



**HEALTH BENEFITS
BOARD OF DIRECTORS MEETING
SEPTEMBER 22, 2022
1:00 P.M.**

AGENDA

I. Consent Agenda

- A. Approval of Minutes for August 2022 Board of Directors Meeting Nick Kouklis
- B. Report of Activity for the Month of August 2022 and the Ratification of Payment as follows: Nick Kouklis

DELTA DENTAL CLAIMS		11,383,532.45	
DELTA DENTAL ASO		664,798.19	
ANTHEM DENTAL CLAIMS		223,462.27	
ANTHEM DENTAL ASO		9,388.00	
		TOTAL DENTAL	12,281,180.91
VSP CLAIMS		1,735,033.76	
MES CLAIMS		116,144.38	
VSP ASO		143,549.37	

MES ASO		12,791.21	
		TOTAL VISION	2,007,518.72
ANTHEM BLUE CROSS HEALTH CLAIMS		107,925,450.39	
BLUE SHIELD HEALTH CLAIMS		31,715,672.69	
ANTHEM BC COMPANION CARE RETIREE CLAIMS		560,976.10	
	TOTAL HEALTH CLAIMS	140,202,099.18	
ANTHEM BLUE CROSS ASO		3,880,526.92	
BLUE SHIELD PPO ASO		617,077.02	
AMERIBEN PPO ASO		84,608.95	
ANTHEM BC COMPANION CARE RETIREE ASO		108,929.88	
FOUNDATION CLMS PROCESSING ASO		566,370.50	
	TOTAL HEALTH ASO	5,257,513.27	
		TOTAL HEALTH	145,459,612.45
EXPRESS SCRIPTS CLAIMS		7,803,726.86	
NAVITUS RX CLAIMS		36,764,683.32	
EXPRESS SCRIPTS ASO		494,558.85	
NAVITUS RX ASO		885,747.41	
RX N GO		59,965.23	
		TOTAL RX	46,008,681.67
INSURED PRODUCTS			
ANTHEM BC HMO CLAIMS		7,579,368.85	
ANTHEM BC HMO ADMIN FEE		1,715,831.00	
ANTHEM BC EAP		298,383.46	
ANTHEM VIVITY		175,576.66	
ANTHEM HMO CAPITATION		6,364,339.14	
BLUE SHIELD HMO CLAIMS		2,712,276.37	
BLUE SHIELD HMO ADMIN FEE		3,885,945.01	
KAISER HMO		49,581,370.07	
SIMNSA		383,024.00	
DELTACARE/PMI DENTAL		35,246.08	
MES-FULLY INSURED		71,788.02	
BLUE SHIELD MEDICARE ADVANTAGE		29,402.00	
LINCOLN FINANCIAL LIFE INSURANCE		325,994.64	

		TOTAL INSURED	73,158,545.30
WELLNESS			12,767.04
ALL OTHER			1,527,604.30
		TOTAL III PAYMENTS	280,455,910.39

Moved _____ 2nd _____

Yes ____ No ____ Abstain ____ Roll Call Vote _____

II. Public Comment

III. Action Items

- A. Financial Report – Presentation of Financial Statements for the Month of August 2022 Will Be Submitted for Approval

Kim Sloan

Moved _____ 2nd _____

Yes ____ No ____ Abstain ____ Roll Call Vote _____

- B. Request Approval of the 2022-2023 SISC III Budget

Kim Sloan

Moved _____ 2nd _____

Yes ____ No ____ Abstain ____ Roll Call Vote _____

IV. Information and Discussion Items

- A. Review Monthly Budget-to-Actual through August 2022

John Stenerson

- B. Health Benefits Operations Update

Nicole Henry

- C. SISC EAP Program Overview

Nicole Henry

- D. Executive Committee Reports

Nick Kouklis

- E. Comments from the Board of Directors Will Be Heard

Nick Kouklis

- F. Next Meeting:

Nick Kouklis

Thursday, October 20, 2022

2:30 p.m.

Georgie O’Connor Board Room-Lucia Mar Unified School District
602 Orchard St., Arroyo Grande, CA 93420

G. Adjournment

Nick Kouklis

Moved _____ 2nd _____

Yes _____ No _____ Abstain _____ Roll Call Vote _____

Any materials required by law to be made available to the public prior to a meeting of the Governing Board of the SISC III JPA can be inspected at the following address during normal business hours at:
2000 K Street, Bakersfield, CA. 93301

For more information regarding how, to whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires a modification or accommodation to participate in the public meeting, please contact Kristy Comstock at 661-636-4682 or krcomstock@kern.org

*The number of Board Members needed to form a quorum for this meeting is eight

HEALTH BENEFITS TERMINOLOGY

Adjudication: Refers to the process of paying claims submitted or denying them after comparing claims to the benefit or coverage requirements.

Administrative Services Only (ASO): An arrangement under which an insurance carrier or an independent organization will, for a fee, handle the administration of claims, benefits and other administrative functions for a self-insured group but does not assume any financial risk for the payment of benefits.

Balance bill: The amount you could be responsible for (in addition to any co-payments, deductibles or coinsurance) if you use an out-of-network provider and the fee for the particular service exceeds the allowable charge. Refers to the leftover sum that a provider bills to the patient after insurance has only partially paid the charge that was initially billed.

Calendar Year Deductible: The dollar amount for covered services that must be paid during the calendar year (January 1 – December 31) by members before any benefits are paid by the Plan.

Centers of Medical Excellence (CME): Health care providers designated as a selected facility for specified medical services. Providers participating in a CME network have an agreement to accept an agreed upon amount as payment in full for covered services.

Coinsurance: An arrangement under which the member pays a fixed percentage of the cost of medical care after the deductible has been paid. For example, an insurance plan might pay 80% of the allowable charge, with the member responsible for the remaining 20%, which is then referred to as the coinsurance amount.

Condition Care: Helps promote and improve the overall health status and quality of life of members and helps promote and/or prevent disease progression and avoid and/or prevent the complications associated with the conditions.

Coordination of Benefits: This is the process by which a health insurance company determines if it should be the primary or secondary payer of medical claims for a patient who has coverage from more than one health insurance policy.

