

SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND
OPEN MINUTES
JULY 23, 2018
PINE HILL BOROUGH
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 - Ms. Hendricks welcomed everyone to Pine Hill.

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
Alternates		
Robert Maybury	Mount Holly MUA	Present

APPOINTED PROFESSIONALS PRESENT:

Executive Director/Adm.	PERMA Risk Management Services Paul Laracy Karen Kamprath
Program Manager	Conner Strong & Buckelew Brandon Lodics Maggie Friel
Attorney	J. Kenneth Harris, Esq.
Medical TPA - AmeriHealth	Mike Murphy
Medical TPA - Aetna	Joe Rodrigues
Express Scripts	Kyle Colalillo
Deputy Treasurer	Ken Verrill

PRESENT FUND COMMISSIONERS AND PROFESSIONALS:

Kim Porter, CHB Group

Pat Hendricks, Pine Hill Borough

APPROVAL OF MINUTES: June 25, 2018 Open

MOTION TO APPROVE OPEN MINUTES OF JUNE 25, 2018:

Moved:	Commissioner Shannon
Second:	Commissioner Wolk
Vote:	Unanimous

CORRESPONDENCE - None

EXECUTIVE DIRECTOR'S REPORT

FINANCIAL FAST TRACK - As of May 31, 2018

Executive Director said the Fund has made \$2.2 million year to date with a surplus of \$13.8 million for all years combined.

RFP RESULTS

Executive Director said the RFPs for all Fund positions were received by PERMA on June 28, 2018 and a summary report is included in the agenda. He said the contracts committee met to review the responses and two competing proposals were received for the Fund Auditor and the Fund Attorney positions. He said the Committee will need to go into executive session to discuss the results.

CLAIMS AUDITS

Executive Director said the audit of Delta Dental by NIIS is in the final stages of completion and will be available by our next meeting. He said the annual audit of ESI's contract is also underway by Adler Associates.

PROGRAM MANAGERS REPORT

KENNEDY: CAMDEN-GLOUCESTER COUNTIES

Program Manager said Kennedy has reached an agreement with Aetna. In response to Commissioner Shannon, Program Manager said Kennedy and Jefferson merged, but the contract with Kennedy had to be renegotiated.

NEW MEMBER

Program Manager said the Borough of Pitman has joined the Fund for active RX employees effective July 1, 2018.

2019 STATE HEALTH BENEFIT PLAN (SHBP) RENEWAL

Program Manager said the State introduced their budget on July 11, 2018.

FINANCIAL HIGHLIGHTS

- There will be an 8.2% increase for Active Employees, a 0% increase for Early Retirees and a -12.7% reduction for Medicare Retirees. This is a composite of increase of +4%.
- CY 2019 is projected to result in a deficit / loss of (\$36) million.
- They are projecting that the 2018 plan year will result in losses of (\$17) million.
- If these projections develop as expected, this would be (\$53) million in losses in the last 2 years.

The SHBP is expected to have a total costs of \$2.8 billion for CY 2019. They have not calculated into the rate changes any “margin” for fluctuation in claim costs.

ENROLLMENT MIGRATION INFORMATION

- There is no mention of significant gains or losses of enrollment for 2019.
- The state assumes 0.5% of Active and Early Retirees will migrate to lower-cost benefit plans in 2019. This includes migration into the Tiered Network plans offered by Horizon and Aetna.

NJSA 2793- 3-D MAMMOGRAPHY PREVENTIVE SERVICE MANDATE

Program Manager said New Jersey legislature enacted a new benefits mandate that requires health insurance coverage without cost share for digital tomosynthesis (3-D Mammography) to detect or screen for breast cancer in women over age 40, one per benefit year. Currently the Fund covers a 3-D Mammogram annually, but cost share is applied. Insured plans and the SHBP must comply with the updated with first renewal on or after August 1, 2018.

NJSA 2297- EXTENDED CONTRACEPTIVE BENEFIT

Program Manager said New Jersey legislature voted to update the existing NJ Prescription Female Contraceptive Mandate, requiring all health insurance and medical providers to cover contraceptive drugs and devices with the following day supply access:

- A three-month period for the first dispensing of the contraceptive
- A six-month period for any subsequent dispensing of the same contraceptive, regardless of whether coverage under the contract was in effect at the time of the first dispensing limit.
 - o Currently the Fund follows standard maintenance medication limits of up to 90 day (mail order/retail access vary amongst groups)

MOTION TO ALLOW THE FUND TO COMPLY WITH THE 3-D MAMMOGRAPHY AND CONTRACEPTIVE BENEFIT MANDATES AS OF JANUARY 1, 2019

Moved:	Commissioner Shannon
Second:	Commissioner Hill
Vote:	Unanimous

ADMINISTRATIVE AUTHORIZATIONS

No updates at this time.

TREASURER'S REPORT - Deputy Treasurer reviewed the Bills List, Supplemental Bills list and Treasurers report. He said they were able to open up a NJ cash management plan at 1.9%.

Confirmation of Payment May 2018

Resolution #21-18 July 2018 Bills

FY2018	\$511,600.97
Total	\$511,600.97

July 2018 Supplemental Bills List

FY2018	\$10,341.53
Total	\$10,341.53

MOTION TO APPROVE RESOLUTION 21-18 APPROVING THE JULY 2018 BILLS LIST AND THE JULY 2018 SUPPLEMENTAL BILLS LIST:

Moved: Commissioner Lipsett
 Second: Commissioner Shannon
 Vote: 8 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 Governor Murphy expanded the use of medical marijuana for chronic pain and anxiety. He said the number of participants in the program has increased by about 40%.

AETNA: Mr. Rodrigues reviewed the claims for May 2018. He said there were 2 large claims for this reporting period. He reviewed the dashboard report and noted that all the metrics are currently being met.

AMERIHEALTH: Mr. Murphy reviewed the claims through June 2018. He said the number of claims on hand is typical coming out of the migration. He said there were not large claims for this reporting period.

EXPRESS SCRIPTS: Mr. Colalillo said the Fund is trending at -10%.

DENTAL ADMINISTRATOR: None

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

MOTION TO ENTER EXECUTIVE SESSION:

Moved:	Commissioner Wolk
Second:	Commissioner Shannon
Vote:	Unanimous

MOTION TO APPROVE RESOLUTION 20-18 AND PREPARE ADDITIONAL RESOLUTIONS:

Moved:	Commissioner Lipsett
Second:	Commissioner DiAngelo
Vote:	8 Ayes, 0 Nays

MOTION TO ADJOURN:

Moved:	Commissioner Wolk
Second:	Commissioner Hill
Vote:	Unanimous

**MEETING ADJOURNED:
NEXT MEETING: AUGUST 27, 2018**

Karen Kamprath , Assisting Secretary
for

JOSEPH WOLK, SECRETARY