

SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND
OPEN MINUTES
JUNE 26, 2017
HADDONFIELD 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 - Mayor Rochford welcomed everyone to Haddonfield Borough.

ROLL CALL OF 2017 EXECUTIVE COMMITTEE:

Michael Mevoli, Chairman	Borough of Brooklawn	Present
M. Joseph Wolk, Secretary	Borough of Mt. Ephraim	Present
Richard Michielli	Borough of Magnolia	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/Administrator	PERMA Risk Management Services Emily Koval Karen Kamprath
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Program Manager	Conner Strong & Buckelew Brandon Lodics Maggie Friel
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Attorney	Ken Harris
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Deputy Treasurer	Ken Verrill Lorraine Verrill
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Aetna	Peggy Dennison
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AmeriHealth

Express Scripts	Ken Rostkowski
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Auditor	Jim Miles Dennis Skalkowski
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Also Present:

Eleanor Kelly, Runnemedede
Robert Maybury, Mt. Holly MUA
Rob Weil, Conner Strong and Buckelew
Steven Rodriquez, Conner Strong &
Buckelew

APPROVAL OF MINUTES: May 22, 2017 Open

MOTION TO APPROVE OPEN MINUTES OF MAY 22, 2017:

Moved:	Commissioner Di Angelo
Second:	Commissioner Wolk
Vote:	Unanimous

CORRESPONDENCE - None

EXECUTIVE DIRECTOR'S REPORT

PRO FORMA REPORTS

- **Fast Track Financial Reports - as of April 30, 2017**
 - **Historical Income Statement**
 - **Consolidated Balance Sheet**
 - **Indices and Ratios Report**

Ms. Koval said the Financial Fast Track shows a moderate loss for the month of April due to the dividend release of approximately \$3.8 million. She said the Fast Track reflects a significant loss year to date for that reason, but operationally, the Fund is slightly above break even for the yea. She said we will continue to monitor and would like to see a more significant surplus.

AUDITOR AND ACTUARY YEAR-END REPORTS

Ms. Koval said the Finance Committee met last week to review the Year end Audit as well as the balance left in the 2015 closed year account. She said there is about \$14 million of which about \$7.5 million will be going to the SHIF and about \$3.2 to the Coastal Fund. She said a formal resolution to distribute the funds will be adopted at the July meeting.

Mr. Miles was present from Bowman & Company LLP was present to review the Audit. He said there were no findings or recommendations. He said the Fund ended 2016 with total assets in the amount of \$30,992,678, total liabilities of \$3,021,459 and a total net position of \$27,971,219. He said of the \$27 million a portion of that will be distributed to the Coastal and School Funds. In response to Chair Mevoli, Ms. Koval said 2015 is the last year that needs to be closed out from the split. She said a moderate amount of about \$200,000 will be kept in the account for anything that may come up. Mr. Miles said there is a disclosure in the report of the approximate net worth at the end of 2016 between the three Funds.

STATEMENT OF ACTUARIAL OPINION

The review of actuarial assumptions and actuarial methods used in determining the reserves, by the Fund Actuary to be filed with the December 31, 2016 year end financial reports to New Jersey Department of Banking and Insurance was included in the agenda.

2015 STATE EXAMINATION

Ms. Koval said the State of New Jersey Department of Banking & Insurance performed an examination of the Fund for the 2015 Fund Year. She said there were no findings or recommendations.

MOTION TO APPROVE THE 2016 AUDIT AND THE STATE OF NEW JERSEY DEPARTMENT OF BANKING & INSURANCE EXAMINATION REPORT FOR THE 2015 FUND YEAR AND EXECUTE GROUP AFFIDAVIT CERTIFYING THAT MEMBERS OF THE EXECUTIVE COMMITTEE HAVE READ THE REPORT.

Moved:	Commissioner Di Angelo
Second:	Commissioner Michielli
Vote:	8 AYES, 0 NAYS

MRHIF STOP LOSS POLICY

A copy of the MRHIF policy and 2017 renewal endorsement for the SNJHIF was included in the Agenda.

