

**BURLINGTON COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING –January 16, 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
Claims Services	PMA Management Corp. Jen Signs Qual Lynx Chris Roselli (via teleconference) PERMA Risk Management Services
Attorney	Craig Annin Baxter Law
Treasurer	Edward Troy
Underwriting Manager	Conner Strong & Buckelew
Safety Director	J.A. Montgomery Risk Control Jonathan Czarnecki
Employee Benefits	PERMA Risk Management Services Paul Laracy Conner Strong & Buckelew Diane Peterson Brandon Lodics Brown & Brown Metro. Rob Henry Amerihealth Administrators Megan Penick Lane Hindman
Risk Manager	EJA Capacity Insurance Agency Steve Walsh

ALSO PRESENT:

Brad Stokes, PERMA Risk Management Services

Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN & CLOSED MINUTES OF DECEMBER 5, 2019

MOTION TO APPROVE THE OPEN & CLOSED MINUTES OF DECEMBER 5, 2019

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

CORRESPONDENCE: NONE

COMMITTEE REPORTS:

SAFETY COMMITTEE: Mr. Czarnecki reported the Safety Committee meeting scheduled for today was rescheduled until March 12, 2020 and the April meeting was rescheduled for June 11th. Mr. Czarnecki advised that completed his report unless there were any questions.

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

EXECUTIVE DIRECTOR REPORT: Executive Director advised today was the Reorganization Meeting of the Commission and a copy of his report was included in the agenda.

REORGANIZATION RESOLUTIONS: Executive Director referred to the Reorganization Resolutions which were included in the agenda. Executive Director advised with the Chairman's approval he would review the resolutions and then request a motion for approval.

- Resolution 1-20 Certifying the Appointment of Chairperson and Vice Chair
- Resolution 2-20 Appointing A Commissioner to the New Jersey Counties Excess Joint Insurance Fund for Fund Year 2020
- Resolution 3-20 Appointing Agent for Service of Process and Custodian of Records For the Commission For the Year 2020
- Resolution 4-20 Designating Official Newspapers for the Commission
- Resolution 5-20 Designating Authorized Depositories for Fund Assets and Establishing Cash Management Plan
- Resolution 6-20 Designating Commission Treasurer
- Resolution 7-20 Designating Authorized Signatures for Commission Bank Accounts
- Resolution 8-20 Indemnifying Burlington County Insurance Fund Commission Officials/Employees
- Resolution 9-20 Authorizing Commission Treasurer to Process Contracted Payments and Expenses
- Resolution 10-20 Plan of Risk Management for 2020

Executive Director noted the Cash Management Plan had been amended to reference the NJ Statutes that list the permissible investments as opposed to actually listing each permissible investment. Executive Director noted this would reduce the human error factor.

Executive Director advised the 2020 Plan of Risk Management was included in the appendix section of the agenda. Executive Director reported the plan was an overview of the Commission's coverage, risks retained by the Commission, reserving philosophy, method of assessing member contributions and claim payment authority. Executive Director advised the changes were highlighted in yellow. Executive Director advised the property retention was changing from \$100,000 to 250,000. Executive Director thanked Mr. Burke for pointing out there was an error on page 5 of the Plan under section "e" and advised the correct amount was \$250,000 not \$100,000. Executive Director advised there was some restructuring of the liability overages.

Executive Director asked if anyone had any questions regarding the resolutions and with the Commissioners approval asked that the resolutions be approved through a consent motion.

MOTION TO APPROVE REORGANIZATION RESOLUTIONS NUMBER 1-20 THROUGH 10-20

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

2020 PROPERTY AND CASUALTY BUDGET: Executive Director reported at the December meeting the 2020 Property and Casualty Budget was introduced. Executive Director advised in accordance with regulations the budget was advertised in the Commission's official newspaper. Executive Director referred to a copy of the budget in the amount of \$5,967,466 which was included in the agenda. Executive Director noted there were no changes to the budget since the introduction. Executive Director referred to a copy of the assessments by member which was included in the agenda. Executive Director advised assessments payments were due on March 15th, May 15th and October 15th. Executive Director stated this was the Public Hearing for the budget and then asked for a motion to open the Public Hearing.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2020 PROPERTY & CASUALTY BUDGET

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

MOTION TO CLOSE THE PUBLIC HEARING

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

MOTION TO ADOPT THE PROPERTY & CASUALTY BUDGET FOR THE BURLINGTON COUNTY INSURANCE COMMISSION FOR THE YEAR 2020 IN THE AMOUNT OF \$5,967,366 AND CERTIFY THE 2020 ASSESSMENTS

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

2020 MEETING SCHEDULE: Executive Director referred to a copy of the 2020 Meeting Schedule which was included in the agenda. Executive Director advised the meeting dates were presented at the last meeting. Executive Director noted there were no meetings scheduled for April, July and September, however additional meetings could be scheduled with the proper notice. Executive Director requested a motion to approve Resolution 11-20, 2020 Meeting Schedule if the dates were acceptable to the Commissioners.

