SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND
OPEN MINUTES
JULY 27, 2015
HADDONFIELD BOROUGH HALL
6:15 PM

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

PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE

ROLL CALL OF 2015 EXECUTIVE COMMITTEE:

Michael Mevoli	Chairman	Borough of Brooklawn	Present
Mayor Joseph Wolk	Secretary	Borough of Mt. Ephraim	Present
Richard Michielli	Executive Committee	Borough of Magnolia	Present
Louis DiAngelo	Executive Committee	Borough of Bellmawr	Present
Terry Shannon	Executive Committee	Borough of Barrington	Present
Jack Lipsett	Executive Committee	Gloucester City	Present
Neal Rochford	Executive Committee	Borough of Haddonfield	Present
Joseph Collins	Executive Committee 1st Alternate	Delsea Regional BOE	Present
Gene Mercoli	Executive Committee 2ndAlternate	Cumberland Co. Vo Tech Ed	Present
Frank Domin	Executive Committee 3RD Alternate	Berlin Borough BOE	Present
Lisa Giovanelli	Executive Committee 4th Alternate	Rancocas Valley Regional	Absent

APPOINTED PROFESSIONALS PRESENT:

Executive Director/Adm.	PERMA Risk Management Services **Paul Laracy** **Emily Koval**
Program Manager	Conner Strong & Buckelew **Brandon Lodics** **Jeanne Frank** **Joe Pfeiffer** **Dawn Brown**
Attorney	**J. Kenneth Harris, Esq.**
Medical TPA – Aetna	**Peggy Dennison**

Medical TPA – Amerihealth	**Lisa DiDio**
Dental TPA – Delta Dental	**Christa O'Donnell**
Prescription TPA – Express Scripts	**Ken Rostkowski**
Treasurer	**Kenneth Verrill**
Fund Coordinator (Coastal group)	**Robert Allen**

PRESENT FUND COMMISSIONERS:
Patricia Hendricks, Pine Hill Borough

ALSO PRESENT
John Cobb, J Cobb Insurance Group
Joe Madera, Hardenbergh Insurance Gropu
Robert Weil, Conner Strong & Buckelew

Ms. Hendricks welcomed the Committee to Pine Hill Borough.

APPROVAL OF MINUTES: MAY 26, 2015 Open & JUNE 22, 2015

MOTION TO APPROVE THE MAY 26, 2015 AND JUNE 22, 2015 OPEN MEETING MINUTES

Moved:	Commissioner D'Angelo
Second:	Commissioner Wolk
Vote:	7 Ayes, 0 Nays

PRO FORMA REPORTS

- **Fast Track Financial Reports –** as of May 31, 2015
  - **Historical Income Statement**
  - **Consolidated Balance Sheet**
  - **Indices and Ratios Report**

Executive Director said the Financial Fast Track shows very strong results for June of $48.5 million in all years combined. He said the fast track also included a breakout of the new three Fund structure and the associated reserves. He expects to have a resolution next month to divide the surplus of the closed year accounts to help set up for the breaking off process. Filings of these new Funds are with the State.

FINANCES

CADILLAC TAX - We have made estimates of the impact of this tax that is scheduled to go into effect on January 1, 2018.

Municipal and County Members: Using trends of 7.5%, the average increase for SNJHIF municipal and county members will be 5.25% in 2018 with a range by member of 0% to 9.58%. Because this tax is based upon marginal costs, it will rise in future years. Using the 7.5% trend, the average tax as a percent of assessments is estimated at:

2019 6.71%
2020 8.19%
2021 9.57%
2022 10.89%

School Members: Using trends of 7.5%, the average increase for SNJHIF school members will be 5.23% in 2018 with a range by member of 0% to 9.95%. The average tax as a percent of assessments is estimated for future years as follows:

2019 6.84%
2020 8.48%
2021 10.04%
2022 11.52%

Detailed estimates for each member will be supplied by Brandon Lodics' team to the membership and to risk managers in the near future. Executive Director said these spreadsheets may help members in negotiation strategies to include language for this tax in future contracts. Program Manager said a memo is being developed and should be sent out soon.

