

MINUTES
OF
MIDDLESEX COUNTY JOINT HEALTH INSURANCE FUND COMMISSIONERS
REGULAR MEETING
December 16, 2014

Secretary Fitamant called the meeting to order at 1:10 p.m. Open Public Meeting Act read into Minutes by Secretary Fitamant.

ROLL CALL OF COMMISSIONERS

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| 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 Seguine | Mosquito Commission | Present |
| Commissioner, Paul Abbey | Roosevelt Hospital | Present |
| Alternate, | Roosevelt Hospital | P/A |

*Chairman Pulomena joined the meeting after the Public Hearing session.

APPOINTED FUND PROFESSIONALS AND SERVICE ORGANIZATIONS PRESENT:

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

OTHERS PRESENT:

Kelly Boyd

ABSENT:

Erik Ruebenacker

APPROVAL OF AGENDA

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

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| Roll Call: | Aye: | Secretary Fitamant, Commissioners Cerami, Skolnick, Perkins, Leal, Matadha and Abbey |
| | Nay: | None |
| | Abstain: | None |

BUDGET HEARING

Secretary Fitamant asked for a motion to open the public budget hearing. Moved by Commissioner Perkins and seconded by Commissioner Leal to open the public budget hearing.

Discussion: Mr. McManus asked the Commissioners to turn to page two in Section 1. There is a resolution to adopt the calendar year 2015 budget and rates. The actual budget and rates are included beginning on page five of Section I. Page five and six are the budget and assessment detail for the 2015 budget. The totals on both pages are identical to the budget which was introduced at the October 2014

meeting. There are some differences and adjustments and changes to certain line items. On page five which is the expense detail, adjustments have been made on the JHIF administration line item between line 25 and line 43 relating to column B. These adjustments had to do with expenses brought down to a level not to exceed 2% on any given line item. Column B is the annualized budget line items for 2015 and column C is the 2014 figures and Column D shows the changes. The most significant change which is not a change from the budget introduced at the October 2014 meeting, but is a change worth noting is line 38 which is the Wellness line item. The increase is the expense anticipated to roll the Wellness Program out for 2015. Currently, 2014 was a test mode to review and determine whether the program was beneficial. The Commissioners approved the program to be rolled out the entire JHIF beginning January 1, 2015. This an accommodation for that expense in the budget.

Page 6, the assessments and expenses are the same as what was introduced in October 2014 with one exception to the assessment which is line 11 of the assessment in column B has been increase slightly to accommodate for some hiring which was done at the College. Per Commissioners, the hiring was done subsequent to September 2014 which is when the eligibility was picked up. The assessment was adjusted slightly to accommodate for the additional staff.

Pages 8-11 are the proposed 2015 rates which have not changed since their introduction at the October 2014 Commissioners meeting.

No one from the public was present to speak.

Secretary Fitamant asked for a motion to close the public budget hearing. Moved by Commissioner Perkins and seconded by Commissioner Lean to close the public budget hearing.

Resolution 2014-12-01 – to adopt the 2015 Budget and Rates.

Moved by Commissioner Perkins and seconded by Commissioner Leal to adopt the 2015 Budget and Rates.

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| Roll Call: | Aye: | Secretary Fitamant, Commissioners Cerami, Skolnick, Perkins, Leal 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 Leal 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 Perkins and seconded by Commissioner Fitamant to close the floor to the public.

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

APPROVAL OF MINUTES – November 18, 2014

Moved by Commissioner Perkins and seconded by Commissioner Fitamant to approve the minutes of November 18, 2014 Commissioners' Meeting (Public Meeting).

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

ADMINISTRATOR'S REPORT

Mr. McManus said the Fund Administrator Report is included in Section III of the Commissioners agenda packet. He asked the Commissioners to turn to Section III, page two which is the listing of regulatory activities and correspondence for the month of December 2014. A couple of brief items beginning with number three. We brought in a third part auditor to adjudicate the differences between Express Scripts "true up". Every year Express Scripts does a "true up" between the guarantees in their contract and the actual discounts that were charged and rebates that were received. We than had those numbers audited by Millennium Administrators and there was a significant difference between those two numbers. Significant enough to compel us to look to a third party to determine what the cause was for that difference. The third party issued their written report response to us last week indicating that the results of the Express Scripts "true up" were essentially accurate. There were some minor differences, but they also illustrated for us detail summary of the misconceptions that the auditor classified drugs. At the end of the day, it appears that Express Scripts "true up" was accurate. We will have the third party auditor present in January 2015 their findings.

Chairman Pulomena wants to understand the detail around the Millennium findings.

Last item to discuss is number nine under Correspondence. We did not include the financial package in the November 2014 Commissioners agenda. The report was emailed to the Commissioners early December 2014.

FINANCE REPORT

Mr. Puriti said he did not include the financial reports for November 2014 because all the plan data was not available to complete the report. He will send the November 2014 Financial Report to the Fund Administrator next week. The November 2014 Bill List is included in the Commissioners agenda packet.

Resolution 2014-12-02 to approve the December 2014 Bill List.

Moved by Commissioner Fitamant and seconded by Commissioner Perkins to approve payment of the December 2014 Bill List.

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

PROFESSIONAL REPORTS

- a) **Auditor:** Wiss' Professionals Report is included in Section V of the Commissioners agenda packet. Wiss is finishing up the Second Semi-Annual Eligibility Audit and should have a report for next month's meeting. They have begun to work on the 2014 Year-End Financial Audit.
- b) **Program/Risk Manager:** BGIA's Professionals Report is included in Section V of the Commissioners agenda packet. BGIA is doing a deeper dive to look at the high level claims for Aetna, CIGNA and Horizon. Presently, they have all claim information from Aetna and CIGNA and are waiting for the Horizon November claims to complete the analysis.
- c) **Network Provider:** Horizon's Professionals Report is included in Section V of the Commissioners agenda packet. Kevin Duffy introduced Camille Burnett to the group, she will take Elizabeth Centrone's place assisting Kevin going forward.

Mr. Duffy discussed ABA Services paid in error by Magellan. This affected five MCJHIF members and totaled approximately \$30,000. Horizon will reimburse the MCJHIF for the services.

- d) **Attorney:** Fund Attorney Diegnan's Professionals Report is included in Section V of the Commissioners agenda packet.

OLD BUSINESS

None

NEW BUSINESS

Resolution 2014-12-03 to approve the 2015 Risk Management Plan.

Discussion: No changes were made other than date changes to bring the Plan current for 2015.

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

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

Resolution 2014-12-04 to authorize renewal of contract for Fund Attorney.

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

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

Resolution 2014-12-05 to accept Stop Loss Policy.

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

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

Resolution 2014-12-06 to approve Ceridian extension.

Discussion: This is an extension of the Ceridian services contract which provides COBRA and Direct Billed Retirees billing services. In coordination with the Fund Attorney, we made the decision to extend this contract with no change in cost. The extension will give us enough time to go out to RFP so we can look at other alternatives.

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

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| 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 2014-12-07 to approve payment of Large Claims

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

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

OTHER BUSINESS

None

ADJOURN

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