

BURLINGTON COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING –February 6, 2020
County Administration Building
49 Rancocas Road
Mt Holly, NJ 08060
2:00 PM

Meeting was called to order by Chairman Friedman. Ms. Dodd read the Open Public Meetings notice into record.

ROLL CALL OF COMMISSIONERS:

Sander Friedman, Esq.	Present
Eve A. Cullinan	Present
Damon Burke	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash (<i>via teleconference</i>)
Claims Services	PMA Management Corp. Jen Signs Qual Lynx Chris Roselli PERMA Risk Management Services Jennifer Conicella
Attorney	CraigAnninBaxter Law Robert Baxter, Esq.
Treasurer	Edward Troy
Safety Director	J.A. Montgomery Risk Control Jonathan Czarnecki
Employee Benefits	PERMA Risk Management Services Emily Koval Conner Strong & Buckelew Diane Peterson Brandon Lodics Brown & Brown Metro. Amerihealth Administrators Megan Penick
Risk Manager	Assured Partners Tom Stenberg (<i>via teleconference</i>) Tom Narolewski(<i>via teleconference</i>)

ALSO PRESENT:

Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN & CLOSED MINUTES OF JANUARY 16, 2020

**MOTION TO APPROVE THE OPEN & CLOSED MINUTES OF
JANUARY 16, 2020**

Moved:	Chairman Friedman
Second:	Commissioner Burke
Vote:	3 Ayes, 0 Nays

CORRESPONDENCE: NONE

COMMITTEE REPORTS:

SAFETY COMMITTEE: Mr. Czarnecki reported the next Safety Committee meeting was scheduled for March 12, 2020. Mr. Czarnecki advised that completed his report unless there were any questions.

CLAIMS COMMITTEE: Ms. Conicella advised the Claims Committee met via teleconference and the PARS would be discussed during closed session.

EXECUTIVE DIRECTOR REPORT: Executive Director advised his report was included in the agenda and did not have any action items.

CERTIFICATE OF INSURANCE ISSUANCE REPORT: Executive Director reported the certificate of issuance report from the NJCE was not available and would appear in the next agenda.

NJ COUNTIES EXCESS INSURANCE FUND (NJCE): Executive Director advised the NJCE would hold its Re-Organization Meeting on February 27, 2020 at 1:00 at the Camden County College Regional Emergency Training Center.

BCIC PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the November Financial Fast Track was included in the agenda. Executive Director advised as of November 30, 2019, there was a surplus of \$528,872. Executive Director referred to line 10 of the report, "Investment in Joint Venture" and indicated \$1,557,193 of the surplus was the BCIC's share of the NJCE equity.

NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the November Financial Fast Track for the NJCE was included in the agenda. As of November 30, 2019 the NJCE had a surplus of \$16,697,668. Executive Director noted the total cash amount was \$30,922,259. Executive Director reported line 7 of the report "Dividend" presented the figure released by the NJCE of \$3,607,551. Executive Director noted the cash amount was \$30,922.259.

CLAIMS TRACING REPORTS: Executive Director reported the agenda included two claim monitoring reports as of November 30, 2019. Executive Director referred to a copy of the Claims

Management Report Expected Loss Ratio Analysis Report and advised the report measured how the losses were running compared to the actuary's projections. Executive Director reviewed the results by year for the Commission. Executive Director noted that 2015 was a bad year however, all of the Counties experienced losses mainly due to the weather.

2020 EXCESS INSURANCE RENEWAL OVERVIEW: Executive Director referred to the memorandum from the Underwriting Manager which was included in the agenda. Executive Director advised the insurance marketplace had been hardening over the past few years. Executive Director also advised the NJCE had experienced a high frequency of property losses over the last several years which caused the need for increased retentions and premium rates. Executive Director reported the casualty market experienced the same hardening and after the NJCE had set their budget, Brit along with all other Excess Casualty insurers, cut back their limits from \$15,000,000/\$20,000,000 to \$10,000,000/\$20,000,000. Brit did return the premium for that layer of insurance in the amount of \$240,000, however that amount was far below the new market's premium for that layer of insurance. Executive Director advised Old Republic provided the only quotation for this layer at the \$1,000,000 premium mark. They will also replace Argonaut's layer. Executive Director advised the differential is approximately \$750,000 and at the next NJCE meeting a recommendation would be made to the Board for the NJCE to absorb the difference due to their surplus. Executive Director noted this was another benefit of participating in a JIF because commercial markets would collect that additional premium right away.

