

**SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND
OPEN MINUTES
MAY 20, 2019
THE GREENVIEW INN AT EASTLYN GOLF COURSE
12:00 PM**

Meeting of Executive Committee called to order by Chair Yacovelli, Open Public Meetings notice read into record.

PLEDGE OF ALLEGIANCE

ROLL CALL OF 2019 EXECUTIVE COMMITTEE:

Pasquale Yacovelli – Chairman	Buena Regional Board of Education	Present
Cherie Bratty - Secretary	Upper Deerfield Board of Education	Absent
Bruce Harbinson	Cumberland Regional Board of Education	Present
Nicole Albanese	Bridgeton Board of Education	Present
Bryce Kell	Millville Board of Education	Absent
Jerry Velazquez	Cumberland County Improvement Authority	Present
Stephanie Kuntz	Hopewell Board of Education	Present
ALTERNATE		
Paige Sharp-Rumaker	Dennis Twp Board of Education	Present

PRESENT FUND PROFESSIONALS:

FUND ADMINISTRATOR: PERMA Risk Management
Emily Koval
Shah Mapp

FUND ATTORNEY: Douglas Long

PROGRAM MANAGER Shared Health Alliance
Bob Allen

FUND TREASURER: Absent

DEPUTY TREASURER: Lorraine Verrill

AETNA: Joe Rodrigues

AMERIHEALTH: Kristina Strain

FUND AUDITOR: Jim Miles
Dennis Skalkowski

ALSO PRESENT

Gerry Cowan, Allen Associates

Dina Murray, Allen Associates
Abbie Carr, Allen Associates
Joe Madera, Hardenbergh Insurance Group
Megan Duffield, CCTEC
Rich Davidson, Millville BOE
Billie Jo Levensgood, Innovative Risk Solutions
Ken Duffy, Integrity Consulting Group
Chuck Grande, Integrity Consulting Group
John F. Hall, Woodstown Borough
Stacy Pennington
Dan Fox
Shay Richardson
Anthony Fanucci
Casey Byrne
Joe Meola

APPROVAL OF MINUTES: March 25, 2019 - Open

MOTION TO APPROVE OPEN MINUTES OF MARCH 25, 2019

Moved:	Commissioner Albanese
Second:	Commissioner Mercoli
Vote:	6 Ayes, 0 Nays

Correspondence - Commissioner Yacovelli states that he has purchased Mr. Kell a gift and presented it to the board.

MOTION TO OPEN MEETING TO PUBLIC:

Moved:	Commissioner Mercoli
Second:	Commissioner Harbinson
Vote:	All in Favor

PUBLIC COMMENT - None

MOTION TO CLOSE MEETING TO PUBLIC:

Moved:	Commissioner Mercoli
Second:	Commissioner Harbinson
Vote:	All in Favor

EXECUTIVE DIRECTOR'S REPORT

FINANCIAL FAST TRACK - AS OF MARCH 31, 2019

Ms. Koval said the Fund made just under \$1 million for the month of March. She said the dividend will be reflected in the next fast track.

AUDITOR AND ACTUARY YEAR-END REPORTS

Ms. Koval said a draft of the Annual Financial Audit for the period ending December 31, 2018 is included with the agenda. She said Mr. Miles and Mr. Skalkowski from Bowman & Company are in attendance to review the draft Audit.

Mr. Miles reviewed the 2018 draft Audit. He said there are no findings or recommendations at this time nor do they anticipate any.

MOTION TO AUTHORIZE THE FINANCE COMMITTEE TO REVIEW AND ACCEPT THE FINAL FUND YEAR 2018 AUDIT FOR FILING WITH THE STATE OF NEW JERSEY BY JUNE 30, 2019 PENDING NO CHANGES.

Moved:	Commissioner Mercoli
Second:	Commissioner Albanese
Vote:	6 Ayes, 0 Nays

STATEMENT OF ACTUARIAL OPINION

Ms. Koval said a little over \$8.2 million is reserved for IBNR.

DIVIDEND CONSIDERATION

Ms. Koval said at the prior meeting, the Finance Committee recommended a dividend to the Executive Committee in the amount of \$1,250,000, which was unanimously approved. Included in consent is a ratification of this decision and an updated illustration of shares. In response to Commissioner Mercoli, Ms. Koval said this dividend is not reflected in the Audit.

WELLNESS APPLICATIONS - BRIDGETON BOE

Ms. Koval said enclosed in the Appendix is a wellness grant for Bridgeton BOE. Bridgeton's request falls in the requested amount and is an approved program by the Wellness Committee. Their recommendation to approve is on Resolution 19-19 in the consent agenda.

