

**CENTRAL JERSEY HEALTH INSURANCE FUND
OPEN MINUTES
SEPTEMBER 9, 2020
ZOOM MEETING
1:30 PM**

Meeting called to order by Chairman Thomas Nolan. The Open Public Meeting notice read into record.

PLEDGE OF ALLEGIANCE

MEETING OF EXECUTIVE COMMITTEE CALLED TO ORDER

ROLL CALL OF 2020 EXECUTIVE COMMITTEE:

CHAIRPERSON		
Thomas Nolan	Borough of Brielle	Present
SECRETARY		
William Rieker	Township of Lakewood	Present
EXECUTIVE	COMMITTEE	
Diane Lapp	Township of Manchester	Present
Adam Hubeny	Borough of Atlantic Highlands	Present
Donato Nieman	Township of Montgomery	Present
Brian Valentino	Western Monmouth MUA	Absent
ALTERNATES:		
Brian Dempsey	Spring Lake	Absent
Brian Brach	Manasquan RRSA	Present

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	PERMA Risk Management Services	Paul Laracy Emily Koval Karen Kamprath	Present Present Present
Program Manager	Conner Strong & Buckelew	Brandon Lodics Marybeth Visconti	Present Present
Attorney	Berry, Sahradnik, Kotzas & Benson	Matt Thompson	Present
Treasurer		Stephen Mayer	Present
Network & Medical Claims Service	Aetna	Jason Silverstein	Present
Network & Medical Claims Service	AmeriHealth	Kristina Strain	Present
Dental Claims Service	Delta Dental	Luhra Ebarle	Present
Rx Administrator	Express Scripts	Kyle Colalillo Ken Rostkowski	Absent Present
Auditor	Holman & Frenia	Lauren Holman	Absent

OTHERS PRESENT:

John Casagrande
Anthony Tonzini
Gary Goldfarb
Lori Cole
Laurie Roth
Sarah Zimmer Scarpelli
Christopher Mullins
Jacob Krakower
Kaye Loik
John Lajewski
Cindy Toye
Jeanne Smith
Raymond DeNick

CORRESPONDENCE: None

APPROVAL OF MINUTES: JULY 15, 2020 OPEN:

MOTION TO APPROVE OPEN MINUTES OF JULY 15, 2020

MOTION:	Commissioner Nieman
SECOND:	Commissioner Dempsey
VOTE:	5 Ayes, 0 Nays, 1 Abstain (Commissioner Lapp)

EXECUTIVE DIRECTOR'S REPORT

FINANCIAL FAST TRACK as of July 31, 2020 – Executive Director said the Fast Track reflects the dividend to be approved today, he said once approved the surplus would remain at \$17.5 million overall.

2021 DRAFT BUDGET – Executive Director said the draft budget is included for discussion, and he reviewed the below bullet points. He said overall the budget is down 1.34%. He said if approved a resolution introducing the budget is included in the consent agenda.

- The actuary determined the medical and Rx increases. His projection included claims through 5/31/2020, but because of the decreased claim activity due to the pandemic, his projection was based off 2019, then each carrier's experience was trended forward.
- Formulary rebates have been better than estimated so additional money has been projected into the budget.
- CJHIF's experience in the MRHIF is favorable, so a 27.9% decrease has been included pending formal adoption of the MRHIF budget.

POSITIVE PAY - Executive director said in the last few weeks, several of our Municipal JIFs and 1 HIF have experienced fraudulent activities in their bank accounts. Fortunately, the majority of the JIFs are on "Positive Pay". "Positive Pay" is a feature offered by banks to prevent any unauthorized checks from being honored. The issuer of the checks transmits a file to the bank with specific information regarding checks issued and the bank will only honor those checks. We strongly recommend implementing this feature on all HIF bank accounts. The Fund Treasurer is currently in the process of implementing this for the CJHIF.

AMERIHEALTH CONTRACT - Executive Director said Amerihealth is requesting changes to their contract including increased fees. We are not in agreement with the new fees and other changes. The Finance Committee discussed the possibility of issuing an RFP for the services but we suggest holding off pending additional efforts on our part to resolve the matter.

