

**SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND
OPEN MINUTES
JANUARY 22, 2018
BERLIN MUNICIPAL HALL
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 Berlin.

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 Paul Laracy Emily Koval Karen Kamprath
Program Manager	Conner Strong & Buckelew Brandon Lodics Maggie Friel
Attorney	J. Kenneth Harris, Esq.
Medical TPA - AmeriHealth	Mike Murphy
Medical TPA - Aetna	Absent
Express Scripts	Kyle Colalillo Ken Rostkowski
Treasurer	Mike Zambito

PRESENT FUND COMMISSIONERS AND PROFESSIONALS:

Eleanor Kelly, Runnemedede Boro

Robert Maybury, Mt. Holly MUA
Robert Weil, Conner Strong & Buckelew
Tom Kirner, Glenn Insurance Inc.
Georganna Marian, Hardenbergh Insurance
Suzanne Wood, Model Consulting
Steve Wahlen, Magnolia

APPROVAL OF MINUTES: November 27, 2017 Open

MOTION TO APPROVE OPEN MINUTES OF NOVEMBER 27, 2017:

Moved:	Commissioner DiAngelo
Second:	Commissioner Lipsett
Vote:	Unanimous

CORRESPONDENCE – None

Executive Director said an election of officers will take place

Roll Call of 2018 Fund Commissioners

MEMBER ENTITY	COMMISSIONER/CONTACT	Attendance	BALLOT RECEIVED
Barrington	Terry Shannon	Present	
Bellmawr	Louis DiAngelo	Present	
Bordentown	Michael Theokas	Absent	Yes
Brooklawn	Michael Mevoli	Present	
CCBOSS	Edward Hill	Present	Yes
Chesilhurst	Michael Blunt	Absent	
Franklin Township	Barbara Freijomil	Absent	
Gibbsboro	Jack Flynn	Absent	
Gloucester City	Jack Lipsett	Present	
Haddon Heights	Kelly Santosusso	Absent	
Haddonfield	Neal Rochford	Present	
Lindenwold		Absent	
Lumberton Township	Brandon Umba	Absent	Yes
Magnolia	Steve Wahlen	Present	
Medford Lakes	Julie Keizer	Absent	
Merchantville	Edward Brennan	Absent	
Mount Holly MUA	Robert Maybury	Present	
Mt Ephraim	M. Joseph Wolk	Present	
North Hanover Twp	Mary Picariello	Absent	Yes
Paulsboro	John Giovannitti	Absent	
Pennsauken	Ronald Crane	Absent	
Pine Hill	Pat Hendricks	Absent	Yes
Pitman	Michael Razze	Absent	
Runnemede	Elenenor Kelly	Present	
Somerdale, Boro of	Gary Passanante	Absent	Yes
Wenonah	Karen Sweeney	Absent	Yes
Westville Borough	William Bittner	Absent	
Willingboro		Absent	
Mantua	Jennica Bileci	Absent	
Maple Shade	Joseph Andl	Absent	
Township of Berlin		Absent	
Township of Waterford		Absent	
Winslow Township Fire District	Anthony Sirolli	Absent	

Ms. Kamprath said 6 ballots were received. Executive Director said including the ballots received a quorum is present and said the committee can consider nominations or the current slate of officers. Commissioner Wolk read the nominating committee recommendation:

Nominating Committee Recommendation

Officers

Michael Mevoli-Chairman
Joseph Wolk -Secretary

Executive Committee

Terry Shannon
Edward Hill
Jack Lipsett

Louis DiAngelo
Neal Rochford

Alternates

Alternate #1 - Open
Alternate #2 - Open
Alternate #3 - Open
Alternate #4 - Open

MOTION TO APPROVE THE SLATE OF OFFICERS AS PRESENTED:

Moved: Commissioner Wolk
Second: Commissioner Lipsett
Vote: 10 Ayes, 0 Nays, 6 ballots received approving the full slate (Commissioner Theokas, Umba, Picariello, Hendricks, Passante and Sweeney)

Fund Attorney swore in the Executive Committee.

Chair Mevoli said Mr. Michielli has retired from Magnolia. He said Mr. Micheielli was an important part to the HIF and JIF from the beginning and they will honor him at the February meeting.

COMMITTEE APPOINTMENTS

Chair Mevoli read the committee appointments. The Chair and Executive Director sit ex officio on all committees except nominating.

