

METROPOLITAN EMPLOYEES BENEFITS ASSOCIATION (MEBA)
Regular Meeting of Board of Trustees
Fullerton Joint Union High School District
Wednesday, September 26, 2007
MINUTES

Pat Prezioso, Chair, called the meeting to order at 2:05 p.m.

1. Roll Call

• Union Trustees:

Classified Union Trustees:

Cheri Smith (FJUHSD CSEA)

John Lynch (CAPO CSEA)

Dianna Mullen (FSD CSEA)

Alternate Trustee: Joe Ahlert (FSD CSEA)

Professional Staff Trustee:

Pat Prezioso (CSEA)

Absent: Joe Alhert

Certificated Union Trustees:

Karen Hall (FSTO)

Joyce Wills (BPTA)

Frank Weirath (CUEA)

Alternate Trustee: _____ (____)

Professional Staff Trustee:

Steve Balentine (CTA)

• District Trustees:

Jeff Bristow, (Capistrano)

Ken Chandler, (La Habra)

Mark Douglas, (Fullerton)

Doug Kimberly, (FJUHSD)

Alternate: _____ (____)

Absent: Mark Douglas, Greg Magnuson, Carl Erickson, and Steve Wagner

Greg Magnuson, (Buena Park)

Barbara Ott, (Brea Olinda)

Steve Wagner, (OCHSA)

Skip Roland, (Brea Olinda)

Alternate: Carl Erickson, (FJUHSD)

- Also Present: Tom Cahill, Carol Crawford, and Ron Riley HUB; Cheryl Masters and Gary Ward, Mercer; Sherry Hahn, Capistrano; Gary Cardinale, Fullerton School District

2. Approval of Minutes

- It was moved by Joyce Wills, seconded by Jeff Bristow, and approved without objection the minutes of August 22, 2007.

3. Chairperson's Report

- Pat Prezioso welcomed the MEBA Board members to the business meeting. No report. Introductions of guest present were made, Sherry Hahn of Capistrano Unified and Gary Cardinale of Fullerton School District.

4. HUB Report - A copy of the HUB Report was distributed to all MEBA Board members.

Administration

- Tom Cahill reported that HUB is current with MEBA enrollments including eligibility changes, terminations and additions. In order to assure enrollment accuracy, HUB is sending a sign-off letter to each Human Resources department for verification of accuracy. Mr. Cahill expressed HUB's appreciation of the districts' support with respect to completion of the monthly Premium Allocation Form. Please continue to pay as billed and adjustments will appear on subsequent invoices.

Finance/Accounting

- Ron Riley reported that the payment approval listing includes checks #3198 through #3210

(check 3207 is void) totaling \$3,092,374.57 for Board ratification; and checks #3211 through 3230 totaling \$5,698,198.12 are presented for Board approval. Wire transfers for Delta Dental, dated August 24, 2007 through September 24, 2007, totaling \$210,552.31 are presented for Board ratification.

- *Motion:* It was moved by John Lynch, seconded by Doug Kimberly, and approved unanimously without objection, the payment approval listings and wire transfers as presented.

Additional Financial Data - The MEBA fund balances, revenues/expenses, and additional financial data for seven months ending August 31, 2007, are provided in the HUB report. With respect to payments, we are ahead of schedule, and with the timing differences, the revenue exceeds expenses for the eight months ending August 31, 2007. Also, additional financial data for August and eight months ending August 31, 2007, are included in the HUB Report.

Mr. Riley spoke about the net earnings of interest in the money market account was about \$25,000 last year and this year we have earned \$28,000. So we are about \$3,000 ahead in eight months as we were with twelve months last year. Keeping as much money in the money market versus the checking account, which doesn't earn as much interest, is paying off.

CPEEHCC (California Public Employers/Employees Health Care Coalition)

- *Board Meeting* – The next Board meeting will be in San Jose on October 1, 2007. Attached are the revised bylaws for review, which were also provided in August, and approval by the various districts that belong to CPEEHCC. The Governance Committee will bring this up in their report today.

Other

- *MEBA Minute* – Carol Crawford will make the recommended corrections and resend the *MEBA Minute* out to the districts by Friday or Monday.
- *IFEBP* – Registration has been submitted for Joe Ahlert, Steve Balentine and Mark Douglas. Actually, Steve Balentine and Pat Prezioso's registrations are being handled by their unions.
- *Election Forms/Exhibit A of the Participation Agreement* – The Election forms are attached and have been modified to show Plan A and Plan B. These forms have been sent to the Human Resources departments at each district.

