

**UNION COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – July 18, 2018
County of Union
Administration Building – 6th Floor
Freeholder Conference Room
10 Elizabethtown Plaza
Elizabeth, NJ
10:00 AM**

Meeting was called to order by Chair Wagner. Executive Director read the Open Public Meetings notice into record.

ROLL CALL OF COMMISSIONERS:

Amy Wagner	Present
Claudia Martins	Present
Laura Scutari	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
Claims Service	D&H Alternative Risk Solutions, Inc. Kathleen Guze Jayne Keefe
	Conner Strong & Buckelew Michael Cusack
Managed Care Services	First MCO Karen Workman Alyson Cronk
NJCE Underwriting Manager	Conner Strong & Buckelew Ed Cooney
Risk Management Consultant	Acrisure, LLC
Treasurer	
Attorney	Robert Barry, Esq.
Safety	J.A. Montgomery Risk Control Glenn Prince T&M Associates Mark Worthington

ALSO PRESENT:

Terry Pacheco, Union County
Mishood Muftau, Esq., Union County
James McCrady, Union County
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN MINUTES OF JUNE 20, 2018 AND CLOSED MINUTES OF MAY 16, 2018 AND JUNE 20, 2018

MOTION TO APPROVE THE OPEN MINUTES OF JUNE 20, 2018 AND THE CLOSED MINUTES OF MAY 16, 2018 AND JUNE 20, 2018

Moved:	Chair Wagner
Second:	Commissioner Martins
Vote:	3 Yes, 0 Nays

CORRESPONDENCE: None

SAFETY COMMITTEE: Mr. Worthington advised the labor meeting was cancelled, however, J.A. Montgomery and T&M Associates met at the jail. Mr. Worthington reported there was an incident at the quarry and he was going to schedule some heavy equipment training. Mr. Worthington noted Mr. Prince would provide some more information on the training and also discuss their joint investigation at 342 Westminster Avenue.

CLAIM COMMITTEE: Mr. Cusack reported the Claims Committee did not meet prior to the Commission Meeting and the PARS were scheduled to be presented during the Executive Session of the meeting. Mr. Cusack advised the Best Practice Workshop was being scheduled for the Fall and noted if anyone wanted to participate in the topic planning a conference call was planned for August 1st. Ms. Martins advised she would participate in the call.

EXECUTIVE DIRECTOR REPORT: Executive Director advised his report was included in the agenda and he had one action item.

CERTIFICATE OF INSURANCE REPORT: Executive Director reported the certificate of issuance report from the NJCE listing the certificates issued for the month of June was included in the agenda. Executive Director advised there was 1 certificate issued during the month. Executive Director advised the Underwriting Manager was in attendance if anyone had any questions regarding the report.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

Moved:	Chair Wagner
Second:	Commissioner Martins
Vote:	3 Yes, 0 Nays

NJ COUNTIES EXCESS JOINT INSURANCE FUND (NJCE): Executive Director reported the NJCE met on June 28, 2018 and a summary report of the meeting was included in the agenda. Executive Director advised some of the highlights of the meeting were Bowman & Company reviewed a draft copy of the December 31, 2017 Audit and there were no recommendations or

findings and Bowman also continues to survey the members for the 2017 payroll verification. Executive Director reported he had previously mentioned that the NJCE had issued a RFQ for a RMIS which would assist with data collection and a claim system. Executive Director advised the responses were rejected as they were non-compliant. Executive Director reported the sub-committee recommended PERMA negotiate directly with a vendor and felt Origami was the best vendor. Executive Director advised PERMA was setting up a meeting. In response to Commission Attorney's comment about only one solicitation, Executive Director advised the NJCE took direction from the sub-committee which included County representatives with 20 years of procurement experiences as well as the NJCE Commission Attorney. Executive Director noted the 2018 Best Practice Workshop for the Fall was also discussed at the NJCE meeting as Mr. Cusack discussed previously.