<u>Contracts</u>	<u>Claims</u>	<u>Finance</u>	<u>Nominating</u>
Lou DiAngelo, Chair	Joseph Wolk, Chair	Terry Shannon, Chair	Joseph Wolk, Chair
Jack Lipsett	Neal Rochford	Jack Lipsett	Lou DiAngelo
Edward Hill	Terry Shannon	Lou DiAngelo	Jack Lipsett

EXECUTIVE DIRECTOR'S REPORT

Fast Track Financial Reports - as of November 30, 2017

Executive Director said the Fund is reporting a loss in November of a little more than \$1 million because of the payment of \$925,000 to Monroe Township. He said they left the fund 6 years ago and are due to receive their balance from the closed years. In response to Commissioner DiAngelo, Executive Director said there are a few former members with funds in the closed years, but the balances are not large. He said the current surplus is mostly for the existing members.

MRHIF RENEWAL

Executive Director said a resolution authorizing the Fund's membership renewal in the Municipal Reinsurance Health Insurance Fund for a three year period effective January 1, 2018 is included in the consent agenda.

AETNA AUDIT

Executive Director said NIIS completed its claims and operations audit of Aetna. A copy of the Audit as well as Aetna's response was distributed prior to the meeting. The results were favorable with a

financial accuracy rate over 99%. He said a meeting is scheduled with Aetna and NIIS to review responses to recommendations specifically the coordination of benefits. Chair Mevoli said the report brought up some good discussion points.

Executive Director said there was also a difference of opinion between the Auditors and Aetna on how to count physical therapy visits. In response to Chair Mevoli, Program manager said after 25 visits medical documentation is required for physical therapy. He said currently 10 visits are allowed without medical documentation.

2018 REORGANIZATION

The Reorganization resolutions were included in the consent agenda. Ms. Koval reviewed the resolutions that needed completion. Chair Mevoli and Secretary Wolk will remain as signatories and Secretary Wolk and Commissioner Shannon will serve as Commissioner and Alternate on the MRHIF, respectively.

Ms. Koval said there was one change to the Risk Management plan regarding enrollments that go past 60 days. She said any group that is requesting a change past 60 days will be reviewed by the small claims committee via email.

MUNICIPAL REINSURANCE HEALTH INSURANCE FUND

Ms. Koval said the MRHIF Executive Committee met on December 13, 2017 to formally adopt the 2018 budget. The Committee also awarded a marketing contract with the firm that works for the MEL. The cost is being covered by negotiated contributions from Aetna, AmeriHealth and Munich Re. In addition, the Express Scripts contract continues to be negotiated for better pricing.

TERMINATION -WINSLOW FIRE DISTRICT

Ms. Koval said notice was received from the Winslow Fire District terminating membership to the SNJHIF on April, 1, 2018 which was inside the 90 day notification requirement. This notice will be filed with the State.

PROGRAM MANAGERS REPORT

AETNA EMPLOYER GROUP WAIVER PLAN (EGWP)

Program Manager said the implementation of the EGWP Medicare Advantage prescription drug plan occurred on January 1st. The Majority of the Medicare eligible retirees in the Fund received their new ID cards prior to the effective date. AETNA's third party ID Card vendor experienced some delays in production due to the Holidays and weather and as a result some retirees received their cards in the first week of January. He said as of today all retirees should have received their ID cards. All retirees had coverage and access to benefits on January 1, 2018.

AMERIHEALTH ADMINISTRATORS (AHA) UPDATE

Program Manager said the AmeriHealth Administrators transition finalized at the end of December. All members with AmeriHealth Administrators received their new cards timely. He said he is not aware of any plan build, enrollment or administrative.

ESI UPDATE

Program Manager said starting on January 1, 2018, the HIF plans will cover certain generic low-to-

moderate dose statin medications at a \$0 copay.

To qualify for a \$0 copay individuals will need to satisfy the two below criteria:

1. Be between the ages of 40 and 75
2. Taking a generic low-to-moderate dose statin

Examples of Low-to-moderate dose statins (include but not limited to):

Low-Dose Statins	Moderate-Dose Statins
Fluvastatin 20 to 40 mg	Atorvastatin 10 to 20 mg
Lovastatin 10 to 20 mg	Fluvastatin 40 mg BID
Pravastatin 10 to 20 mg	Fluvastatin XL 80 mg
Simvastatin 5 to 10 mg	Lovastatin 40 mg
	Pravastatin 40 to 80 mg
	Rosuvastatin 5 to 10 mg
	Simvastatin 20 to 40 mg