Most Coastal members have their Rx coverage outside of the Fund so it is not possible to make similar estimates for them using in-house data. However, the calculator has been provided to the Fund Coordinator for inclusion of Rx data.

ACCEPTANCE OF 2014 AUDIT AND RELATED ACTIONS - Bowman & Co. requests an additional 1 month extension on the audit to permit them to complete the auditing of claims transactions. They anticipate having the audit for approval at the August meeting. Once the audit is submitted, we request a meeting with the Finance Committee to also consider taking the following actions:

1. Transfer surplus from the 2014 to the closed year account. The share of surplus for each new HIF (Schools HIF and Coastal) will go with the new entities on January 1.
2. The municipal members have a surplus balance in excess of retention requirements and can consider a dividend once the audit is completed.

ADMINISTRATION

PARTICIPATION IN AMERIHEALTH – COOPER HOSPITAL HIGH UTILIZER PROGRAM AND TIERED NETWORK PROGRAM - AHA and Cooper Hospital are offering two programs with significant cost savings potential that we recommend be offered effective 1/1/2015.

1. The High Utilizer program would voluntarily steer patients with multiple morbidities to a Cooper Hospital based "Employee Centered Medical Home" for treatment. Cooper would be compensated on a fee for service basis and AHA would charge an additional $1 per employee per month for the program. The program would cost an additional $20,000 per year in administrative fees but targets costs of the most expensive 10% of employees that incur 90% of costs.

2. The AHA "Community Advantage" network is a smaller network of provider centered on Cooper, Shore Memorial and Cape Regional. This smaller network will be wrapped with the regular AHA network and a limited out of network benefit will also be available. This approach will allow us to offer an additional suite of low cost plans to assist members in managing the Cadillac Tax. We are working with the actuary on pricing these plans with the objective of having them available for open enrollment.

Executive Director said these programs may be included as a low cost option for the members. Ms. Didio reviewed the programs in further detail. She said it may take time to generate enrollment in these plans, but think it is a good time to present them.

In response to Commissioner D'Angelo, Program Manager said the copays and out of pocket maximums are the same as the current plan. Executive Director requested a motion to include these plans in open enrollment for all three Funds.

AUTHORIZE PARTICIPATION IN HIGH UTILIZER AND COMMUNITY ADVANTAGE PROGRAM STARTING JANUARY 1, 2016.

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

FORMATION OF SEPARATE COASTAL AND SCHOOLS HIFS - Phase 1 filings for both new HIFs have been completed and we are starting the process of preparing more in-depth Phase 2 filings. We continue to work with claims agents on separating their systems to accommodate the new structure. Segregation of financial accounts is well underway. We would like to discuss in executive session a contract amendment to accommodate the additional work associated with the change.

FUND PHILOSOPHY ACCEPTANCE - In an attempt to gain more Commissioner involvement, we have developed a Fund Philosophy for new members to adopt prior to joining the Fund. The North Jersey Fund has been requiring potential Fund Commissioners to sign off on this philosophy for a few years and the Fund's Commissioner attendance is high. If deemed appropriate, we request a motion to have this acknowledgment approved for all potential new members.

Executive Director noted that the philosophy stated "operating as a whole" which is not correct because the Fund operates as an Executive Committee. The language will be changed for future use and include in the risk management plan.

MOTION TO APPROVE THE FUND PHILOSOPHY FOR FUTURE NEW MEMBERSHIP, WITH AMENDMENT.

Moved:	Commissioner Lipsett
Second:	Commissioner D'Angelo
Vote:	7 Ayes, 0 Nays

AETNA TO AQUIRE HUMANA - As many of you may have seen, Aetna will be acquiring Humana. A plan sponsor letter has been included in Aetna's report. This will be sent to all members. Aetna will be prepared for further discussion and questions.

