

**BURLINGTON COUNTY INSURANCE COMMISSION  
OPEN MINUTES  
MEETING – October 4, 2018  
County Administration Building  
49 Rancocas Road  
Mt. Holly, NJ 08060  
2:00 PM**

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

**ROLL CALL OF COMMISSIONERS:**

Kendall J. Collins	Present
Eve A. Cullinan	Present
Damon Burke	Present

**FUND PROFESSIONALS PRESENT:**

Executive Director	PERMA Risk Management Services <b>Joseph Hrubash</b>
Claims Services	PMA Management Corp. <b>Robert Rennie</b>
	Conner Strong & Buckelew <b>Michelle Leighton</b>
Attorney	CraigAnninBaxter Law <b>Robert Baxter, Esq.</b>
Treasurer	<b>Edward Troy</b>
Underwriting Manager	Conner Strong & Buckelew
Safety Director	J.A. Montgomery Risk Control <b>Glenn Prince</b>
Employee Benefits	PERMA Risk Management Services <b>Emily Koval</b>
	AJM Insurance Management <b>Greg D’Orazio</b>
	Innovative Risk Solutions, Inc. <b>Rob Henry</b>
Risk Manager	EJA Capacity Insurance Agency <b>Steve Walsh</b>
Auditor	Bowman & Company, LLP

**ALSO PRESENT:**

Tom Narolewski, Assured Partners  
Tom Stenberg, Assured Partners  
Christine Baroudi, Conner Strong & Buckelew  
Cathy Dodd, PERMA Risk Management Services

**APPROVAL OF MINUTES: OPEN & CLOSED MINUTES OF OCTOBER 4, 2018**

**MOTION TO APPROVE THE OPEN & CLOSED MINUTES OF OCTOBER 4, 2018**

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

**CORRESPONDENCE: NONE**

**COMMITTEE REPORTS:**

**SAFETY COMMITTEE:** Mr. Prince reported the Safety Committee last met on September 13, 2018 and discussed a variety of topics including the most commonly cited PEOSH citations for the second quarter. Mr. Prince advised September was Preparedness Month and was a good opportunity to remind everyone the importance of preparing for disasters at work and home. Mr. Prince suggested reviewing the website, [www.ready.gov](http://www.ready.gov) which included a checklist of how to prepare for a variety of disasters. Mr. Prince noted the next meeting was scheduled for December 13, 2018. Mr. Prince advised that concluded his report unless anyone had any questions.

**CLAIMS COMMITTEE:** Ms. Leighton referred to her memo which was included in the agenda regarding Reporting to "Discovery" or "Claims Made and Reported" Policies prior to the 12/31/18 expiration date. Ms. Leighton explained the policies listed in the memo provided coverage on a discovery or claims made and reported bases. Ms. Leighton reported it was imperative that any claim, potential claim or facts and circumstances that may give rise to a claim be reported to the insurance company prior to the policy expiration. Ms. Leighton requested that claims be reported by December 17, 2018. Ms. Leighton also reported the Claims Committee met on September 18<sup>th</sup> to review the PARS for closed session. Ms. Leighton advised that concluded her report unless anyone had any questions.

**EXECUTIVE DIRECTOR REPORT:** Executive Director advised a copy of his report was included in the agenda. Executive Director stated the 2019 Health Budget would be introduced at this meeting, however, he would review his items first.

**CERTIFICATE OF INSURANCE ISSUANCE REPORT:** Executive Director reported on the Certificate of Insurance report for the months of July and August. Executive Director advised there were 50 certificate of insurances issued during July and 224 for the month of August. In response to Chairman Collins' inquiry, Mr. Burke advised he reviewed the certificates that were issued for the County.

## MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

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

**RFP FOR PROFESSIONAL SERVICES:** Executive Director advised the RFQ's for the Property & Casualty Actuary, Health Actuary, Auditor, Commission Attorney and Defense Panel were advertised on October 2, 2018. Executive Director reported the responses were due on October 23, 2018.