Co-Payment: A specific charge that a health plan may require a member to pay for a specific medical service or supply, after which the insurance company pays the remainder of the charge.

Deductible: An amount the covered person must pay before payments for covered services begin. The deductible is usually a fixed amount. For example, an insurance plan might require the insured to pay the first \$250 of covered expense during a calendar year.

Dependent: Person, (spouse or child), other than the subscriber who is covered under the subscriber's benefit certificate.

Employee Assistance Program (EAP): A program that is designed to assist in the identification and resolution of productivity problems associated with personal concerns of employees. The program provides employees and their dependents with access to confidential, short-term counseling by qualified practitioners, in person or over the phone.

Explanation of Benefits (EOB): A form sent to the covered person after a claim for payment has been processed by the carrier that explains the action taken on that claim. This explanation might include the amount that will be paid, the benefits available, reasons for denying payment, or the claims appeal process.

Flexible Spending Account: Accounts that let workers set aside pre-tax money from their paycheck toward premiums or costs not covered by their health plan, such as co-payments. All the money must be used within the plan year or it is lost.

Health Assessment: More companies are asking workers to fill out such assessments, which give health improvement tips. Companies can give workers financial incentives to do so.

Health Insurance Portability and Accountability Act (HIPAA): A federal health benefits law passed in 1996, effective July 1, 1997, which among other things, restricts pre-existing condition exclusion periods to ensure portability of health-care coverage between plans, group and individual; requires guaranteed issue and renewal of insurance coverage; prohibits plans from charging individuals higher premiums, co-payments, and/or deductibles based on health status.

Health Maintenance Organization (HMO): A plan that offers a wide range of health care services through a network of providers who agree to provide services to members at a pre-negotiated rate. Members of an HMO choose a primary care physician who will provide most of the health care and refer members to HMO specialists as needed.

Health Savings Account: A tax advantaged savings account to be used in conjunction with certain high-deductible (low premium) health insurance plans to pay for qualifying medical expenses, such as deductibles. Contributions may be made to the account on a tax-free basis. Funds remain in the account from year to year and may be invested at the discretion of the individual owning the account. Interest or investment returns accrue tax-free. Penalties may apply when funds are withdrawn to pay for anything other than qualifying medical expenses. Employers can also fund such plans.

ID Card/Identification Card: A card issued by a carrier to a covered person, which allows the individual to identify himself or his covered dependents to a provider for health care services. The card is subsequently used by the provider to determine benefit levels and to prepare billing statement.

IBNR: An acronym for "incurred but not reported". This is an accounting estimate used by health plans to accrue for care that was provided "incurred" in one accounting period, but not paid or "reported" until another accounting period.

In-Network: Refers to the use of providers who participate in the carrier's provider network. Many benefit plans encourage covered persons to use participating (in-network) providers to reduce the individual's out of pocket expense.

Medical Tourism: To have medical care outside the United States.

Medigap: Refers to various private health insurance plans sold to supplement Medicare.

Negotiated Rate: The amount participating providers agree to accept as payment in full for covered services. It is usually lower than their normal charge. Negotiated rates are determined by Participating Provider Agreements.

Open Enrollment: A time period during which eligible employees can select among the plans offered by their employer as well as make any other dependent changes.

Out-Of-Network: The use of health care providers who have not contracted with the carrier to provide services. Members are generally not reimbursed if they go out-of-network except in emergency situations.

Out-Of-Pocket: The most a member would pay for covered medical expenses in a plan year through copays, deductibles and coinsurance before your insurance plan begins to pay 100 percent of the covered medical expense.

Participating Provider: A physician, hospital, pharmacy, laboratory or other appropriately licensed provider of health care services or supplies, that has entered into an agreement with a managed care entity to provide such services or supplies to a patient enrolled in a health benefit plan.

Pre-Authorization: A procedure used to review and assess the medical necessity and appropriateness of elective hospital admissions and non-emergency outpatient services before the services are provided.

Preferred Provider Organization (PPO): A type of managed care organization that has a panel of preferred providers who are paid according to a discounted fee schedule. The enrollees do have the option to go to out-of-network providers at a higher level of cost sharing.

Reasonable and Customary: This refers to the standard or most common charge for a particular medical service when rendered in a particular geographic area. Also known as Usual, Customary and Reasonable (UCR).

Skilled Nursing Facility: An inpatient healthcare facility with the staff and equipment to provide skilled care, rehabilitation and other related health services to patients who need nursing care, but do not require hospitalization.

Subscriber: The individual in whose name a contract is issued or the employee covered under an employer's group health contract.

Transparency: The ability for patients to have easy access to understandable information about the cost and quality of their health care options. They should be able to obtain this information from their health plan and medical providers prior to the time of treatment.



SISC

Self-Insured Schools
of California

Schools Helping Schools

**HEALTH BENEFITS
BOARD OF DIRECTORS MEETING
AUGUST 25, 2022
1:00 P.M.**

MINUTES

The Regular Meeting of the Board of Directors of SISC III Health Benefits Program was called to order by Director Kouklis at 1:05 p.m. on Thursday, August 25, 2022 in room 204, 2nd floor of the Larry E. Reider Building, 2000 K Street, Bakersfield, California 93301. The following individuals were in attendance:

MEMBERS PRESENT:

Nick Kouklis
Ty Bryson
Paul Miller
Glenn Imke
Ramon Hendrix
Sherry Gladin
Dr. Mike Zulfa
Jackie Martin
Bill Ridgeway
Eva Chavez
Joyce Nunes
Robert Hughes
Jordan Aquino

ALTERNATES PRESENT:

Dr. John Mendiburu
Kimberly McAbee

OTHERS PRESENT:

Kim Sloan
Megan Hanson
Kristy Comstock
Rich Edwards
Fred Bayles
John Stenerson
Lola Nickell
Kim Lyon
Armando Cabrera
Shawna Smith
Chris Meyer
Scott Carpentar
Carmen Gonzales
Roy Marchetti
JoeAnna Todd
Sheila Amiri
Annette Charlton
Debbie Hankins

Consent Agenda

Motion was made by Director Aquino seconded, by Director Miller and by roll call vote of 14-Yes, 0-No, and 0 Abstention (14-0-0) to approve the Consent Agenda as follows:

DELTA DENTAL CLAIMS		11,293,882.46	
DELTA DENTAL ASO		659,562.80	
ANTHEM DENTAL CLAIMS		229,812.39	
ANTHEM DENTAL ASO		9,348.00	
		TOTAL DENTAL	12,192,605.65
VSP CLAIMS		1,687,257.63	
MES CLAIMS		116,338.92	
VSP ASO		143,470.71	
MES ASO		12,968.69	
		TOTAL VISION	1,960,035.95
ANTHEM BLUE CROSS HEALTH CLAIMS		113,840,818.60	
BLUE SHIELD HEALTH CLAIMS		25,937,444.38	
ANTHEM BC COMPANION CARE RETIREE CLAIMS		617,390.13	
	TOTAL HEALTH CLAIMS	140,395,653.11	
ANTHEM BLUE CROSS ASO		3,815,031.07	
BLUE SHIELD PPO ASO		609,544.28	
AMERIBEN PPO ASO		85,014.87	
ANTHEM BC COMPANION CARE RETIREE ASO		109,033.92	
FOUNDATION CLMS PROCESSING ASO		566,121.80	
	TOTAL HEALTH ASO	5,184,745.94	
		TOTAL HEALTH	145,580,399.05
EXPRESS SCRIPTS CLAIMS		7,342,086.02	
NAVITUS RX CLAIMS		32,195,383.80	
EXPRESS SCRIPTS ASO		408,791.39	
NAVITUS RX ASO		601,246.14	
RX N GO		41,754.61	
		TOTAL RX	40,589,261.96
INSURED PRODUCTS			
ANTHEM BC HMO CLAIMS		8,547,751.14	

ANTHEM BC HMO ADMIN FEE		885,493.80	
ANTHEM BC EAP		298,773.01	
ANTHEM VIVITY		89,059.12	
ANTHEM HMO CAPITATION		6,466,933.32	
BLUE SHIELD HMO CLAIMS		2,018,875.38	
BLUE SHIELD HMO ADMIN FEE		3,771,357.59	
KAISER HMO		49,693,707.00	
SIMNSA		415,993.00	
DELTACARE/PMI DENTAL		33,722.07	
MES-FULLY INSURED		72,725.70	
BLUE SHIELD MEDICARE ADVANTAGE		29,402.00	
LINCOLN FINANCIAL LIFE INSURANCE		326,239.19	
		TOTAL INSURED	72,650,032.32
WELLNESS			0.00
ALL OTHER			1,353,408.34
		TOTAL III PAYMENTS	274,325,743.27

Public Comment

None

Action Items

Financial Report

Kim Sloan reviewed with the Board the Financial Report for the period ending July 31, 2022. Kim reported the LAIF rate for the month of July 2022 increased to 1.09% from last month at 0.86%. After discussion, motion was made by Director Imke, seconded by Director Hendrix and by roll call vote of 14-0-0, approving the Financial Reports as submitted.

Information and Discussion Items

Review Monthly Budget-to-Actual through July 2022

John Stenerson reviewed the monthly budget-to-actual with the Board for the month of July 2022.

Review Article on Failures in the Generic Drug Market that Cost Patients as well as other Related Material

John Stenerson reviewed an article on Failures in the Generic Drug Market that Cost Patients as well as other related material with the Board.

Health Benefits Operations Update

John Stenerson discussed what is currently going on in our Health Benefits Program and what to look forward to in the future.

SISC EAP Program Overview

This information item will be reviewed at September's board meeting.

Comments from the Board of Directors

Director Kouklis discussed the addition of new board members and announced board members who are leaving.

Adjournment

There being no further business to come before the Board, motion was made by Director Miller, seconded by Director Bryson, and by roll call vote of 14-0-0, adjourning the meeting at 1:48 p.m.

Next Meeting

The next meeting of the Board of Directors will be held **Thursday, September 22nd** at 1:00 p.m. in Room 204 on the 2nd Floor-Larry E. Reider Education Center, 2000 K Street, Bakersfield, CA 93301

