

**BURLINGTON COUNTY INSURANCE COMMISSION
AGENDA AND REPORTS
SEPTEMBER 21, 2022
11:00 AM**

Call In Number: 1-312-626-6799

Meeting ID: 951 6273 0678

OR

<https://permainc.zoom.us/j/95162730678>

**OPEN PUBLIC MEETINGS ACT - STATEMENT OF COMPLIANCE
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The Burlington County Insurance Commission will conduct its *September 21, 2022* meeting electronically, in accordance with the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq. Notice of this meeting was given by

- I. Advertising the notice in the Burlington County Times**
- II. Filing advance written notice of this meeting with the Commissioners of the Burlington County Insurance Commission; and**
- III. Posting notice on the Public Bulletin Board of the Office of the County Clerk**

**BURLINGTON COUNTY INSURANCE COMMISSION
AGENDA
OPEN PUBLIC MEETING: August 3, 2022
2:00 PM**

- MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ**
 - ROLL CALL OF COMMISSIONERS**
 - EXECUTIVE DIRECTOR/ADMINISTRATOR/BENEFITS – PERMAPage 1**

 - OLD BUSINESS**
 - NEW BUSINESS**
 - PUBLIC COMMENT**
 - CLOSED SESSION**
-
- MEETING ADJOURNMENT**
 - NEXT SCHEDULED MEETING: [October \(TBD\)](#)**

BURLINGTON COUNTY INSURANCE COMMISSION
9 Campus Drive, Suite 216
Parsippany, NJ 07054
Telephone (201) 881-7632 Fax (201) 881-7633

Date: September 21, 2022

Memo to: Commissioners of the Burlington County Insurance Commission

From: PERMA Risk Management Services

Subject: **Health Benefit Reports**

EXECUTIVE DIRECTOR'S REPORT

FINANCIAL PROCEDURES

- **Financial Fast Track** - As of July 31, 2022

BUDGET UPDATE

The Commission data through 6/30/2022 was reviewed by the Actuary and a projection has been provided by the Commission Health Actuary. A power point presentation includes the draft budget and member assessments. The Commissioners may take action to introduce the budget and advertise for a public hearing in October.

MOTION: Motion to approve Resolution 40-22 introduce the 2023 Burlington County Insurance Commission budget in the amount of \$28,065,336 and advertise for a public hearing on October 19, 2022

STOP LOSS

Symetra, the Commission's current Stop Loss carrier, has provided a renewal at a premium of \$1,057,672 or a 13.4% increase with no increase in specific retention limits. It is our recommendation to accept the renewal.

MOTION: Motion to approve Resolution 41-22 accepting the Symetra Stop Loss renewal

REQUESTS FOR PROPOSALS

The Health Benefits Actuary contract expires at the end of this year. We ask for a motion to release an RFP. A summary of responses will be prepared for the next meeting.

Motion: *Motion to release an RFP for Health Benefits Actuary*

**BURLINGTON COUNTY INSURANCE COMMISSION-HIF
FINANCIAL FAST TRACK REPORT**

		AS OF	July 31, 2022			
		THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE	
1.	UNDERWRITING INCOME	2,369,243	16,857,352	291,152,620	308,009,973	
2.	CLAIM EXPENSES					
	Paid Claims	1,243,429	12,650,297	244,169,326	256,819,623	
	IBNR	(9,711)	432,696	2,165,187	2,597,883	
	Less Specific Excess	-	(162,947)	(7,151,814)	(7,314,761)	
	Less Aggregate Excess	-	-	-	-	
	TOTAL CLAIMS	1,233,718	12,920,046	239,182,699	252,102,745	
3.	EXPENSES					
	MA & HMO Premiums	111,005	759,192	7,716,357	8,475,550	
	Excess Premiums	77,793	557,788	8,290,131	8,847,919	
	Administrative	96,976	675,972	14,722,064	15,398,036	
	TOTAL EXPENSES	285,773	1,992,952	30,728,553	32,721,505	
4.	UNDERWRITING PROFIT/(LOSS) (1-2-3)	849,753	1,944,355	21,241,368	23,185,723	
5.	INVESTMENT INCOME	2,844	19,247	364,374	383,620	
6.	DIVIDEND INCOME	0	0	0	0	
7.	STATUTORY PROFIT/(LOSS) (4+5+6)	852,596	1,963,602	21,605,742	23,569,343	
8.	DIVIDEND	0	0	13,773,249	13,773,249	
9.	Transferred Surplus	0	0	0	0	
STATUTORY SURPLUS (7-8+9)		852,596	1,963,602	7,832,492	9,796,094	
SURPLUS (DEFICITS) BY FUND YEAR						
	Closed	Surplus	936	(113,431)	5,270,775	5,157,344
		Cash	935	(113,431)	5,152,659	5,039,228
	2021	Surplus	31,890	753,853	2,561,717	3,315,570
		Cash	(12,697)	2,319,851	984,101	3,303,952
	2022	Surplus	819,771	1,323,179		1,323,179
		Cash	728,655	535,842		535,842
TOTAL SURPLUS (DEFICITS)		852,596	1,963,602	7,832,492	9,796,094	
TOTAL CASH		716,893	2,742,262	6,136,760	8,879,022	
CLAIM ANALYSIS BY FUND YEAR						
TOTAL CLOSED YEAR CLAIMS		64	125,607	211,874,798	212,000,405	
FUND YEAR 2021						
	Paid Claims	14,068	1,476,837	25,390,670	26,867,507	
	IBNR	(44,587)	(2,051,422)	2,165,187	113,765	
	Less Specific Excess	0	(162,947)	(247,955)	(410,903)	
	Less Aggregate Excess	0	0	0	0	
TOTAL FY 2021 CLAIMS		(30,519)	(737,532)	27,307,902	26,570,369	
FUND YEAR 2022						
	Paid Claims	1,229,296	11,047,853		11,047,853	
	IBNR	34,876	2,484,118		2,484,118	
	Less Specific Excess	0	0		0	
	Less Aggregate Excess	0	0		0	
TOTAL FY 2022 CLAIMS		1,264,172	13,531,971		13,531,971	
COMBINED TOTAL CLAIMS		1,233,718	12,920,046	239,182,700	252,102,745	

