. This does not include the cost of the 25 new faculty to be hired, or the proposed 25 new classified.

Dental and Vision Renewal

Julie Revoir reported that Delta Dental temporarily shut down claims processing while it fixed a system problem with the incentive plan, but the system has been reprogrammed and claims processing should be occurring now, with a bit of a lag. On the dental renewal, Keenan is recommending a 13.78% funding level, which is not surprising since it has been quite awhile since funding was increased.

On the vision plan, a 1.79% funding increase is recommended, which is basically a pass in rates.

Approval of Minutes: ***M/S/C Fletes/Parish to approve the minutes of the February 10, 2005 meeting as presented.***

Next meeting: April 14, 2005.

**IMPERIAL VALLEY COLLEGE
INSURANCE COMMITTEE**

**Unadopted Minutes
February 10, 2005**

Present:	Absent:	Visitors:
Tom Hudson, Chair	Cecilia Barba	Julie Revoir, Keenan
John Abarca	Bertha Ortega	Bob Quemaltz
Mary Bell, consultant	Gail Parish	
Dr. Marion Boenheim		
Carlos Fletes		
Carol Hann		
Zula Hartfield		
Nona Hughes, Classified		
Retiree		
Chris Mays		
Jim Pendley, Certificated		
Retiree		

Chairman Tom Hudson called the meeting of the Insurance Committee to order at 2:00 p.m. on Thursday, February 10, 2005 in the Board Room.

Report by Keenan

Julie Revoir of Keenan and Associates reported on the following:

1. Dental and Vision Loss Ratio Reports
 - a. Dental: 98% (Nov 2003 – Oct 2004)
 - b. Vision: 112% (Nov 2003 – Oct 2004)
2. Update on the College Plan
 - a. Contracting
 - b. Stoploss
3. Blue Cross Preliminary Renewal Analysis:
 - a. 25.77% overall increase
 - b. \$863,155 premium increase (from \$3,349,731 to \$4,212,886)
4. VSP Utilization Analysis
 - a. 2002-03
 - i. Annual enrollment: 4,667 (average: 389 employees/month)
 - ii. Total claims cost: \$52,969
 - iii. Cost per service: \$64.44
 - b. 2003-04
 - i. Annual enrollment: 4,701 (average: 391 employees/month)
 - ii. Total claims cost: \$57,949
 - iii. Cost per service: \$64.82

5. Planning for 2005-06
 - a. Market the programs
 - b. Look at returning to self funding entire program
 - c. Look at increasing ambulance coverage
6. Schedule for future meetings
 - a. March 10, 2005 at 2:00 p.m.
 - b. Added: April 14, 2005 at 2:00 p.m.
 - c. Added: April 28, 2005 at 2:00 p.m.
 - d. May 12, 2005 at 2:00 p.m.
7. Upcoming Claim Resolution Day: March 10, 2005

Imperial Valley College
Comparison of Current Blue Cross PPO and The College Plan
Draft 1: December 9, 2004

	Current Blue Cross Plan Fully Insured		The College Plan Self-Funded	
PLANS	Cert Blue Cross PPO \$15, 90%/70% Class/Admin 15%, 85%/70%		Active Employees and Retirees Under Age 65 Only	
Services	Participating Providers	Non-Participating Providers	Participating Providers	Non-Participating Providers
Provider Network	Statewide (and National) network of Prudent Buyers	Any Licensed Non-Prudent Buyer Provider	Local Pioneer and/or El Centro Choice Physicians	Any Licensed Non-Choice Provider
Coinsurance	90% Cert 90% Class/Admin Inpatient 85% Class/Admin Outpatient	70% of Customary & Reasonable (C&R)	100%	70% C&R (or lower)
Calendar Year Deductible(s)	\$200 Individual / \$600 aggregate (3or more family members)		No deductible	\$300 Individual/\$900 Family (non-aggregate)
	Deductible does NOT (non-standard) apply to PPO outpatient services, covered expense incurred for treatment of an accidental injury if treated within 90 days of accident (non-standard), the first \$100 for a second or third surgical opinion when services are provided by a non-PPO provider (non-standard), home health services, or transplant travel expenses. Deductible applies to PPO and non-PPO inpatient hospitalizations, all non-PPO services and all mental health and substance abuse services.		Not applicable	Deductible will apply to all services.
Maximum Co-insurance Individual	\$1,000 + deductible	\$1,000 + deductible + any amount above Customary & Reasonable (C&R)	Not applicable	\$2,000 + deductible + any amount above Customary & Reasonable (C&R)
Family	\$3,000 (3 times individual) + Deductible	\$3,000 (3 times individual) + deductible + any amount above C&R	Not applicable	\$6,000 (3 times individual) + deductible + any amount above C&R
Lifetime Maximum	\$2,000,000		\$2,000,000	
Hospital Services – Room, Board and Support Services. Prior authorization required.	90%	70% of C&R	100%	70% C&R (or lower)
Emergency Room and Supplies (if not admitted to the hospital)	90% Cert 85% Class/Admin	70% of C&R	\$50 co-pay then 100% (copay waived if admitted to the hospital)	70% C&R (or lower)
Inpatient Surgeon & Anesthetist	90%	70% of C&R	100%	70% C&R (or lower)
Doctor Office Visit	\$15 copay Cert 15% Class/Admin	70% of C&R	\$5 copay	70% C&R (or lower)

