

**MARIN SCHOOLS INSURANCE AUTHORITY  
MANAGEMENT COMMITTEE MEETING**

**Marin County Office of Education  
1111 Las Gallinas Ave.  
San Rafael, CA 94913  
Thursday, February 4, 2010  
9:00 a.m.**

**MINUTES**

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**MEMBERS PRESENT:** Ms. Chris Thomas, President, *San Rafael City Schools*  
Mr. Larry Enos, Vice President, *Bolinas Stinson/Lagunitas*  
Ms. Karen Maloney, Treasurer, *MCOE/Rurals*  
Ms. Kathleen Clow, *Ross Valley Elementary*  
Ms. Michele Rollins, *Mill Valley Elementary*  
Mr. Robert Marical, *Dixie Elementary*

**MEMBERS ABSENT:** Ms. Lori Parrish, *Tamalpais Union High*

**OTHERS PRESENT:** Mr. Rick Brush, *Executive Director, Bickmore Risk Services & Consulting*  
Ms. Adrienne Beatty, *Assistant Manager, Bickmore Risk Services & Consulting*  
Ms. Rahnisha Keith, *Analyst, Bickmore Risk Services & Consulting*  
Ms. Sandra Keyes, *Keenan & Associates*  
Ms. Debra DeSpain, *Keenan & Associates*

**1. CALL TO ORDER**

The meeting was called to order by Board President, Ms. Chris Thomas, at 9:07 a.m.

**2. INTRODUCTIONS**

Those in attendance introduced themselves and it was determined a quorum was present.

**3. APPROVAL OF AGENDA**

*Ms. Michele Rollins moved to approve the agenda as posted. Ms. Karen Maloney seconded the motion. The motion passed unanimously.*

**4. PUBLIC COMMENTS**

None.

## **5. CONSENT CALENDAR**

*Ms. Kathleen Clow moved to approve the consent calendar. Ms. Michele Rollins seconded the motion. The motion passed unanimously.*

## **6. CLOSED SESSION**

The Committee convened to closed session at 9:10 a.m.

The Committee convened to open session at 9:13 a.m.

## **7. REPORT FROM CLOSED SESSION**

Ms. Chris Thomas, Board President, reported that during closed session, settlement authority was granted for claim number 424472.

## **8. DENTAL PROGRAM**

### **A. Non-Voluntary Dental Insurance Requirements**

Mr. Larry Enos, Vice President, noted he received correspondence from a Superintendent questioning why the dental program enrollment is mandatory for participating Districts; this is also true for the vision program. Mr. Enos suggested language be added to the renewal package that informs members that the dental and vision programs are required for all full-time employees and there is no open enrollment period. Ms. Debra DeSpain explained the purpose of this is to pool the program and spread the risk over the MSIA members; however, Delta Dental does allow changes to enrollment for “qualifying events” such as child birth and marriage so the Board could consider adding these to the coverage policy. Currently, new hires may enroll their qualifying family members; however, if this is not done initially later enrollment is not allowed. Ms. DeSpain noted that it is common in other dental pools to require employee participation and stated she would direct Delta Dental to provide reasoning behind this requirement when members called to inquire.

Mr. Enos questioned what should be done when a member and a spouse are employed under the same District. Ms. DeSpain explained that is the decision of the employee to either have their own coverage within the District or be covered under both their and their spouses’ coverage. Mr. Brush stated staff will include this information in the next E-Brief so that all Superintendents are aware.

## **9. FINANCIAL MATTERS**

### **A. Consideration of Investment Management Firm**

Mr. Brush stated the request for proposal process began in November following the appointment of the RFP Subcommittee which consists of Ms. Chris Thomas, Mr. Ken Benny, Ms. Amy Prescott, and Ms. Lori Parrish. Staff released the RFP to four vendors and received responses from two; Chandler Asset Management and

MBIA Asset Management Group. Public Financial Management (PFM) submitted a letter declining to quote due to a requirement of \$20 million in investments needed to contract for their services; MSIA plans to invest approximately \$10 million of their \$18 million in assets at this time. The Marin County Treasurer declined to quote also, due to the fact that they are not an official investment firm.