Eva Chavez, Secretary

**SISC III
INCOME STATEMENT
AUGUST 2022**

		BUDGET	YEAR-TO-DATE	CURRENT MONTH
<u>REVENUES</u>				
8660.00	Interest-County Treasurer	\$1,500,000.00	\$1,858,344.38	\$0.00
8660.03	LAIF	\$359.00	\$775.32	\$0.00
8660.04	Investments	\$2,663,837.00	(\$15,097,215.82)	\$0.00
8660.05	Bank	\$320,000.00	\$201,989.94	\$1,227.22
8674.03	Premiums-PPO Medical	\$1,581,491,066.00	\$1,404,140,475.73	\$127,632,569.57
8674.04	Dental	\$142,277,599.00	\$141,875,763.22	\$11,851,587.35
8674.08	Pharmacy	\$340,911,430.00	\$340,569,755.37	\$31,047,878.63
8674.25	Vision	\$21,120,065.00	\$20,372,542.81	\$1,896,806.88
8674.05	HMO	\$790,027,549.00	\$744,937,387.52	\$67,519,242.77
8674.06	Life	\$3,780,374.00	\$3,607,806.48	\$324,956.94
8674.09	Insured Retiree Programs	\$3,268,764.00	\$313,723.00	\$29,408.00
8674.10	Insured Vision	\$846,924.00	\$800,311.84	\$71,710.62
8674.18	Insured Dental	\$388,296.00	\$362,764.16	\$32,279.60
8699.00	IRC 125 Flex Plan Contributions	\$0.00	\$500,408.11	\$187,827.29
8699.07	Administration Fees	\$210,095.00	\$189,091.21	\$23,854.55
8699.08	Penalties/Late Fees	\$200,000.00	\$140,139.80	\$11,326.27
8699.10	SISC Access Fee	\$1,375,931.00	\$1,199,612.43	\$107,300.00
TOTAL REVENUES		\$2,890,382,289.00	\$2,645,973,675.50	\$240,737,975.69
<u>EXPENSES</u>				
3900.00	Benefits Paid - IRC 125 Flex Plan	\$0.00	\$0.00	\$0.00
4300.00	Supplies	\$70,000.00	\$78,734.51	\$552.04
5200.00	Travel/Conference	\$50,000.00	(\$58,756.59)	\$37,101.31
5300.00	Dues and Membership	\$15,500.00	\$13,000.00	\$0.00
5450.03	E & O Insurance	\$134,000.00	\$121,202.28	\$0.00
5450.05	Premiums - HMO	\$702,162,849.00	\$663,586,357.55	\$60,787,072.73
5450.08	Insured Dental	\$388,296.00	\$368,396.70	\$35,246.08
5450.09	Insured Retiree Programs	\$3,268,764.00	\$316,581.00	\$29,402.00
5450.10	Insured Vision	\$846,924.00	\$799,361.20	\$71,788.02
5450.21	Life	\$3,731,113.00	\$3,631,503.99	\$325,994.64
5800.00	Miscellaneous	\$25,000.00	\$7,862.25	\$8,550.00
5800.02	Audit	\$31,115.00	\$28,865.00	\$0.00
5800.10	Consulting	\$565,993.00	\$559,300.63	\$27,345.50
5800.32	Bank Fees	\$320,000.00	\$188,050.53	\$317.18
5800.33	Government Fees	\$664,278.00	\$641,351.29	\$0.00
5800.35	Admin Fees	\$71,820.00	\$66,537.15	\$6,214.35
5800.40	Wellness Program	\$2,500,000.00	\$797,115.22	\$12,767.04
5800.41	Healthcare Specialists	\$5,000,000.00	\$3,491,987.20	\$336,213.53
5800.50	Administration - KCSOS	\$8,137,851.00	\$6,172,090.50	\$633,734.63
5800.60	Claims - PPO Medical	\$1,449,704,528.00	\$1,402,362,118.97	\$136,882,947.18
5800.61	Claims - Dental	\$129,386,452.00	\$123,833,514.52	\$11,606,994.72
5800.63	Claims - Vision	\$18,957,636.00	\$16,847,068.01	\$1,849,548.14
5800.64	Claims - HMO Flex	\$89,701,413.00	\$94,450,925.04	\$9,578,245.81
5800.68	Claims - Pharmacy	\$311,693,901.00	\$298,040,048.16	\$34,694,492.23
5800.70	Admin - PPO Medical	\$54,802,614.00	\$49,213,042.35	\$4,470,583.08
5800.71	Admin - Claims Processing	\$6,619,763.00	\$6,965,578.87	\$645,315.50
5800.72	Admin - Dental	\$7,556,169.00	\$7,199,762.04	\$674,186.19
5800.73	Admin - Vision	\$1,791,544.00	\$1,730,108.11	\$155,749.28
5800.75	Admin - Pharmacy	\$8,101,758.00	\$11,597,713.09	\$1,363,982.69
5800.79	EAP Expense	\$3,149,088.00	\$3,309,906.87	\$298,383.46
5800.94	Other Distributions/Contributions	\$5,400,000.00	\$5,238,436.03	\$477,008.48
5800.95	Unpaid Claims Liability Adjustment	\$11,502,673.00	\$10,544,116.92	\$958,556.08
TOTAL EXPENSES		\$2,826,351,042.00	\$2,712,141,879.39	\$265,968,291.89
CHANGE IN NET ASSETS		\$64,031,247.00	(\$66,168,203.89)	(\$25,230,316.20)
NET ASSETS - BEGINNING		\$788,796,620.83	\$788,796,620.83	\$747,858,733.14
NET ASSETS - ENDING		\$852,827,867.83	\$722,628,416.94	\$722,628,416.94

SISC III
BALANCE SHEET
August 31, 2022

	October 1, 2021	August 31, 2022
	BALANCE	BALANCE
<u>ASSETS</u>		
9110.00 Cash in County Treasury	\$327,062,846.66	\$300,690,205.29
9120.00 Bank Account-Health Claims	\$182,259,115.49	\$114,735,057.11
9130.00 Revolving Fund	\$1,500.00	\$1,500.00
9150.01 Local Agency Investment Fund	\$239,227.12	\$240,148.11
9150.03 Investments	\$401,451,488.99	\$461,354,273.17
9200.00 Accounts Receivable	\$80,245,349.44	\$65,025,435.70
9330.00 Prepaid Expenditures	\$0.00	\$946,219.22
9335.00 Reserve Fund	\$29,397,357.00	\$13,572,357.00
TOTAL ASSETS	\$1,020,656,884.70	\$956,565,195.60
<u>LIABILITIES</u>		
9500.00 Current Liabilities	\$57,234,064.66	\$43,694,625.37
9650.00 Deferred Income	\$2,846,860.21	\$7,918,697.37
9668.00 Unpaid Claims Liability	\$171,779,339.00	\$182,323,455.92
TOTAL LIABILITIES	\$231,860,263.87	\$233,936,778.66
NET ASSETS - Funding Stabilization Reserves	\$788,796,620.83	\$722,628,416.94
TOTAL LIABILITIES AND NET ASSETS	\$1,020,656,884.70	\$956,565,195.60

AUTHORIZED SIGNATURE

PREPARED BY: Nancy Russo

**SISC III
Investments
August 31, 2022**

24-HOUR LIQUID FUNDS

SISC III maintains much of its cash in the Kern County Treasury and Local Agency Investment Fund. Both agencies pool these funds with those of other entities in the state. These pooled funds are carried at cost which approximates market value.

AGENCY	BALANCE	RETURN	PERIOD	DATES
COUNTY OF KERN	\$300,690,205.29	1.00% 1.51%	LAST QUARTER 5 YEAR AVERAGE	APR-JUN 2022 JUL 2017 - JUN 2022
LOCAL AGENCY INVESTMENT FUND	\$240,148.11	1.28% 0.75% 1.37%	CURRENT MONTH LAST QUARTER 5 YEAR AVERAGE	August, 2022 APR-JUN 2022 JUL 2017 - JUN 2022

INVESTMENT MANAGEMENT ACCOUNTS

The investment securities portfolio is comprised of securities carried at fair market value.