This report is based upon information which has not been audited nor certified by an actuary and as such may not truly represent the condition of the fund.

BURLINGTON COUNTY INSURANCE COMMISSION-HIF

RATIOS

INDICES	2021	FY2022						
		JAN	FEB	MAR	APR	MAY	JUN	JUL
Cash Position	6,136,760	\$ 6,886,738	\$ 7,113,901	\$ 7,456,869	\$ 7,746,335	\$ 8,377,142	\$ 8,162,129	\$ 8,879,022
IBNR	2,165,187	\$ 2,183,125	\$ 2,605,909	\$ 2,697,960	\$ 2,638,859	\$ 2,621,656	\$ 2,607,594	\$ 2,597,883
Assets	9,977,551	\$ 10,692,787	\$ 11,186,247	\$ 10,784,377	\$ 11,251,660	\$ 11,712,489	\$ 11,513,362	\$ 12,353,288
Liabilities	2,145,059	\$ 2,165,726	\$ 2,569,858	\$ 2,664,668	\$ 2,608,324	\$ 2,595,328	\$ 2,569,865	\$ 2,557,194
Surplus	7,832,492	\$ 8,527,061	\$ 8,616,388	\$ 8,119,709	\$ 8,643,336	\$ 9,117,161	\$ 8,943,498	\$ 9,796,094
Claims Paid -- Month	2,182,550	\$ 1,422,953	\$ 1,775,154	\$ 2,531,919	\$ 1,682,469	\$ 1,571,242	\$ 2,423,131	\$ 1,243,429
Claims Budget -- Month	2,189,471	\$ 2,300,506	\$ 2,294,298	\$ 2,299,286	\$ 2,182,126	\$ 2,192,507	\$ 2,172,500	\$ 2,152,045
Claims Paid -- YTD	27,048,336	\$ 1,422,953	\$ 3,198,107	\$ 5,730,025	\$ 7,412,495	\$ 8,983,737	\$ 11,406,868	\$ 12,650,297
Claims Budget -- YTD	29,836,180	\$ 2,300,506	\$ 4,594,804	\$ 6,894,090	\$ 9,053,623	\$ 11,220,543	\$ 13,357,191	\$ 15,540,078
RATIOS								
Cash Position to Claims Paid	2.81	4.84	4.01	2.95	4.60	5.33	3.37	7.14
Claims Paid to Claims Budget -- Month	1.00	0.62	0.77	1.1	0.77	0.72	1.12	0.58
Claims Paid to Claims Budget -- YTD	0.91	0.62	0.7	0.83	0.82	0.8	0.85	0.81
Cash Position to IBNR	2.83	3.15	2.73	2.76	2.94	3.20	3.13	3.42
Assets to Liabilities	4.65	4.94	4.35	4.05	4.31	4.51	4.48	4.83
Surplus as Months of Claims	3.58	3.71	3.76	3.53	3.96	4.16	4.12	4.55
IBNR to Claims Budget -- Month	0.99	0.95	1.14	1.17	1.21	1.2	1.2	1.21

Burlington County Insurance Commission HIF
2022 Budget Report
as of July 31, 2022