BENEFITS OPERATIONS

PRO FORMA REPORTS

- **Claim Appeals –** none

ONLINE ENROLLMENT SYSTEM - The Executive Committee voted and approved mandatory use of the online enrollment system by each member group. The majority of the member groups are using the system but there are still a few member groups that are not. Next month, we will be sending a letter to groups that are not using the system to remind them of the Fund's policy. The letter will include additional information regarding the system as well as training dates so the group can become complaint. If you need additional training on the online enrollment system, please reach out to Karen Kidd at kkidd@permainc.com of PERMA.

CONTACT INFORMATION - Please direct any eligibility, enrollment, billing or system related questions to our dedicated SNJREBF Team. The team can be reached by email at southernnj_enrollments@permainc.com or by fax at 856-685-2249.

NEW BENEFITS ADMINISTRATION MANUAL - In our continuing efforts to improve Fund communications and operations, PERMA has created a Benefits Administration Manual. The propose of the manual is to provide additional guidance and assistance to Benefit reps at each member group. The manual also explains polices and procedures that have been established and approved by the Fund's Commissioners. Highlights of the guide include:

- New and Improved Online Enrollment System User Guide
- General Plan Information
- Contact Information
- Procedures for enrollment
- Sample Forms
- Billing Procedures

- Information on COBRA, Medicare, Medicaid and Family Leave

PERMA will mail hard copies of the manual to all member groups by the end of August. Electronic copies will be available upon request. Any questions or requests for additional copies of the manual should be directed to SNJREBF Team. Their contact information is listed below.

BROKER EMAIL BOX - The broker email box is officially open for correspondence. We ask our broker partners to utilize this tool for service, advocacy or any like requests that may arise with their groups.

brokerservice@permainc.com

NJ STATE HEALTH BENEFITS PLAN, 2016 RATE CHANGE RECOMMENDATIONS - The NJ State Health Benefit Plan ("the SHBP") Commission ("the Commission") met on Friday, July 17, 2015 to receive recommendations from their professionals related to the proposed 2016 Premium and Rate Changes. The SHBP services local participating municipalities, counties, county agencies and authorities, fire districts and other local governmental units. Conner Strong & Buckelew had associates in attendance and so we're pleased to share this summary information for your consideration. We monitor developments related to SHBP on a regular basis. Also attached is the report issued by the state's benefits consultant that substantiates their recommendations. It is expected that the recommendations shall be officially adopted by the Commission shortly. The highlights are as follows:

Summary of Suggested 2016 Rate Changes

The overall rate increase suggested is 6% for Active employees, 5.4% for Early Retirees and 4.8% for Medicare Retirees. The composite 2016 overall increase is 5.8% as compared to 7.4% for 2015.The 2016 SHBP projected costs are $1.4 billion. The proposed 2016 premiums are projected to produce no gains or losses for the period. A summary chart of the increases by plan is as follows:

	Active Employees	**Early Retirees**	**Medicare Retirees**
Medical PPO Plan	6.8%	3.3%	0.2%
Medical HMO Plan	7.3%	3.3%	0.2%
Rx PPO Plan	3.1%	13.4%	8.9%
Rx HMO Plan	3.1%	13.4%	8.9%
Total	**6%**	**5.4%**	**4.8%**

General Updates and Comments

- Trends for the pharmacy are up dramatically over prior years. Not surprisingly, the state attributes these rising costs to a combination of rising specialty medication use, compound medications and hepatitis-c medications. Pharmacy trend has climbed to 18.75% for active employees vs. 9% in the 2015 plan. The pharmacy trend for retirees is also up to 18% vs. 11.5% for the 2015 plan year. Medical trend has held steady;

- The report suggests that adjustments were made to the projected trend rate to account for expected enrollment reductions due to groups leaving the SHBP. Savings adjustments were also made to the

projected 2016 cost to account for expected migration to lower cost medical plans by participants looking to reduce their PL Chapter 78 exposure;

- The overwhelming majority of the active enrollment remains in the costliest plan, the Direct 10 PPO Plan;