Imperial Valley College
Comparison of Current Blue Cross PPO and The College Plan
Draft 1: December 9, 2004

	Current Blue Cross Plan Fully Insured		The College Plan Self-Funded	
PLANS	Cert Blue Cross PPO \$15, 90%/70% Class/Admin 15%, 85%/70%		Active Employees and Retirees Under Age 65 Only	
Routine Exam	Not covered for adults 19 or older. Only annual well woman and prostate cancer testing is covered.		100%	Not Covered
Outpatient Diagnostic X-Ray & Lab	90% Cert 85% Class/Admin	70% of C&R	100%	70% C&R (or lower)
Psychiatric & Substance Abuse				
Inpatient	90%	70% of C&R	100%	70% C&R (or lower)
	30 day maximum per calendar year		30 day maximum per calendar year	
Outpatient	50% of \$50, limited to 50 visits calendar year		\$5 copay	50% to maximum of \$25 per visit
	Covered expenses do not apply toward the co-insurance maximum and are not subject to other lifetime maximums.		Covered expenses do not apply toward the co-insurance maximum and are not subject to other lifetime maximums.	
	Severe Mental illnesses must be treated as any other medical condition per state law.		Severe Mental illnesses must be treated as any other medical condition per state law.	
Home Health	100%	70% of C&R	100%	70% of C&R
	20 hours per week prior authorization required		20 hours per week prior authorization required	
Physical Therapy – limited to medical necessity	\$15 co-pay Cert 85% Class/Admin	70% of C&R	\$5 copay	70% of C&R
Inpatient Hospice	90%	70% of C&R	100%	70% of C&R
Durable Medical Equipment – limited to medical necessity	90% Cert 85% Class/Admin	70% of C&R	100%	70% of C&R
Infertility Treatments – Outpatient	90% Cert 85% Class/Admin	70% of C&R	50% to \$2,000 annual maximum. May want to consider lifetime maximum.	
	No annual maximum (non-standard)		May want to consider lifetime maximum.	
Pharmacy	Blue Cross Rx4: Preferred Drugs (DAW) and Prior Authorization may be required for some drugs Participating Pharmacies \$10 co-pay brand, \$5 co-pay generic, 34 day/100 unit maximum Mail Order \$10 co-pay brand, \$5 co-pay generic, 90 day maximum with three refills		Retain Blue Cross or could self-fund	

This is a brief outline of the medical plans and does not take the place of the master policy.

**IMPERIAL VALLEY COLLEGE
INSURANCE COMMITTEE**

**Unadopted Minutes
December 9, 2004**

Present:	Absent:	Visitors:
Tom Hudson, Chair Mary Bell, consultant Carol Hann Carlos Fletes Chris Mays Gail Parish Jim Pendley, retiree Bertha Ortega	Cecilia Barba Dr. Marion Boenheim	Julie Revoir, Keenan

Chairman Tom Hudson called the meeting of the Insurance Committee to order at 2:00 p.m. on Thursday, December 9, 2004 in the Board Room.

Approval of Minutes

M/S/C Fletes/Parish to approve the minutes of the October 14, 2004 meeting as presented.

Report by Keenan

Julie Revoir of Keenan and Associates reported on the following:

1. Dental and vision loss ratio reports
 - a. Dental 101%, Oct. 2003 – Sept. 2004
 - b. Vision 118%, Oct. 2003 – Sept. 2004
2. Comparison of Current Blue Cross PPO plan and “College Plan”
3. Domestic Partner Coverage—AB 2208, effective 1/1/2005, requires group health plans to provide coverage to registered domestic partners equal to coverage provided to spouses.
4. 2005-06 Open Enrollment Calendar
5. Goals for 2005-06
 - a. Education on 125 Plan
 - b. Health Fair
 - c. Flex Week education
 - d. 457/Tax sheltered annuities education
6. Upcoming Insurance meetings:
 - a. February 10, 2005
 - b. March 10, 2005, 2:00 p.m.
 - c. May 12, 2005, 3:30 p.m.
7. Claim Resolution Days:
 - a. December 9, 2004
 - b. March 10, 2005

Imperial Valley College
Comparison of Current Blue Cross PPO and The College Plan
Draft 1: December 9, 2004