2020 PROPERTY & CASUALTY ASSESSMENTS: Executive Director advised in accordance with the Commission's By Law's the property and casualty assessment bills were e-mailed to the member entities on February 3, 2020. Executive Director advised the first installment was due on March 15, 2020 and future assessment bills were due on May 15, 2020 and October 15, 2020.

2020 MEL MRHIF AND NJCE EDUCATIONAL SEMINAR: Executive Director advised the 10th annual seminar was scheduled for Friday, May 1, 2020 beginning at 9:00 AM at the National Conference Center in East Windsor. Executive Director reported the seminar qualified for Continuing Education Credits including CFO/CMFO, Public Works, Clerks, Insurance Producers and Purchasing Agents. Executive Director reviewed the topics of the seminar and the presenters.

Executive Director advised that concluded his report unless there were any questions.

Executive Director's Report Made Part of Minutes

FINANCIAL PROCEDURES – Financial Fast Track - The health program income statement was distributed and reviewed through December 2019. Ms. Koval apologized for the two versions, but explained that the Commission did see a loss in this month due mainly to a high claimant under the specific limit that hit in December. Otherwise, the overall surplus is healthy.

Executive Director's Report Made Part of Minutes

BENEFITS CONSULTANT REPORT: Claims Audit

Mr. Lodics stated that AIM Benefits Audit and Compliance Solutions and AmeriHealth Administrators have been continuing the process of the claims audit. The audit confidentiality agreement has been completed and AIM has received in-house claims data from AHA. AIM has scheduled an on-site visit at AHA during the week of April

13th. Below is an estimated timeline for the claims audit. We will continue to provide updates as the process progresses.

AIM and BCIC sign AHA Audit Confidentiality Agreement	Week Jan 20, 2020	Complete
Fee Agreement signed by AHA for direct payment to AIM	Jan 31, 2020	Complete
AHA provided requested claims data to AIM	Week Jan 27, 2020	Complete
Audit onsite date scheduled for	Week April 13, 2020	Scheduled
Draft Report issued to AHA (<i>estimated</i>)	Week May 11, 2020	
Final Report provided to Burlington County Insurance Commission (<i>estimated</i>)	Week May 25, 2020	

Express Scripts

Prescription Update

The FDA has authorized the transition of 3 prescription drugs to non-prescription. These drugs will now be offered at retail pharmacies as Over-the-Counter (OTC). CSB has evaluated the impact of this transition and found that there no members who have filled the brand versions of these drugs in the past 12 months.

The generic versions of these drugs will eventually follow the same transition. The dates of the generic transition to OTC are to be determined. Members who use the generic versions of these drugs may want to discuss possible changes in therapy with their physicians as these drugs may soon be unavailable through prescription drug plans. We will continue to provide updates as information becomes available.

Brand	Generic	Purpose
Voltaren	Diclofenac Sodium	Topical Arthritis Pain relief Gel
Pataday Twice Daily Relief	Olopatadine HCL	Allergy Eye drops
Pataday Once Daily Relief	Olopatadine HCL	Allergy Eye drops

Medicare Advantage

Mr. Lodics reviewed the Medicare Advantage transition that is currently taking place with the County retirees.

United Healthcare Transition

As previously reported, BCIC will move their current Aetna Medicare Advantage population and any over-65 AmeriHealth enrollees to United Healthcare. Coverage through Aetna will terminate on March 31, 2020 and coverage through UHC will begin effective April 1, 2020.

Implementation

Conner Strong & Buckelew has engaged in weekly implementation calls with PERMA and UHC to develop a project plan and ensure a smooth carrier transition.

Communications

BCIC over-65 members should have received UHC welcome kits in the mail. The welcome kits include plan designs, value-added benefits and other pertinent information regarding this transition. ID cards will be mailed to members' homes shortly following the welcome kits.

Horizon Dental

Horizon Dental Implementation

Burlington County transitioned dental carriers from Aetna to Horizon Blue Cross Blue Shield of NJ effective January 1, 2020. CSB has worked with Horizon and the County to ensure a smooth carrier transition. The following enrollment errors were observed during the transition and were resolved appropriately:

Enrollment Error	Members Affected	Resolution
Member did not receive ID cards • <i>Incorrect Mailing Address</i>	1	Resolved
Incorrect Member Enrollment • <i>Members needed updated retiree or COBRA status</i> • <i>Members were enrolled in the wrong plan</i> • <i>Members were duplicated in system and enrolled twice</i>	13	Resolved
Enrollment Discrepancy • <i>Member was enrolled with incorrect last name or DOB</i>	2	Resolved
Student Status Verification • <i>Members' student status verification was not properly transferred</i>	5	Resolved

Transition of Care

As Burlington County transitioned the dental contract from Aetna to Horizon BCBSNJ, there may be some members who were in the midst of work-in-progress care. These are services that were initiated prior to the dental transition but not completed. These services will be billed under the new

Horizon contract. Cases that require special attention can be handled by CSB's Member Advocacy team in conjunction with Horizon.

