

MINUTES
OF
MIDDLESEX COUNTY JOINT HEALTH INSURANCE FUND COMMISSIONERS
REGULAR MEETING

July 22, 2014

Secretary Fitamant called the meeting to order at 1:06 p.m. Open Public Meeting Act read into Minutes by Secretary Fitamant.

ROLL CALL OF COMMISSIONERS

Chairman, John Pulomena	County	Absent
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	Absent
Alternate, Patrick Madama	College	Present
Commissioner, Richard Pucci	Improvement Authority	Absent
Alternate, Jane Leal	Improvement Authority	Absent
Commissioner, Deepak Matadha	Mosquito Commission	Present
Alternate, Linda Sequine	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.
Auditor	Wiss & Company Diane Miller
Network Provider	Horizon BCBS of New Jersey Kevin Duffy
Program/Risk Manager	Business & Governmental Insurance Agency Stuart Migdon
Treasurer	Joseph Pruiti

OTHERS PRESENT:

Jennifer Kaznowski
Kelly Boyd

ABSENT:

Erik Ruebinacker

APPROVAL OF AGENDA

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

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

PUBLIC PARTICIPATION

Secretary Fitamant asked for a motion to open the floor to the public. Moved by Commissioner Skolnick and seconded by Commissioner Matadha to open the floor to the public.

No one from the public was present to speak.

Secretary Fitamant asked for a motion to close the floor to the public. Moved by Commissioner Skolnick and seconded by Commissioner Matadha to close the floor to the public.

APPROVAL OF MINUTES – June 24, 2014

Moved by Commissioner Skolnick and seconded by Commissioner Abbey to approve the minutes of June 24, 2014 Commissioners' Meeting (Public Meeting).

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

ADMINISTRATOR'S REPORT

Mr. McManus said his report is included in Section II of the Commissioners agenda packet. Mr. McManus asked everyone to turn to Section II - the Administrator's Report. On page two is the report of our monthly activities and correspondence for July 2014. In addition to items which are included in Section II, there are a couple issues to highlight. We are zeroing in on concluding the Prescription Drug Audit. This has been an ongoing process. At this time, there is a disagreement between the Auditor and ESI relative to the results of the Audit. We conducted a preliminary meeting with the Auditors and Express Scripts last week and have established August 19, 2014 as the date by which the Audit needs to be completed. This would be in anticipation of presenting to this Board of Commissioners a final Audit for their consideration and approval.

The second item relates to number four pertaining to Celerina Murray from Brown & Brown who has concluded the last eligibility audit summary using her eligibility database and hard copy enrollment forms. As of early June, as you know, we went to the electronic database and as of June 5, 2014, the electronic data base is the official database of record. At this point, we are strongly encouraging the discontinued use of Celerina's services and hard copy enrollment forms. They are no longer necessary. To reinforce this with our member entities, we will be sending an "In the Know Communication" which will come from Chairman Pulomena's office reinforcing and outlining this process. We will be following up with additional training.

The last item is with respect to the Aetna Dental Program which will be effective August 15, 2014. As you know we are moving from DSO to Aetna. Communication has gone out to each of the individual affected. We have received some telephone calls which have been positive. We have established a timeline for implementation.

Dave Hissey noted that the primary function is updating the eligibility. This is where the Unicorn Eligibility Database is great because we were upload data directly into Aetna. We just received the first error report last night and errors are very minimal. There are a few adjustments to complete. The majority of the errors are PCD numbers which will be addressed and loaded into Aetna by the end of the week. We will be up and ready to go on August 15, 2014. Aetna will communicate with the affected employees on or about August 5, 2014. The mailing will include a Welcome Packet including instruction on how the program works.

FINANCE REPORT

We are closing out the 2012 fund year by resolution. Page one of the enclosed packet includes a chart which we can follow the chart. We had a very good month. For 2012, there was a gain of \$183,129 was made up of released incurred but not billed reserves. We had \$25,000 leftover in the Rx and approximately \$165,000 in medical. By releasing them we had a profit for the Fund that year and we will be ready to close the year as soon as the resolution is approved.

For 2013, we saw a huge jump in the estimated Rx rebates. We had projected a \$1.8 million and they came out closer to \$2.2 million. The additional amount is over budget so that is extra profit for the Fund as well. The plan year to date fund balance for 2013 is \$2,730,000. In addition, we have a \$2,000,000 contingency reserve.

For 2014, the gain was \$671,000. The difference is we changed our methodology of how we charge our Rx invoices. In the past we charged them to the months they were received and now we are splitting the invoices up and posting them in the actual month thy charges were incurred. The invoices are itemized and note the period they cover and we allocating each day to the appropriate month. There is no longer a need for incurred but not paid during the year for Rx. We estimate about \$94,000 per month for March through June, so this is also extra profit for the Fund as well. We will continue this process each month for the remainder of the year. Next year we will communicate with the Fund Actuary to no longer use the IBNR.

Resolution 2014-07-01 to approve the July Bill List.

Moved by Commissioner Perkins and seconded by Commissioner Leal to approve payment of the July 2014 Bill List.

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

Resolution 2014-07-02 to close 2012 Calendar Year.

Moved by Commissioner Madama and seconded by Commissioner Matadha to close 2012 Calendar Year.

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

PROFESSIONAL REPORTS

- a) Auditor: Wiss' report is included in Section IV of the Commissioners' agenda packet. The original letter which is preliminary data is included in the packet. I've given the Assistant Fund Administrator another letter which concludes our Semi-Eligibility procedures. Of the 200 samples from the March database there were four discrepancies which needed to be correct, nothing too significant. The first three were insignificant changes to the database and the fourth was an employee who covered his spouse who was also an employee. The spouse also had coverage and covered her spouse. The two records were combined and corrected. We have concluded the audit.
- b) Program/Risk Manager: BGIA's report is included in Section IV of the Commissioners' agenda packet. Next month we will be discussing the Wellness Coach potential implementation. With the help of the MCJHIF, we have a tracking system and are getting information from all the entities. The data will allow us to give an accurate quote of what it will cost to implement the program.
- c) Network Provider: Horizon's report is included in Section IV of the Commissioners' agenda packet. Minimal high claims, we had two for 2013 at \$25,000 or more and there were eleven claims for 2014. We have one member who is getting close to the attachment point with about \$400,000 in paid claims. This is one of our chronic members who for the last two or three years has generally gotten above the attachment point. They should hit the attachment point in the next two or three months. At that time we will communicate the information to the stop loss vendor to confirm the Fund gets the appropriate reimbursements.

Next, there is a quick letter in the report updating everyone that Fox Chase and Jeanes Hospital has joined the Horizon network.

- d) Attorney: Mr. Diagan's report is included in Section IV of the Commissioners' agenda packet.

OLD BUSINESS

None

NEW BUSINESS

None

EXECUTIVE SESSION

Secretary Fitamant said there was no need to go into Executive Session.

OPEN SESSION

Resolution 2014-07-03 to approve payment of Large Claims

Moved by Commissioner Skolnick and seconded by Commissioner Matadha to approve payment of large claims.

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

OTHER BUSINESS

None

ADJOURN

Moved by Commissioner Abbey and seconded by Commissioner Matadha and approved unanimously to adjourn the meeting at 1:22 p.m.