

FDAC Employment Benefits Authority
Board of Directors Teleconference Meeting
Monday, July 2, 2012

In Attendance

Charlene Virts, President
Jean Moore, Vice President
Tom Keating, Secretary/Treasurer

Consultants

Jane Phoong, BRMS
Kevin King, Health Net
David Turner, Actuary
Rosa Soria, Thoits
Anna Marie White, Thoits
Derek Culligan, Thoits
David McMurchie, Legal Counsel
Molly Ranes, Administrative Assistant

President Charlene Virts called the meeting to order at 3:04 p.m. President Virts welcomed everyone. A quorum was established. There was no public comment.

Consent Calendar

The Board addressed the consent calendar, which included the minutes from the June 21, 2012 meeting. Director Tom Keating moved to approve the consent calendar, Director Jean Moore seconded.

Ayes: Charlene Virts, Tom Keating, Jean Moore
Noes: None

2013 Renewal

Rosa Soria from Thoits stated that Thoits is pleased with Health Net's rates. She discussed that the PPO increased 12%, HMO for Northern California increased 8.9%, HMO for Southern California increased 6.93% and Medicare increased 8.86%. Kevin King of Health Net stated that these rates are competitive and stable. It was confirmed that no plan changes were suggested; the plans for 2013 are the same as current 2012 plans.

Director Keating moved to approve the 2013 Renewal Rates, Director Jean Moore seconded.

Ayes: Charlene Virts, Tom Keating, Jean Moore
Noes: None

Ms. Soria stated that Kaiser indicated that they would grant FDAC EBA a rate pass for Northern California groups for actives and early retirees. Soria mentioned that there would be a 2.3% decrease for Northern California Sr. Advantage. Soria mentioned that Kaiser agreed to a 2% rate concession for Southern California, therefore the active and early retiree plans would increase to 5.7% instead of 7.7%. The Southern CA KPSA plan would have a decrease of 0.1%. Director Keating moved to approve the New Business Rates, Director Jean Moore seconded.

Ayes: Charlene Virts, Tom Keating, Jean Moore
Noes: None

New Business

Rosa Soria stated that she and Administrator Melissa Dixon plan to write a letter to all existing members stating the action of today's call. The letter is to be approved by Administrator Dixon next week.

Next Meeting

The next meeting will be located in San Jose at the Thoits Insurance office, on July 18, 2012.

The meeting was adjourned at 3:19 p.m.

Respectfully submitted,

Molly Raney
Administrative Assistant