AMERIHEALTH

Ms. Penick reviewed the Amerihealth claim report which was included in the agenda. She said that the per employee, per month cost through the end of 2019 as \$1,535. She reviewed the dashboard report which included top facilities and performance guarantee metrics. In response to Mr. Troy, Ms. Penick said that the physician office units are by specific diagnoses. He asked that future reports include actual visits, to stay in line with the other visit totals in the report.

EXPRESS SCRIPTS

Mr. Colalillo reviewed the Express Scripts report that was included in the agenda. He said that the per employee, per month spend in 2019 compared to 2018 is up 5.6%. He said that the specialty drugs are a major component for this increase.

TREASURER REPORT: Mr. Troy advised he reviewed the Bill List and recommended payment.

MOTION TO APPROVE RESOLUTION 19-20, FEBRUARY PROPERTY AND CASUALTY BILL LIST AND RESOLUTION 20-20 JANUARY BENEFIT BILL LIST

Moved:	Chairman Friedman
Second:	Commissioner Burke
Roll Call Vote:	3 Ayes, 0 Nays

Executive Director advised the Treasurer's monthly reports were included in the agenda.

ATTORNEY: Mr. Baxter reported the defense panel agreements were issued and sent out four signatures.

CLAIMS SERVICE. Ms. Signs advised PMA's monthly reports were included in the appendix section of the agenda. Ms. Signs referred to the WC Claims by Quarter Report valued as of 1/1/20. Ms. Signs reviewed the claim counts and advised the County had 125 for 2019 compared to 140 for the previous year. Ms. Signs referred to the Year to Date Containment Savings Report which was included in the agenda for the period of 1/1/19 to 1/1/20 and advised PMA billed charges were in the amount of \$1,277,028. Ms. Signs indicated the total net savings was \$659,903. Ms. Signs noted the network penetration was 98% which was excellent. Ms. Signs also reviewed the WC Claims Frequency and Severity by Location and Top 5 Causes Group by Claims Frequency report which were included in the agenda. Ms. Signs advised that concluded her report unless anyone had any questions.

NJCE SAFETY DIRECTOR: Mr. Czarnecki reviewed the January to February 2020 Risk Control Activity Report which was included in the agenda. Mr. Czarnecki spoke about the 2020 BRIT Safety Grant and advised there was \$45,000 available this year which would be split between the ten counties. Ms. Czarnecki advised there was a request last year from the Highway Department requesting most if not all of their required training be done before the end of the spring. Ms. Czarnecki advised this training was completed. Mr. Czarnecki advised that concluded his report unless anyone had any questions.

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT:

MOTION TO OPEN MEETING TO THE PUBLIC

Moved:	Chairman Friedman
Second:	Commissioner Burke
Vote:	3 Ayes, 0 Nays

Seeing no members of the public wishing to speak, Chairman Friedman asked for a motion to close the public comment portion of the meeting.

MOTION TO CLOSE MEETING TO THE PUBLIC

Moved:	Chairman Friedman
Second:	Commissioner Burke
Vote:	3 Ayes, 0 Nays

CLOSED SESSION: Chairman Friedman read Resolution 21-20, Resolution for Closed Session, and requested a Motion for Executive Session (in accordance with the Open Public Meetings Act, N.J.S.A. 10:4012) to discuss payment authority requests.

MOTION TO APPROVE RESOLUTION 21-20 FOR CLOSED SESSION

Moved:	Chairman Friedman
Second:	Commissioner Burke
Vote:	3 Ayes, 0 Nays

MOTION TO ADJOURN:

Moved:	Commissioner Cullinan
Second:	Commissioner Burke
Vote:	3 Ayes, 0 Nays

Chairman Friedman advised the next Commission meeting was scheduled for March 5, 2020 at 2:00 PM.

MEETING ADJOURNED: 3:12 PM

Minutes prepared by:
Cathy Dodd, Assisting Secretary
Emily Koval for Benefits