MOTION TO APPROVE RESOLUTION 11-20, 2020 MEETING SCHEDULE

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

PROFESSIONAL SERVICES APPOINTMENTS – DEFENSE PANEL: Executive Director advised the Defense Panel RFQ responses were reviewed and evaluated by the Committee. Executive Director reported the Fund Office received a memorandum from the Commission Attorney with the Committee’s recommendations and resolution. Executive Director referred to Resolution 12-20, Awarding Contracts to Assigned Defense Law Firms. Executive Director reported there was a revision to the resolution and advised that Bennett, Bricklin & Saltzburg, LLC was also included for General Liability Claims.

MOTION TO APPROVE RESOLUTION 12-20, AWARDING CONTRACTS TO ASSIGNED DEFENSE LAW FIRMS INCLUDING THE ADDITION OF BENNETT, BRICKLIN & SALTZBURG, LLC FOR GENERAL LIABILITY CLAIMS

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

PROFESSIONAL SERVICES APPOINTMENTS – COMMISSION ATTORNEY: Executive Director reported the Commission Attorney RFP responses were reviewed and evaluated by the Committee. Executive Director advised the Fund Office received a memorandum from Chairman Friedman recommending the firm of CraigAnninBaxter Law. Executive Director referred to Resolution 13-20, Appointing Commission Attorney to CraigAnninBaxter Law for Fund Year 2020.

MOTION TO APPROVE RESOLUTION 13-20, AWARDING CONTRACTS TO ASSIGNED DEFENSE LAW FIRMS

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

PROFESSIONAL SERVICES APPOINTMENTS: Executive Director reported there was one response for the Actuary position from the incumbent, The Actuarial Advantage, Inc. Executive Director advised Resolution 14-20 was included in the agenda

MOTION TO APPROVE RESOLUTION 14-20, APPOINTING ACTUARY TO THE ACTUARIAL ADVANTAGE, INC. FOR FUND YEAR 2020

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

Executive Director advised there was one response for the Auditor position from the incumbent, Bowman & Company, LLP. Executive Director advised Resolution 15-20 was included in the agenda.

MOTION TO APPROVE RESOLUTION 15-20, APPOINTING AUDITOR TO BOWMAN & COMPANY, LLP FOR FUND YEAR 2020

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

ESAFETY THREE COURSE PACKAGE TRAINING: Executive Director reported there was a request from the County to assist in the eSafety Three Course Package Training Program costs for 2020. Executive Director advised the Commission paid for this course in 2018 and 2019. Executive Director noted the package would include 1349 users for a total cost of \$10,792. Executive Director advised the expense would be allocated in the 2020 budget under the miscellaneous and expense contingency line.

MOTION TO AUTHORIZE THE COST OF \$10,792 FOR THE ESAFETY THREE COURSE PACKAGE TRAINING PROGRAM FOR 2020

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

CERTIFICATE OF INSURANCE ISSUANCE REPORT: Executive Director reported the certificate of issuance report from the NJCE listing the certificates issued for the month of December was included in the agenda. Executive Director advised there were three certificate of insurances issued during the month of December.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

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

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 October Financial Fast Track was included in the agenda. Executive Director advised as of October, 31, 2019, there was a surplus of \$524,847. Executive Director referred to line 10 of the report, “Investment in Joint Venture” and indicated \$1,549,272 of the surplus was the BCIC’s share of the NJCE equity.

NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the October Financial Fast Track for the NJCE was included in the agenda. As of October 31, 2020 the NJCE had a surplus of \$16,597,045. Executive Director noted the total cash amount was \$23,306,728. 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 \$32,149,785.

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 - Mr. Laracy advised the Financial Fast Track for the month of November was included in the agenda. Mr. Laracy reported for all years combined the surplus was \$8.7 million. Mr. Laracy reported during the first 6 months of the year the Commission was losing money, however during the last six month the Commission was earning money.

2019 RISK MANAGEMENT PLAN – Mr. Laracy said the 2020 Risk Management Plan for the Health program for adoption was included in the agenda. Mr. Laracy advised the plan was identical to past Risk Management Plans except for item item # 3 which identifies the risk retained by the Commission. Mr. Laracy reported the retention is somewhat higher than other years and the changes were highlighted in blue.

MOTION TO APPROVE RESOLUTION #16-20 APPROVING THE RISK MANAGEMENT PLAN FOR THE HEALTH PROGRAM FOR 2020, AS SUBMITTED.

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

Executive Director's Report Made Part of Minutes

BENEFITS CONSULTANT REPORT: Ms. Peterson advised here report was included in the agenda and first item she wanted to discuss was the dental plan administration. Ms. Peterson reported as authorized by the Commission, Conner Strong & Buckelew worked directly with the County to review and recommend the final carrier selection, Horizon Blue Cross Blue Shield of New Jersey. Ms. Peterson noted as a result of this carrier change, coverage through Aetna was terminated on December 31, 2019 and coverage through Horizon began on January 1, 2020. Ms.