The fair market value of the investment securities available for sale at June 30, 2022 was:

INVESTMENT FIRM	MARKET VALUE	QUARTERLY RETURN	ANNUALIZED RETURN	PERIOD	DATES
REINHART PARTNERS (SISC INVESTMENT POOL)	\$65,025,305.00	-0.55%	-2.22% 0.78% 2.90%	LAST QUARTER 5 YEAR AVERAGE YIELD TO MATURITY	APR-JUN 2022 JUL 2017 - JUN 2022 AS OF JUN 30, 2022
MORGAN STANLEY (FRED BAYLES)	\$201,114,454.66	-0.52%	-2.09% 0.85% 2.49%	LAST QUARTER 5 YEAR AVERAGE YIELD TO MATURITY	APR-JUN 2022 JUL 2017 - JUN 2022 AS OF JUN 30, 2022
WELLS FARGO ADVISORS (RICH EDWARDS)	\$195,214,513.51	-0.82%	-3.28% 0.42% 3.00%	LAST QUARTER 5 YEAR AVERAGE YIELD TO MATURITY	APR-JUN 2022 JUL 2017 - JUN 2022 AS OF JUN 30, 2022
	<u>\$461,354,273.17</u>				

5-YEAR HISTORY OF RETURNS

Quarter Ending:	Co of Kern	LAIF	Investment Pool	Fred Morgan Stanley	Rich Wells Fargo	Combined Weighted Average Return
6/30/2022	1.00%	0.75%	-2.22%	-2.09%	-3.28%	-1.12%
3/31/2022	0.95%	0.32%	-9.06%	-6.20%	-11.03%	-4.35%
12/31/2021	0.84%	0.23%	-2.39%	-1.48%	-2.67%	-0.65%
9/30/2021	1.24%	0.24%	-0.20%	0.03%	-0.24%	0.50%
6/30/2021	1.00%	0.33%	0.80%	0.31%	-0.04%	0.51%
3/31/2021	1.07%	0.44%	-1.86%	-1.15%	-1.49%	-0.32%
12/31/2020	1.16%	0.63%	0.18%	0.03%	0.19%	0.46%
9/30/2020	1.30%	0.84%	0.43%	0.43%	0.53%	0.91%
6/30/2020	1.70%	1.47%	2.89%	2.95%	3.26%	2.28%
3/31/2020	2.10%	2.03%	8.05%	6.39%	5.47%	4.11%
12/31/2019	2.13%	2.29%	1.12%	1.63%	1.98%	1.93%
9/30/2019	2.03%	2.45%	2.85%	2.47%	2.51%	2.31%
6/30/2019	2.03%	2.57%	4.84%	3.95%	5.12%	3.24%
3/31/2019	2.12%	2.55%	4.25%	3.79%	4.49%	3.10%
12/31/2018	1.92%	2.40%	4.30%	3.46%	4.65%	2.86%
9/30/2018	1.77%	2.16%	1.09%	1.55%	0.83%	1.50%
6/30/2018	1.69%	1.90%	1.00%	1.06%	0.64%	1.32%
3/31/2018	1.51%	1.51%	-1.16%	-0.89%	-1.75%	0.49%
12/31/2017	1.38%	1.20%	-0.38%	-0.41%	-1.37%	0.51%
9/30/2017	1.32%	1.07%	1.01%	1.11%	0.69%	1.15%
5-Yr Average	1.51%	1.37%	0.78% ¹³	0.85%	0.42%	1.04%

SISC DEFINED BENEFIT PLAN and GASB 45 TRUST A

Investment Returns

As of : 6-30-2022

SISC DEFINED BENEFIT PLAN (DBP)

The SISC Defined Benefit Plan was established to provide a retirement benefit for part-time, temporary and seasonal employees. The Defined Benefit Plan portfolio will focus on growth and income through a balanced account of equities and fixed income. Funds may be invested with the County Treasurer and Local Agency Investment Fund (LAIF), however a majority of the assets are in a portfolio managed by Morgan Stanley/Graystone Consulting and held by the trustee, Prudential Retirement.

Investment Consultant: Fredric S. Bayles, III, Executive Director-Institutional Consulting Director, Morgan Stanley

Trustee/Custodian of Assets: Prudential Retirement

Morgan Stanley Return on Investment (net of all fees & expenses)	Benchmark Comparison Morgan Stanley Moderate Growth & Income
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Current Quarter:	Apr-Jun 2022	-14.86%	VS.	-12.37%
Calendar Yr-To-Date:	Jan-Jun 2022	-21.48%	VS.	-17.44%
Rolling 4 Quarters:	Jul 2021 - Jun 2022	-17.74%		

5-Year History of Returns:	2021	15.33%
	2020	17.56%
	2019	25.08%
	2018	-8.53%
	2017	18.02%

SISC GASB 45 TRUST A

As of : 6-30-2022

The GASB 45 Trust program was established to provide a mechanism for pre-funding Other Post-Employment (OPEB) liabilities. The GASB 45 Trust portfolios will focus on growth and income through a balanced account of equities and fixed income. Funds may be invested with the County Treasurer and Local Agency Investment Fund (LAIF), however a majority of the assets are in a portfolio managed by Morgan Stanley/Graystone Consulting and held at U.S. Bank.

Investment Consultant: Fredric S. Bayles, III, Executive Director-Institutional Consulting Director, Morgan Stanley

Trustee/Custodian of Assets: U.S. Bank

Morgan Stanley Return on Investment (net of all fees & expenses)	Benchmark Comparison Morgan Stanley Moderate Growth & Income
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Current Quarter:	Apr-June 2022	-10.23%	VS.	-12.37%
Calendar Yr-to-Date:	Jan-Jun 2022	-13.29%	VS.	-17.44%
Fiscal Year-To-Date:	Jul 2021-Jun 2022	-9.71%		
Rolling 4 Quarters:	Jul 2021-Jun 2022	-9.71%		

5-Year History of Returns:	2021-22	-9.71%
	2020-21	29.13%
	2019-20	-0.02%
	2018-19	6.17%
	2017-18	8.36%

- Mid Yield To Convention 3.886
- High on 09/19/22 3.886
- Average 3.240
- Low on 08/01/22 2.780



- Mid Yield To Conventon 3.883
- High on 09/19/22 3.883
- Average 2.1559
- Low on 09/20/21 0.6677



- Last Price 96-07+
- High on 10/01/21 99-31¹/₈
- Average 97-30+
- Low on 06/14/22 96-07¹/₄



