

MINUTES
OF
MIDDLESEX COUNTY JOINT HEALTH INSURANCE FUND COMMISSIONERS
REGULAR MEETING

October 22, 2013

Chairman Pulomena called the meeting to order at 1:07 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	Absent
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 Seguine	Mosquito Commission	Absent
Commissioner, Paul Abbey	Roosevelt Hospital	Present
Alternate,	Roosevelt Hospital	P/A

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.
Program/Risk Manager	Business & Governmental Insurance Agency Stuart Migdon
Treasurer	Albert Kuchinskas
Actuary	Sam Kikla

OTHERS PRESENT:

Jennifer Kaznowski
Joe Pruiti

ABSENT:

Scott Clelland
Erik Ruebenacker
Kevin Duffy

APPROVAL OF AGENDA

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

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

PUBLIC PARTICIPATION

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

No one from the public was present to speak.

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

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

APPROVAL OF MINUTES – September 24, 2013

Moved by Commissioner Fitamant and seconded by Commissioner Perkins to approve the minutes of March 27, 2012 Commissioners' Meeting (Public Meeting).

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

ADMINISTRATOR'S REPORT

Mr. McManus said his report was included in Section II of the agenda packet. Mr. McManus asked everyone to turn to Section II, page two in the agenda packet. Page two is our report of monthly activities and correspondence for the month of October. In addition to the items listed, notification went out to employees notifying them of the Health Insurance Exchange coverage available. Since the Notification was somewhat confusing, Mr. McManus asked if anyone received feedback due to the notice. No one received calls. A copy of the notice is included on page seven. The Notification was a form developed by HHS and was required to go out to all employees. Our analysis show that probably less than one percent will be eligible for a tax credit under the Exchange. NAIMC (The Fund Administrator) is sponsoring a Health Reform seminar tentatively scheduled for December 5, 2013. All HR staff will be invited. We will address what Health Care Reform really means, the impact on every employee, employer responsibilities, and how it impacts the covered employees under the MJHIF plan. We will be sending invitations out shortly about this session.

Number 16 on the list is the 2014 Rates and Budget. The Rates and Budget were presented to the Budget Committee last week. The resolution to approve the 2014 Rates and Budget are included in Section IV. Mr. McManus reviewed the document later in the meeting.

Open Enrollment is scheduled to begin November 14 and end December 6, 2013. Page 33 of this section is a listing of the supplies which were ordered for your entity. Supplies will be delivered prior to November 14, 2013.

FINANCE REPORT

Mr. Kuchinskas said his report was included in Section III of the agenda packet. The month of September 2013 was an excellent month. For the 2013 year, we had an income of \$325,775. The Fund balance of \$1,679,000 is good for this time of year. In October, Express Scripts credited the Fund with \$528,718 for the first quarter rebate which is \$78,718 more than anticipated.

For the 2012 year, we had net claims of \$18,761. The IBNR set up by Sam Kikla (Fund Actuary) is \$233,849 as of September 30, 2013. This IBNR balance will be more than sufficient to cover the balance of 2012 claims incurred but not yet paid. Mr. Kikla also indicated that the IBNR for Rx can be written off because we don't need that any longer. The IBNR Rx write off in December will be \$272,303.

Resolution 2013-10-01 to approve October 2013 Bill List.

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

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

PROFESSIONAL REPORTS

- a) Program/Risk Manager: BGIA's report is included in Section IV of the agenda packet. The reinsurance provider for stop loss had originally requested a 15% increase; however the final offer had a 35% increase which is about \$355,000 higher than the inforce. The reason why they increased it so dramatically is there are two people who have a hereditary disease and are receiving biweekly treatments. These treatments are approximately \$40,000 per session. The stop loss provider feels these treatments will be ongoing; therefore they are increasing the premium by 35%. We have secured a quote from Sun Life for about \$6,000 less than current rates assuming a \$500,000 specific deductible. Moving to Sun Life will be transparent to the employees.
- b) Attorney: Mr. Diegnan said his report was included in Section IV of the agenda packet.

OLD BUSINESS

None

NEW BUSINESS

Resolution 2013-10-02 to introduce 2014 Budget and Rates.

Discussion: The 2014 Budget and Rates were reviewed last week with the Budget Committee. The outcome of that meeting was just a few minor modifications. Mr. McManus reviewed the proposed 2014 Budget (and rates) with the Commissioners.

Moved by Commissioner Perkins and seconded by Commissioner Fitamant to accept the above Resolution.

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

Resolution 2013-03-03 to Disburse 2011 Calendar Year Funds.

Discussion: The 2011 claim year closed as of June 30, 2012. We have a surplus of \$4.9 million dollars. Losses for 2011 were well below projected, as well as much lower than what was seen in prior years. Rather than releasing the entire amount back to the member entities, we suggest the member entities retain a portion of the surplus and the balance be deposited into a stabilization account. The money is still owned by the member entities, but we are suggesting this money be put aside for future needs. It is recommended that an initial deposit of \$2,000,000 be made into the stabilization account and the \$2,900,000 remaining be distributed back to the entities. \$2,000,000 is a good beginning for the reserve account but we would like to build the reserve to equal one month's worth of claims (\$6,500,000).

Moved by Commissioner Fitamant and seconded by Commissioner Perkins to accept the above Resolution.

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

Resolution 2013-03-04 to appoint Population Management vendor.

Moved by Commissioner Fitamant and seconded by Commissioner Perkins to accept the above Resolution.

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

EXECUTIVE SESSION

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

OPEN SESSION

Resolution 2013-10-05 to Approve Payment of Large Claims

Moved by Commissioner Perkins and seconded by Commissioner Leal to approve payment of large claims.

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

OTHER BUSINESS

None

ADJOURN

Moved by Commissioner Perkins and seconded by Commissioner Fitamant and approved unanimously to adjourn the meeting at 1:55 p.m.