

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

**March 24, 2015**

Chairman Pulomena called the meeting to order at **1:04 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	Absent
Commissioner, Susan Perkins	College	Present
Alternate, Patrick Madama	College	Absent
Commissioner, Richard Pucci	Improvement Authority	Absent
Alternate, Lory Cattano	Improvement Authority	Present
Commissioner, Deepak Matadha	Mosquito Commission	Present
Alternate, Linda Seguine	Mosquito Commission	Absent
Commissioner, Alan Fialka	Roosevelt Hospital	Present
Alternate,	Roosevelt Hospital	

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

Administrator	North American Insurance Management Corporation Dave Hissey Patti Fahy
Attorney	Patrick J. Diegnan, Jr., Esq.
Auditor	Wiss & Company Scott Clelland Diane Miller
Network Provider	Horizon BCBS of New Jersey Kevin Duffy
Program/Risk Manager	Business & Governmental Insurance Agency Stuart Migdon
Treasurer	Joe Pruiti

**OTHERS PRESENT:**

Kelly Boyd  
Lori Ferrazzoli

**ABSENT:**

Jay McManus  
Lynn Collins  
Erik Rubenacker

**APPROVAL OF AGENDA**

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

Roll Call:	Aye:	Chairman Pulomena, Commissioners Fitamant, Perkins, Cattano, Matadha, and Fialka
	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.

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 Fitamant and seconded by Commissioner Perkins to close the floor to the public.

Roll Call:	Aye:	Chairman Pulomena, Commissioners Fitamant, Perkins, Cattano, Matadha, and Fialka
	Nay:	None
	Abstain:	None

## **APPROVAL OF MINUTES** – February 24, 2015

Moved by Commissioner Fitamant and seconded by Commissioner Perkins to approve the minutes of February 24, 2015 Commissioners' Meeting (Public Meeting).

Roll Call:	Aye:	Chairman Pulomena, Commissioners Fitamant, Perkins, Cattano, Matadha, and Fialka
	Nay:	None
	Abstain:	None

## **ADMINISTRATOR'S REPORT**

Dave Hissey said his report is included in Section II of the Commissioners agenda packet. On page 2 of the report is a listing of monthly activities and correspondence for March 2015. Mr. Hissey addressed numbers 6 and 7 under monthly activities. A Contracts Committee meeting was held on March 6, 2015 in order to evaluate responses to the RFP for Professional Services. The result of this meeting was a recommendation from the Committee to re appoint all current Professionals for a new term beginning April 1, 2015 (May 1, 2015 for the Fund Auditor). Further detail will be provided during New Business. Mr. Hissey indicated that the COBRA/Retiree Billing RFP responses were opened on March 13, 2015 and is in the process of being scored.

Mr. Hissey addressed item 12 relative to the Unicorn eligibility system. While isolated and individual errors continue to arise, particular with Ceridian, the electronic transmission of eligibility process is going well. The most recent Aetna and Horizon fall out/error reports contained only a handful of minor errors which were easily addressed and resolved.

Relative to number 8 under Correspondence, Mr. Hissey addressed the recent Cyber-attack on Anthem Blue Cross. As Anthem is a separate and independent company from Horizon, very few MCJHIF members were affected. A letter from Anthem will be sent to all individuals affected explaining the breach and offering one free year of identify protection services. Kevin Duffy from Horizon emphasized that there is no evidence that the data breach included credit card, banking or personal health information.

Mr. Hissey reported that effective April 13, 2015 Express Scripts will block coverage of high cost pain patches and compounding kits from all pharmacies. These patches and kits carry an average cost of \$800 per script while the active ingredients are inexpensive. There will be limited impact on Fund members. The Express Scripts announcement of this decision was not received until after the Agenda packets were prepared so an overview of the exclusion will be sent to the Commissioners and HR staffs via email.

## **FINANCE REPORT**

Joe Pruiti distributed the January 2015 financials. The 2014 plan year is showing a loss of \$1,727,469 through January 31, 2015. This loss would have been higher, but as a result of the 2014 audit and post-closing adjustments an additional \$681,000 was credited to accounts receivable. This increase in accounts receivable is necessitated due to anticipated reinsurance reimbursements for claims incurred in 2014.