Central Jersey Municipal Employee Benefits Fund				
2021 Certified Budget		Print date	03-Sep-20	
Census:				
	Census All Members		Census Excl Lakewood	
Medical AmerHealth	20	240	20	240
Medical Aetna	1,582	18,984	1,132	13,584
Rx	1,677	20,124	1,227	14,724
Dental	2,063	24,756	1,459	17,508
Vision Aetna	129	1,548	129	1,548
Medicare Advantage - Medical	630	7,560	507	6,084
Medicare Advantage - Rx Only (Brick)	242	2,904	242	2,904
Rx No Medical (Incl in Rx above)	515	6,180	515	6,180
Dental No Med No Rx (Incl in Dental above)	1087	13,044	924	11,088
DMO Only	70	840	70	840
Medicare Advantage Only	187	2,244	162	1,944
Medicare Advantage METRO Only	0			
LINE ITEMS	2020 Actualized Budget	2021 Proposed Budget	\$ Change	% Change
1 Medical Claims AmenHealth 12/31 Renewal	\$ 7,985	\$ 8,060	\$ 75	0.94%
2 Medical Claims AmenHealth 6/30 Renewal	\$ 347,206	\$ 347,319	\$ 113	0.03%
3 Medical Claims Aetna 12/31 Renewal	\$ 18,244,724	\$ 18,336,685	\$ 91,961	0.50%
4 Medical Claims Aetna 6/30 Renewal	\$ 333,697	\$ 334,875	\$ 1,178	0.35%
5 Subtotal Medical Claims	\$ 18,933,612	\$ 19,026,939	\$ 93,327	0.49%
6 Prescription Claims 12/31 Renewal	\$ 7,138,361	\$ 7,280,833	\$ 142,472	2.00%
7 Prescription Claims 6/30 Renewal	\$ 185,736	\$ 189,578	\$ 3,842	2.07%
8 Subtotal Prescription Claims	\$ 7,324,097	\$ 7,470,411	\$ 146,314	2.00%
9				
10 Lakewood SR Claims				
11 Medical	\$ 8,831,246	\$ 8,805,656	\$ (25,590)	-0.29%
12 Prescription	\$ 2,567,944	\$ 2,608,383	\$ 40,439	1.57%
13				
14 Less Rx Rebates	\$ (1,098,615)	\$ (1,494,082)	\$ (395,467)	36.00%
15				
16 Dental Claims 12/31 Renewal	\$ 1,814,643	\$ 1,750,783	\$ (63,860)	-3.52%
17 Dental Claims 6/30 Renewal	\$ -	\$ -	\$ -	0.00%
18 Subtotal Dental Claims	\$ 1,814,643	\$ 1,750,783	\$ (63,860)	-3.52%
19 Vision Claims	\$ 23,233	\$ 23,233	\$ -	0.00%
20				
21 Subtotal Claims	\$ 38,396,160	\$ 38,191,323	\$ (204,837)	-0.53%
22				
23 Medicare Advantage/ EGWP				
24 Medicare Advantage - Rx	\$ 1,781,355	\$ 1,664,316	\$ (117,038.88)	-6.57%
25 Medicare Advantage - Rx	\$ 527,395	\$ 513,166	\$ (14,229.00)	-2.70%
26 DMO Premiums	\$ 35,343	\$ 35,343	\$ -	0.00%
27				
27 Reinsurance				
28 Specific	\$ 1,083,153	\$ 780,940	\$ (302,214)	-27.90%
29 Lakewood-ICH				
29 Lakewood-ICH	\$ 788,028	\$ 788,028	\$ -	0.00%
30 Subtotal Reinsurance	\$ 1,871,181	\$ 1,568,968	\$ (302,214)	-16.15%
31				
32 Loss Fund Contingency				
32 Loss Fund Contingency	\$ 55,263	\$ 158,665	\$ 103,402.00	187.11%
33				
34 Total Loss Fund	\$ 42,666,698	\$ 42,131,761	\$ (534,937)	-1.25%
35				
37 Expenses				
38 Legal	\$ 35,716	\$ 36,430	\$ 714	2.00%
39 Treasurer	\$ 12,000	\$ 12,240	\$ 240	2.00%
40 Administrator	\$ 387,415	\$ 395,164	\$ 7,748	2.00%
41 Program Manager	\$ 1,291,687	\$ 1,317,540	\$ 25,852	2.00%
42 Actuary	\$ 41,300	\$ 16,000	\$ (25,300)	-61.26%
43 Auditor	\$ 20,096	\$ 20,498	\$ 402	2.00%
44 TPA - AmenHealth	\$ 9,780	\$ 9,780	\$ -	0.00%
45 TPA - Aetna	\$ 937,700	\$ 909,224	\$ (28,476)	-3.04%
46 Plan Documents	\$ 15,000	\$ 15,000	\$ -	0.00%
47 Dental TPA	\$ 77,239	\$ 77,239	\$ -	0.00%
48 Wellness	\$ 50,000	\$ 125,000	\$ 75,000	150.00%
49 Affordable Care Act	\$ 9,516	\$ 9,516	\$ -	0.00%
50 A4 Retiree Surcharge	\$ 25,206	\$ 24,688	\$ (517)	-2.05%
51 Misc/Cont	\$ 21,263	\$ 21,185	\$ (78)	-0.37%
52				
53 Total Expenses	\$ 2,933,917	\$ 2,989,503	\$ 55,586	1.89%
54				
55 Total Budget	\$ 45,600,616	\$ 45,121,284	\$ (479,331)	-1.05%
56 Total Billing	\$ 45,732,804	\$ 45,121,284	\$ (611,520)	-1.34%