PROGRAM MANAGER'S REPORT

NEW GROUPS

Ocean City Board of Education, Effective 7/1/19

PROSPECTS

Cape May County Technical School
Weymouth Township Board of Education
Greenwich Township Board of Education (Cumberland County)
Lower Township Board of Education
City of Vineland
Middle Township Board of Education

COASTAL HIF MEETING DATES

MOTION TO CHANGE THE LOCATION OF THE JULY 22, 2019 MEETING TO THE GREATER BAY COUNTRY CLUB IN SOMERS POINT NJ, AND READVERTISE THE MEETING AT THE NEW LOCATION.

Moved: Commissioner Mercoli
Second: Commissioner Albanese
Vote: All in Favor

July 22, 2019
September 23, 2019
October 28, 2019
November 25, 2019
January 27, 2020

HIF BROKERS

Allen Associates
AR Fanucci
Brown and Brown Advisors
Byrne Agency
Conner Strong & Buckalew
Cornerstone Insurance Group
Hardenbergh Insurance Group
Innovative Risk Solutions
Integrity Consulting Group

2019 COMMITTEES

Finance & Contracts

Pat Yacovelli - Chair
Jerry Velazquez
Gene Mercoli

Operations & Nominations

Nicole Albanese - Chair
Jerry Velazquez
Stephanie Kuntz

Wellness & Claims

Cherie Bratty - Chair
Bruce Harbinson
(vacancy)

BENEFIT EXPRESS UPDATE

Ms. Murray said Benefit Express will be changing to a new COBRA and retiree billing system by the end of the May. This change will impact any member currently being direct billed for COBRA, Dep31 or retiree premiums by Benefit Express. The new system will offer additional payment

options for members to pay their monthly premiums. Currently, the only form of payment they accept is a personal check however once the new system is implemented, members will be able to pay online, send in a check, or set up an ACH payment. Benefit Express will be sent out notices in mid-May to all COBRA and retiree members advising them of the change, new payment coupons will also be included as the payment address is also being updated.

AETNA UPDATES

No updates at this time.

AMERIHEALTH ADMINISTRATORS (AHA) UPDATES

No updates at this time.

ADMINISTRATIVE AUTHORIZATIONS

There was one medical appeal and it was overturned & reprocessed.

EXPRESS SCRIPTS (ESI) UPDATES – For Groups with Rx in the HIF only

2019 Formulary Update:

Ms. Murray said ESI has announced that the National Preferred Formulary Guide (NPF), which the Coastal HIF utilizes, will be updated. Beginning 7/1/2019, the new Express Scripts formulary will go into effect for Coastal HIF members. Copies of the National Preferred Formulary and Exclusion list are included in this report.

There are approximately 4 Coastal HIF members who will be impacted by the Formulary update. Member impact letters were mailed in early May.

SAVEONSP UPDATE

Ms. Murray said SaveonSP continues to monitor the specialty medication market and associated manufacturer copay assistance programs to align the program with the available copay manufacturer assistance funds to maximize your savings opportunity. With that, we are adding 10 new therapeutic classes, modifying certain copays and will be removing 6 medications. **Effective 7/1/2019, the SaveonSP program will cover 19 therapeutic classes and over 150 medications.** Please see the below drug list for the medications being added to the program

- **Addition:** There are 10 new therapeutic classes added to the list; SaveonSP Program now covers medication in 19 therapeutic classes. Members impacted will receive a notification letter informing them their drug qualifies for a \$0 Copay.
- **Removal:** There are 6 medications being removed from the program. *Communication Plan: outbound phone calls will be made to all members on one of the below medications:*
 - ESI Formulary Exclusions 7/1/2019: Ampyra, Gleevec, Kisqali, Zytiga
 - Copay assistance program no longer available Hycamtin
 - Copay assistance reduced significantly Imatinib Mesylate

There are no members who are impacted by the removal of drugs.

ADMINISTRATIVE UPDATES

COASTAL ACTIVITY UPDATE:

Ocean City Board of Education will be joining the Coastal HIF effective July 1, 2019. Staff enrollment meetings were just completed in each location and the District is prepared for the transition. Implementation is ongoing and we expect no issues. ID cards will be delivered in advance of the effective date.

OPEN ENROLLMENT UPDATE

Open Enrollment officially closed on Friday, May 10th. We ask that all open enrollment changes be entered into the Benefit Express enrollment system no later than **Friday May 17th**. If your group needs to extend open enrollment, and you have not contacted our office, please do so as soon as possible. Late enrollment entries may cause delays in generating member ID cards.