				Cumulative	\$ Variance	% Variance
	Cumulative	Annual	Latest Filed	Expensed		
LINE ITEMS						
Medical Claims	12,394,293	20,888,186	21,658,748			
Subtotal Medical Claims	12,394,293	20,888,186	21,658,748	11,625,771	768,522	6%
Prescription Claims	3,696,898	6,293,270	6,652,546			
Less Formulary Rebates	(1,109,071)	(1,887,983)	(1,995,764)			
Subtotal Rx Claims	2,587,827	4,405,287	4,656,782	1,906,200	681,627	26%
Subtotal	14,982,120	25,293,473	26,315,530	13,531,971	1,450,149	10%
Medicare Advantage UHC - County Only	547,311	948,968	885,770	Included in Medicare Advantage below		
Medicare Advantage UHC - Bridge Commission	212,942	365,264	358,186	759,192	1,061	0%
Reinsurance						
Specific	557,959	948,046	989,961	557,788	171	0%
Contingency	115,822	198,552	198,550	0	115,822	100%
Total Loss Fund	16,416,153	27,754,303	28,747,997	14,848,951	1,567,203	10%
Expenses						
Enrollment Vendor	43,680	74,552	75,600	Included in Executive Director below		
Executive Director	81,119	138,452	140,398	124,559	240	0.19%
Benefits Program Manager	273,280	466,478	472,694	272,783	497	0.18%
TPA - Claims Agent AmeriHealth	266,860	453,431	473,478	266,793	67	0%
Actuary	8,925	15,300	15,300	5,075	3,850	43%
Auditor	9,104	15,606	15,606	9,104	(1)	0%
Subtotal Expenses	682,967	1,163,819	1,193,076	678,314	4,654	1%
Miscellaneous and Special Services						
Miscellaneous and Contingency	5,833	10,000	10,000	51	5,783	99%
GASB 45 Reporting	2,917	5,000	5,000	2,918	(1)	0%
ACA Taxes	7,279	12,478	12,478	7,280	(1)	0%
Retiree Surcharge (A4)	0	0	0	0	-	
Subtotal Misc/Sp Svcs	16,029	27,478	27,478	10,248	5,781	36%
Total Expenses	698,996	1,191,297	1,220,554	688,562	10,434	1%
Total Budget	17,115,150	28,945,600	29,968,551	15,537,513	1,577,637	9%

Burlington County Employee Benefits Fund

2023 Certified Budget: All Expiring Members

Census:	Monthly	Annual
Medical AmeriHealth	1,107	13,284
Single	535	6,420
Family	572	6,864
Rx	1,108	13,296
Medicare Advantage - Medical	426	5,112
Rx No Medical (Incl in Rx above)	2	24
Medicare Advantage - Only (Incl above)	426	5,112

LINE ITEMS	Annualized Budget FY2022	Proposed Budget FY2023	\$ Change	% Change
1 COUNTY & COMMISSION				
2 Medical Claims	\$ 20,349,398	\$ 20,015,812	\$ (333,586)	-1.64%
3 Prescription Claims	\$ 6,208,525	\$ 5,990,025	\$ (218,501)	-3.52%
4 Less Formulary Rebates	\$ (1,862,558)	\$ (1,797,007)	\$ 65,551	-3.52%
5 Subtotal RX	\$ 4,345,967	\$ 4,193,018	\$ (152,950)	-3.52%
6 Subtotal Claim Funds	\$ 24,695,365	\$ 24,208,830	\$ (486,536)	-1.97%
7				
8 Medicare Advantage UHC - County Only	\$ 965,755	\$ 989,892	\$ 24,137	2.50%
9 Medicare Advantage UHC - Bridge Commission	\$ 369,264	\$ 378,492	\$ 9,228	2.50%
10 Subtotal Medicare Advantage	\$ 1,335,019	\$ 1,368,384	\$ 33,365	2.50%
11				
12 Reinsurance				
13 Specific	\$ 932,670	\$ 1,057,672	\$ 125,002	13.40%
14 Subtotal Reinsurance	\$ 932,670	\$ 1,057,672	\$ 125,002	13.40%
15				
16 Total Loss Fund	\$ 26,963,054	\$ 26,634,886	\$ (328,168)	-1.22%
17				
18 Contingency	\$ 198,550	\$ 202,688	\$ 4,138	2.08%
19				
20 Expenses				
21 Executive Director	\$ 136,832	\$ 139,624	\$ 2,791	2.04%
22 Enrollment Vendor	\$ 73,680	\$ 73,680	\$ -	0.00%
23 TPA - Claims Agent AmeriHealth	\$ 446,077	\$ 446,077	\$ -	0.00%
24 Actuary	\$ 15,300	\$ 15,606	\$ 306	2.00%
25 Auditng Services	\$ 15,606	\$ 15,606	\$ -	0.00%
26 Benefits Program Manager	\$ 461,254	\$ 469,691	\$ 8,438	1.83%
27				
28				
29 Subtotal Expenses	\$ 1,148,748	\$ 1,160,284	\$ 11,535	1.00%
30				
31 Miscellaneous				
32 Annual Claims or Operations Audit	\$ 10,000	\$ 10,000	\$ -	0.00%
33 GASB 45 Reporting	\$ 5,000	\$ 5,000	\$ -	0.00%
33 Annual Audit Projection	\$ -	\$ 40,000	\$ 40,000	0.00%
34 ACA Taxes	\$ 12,478	\$ 12,478	\$ -	0.00%
35 Subtotal Miscellaneous	\$ 27,478	\$ 67,478	\$ 40,000	145.57%
36				
37 Total Expenses	\$ 1,176,227	\$ 1,227,762	\$ 51,535	4.38%
38				
39 Total Budget	\$ 28,337,831	\$ 28,065,336	\$ (272,495)	-0.96%
40				
41 County Line Adjustments	\$ 1,155,351	\$ 900,000	\$ (255,351)	-22.10%
42				
43 Total Billing	\$ 28,287,615	\$ 28,065,336	\$ (222,279)	-0.79%

