

**UNION COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – September 19, 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 Wayne Ring
	Conner Strong & Buckelew Michael Cusack
Managed Care Services	First MCO Alyson Cronk
NJCE Underwriting Manager	Conner Strong & Buckelew Ed Cooney
Risk Management Consultant	Acrisure, LLC
Treasurer	Bibi Taylor
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
Christine Baroudi, Conner Strong & Buckelew
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN MINUTES AND CLOSED MINUTES OF JULY 18, 2018

**MOTION TO APPROVE THE OPEN MINUTES AND CLOSED
MINUTES OF JULY 18, 2018**

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

CORRESPONDENCE: None

SAFETY COMMITTEE: Mr. Worthington advised since the last meeting they conducted a HazCom training for the DPW as well as another Respiratory Protection & Fit Test for those on vacation. Mr. Worthington reported a Confined Space Training and Evolution Training was scheduled for next Thursday at Rahway Pool. Mr. Worthington advised Mr. Prince would report on the discussions that took place at Corrections earlier in the morning.

CLAIM COMMITTEE: Mr. Cusack introduced Christine Baroudi who was a new claim associate at Conner Strong & Buckelew. Mr. Cusack reminded everyone the 7th Annual Best Practices Workshop was scheduled for October 31, 2018 at Conner Strong & Buckelew's Marlton office. Mr. Cusack reported this year's topics included an overview of controlled insurance programs, body worn cameras in law enforcement and topics related to the opioid epidemic.

Mr. Cusack also reported the run off claims, claims prior to the start of the Commission, were not going through the Claims Committee process. Mr. Cusack recommended a claim review of those claims once or twice a year. Executive Director indicated in the past there were at least two claim reviews conducted yearly and noted Ms. Martins participated in those meetings. Executive Director suggested conducting a meeting in the Spring of 2019. After a brief discussion, Commission Attorney recommended we talk again and finalize at the October meeting.

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

CERTIFICATE OF INSURANCE REPORT: Executive Director reported the certificate of issuance report from the NJCE listing the certificates issued for the months of July and August were included in the agenda. Executive Director advised there was 2 certificates issued during the month of July and 1 for the month of August. Executive Director noted the Underwriting Manager was in attendance if anyone had any questions regarding the certificates.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

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

RFP FOR COMMISSION AUDITOR: Executive Director reported the Fund Office issued and advertised the RFP for a 2018 Commission Auditor. Executive Director advised the responses were due on June 26, 2018. An Evaluation Committee including the Commission Attorney, Commission Treasurer and PERMA reviewed the two responses received. Executive Director stated the Committee recommended the appointment of Suplee, Clooney & Company. Executive Director referred to Resolution 24-18, Designating Commission Auditor which was included in the agenda and asked Commission Attorney if he had any additional comments. Commission Attorney advised other than what was stated in the resolution, the Committee reviewed both proposals, both were qualified, however under the circumstances the recommendation was for Suplee, Clooney & Company due to their familiarity of the County as well as their experience. Executive Director asked if anyone had any questions on the recommendation and if not requested a motion.

MOTION TO APPROVE RESOLUTION 24-18, DESIGNATING COMMISSION AUDITOR

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

NJ COUNTIES EXCESS JOINT INSURANCE FUND (NJCE): Executive Director reported the NJCE held a special meeting on August 16, 2018 to approve 3 PARS. Executive Director advised the NJCE was scheduled to meet again on September 27, 2018 and would introduce the 2019 Budget on October 25, 2018. Executive Director noted Budget Adoption was scheduled for November 15, 2018. Executive Director noted some of the key highlights for the September meeting would include a discussion on the NJCE retaining some of the property coverage above the Commission's retention and authorizing a request for proposals for a property TPA to manage claims from 1st dollar. Also, PERMA was in negotiations with Origami, a Risk Management Systems, reviewing a statement of work and contract. Executive Director advised this was on online system for data collection and claims data.

UCIFC FINANCIAL FAST TRACK: Executive Director advised the July Financial Fast Track was included in the agenda. The Commission had a surplus of \$1,452,190 as of July 31, 2018. Executive Director referred to Line 10 of the report, "Investment in Joint Venture" and indicated \$1,905,474 of the surplus was the UCIFC's share of the NJCE equity.

NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the July Financial Fast Track was included in the agenda. As of July 31, 2018 the Fund had a surplus of \$13,888,553. Executive Director advised he had some discussions with the Executive Director of the NJCE regarding a larger dividend this year and noted Union would be included in the dividend distribution. 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 July 31, 2018 were included in the agenda. Executive Director reported he reviewed the Claims Activity Report and noted he did not find any anomalies. Executive Director referred to a copy of the Claims Management Report Expected Loss Ratio Analysis Report as of July 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 referred to columns 4 and 6 explained property was running higher, however general liability and auto liability were lower and worker compensation was slightly higher. Executive Director asked if anyone had any questions on the claims reports.

2019 RENEWAL APPLICATION AND UPDATED EXPOSURE INFORMATION: Executive Director reported the 2019 property and casualty budget was reliant on a number of factors including updated renewal applications and exposure data. Executive Director advised in conjunction with the County and Risk Manager the Fund Office was waiting for the updated information.

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND – JOINT INSURANCE CLAIMS COMMITTEES BEST PRACTICES WORKSHOP: Executive Director advised Mr. Cusack previously spoke about the workshop and asked everyone to save the date. Executive Director noted as in the past the Parsippany office would also host the workshop via video conference.

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

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Ms. Taylor advised there were sufficient funds to make payment for Resolutions 25-18 and 26-18. Ms. Taylor noted the August checks were not released subject to the approval of the resolution, however she had those checks for distribution. Ms. Taylor noted there were 4 reconciling items that were outstanding. Ms. Taylor advised apparently payment was made from D&H to the County, however the checks should have been made payable to the Commission. Ms. Taylor advised she was working with Ms. Dodd to resolve the issue.

MOTION TO APPROVE RESOLUTION 25-18 AUGUST BILL LIST IN THE AMOUNT OF \$13,571.76 AND RESOLUTION 26-18 SEPTEMBER BILL LIST IN THE AMOUNT OF \$13,582.96

Moved:	Chair Wagner
Second:	Commissioner Martins
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.

CLAIMS SERVICE: Ms. Guze reported for the month of July there were 36 worker compensation claims. Ms. Guze advised of those claims 36 claims, 34 were closed, 7 were for reporting purposes only and 2 were treating. Ms. Guze advised for the month of August there were 27 claims, 20 were closed, 3 were for reporting purposes only, 2 remain open for subrogation and 7 were treating.

MANAGED CARE: Ms. Cronk advised First MCO's reports were included in the agenda and she would review the months of July and August. Ms. Cronk reported for the month of July there were 31 claims reported, 20 were medical only, 7 lost time and 27 total case managed. Ms. Cronk advised for the month of August there were 29 claims reported, 22 were medical only, 3 were lost time and 25 were total case managed. Ms. Cronk reported for the month of July bills were received in the amount of \$192,147. First MCO repriced the bills to \$84,846 for a total savings of 107,301 or 56% with a 79% PPO penetration. Ms. Cronk continued to review her report and advised for the month of August bills were received in the amount of \$323,860. First MCO repriced the bills to 135,146 for a total savings of \$188,714 or 58% with a PPO penetration of 83%.

Ms. Cronk reported she wanted to provide an update on Clarke Urgent Care. Ms. Cronk indicated they were working with the Director of Contracting. Ms. Cronk noted they were looking for us to have a contract with not just them but with three additional Urgent Cares as well as numerous physician groups. In response to Executive Director's inquiry Ms. Martins advised they just wanted to use the one provider as some of the facilities were outside of the County. Ms. Martins reported they were still in negotiations. Executive Director asked if anyone had any questions on the Managed Care Report.

RISK MANAGER: Ms. Racioppi was not in attendance.

CEL SAFETY DIRECTOR: Mr. Prince reviewed the July – September Risk Control Activities Report which was included in the agenda. Mr. Prince advised the agenda also included three Safety Director Bulletins on "Fall Protection for Fixes Ladders", "Buckle Up" and "Fatalities and Distracted Driving". Mr. Prince also reported there was a sub-committee meeting at Corrections earlier and discussions took place on online training. Mr. Prince advised PEOSH had adopted a position of enforcing the site specific requirement for training. Mr. Prince explained training for Hazard Communication, Right to Know/GHS or Blood Borne Pathogen online training include a site specific component. Mr. Prince advised this could be accomplished in a variety of ways such as Tool Box Talks. Mr. Prince advised that concluded his report unless anyone had any questions.

Correspondence Made Part of Minutes.

OLD BUSINESS: None

NEW BUSINESS: None

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 4407, 4251-01, 3195-02, 064544, 4245-01, 3719, 46669-01, 4116, 4144, 4201, 3653, and 3782. 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

Moved:	Chair Wagner
Second:	Commissioner Martins
Vote:	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

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

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 10:50AM

Minutes prepared by: Cathy Dodd, Assisting Secretary