Sep Oct Nov 2021 Dec Jan Feb Mar Apr May 2022 Jun Jul Aug Sep

SISC III - HEALTH BENEFITS PROGRAM
2022-23 BUDGET

OBJECT CODE	DESCRIPTION	OCT 1, 2021	OCT 1, 2021	PROJECTED OCT 1, 2022
ASSETS & LIABILITIES				
9110.00	Cash in Co Treas	\$327,062,847	\$327,062,847	\$373,887,276
9120.00	Bank Acct-Health Claims	\$182,259,115	\$182,259,115	\$81,507,165
9130.00	Revolving Fund	\$1,500	\$1,500	\$1,500
9150.01	LAIF	\$239,227	\$239,227	\$240,148
9150.03	Investments	\$401,451,489	\$401,451,489	\$460,943,918
9200.00	Accounts Receivable	\$80,245,349	\$80,245,349	\$33,328,385
9330.00	Prepaid Expenditures	\$0	\$0	\$0
9335.00	Reserve Fund	\$29,397,357	\$29,397,357	\$13,572,357
9500.00	Current Liabilities	(\$57,234,065)	(\$57,234,065)	(\$58,684,087)
9650.00	Deferred Income	(\$2,846,860)	(\$2,846,860)	(\$3,104,105)
9668.00	Unpaid Claims Liability	(\$171,779,339)	(\$171,779,339)	(\$195,141,054)
NET ASSETS (BEGINNING)		\$788,796,621	\$788,796,621	\$706,551,504
		2021-22 BUDGET	PROJECTED SEPT 30, 2022	2022-23 BUDGET
REVENUES				
8660.00	Interest-Co Treas	\$1,500,000	\$2,636,944	\$4,500,000
8660.03	Interest-LAIF	\$359	\$1,375	\$3,611
8660.04	Interest-Investments	\$2,663,837	(\$15,507,571)	\$6,914,159
8660.05	Interest-Bank	\$320,000	\$330,729	\$320,000
8674.03	Prem-PPO Medical	\$1,581,491,066	\$1,534,087,326	\$1,736,238,916
8674.04	Prem-Dental	\$142,277,599	\$152,833,063	\$151,170,224
8674.08	Prem-Pharmacy	\$340,911,430	\$371,538,233	\$352,612,285
8674.25	Prem-Vision	\$21,120,065	\$22,049,107	\$22,367,116
8674.05	Prem-HMO	\$790,027,549	\$813,320,907	\$907,435,247
8674.06	Prem-Life	\$3,780,374	\$3,933,271	\$4,307,621
8674.09	Prem-Ind Ret Plans	\$3,268,764	\$343,131	\$365,856
8674.10	Prem-Ins Vision	\$846,924	\$872,833	\$860,532
8674.18	Prem-Ins Dental	\$388,296	\$396,315	\$387,915
8699.00	IRC125 Flex Plan	\$0	\$0	\$0
8699.07	Admin Fees	\$210,095	\$211,091	\$222,698
8699.08	Penalties/Late Fees	\$200,000	\$158,379	\$175,000
8699.10	SISC Access Fee	\$1,375,931	\$1,307,686	\$1,392,564
TOTAL REVENUE		\$2,890,382,289	\$2,888,512,820 -0.06%	\$3,189,273,744 10.41%

SISC III - HEALTH BENEFITS PROGRAM
2022-23 BUDGET

OBJECT CODE	DESCRIPTION	2021-22 BUDGET	PROJECTED SEPT 30, 2022	2022-23 BUDGET
EXPENSES				
3900.00	Benefits Pd-Flex Plan	\$0	\$0	\$0
4300.00	Supplies	\$70,000	\$80,735	\$100,000
5200.00	Travel/Conference	\$50,000	(\$48,757)	\$50,000
5300.00	Dues/Membership	\$15,500	\$13,000	\$21,600
5450.03	E&O Insurance	\$134,000	\$121,202	\$133,322
5450.05	Prem-HMO	\$702,162,849	\$724,386,358	\$821,435,666
5450.08	Prem-Ins Dental	\$388,296	\$403,397	\$387,915
5450.09	Prem-Ind Ret Plans	\$3,268,764	\$345,981	\$365,856
5450.10	Prem-Ins Vision	\$846,924	\$871,361	\$860,532
5450.21	Prem-Life	\$3,731,113	\$3,961,522	\$4,245,058
5800.00	Miscellaneous	\$25,000	\$7,862	\$25,000
5800.02	Audit	\$31,115	\$29,115	\$31,820
5800.10	Consulting	\$565,993	\$610,301	\$656,000
5800.32	Bank Fees	\$320,000	\$266,051	\$320,000
5800.33	Government Fees	\$664,278	\$641,351	\$735,061
5800.35	Admin Fees	\$71,820	\$72,762	\$78,120
5800.40	Wellness Program	\$2,500,000	\$847,115	\$1,000,000
5800.41	Value Added Services	\$4,925,000	\$3,861,987	\$5,000,000
5800.50	Admin-KCSOS	\$8,137,851	\$6,732,091	\$8,185,292
5800.60	Claims - PPO Medical	\$1,449,704,528	\$1,522,899,119	\$1,699,266,418
5800.61	Claims - Dental	\$129,386,452	\$134,609,515	\$138,223,372
5800.63	Claims - Vision	\$18,957,636	\$18,203,068	\$20,086,952
5800.64	Claims - HMO Flex	\$89,701,413	\$103,791,925	\$130,008,467
5800.68	Claims - Pharmacy	\$311,693,901	\$322,540,048	\$343,436,758
5800.70	Admin - PPO Medical	\$54,802,614	\$53,713,042	\$59,187,177
5800.71	Admin - Clms Procsng	\$6,619,763	\$7,610,579	\$7,738,632
5800.72	Admin - Dental	\$7,556,169	\$7,829,080	\$8,072,245
5800.73	Admin - Vision	\$1,791,544	\$1,886,508	\$1,898,525
5800.75	Admin - Pharmacy	\$8,101,758	\$12,752,448	\$12,082,845
5800.79	EAP Expense	\$3,149,088	\$3,608,907	\$3,580,596
5800.94	Other Distrib/Contrib	\$5,400,000	\$14,748,550	\$5,909,252
5800.95	Unpd Claims Liab Adj	\$11,502,673	\$23,361,715	\$19,421,224
TOTAL EXPENSES		\$2,826,276,042	\$2,970,757,937	\$3,292,543,705
			5.11%	10.83%
CHANGE IN NET ASSETS		\$64,106,247	(\$82,245,117)	(\$103,269,961)
NET ASSETS - BEGINNING		\$788,796,621	\$788,796,621	\$706,551,504
NET ASSETS - ENDING		\$850,902,868	\$706,551,504	\$603,281,543

