

**BURLINGTON COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING –October 1, 2020
TELEPHONIC MEETING
2:00 PM**

In response to Executive Director’s inquiry Chairman Friedman agreed Executive Director should read the opening statement and run the meeting.

Executive Director called the meeting to order and read the Open Public Meetings notice into record.

ROLL CALL OF COMMISSIONERS:

Sander Friedman, Esq.	Present
Eve A. Cullinan	Present
Damon Burke	Present
Dina Rocco (Alternate)	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
Claims Services	PMA Management Corp. Jenn Signs Justin Wilkinson
	Qual Lynx Chris Roselli
	PERMA Risk Management Services Robyn Walcoff Jenn Conicella
Attorney	CraigAnninBaxter Law Robert Baxter, Esq.
Treasurer	Edward Troy
Safety Director	J.A. Montgomery Consulting Glenn Prince
Employee Benefits	PERMA Risk Management Services Emily Koval
	Conner Strong & Buckelew Diane Peterson Brandon Lodics
	Amerihealth Administrators Megan Penick

Express Scripts, Inc.
Kyle Colalillo

Auditor

Bowman & Company, LLP
James Miles
Dennis Skalkowski

ALSO PRESENT:

Jonathan Czarnecki, J.A. Montgomery Consulting
Thomas Czerniecki, Rowan College of Burlington County
Tom Stenberg, Assured Partners
Tom Narolewski, Assured Partners
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN AND CLOSED MINUTES OF AUGUST 6, 2020

Ms. Dodd advised revised minutes were sent out prior to the meeting and noted Chairman Friedman was not in attendance at the August 6th meeting. There were 2 motions that included his name and the revised minutes reflected the correction.

MOTION TO APPROVE THE REVISED OPEN MINUTES AND CLOSED MINUTES OF AUGUST 6, 2020

Moved:	Commissioner Cullinan
Second:	Commissioner Burke
Vote:	2 Ayes, 0 Nays, 1 Abstained

CORRESPONDENCE: NONE

COMMITTEE REPORTS:

SAFETY COMMITTEE: Mr. Czarnecki reported the Safety Committee postponed the scheduled meeting of September 17th and was tentatively rescheduled for November 19th. Mr. Czarnecki advised once the meeting date was confirmed an agenda would be sent out. Mr. Czarnecki advised that completed his report unless there were any questions.

CLAIMS COMMITTEE: Ms. Conicella advised the Claims Committee met on September 15th and the claims would be presented during closed session.

EXECUTIVE DIRECTOR REPORT: Executive Director advised his report was included in the agenda with three action items and the main event was the 2019 Audit. Executive Director introduced Mr. Jim Miles and Mr. Dennis Skalkowski of Bowman & Company, LLP.

2019 AUDIT REPORT AS OF DECEMBER 31, 2019: Mr. Miles reported they completed the 2019 Audit of the Burlington County Insurance Commission and there were no findings or recommendations. Mr. Miles pointed out the Commission was professionally managed. Mr. Miles asked Mr. Skalkowski to review some of the key highlights of the audit. Mr. Skalkowski reported for the year ending December 31, 2019 there was a net position of \$10,357,466, which was an increase of roughly \$4,274,000 over last year. Mr. Skalkowski reported the operating income was \$3,968,067, which was the net of operating income and expenses. Mr. Skalkowski advised the non-

operating revenue was \$527,535 added to the beginning net position of \$6,083,210 minus return of surplus of \$221,346, leaving the net position at \$10,357,466. Mr. Skalkowski referred to page 20 of the audit and reviewed Note 5, Changes in Unpaid Claims Liabilities. Mr. Skalkowski also referred to Note 8, Return of Surplus and Note 9, Subsequent Events on page 23.

Mr. Skalkowski expressed his appreciation for the assistance provided during the audit. Executive Director advised if there were no questions, he would request a motion to approve Resolution 38-20.