Central Jersey Municipal Employee Benefits Fund

2021 ASSESSMENTS ANNUALIZED vs PROPOSED

Group Name	Annualized Assessments FY2020			Proposed Assessments FY2021			Difference \$			Difference %		
	Member Billed	Direct Billed	Total	Member Billed	Direct Billed	Total	Member Billed	Direct Billed	Total	Member Billed	Direct Billed	Total
Aberdeen	3,316,224	-	3,316,224	3,221,664	-	3,221,664	(94,560)	-	(94,560)	-2.85%	0.00%	-2.85%
Allentown	198,252	-	198,252	193,272	-	193,272	(4,980)	-	(4,980)	-2.51%	0.00%	-2.51%
Asbury Park City	89,940	1,380	91,320	89,940	1,380	91,320	-	-	-	0.00%	0.00%	0.00%
Atlantic Highlands Borough	1,216,332	-	1,216,332	1,187,196	-	1,187,196	(29,136)	-	(29,136)	-2.40%	0.00%	-2.40%
Barnegat Light	18,012	-	18,012	18,012	-	18,012	-	-	-	0.00%	0.00%	0.00%
Bedminster Township	797,256	6,528	803,784	815,796	6,456	822,252	18,540	(72)	18,468	2.33%	-1.10%	2.30%
Brick Township	4,008,336	3,372	4,011,708	3,900,636	3,288	3,903,924	(107,700)	(84)	(107,784)	-2.69%	-2.49%	-2.69%
Brick Twp Housing Authority	54,288	-	54,288	54,288	-	54,288	-	-	-	0.00%	0.00%	0.00%
Brielle Borough	900,120	42,288	942,408	890,568	41,844	932,412	(9,552)	(444)	(9,996)	-1.06%	-1.05%	-1.06%
Eatontown Sewerage Authority	157,380	-	157,380	153,840	-	153,840	(3,540)	-	(3,540)	-2.25%	0.00%	-2.25%
Englishtown	11,772	-	11,772	11,772	-	11,772	-	-	-	0.00%	0.00%	0.00%
Harvey Cedars	23,244	-	23,244	23,244	-	23,244	-	-	-	0.00%	0.00%	0.00%
Highland Elementary School	647,616	-	647,616	638,988	-	638,988	(8,628)	-	(8,628)	-1.33%	0.00%	-1.33%
Jackson Township	60,024	-	60,024	60,024	-	60,024	-	-	-	0.00%	0.00%	0.00%
Keyport	32,352	576	32,928	32,352	576	32,928	-	-	-	0.00%	0.00%	0.00%
Lakewood Township	13,963,680	4,440	13,968,120	13,775,916	4,440	13,780,356	(187,764)	-	(187,764)	-1.34%	0.00%	-1.34%
Manasquan	45,804	1,740	47,544	45,804	1,740	47,544	-	-	-	0.00%	0.00%	0.00%
Manasquan River Regional Sewerage Authority	357,360	-	357,360	348,816	-	348,816	(8,544)	-	(8,544)	-2.39%	0.00%	-2.39%
Manchester Township	257,544	-	257,544	257,544	-	257,544	-	-	-	0.00%	0.00%	0.00%
Matawan	73,104	-	73,104	73,104	-	73,104	-	-	-	0.00%	0.00%	0.00%
Montgomery Township	2,887,920	145,044	3,032,964	2,817,324	138,336	2,955,660	(70,596)	(6,708)	(77,304)	-2.44%	-4.62%	-2.55%
Oceanport	883,752	-	883,752	862,968	-	862,968	(20,784)	-	(20,784)	-2.35%	0.00%	-2.35%
Plumsted Township	407,592	-	407,592	397,428	-	397,428	(10,164)	-	(10,164)	-2.49%	0.00%	-2.49%
Red Bank	3,490,021	36,971	3,526,992	3,556,140	37,800	3,593,940	66,119	829	66,948	1.89%	2.24%	1.90%
Sayreville Borough	5,810,688	7,884	5,818,572	5,810,688	7,884	5,818,572	-	-	-	0.00%	0.00%	0.00%
Seaside Heights BOE	36,288	-	36,288	36,288	-	36,288	-	-	-	0.00%	0.00%	0.00%
Ship Bottom Borough	35,976	576	36,552	35,976	576	36,552	-	-	-	0.00%	0.00%	0.00%
Shrewsbury Township	31,224	-	31,224	30,168	-	30,168	(1,056)	-	(1,056)	-3.38%	0.00%	-3.38%
South River	2,191,500	19,308	2,210,808	2,129,232	18,672	2,147,904	(62,268)	(636)	(62,904)	-2.84%	-3.29%	-2.85%
Spring Lake	51,564	-	51,564	51,564	-	51,564	-	-	-	0.00%	0.00%	0.00%
Toms River MUA	1,035,276	12,972	1,048,248	1,028,820	12,972	1,041,792	(6,456)	-	(6,456)	-0.62%	0.00%	-0.62%
Tuckerton Borough School District	949,080	-	949,080	925,440	-	925,440	(23,640)	-	(23,640)	-2.49%	0.00%	-2.49%
West Long Branch	1,330,812	-	1,330,812	1,291,116	-	1,291,116	(39,696)	-	(39,696)	-2.98%	0.00%	-2.98%
Western Monmouth Utilities Authority	78,108	1,284	79,392	78,108	1,284	79,392	-	-	-	0.00%	0.00%	0.00%
Totals:	45,448,441	284,363	45,732,804	44,844,036	277,248	45,121,284	(604,405)	(7,115)	(611,520)	-1.33%	-2.50%	-1.34%

