

**SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND
OPEN MINUTES
MARCH 27, 2017
THE GREENVIEW INN AT EASTLYN GOLF COURSE
12:00 PM**

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

PLEDGE OF ALLEGIANCE

ROLL CALL OF 2017 EXECUTIVE COMMITTEE:

Gene Mercoli - Chairman	Cumberland County Technical Education Center	Present
Cherie Bratty - Secretary	Upper Deerfield Board of Education	Present
Pasquale Yacovelli	Buena Regional Board of Education	Present
Bruce Harbinson	Cumberland Regional Board of Education	Absent
Nicole Albanese	Bridgeton Board of Education	Present
Bryce Kell	Millville Board of Education	Present
Jerry Velazquez	Cumberland County Improvement Authority	Present
Alternate #1		
Kim Krauss	Middle Township	Present

PRESENT FUND PROFESSIONALS:

FUND ADMINISTRATOR: PERMA Risk Management
Paul Laracy
Emily Koval
Karen Kamprath

FUND ATTORNEY: Ken Harris

FUND COORDINATOR: Rich Allen
Bob Allen
Gerald Cowen
Dina Murray
Rick Alessandrini
Abbie Geletka

DEPUTY TREASURER: Lorraine Verrill

AETNA: Kim Ward

AMERIHEALTH: Lisa Didio

ALSO PRESENT

Paige Rumaker, Dennis Township
Chuck Grande, Integrity Consulting Group
Anthony Fanucci, AR Fanucci Insurance
Stephanie Kuntz, Hopewell
Dr. Alfred Savio, West Cape May
Bertha Hyman, Woodstown Borough
Christina Murphy, CCCSN
Mark Mallett, LCMR

Joe Madera, Hardenbergh Insurance Group
Joe Meola, J. Byrne
Claudine Ayscue, Marsh & McLennan

APPROVAL OF MINUTES: March 27, 2017 - Open

MOTION TO APPROVE OPEN MINUTES OF March 27, 2017:

Moved:	Commissioner Bratty
Second:	Commissioner Albanese
Vote:	7 Ayes, 0 Nays

EXECUTIVE DIRECTORS REPORT

- **Fast Track Financial Reports** - as of January 31, 2017
 - **Historical Income Statement**
 - **Consolidated Balance Sheet**
 - **Indices and Ratios Report**
 - **Fast Track Financial Report** - SNJHIF as of January 31, 2017

Executive Director the Financial Fast Track shows a surplus for all years combined of almost \$7.5 million. He said the AmeriHealth claims have leveled off for January and February and he hopes to see that trend continue. The SNJHIF Fast Track was distributed and it was noted that the Coastal Fund will be receiving approximately \$3.4 million once the 2015 year is closed out.

MUNICIPAL REINSURANCE HEALTH INSURANCE FUND - Ms. Koval said the Municipal Reinsurance Health Insurance Fund met on February 8 to reorganize for 2017. She said the reinsurance policies were approved and a schedule was set up to continue the audits of the ESI contract.

STATE EXAMINATION - Ms Koval said the examination by the Department of Banking and Insurance of all of the HIF's has been completed and they are working with the Controllers to finalize the audit. The examination took place while the Coastal Fund was part of the SNJHIF. No adverse findings or recommendations are expected and the exam verified Fund financial statements as of 12/31/2015. A final report is expected for the next meeting.

2017 MEL & MR HIF EDUCATIONAL SEMINAR -Ms. Koval said the 7th annual seminar is scheduled for Friday, April 21st. She said the registration form is included in the agenda for anyone who is interested.

FINANCIAL DISCLOSURE STATEMENTS -Ms. Koval said every Commissioner is required to complete the online filing of the Financial Disclosure form. She said Commissioners will be receiving an email with filing instructions. She said fines are issued for non-compliance.