The Subcommittee discussed the presentations of each vendor following their interviews held on January 27, 2010, and chose to recommend contracting with MBIA Asset Management to the Management Committee. Ms. Adrienne Beatty noted she has been in contact with some of the references given by MBIA, as she currently works with some of the cities directly. Ms. Beatty reported that the reference from Menlo Park was positive. Ms. Beatty has not received feedback from MBIA's other references as of yet.

*Ms. Karen Maloney moved to approve the subcommittee's recommendation to contract with MBIA Asset Management and recommend to the Board for approval. Mr. Robert Marical seconded the motion. The motion passed unanimously.*

## **10. JPA MANAGEMENT COMMITTEE MATTERS**

### **A. President's Report – Chris Thomas**

Ms. Chris Thomas stated she has been working with Mr. Bob Henry, MSIA legal counsel, on the Bickmore Risk Services & Consulting (BRS) contract which will expire on June 30, 2010. A meeting with Mr. Rick Brush, Mr. Larry Enos, and Mr. Rob Kramer will be held following this meeting to discuss changes to the contract. Ms. Thomas noted the contract is close to being finalized and hopes to have it ready for approval at the March Board meeting.

Additionally, Ms. Thomas reported that Keenan & Associates risk control staff had distributed graphic photographs via email for Maintenance Directors regarding the ramifications of copper wire theft if hot lines were contacted. The pictures were considered inappropriate and staff would be advised.

### **B. Executive Director's Report – Rick Brush**

Mr. Brush reported that he, Mr. Monty Stewart, Ms. Karen Maloney, and Ms. Chris Thomas are coordinating the mandatory training slated for April 14, 2010, at San Rafael School District. The training includes Asbestos Hazardous Emergency Response (AHERA), Lead, Self Inspections, and Injury and Illness Prevention Programs (IIPP). Ms. Thomas confirmed with staff that the training would be held in the theater room and the training in Spanish translation would be held in a different room holding approximately fifty attendees. Discussion ensued on whether or not MSIA should charge a registration fee for attending the training in order to fund lunch during the session. The Committee concluded that Ms. Thomas would research pricing for food services for the training and if the cost is less than seven dollars per person then MSIA will cover the food costs.

Mr. Brush reported on his meeting with Ms. Susan Wright regarding the workers' compensation claims audit which will be presented along with York Insurance Services audit response at the March meeting. The Committee directed staff to distribute the claims audit prior to the Board meeting for review.

Mr. Brush stated the last planning session was held in June of 2008 and the California Association for Joint Powers Authorities (CAJPA) requires one be held biannually; therefore, the next strategic planning session should be held this year. Staff requested direction from the Committee on the date and location of the session as well as whether or not they would like to use a facilitator; Ms. Bobby McCreary facilitated the session in 2008. The Committee stated they would like to use Ms. McCreary again and directed staff to send a request for availability to the Board for June 29, 2010, and June 30, 2010, to hold the session.

Mr. Brush noted Human Resource employees will attend the March meeting in order to get information regarding the dental program as well as the employee assistance program (EAP) provided by which may be MHN, Inc if approved by the Board.

Previously, the Districts received a disclosure statement from Keenan regarding new HIPAA laws that should be signed and returned to Keenan; this disclosure statement is between the individual District and Keenan & Associates.

Mr. Brush informed the Committee that MSIA currently covers volunteers for workers' compensation. Each District must pass a resolution indicating they wish for volunteers to be considered EE's for the purpose of obtaining workers' compensation benefits in order for this coverage to be in effect. Staff will provide a sample resolution at the March meeting.