PROGRAM MANAGER'S REPORT

ELIGIBILITY/ENROLLMENT:

Please direct any eligibility, enrollment, or system related questions to our dedicated CJHIF enrollment team. The team can be reached by email at cjhifenrollments@permainc.com or by fax at 856-552-2175.

MONTHLY BILLING

As a reminder, please be sure to check your monthly invoice for accuracy. *Please confirm the invoice detail, as retro adjustments are limited to two months by Fund policy.* If you find a discrepancy, please report it to the CJHIF eligibility/enrollment team cjhifenrollments@permainc.com or by fax at 856-552-2175.

BROKER CONTACT INFORMATION

Please direct any escalated claims, benefit coverages, prescription coverage, Medicare Advantage or appeal related questions to our dedicated CJHIF Client Servicing Team. The team can be reached at brokerservices@permainc.com.

CONNER STRONG COVID-19 RESOURCES

Conner Strong & Buckelew has compiled a database of COVID-19 resources available to our clients. To access the resource center please use the link below.

- Link-<https://www.connerstrong.com/insights/covid-19-resource-center/>

OPEN ENROLLMENT UPDATE

Annual Open Enrollment - Program Manager said the annual CJHIF Open Enrollment period is approaching. As in the past, this will be a *passive Open Enrollment*. This means that only members who want to make a change need to complete an open enrollment form. Members who want to keep their current elections do not need to take any action for their enrollment to rollover to January 1. Open Enrollment will **begin on 10/19/2020 and close on 10/30/2020**. The deadline for entities to enter Open Enrollment changes in Benefit Express is **11/6/2020**. Please note that only members electing a change will receive new ID cards.

Educator's Health Plan - Program Manager said we will be working with the School Districts in the Fund and their Risk Managers on the enrollment process. On 9/17/2020, will be hosting a virtual "Town Hall" information session on Chapter 44. Zoom invitations will be forthcoming.

As required by law, this will be an *active Special Enrollment Period*. Employees who wish to remain in their current plan will be required to complete an *Affirmative Election Form*. The law mandates that employees move into the new plan on January 1, 2021 if; they were **hired prior to 7/1/2020, and do not complete an Affirmative Election Form** or, were hired after 7/1/2020.