For the 2012 plan year there was a post-closing credit of \$79,531. These funds will be added to the contingency reserve. Scott Clelland from Wiss asked if the Fund would ratify this transfer of \$79,531 of 2012 funds to the contingency reserve by means of a Resolution. Patrick Diegnan indicated that his recommendation (prior to the March 24, 2015 Commissioners Meeting) was to address this post closing transfer of funds by means of discussion during the Fund Treasurer's report and reflect said discussion in the meeting minutes. The Commissioners agreed to the transfer of \$79,531 from the 2012 plan year to the contingency reserve. In the absence of a Resolution to this effect, Chairman Pulomena suggested that the minutes reflect the discussion relative to the transfer of 2012 funds to the contingency reserve and also indicate that a formal Resolution be prepared for the April meeting in order to ratify what was verbally agreed to by the Commissioners. This suggestion by Chairman Pulomena was acceptable to Scott Clelland of Wiss and the Commissioners. A Resolution will be prepared in this regard for ratification by the Commissioners at the April 2015 Commissioners meeting.

Joe Pruiti reported that through January 2015, there is a surplus of \$925,783 for the 2015 plan year, a negative balance of \$1,727,469 for 2014 and a surplus of \$3,473,503 for the 2013 plan year.

**Resolution 2015-03-01** to approve March 2015 bill lists.

Moved by Commissioner Perkins and seconded by Commissioner Fitamant to approve payment of the amended March 2015 Bill List.

Roll Call:	Aye:	Chairman Pulomena, Commissioners Fitamant, Perkins, Cattano, Matadha, and Fialka
	Nay:	None
	Abstain:	None

## **PROFESSIONAL REPORTS**

- a) Auditor: Scott Clelland indicated that a draft of the 2014 financial report is included in Section 4 of the Commissioners agenda packet beginning on page 4. After preparation of this draft, additional information was received relative to expected reinsurance reimbursements. This information will increase Accounts Receivable and reduce the overall deficit by \$681,000 thus requiring adjustments in the draft as enclosed. The revised draft will be available by Friday of this week and will be sent to the Fund Administrator for review and distribution to the Commissioners. Diana Miller then summarized the details of the 2014 audit as contained within the agenda packet.
- b) Program/Risk Manager: Stuart Migdon indicated that his report is included in Section IV of the Commissioners agenda packet. Mr. Migdon also addressed the idea of posting Wellness Coaches utilization reports on the County intranet or internet. Chairman Pulomena agreed and indicated that in addition to the posting of Wellness Coaches data, the intranet would be an excellent repository of data relative to the Commissioners Meetings (minutes, financial statements, etc...). He asked Dave Hissey as a representative of the Fund Administrator to explore the possibility of creating an intranet or internet site for this purpose.

The issue of the HorizonbFit program originally discussed in the March professional meetings was discussed. Chairman Pulomena questioned the fixed cost to the Fund of introducing such a program. Kevin Duffy from Horizon explained that the Fund will absorb a cost of \$1.50 /member per month for every member enrolling in the program. Further, those members who visit a member fitness center 12 times per month will receive \$20 off their monthly bill. The Fund would absorb this cost as well. Chairman Pulomena questioned whether or not expenditure of these funds will cause an issue with the unions as union members pay for a portion of the cost for medical coverage.

c) Network Provider: Kevin Duffy indicated that the Horizon report is included in Section IV of the Commissioners agenda packet.

d) Attorney: Fund Attorney Diegnan's Professional Report is included in Section IV of the Commissioners agenda packet.

## **OLD BUSINESS**

None

## NEW BUSINESS

### Resolution 2015-03-02 Award 2015 Professionals Service Agreements

**Discussion:** Mr. Hissey reported that a Contracts Committee meeting was held on March 6, 2015. It was the recommendation of the Contracts committee to make the appointments as follows:

<u>Executive Director/Fund Manager:</u>	North American Insurance Management
<u>Risk Manager:</u>	Business & Government Insurance Agency
<u>Fund Auditor:</u>	Wiss & Company
<u>Fund Actuary:</u>	Samuel Kikla
<u>Actuary- GASB 43 and 45:</u>	Samuel Kikla
<u>Litigation Attorney:</u>	Eric Bernstein & Associates
<u>Rx Consultant:</u>	Millennium Administrators, Inc.

The scoring sheet and minutes of the Contracts Committee meeting are included in Section VI of the Agenda packet.

Moved by Commissioner Fitamant and seconded by Commissioner Perkins to approve above resolution.

Roll Call:	Aye:	Chairman Pulomena, Commissioners Fitamant, Perkins, Cattano, Matadha, and Fialka
	Nay:	None
	Abstain:	None

## OPEN SESSION

### Resolution 2015-03-04 to approve February 2015 Large Claims

Moved by Commissioner Fitamant and seconded by Commissioner Perkins to approve February 2015 Large Claims.

Roll Call:	Aye:	Chairman Pulomena, Commissioners Fitamant, Perkins, Cattano, Matadha, and Fialka
	Nay:	None
	Abstain:	None

## OTHER BUSINESS

None

**ADJOURN**

Moved by Commissioner Fitamant and seconded by Commissioner Perkins and approved unanimously to adjourn the meeting at 1:45.