	Current Blue Cross Plan Fully Insured		The College Plan Self-Funded	
PLANS	Cert Blue Cross PPO \$15, 90%/70% Class/Admin 15%, 85%/70%		Active Employees and Retirees Under Age 65 Only	
Services	Participating Providers	Non-Participating Providers	Participating Providers	Non-Participating Providers
Provider Network	Statewide (and National) network of Prudent Buyers	Any Licensed Non-Prudent Buyer Provider	Local Pioneer and/or El Centro Choice Physicians	Any Licensed Non-Choice Provider
Coinsurance	90% Cert 90% Class/Admin Inpatient 85% Class/Admin Outpatient	70% of Customary & Reasonable (C&R)	100%	70% C&R (or lower)
Calendar Year Deductible(s)	\$200 Individual / \$600 aggregate (3or more family members)		No deductible	\$300 Individual/\$900 Family (non-aggregate)
	Deductible does NOT (non-standard) apply to PPO outpatient services, covered expense incurred for treatment of an accidental injury if treated within 90 days of accident (non-standard), the first \$100 for a second or third surgical opinion when services are provided by a non-PPO provider (non-standard), home health services, or transplant travel expenses. Deductible applies to PPO and non-PPO inpatient hospitalizations, all non-PPO services and all mental health and substance abuse services.		Not applicable	Deductible will apply to all services.
Maximum Co-insurance Individual	\$1,000 + deductible	\$1,000 + deductible + any amount above Customary & Reasonable (C&R)	Not applicable	\$2,000 + deductible + any amount above Customary & Reasonable (C&R)
Family	\$3,000 (3 times individual) + Deductible	\$3,000 (3 times individual) + deductible + any amount above C&R	Not applicable	\$6,000 (3 times individual) + deductible + any amount above C&R
Lifetime Maximum	\$2,000,000		\$2,000,000	
Hospital Services – Room, Board and Support Services. Prior authorization required.	90%	70% of C&R	100%	70% C&R (or lower)
Emergency Room and Supplies (if not admitted to the hospital)	90% Cert 85% Class/Admin	70% of C&R	\$50 co-pay then 100% (copay waived if admitted to the hospital)	70% C&R (or lower)
Inpatient Surgeon & Anesthetist	90%	70% of C&R	100%	70% C&R (or lower)
Doctor Office Visit	\$15 copay Cert 15% Class/Admin	70% of C&R	\$5 copay	70% C&R (or lower)

Imperial Valley College
Comparison of Current Blue Cross PPO and The College Plan
Draft 1: December 9, 2004

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	Participating Pharmacies			
	\$10 co-pay brand, \$5 co-pay generic, 34 day/100 unit maximum			
	Mail Order			
	\$10 co-pay brand, \$5 co-pay generic, 90 day maximum with three refills			

This is a brief outline of the medical plans and does not take the place of the master policy.

**IMPERIAL VALLEY COLLEGE
INSURANCE COMMITTEE**

**Unadopted Minutes
October 14, 2004**

Present:	Absent:	Visitors:
Tom Hudson, Chair Dr. Marion Boenheim Carol Hann Chris Mays Gail Parish Jim Pendley, retiree Bertha Ortega Barbara Stuart	Carlos Fletes Cecilia Barba Mary Bell, consultant	Bob Quemaltz, Keenan Julie Revoir, Keenan

Chairman Tom Hudson called the meeting of the Insurance Committee to order at 2:00 p.m. on Thursday, October 14, 2004 in the Board Room.

Approval of Minutes

M/S/C Parish/Mays to approve the minutes of the May 5, 2004 meeting as presented.

Additional Voting Committee Members

M/S/C Hann/Parish to approve voting membership for one representative of certificated retirees, one representative of classified retirees, and one representative of CMCA (Classified Manager/Confidential Association). The voting memberships will be effective as of the next committee meeting.

Report by Keenan

Review of 2004 accomplishments: Accomplishments for last year included the open enrollment and benefit choices sign-up held last May; participation in the 125 Plan increased considerably. The committee noted that more information regarding the 125 Plan is needed, and suggested a possible Flex class for staff on tax issues such as the 125 Plan and tax sheltered annuities.

Renewal update: 5.36% overall increase

Review of dental and vision loss ratio reports: 96% dental and 122% vision

Trend update: Blue Cross is estimating medical inflation in California at approximately 11.21% medical, 16% RX, 3.5% vision and 4-5.5% dental. No decreases are foreseen.

Status of the College Medical Plan: Tom Hudson reported on the "College Plan" concept of contracting directly with a local hospital to cut out the middleman, and reduce costs. El Centro Regional Medical Center and Pioneers have expressed some interest. Another idea would be for the College to hire its own doctors, possibly three to start with (internist, gynologist, and pediatrician). The doctors could spend more time with each patient and provide better care. Keenan contract specialists will continue researching and developing options including hospitals in the San Diego area.

Goals for 2005-06:

- Discussion of the "College Plan" in more detail.
- More education: The committee suggested the upcoming Health Fair and Flex week as opportunities for providing education and information to staff.
- Open enrollment: To be held at the end of April or first of May, 2005
- Re-evaluation of cost savings option for negotiation purposes.
- Discussion of renewal starting in January.
- Discussion of retiree issues such as payment of Medicare Part B.

Next meeting: Thursday, December 9, 2004 at 2:00 p.m.

Meeting adjourned at 3:30 p.m.