RFP FOR COMMISSION AUDITOR: Executive Director advised the Fund Office issued and advertised the RFP for the 2018 Commission Auditor position. Executive Director noted the responses were due on June 26, 2018 and two responses were received, one from Suplee, Clooney & Company who is the County Auditor and the other from Bowman & Company, LLP. Executive Director advised Bowman & Company, LLP was the auditor for the NJCE and also handled several of the Commissions in the program. Executive Director suggested a sub-committee be appointed to review and evaluate the responses. In response to Chair Wagner's inquiry, Executive Director suggested the committee include one Commissioner, Commission Attorney and Commission Treasurer. Chair Wagner suggested Ms. Scuatri serve on the committee along with Commission Attorney, Commission Treasurer and Executive Director. Ms. Dodd advised she had copies of the responses and would distribute to the sub-committee and also send an electronic copy to the sub-committee.

UCIFC FINANCIAL FAST TRACK: Executive Director advised the May Financial Fast Track was not available to include in the agenda however a report would be included in the next agenda.

NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the May Financial Fast Track was included in the agenda. As of May 31, 2018 the Fund had a surplus of \$10,876.43. Executive Director asked if anyone had any questions regarding the Financial Fast Track.

CLAIMS TRACKING REPORTS: Executive Director advised the Claim Tracking reports as of May 31, 2018 were included in the agenda. Executive Director referred to a copy of the Claims Management Report Expected Loss Ratio Analysis Report as of May 31, 2018 which was included in the agenda. Executive Director advised this report measured how the losses were running compared to the actuary's projections. Executive Director explained the actuary's projections were 11.28% and the actual amount was 15.23%. Executive Director advised this was not abnormal as there were usually more claims during the winter months.

CYBER COVERAGE: Executive Director advised Ms. Racioppi was not in attendance but wanted to advise the County of Union purchased the Chubb Cyber Enterprise Risk Management Policy with limits of \$2,000,000 with a \$25,000 deductible effective 6-26-16 through Beckerman & Company. Executive Director referred to a copy of Ms. Racioppi's e-mail which was included in the agenda. Executive Director noted there was no action necessary by the Commission. Commission Attorney suggested there be some discussion prior to the expiration date of the cyber coverage next year so the coverage could be placed within the Commission.

2018 MEETING SCHEDULE: Executive Director advised the Commission was not scheduled to meet in August and the next meeting was scheduled for September 19, 2018. Executive Director noted the Commission previously adopted Resolution 16-18, Authorizing the Commission Treasurer to Process Contracted Payments and Expenses when the Commission did not meet.

Executive Director advised that concluded his report unless anyone had any questions.

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Executive Director reported Resolution 23-18, July Bill List was included in the agenda for approval. Chair Wagner advised Ms. Taylor was not at the meeting but did receive a message that she would have her secretary deliver the checks to the meeting. Ms. Dodd advised she had sent the bill list and checks to Ms. Taylor prior to the meeting. Chair Wagner stated she was sure if Ms. Taylor had any issues with the bill list she would have said so in advance of the meeting.

**MOTION TO APPROVE RESOLUTION 23-18 JULY BILL LIST IN THE
AMOUNT OF \$13,566.56**

Moved:	Chair Wagner
Second:	Commissioner Martin
Vote:	3 Yes, 0 Nays

Executive Director advised the monthly Treasurer reports were included in the agenda.

ATTORNEY: Mr. Barry advised he did not have anything to report at this time, other than Executive Session.

CLAIMS SERVICE: Ms. Guze reported for the month of June there were only 14 worker compensation claims. Ms. Guze advised of those claims 14 claims, 2 were for reporting purposes, 8 were closed and 4 were treating. Ms. Guze noted 4 of those claims were for poison ivy and insect bites. Ms. Guze advised there were no safety issues.

MANAGED CARE: Ms. Workman advised their report was included in the agenda and wanted to introduce Alyson Cronk of her office as a new account manager who would be attending the meetings. Ms. Workman stated in response to an inquiry that was made last month regarding the PPO penetration she reviewed the documents for May and out of the 36 bill line items 30 of those were from Clark Urgent Care which was presently non par. There were also a few others such as the emergency room bills. In response to Ms. Martins' inquiry, Ms. Workman advised they were not in network, however there were still some savings. Ms. Workman noted she requested a comparison of fees between Clark Urgent Care and Care Station. Ms. Workman advised one of the benefits of Clark Urgent Care was the location and they were work comp savvy. Chair Wagner suggested the County might be helpful in negotiating with Clark Urgent Care. Ms. Martins advised she would call Clark Urgent Care to discuss further. Ms. Workman reported the total provider bill amount for the month of June was \$311,096 and First MCO repriced the bills to \$109,666 for a savings of \$201,431 or 65%. Executive Director asked if anyone had any questions on the Managed Care Report and thank Ms. Workman for providing the information on the PPO penetration.