1095 C IRS ENFORCEMENT LETTERS

We have been made aware over the past several weeks that the IRS has been issuing letters to employers related to their enforcement of the ACA employer mandate penalty for the year 2015. These letters are based on what employers submitted to the IRS (themselves or through the company they used to manage their record keeping and reporting) and where the IRS has apparently concluded that an employer did not offer benefits to 70% of their full time employees (you'll recall that the initial year of the ACA required 70% be met, thereafter 95%). The IRS determines whether an employer may be liable for a penalty based on the information reported by the employer on Form 1094-C, Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns, and Form 1095-C, Employer-Provided Health Insurance Offer and Coverage, and subsidy information reported on an employees' individual income tax returns. Thus, if the information reported to the IRS by the employer or employee is incorrect, the IRS's determination may also be incorrect. Accordingly, if an employer receives a letter, they should carefully review the information that it previously submitted to the IRS

END OF YEAR REPORTING

As a courtesy to all SNJREBF groups, PERMA provides each entity with 1) an ACA report that can be used to assist with the completion of 1095 reporting 2) a W2 report that includes the total cost of each member's health benefits which can be used to update W2s. Both reports were sent in mid-December to each entity.

NEW FOR JANUARY 1, 2018 - TELEMEDICINE SERVICES

Program Manager said that effective January 1, 2018, the Fund is now offering Telemedicine Services to all members and eligible dependents. Telemedicine gives members 24/7/365* access to U.S. board certified doctors and pediatricians via phone or video conference. The HIF will be bringing this to your members at no copay or out of pocket cost. Qualified High Deductible Plans are not eligible to receive a \$0 copay benefit.

This new service will provide members with access to doctors and pediatricians anytime and anywhere. . It is a convenient and affordable option that allows members to talk to a doctor who can diagnose, recommend treatment and prescribe certain routine medications.

These providers can treat many conditions such as:

- Allergies
- Cold & Flu Symptoms
- Sinus problems
- Bronchitis
- Ear infections
- Respiratory infection

JANUARY INVOICES/PAYMENT COUPONS

January payment coupons for Direct Billed retirees and COBRA members as well as group monthly premium invoices will be forthcoming for the month of January. Typically in January, there is a delay in getting coupons and invoices mailed due to administrative updates and rate changes. Direct Billed retirees and COBRA members should receive their payment coupons within the next few weeks and there will be no penalties or non-payment terminations during this period. Members who opt to make a payment for the same amount as they paid in 2017 prior to receiving the 2018 coupons will be sent an adjusted invoice in February.

OPEN ENROLLMENT

The SNJREBF 2018 open enrollment has ended and all members who made plan changes should have received new ID cards. As reported previously, all AmeriHealth Administrator (AHA) members should have received new ID cards for 2018 due to system enhancements implemented on January 1st.

ADMINISTRATIVE AUTHORIZATIONS

There were no administrative authorizations for discussion

TREASURER'S REPORT - Fund Treasurer reviewed the December 2017 and January 2018 Bills Lists. He also thanked the board for their reappointment.

Confirmation of Payment: December 2017

FY2017	\$573,753.49
Total	\$573,753.49

January 2018 Supplemental Bills List

FYclosed	\$3,432,329.00
Total	\$3,432,329.00

Resolution #13-18 - January 2018 Bills List

FY2017	\$131.76
FY2018	\$297,313.27
Total	\$297,445.03

MOTION TO APPROVE THE CONSENT AGENDA AS DISCUSSED:

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

FUND ATTORNEY: Fund Attorney thanked the Fund for reappointment. He said the individual mandate was repealed as a result of the 2017 tax reform bill. He said Governor Christie signed a bill mandating that the SHBP and the SEHBP provide 3d mammography as part of their health plan coverage. He said the Fund will most likely have to match that going forward.

AETNA: The reports were included in the Agenda.

AMERIHEALTH: Mr. Murphy reviewed the December 2017 claims. He said there was one large claimant for this reporting period.

EXPRESS SCRIPTS: Mr. Rostkowski said overall the Fund had a great year finishing at -2.5% trend. He said utilization was consistent with a few new cancer patients. He also introduced Kyle Colalillo who will be the new pharmacist representing ESI for the Fund.

DENTAL ADMINISTRATOR: None

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

MOTION TO ADJOURN:

Moved: Commissioner Wolk
Second: Commissioner DiAngelo
Vote: Unanimous

MEETING ADJOURNED:

NEXT MEETING: FEBRUARY 26, 2018

Emily Koval , Assisting Secretary

for

JOSEPH WOLK, SECRETARY