MOTION TO APPROVE RESOLUTION 38-20 CERTIFICATION OF ANNUAL AUDIT REPORT FOR PERIOD ENDING DECEMBER 31, 2019

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

At this time, Mr. Miles and Mr. Skalkowski left the meeting.

PMA SERVICE AGREEMENT: Executive Director reported the current PMA Service Agreement included a provision to allow for (2) one year extensions of the agreement. Chairman Friedman asked that this item be tabled until the next meeting.

CERTIFICATE OF INSURANCE ISSUANCE REPORTS: Executive Director referred to copies of the Certificate of Insurance Issuance Report from the NJCE for the months of July and August which were included in the agenda. Executive Director reported there were 13 certificate of insurances issued during the month of July and 2 in the month of August. In response to Executive Director's inquiry, Mr. Burke advised he reviewed the report and most of the items were for the COVID testing centers and the report was fine. Executive Director requested a motion to approve the report.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

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

RFP FOR PROFESSIONAL SERVICES: Executive Director reported the RFP's for Executive Director, Actuary, Auditor, Commission Attorney, and Defense Law Firms would be advertised in the Commission's official newspaper and the responses would be due on October 21, 2020 at 3:00 PM.

NJ COUNTIES EXCESS INSURANCE FUND: Executive Director reported the NJCE last met on September 24, 2020 and a summary report of the meeting was included in the agenda. Executive Director advised the Board of Fund Commissioners approved the 2019 Audit with no recommendations or findings. Executive Director reported AmeriHealth was awarded a three-year contract as the NJCE TPA. Executive Director asked if anyone had any questions on the report. Executive Director noted the NJCE was scheduled to meet again on October 22, 2020 at 9:30 AM.

BCIC PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the July Financial Fast Track was included in the agenda. Executive Director advised as of July 31,

2020 there was a surplus of \$2,365,566. Executive Director referred to line 10 of the report, "Investment in Joint Venture" and indicated \$1,520,116 of the surplus was the BCIC's share of the NJCE equity. Executive Director noted the cash amount was \$5,006,480.

NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the July Financial Fast Track for the NJCE was included in the agenda. As of July 31, 2020 the NJCE had a surplus of \$16,698,019. Executive Director noted the total cash amount was \$32,002,009. Executive Director reported line 7 of the report "Dividend" presented the figure released by the NJCE of \$3,607,551. Executive Director noted the NJCE continues to perform very well.

CLAIMS TRACING REPORTS: Executive Director reported the agenda included two claim monitoring reports as of July 31, 2020. 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

2021 RENEWAL – UNDERWRITING DATA COLLECTION: Executive Director advised the renewal information was due on September 9, 2020. In response to Executive Director's inquiry, Ms. Dodd indicated she was still waiting for the renewal information from the Bridge Commission.

NJCE BEST PRACTICES WORKSHOP, 2020 VIRTUAL EDITION – Executive Director reported the 9th Annual NJCE Best Practices Workshop was scheduled to be a Zoom Webinar on Thursday, October 29, 2020. Ms. Conicella advised the workshop would be approximately 2.5 to 3 hours. Ms. Conicella advised topics included the NJCE JIF, Renewal Overviews and Recommendations, BRIT Safety Grant Successes and Future Projects and implications of COVID-19. Ms. Conicella asked everyone to save the date.

2020 NEW JERSEY ASSOCIATION OF COUNTIES CONFERENCE: Executive Director advised the annual conference rescheduled for October had been replaced with a series of educational virtual workshops on COVID-19 matters to be held between September 30th and November 11th.

2020 MEL MRHIF & NJCE EDUCATIONAL SEMINAR: Executive Director advised the annual seminar originally scheduled for May 1st was cancelled indefinitely.

NJCE 10TH YEAR ANNIVERSARY: Executive Director reported 2020 marked the 10th anniversary of the Fund's inception and he hoped to schedule a luncheon meeting honoring the milestone in yearly 2021.

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

Executive Director's Report Made Part of Minutes

Ms. Koval of PERMA advised she would provide the Benefits Report today.