**NJ COUNTIES EXCESS JOINT INSURANCE FUND:** Executive Director reported the NJCE met on August 16, 2018 to approve 3 PARS. Executive Director advised the NJCE also met on September 27, 2018. Executive Director reported the 2017 Audit was finalized and a discussion was conducted on the 2019 Budget. Executive Director stated there was a request for interested Commissioners to serve on a sub-committee to review the budget and discuss dividend options. Executive Director noted there would be an increase to the Excess Property SIR from \$100,000 to \$250,000 and would be funded at the NJCE level. In addition the NJCE would issue a Request for Proposals for a TPA to manage the property claims and adjust from 1<sup>st</sup> dollar. Executive Director stated the NJCE would introduce the 2019 Budget on October 25, 2018 and Budget Adoption was scheduled for November 15, 2018. Executive Director noted the meetings were at 1:00 PM at the Camden County College Regional Training Center.

**BCIC PROPERTY & CASUALTY FINANCIAL FAST TRACKS:** Executive Director reported the June and July Financial Fast Tracks were included in the agenda. Executive Director referred to the June Financial Fast Track and explained the actuary reduced the IBNR figure at the end of the second quarter which resulted in a surplus for the month. Executive Director advised as of June 30<sup>th</sup> the deficit was down to \$264,438. Executive Director also referred to the July Financial Fast Track and noted the deficit was up slightly however noted this was all good news.

**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, 2018 the NJCE had a surplus of \$13,888,552. Executive Director noted the total cash amount was \$24,934,281. Executive Director noted he expected the NJCE to issue a larger dividend this year and thought Burlington would be eligible to receive a portion. In response to Chairman Collins' inquiry, Executive Director advised there was a state formula used to determine when monies could be released and the portion of the dividend was based by the amount of the assessments.

**CLAIMS TRACKING REPORTS:** Executive Director reported the agenda included two claim monitoring reports as of July 31, 2018. Executive Director noted Fund Year 2017 was running well, and advised the actuary's projection was 83% however the actual amount was 67%. Executive Director advised 2018 was running slightly higher but noted 2017 started the same way and was hopeful 2018 would also be a good year.

**PMA 2018 STEWARDSHIP REPORT:** Executive Director reported PMA would present the Stewardship Report at the November meeting.

**WELCOME ASSURED PARTNERS:** Executive Director introduced Tom Stenberg of Assured Partners, the Risk Manager for the Rowan College at Burlington County.

**NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND – JOINT INSURANCE CLAIMS COMMITTEES BEST PRACTICES WORKSHOP** – Ms. Leighton reminded everyone the seventh annual Joint Insurance Claims Committees Best Practice Workshop was scheduled for Wednesday, October 31, 2018 at the Conner Strong & Buckelew office in Marlton, NJ. Ms. Leighton reported this year’s topics included an overview of controlled insurance programs, body worn cameras in law enforcement and topics related to the opioid epidemic. Ms. Leighton advised the invitations were scheduled to be sent out early next week.

Executive Director's Report Made Part of Minutes

**FINANCIAL PROCEDURES** – Ms. Koval reviewed the financial fast track through August 2018 which showed a \$162,000 surplus for this month, adding to a substantial surplus for the year to date. In addition, the IBNR is still higher than normal due to the delay in claim payments from AmeriHealth, which we were told has normalized so the next Financial Fast Track will show a decrease for the IBNR.

**2019 BUDGET** – Ms. Koval reviewed the 2019 draft budget which was included in the agenda for introduction. She said the medical claims fund is only increasing less than 1%, while the prescription claims fund is flat, but with the consideration of formulary rebates, the entire claims fund is only increasing .05%.

She said the Stop Loss policy is in final review with the program managers and in most recent conversations, the increase will be less than presented. The savings will be shown in the Loss Fund Contingency line for adoption, but that is objective. In response to Mr. Troy, Mr. D’Orazio said the Stop Loss proposal will be for \$300,000 specific deductible which is no change from last year.

Ms. Koval said that the Medicare Advantage full insured plan is reducing due to the health insurance Affordable Care Act tax that was not approved.

