

MINUTES
OF
MIDDLESEX COUNTY JOINT HEALTH INSURANCE FUND COMMISSIONERS
REGULAR MEETING
October 28, 2014

Secretary Fitamant called the meeting to order at 1:05 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	Present
Alternate, Norman Skolnick	Board of Social Services	Absent
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	Absent
Alternate, Linda Seguine	Mosquito Commission	Present
Commissioner, Paul Abbey	Roosevelt Hospital	Absent
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 Scott Clelland
Network Provider	Horizon BCBS of New Jersey Elizabeth Centrone
Program/Risk Manager	Business & Governmental Insurance Agency Stuart Migdon
Treasurer	Joe Pruiti

OTHERS PRESENT:

Kelly Boyd
Lori Ferrazzoli

ABSENT:

Erik Ruebenacker

APPROVAL OF AGENDA

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

Roll Call:	Aye:	Secretary Fitamant, Commissioners Cerami, Byrd, Perkins, Leal and Seguire
	Nay:	None
	Abstain:	None

PUBLIC PARTICIPATION

Secretary Fitamant asked for a motion to open the floor to the public. Moved by Commissioner Perkins and seconded by Commissioner Lean 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 Perkins and seconded by Commissioner Byrd to close the floor to the public.

Roll Call:	Aye:	Secretary Fitamant, Commissioners Cerami, Byrd, Perkins, Leal and Seguire
	Nay:	None
	Abstain:	None

APPROVAL OF MINUTES – October 28, 2014

Moved by Commissioner Byrd and seconded by Commissioner Perkins to approve the minutes of October 28, 2014 Commissioners Meeting (Public Meeting).

Roll Call:	Aye:	Secretary Fitamant, Commissioners Cerami, Byrd, Perkins, Leal and Seguire
	Nay:	None
	Abstain:	None

ADMINISTRATOR'S REPORT

Mr. McManus said his report was included in Section II of the Commissioners agenda packet. He asked everyone to turn to Section II, page 2 where there is a listing of Activities and Correspondence for the month of October. In addition to what was listed under activities, he wanted to touch on item number 3. As discussed in prior meetings, we have reviewed the audit results as drafted by Millennium Administrators of the ESI prescription drug program for the 2012 plan year. Millennium provided a Final Audit Report and ESI provided a written response with differing opinions. The decision was made therefore to engage an independent third party in order to evaluate the data sets and methodology in order to resolve these differences of opinion by year end.

Mr. McManus also discussed Open Enrollment which will begin on November 1st. Hard copy supplies have been distributed to each entity. Please contact our office if additional supplies are needed. In addition, Open Enrollment information has been posted on the MCJHIF website. Linda Seguire (Mosquito Commission) asked if her employees would be able to attend Open Enrollment meetings if held at any of the larger entities. Mr. McManus answered yes and also indicated that Dave Hissey from the Fund Administrators office will be available to meet with Mosquito employees.

Mr. McManus referenced the flu shot program available from the insurance carriers and asked Dave Hissey to elaborate. All carriers have relationships with pharmacies who will come on site and provide flu shots. There is an issue with the billing process through CIGNA which we are working to resolve. An announcement email relative to the Flu shot program will be distributed later this week.

FINANCE REPORT

Mr. Pruiti said that his report is included in Section III of the Commissioners agenda packet. For the month of September, there was a \$638,375 loss in the 2014 plan year. Mr. Pruiti asked Dave Hissey to elaborate. Claim utilization for September was driven by a \$500,000 pre mature baby claim from Horizon and payment of several months of two separate ongoing claims for lipidoses. Regarding the 2013 Plan year, Mr. Pruiti stated that \$250,000 was moved from surplus to IBNR in order to cover additional 2013 claims which may be submitted prior to closing of the plan year as of June 30, 2015.

Mr. McManus added that the \$250,000 transfer to 2013 IBNR from surplus was made at the recommendation of the fund actuary, Sam Kikla. Further, despite this transfer, there remains a healthy surplus in the 2013 plan year projected to exceed \$2,300,000 when the claim year closes.

Mr. McManus added to Mr. Hissey's comments regarding large claim activity in September for the 2014 plan year. As mentioned, September claims were impacted by the expenses for premature twins and payment of several months of the lipidoses claims. These claims have, or will shortly breach the \$500,000 specific deductible. Individual claims over the \$500,000 specific will be reimbursed by reinsurance thereby eliminating any further impact of these large claims on the Fund for the 2014 plan year.