FINANCIAL PROCEDURES

- **Financial Fast Track** – The agenda included the health program income statement for July 31, 2020. Ms. Koval said that the Commission was still running below budget, likely due to COVID, although claims were beginning to normalize in August.

BUDGET UPDATE

With the complexity of COVID-19 and the possible separation of the schools from the program, Ms. Koval said that the budget was still in the process of being developed. A draft budget would be reviewed with the County and Commissioners in the following few weeks for introduction at the November meeting. Ms. Koval invited Mr. Burke to the introduction conference call, along with Mr. Troy.

Benefits Consultant

Claims Audit - Ms. Peterson said that *AIM Benefits Audit and Compliance Solutions* and AmeriHealth Administrators have been continuing the process of the claims audit. The draft audit report had been completed and issued to AmeriHealth. AIM is currently awaiting AHA's response to the audit to issue a final report. 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
Remote Audit	Week July 27, 2020	Complete
Draft Report issued to AHA	Week of September 21, 2020	Complete
Final Report provided to Burlington County Insurance Commission (<i>estimated</i>)	TBD	Not yet complete

AmeriHealth

Medical TPA RFP - PERMA issued a Medical RFP for Third-Party Administrator on June 29, 2020. The RFP generated responses from AmeriHealth, Aetna, Horizon BCBS, and Cigna. The proposals are currently being reviewed based on the Commission's evaluation criteria. Ms. Peterson said that the Fund is not recommending a change in carriers at this time. Amerihealth has offered to extend its contract one more year at the same fee and terms as the current contract.

Disease Management Program - AmeriHealth announced that beginning January 1 2021, they will be offering a new and improved, in-house disease management program called Liaison. It will include targeted outreach to plan members, care coordination, clinical data reporting and

more. A flyer with more details on the program was attached for review.

Express Scripts

NOCC Letters - On behalf of the Commission, CSB reached an agreement with ESI to distribute Notice of Credible Coverage Letters to all over 65 enrollees on behalf of the Commission. Letters are scheduled to be mailed on the week of October 5th. Electronic copies of the letters will be shared with each Commission entity for distribution to any under-65 Medicare-eligible enrollees.

ESI National Preferred Formulary(NPF) Update - Pharmacy Benefit Managers (PBMs) review and change their formulary list on a regular basis. The review is based on clinical efficacy, new drugs entering the market, brand drugs moving to generics, and pricing. Beginning January 1, 2021, the NPF changes will go into effect for BCIC members. BCIC members will still have access to medications changing to non-preferred status but the “tier-three” copayment will apply effective January 1st. ESI has identified about **132 members** who have been filling scripts for one of the impacted medications. 77 of these 132 individuals are impacted due to the switch of **Proair Respiclick and Ventolin HFA** to the excluded drug list. ESI anticipates the NPF disruption to be much lower in the coming months as many individuals on these specific drug will soon change to a generic alternative. Personalized member communications that provide additional information about the preferred alternatives will be mailed to the affected members prior to January 1st.

SaveOn SP Implementation - As a reminder, in the August meeting, a motion was passed to implement the SaveOn Savings Program for BCIC effective 1/1/2021. This **voluntary** program will re-structure cost-sharing allocation so that the plan can maximize manufacturer assistance dollars (coupons) while reducing the member’s copay to \$0. This program will only apply to a select list of specialty medications provided by SaveOn SP. Members who are on one of the chosen medications within the last 150 days will receive a notification letter describing the program. A copy of this letter is attached to this agenda.

Mr. Lodics reviewed the Save On program in further detail.

Symetra - *Symetra Stop Loss Renewal* - All relevant reporting and information has been provided to Symetra for the 2021 Stop Loss renewal. CSB will advise upon receipt of the Renewal.

AMERIHEALTH ADMINISTRATORS – Ms. Penick reviewed the Amerihealth Administrator’s claims utilization report and the high claimant report which was included in the agenda.