Ms. Koval also reviewed the expenses which coincide with RFQ responses.

**MOTION TO APPROVE RESOLUTION 45-18 TO INTRODUCE THE 2019 BURLINGTON COUNTY INSURANCE COMMISSION HEALTH BENEFITS BUDGET AND ADVERTISE A PUBLIC HEARING FOR ADOPTION ON NOVEMBER 1, 2018**

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

**TREASURER REPORT:** Mr. Troy reported the September and October Bill lists were included in the agenda. Mr. Troy advised he reviewed the bill lists and recommended payment. Chairman Collins asked if anyone had any questions.

**MOTION TO APPROVE RESOLUTIONS 46-18, 47-18, 48-18 & 49-18, SEPTEMBER P&C BILL LIST, SEPTEMBER HEALTH BILL LIST, OCTOBER P&C BILL LIST AND OCTOBER HEALTH BILL LIST**

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

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

**ATTORNEY:** Mr. Baxter advised as the Executive Director mentioned the RFQ's were issued and we were waiting for the responses. In response to Chairman Collins' inquiry, Ms. Dodd advised the responses were due on 10-23-18.

**CLAIMS SERVICE:** Mr. Rennie of PMA introduced himself and advised he would present PMA's reports for Ms. Grabowski. Mr. Rennie advised PMA's monthly reports were included in the Appendix III section of the agenda. Mr. Rennie reviewed the Worker Compensation Claims by Quarter report valued as of 9-1-18. Mr. Rennie advised the claims were trending slightly higher in 2018 compared to 2017.

Mr. Rennie referred to the Year to Date Containment Savings Report which was included in the agenda for the period of 1/1/18 to 9/1/18 and advised PMA billed charges were in the amount of \$543,241. Mr. Rennie indicated the total net savings was \$205,072. Mr. Rennie noted the network penetration of 97% was excellent. Mr. Rennie also reviewed the Accident Cause Group Report and WC Claims Frequency and Severity by Location, Top 5 Locations by Claim Frequency and Top 5 Cause Group by Claims Frequency reports which were included in the agenda. Mr. Rennie asked if anyone had any questions and concluded his report.

**NJCE SAFETY DIRECTOR:** Mr. Prince reviewed the July – October Risk Control Activity Report which was included in the agenda. Mr. Prince reported the agenda also included Safety Director Bulletins on "Fall Protection for Fixed Ladders", "Buckle Up" and "Fatalities and Distracted Driving". Mr. Prince advised October was Fire Prevention Month and he would send a Safety Director Bulletin out electronically and asked everyone to review your work spaces and home to ensure there were no hazards. Lastly, Mr. Prince reported he had three appointments tomorrow, two at the Burlington County Solid Waste Facility and the Board of Elections to provide workstation assessments and recommendations. Mr. Prince advised that completed his report unless anyone had any questions.

**OLD BUSINESS:** Ms. Dodd reported the 2017 Audit was finalized and she distributed copies to the Commissioners at the start of the meeting. Ms. Dodd noted the audit was approved at the last meeting.

**NEW BUSINESS:** None

**PUBLIC COMMENT:**

#### **MOTION TO OPEN MEETING TO THE PUBLIC**

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

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

**MOTION TO CLOSE MEETING TO THE PUBLIC**

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

**CLOSED SESSION:** Chairman Collins read Resolution 50-18, Resolution for Closed Session, and requested a Motion for Executive Session (in accordance with the Open Public Meetings Act, N.J.S.A 10:4-12) to discuss payment authority requests and contracts.

**MOTION TO APPROVE RESOLUTION 50-18 FOR CLOSED SESSION**

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

**MOTION TO APPROVE THE PARS/SARS THAT WERE PRESENTED DURING CLOSED SESSION**

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

**MOTION TO ADJOURN:**

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

Chairman Collins advised the next Commission Meeting was scheduled for November 1, 2018 at 2:00 PM.

**MEETING ADJOURNED: 2:35 PM**

Minutes prepared by:  
Cathy Dodd, Assisting Secretary