SISC III - Health Benefits

Funding History

2014-22

	<u>Premium</u>	<u>Net Costs</u>	<u>Difference</u>	<u>%</u>
2014-15	\$1,640,028,973	(\$1,588,795,053)	\$51,233,920	96.9%
	<u>Net Assets</u>	<u>Run-Out</u>	<u>Balance</u>	<u>Ratio</u>
09/30/15	\$303,318,771	(\$106,493,439)	\$196,825,332	2.8

	<u>Premium</u>	<u>Net Costs</u>	<u>Difference</u>	<u>%</u>
2018-19	\$2,478,782,216	(\$2,396,812,713)	\$81,969,503	96.7%
	<u>Net Assets</u>	<u>Run-Out</u>	<u>Balance</u>	<u>Ratio</u>
09/30/19	\$677,066,077	(\$150,091,200)	\$526,974,877	4.5

	<u>Premium</u>	<u>Net Costs</u>	<u>Difference</u>	<u>%</u>
2015-16	\$1,899,957,794	(\$1,834,195,395)	\$65,762,399	96.5%
	<u>Net Assets</u>	<u>Run-Out</u>	<u>Balance</u>	<u>Ratio</u>
09/30/16	\$377,367,873	(\$114,780,142)	\$262,587,731	3.3

	<u>Premium</u>	<u>Net Costs</u>	<u>Difference</u>	<u>%</u>
2019-20	\$2,626,057,424	(\$2,468,830,141)	\$157,227,283	94.0%
	<u>Net Assets</u>	<u>Run-Out</u>	<u>Balance</u>	<u>Ratio</u>
09/30/20	\$833,966,284	(\$149,764,124)	\$684,202,160	5.6

	<u>Premium</u>	<u>Net Costs</u>	<u>Difference</u>	<u>%</u>
2016-17	\$2,086,066,738	(\$1,981,674,583)	\$104,392,155	95.0%
	<u>Net Assets</u>	<u>Run-Out</u>	<u>Balance</u>	<u>Ratio</u>
09/30/17	\$489,249,731	(\$122,269,845)	\$366,979,886	4.0

	<u>Premium</u>	<u>Net Costs</u>	<u>Difference</u>	<u>%</u>
2020-21	\$2,723,597,102	(\$2,619,002,641)	\$104,594,461	96.2%
	<u>Net Assets</u>	<u>Run-Out</u>	<u>Balance</u>	<u>Ratio</u>
09/30/21	\$960,575,960	(\$171,779,339)	\$788,796,621	5.6

	<u>Premium</u>	<u>Net Costs</u>	<u>Difference</u>	<u>%</u>
2017-18	\$2,309,956,322	(\$2,231,930,834)	\$78,025,488	96.6%
	<u>Net Assets</u>	<u>Run-Out</u>	<u>Balance</u>	<u>Ratio</u>
09/30/18	\$585,625,754	(\$140,620,380)	\$445,005,374	4.2

Projected	<u>Premium</u>	<u>Net Costs</u>	<u>Difference</u>	<u>%</u>
2021-22	\$2,899,374,186	(\$2,981,619,303)	(\$82,245,117)	102.8%
	<u>Net Assets</u>	<u>Run-Out</u>	<u>Balance</u>	<u>Ratio</u>
09/30/22	\$901,692,558	(\$195,141,054)	\$706,551,504	4.6

Budget	<u>Premium</u>	<u>Net Costs</u>	<u>Difference</u>	<u>%</u>
2022-23	\$3,175,745,712	(\$3,279,015,673)	(\$103,269,961)	103.3%
	<u>Net Assets</u>	<u>Run-Out</u>	<u>Balance</u>	<u>Ratio</u>
09/30/23	\$817,843,821	(\$214,562,278)	\$603,281,543	3.8

SISC III
Comparison of Budget to Actual
2021-22

	Revenues		Expenses		Surplus/Deficit		Exp/Rev		Act/Bgt
	Monthly	YTD	Monthly	YTD	Monthly	YTD	Monthly	YTD	YTD
Budget									
Oct-21	\$241,134,503	\$241,134,503	\$235,714,728	\$235,714,728	\$5,419,775	\$5,419,775	97.8%	97.8%	
Nov-21	\$241,134,503	\$482,269,006	\$225,194,657	\$460,909,385	\$15,939,846	\$21,359,621	93.4%	95.6%	
Dec-21	\$241,134,503	\$723,403,509	\$237,077,338	\$697,986,723	\$4,057,165	\$25,416,786	98.3%	96.5%	
Jan-22	\$241,674,867	\$965,078,376	\$235,004,764	\$932,991,486	\$6,670,103	\$32,086,890	97.2%	96.7%	
Feb-22	\$240,553,818	\$1,205,632,194	\$229,404,821	\$1,162,396,307	\$11,148,997	\$43,235,887	95.4%	96.4%	
Mar-22	\$240,553,818	\$1,446,186,012	\$241,535,287	\$1,403,931,594	(\$981,469)	\$42,254,418	100.4%	97.1%	
Apr-22	\$241,674,867	\$1,687,860,879	\$232,477,683	\$1,636,409,277	\$9,197,184	\$51,451,603	96.2%	97.0%	
May-22	\$240,553,818	\$1,928,414,698	\$229,764,059	\$1,866,173,336	\$10,789,759	\$62,241,361	95.5%	96.8%	
Jun-22	\$240,553,818	\$2,168,968,516	\$237,859,851	\$2,104,033,187	\$2,693,967	\$64,935,329	98.9%	97.0%	
Jul-22	\$239,359,341	\$2,408,327,856	\$240,324,124	\$2,344,357,311	(\$964,784)	\$63,970,545	100.4%	97.3%	
Aug-22	\$238,238,292	\$2,646,566,148	\$247,882,478	\$2,592,239,789	(\$9,644,186)	\$54,326,359	104.0%	97.9%	
Sep-22	\$243,816,142	\$2,890,382,290	\$234,111,253	\$2,826,351,042	\$9,704,889	\$64,031,248	96.0%	97.8%	