RISK MANAGER: Ms. Racioppi was not in attendance.

CEL SAFETY DIRECTOR: Mr. Prince reviewed the June – July Risk Control Activities Report which was included in the agenda. Mr. Prince advised the agenda also included a Safety Director Bulletin on “Preparing for the 2018 Hurricane Season”. Mr. Prince reported on July 3rd he visited 342 Westminster Avenue with Mr. Worthington and Mr. McCrady to follow up on a PEOSH letter the County received regarding in reference to alleged violations. Mr. Prince advised the letter appeared to be old and perhaps crossed in the mail as all of the items in the letter were addressed by actively and aggressively pursuing the issues with housekeeping and a pest control vendor. Mr. Prince noted the Board of Social Services Director was drafting a letter to PEOSH to advise what actions were taken regarding the initial complaint. Mr. Prince also reported the Parks Department reported this morning there was an incident with an excavator and Mr. Prince advised heavy equipment training would be scheduled. Mr. Prince advised that concluded his report unless anyone had any questions.

Correspondence Made Part of Minutes.

OLD BUSINESS: None

NEW BUSINESS: Executive Director reported we were recently successful in bringing Rowan College at Burlington County into the Burlington County Insurance Commission. Executive Director advised asked if some inquiries could be made regarding their insurance. Chair Wagner advised this should be discussed internally and with the Freeholders.

PUBLIC COMMENT: None

CLOSED SESSION: Executive Director advised there was a need for a closed session. Commission Attorney stated that pursuant to the provisions of the Open Public Meetings Act, a public body may enter into Executive Session for the purpose of discussing certain enumerated subjects. Commission Attorney then read the below statement which was included in the agenda.

N.J.S.A. 10:4-12(B)

Pursuant to provisions of the Open Public Meetings Act a public body may enter into Executive Session for the purpose of discussing certain enumerated subjects. This Commission now wishes to enter Executive Session for the purpose of discussing claims UCICWC062525, UCICWC062929, 063763-01, 061914, In addition the Board will enter into the session to have an attorney-client privileged communication relative to ongoing negotiations with forensics investigators relative to a potential computer network breach.

The minutes of the Executive Session shall be separated from the minutes of the Open Public Session. The minutes of the Executive Session, redacted as appropriate and necessary, shall be available in approximately 30 days. The Commission Secretary shall retain the original minutes until such time as the confidential limitations have been removed, at which time they shall be available.

Upon the affirmative vote of a majority of the members present, the Commission may retire to Executive Session.

Upon the Commission’s return it may or may not take formal action on the matters discussed.

MOTION TO RETURN TO OPEN SESSION

Motion: Chair Wagner
Second: Commissioner Martins
3 Yes, 0 Nays

The individuals that were asked to leave the meeting for Executive Session returned to the meeting.

MOTION TO APPROVE THE PARS AS DISCUSSED IN EXECUTIVE SESSION

Motion: Commissioner Wagner
Second: Commissioner Martins
3 Yes, 0 Nays

Commission Attorney reported as a result of the discussions in Executive Session the Commission and the County were in ongoing negotiations with Multi State Sharing & Analysis Center. In the event those negotiations were not successful and we are required to retain private services for forensics investigation, the Board would move to approve a contract with Cryptus not to exceed \$100,000. Commission Attorney asked for a motion to approve.

Chair Wagner advised she would make a motion per the statement of Commission Attorney.

Motion: Chair Wagner
Second: Commissioner Martins
3 Yes, 0 Nays

Executive Director advised the next meeting date was September 19, 2018 at 10:00 AM.

MOTION TO ADJOURN:

Moved: Chair Wagner
Second: Commissioner Martins
Vote: 3Yes, 0 Nays

MEETING ADJOURNED: 10:47AM

Minutes prepared by: Cathy Dodd, Assisting Secretary