Resolution 2014-10-01 to approve the Bill List.

Moved by Commissioner Byrd and seconded by Commissioner Perkins to approve payment of the October 28, 2014 Bill List.

Roll Call:	Aye:	Secretary Fitamant, Commissioners Cerami, Byrd, Perkins, Leal and Seguire
	Nay:	None
	Abstain:	None

PROFESSIONAL REPORTS

- a) **Auditor**: Wiss' report is included in Section IV of the Commissioners agenda packet. Scott Clelland reported that Wiss is in the process of beginning the second semi-annual eligibility audit. Data used for the audit was obtained from the UNICORN eligibility system for the first time.
- b) **Program/Risk Manager**: BGIA's report is included in Section IV of the Commissioners agenda packet. Stuart Migdon reported that the report includes a summary of 2013 and 2014 reinsurance claims.
- c) **Network Provider**: Horizon's report is included in Section IV of the Commissioners agenda packet. Elizabeth Centrone reported that the large claim detail is in the agenda packet. Also, that Horizon flu shot information has been distributed.

- d) Attorney: Mr. Diegman's report is included in Section IV of the Commissioners agenda packet. Mr. Diegman reminded the Commissioners that he sent everyone the Indemnity and Trust Agreements and asked for them to be signed and returned.

OLD BUSINESS

None

NEW BUSINESS

Resolution 2014-10-02 to adopt the 2015 Budget and Rates.

Discussion: The 2015 Budget and Rates were reviewed on October 21, 2014 with the Budget Committee. The outcome of that meeting was to recommend the proposed budget and rates to the Commissioners for review and approval. Mr. McManus reviewed the proposed 2015 Budget (and rates) with the Commissioners. The proposed budget includes a transfer of \$1,686,116 from the Contingency Fund to the 2015 plan year. Moving funds to the 2015 plan year will reduce rates (and Chapter 78 contributions) in addition to the assessments for each entity.

Linda Seguire questioned how the assessment was determined for the Mosquito Commission. Mr. McManus responded that the assessment is based on the rates as determined by the Fund Actuary times census, but will follow up with the Fund Actuary relative to Mosquito.

Moved by Commissioner Seguire and seconded by Commissioner Perkins to approve the 2015 Budget and Rates.

Roll Call:	Aye:	Secretary Fitamant, Commissioners Cerami, Byrd, Perkins, Leal and Seguire
	Nay:	None
	Abstain:	None

Resolution 2014-10-03 to disburse the 2012 Calendar Year Funds.

Discussion: Commissioner Fitamant reiterated comments made by Mr. McManus during the budget discussion and informed the Commissioners that this resolution will authorize the transfer of the \$1,686,116 surplus from the 2012 plan year to the Fund Contingency Reserve.

Moved by Commissioner Seguire and seconded by Commissioner Byrd to accept the above Resolution.

Roll Call:	Aye:	Secretary Fitamant, Commissioners Cerami, Byrd, Perkins, Leal and Seguire
	Nay:	None
	Abstain:	None

Resolution 2014-10-04 to approve Wellness Coach Program.

Discussion: Mr. McManus and Mr. Migdon jointly explained the Wellness Coaches program to the Commissioners. The program is a continuation of the pilot Wellness Coaches program in effect for the County in 2014. As proposed, Wellness Coaches will be available to all active employees of the entities comprising the JHIF. Commissioner Byrd expressed reservations due to time constraints for the employees at Social Services but otherwise understood the value of the program.

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

Roll Call:	Aye:	Secretary Fitamant, Commissioners Cerami, Byrd, Perkins, Leal and Seguire
	Nay:	None
	Abstain:	None

EXECUTIVE SESSION

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

OPEN SESSION

Resolution 2014-10-05 to approve September 2014 Large Claims

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

Roll Call:	Aye:	Secretary Fitamant, Commissioners Cerami, Byrd, Perkins, Leal and Seguire
	Nay:	None
	Abstain:	None

OTHER BUSINESS

None

ADJOURN

Moved by Commissioner Seguire and seconded by Commissioner Byrd and approved unanimously to adjourn the meeting at 2:16 p.m.