HIF ORGANIZATION ANNOUNCEMENT

We are pleased to announce that Jason Edelman will be joining PERMA as a *HIF-New Business Development Executive*. Jason will assume the responsibilities previously handled by Greg Grimaldi who retired in May. Those broker partners who worked with Greg will now work with Jason. Jason was with PERMA in the past and spent four successful years with the organization. Jason spent four

successful years with the PERMA HIF team in the past; so he has experience has experience with the HIF model and business. Jason left us to pursue a career in EB sales, having joined Graham in Philadelphia where he spent 2 years before moving to Alliant in a new business role where he has been for the last 4 years. In his new role at PERMA, Jason will be responsible for helping us grow the HIF business.

AETNA UPDATE

Program Manager said network negotiations with Premier Health were held over the past few months. One Fund member received a notification in late July advising that Premier Health was going to pull out of the Aetna network on 9/1/2020. We are pleased to announce that the negotiations were successful. Premier Health remains in-network with Aetna and a retraction letter is being mailed to the impacted member.

ESI UPDATE

New Branding - In early August, ESI introduced a new look to their market brand through a broad-based, direct-to-consumer marketing campaign. Members using the Express Scripts Pharmacy received direct communications (mail and/or email) regarding the updated look and functionality of the website, which includes user-friendly enhancements for checking a prescription's status, refilling prescriptions, automatic refill set-up and paying a bill. Members are encouraged to visit www.express-scripts or download the Express Scripts mobile app (see attached flyer) to access the enhanced services offered.

1/1/2021 National Preferred Formulary Update

Program Manager said ESI announced their NPF updates for the 2021 plan year. On January 1, 2021, ESI will add 70 additional products to the exclusion list (included with your agenda). ESI identified 105 Fund members who are currently using these products and will be notifying them directly. The communication will include therapeutically equivalent alternatives which members are encouraged to discuss with their physicians.

LEGISLATIVE UPDATE

Program Manager said Governor Murphy recently signed Executive Order #172, which allows entities in the State Health Benefit Plan (SHBP) to waive the normal waiting period for new hires, allowing them to enroll in health benefits upon date of hire. The order became effective on 8/3/2020 and will remain in effect for the duration of the COVID-19 NJ Public Health Emergency. Fund entities wishing to comply with this order may do so by completing and returning the Plan Document Amendment form included with this agenda to PERMA. We strongly recommend that the amendment, be ratified by the entity's governing body.

Please note, the amendment may only be added to the **Final** plan document. To finalize plan document Drafts, the entity (or their Risk Manager) needs to execute and return the signature sheet at the end of each plan document to the Fund Program Manager.

ADMINISTRATIVE AUTHORIZATION

Program Manager said there was one Level II medical necessity appeal was sent to an IRO for review. The IRO determination overturned the Level I Aetna denial.

TREASURER – Fund Treasurer said the bills list and Treasurers report is included in the agenda.
August 2020 – Confirmation of Payment

FUND YEAR 2020	\$604,230.13
TOTAL ALL FUND YEARS	\$604,230.13

September 2020 – Resolution 27-20

FUND YEAR 2019	\$155,004.89
FUND YEAR 2020	\$579,334.80
TOTAL ALL FUND YEARS	\$734,339.69

ATTORNEY: None

AETNA: Mr. Silverstein reviewed the claims for June and July 2020. He said the pepm for June was \$1,037, and \$1,179 for July. He said there was 1 claim over \$50,000 for June and 5 in July. He noted that all metrics on the dashboard are currently performing as expected. He reviewed the covid 19 reporting for the week of August 30th.

AMERIHEALTH: Ms. Strain reviewed the claims for August 2020 with an average pepm of \$1,036.92. She said there were no high claims for the month of August. She reviewed the covid reporting and noted there is only about \$4,000 in covid reported claims.

EXPRESS SCRIPTS: Mr. Colalillo said the trend has increased 7.4% from January to July 2020. He also reviewed the covid treatment updates.

DELTA DENTAL: Ms. Ebarle said they do not have any updates at this time.

MOTION TO APPROVE THE CONSENT AGENDA AS DISCUSSED:

MOTION:	Commissioner Rieker
SECOND:	Commissioner Nieman
VOTE:	6 Ayes, 0 Nays

NEW BUSINESS: None

OLD BUSINESS: None

PUBLIC COMMENT: None

MOTION TO ADJOURN MEETING:

MOTION:	Commissioner
SECOND:	Commissioner
VOTE:	Unanimous

MEETING ADJOURNED: 2:00 pm

Minutes Prepared by: Karen Kamprath , Assisting Secretary

Next Meeting: October 21, 2020 1:30 pm