Mr. Larry Enos noted there is currently a Committee for health benefits that some MSIA Districts participate in. Currently, Marsh (Mercer) is the broker for the health benefits and their contract will be expiring soon. Mr. Enos asked if the Committee would like to reconsider pooling health benefits and place it on the next agenda for discussion. Ms. Thomas stated in the past when MSIA pooled health benefits the issues of that program outshined the conflicts the JPA had as a whole. One of the big concerns in pooling health benefits are the many differences in how each District provides various levels of health benefits to their employees. The Board directed staff to place the topic on the next agenda for discussion.

#### C. Policies & Procedures Committee Update

Ms. Adrienne Beatty reported the Policies and Procedures Subcommittee, Ms. Chris Thomas, Ms. Karen Maloney, Ms. Becky White, and Mr. Larry Enos, met on January 14, 2010. The meeting allowed staff to obtain a better idea of what MSIA wants with regard to policies and procedures for MSIA. The Subcommittee requested staff develop a table of contents outlining what information would be included in a policy and procedure manual. Staff hopes to present sample policies to the Management Committee by June.

#### D. Consideration of Proposed Employee Assistance Program (EAP) Implementation

Mr. Brush reported Mr. John Bell, Mercer, has provided a timeline for implementing an Employee Assistance Program (EAP) with MHN, Inc, should MSIA approve implementing the program by October 1, 2010. The timeline would be as follows:

- March – Board reviews highlights of the program including benefit description, administrative description, and MHN implementation form.
- March/April – Board to present information to participating Districts and begin the process for obtaining commitments for October 1, 2010.
- May – Confirm District participation and plan design, and identify a contact person within each District for finalizing implementation.
- June – Paperwork is provided to MHN for input into their systems.
- August/September – MHN and MSIA participating Districts forward information to membership, providing ID cards and website access.
- October – The plan is in effect.

Mr. Brush noted the timeline coincides with the MSIA Board meeting schedule and allows members time to go to their Boards to discuss participating in the program.

#### E. Medicare Set Aside Service Provider Contracts

Ms. Adrienne Beatty reported the contract amendments with Keenan & Associates and York Insurance Services for Medicare reporting have been included in the agenda package. Previously, the Board approved the amendment with York; however, it was determined by the BRS Medicare Taskforce that a higher insurance limit was needed. The insurance limit of \$1 million has now been increased to \$5 million.

For the Keenan contract there are three major amendments which include the following:

- Exhibit A-2 - Adjustment Services: Keenan agrees to act as MSIA's Reporting Agent for Medicare mandatory reporting at no additional charge.
- Section 7 – Limitation on Liability: Keenan agrees to be financially responsible for fines imposed by CMS resulting from Keenan's failure to adequately report MSIA's claims.
- Section 5 – Insurance: Keenan agrees to increase their errors and omissions coverage to \$3 million with a \$5 million aggregate limit.

Staff recommends the Committee approve these amendments and move them to the Board for final approval. The Committee requested York Insurance Services add an effective date to their amendment letter before bringing to the Board for approval in March.

*Mr. Larry Enos moved to approve the Keenan & Associates amendment and the York Insurance Services amendment, pending requested changes, to go to the Board for final approval. Ms. Kathleen Clow seconded the motion. The motion passed unanimously.*

F. 2008/2009 Draft MSIA Annual Report

Mr. Rick Brush presented the draft 2008/2009 Annual Report which provides a recap of highlights within each program over the last year. Ms. Beatty noted that in the future we can include historical rates and claims frequency. The Committee asked that staff confirm which representatives serve as the Board representative and which serve as the alternate as some of these designations were incorrect in the draft report. The Committee directed staff to place the revised report on the March agenda for review and approval by the Board. The Committee requested in the future the report be presented in November.

**11. CLOSING COMMENTS**

A. Management Committee

Ms. Michele Rollins inquired about the status of the Injury and Illness Prevention Program (IIPP). Mr. Brush stated the binders for most Districts have been completed and the training will take place in March. Mr. Monty Stewart will be coordinating the trainings with the Districts and will provide a report on the status at the March Board meeting.

B. Staff

None.

**12. ADJOURNMENT**

There being no further business the meeting was adjourned at 10:50 a.m.