Peterson advised all of the ID cards were delivered by the first of January. Ms. Peterson asked if anyone had any questions and requested a motion to ratify the dental award.

**MOTION TO RATIFY BURLINGTON COUNTY DENTAL AWARD-
JANUARY 1, 2020-HORIZON BLUE CROSS BLUE SHIELD**

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

Ms. Peterson reported the Stop Loss renewal was challenging due to a large claim with over \$3M paid. Ms. Peterson advised an RFP was issued and responses were received from 3 bidders, SwissRe, the incumbent, Symetra and MRHIF. Ms. Peterson noted there were 4 declinations to quote and 2 were disqualified for not providing quotes by the deadline. Ms. Peterson reported due to the contractual and financial superiority of the proposal, they were recommending the contract award be given to Symetra. Ms. Peterson advised the new contract term included incurred in 24/paid in 12, also the specific deductible was increased by \$50,000, a 2021 rate cap of 50% and no new lasers on future contracts. In response to Executive Director's inquiry, Ms. Peterson advised the company was known by Symetra. Ms. Peterson reported this was approved through an e-mail memorandum and requested a motion to ratify the Stop Loss Award to Symetra effective January 1, 2020.

**MOTION TO RATIFY BURLINGTON COUNTY INSURANCE
COMMISSION STOP LOSS AWARD - JANUARY 1, 2020 - SYMETRA**

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

Ms. Peterson advised the rest of her report was informational, however Mr. Lodics would review the United Healthcare Medical Advantage Plan. Ms. Peterson advised during the 2020 budget adoption there were savings generated by the transition of the current AETNA Medicare Advantage participants to United Health Care and expanding the roll out of the program for retirees who became Medicare eligible after the initial implementation. Ms. Peterson reported only the County and Bridge Commission were impacted. Ms. Peterson advised the United Health Care program was effective April 1, 2020. Mr. Lodics distributed a folder with all of the pertinent documents. Mr. Lodics reported his office was working with the County on the changes and recommended letters. Mr. Lodics advised the letters should be sent out the end of January. Mr. Lodics asked if there were any questions and concluded his report.

Chairman Friedman thanked Ms. Peterson for taking care of the cards for the dental insurance.

AMERIHEALTH ADMINISTRATORS: Ms. Penick reviewed the Amerihealth Administrators claim report and high claimant report. Ms. Penick noted for November the total medical claims were \$2,606.868, for 2,032 employees and a cost of \$1,282.91. Ms. Penick advised there were 3 claims over \$50,000 for a total of \$407,604.00. Ms. Penick reported the average payment per employee year to date was \$16,790.08 and average payment per member was \$7,566.38. Ms. Penick continued to review the top facilities figures, the call information and other totals. Ms. Penick asked if anyone had any questions and concluded her report. In response to Mr. Troy's inquiry regarding the claims audit, Ms. Penick advised there were some delays with legal,

terminology, fee arrangements and felt they were at the finish line and the audit should be scheduled shortly. Mr. Lodics asked Ms. Penick to provide an update on the one claimant and the stop loss reimbursement. Ms. Penick advised they have been receiving intermittent bills for the high cost claimant and received confirmation that Swiss Re issued a reimbursement last week in the amount of approximately \$1.2M.

EXPRESS SCRIPTS: Mr. Laracy reported the representative from Express Scripts was not present, however their report was included in the agenda.

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

**MOTION TO APPROVE RESOLUTION 17-20, JANUARY PROPERTY
AND CASUALTY BILL LIST**

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

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

ATTORNEY: Mr. Baxter as not present, however Ms. Dodd advised Mr. Baxter prepared the service agreements for the Defense Panel and she sent the agreements to the firms for signature. Ms. Dodd noted she would issue another agreement to Bennett, Bricklin and Saltzburg.

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 12/1/19. Ms. Signs reviewed the claim counts and advised claims were generally trending down. 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 12/1/19 and advised PMA billed charges were in the amount of \$1,228,302. Ms. Signs indicated the total net savings was \$638,873. Ms. Signs noted the network penetration was 98% which was absolutely outstanding. 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 December to January Risk Control Activity Report which was included in the agenda. Mr. 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. This request was forwarded to the administration staff who was beginning to schedule training classes to honor this request. Mr. Czarnecki advised that concluded his report unless anyone had any questions. In response to Mr. Troy's inquiry regarding the CDL clearinghouse, Mr. Czarnecki advised there was going to be another discussion in February as there has been a lot of questions. Mr. Burke reported HR was currently working on entering the CDL employees.

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 18-20, 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 18-20 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 February 6, 2020 at 2:00 PM.

MEETING ADJOURNED: 3:08 PM

Minutes prepared by:
Cathy Dodd, Assisting Secretary