

**MINUTES**  
**OF**  
**MIDDLESEX COUNTY JOINT HEALTH INSURANCE FUND COMMISSIONERS**  
**REGULAR MEETING**

**July 23, 2013**

Chairman Pulomena called the meeting to order at 1:09 p.m. Open Public Meeting Act read into Minutes by Chairman Pulomena.

**ROLL CALL OF COMMISSIONERS**

Chairman, John Pulomena	County	Present
Alternate, Dennis Cerami	County	Present
Commissioner, Richard Fitamant	Utilities Authority	Present
Alternate, Jayne Gelder	Utilities Authority	Absent
Commissioner, Patricia Byrd	Board of Social Services	Absent
Alternate, Norman Skolnick	Board of Social Services	Present
Commissioner, Susan Perkins	College	Present
Alternate, Patrick Madama	College	Present
Commissioner, Richard Pucci	Improvement Authority	Absent
Alternate, Jane Leal	Improvement Authority	Present
Commissioner, Deepak Matadha	Mosquito Commission	Present
Alternate, Linda Seguire	Mosquito Commission	Present
Commissioner, Paul Abbey	Roosevelt Hospital	Absent
Alternate,	Roosevelt Hospital	

**APPOINTED FUND PROFESSIONALS AND SERVICE ORGANIZATIONS PRESENT:**

Administrator	North American Insurance Management Corporation Jay McManus Lynn Collins Dave Hissey
Attorney	Patrick J. Diegnan, Jr., Esq.
Auditor	Wiss & Company Scott Clelland
Network Provider	Horizon BCBS of New Jersey Kevin Duffy
Program/Risk Manager	Business & Governmental Insurance Agency Stuart Migdon

**OTHERS PRESENT:**

Joe Priuti  
Jennifer Kaznowski

**ABSENT:**

Albert Kuchinkas  
Erik Ruebenacker

**APPROVAL OF AGENDA**

Moved by Commissioner Perkins and seconded by Commissioner Leal to approve the agenda as submitted.

Roll Call:	Aye:	Chairman Pulomena, Commissioners Fitamant, Skolnick, Perkins, Leal and Matadha
	Nay:	None
	Abstain:	None

**PUBLIC PARTICIPATION**

Chairman Pulomena asked for a motion to open the floor to the public. Moved by Commissioner Fitamant and seconded by Commissioner Perkins to open the floor to the public.

Chairman Pulomena opened the floor to the public.

No one from the public was present to speak. Chairman Pulomena closed the floor to the public.

Chairman Pulomena asked for a motion to close the floor to the public. Moved by Commissioner Leal and seconded by Commissioner Fitamant to close the floor to the public.

Roll Call:	Aye:	Chairman Pulomena, Commissioners Fitamant, Skolnick, Perkins, Leal and Matadha
	Nay:	None
	Abstain:	None

### **APPROVAL OF MINUTES** – July 23, 2013

Moved by Commissioner Matadha and seconded by Commissioner Perkins to approve the minutes of July 23, 2013 Commissioners' Meeting (Public Meeting).

Roll Call:	Aye:	Chairman Pulomena, Commissioners Fitamant, Skolnick, Perkins, Leal and Matadha
	Nay:	None
	Abstain:	None

### **ADMINISTRATOR'S REPORT**

Mr. McManus asked everyone to turn to page 2 of Section II in the Agenda packet where the monthly activities of the Fund Administrator are outlined. Mr. McManus indicated he would like to address in further detail the Review and Scoring of the Prescription Drug claim audit RFP. Three responses were received to the RFP and are in the process of being scored. Since a Commissioner's meeting is not scheduled during the month of August, the intent is to convene a meeting of the Contracts Committee and obtain a consensus on which respondent to select. A Resolution with the Committee's recommendation will then be prepared and emailed to the Commissioners for an Electronic vote. So please be on the lookout for an emailed Resolution toward the middle part of August. Distribution of this Resolution via email is recommended in order to select a vendor and hopefully finalize the audit prior to the final determination of the 2014 budget and rates.

### **FINANCE REPORT**

Mr. Kuchinskas was not present at the meeting. Mr. Hissey provided the financial report. The report is included in Section III of the Agenda packet. For the 2013 Plan Year, there was a \$684,247 surplus for June and a year to date surplus of \$2,039,572. Mr. Hissey also noted a higher than normal level of claim dollars from CIGNA in the early part of July. For the 2012 Plan Year, there is a year to date surplus of \$1,488,651 but remaining IBNR for medical is down to \$65,784. Mr. Hissey indicated that there is sufficient surplus from which to draw in the event IBNR needs to be increased. The 2011 Plan year will be closed as of June 30, 2013 with a surplus of \$4,859,719. The funds will not be allocated at this time.

**Resolution 2013-07-01** to approve the July 23, 2013 Bill List.

Moved by Commissioner Fitamant and seconded by Commissioner Perkins to approve payment of the July 2013 Bill List.