- The SEHBP continues to sustain its NJ Well wellness plan. The costs to administer the plan are projected to be up by $300,000 in administrative fees. The plan has been in place for a few years and there has yet to be any reported ROI. The effectiveness and participation of the plan(s) are not covered in the publicly released reports;

- There will be no change in benefits providers. Both Aetna and Horizon will continue to offer PPO, HMO and High Deductible Plan options. Express Scripts In. ("ESI") will continue to act as the pharmacy benefit manager;

- There are plan design changes necessary as a result of the Affordable Care Act ("the ACA"). Specifically, changes are being made to ensure that the in network out of pocket maximums for medical and pharmacy combined will be not greater than $6,850 for Single coverage and $13,700 for family coverage. The SEHBP will have separate medical and prescription out of pocket maximums;

- Based on a court case ruling, Retiree pharmacy copayments and the out of pocket maximum for the PPO and HMO medical plans shall revert back to the 2012 levels. This shall have some impact on plan costs but this has apparently been factored into the projected 2016 budget. It is unclear for how long these coverage provisions will have to stay at the 2012 level;

- The SHBP is also installing various new plan changes expected to generate $54 million in savings for 2016. It is expected that further details related to these changes will be published at a later date:

    - Emergency Room copayments shall be increased by $25
    - Out of network chiropractic and acupuncture care shall be limited to encourage more in network services
    - Tighter compound medication protocols are being adopted to slow the use of inappropriate compound usage
    - The use of the hepatitis-c Viekira Pak solution shall be adopted to stem the rising tide of hepatitis c medication costs
    - A unique pilot plan with the Robert Wood Johnson University Hospital System plan shall be launched on a voluntary basis. The plan is referred to as a patient centered medical home and is intended to provide a higher level of integrated care for the patients at a lower cost
    - It is expected that a "narrow network" plan(s) will be offered that uses a smaller number of participating providers but has a lower overall cost for groups and participants

- The SEHBP continues to pay the various applicable taxes related to the ACA. This includes the Transitional Reinsurance Fee of $27 per non-Medicare member per year. This will add $3.8 million in ACA taxes and costs to SEHBP plan for 2016. The ACA's PCORI Fee is $2.20 per member. This will add $400,000 in ACA taxes and costs to the SEHBP plan for 2016;

- Pharmacy rebates are projected to generate $56 million (up from $43 million in 2015) in revenue that shall be used to offset plan costs. A new agreement with ESI is also expected to help reduce pharmacy

costs by 3% while the retiree EGWP plan are expected to generate $42 million in revenue to help reduce pharmacy plan costs;

- The 2016 projected Claim Stabilization Reserve ("CSR") is projected to rise to 2.2 months of projected plan costs.

We shall continue to monitor developments from the Commission and share any further data available. Conner Strong & Buckelew examines all benefit plan options for clients, including the SHBP. If you have questions with the above, please let us know. Thank you.

MUNICIPALITY PRESCRIPTION RATE REDUCTION - As a result of the new Express Scripts contract agreement, municipalities received a 5% reduction on their prescription rates beginning with July's invoice. As requested, the attached letter accompanied the July invoice notifying the affected entities.

The contract savings was considered as part of the School Board July 1, 2015 renewals.

AMERIHEALTH NJ (GATEKEEPER/REFERRAL PLANS) SYSTEM UPGRADE- ***10/1/2015 -*** Effective 10/1/2015, AmeriHealth New Jersey will be going through a system upgrade. This will be affecting AmeriHealth HIF members that have referral type plans.

All AmeriHealth New Jersey members will be receiving new ID cards for 10/1/2015. PERMA will be working with affected groups directly in regards to communications and answering any questions they may have.

We will continue to provide information and updates in future meetings.

******This will not be affecting <u>AmeriHealth Administrators</u> members.**

BREAKOUT OF FUNDS – TPA UPDATE - On 7/14, PERMA and AETNA had a conference call to discuss the migration. AETNA has begun the process of separating out the 3 Funds. AETNA is confident that the 1/1/2016 date will be attainable.

