

MINUTES
OF
MIDDLESEX COUNTY JOINT HEALTH INSURANCE FUND COMMISSIONERS
REGULAR MEETING
September 27, 2016

Chairman Pulomena called the meeting to order at 1:14 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	P/A
Commissioner, Deepak Matadha	Mosquito Commission	Present
Alternate, John Kranz	Mosquito Commission	Absent
Commissioner, Alan Fialka	Roosevelt Hospital	Present
Alternate,	Roosevelt Hospital	P/A

APPOINTED FUND PROFESSIONALS AND SERVICE ORGANIZATIONS PRESENT:

Administrator	North American Insurance Management Corporation Lynn Collins Dave Hissey
Attorney	Patrick J. Diegnan, Jr., Esq.
Auditor	Wiss & Company Scott Clelland
Network Provider	Horizon BCBS of New Jersey Mike Mauro
Treasurer	Joe Pruiti

OTHERS PRESENT:

Kelly Boyd
Giaet DeLaCruz
Anna Casillo

ABSENT:

Jay McManus
Brian Rosenson
Sara Picard
Stuart Migdon

APPROVAL OF AGENDA

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

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

APPROVAL OF MINUTES – September 27, 2016

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

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

ADMINISTRATOR'S REPORT

Mr. Hissey covered the meeting for Mr. McManus. He said the Fund Administrator report was included in Section II of the Commissioners agenda packet. Mr. Hissey asked that everyone turn to Section II, page two under Monthly Activities, numbers eight and ten. Our office scored the Claims Administrator RFP. The purpose of the RFP was to market the administrative services for the medical plans currently administered by Horizon, Aetna and Cigna. We held a Contracts Committee meeting on August 30th and evaluated responses offered from Aetna, CIGNA and Horizon. CIGNA offered a decrease in the 30-40% range. Horizon offered a three year guarantee with no increase from the 2016 rate. Aetna originally offered a 3% increase per year, but upon negotiation the 3% was waived for the first year.

Number 15, Budget and Rates preparation: We have been working with the Fund Actuary concerning the 2017 budget. Just to be clear, the budget will be rated based on the current plan designs. Assessments and rates will be based on deductibles, coinsurance and copays currently in place. In the event your entity agrees to make the changes, you will then be given the revised rates that will reduce the assessment. If your entity is able to make the changes in the plan based on negotiations with the bargaining units, please let me know right away. Once we hear from all entities, rates and assessments will be adjusted accordingly.

The JHIF received a check for \$9,681.95 or so from Oxford on account of the minimum loss ratio provision as defined in the ACA.

Aging-out reports, which detail dependents turning 26 in 2016 were sent to each entity. These dependent should be termed as of December 31, 2016 and offered COBRA. Please have the HR staff update ICON with these terminations in the next six to eight weeks.

Open Enrollment will begin on November 1 and end on November 30, 2016.

FINANCE REPORT

Mr. Pruiti said August Financials were included in Section III of the Commissioners agenda packet and he put a copy of the August Financials in everyone's agenda. To recap, for the 2016 fund year, all health plans were over budget which caused a \$452,819 deficit this month. Prescription drug was on budget for the month.

Chairman Pulomena asked Mr. Pruiti and Mr. Hissey if they felt this was a trend. Mr. Hissey responded that we made \$10,000 or \$11,000 for July so basically July was flat. It is hard to say for certain but claims have been trending higher. No claims have breached the \$500,000 attachment point for reinsurance.

Resolution 2016-09-01 to approve the August and September Bill Lists.

Moved by Commissioner Byrd and seconded by Commissioner Fitamant to approve payment of the August and September 2016 Bill Lists.

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

PROFESSIONAL REPORTS

- a) **Auditor**: Wiss' professional report is included in Section IV of the Commissioners agenda packet. Mr. Clelland asked that everyone turn to page 37 of Section IV to see the results of the first Semi-Annual Eligibility Audit. Wiss looked at 225 transactions between the medical and dental plans. There were three exceptions in the database which were different than the billings. The information was provided to the appropriate parties to make the adjustments. The second audit will begin shortly.

- b) **Program/Risk Manager**: BGIA's professional report is included in Section IV of the Commissioners agenda packet. Mr. Hissey said Mr. Migdon asked him to mention that he is working on the 2017 Reinsurance renewal. It is too early to report specifics since all quotes have not been received. Mr. Migdon will report more on this next month. Also, he received the initial renewal from Oxford which was a 12.5% increase. 12.5% is high but in prior years the renewal increase was negotiated down.

Mr. Migdon, has evaluated the five responses to the Onsite Medical Center RFP and has chosen three companies for onsite meetings. Ms. Collins, Mr. McManus and I will attend these sessions. The quoted cost ranges from \$700,000 per year on the low end to \$1,300,000 on the high end

- c) **Network Provider**: Horizon's professional report is included in Section IV of the Commissioners agenda packet. Mr. Mauro said that Christi Cammarota, the new Horizon Account Representative assigned to the MCJHIF was effective as of September 1, 2016. Mr. Mauro will bring her with him to enrollment events. He will send the Fund Administrator's office the new contact information so that it can be sent to the entities.

Mr. Mauro also followed up with Commissioner Matadha to confirm that the issues which were discussed two months ago have been resolved except for one. Mr. Mauro has tried to contact the one member a few times and so far has not heard back from the member. Mr. Mauro asked Commissioner Matadha if there was a better number to reach the member and Commissioner Matadha said he would talk to the member and let Mr. Mauro know.

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

OLD BUSINESS

None

NEW BUSINESS

Resolution 2016-09-02 to approve Claims Administrative Services vendors.

Discussion: Mr. Hissey said the RFP was for the purpose of getting a downward trend in the administrative fees paid to the health plans which was successful. The resolution is asking for approval to retain Aetna, CIGNA and Horizon for the next three years with the fees as quoted. There is a chart behind the resolution with the fees.

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

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

EXECUTIVE SESSION

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

OPEN SESSION

Resolution 2016-09-03 to approve payment of Large Claims

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

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

OTHER BUSINESS

None

ADJOURN

Moved by Commissioner Perkins and seconded by Commissioner Fitamant and approved unanimously to adjourn the meeting at 1:25 p.m.