WELLNESS UPDATE

Wellness grant modifications are pending due to addition of new business. New assignments will be announced shortly.

Wellness Grant Info for 2019:

<u>Group</u>	<u>Total Requested</u>	<u>Total Approved</u>	<u>Meeting Month Approved</u>
Cumberland Co. Tech	\$ 4,918.75	\$ 4,918.75	January
Vineland BOE	\$20,000	\$20,000	November
Bridgeton BOE	\$ 20,000.00	\$ 20,000.00	
Total	\$ 32,418.75	\$ 29,359.75	
Total Budget	\$ 200,000.00	\$ 188,640.25	
<u>Online</u> Balance through May 2019	\$ 167,581.25		

Enrollment System Training - The Executive Committee voted and approved mandatory use of the online enrollment system by each member group. If you need training or would like a refresher course on the online enrollment system, please reach out to Karen Kidd at kkidd@permainc.com of PERMA.

Monthly Billing -As a reminder, please be sure to check your monthly invoice for accuracy. If you find a discrepancy, please report it to the Coastal enrollment team. *The Fund's policy is to limit retro corrections, including terminations, to 60 days.* We have noticed an increase in requests for enrollment changes, billing changes, terminations and additions well past the 60 day time frame. Moving forward, it is of the utmost importance to review bills for rate and enrollment accuracy on a monthly basis. If there is an error, please bring it to the enrollment team's attention.

Broker Contact Information - Please direct any escalated claims, benefit coverages, prescription coverage, Medicare advantage or appeal related questions to Allen Associates at 856-692-2250. You can also contact our Benefit Specialists: Rose@allenassoc.com & Annie@allenassoc.com .

Mr. Cowan said as previously noted the current surplus is \$23,289,311. He said he received the April claims today and there will most likely be an additional surplus of about \$700,000 before any adjustments. He said the Fund continues to run well.

TREASURER - Deputy Treasurer reviewed the April and May 2019 Bills Lists and Treasurer's Report. Commissioner Mercoli said perhaps there is a different strategy that can be explored by the Finance Committee for investing funds rather than locking money up in 12 month cd's.

Confirmation of Payment - April 2019

FUND YEAR	AMOUNT
2018	\$503,947.57
2019	\$1,661,475.24
TOTAL	\$2,165,422.81

Resolution 19-19 May 2018 Bills List

FUND YEAR	AMOUNT
2019	\$924,165.97
TOTAL	\$924,165.97

FUND ATTORNEY - Fund Attorney said generally speaking they are doing a lot of document review and preparation. He said things are heading in the right direction.

AMERIHEALTH ADMINISTRATORS - Ms. Strain reviewed the claims for April 2019. She said there were 3 large claims over \$50,000 and for the year the paid medical claims is a little over \$ 7 million. In response to Commissioner Mercoli, Ms. Strain said she agrees there is a difference in the dashboard numbers for AHA vs. Aetna. Ms. Strain said this is one of their initiatives to bring the numbers closer in line to their competitors.

AETNA - Mr. Rodrigues reviewed the paid claims through March 2019. He said the total paid claims for March is just under \$5 million. He said there were 7 claimants over \$50,000 for the month of March. He reviewed the dashboard and noted that they are currently meeting all performance metrics. In response to Commissioner Mercoli, Ms. Koval said all Funds report on claims over \$50,000 however that can be adjusted in necessary.

MOTION TO APPROVE THE CONSENT AGENDA WHICH INCLUDES RESOLUTIONS 17-19, 18-19 AND 19-19 AS DISCUSSED:

MOTION: Commissioner Albanese
SECOND: Commissioner Kuntz
VOTE: 6 Ayes, 0 Nays (1 Abstain for resolution 18-18

Commissioner Albanese)

OLD BUSINESS: None

NEW BUSINESS: None

MOTION TO OPEN MEETING TO PUBLIC:

Moved:	Commissioner Mercoli
Second:	Commissioner Harbinson
Vote:	All in Favor

PUBLIC COMMENT - None

MOTION TO CLOSE MEETING TO PUBLIC:

Moved:	Commissioner Mercoli
Second:	Commissioner Harbinson
Vote:	All in Favor

MOTION TO ADJOURN:

MOTION:	Commissioner Albanese
SECOND:	Commissioner Mercoli
VOTE:	Unanimous

MEETING ADJOURNED: 1:00 pm

NEXT MEETING: July 22, 2019
Greate Bay County Club, Somers Point NJ
12:00 pm