

**SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND
OPEN MINUTES
FEBRUARY 26, 2018
HADDON TOWNSHIP MUNICIPAL BUILDING
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 - Chair Mevoli welcomed everyone to Haddon Township. Chair also notified the Committee that Commissioner Michielli was given a plaque at the JIF meeting for his time served on the JIF and the HIF. He said he will be missed.

ROLL CALL OF 2017 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	Absent
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Express Scripts	Kyle Colalillo Ken Rostkowski
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Treasurer	Mike Zambito
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PRESENT FUND COMMISSIONERS AND PROFESSIONALS:

APPROVAL OF MINUTES: January 22, 2018 Open

MOTION TO APPROVE OPEN MINUTES OF JANUARY 22, 2018:

Moved:	Commissioner Wolk
Second:	Commissioner Shannon
Vote:	Unanimous

CORRESPONDENCE – None

EXECUTIVE DIRECTOR’S REPORT

FAST TRACK FINANCIAL REPORT – as of December 31, 2017

Ms. Koval made a small profit for December but is showing a large deficit year to date from the release of 2 dividends as well as Monroe Township’s closed year balance. She said overall the Fund’s statutory profit is almost \$5.5 million.

MUNICIPAL REINSURANCE HEALTH INSURANCE FUND

Ms. Koval said the Municipal Reinsurance Health Insurance Fund met on February 14 to reorganize for 2018.

2018 MEL & MR HIF EDUCATIONAL SEMINAR

Ms. Koval said the 8th annual seminar is scheduled for Friday, April 20th beginning at 9:00 AM at the National Conference Center in East Windsor, NJ. The seminar qualifies for an extensive list of Continuing Educational Credits including CFO/CMFO, Public Works, Clerks, Insurance Producers and Purchasing Agents. There is no fee for employees and insurance producers associated with MEL and MR HIF members as well as personnel who work for service companies that are engaged by MEL member JIFs and MR HIF member HIFs.

PROGRAM MANAGERS REPORT

AETNA

Ms. Friel said as of January 1st - Tele-medicine is now available to all SNJREBF members through Aetna’s Teledoc program. Members enrolled in non-HDHP plans will have access to Teledoc at a \$0 copay. Aetna has included this program to the SNJREBF at no additional cost, the SNJREBF will only be responsible for the claims cost. All SNJREBF members would have received a communication piece from Teledoc with instructions on using the program.

Commissioner Shannon requested utilization reports when available.

RITE AID – WALGREENS MERGER

Ms. Friel said as a result of their merger some Rite Aids are being converted to Walgreens. She said at this time 118 Rite Aids of 256 in New Jersey are being converted and Walgreens and Express Scripts agreed to allow members to fill at these **Rite Aids** until August as participating in the Prime Network (HIF Network). She said 60 to 30 days prior to the courtesy extension expiring, impacted members will be notified with a letter. She said the letter will notify them of the impacted pharmacies and will advise them of other participating pharmacies near their current Rite Aid.

In response to Commissioner DiAngelo, Ms. Friel said that as ESI is notified that a Rite Aid is becoming a Walgreens, they will send a disruption notice to any member that has used that pharmacy in the past year. The notice will list other store options within the network. In response to Ms. Shannon, ESI has approached Walgreens about coming into this network, but because of the direct competition, CVS will not hold their discounted rates if Walgreens is admitted.

Mr. Colalillo noted there are other networks that include Walgreens and ESI will work with PERMA to possibly find an additional network. Mr. Lodics said the Fund has the deepest discounts with the current network so adding Walgreens in would change rates. Commissioner Shannon said CVS may try to take advantage of during negotiations.

Chair Mevoli asked for the letters as soon as possible as some towns only have Rite Aids as an option.

Next Steps:

- Given our retiree population and proximity to New York and Pennsylvania, PERMA has asked Express Scripts to identify Rite Aids which are being converted in other states.
- Express Scripts will keep the HIF advised of what pharmacies are being impacted, we will reach out to towns that have higher utilization at those impacted pharmacies.
- Walgreens agreed to provide a list of impacted pharmacies 2 weeks after the conversion, they are considering this information proprietary

WINSLOW FIRE DISTRICT

Program Manager said Winslow Fire District rescinded their termination with the Fund.

ADMINISTRATIVE AUTHORIZATIONS

There are no administrative authorizations

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

Resolution #14-18 - February 2018 Bills List

FY2017	\$648.88
FY2018	\$698,520.23
Total	\$699,169.11

MOTION TO APPROVE RESOLUTION #14-18 APPROVING THE FEBRUARY 2018 BILLS LIST IN THE AMOUNT OF \$699,619.11:

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

MOTION TO APPROVE THE REMAINDER OF THE TREASURERS REPORT:

Moved: Commissioner Wolk
 Second: Commissioner Shannon

Vote:

Unanimous

FUND ATTORNEY: Fund Attorney said the Cadillac Tax was pushed back to 2022 as part of their bipartisan budget act. He said this will now be deductible for corporations but does not make a difference to municipalities. He said the 1095 B and C forms are due by February 28 if mailed or March 2 if filed electronically.

AETNA: Mr. Rodrigues reviewed the claims through December. He reviewed the dashboard report and noted network discounts remain strong. He said Inspira continues their negotiations with Aenta, but they are confident they will renew. He said Kennedy Health is merging with Thomas Jefferson and the contract will match as of April 1. He said the Q4 performance guarantees should be finalized for the March meeting.

AMERIHEALTH: Mr. Murphy reviewed the January 2018 claims which averaged \$814 pepm. He said the 2017 total average pepm was \$1015. He said the system migration went well however claims were not paid as quickly out of caution. He said there are no high claims for this reporting period.

EXPRESS SCRIPTS: Mr. Colalillo said the pepm decreased. He reviewed the drug trend report and said the Fund saw a decrease of -2.4% compared to the average 1.5% increase. He said the specialty claim cost for the Fund is considerably lower than other groups in the north east including the rest of New Jersey. He said cancer is much lower while inflammatory conditions slightly higher. In response to Commissioner Shannon, Mr. Colalillo said the generic fill rate helps.

DENTAL ADMINISTRATOR: None

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

MOTION TO ADJOURN:

Moved:	Commissioner Shannon
Second:	Commissioner Wolk
Vote:	Unanimous

MEETING ADJOURNED:

NEXT MEETING: MARCH 26, 2018

Emily Koval , Assisting Secretary
for

JOSEPH WOLK, SECRETARY