5. **Mercer Report**

- *Claims Experience Report* (handout) – The Claims Experience was distributed to all Board members with experience updated through August. Ms. Masters pointed out that percentage of high claims was alarming and additional data was requested to research this matter. A high claims review (handout) was undertaken and it appears that less than two percent of the population, 216 participants, is accounting for about 43 percent of claims for August. A High Cost Claims Analysis – Breakdown by Major Diagnostic Category (handout) was reviewed to see what is triggering large claims. The breakdown is medical costs only, it does not include prescriptions. This information leads to disease management and what to focus on for wellness programs. Mercer is going to continue to track this on a monthly basis then we can look at the high claims on an ongoing basis. We want to work with Blue Cross to have them break down by starting to look at chronic cases, diabetics, heart disease, etc., to see if patients are following clinical protocols for the condition that is being treated. There is an opportunity to reduce costs.

6. **Committee Reports**

Governance/Marketing/Finance (GMF) Update –

- *CPEEHCC Bylaws* – Doug Kimberly reported that the committee met and reviewed the CPEEHCC Bylaws. The Committee recommends that the MEBA Board ratify the bylaws.
 - *Motion* – It was moved by Jeff Bristow, seconded by Steve Balentine and approved without objection to ratify the CPEEHCC Bylaws.
- *Retreat Postponed* – Mr. Kimberly relayed that during the meeting the Committee discussed the possibility of postponing the MEBA Retreat to the spring each year in order to have time to relay communications on changes to the MEBA members. The Committee made the recommendation to the MEBA Board to cancel the October 24, 2007, Retreat.
 - *Motion* – It was moved by Steve Balentine, seconded by Doug Kimberly and approved without objection to cancel the October 24, 2007, MEBA Retreat and reschedule the retreat for the spring of 2008.

Members agreed that April 23, 2008, would be a good time to hold the Retreat. Carol Crawford will call Embassy Suites and see if they will move the date to April 23, 2008. The MEBA Board also agreed not to have a Board meeting in October but to meet in November as scheduled.

- *Next GMF meeting* – Mr. Kimberly said that a GMF meeting will be needed on October 24 and the date will be confirmed by email.

Medical Benefits/Wellness

- *Blue Cross Name Change* – Your new Blue Cross health cards may say Blue Cross/Anthem in 2008. Also, Blue Cross is redesigning their group suffix numbers so everyone will get new numbers on their health cards
- *July Performance Guarantee* – Blue Cross reported that they are doing better this year.
- *Health Fair* – Barbara Ott reported that Vision Service Plan is not doing health fairs this year but they may provide brochures for the fairs. Blue Cross will be providing cholesterol screenings and two chairs for massages. St Jude Heritage Medical Group is providing flu shots at \$22.00 a piece this year. Kaiser is providing body mass index screenings and chair dancing aerobics. Kaiser will also have video of the workouts available to purchase if it is okay with the Board. There was no objection by the Board. Other screenings available will be blood pressure, spinal, teeth whitening, yoga and self defense. A pulmonary function test is under consideration because of asthma and other lung issues. Two nurses for \$400 for each fair would total \$800 or three nurses for each fair at \$600 each. The fairs are within budget at \$19,500 so far in expenses. Each fair has a budget of \$14,000. There was no objection to provide three nurses for each health fair. Barbara Ott will email flyers to each district. Each district will be responsible for promoting the health fair.

7. **New Business**

- *International Foundation Conference* – Reminder, the conference is held November 4-7, 2007, Anaheim Convention Center.
- *MEBA Booth* – Discussion was held on the logistics of picking up the MEBA booth from the HUB Costa Mesa office and transporting it to the Health Fairs in Brea and Capistrano. A suggestion of a car/van rental was made. Steve Balentine volunteered to pickup the booth.

- *2008 MEBA Calendar* – Skip Roland suggested that Mercer draft a 2008 calendar for presentation to the Board.

8. *Closed Session* – None.

Next Meeting: The next regular business meeting will be held 2:00 p.m. on Wednesday, November 14, 2007, at the Fullerton Joint Union High School District Board Room.

The meeting adjourned approximately 3:12 p.m.

Respectfully submitted,

Diana

Diana Dorado, MEBA Secretary