

MINUTES
OF
MIDDLESEX COUNTY JOINT HEALTH INSURANCE FUND COMMISSIONERS
REGULAR MEETING
Tuesday, May 24, 2016

Chairman Pulomena called the meeting to order at 1:10 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	Present
Alternate, Norman Skolnick	Board of Social Services	Absent
Commissioner, Susan Perkins	College	Present
Alternate, Patrick Madama	College	Absent
Commissioner, Lory Cattano	Improvement Authority	Present
Alternate,	Improvement Authority	
Commissioner, Deepak Matadha	Mosquito Commission	Present
Alternate, John Kranz	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 Jay McManus Dave Hissey
Attorney	Patrick J. Diegnan, Jr., Esq.
Network Provider	Horizon BCBS of New Jersey Mike Mauro
Program/Risk Manager	Business & Governmental Insurance Agency Andrew Dascoli
Treasurer	Joe Pruiti

OTHERS PRESENT:

Kelly Boyd
Lori Ferrazzoli
Giaet DeLaCruz
Anna Casillo

ABSENT:

Lynn Collins
Stuart Migdon
Brian Rosenson
Sara Picard

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, Byrd Perkins, Cattano, Matadha and Fialka
	Nay:	None
	Abstain:	None

PUBLIC PARTICIPATION

Commissioner 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.

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

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

APPROVAL OF MINUTES – April 27, 2016

Moved by Commissioner Perkins and seconded by Commissioner Fialka to approve the minutes of the April 27, 2016 Commissioners' Meeting (Public Meeting).

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

ADMINISTRATOR'S REPORT

Mr. McManus said his report is included in Section II of the Commissioners agenda packet. He asked everyone to turn to Section II. On page two, is a listing of our activities and correspondence for the month of May. In addition to the items, please see item number eight: *Age in Mailing to all Retirees*. The purpose of this mailing is to inform all retirees obtaining age 65 in the next year that they will need to enroll in Medicare Part B. In the event this mailing generates questions to your staff, please direct these individuals to call our office.

Items nine and ten under Monthly Activities relate to *2017 Plan Design Alternatives*. Mr. McManus informed the group that the Plan Actuary, Sam Kikla will be attending the Professionals' meeting in June and will discuss wellness initiatives and potential plan design changes. Mr. McManus asked Dave Hissey to discuss meetings held over the past several weeks with Commissioners from all entities. Mr. Hissey reported that he addressed potential Rx and Medical copay changes with each entity. All meetings went well. The bargaining units at MCI/RCC were finalized in the past year and it is unlikely that the units will accept the potential changes discussed. While negotiations are ongoing at the College, Susan Perkins indicated that the bargaining units will likely resist significant changes.

Rich Fitamant suggested the possibility of reducing the current Chapter 78 employee contributions due to the sun setting of the law in order to offset the impact of higher copays on the membership. Chairman Pulomena interjected that Chapter 78 sunsetting can be interpreted differently and may mean continuation of the status quo. Commissioner Fitamant further stated that his employees will more likely support increases in co pays and the Rx formulary if there is a reduction in payroll contributions. Chairman Pulomena stated that any changes in the Chapter 78 contributions should be consistent for all JHIF entities.

Jay McManus suggested that the lower cost Horizon Omnia plans will offer employees the option of reducing payroll contributions for employees. He further explained the Omnia plan in detail and emphasized the differences between Tier One and Tier Two network providers. The Omnia plan will be attractive to members whose providers are considered Tier One. John Pulomena suggested that a script be prepared detailing the benefits in the Omnia plan in order to ensure the respective HR staff members are

able to properly and consistently explain these benefits to all interested members. Mike Mauro from Horizon offered to attend Open Enrollment meetings in order to assist in explaining the Omnia plan.

Pat Byrd asked the group if mandated Chapter 78 contributions for Retirees will apply to those retiring at age 62 with 15 years of service. Dennis Cerami responded that these 15/62 retirees are required to pay Chapter 78 contributions in the same manner as other Premium Free retirees.

Jay McManus informed the Commissioners of the intent to post an RFP for administration of the self-funded medical plans (CIGNA, Aetna, and Horizon). The purpose of the RFP is primarily to obtain a three year rate guarantee and possibly reduce the current fees. Dennis Cerami stated that bargaining unit agreements require that a set number of HMO plans be offered (not specific carriers). After some discussion, Chairman Pulomena indicated that during the negotiation process this year, he will work to eliminate requirements that the MCJHIF offer a set number of HMOs.

In closing, Jay McManus informed the Commissioners that an evaluation is underway relative to over age 65 retiree prescriptions. The Employee Group Waive Program (EGWP) is an alternative way of funding retiree claims. If savings dictate, a presentation will be made to the Commissioners relative to savings and the limited impact on the retiree group.

FINANCE REPORT

In Mr. Pruiti's absence, Dave Hissey presented the Finance Report. Mr. Hissey indicated that the Bill List is included in the Commissioners agenda packet. There was an \$86,000 surplus in April for the 2016 plan year and a YTD loss of \$1,450,000. There was \$680,000 of 2015 claims paid in May which used a significant amount of the remaining 2015 IBNR. As of April 30th, there is a \$245,000 balance remaining in 2015 IBNR. Based on claims paid in prior years, the JHIF will come very close to depleting 2015 IBNR by the closing date of 6/30/2017. There was \$7,000 of 2014 claims paid in April and the IBNR balance is over \$345,000. It is anticipated that when the 2014 fund year closes as of 6/30/2016, there will be over \$330,000 of IBNR remaining which will be rolled over to surplus and will reduce the 2014 deficit to \$1,480,000.

Resolution 2016-05-01 to approve the May Bill List.

Moved by Commissioner Fitamant and seconded by Commissioner Byrd to approve payment of the May 2016 Bill List.

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

PROFESSIONAL REPORTS

- a) **Auditor:** Dave Hissey indicated that the 2015 Financial Audit is complete and copies of the Audit are here and available for each Commissioner.
- b) **Program/Risk Manager:** Andrew Dascoli indicated that BGIA's professional report is included in Section IV of the Commissioners agenda packet. Mr. Dascoli indicated that two claims have breached the 2015 specific deductible and no claims have breached 2016. The Wellness Coaches

outreach to the College has gone well and it is anticipated that participation by members at the College will continue to increase. Mr. Dascoli read an email from a member to Wellness Coaches praising the program and a specific Wellness Coach Nurse. In regards to Partners in Care, we are moving forward in evaluating their new model of tracking claim information and data points. The projected Go Live date is August 1, 2016.

- c) Network Provider: Mr. Mauro gave out copies of the Horizon report at the meeting. Mr. Mauro did a quick comparison of 2016 vs. 2015 on a high level. For 2016 thru April, there are 26 claims over \$25,000. For the 2015 plan year through April, there were 29 claims over \$25,000.
- d) Attorney: Mr. Diegnan's professional report is included in Section IV of the Commissioners agenda packet.

OLD BUSINESS

None

NEW BUSINESS

None

EXECUTIVE SESSION

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

OPEN SESSION

Resolution 2016-05-02 to approve payment of Large Claims

Moved by Commissioner Perkins and seconded by Commissioner Byrd to approve payment of Large Claims.

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

OTHER BUSINESS

None

ADJOURN

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