COORDINATION OF BENEFITS WITH MEDICARE FOR DISABLED DEPENDENTS - Fund

Attorney reviewed the coordination of benefits with Medicare for Disabled Dependents issue. He said if there is a 65 plus active employee employed by a BOE with less than 100 employees, Medicare would be primary. If the member is part of a multiple employer plan and 1 employer has more than 100 employees, all of the employers would be considered to have more than 100 employees meaning the plan would become primary not Medicare. He said the HIF has such a wide range of plan offerings that are not necessarily offered to all participants. He said he believes the definition of a multiple employer plan should not apply to the HIF due to the diverse plan offerings. In response to Chair Mercoli, Fund Attorney said this is in reference to an active employee who also is eligible for disability benefits.

In response to Chair Mercoli, Executive Director said the \$3.4 million coming from the SNJHIF is not allocated to the current budget.

FUND COORDINATOR'S REPORT

AMERIHEALTH ADMINISTRATORS UPDATE - Fund Coordinator said along with PERMA and Amerihealth, the team has been working to determine a reason for the high claims in 2016. He said 49% of the claims from last year were high claimants which accounts for about 17% higher than the Aetna claims. He said there was a large claim that was handled through the MRHIF and Munich layer. He said they will continue to monitor the situation. He said the claims for the last 2 months, claims have stayed under budget by at least 20%.

PROSPECTS - Fund Coordinator said there are several prospects in the works.

WELLNESS - Fund Coordinator said Commissioner Harbinson has expressed interest in the Ifit program and the Wellness Committee will review. He said there are still funds available for wellness grants.

JULY RENEWALS - Fund Coordinator said there are a few July 1 renewals that have received their rates.

OPEN ENROLLMENT - Ms. Murray said Open Enrollment will occur after the Easter break. She said the open enrolment guides are prepared and ready to be distributed. She said there are notices included that are important for the employees to receive. She said if there are any changes they should be received as soon as possible. She said a special open enrollment can always be discussed.

Ms. Murray said there is a new billing remittance address included in the agenda.

TREASURER- Deputy Treasurer reviewed the treasurer's report and bills list. She said the Ocean First transition has gone smoothly.

Confirmation of Payment February 2017

FUND YEAR

AMOUNT

2016	\$147.55
2017	\$551,719.94
TOTAL ALL FUND YEARS	\$551,867.49

Resolution 14-17 March 2017 Bills List

FUND YEAR	AMOUNT
2016	\$909,190.80
2017	\$1,057,808.61
TOTAL	\$1,966,999.41

FUND ATTORNEY- None

AMERIHEALTH ADMINISTRATORS – Ms. Didio said the claims are down for this reporting period. She said a lot of research has been taking place with the Fund Coordinator and PERMA to review the claims surge from last year. She said they will continue to monitor. She said the supplemental report is showing data beginning January 2017. In response to Chair Mercoli, Ms. Didio said the ER visits were not urgent care. She said the numbers could be skewed by the membership being higher this year.

AETNA – Ms. Ward reviewed the December 2016 and January 2017 claims. She said the December claims were higher with 4 high level claimants. She said the claims continue to be steady. She reviewed the supplemental report which includes a full calendar year of data. She said network discounts continue to be strong and zero members who declined case management. She said the Q4 numbers are not available yet. The claims accuracy is determined by a pool of random samples from their service center. She said if the claims accuracy metric is not above 99% for Q4 the Fund could be due money from their performance guarantees. In response to Commissioner Velazquez, Ms. Ward said the pool has not changed. In response to Chair Mercoli, Executive Director said the February claims are consistent with January.

MOTION TO APPROVE RESOLUTION 14-17 APPROVING THE MARCH BILLS LIST IN THE AMOUNT OF \$1,966,999.41:

MOTION:	Commissioner Yacovelli
SECOND:	Commissioner Kell
VOTE:	Unanimous

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: In response to Commissioner Savio, Chair Mercoli said the group can discuss a more central meeting location at the May meeting.

MOTION TO ADJOURN:

MOTION:	Commissioner Bratty
SECOND:	Commissioner Albanese
VOTE:	7 Ayes, 0 Nays

MEETING ADJOURNED: 1:00 pm

NEXT MEETING: May 22, 2017
Eastlyn Golf Course
12:00pm