Member Impact:

- Confirmed that members in **SHIF** and **Coastal** will be receiving new ID cards for 1/1/2016.
- AETNA to follow up regarding precertification and referrals

Next Steps:

- **Express Scripts**
- **AmeriHealth NJ & AmeriHealth Administrators**
- **Delta Dental**
- **Member Communications**

Program Manager said during the separation process, there will be re-carding to a small population. Ms. Dennison said that the process will be different from last year's platform transition. T his is a

simple re-coding and anticipates a smooth transition.

WELLNESS UPDATE

Municipalities- The municipality wellness committee will be meeting via telephone on Wednesday, 7/22. Meeting minutes and agenda items will be discussed at the SNJREBF meeting on Monday, 7/27.

School Boards- The Wellness Coaches project is underway for four school boards that were selected for the pilot program. The program is set to take effect in September, when teachers return. Currently, Wellness Coaches USA is working with each individual entity on setting up the administration and logistics of the plan.

The School Boards have extended the 2014/2015 wellness grant applications through the end of 2015, for the completion of current programs and allocation of awarded monies. PERMA continues to review wellness opportunities to accompany and enhance the grant programs and will be reviewing at future meetings.

Program Manager said that the wellness committee had a brief conference call to discuss a possible wellness program. Commissioner Shannon said the committee discussed a possible $150 incentive for enrollment. She said the State Health Benefits Program had very little participation in their program, but lack of communication can be to blame. Chair Mevoli said that Delsea's program seemed to have been a success. Commissioner Collins reviewed his program and why he felt it was successful. Program Manager said that a wellness coordinator would work with the wellness program instead of the administrator. Commissioner Shannon said bringing the screenings to the entity would gain more participation than having employees go to a lab.

2015 PPACA UPDATES - In our constant effort to keep you informed of the ongoing progression of PPACA, the following communications regarding 2015 PPACA updates are included in the attachment section of this report:

Cadillac Tax

The Cadillac Tax imposes a 40% non-deductible tax on the excess amount of the aggregate cost of "applicable employer–sponsored coverage" in a calendar year. Applicable employer–sponsored coverage is generally defined as the coverage under any group health plan made available to employees by an employer which is excludable from the employee's gross income or would be excludable from the employee's gross income under IRC section 106. The definition of "employees" includes former employees, retirees, surviving spouses and "other primary insureds" (an undefined term). The tax applies to all employers subject to excise tax provisions of the IRC which includes all private employers, regardless of size, and also includes tax exempt and governmental entities. The excess amount of the total cost of coverage, from which the tax is calculated, is the amount of applicable coverage which exceeds the annual statutory limits, which have been set at $10,200 for individual coverage and $27,500 for other-than-individual coverage for the 2018 tax year.

The tax is calculated on a monthly basis, but is assessed on a calendar year basis. The value of applicable coverage must be calculated based on approved methods identified in the guide. Rules permit adjustments to the limits for retirees and high risk professions, as well as age and gender adjustments. Adjustments will also be made through 2018 and beyond for health cost inflation.

Each provider of coverage is responsible for paying its share of the tax. For all fully-insured coverages, the health insurer is the coverage provider. For self-insured coverages or other coverage, the employer/plan administrator is responsible for paying the tax. Keep in mind that while the coverage provider is responsible for paying the tax, employers sponsoring health plans are responsible for calculating the tax and determining the share of the tax attributable to each coverage provider. In general, penalties may be assessed on employers who miscalculate the tax or fail to correctly attribute the tax to the responsible party. The employer may be responsible for a penalty equal to 100% of the error plus interest. The IRS reserves the right to waive penalties for employers who can prove they were not aware of the mistake, provided the mistake is corrected within 30 days.

