

**SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND
OPEN MINUTES
MARCH 25, 2019
THE GREENVIEW INN AT EASTLYN GOLF COURSE
12:30 PM**

Meeting of Executive Committee called to order by Chair Yacovelli. The 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	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
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
Rich Allen
Dina Murray
Robert Allen
Rick Alessandrini

FUND TREASURER: Absent

DEPUTY TREASURER: Lorraine Verrill

AETNA: Joe Rodrigues

ALSO PRESENT

Greg Grimaldi, Perma
John Hall, Woodstown hall
Joe Madera, Hardenburgh Ins. Group
Maggie Friel, Perma
Lew Thompson, Allen Assoc.
Dan Fox, Waterford

APPROVAL OF MINUTES: January 28, 2019 - Open

MOTION TO APPROVE OPEN MINUTES OF JANUARY 28, 2019

Moved: Commissioner Velazquez
Second: Commissioner Harbinson
Vote: Unanimous

Correspondence- None

PUBLIC COMMENT - None

EXECUTIVE DIRECTOR'S REPORT

Fast Track Financial Reports – as of January 31, 2019

Ms. Koval said the Fast Track for January shows a slight uptick in claims but have narrowed it down to mostly AmeriHealth claims. Finance committee meant prior to this meeting and are planning to make a recommendation to release a dividend from the closed year balance in the amount of \$1,250,000. She said a formal resolution will be in the next month's agenda. Members will have three choices to receive the dividend as either a check, credit to bill, or retain on funds balance.

OPERATIONS & NOMINATIONS

NOMINATIONS COMMITTEE

The Nominations Committee would like to nominate Gene Mercoli to the Executive Committee to replace Bryce Kell who is retiring.

MOTION TO ELECT GENE MERCOLI TO EXECUTIVE COMMITTEE:

Moved: Commissioner Harbinson
Second: Commissioner Velazquez
Vote: Unanimous

MOTION TO ELECT GENE MERCOLI TO FINANCE COMMITTEE:

Moved: Commissioner Rumaker
Second: Commissioner Kuntz
Vote: Unanimous

MOTION TO ELECT STEPHANIE KUNTZ TO OPERATIONS NOMINATIONS COMMITTEE:

Moved: Commissioner Albanese
Second: Commissioner Velazquez
Vote: Unanimous

OCEAN CITY BOARD OF EDUCATION - Ms. Koval said the Operations Committee met prior to the meeting to review new membership offering to the Ocean City Board of Education. The statistics of the group were reviewed and the Committee is recommending membership. Resolution 14-19 was in consent.

MUNICIPAL REINSURANCE HEALTH INSURANCE FUND - The Municipal Reinsurance Health Insurance Fund met on February 20th to reorganize for 2019.

Other highlights from the meeting:

1. **Aggregate** -Ms. Koval said that the Schools HIF has become so large that the cost for a \$10 million aggregate limit has become less attractive. In lieu of the SHIF removing this limit, which may increase the cost to the other Funds, the MRHIF Committee approved eliminating the aggregate premium overhead expense. To date, the Aggregate insurance premium was approximately \$0.75 pepm lower than what was passed through the budget. This will be removed for all Funds effective July 1, 2019.

2. **Audits** - ESI Market check, Qualcare and Amerihealth claim audits will begin this year.

3. **Marketing** - The Marketing Consultant was awarded another year in a three year contract. A report of 2018 marketing accomplishments was sent to the membership.

At the previous meeting, the Fund tabled the MRHIF representation resolution which should be completed and approved at this meeting. The committee elected to have Commissioner Mercoli as the Fund Commissioner and Commissioner Yacovelli as Alternate. This will be reflected in the resolution included in the consent agenda.

FINANCIAL DISCLOSURE STATEMENTS - Commissioners should anticipate the online filing of the Financial Disclosure forms as both a Southern Coastal Regional Employee Benefits Fund Commissioner, as well as any municipal related position that requires filing, Joint Insurance Fund AND school board filings. It is expected the Division of Local Government Services will distribute a notice in early April and forms will need to be filed by April 30th.

Program Manager Report

- New Groups for 2018
 - Vineland Board of Education
 - Waterford Board of Education
 - Salem County
 - Penns Grove Borough
 - Alloway Twp Board of Education
 - Woodbine Board of Education

Allen Associates has been working with each group and their respective broker and implementation is ongoing for these new groups.

- Prospects

- Cape May County Technical School
 - Pending State Health Benefit experience information
- Weymouth Township Board of Education
 - Claims letter sent to group
- City of Bridgeton
 - Submitted for HIF quote
- Ocean City Board of Education
 - Proposal Delivered - 7/1 effective date
 - Pending final decision at special Board meeting in April
- Vineland Housing Authority
 - Pending presentation to group
- Greenwich Township Board of Education (Cumberland County)
 - Claims letter submitted to SEHBP
- Fairfield Township Board of Education
 - Requesting claims

- Wellness

- Wellness grant modifications are pending due to addition of new business. New assignments will be announced shortly.
- Wellness Grant Info for 2019. Ms. Murray noted that Vineland BOE had also been approved for a \$22,000 grant that was not reflected in this table.