PROGRAM MANAGER'S REPORT

Ms. Friel introduced Steven Rodriguez who is an intern with Conner Strong & Buckelew.

AETNA DISEASE MANAGEMENT OUTREACH

Ms. Friel said their office has received several inquiries regarding the legitimacy of some voicemails members received from AETNA asking about their current state of health. She said Aetna confirmed they have initiated a telephonic outreach campaign to retrieve preferred contact information for disease management candidates. These are legitimate AETNA outreaches.

AETNA has provided us with the below details, should this come up by any of your membership:

- Aetna is making an outreach to select members to collect member communication preferences.
- Updating these preferences will help Aetna communicate with members more effectively with the mode of their preference (i.e. phone, text or email).
- The outreach is underway and scheduled to conclude on June 19. Call days of the program are Monday - Saturday. If a member is part of the outreach, they can receive up to 3 attempts to contact them / or once a member authenticates they will not receive any additional automated calls.
- The automated portion of the call will identify the call is from Aetna.
- If a member is not available and they have caller ID it will display Aetna.

- If voicemail is reached a message will be left with a toll free number (877-463-6485) and PIN for the recipient to access the automated call. If the member calls back from a number recognized by the system the PIN request will be bypassed.

SAVEON COMMUNICATIONS

PERMA, Express Scripts and SaveOn had a conference call on 6/22/17 to discuss the communication strategy.

APPEAL REVIEW:

1. No appeals to report at this time.

TREASURER'S REPORT - Deputy Treasurer reviewed the Bills List and Treasurer's report. An updated copy of the summary of cash transactions-all fund years combined was distributed at the meeting. He said the interest rate for Republic Bank is increasing to 1% and Park Bank is increasing to 1.05%. He said he expects Ocean First Bank to follow the trend.

Resolution 19-17: Payment of June 2017 Bills List

FY 2016	\$5,500
FY 2017	\$569,212.90
TOTAL	\$574,712.90

MOTION TO APPROVE RESOLUTION 19-17, APPROVAL OF JUNE 2017 BILLS LIST IN THE AMOUNT OF \$574,712.90.

Motion: Commissioner DiAngelo
 Second: Commissioner Michielli
 Vote: 8 Ayes, 0 Nays

FUND ATTORNEY: Fund Attorney the Senate is currently making changes to the bill introduced by the House. He said Age 26 coverage will stay the same. He said it's being proposed that older enrollees can now be charged up to 5 times more on their premium for the same plan as a younger enrollee. In response to Commissioner Shannon, Fund Attorney said if there is a lapse in coverage and an enrollee has a pre-existing condition they would have to wait up to 6 months for coverage.

AETNA: Ms. Dennison reviewed the April claims. She said there was a slight increase which seems to be driven by large claims. There were 4 large claims for April with a billed amount of \$504,777.89 and paid amount of \$287,960.06. In response to Commissioner Shannon, Ms. Dennison said some hospitals get a case rate and that is what Aetna pays so the paid vs. billed can vary.

AMERIHEALTH: Ms. Koval said the report is included in the Agenda. She said there was a slight increase, which is mostly likely due to the AHNJ claims now being included in the average.

EXPRESS SCRIPTS: Mr. Rostkowski said the Fund is trending negative 8% for the year. He said the report is prepared on a month to month basis and can be broken out further if requested. In response to Commissioner Shannon, Mr. Rostkowski said the average age is for the entire membership.

DENTAL ADMINISTRATOR: None

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

MOTION TO ADJOURN:

Moved:	Commissioner Michielli
Second:	Commissioner Shannon
Vote:	Unanimous

**MEETING ADJOURNED:
NEXT MEETING: JULY 24, 2017
PINE HILL BOROUGH**

Karen Kamprath , Assisting Secretary
for

JOSEPH WOLK, SECRETARY