A recent article, "Union Plans Need to Look Ahead to Cadillac Tax Despite Lack of Guidance", was published in Bloomberg BNA discussing the importance of preparation for this looming tax and the consideration of adding contract language allowing reopening of negotiations in 2017 when more guidance is available. http://www.bna.com/union-plans-need-b17179923113/

Recordkeeping and Reporting

The Internal Revenue Service (IRS) released more detailed reporting information in the form of Questions and Answers (FAQs) in an effort to assist employers with IRS reporting (Form 1094-C) and providing statements to its employees (Form 1095-C) regarding employer health coverage information under the Affordable Care Act (ACA). Employers must comply with these new reporting requirements beginning in 2016, reporting on calendar year 2015. The latest guidance consists of an updated Q&A document covering basic reporting requirements and a new Q&A document addressing more specific issues that may arise while completing Forms 1094 and 1095. The Q&As are clarifications to the existing rules. The final rulings remain unchanged. The revised Q&As can be found here, Questions and Answers on Reporting of Offers of Health Insurance Coverage by Employers (Section 6056), providing you the guidance needed in respect to the reporting of healthcare coverage

To assist with ACA required recordkeeping and reporting requirements (1094/95 B &C), PERMA can run census and data reports out of the Benefits Express system that can be utilized to generate the necessary reports.

If you'd like a standard report, please have your Risk Managers reach out to Jeanne Frank at jfrank@permainc.com. The expected turn around time to receive reports is 7-10 business days.

EXPRESS SCRIPTS – CHOLESTEROL/PCSK9 MEDICATIONS STRATEGY UPDATE - Starting in July, 2015, a new class of statins to treat high LDL cholesterol is being introduced to the market. Termed PCSK9 medications, these specialty medications are designed to specifically treat those who are resistant

to higher dose statins, intolerant to statins, or have a diagnosis of familial hypercholesterolemia. Based on the currently estimated cost, prevalence, and clinical prescribing guidelines, these drugs have the potential to increase your current overall drug costs by 30-40%. In combination with projected annual drug trend, plans are now facing potential 50% increases in annual drug costs. In light of this unprecedented cost impact to plan sponsors, PERMA is recommending a strategy that will allow the Funds to calculate the potential cost impact and make a fully informed decision for this class of drugs prior to offering member coverage.

Based on clinical trials and current medical benchmarks, it is estimated that between 8%-24% of current statin users will qualify for these new specialty medications. The annual cost of the new statins are currently estimated to be anywhere from $7,000 to $12,000 per utilizing member. In contrast, the current annual cost of a generic statin is approximately $600 per utilizing member. Also, the $7,000 to $12,000 is a reoccurring cost as the patient will still have to take the new medications indefinitely.

Strategy Options:
If controls are not put in place these medications could have an impact of over 30% on future prescription drug trend.

1. Express Scripts Clinical Review Program (*3% trend impact)-* Express Scripts has developed an in depth review program for reviewing the PCSK9 medications, in which prescribing physicians would need to supply Express Scripts' clinical review team with lab results and other medical documentation to provide evidence of medication needed.

Program Requirements:

a. *Accredo Mail Order*- All PCSK9 medications will be delivered via Express Scripts' specialty pharmacy, Accredo.
b. *Select Home Delivery for Maintenance Cholesterol Medications (January 1, 2016)*- The clinical review program is accompanied with select home delivery for **maintenance high cholesterol medications** (Crestor, Lipitor, etc.). This program allows current utilizers of these maintenance medications 60 days to opt out of mail order, or they must begin receiving their medications via mail. This would take affect January 1, 2016. This requirement can be opted out of at a cost of $0.20 per member per month.

2. Exclude PCSK9 Medications with Appeal Option *(< 3% impact)* - The HIF could consider not covering these medications all together and allowing members an appeal option. In which the Fund would utilize one of our independent review organizations (IROs) to make a determination regarding effectiveness, applicability and medical necessity of the PCSK9 for the prescribed patient. In the event of an appeal, the IRO recommendation would be the final determination.