EXPRESS SCRIPTS – Mr. Colalillo reviewed the Express Scripts report which was included in the agenda. The Fund’s trend for a rolling 12 months is 28% which is primarily due to specialty patients. Mr. Colalillo explained the status of COVID vaccines and the phases in which they are in. He said there are some therapeutics that are making significant strides in hospitalized patients.

TREASURER REPORT: Mr. Troy reported he reviewed the Bill Lists and recommended payment. Executive Director advised it was his understanding the October Benefit Bill List was completed today and a copy was e-mailed to the Commissioners. Ms. Dodd noted the October Benefit Bill List would be Resolution 43-20.

MOTION TO APPROVE RESOLUTION 39-20 SEPTEMBER PROPERTY & CASUALTY BILL LIST, 40-20 SEPTEMBER BENEFIT BILL LIST, RESOLUTION 41-20 OCTOBER BILL LIST, AND 43-20 OCTOBER BENEFIT BILL LIST

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

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

ATTORNEY: Mr. Baxter advised as Executive Director mentioned the RFQ’s were issued and he assumed when the responses were received he would be notified. Mr. Baxter indicated he and the Chair would then review the responses.

CLAIMS SERVICE: Ms. Conicella said Senate Bill 2380 was passed on September 14, 2020 covering essential workers who contracted COVID-19 starting on March 9, 2020. Ms. Conicella advised the Senate Bill expanded the definition of an essential worker to anyone who performed functions in physical proximity to members of the public such as food service workers or transportation workers. Ms. Conicella referred to a copy of an article written by John H. Geaney, Esq. which was included in the agenda titled “Essential Workers Legislation: What it Means and What it Does Not Mean.

CLAIMS SERVICE: Ms. Signs advised PMA’s monthly reports were included in the appendix section of the agenda. Ms. Sign referred to the WC Claims by Quarter Report valued as of 9/1/20. Ms. Signs reviewed the claim counts compared to 2019 for the member entities. Ms. Signs noted the claim counts were down approximately 50%. Ms. Signs referred to the Year to Date Containment Savings Report, which was included in the agenda for the period of 1/1/20 to 9/01/20 and advised PMA billed charges were for \$425,086. Ms. Signs indicated the final paid charges were \$177,275, with a savings of \$247,811 or 58%. Ms. Signs advised the PPO penetration rate of 99% was 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. Prince reviewed the August - October 2020 Risk Control Activity Report which was included in the agenda. Mr. Prince referred to information and instructions for the NJCE Media Library and NJCE Online Streaming Video Service, which was also included in the agenda. Mr. Prince advised they transitioned from instructor led training to webinar based format with live instructors from J.A. Montgomery Consulting and included in the agenda was the Webinar Training Schedule for September and October Mr. Prince reported the information for the Designated Employee Representative Training was also included in the agenda an encouraged everyone to register early. Mr. Prince advised for 2021 they were looking to place their work zone safety training programs into a webinar format. Mr. Prince explained historically, it was a four hour in person instructor led program, the new format would be a one hour block of instruction for three topics. The first one being traffic control, the second flagging skills and the third being traffic control for supervisors. Depending on the occupation of the attendee, they could either attend one or all three for that program. JA Montgomery was also transitioning their landscape program to four separate topics for 2021 – mower safety, chainsaw safety, chipper safety and utility vehicle safety operation. Mr. Prince reported the date to submit requests for the BRIT

Safety Grant was extended from September 30th to October 30th. Mr. Prince advised that concluded his report unless there were any questions at this time.

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: Executive Director asked if there was anyone from the public that wanted to make a comment.

CLOSED SESSION: Executive Director read Resolution 42-20, 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 42-20 FOR CLOSED SESSION

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

Executive Director asked that everyone hang up and call into the second number provided.

MOTION TO APPROVE PARS/SARS DISCUSSED DURING CLOSED SESSION

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

MOTION TO ADJOURN:

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

MEETING ADJOURNED 2:58 PM

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