<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
Waterford Twp BOE	\$ 7,500.00	Pending Approval	
Total	\$ 12,418.75	\$ 4,918.75	
Total Budget	\$ 200,000.00	\$ 195,081.25	
Balance through February 2019	\$ 187, 581.25		

Coastal HIF Meeting Dates

- May 20, 2019
 - July 22, 2019
 - September 23, 2019
 - October 28, 2019
 - November 25, 2019
 - January 27, 2020
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- HIF Brokers
 - Allen Associates
 - AR Fanucci
 - Byrne Agency
 - Conner Strong
 - Cornerstone Insurance Group
 - Hardenbergh Insurance Group
 - Innovative Risk Solutions
 - Integrity Consulting Group
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- 2019 Committees (current)
 - Finance & Contracts
 - Bryce Kell - Chair
 - Jerry Velazquez
 - Pat Yacovelli
 - Operations & Nominations
 - Nicole Albanese - Chair
 - Jerry Velazquez
 - Wellness & Claims
 - Cherie Bratty - Chair
 - Bruce Harbinson
 - (vacancy)

REMINDERS:

Online 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.

Contact Information - Please direct any eligibility, enrollment, billing or system related questions to our dedicated HIF Team. The team can be reached by email at coastalenrollments@permainc.com

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 HIF 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 our dedicated HIF Client Servicing Team. The team can be reached by email at brokerservices@permainc.com.

AETNA UPDATES

Beginning 3/1/2019, Aetna is changing its policy regarding colorectal cancer screenings. To align with the American Cancer Society's current guidelines for average risk individuals, colorectal cancer screenings will be covered beginning at age 45 vs. the current policy of age 50.

AMERIHEALTH ADMINISTRATORS (AHA) UPDATES

No updates at this time.

Express Scripts (ESI) UPDATES *for Groups with Prescription in the HIF ONLY*

We have been advised that there has been a change in classification for a class of drugs known as "PCSK9s" and include brand names Praluent and Repatha. These medications (which lower LDL or bad cholesterol) became widely available in 2015 and were originally classified as specialty drugs due to the high retail cost and concerns about efficacy, safety and adherence. Effective May 8th, ESI is reclassifying PCSK9 inhibitors as traditional medications which will reduce member cost-share and provide patients with increased retail pharmacy access options to obtain the medications. ESI will begin a communication campaign to impacted members:

- Beginning March 13th, members will be notified via email about the reclassification
- In April, letters will be sent to members who are currently filling scripts for these drugs through Accredo (ESI specialty pharmacy) offering members these options:
 1. Transfer current PCSK9 scripts to their retail pharmacy by contacting Accredo and requesting the transfer.
 2. Request a new script from their doctor to have filled at their in-network retail pharmacy.

ADMINISTRATIVE & LEGISLATIVE MANDATE UPDATES - To prepare for the busy July 1st renewal season we have discussed time frames for plan additions with our carrier partners, given the volume all plan changes must be received by our carriers 75 days in advance of 7/1. We ask all new

plan additions, plan changes, and plan deletions be submitted and finalized with PERMA no later than **Friday April 15th**.

Open Enrollment Timeframe:

- In preparation for the HIF 7/1 renewal, we have tentative dates for Open Enrollment. Open Enrollment would begin **Monday April 15th** and run through **Friday April 26th**. As we conducted last year, any Groups that have recently joined the HIF within the last few months may not be participating in the spring Open Enrollment and may have a separate Open Enrollment in the fall. We will be working with these districts where applicable in order to get them on the HIF Open Enrollment Schedule.

Open Enrollment Materials:

- Open Enrollment communications will be distributed via email to all group enrollment contacts.
- Sample Communications will be distributed to brokers for approval by early April. If your group does not want to receive the standard communication, please let our office know.

ADMINISTRATIVE AUTHORIZATIONS

<u>Appeal</u>	<u>Type</u>	<u>Outcome</u>
Medical Appeal	Medical Necessity	Pre-Cert Approved
Prescription Appeal	Medical Necessity	Prior Authorization Required
Medical Appeal	Medical Necessity	Still Open
Medical Appeal	Medical Necessity	Still with IRO

TREASURER - Deputy Treasurer reviewed the bills list and treasurers report.

Gene Mercoli asked the term of the CD listed in the Treasurers Report. Treasurer responded that no term is less than 18 months, the rates received were good at the time of purchase.

Confirmation of Payment - February 2019

FUND YEAR	AMOUNT
2018	\$2,286.00
2019	\$953,935.83
TOTAL	\$956,221.83

Resolution 16-19 March 2019 Bills List

FUND YEAR	AMOUNT
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2019	\$911,422.08
TOTAL	\$911,422.08

FUND ATTORNEY- NO REPORT

AMERIHEALTH ADMINISTRATORS - No report.

AETNA - Mr. Rodrigues reviewed said the total paid claims for 2018 was \$46.6 million. He reviewed the total paid claims for January 2019 were \$4.9 million, the number of employees were 3587 which resulted in a total of \$1,373.53 per employee. Mr. Rodrigues stated that the Avg. Speed of Answer was missed by a couple of metrics and the money is due back to the fund for this below average of 30 seconds as part of Aetna’s Performance Guarantees.

MOTION TO APPROVE THE CONSENT AGENDA:

MOTION:	Commissioner Yacovelli
SECOND:	Commissioner Albanese
VOTE:	6 Ayes, 0 Nays

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

MOTION TO ADJOURN:

MOTION:	Commissioner Velasquez
SECOND:	Commissioner Yacovelli
VOTE:	Unanimous

MEETING ADJOURNED: 1:00 pm

NEXT MEETING: May 20, 2019
Eastlyn Golf Course
12:30 pm