Actual									
Oct-21	\$236,133,043	\$236,133,043	\$248,446,736	\$248,446,736	(\$12,313,693)	(\$12,313,693)	105.2%	105.2%	107.6%
Nov-21	\$238,978,189	\$475,111,232	\$252,365,310	\$500,812,046	(\$13,387,121)	(\$25,700,814)	105.6%	105.4%	110.3%
Dec-21	\$240,937,118	\$716,048,350	\$259,783,916	\$760,595,962	(\$18,846,798)	(\$44,547,612)	107.8%	106.2%	110.1%
Jan-22	\$242,419,260	\$958,467,610	\$225,206,976	\$985,802,939	\$17,212,283	(\$27,335,329)	92.9%	102.9%	106.4%
Feb-22	\$241,146,215	\$1,199,613,824	\$228,368,327	\$1,214,171,265	\$12,777,888	(\$14,557,441)	94.7%	101.2%	105.0%
Mar-22	\$244,979,320	\$1,444,593,145	\$238,034,198	\$1,452,205,464	\$6,945,122	(\$7,612,319)	97.2%	100.5%	103.6%
Apr-22	\$234,344,419	\$1,678,937,564	\$255,704,034	\$1,707,909,498	(\$21,359,615)	(\$28,971,934)	109.1%	101.7%	104.9%
May-22	\$243,145,666	\$1,922,083,229	\$245,048,508	\$1,952,958,005	(\$1,902,842)	(\$30,874,776)	100.8%	101.6%	105.0%
Jun-22	\$243,594,751	\$2,165,677,981	\$234,795,158	\$2,187,753,163	\$8,799,593	(\$22,075,183)	96.4%	101.0%	104.1%
Jul-22	\$239,557,719	\$2,405,235,700	\$258,420,424	\$2,446,173,588	(\$18,862,705)	(\$40,937,888)	107.9%	101.7%	104.5%
Aug-22	\$240,737,976	\$2,645,973,676	\$265,968,292	\$2,712,141,879	(\$25,230,316)	(\$66,168,204)	110.5%	102.5%	104.6%

SISC Health Benefits Operations Update

September 22, 2022



SISC

Self-Insured Schools of California
Schools Helping Schools

Month in Review

❖ Medical Network Updates

- ❖ Anthem Blue Cross and Stanford Health
 - ❖ Termination 9/1 Notification sent to Districts

❖ Memos to Districts

- ❖ Merced Foundation – New address and ID cards being issued
- ❖ Tulare Foundation – New phone number and ID cards being issued

❖ Flu Shot Clinics Underway

- ❖ Combined flu shot and Covid booster clinics are available for interested districts

Upcoming Activity

❖ Open Enrollment Update

❖ Emergency Room Alternative Mailer

- ❖ Anthem and SISC are partnering on a communication campaign to our Anthem PPO membership in early October.

❖ SISC Healthcare Symposium Update

- ❖ Registration is Closed
- ❖ 284 Registered Attendees
- ❖ Finalizing Speaker Content and Audio Visual Details

SISC EAP Program Overview

September 22, 2022



SISC

Self-Insured Schools of California
Schools Helping Schools

SISC EAP Program

The Employee Assistance Program (EAP) is designed to help with any issues that impact employees' lives or ability to perform their job.

The EAP is a free, confidential service that provides help for personal and work-related issues through a team of licensed mental health professionals and work/life specialists.

All employees and their household members are eligible for EAP services.

EAP provides services for employees and employers.

EAP Representatives are available 24 hours a day, 7 days a week.

Employee Services

Counseling Services

- ✓ Up to 6 confidential counseling sessions available per situation in-person or virtual
- ✓ Immediate access to a counselor and digital emotional well-being tools

Legal Services

- ✓ No-cost 30 minute legal consultation, attorney referrals, and discounts
- ✓ Resources for Estate Planning, Wills, Advance Directives, and Power of Attorney

Financial Services

- ✓ Unlimited access to financial consultants who can provide direction and additional resources on many topics including bankruptcy prevention, budgeting, identity theft, debt reduction, and financial planning.

Employee Resources

Child and Elder Care Resources

- ✓ Support in locating daycare centers, schools, nannies, and summer camps
- ✓ Support in locating retirement communities, elder hostels, senior centers, nursing homes, and other caregiver support.

Learn-to-Live

- ✓ Self-help digital application that connects members to a mental health coach
- ✓ Mindfulness techniques and tools

Anthememap.com

- ✓ Thousands of articles and monthly features
- ✓ Self-assessments and daily living assistance

Employer Services

Employee and Management Trainings

- ✓ Full catalog or current topics for in-person or virtual trainings hosted by qualified trainers

DOT Compliance Supervisory Trainings

- ✓ Reasonable Suspicion Supervisory Training available free of charge

Critical Incident Response and On-site Grief Counseling

- ✓ Onsite services for critical and timely support when needed after an unexpected tragedy or traumatic event

Management Consultation Services

- ✓ Management support for everything from employer performance management to workplace conflict

SISC EAP Utilization

	2020-2021	2019-2020
Number of Employees	140,468	139,736
Total Utilization Rate	4.81%	4.91%
Total Number of EAP Contacts	6751	6866
Total Number of EAP Service Requests	4490	4471
Health and Wellness Training provided	126	86
Management Consultation provided	40	39
Critical Incident Responses (CIRs) provided	10	6
Website Logins	5118	5585

SISC EAP Trainings 2021

Wellness Trainings

- 4 Supervisory Events
- 21 Onsite Events
- 105 Virtual Events
- 1907 attendees
- 128 hours

DOT Supervisory Trainings

- 4 Total Trainings
- 42 Total Participants



Top Districts:

Kern County Office of Education (23)
Pleasant Valley School District (22)
Kern Community College District (12)