Roll Call:	Aye:	Chairman Pulomena, Commissioners Fitamant, Skolnick, Perkins, Leal and Matadha
	Nay:	None
	Abstain:	None

### **PROFESSIONAL REPORTS**

- a) Auditor: Mr. Clelland stated that the Wiss Report is included in Section IV of the Agenda Packet. Mr. Clelland indicated that the first of two semi-annual eligibility audits for the Fund have been substantially completed and anticipates completion prior to the next scheduled Commissioners Meeting.
- b) Program/Risk Manager: BGIA's report is in Section IV of the Agenda packet. Mr. Migdon stated that the Wellness Coaches process has begun but is not yet on the front line. It is anticipated that employee interaction with Wellness Coaches staff will begin shortly. In addition, Mr. Migdon is continuing discussions with Partners in Care and is ready to begin the RFP process.
- c) Network Provider: Kevin Duffy from Horizon reported that there is one claimant in the 2013 plan year that has breached 50% of the \$500,000 specific deductible. In addition, Mr. Duffy reported that the roll out of Prime Rx (new Rx vendor) for the College and Mosquito went well with only a few minor issues which were resolved immediately.
- d) Attorney: Mr. Diagnan said his report is in Section IV of the Agenda package.

### **OLD BUSINESS**

None

### **NEW BUSINESS**

**Resolution 2013-07-02** to close 2011 Claim Year.

Discussion: Mr. McManus noted that in prior years, the Resolution to close a plan year included a recommended allocation of funds to the Entities. The recommended allocation of Funds is not included in the Resolution to close the 2011 plan year. 2011 was an extraordinary favorable year financially so the recommendation is to set aside a portion of the 2011 surplus in a contingency reserve and allocate the remaining balance back to the Entities. This contingency reserve will then be available to offset future rate adjustments. Creating a contingency reserve and making the funds available to offset future rate increases is especially relevant in light of Chapter 78 and employee cost sharing. It is anticipated that

discussions regarding creation of the contingency reserve will begin in mid-September as the 2014 budget process begins.

Moved by Commissioner Skolnick and seconded by Commissioner Leal to accept the above Resolution.

Roll Call:	Aye:	Chairman Pulomena, Commissioners Fitamant, Skolnick, Perkins, Leal and Matadha
	Nay:	None
	Abstain:	None

### **EXECUTIVE SESSION**

Chairman Pulomena said there was no need to go into Executive Session.

### **OPEN SESSION**

**Resolution 2013-07-03** to accept Commissioner Resignations and **Resolution 2013-07-04** to appoint new Commissioners.

**DISCUSSION:** Chairman Pulomena stated that Resolution 2013-07-03 and 04 will be voted on as one Resolution.

Moved by Commissioner Fitamant and seconded by Commissioner Perkins to approve Resolutions 2013-07-03 and 2013-07-04.

Roll Call:	Aye:	Chairman Pulomena, Commissioners Fitamant, Skolnick, Perkins, Leal and Matadha
	Nay:	None
	Abstain:	None

Subsequent to approval of Resolutions 2013-07-03 and 2013-07-04, Patrick Diegnan (Fund Attorney) swore in Deepak Matadha as Commissioner representing the Mosquito Commission and Linda Seguire as Alternative Commissioner representing the Mosquito Commission.

**Resolution 2013-07-05** to approve increase to CIGNA Imprest Balance.

**DISCUSSION:** Mr. McManus explained that the Imprest Balance is essentially a claim float maintained by the Fund. CIGNA is requesting a \$26,000 increase from the current balance of \$274,000 to \$300,000. This increase will have no impact on the financial statements and was reviewed by the Fund Treasurer.

Moved by Commissioner Fitamant and seconded by Commissioner Perkins to approve increase to CIGNA Imprest Balance.

Roll Call:	Aye:	Chairman Pulomena, Commissioners Fitamant, Skolnick, Perkins, Leal and Matadha
	Nay:	None
	Abstain:	None

**Resolution 2013-07-06** to approve Actuarial Analysis of Claims and Rates.

**DISCUSSION:** Mr. McManus explained that as we move into the 3<sup>rd</sup> and 4<sup>th</sup> phase of employee cost sharing as mandated by Chapter 78, it is recommended that the rates and rate setting process be reviewed by an outside FSA (actuary). Sam Kikla will provide this service for a fee not to exceed \$5,000 and has extensive knowledge of the MCJHIF and the rate setting process.

Moved by Commissioner Fitamant and seconded by Commissioner Perkins to approve the Actuarial Analysis of Claims and Rates.

Roll Call:	Aye:	Chairman Pulomena, Commissioners Fitamant, Skolnick, Perkins, Leal and Matadha
	Nay:	None
	Abstain:	None

**Resolution 2013-07-07** to approve June 2013 Large Claims.

Moved by Commissioner Perkins and seconded by Commissioner Leal to approve June 2013 Large Claims.

Roll Call:	Aye:	Chairman Pulomena, Commissioners Fitamant, Skolnick, Perkins, Leal and Matadha
	Nay:	None
	Abstain:	None

### **OTHER BUSINESS**

None

### **ADJOURN**

Moved by Commissioner Perkins and seconded by Commissioner Leal and approved unanimously to adjourn the meeting at 1:25 p.m.