Program Manager presented the options. If nothing is done and all prescriptions are processed, ESI predicts a 28% increase on trend. He said he is recommending the Clinical Review Pgoram. The only problem, is the accredo mail order will be mandatory for all high cholesterol drugs, even statins. The Fund may choose the Select home deliver instead at $.20 per employee, per month, which is equates to $13,000. In response to Commissioner Shannon, Mr. Rostkowski said the mail order tracks to

better adhearance and savings overall. For groups that currently have mandatory mail, there would be no difference. Commissioner Mercoli said the $13,000 is not a lot to save the aggravation. Mr. Rostkowski said that just by implementing the process, saving one person from filling this prescription who clinically not benefit will save the Fund $14,000, which is more than the cost of the select mail order. Executive Director said that 30% of the membership is on a statin, but only 1% of that population should be prescribed this drug type. The School Board Steering Committee elected to choose the clinical program with no select mail order.

In response to Commissioner Rochford, Mr. Rostkowski said he does not expect the drug cost to go down until more competition comes to the market. In addition, Mr. Rostkowski responded to Commissioner Mercoli that if all documentation is received by the provider, the appeal process takes 3-5 buiness days. ESI requires lab history, charts, and drug history for the medical review.

MOTION TO MIRROR THE SCHOOL BOARD FUND AND APPROVE THE CLINICAL REVIEW PROGRAM FOR PCSK9 DRUGS WITH SELECT HOME DELIVERY.

Moved: Commissioner Lipsett
Second: Commissioner D'Angelo
Vote: 7 Ayes, 0 Nays

TREASURER'S REPORT – Fund Treasurer reviewed bills lists for July Resolution. He said that he has taken the investments to the market and will see 3 new banks of which $17 million are in money markets and $1 million is with governmental securities.

Resolution 19-15: Payment of July 2015 Bills

Fund Year 2014	**$11,000**
Fund Year 2015	**$1,870,363.89**
TOTAL 2011	**$1,881,363.89**

MOTION TO APPROVE RESOLUTION 19-15 JULY BILLS LISTS FOR THE SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND BILLS LIST.

Motion: Commissioner Wolk
Second: Commissioner Michielli
Vote: 7 Ayes, 0 Nays

MOTION TO APPROVE THE CASH RECONCILIATION REPORT AND CASH TRANSACTION REPORT.

Motion: Commissioner Wolk
Second: Commissioner Michielli
Vote: Unanimous

AETNA: Ms. Dennison said that Aetna has acquired Humana and is in the regularly approval process so there are not many details available at this time. Humana has the most medicare advantage population in the country. She also reviewed the May reports which are similar to prior months.

AMERIHEALTH – Ms. Didio review the claims and high claimant report from the previous month. There are 2 high level claims representing 20% of the claim sin the Amerihealht NJ population.

DENTAL ADMINISTRATOR: No Report

PRESCRIPTION ADMINISTRATOR: No further report

FUND ATTORNEY: Mr. Harris included a memo regarding the cholesterol drugs and is recommending the action plan the Fund had approved. This will be much cleaner and efficient than denying all.

OLD BUSINESS: none

NEW BUSINESS: None

PUBLIC COMMENT: none

MOTION ENTER EXECUTIVE SESSION FOR CONTRACT DISCUSSION:

Moved:	Commissioner Wolk
Second:	Commissioner Lipsett
Vote:	Unanimous

MOTION TO APPROVE CONTRACT AMENDMENT FOR THE FUND ADMINISTRATOR TO INCLUDE AN ADDITIONAL $20,000 FOR THE WORK INVOLVED IN THE FUND SEPARATION.

Moved:	Commissioner Wolk
Second:	Commissioner Lipsett
Vote:	Unanimous

MOTION TO ADJOURN:

Moved:	Commissioner Michielli
Second:	Commissioner D'Angelo
Vote:	Unanimous

MEETING ADJOURNED: 7:46 PM

NEXT MEETING: July 27, 2015

Emily Koval , Assisting Secretary
for

JOSEPH WOLK, SECRETARY