RESOLUTION NO. -21

**BURLINGTON COUNTY INSURANCE COMMISSION
INTRODUCTION OF THE 2023 PROPOSED HEALTH PROGRAM BUDGET**

WHEREAS, The Burlington County Insurance Commission is required under State regulation to adopt an annual budget in accordance with the Fiscal Affairs Law; and

WHEREAS, a quorum of the Executive Committee met on September 21, 2022 in Public Session to introduce the proposed budget for the 2022 Fund Year; and

BE IT FURTHER RESOLVED that a hearing on the 2022 budget in the amount of \$28,065,336 shall be held at the Fund's regularly scheduled and advertised meeting of November 6, 2021 at the Burlington County Administrative Building. The 2022 budget shall be considered for adoption at a second reading at that time and after the completion of a public hearing.

BE IT FURTHER RESOLVED that copies of this resolution shall be sent to each Commissioner, Risk Manager, and Governing Body, the New Jersey Department of Banking and Insurance, and the New Jersey Department of Community Affairs.

ADOPTED: September 28, 2021

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

REVISED RESOLUTION NO. -21

**BURLINGTON COUNTY INSURANCE COMMISSION
APPOINTING THE STOP LOSS PROVIDER TO THE SYMETRA
FOR FUND YEAR 2023**

WHEREAS, the Burlington County Insurance Commission places the public trust above all else and remains steadfast in its commitment to the highest ethical standards in the conduct of its business on behalf of the taxpayers of Burlington County; and

WHEREAS, the Board adopted Bylaws which establish the procedures for obtaining qualifications and/or proposals for professional services contracts; and

WHEREAS, said Bylaws further provide that, the Commissioners shall meet and select persons to serve in certain professional positions, including a Stop Loss Provider for medical and prescription high claimants and

WHEREAS, qualified firms were solicited and received quotes and qualifications and reviewed as provided for by statute; and

WHEREAS, the BCIC desires to retain the services and enter into the agreements attached hereto for the respective services and the amounts as designated for the Fund Year 2022

<u>Name</u>	<u>Services</u>	<u>Amount</u>
Symetra	Stop Loss Provider	\$79.62 composite rate per Burlington County Active and Under 65 retiree, Per Month. Estimated Annual Amount - \$1,057,672

WHEREAS, the designated professional has offered to provide the needed specialized services, which constitute “professional services” as defined in the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq. (the “Law”) for amount as set forth above; and

WHEREAS, funds are anticipated to be available in the 2022 temporary and permanent budgets and these contracts are further subject to certification of funds; and

WHEREAS, the proper accounts will be charged and funds encumbered prior to services being provided, contingent upon appropriation of sufficient funds for this purpose; now, therefore, be it

RESOLVED, by the Burlington County Insurance Commission that the Agreement with the Stop Loss Provider is hereby authorized for the period January 1, 2023 through December 31, 2023; and, be it

FURTHER RESOLVED, that all Agreements approved hereunder have been awarded pursuant to a fair and open process and as professional services under N.J.S.A. 40A:11-5(1) (a); and, be it

FURTHER RESOLVED, that the Chairperson is hereby authorized to execute and deliver the attached Agreements in accordance with the Rules and Regulations of the Burlington County Insurance Commission; and, be it

FURTHER RESOLVED, that a copy of this action shall be printed once in the Burlington County Times within ten (10) days of its passage as required by law.

ADOPTED by THE BURLINGTON COUNTY INSURANCE COMMISSION at a properly noticed meeting held on September 21, 2022.

ADOPTED:

BY: _____

ATTEST:
