

SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND
OPEN MINUTES
APRIL 23, 2018
CHERRY HILL FIRE DISTRICT
6:00 PM

Meeting of Executive Committee called to order by Chair Mevoli. Open Public Meetings notice read into record.

PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE

WELCOME -

ROLL CALL OF 2018 EXECUTIVE COMMITTEE:

Michael Mevoli, Chairman	Borough of Brooklawn	Present
M. Joseph Wolk, Secretary	Borough of Mt. Ephraim	Present
Louis Di Angelo	Borough of Bellmawr	Present
Terry Shannon	Borough of Barrington	Present
Jack Lipsett	Gloucester City	Present
Neal Rochford	Haddonfield	Present
Edward Hill	CCBOSS	Present

APPOINTED PROFESSIONALS PRESENT:

Executive Director/Adm.	PERMA Risk Management Services Emily Koval
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Program Manager	Conner Strong & Buckelew Brandon Lodics Maggie Friel
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Attorney	J. Kenneth Harris, Esq.
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Medical TPA - AmeriHealth	Mike Murphy
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Medical TPA - Aetna	Joe Rodrigues
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Express Scripts	Kyle Colalillo Ken Rostkowski
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Deputy Treasurer	Ken Verrill
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PRESENT FUND COMMISSIONERS AND PROFESSIONALS:

Suzanne Wood, CBIZ
Robert Weil, Conner Strong & Buckelew
Robert Maybury, Mt. Holly MUA
Joe Madera, Hardenbergh Insurance Group

Mike Sheeran, Glenn Insurance

APPROVAL OF MINUTES: March 26, 2018 Open

MOTION TO APPROVE OPEN MINUTES OF MARCH 26, 2018:

Moved:	Commissioner DiAngelo
Second:	Commissioner Wolk
Vote:	Unanimous

CORRESPONDENCE – None

Ms. Koval said that the Executive Committee approved to include Commissioner Maybury from Mt. Holly MUA to be Alternate #1 to the Executive Committee. After soliciting ballots from the Fund, a quorum of votes were received from the Fund Commissioners to elect Mr. Maybury. Fund Attorney swore in Robert Maybury as the Alternate Commissioner to the Executive Committee.

EXECUTIVE DIRECTOR’S REPORT

FAST TRACK FINANCIAL REPORT – as of February 28, 2018

IBNR ACTUARY CERTIFICATION

Ms. Koval said at the end of each Fund year, the Actuary must certify that the Fund is reserving enough funds for the claim incurred but not yet reported (IBNR). The Actuary has reviewed the claims and financial fast track through the end of the year and has determined a range for which he believes will be a conservative reserve. Ms. Koval said the Executive Director chooses the 75th percentile of the range, which includes PAD over the Actuary’s best estimate.

SENATE BILLS 1877/1878

Ms. Koval said the federal government has eliminated the individual mandate for the purchase of health insurance and have also reduced subsidies to the individual market. Senate Bill 1877 would re-impose the mandate for NJ residents and 1878 would create a subsidy program to support that market. She said the subsidy was originally proposed in the form of a surcharge on both fully and self-insured plans and was to include HIFs. Working with the MRHIF lobbyist and the League of Municipalities, the legislation has been amended so that our plans will not be taxed. Instead, any needed subsidy is proposed to derive from the state treasury.

AETNA CLAIMS AUDIT CONCLUSION

Ms. Koval said the MRHIF claims auditor, NIIS, completed its audit of Aetna. Aetna met or exceeded all procedural and financial accuracy requirements and is performing efficiently on behalf of the HIFs. The audit also produced recommendations that have resulted in operational and reporting changes:

1. Aetna will include data on claims processing turnaround time in their agenda reports. Aetna has also started reporting on turnaround time to PERMA monthly rather than quarterly.

2. Aetna was excluding certain physical therapy (PT) treatments from plan limit controls but will now assure that all PT services are included.
3. Aetna will collect coordination of benefits data once per lifetime for employees and on a rolling 12 month basis for dependents and claims will be pended until responses are received. This will impact only out of network claims.

In response to Chair Mevoli, Mr. Rodrigues explained that the physical therapy controls will begin on visits at an outside facility towards a member's plan maximum. Currently, some of these types of visits do not count towards a plan maximum and controls are lacking. The impact is minimal to the population. Discussion ensued on the different types of PT facilities. Mr. Rodrigues will report back to the group on in home PT visits.

FINANCIAL DISCLOSURE STATEMENTS

Ms. Koval said as done in prior years and required by State law, each Fund Commissioner is required to complete a Financial Disclosure Statement through the Department of Community Affairs. The 2018 notice with instructions has been released. The deadline to file is April 30, 2018. Fines will be issued for noncompliance. Chair Mevoli encouraged the membership to file.

PROGRAM MANAGERS REPORT

TELEMEDICINE

Program manager reviewed the utilization through March 31, 2018. He said the program is off to a good start. He said two visits were during a time when the ER would normally be utilized which is \$3,000 in savings. He said the Fund should see more savings once utilization increases.

In response to Commissioner Shannon, Program Manager said that there were two visits that occurred outside of a typical office visit, so would have been considered a possible ER visit. He said this also concludes that the reason for the call was not truly an emergency and if the member had gone to an ER, this claim could have been received as an appeal and attributed higher costs. The Committee encouraged more marketing of this program since the savings appear to be significant.

LOURDES-VIRTUA MERGER

As recently reported in the media, Virtua Health is exploring the acquisition of Lourdes Health System. Although to date no definitive deal has been reached, there is a non-binding letter of intent in place. If this merger occurs it would most likely result in a positive financial impact on our Aetna plans as Aetna's competitive negotiated discounts would likely extend to Lourdes facilities.

VITAL STATISTICS

Program manager reviewed the vital statistics report that was distributed prior to the meeting. He reviewed the medical, prescription and dental trends of the Fund through 12/31/2017. He said that the in network usage is very high which equates to large savings. As for the prescription, he said that 80% of the prescription trend is generic, but 20% of the prescription spend is generic, which illustrates the savings that generic fills produce. He said for every percentage of generic fill saves the Fund \$100,000.

Overall, Program Manager said the Fund is performing as to be expected.

TREASURER'S REPORT - Deputy Treasurer reviewed the April 2018 Bills List.

Confirmation of Payment - Supplemental Bills March 2018

FY2018	\$3,000.00
Total	\$3,000.00

Resolution #16-18 - April 2018 Bills List

FY Closed	\$5,000.00
FY2017	4,500.00
FY2018	\$513,958.30
Total	\$523,458.30

MOTION TO APPROVE RESOLUTION #16-18 APPROVING THE APRIL 2018 BILLS LIST IN THE AMOUNT OF \$523,458.30 AND THE SUPPLEMENTAL BILLS LIST IN THE AMOUNT OF \$3,500.00 :

Moved: Commissioner DiAngelo
Second: Commissioner Wolk
Vote: 7 Ayes, 0 Nays

MOTION TO APPROVE THE REMAINDER OF THE TREASURERS REPORT:

Moved: Commissioner DiAngelo
Second: Commissioner Shannon
Vote: Unanimous

FUND ATTORNEY:

AETNA: Mr. Rodrigues reviewed the claims for January and February 2018. He said the large claims are causing an increase in the pepm. He said there are currently several patients receiving cancer treatment which is causing an increase in the high claims. He reviewed the dashboard and noted that Teledoc and TAT are now included. In response to Chair Mevoli, Mr. Rodrigues said the metrics were missed because of staffing issues at the service center. He said the reason for the miss in the PG was due to employee attrition due to an early retiree program offered by Aetna than expected as well as unexpected growth overall to the Aetna BOB. He said they are currently training new employees to help resolve these issues.

AMERIHEALTH: Mr. Murphy reviewed the claims through March. He said the claims should start to level out as they come out of their system migration. He said the MD live statistics are not available because there has been no utilization yet.

EXPRESS SCRIPTS: Mr. Colalillo said the Fund is trending negative through March. He said ESI is looking to possibly introduce a program to control opioid abuse. He said they are going to look at the

connection between the prescriber, pharmacies and counselling. He said they are also looking to add a prior authorization for longer acting opioids which are more likely to cause addiction. He said ESI will be exploring all areas to develop a program to reduce addiction and abuse. In response to Commissioner Shannon, Mr. Colalillo said ESI can only try to help reduce the amount and strength of the prescription, not the prescriber side.

DENTAL ADMINISTRATOR: None

OLD BUSINESS: None

NEW BUSINESS: Ms. Koval said the May meeting will be held on the third Monday due to Memorial Day.

PUBLIC COMMENT: None

MOTION TO ADJOURN:

Moved:	Commissioner Wolk
Second:	Commissioner Rochford
Vote:	Unanimous

MEETING ADJOURNED:

NEXT MEETING: MAY 21, 2018

Karen Kamprath , Assisting Secretary
for

JOSEPH WOLK, SECRETARY