



## BENEFITS COMMITTEE MINUTES

October 1, 2008

A meeting of the Benefits Committee was held on Wednesday, October 1, 2008, at 3:00 p.m., in SU-18.

**A. Call to Order**

John Tortarolo, Vice President, Human Resource Services, called the meeting to order at 3:05 p.m.

**B. Roll Call**

**Members Present:** Debbie Allen, Yvonne Anderson, Ruth Barnaba, Ken Burns, Dr. Bonnie Dowd, Sherry Gordon, Phyllis Laderman, Jean Ruff, Dr. Omar Scheidt, John Tortarolo, Dr. Rocco Versaci, April Woods

**Ex-Officio Members Present:** Lucy Nelson, Brian Vivian (JPA), Victoria de la Torre (JPA)

**Members Absent:** Jim Bowen, John Goldsworthy, Enrique Herrera, Mike Hill, Lee Hoffmann, Cheryl McCarron, Sandy Nanninga

**Ex-Officio Members Absent:** None

**Guests:** None

**C. Minutes**

Minutes from the September 3, 2008 meeting were approved.

**D. Old Business**

None.

**E. New Business**

1. Brian Vivian reviewed the Rolling 12's, and noted that this is the end of the 12-month period on which the annual renewals are based. The PPO claims for the current month are at 113%, with an annual average of 90%.

2. As requested at the last meeting, Brian distributed a worksheet detailing the rate renewals and specifically the numbers and method used to calculate the renewal. The PPO will increase only 2% for 2009; Kaiser remains the same as last year with no change; Delta Premier is up 10% and the DPO is up 12%. VSP would have increased 5%, but since we have enough in reserve, we earned a 5% credit, thus no change for 2009.

The FBC has moved our Long Term Disability coverage to Mutual of Omaha. The Hartford will continue to carry current LTD claims for the life of the claim, but any new LTD claims after January 1, 2009 will be under Mutual of Omaha. As a result, the rate has decreased from \$ .39/100 of payroll to \$ .33. There will be no change in long term disability benefits as a result of the carrier change.

Brian discussed trends in the marketplace, indicating that dental plans were generally up 9%, and PPO plans up 15%. The cost of doing business in San Diego County is increasingly more difficult as we are

in a very tough market. In response to questions, Brian explained that the Self-Funded Stop Loss is up 25%, due to a high number of large claims in the past year. He indicated that our fund balance for this portion is zero at the end of the year.

A request was made that information be provided at the next meeting that would indicate Palomar's position in the Stop Loss self-funded pool.

F. **Adjournment**

There being no further business, the meeting was adjourned at 4:05 p.m.

**Next Meeting: Wednesday, November 5, 2008 (SU-18)**