

**UNION COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – December 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
Managed Care Services	First MCO Alyson Cronk
NJCE Underwriting Manager	Conner Strong & Buckelew
Risk Management Consultant	Acrisure, LLC Robin Racioppi (<i>via teleconference</i>)
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

Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN MINUTES AND CLOSED MINUTES OF OCTOBER 29, 2018

MOTION TO APPROVE THE OPEN MINUTES AND CLOSED MINUTES OF OCTOBER 29, 2018

Moved:

Chair Wagner

Second:

Commissioner Martins

Vote:

3 Yes, 0 Nays

CORRESPONDENCE: None

SAFETY COMMITTEE: Mr. Worthington advised there was a Labor Safety Committee Meeting last week and the Corrections Department met earlier this morning. Also there were a few more Hazard Communication Training conducted and Bloodborne Pathogens were being scheduled for Parks in January. Mr. Worthington advised that concluded his report unless there were any questions.

CLAIM COMMITTEE: Mr. Cusack referred to a copy of the Claims Committee Meeting Schedule which was included in the agenda and advised the schedule coincided with the Commission Meeting dates. Mr. Cusack noted if there were any PARS to discuss when a meeting was not scheduled additional claims meetings could be scheduled. Mr. Cusack referred to his memo which was included in the agenda regarding Reporting to “Discovery” or “Claims Made and Reported” Policies Prior to the 12/31/18 Expiration Date and reminded everyone any claims, suits and incidents must be reported to the carrier prior to the expiration date of 12/31/18. Mr. Cusack also referred to a copy of the e-book on the Opioid Epidemic which was included in the Appendix of the agenda. Mr. Cusack noted this was a supplemental resource addressing the critical topic which was discussed recently at the Best Practice Workshop. Mr. Cusack advised that concluded his report unless there were any questions.

EXECUTIVE DIRECTOR REPORT: Executive Director advised his report was included in the agenda.

2019 PROPERTY & CASUALTY BUDGET INTRODUCTION: Executive Director reported his first item was the introduction of the 2019 Property & Casualty Budget which was included in the agenda. However, Executive Director advised he had a conversation with the Commission Attorney prior to the meeting and indicated the Commissioners preferred to introduce a temporary budget instead of the full budget. Executive Director suggested action be taken on a temporary budget in the amount of \$704,126 which represented 1/12 of the annual budget included in the agenda in the amount of \$8,449,506. Executive Director recommended introducing an annual budget at the next meeting and schedule budget adoption for the February meeting. Commission Attorney indicated he would propose a motion:

MOTION TO APPROVE A TEMPORARY 2019 PROPERTY & CASUALTY BUDGET EQUAL TO 1/12 OF THE PROPOSED 2019

**PROPERTY & CASUALTY BUDGET ATTACHED TO THE AGENDA
ON PAGE 7**

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

RFP FOR PROFESSIONAL SERVICES – ACTUARY: Executive Director reported the second action item was the RFP for the Actuary position. Executive Director advised the Fund Office issued an RFP for a 2019 Actuary and the responses were due on December 12, 2018. Executive Director advised one response was received from The Actuarial Advantage, Inc., the incumbent. Executive Director stated the pricing fee in the response was \$6,018 which was within the 2019 budget figure. In response to Chair Wagner's inquiry, Ms. Dodd advised she would check on the fee amount for 2018.

**MOTION TO APPROVE THE ACTUARIAL ADVANTAGE INC. AS THE
2019 ACTUARY**

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

CERTIFICATE OF INSURANCE REPORT: Executive Director reported the certificate of issuance report from the NJCE listing the certificates issued for the month of October was included in the agenda. Executive Director advised there was 3 certificates issued during the month of October.

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 November 15, 2018 adopted the 2019 Budget in the amount of \$23,315,997. Executive Director noted a summary report of the meeting was included in the agenda. Executive Director advised the Board of Fund Commissioners authorized a release of a dividend in the amount of \$500,000 which would be distributed between the Commissions. Executive Director reported Union County's share of the dividend was \$100,711. Executive Director advised most of the Commissions used their portion of the dividend to offset their assessments. In response to the Executive Directors' comment, Commission Treasurer indicated they would handle the same way. Executive Director advised the Board of Fund Commissioners also adopted resolutions reaffirming membership offers to the Counties of Monmouth and Essex. Lastly, Executive Director advised the NJCE was scheduled to meet again on February 28, 2019.

UCIFC FINANCIAL FAST TRACK: Executive Director advised the September Financial Fast Track was included in the agenda. The Commission had a surplus of \$1,761,970 as of September 30, 2018. Executive Director referred to Line 10 of the report, "Investment in Joint Venture" and indicated \$1,963,461 of the surplus was the UCIFC's share of the NJCE equity. Executive Director noted the cash amount was \$4,656,532.

NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the September Financial Fast Track was included in the agenda. As of September 30, 2018 the Fund had a surplus of \$14,441,758. 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 September 30, 2018 were included in the agenda. Executive Director referred to a copy of the Claims Management Report Expected Loss Ratio Analysis Report as of September 30, 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 we were running high on property claims, however the other lines were doing well. Executive Director asked if anyone had any questions on the claims reports.

2019 MEETING SCHEDULE: Executive Director referred to a copy of the 2019 proposed UCIFC Executive Committee Meeting Schedule which was included in the agenda. Executive Director noted the schedule was based on the meeting dates for 2018. Executive Director asked the Commissioners if they wanted to adjust the schedule or leave as is and make revisions throughout the year if there were no action items for a particular month. Executive Director noted the Reorganization Meeting was scheduled for January 17, 2019 along with the introduction of the annual budget and the public hearing would be scheduled for the February meeting. Executive Director pointed out there were no meetings scheduled for August and November. Chair Wagner suggested leaving the schedule as is and cancel a meeting when necessary. Executive Director advised a resolution would be prepared for approval with Reorganizational Resolutions in January.

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

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Commission Treasurer advised the Bill Lists for November and December were reviewed and she recommended payment.

**MOTION TO APPROVE RESOLUTION 28-18 NOVEMBER BILL LIST
AND DECEMBER BIL LIST RESOLUTION 29-18**

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

Commission Treasurer advised in preparation of the review of the 2019 budget there was some requested information that she sent out as far as total worker compensation claims that were recorded and wanted to request a report from the actuary as to what estimates they were using and the projections so she knew what baseline they were utilizing. Executive Director advised he would obtain that information.

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

ATTORNEY: Mr. Barry advised he did not have anything to report.

CLAIMS SERVICE: Ms. Guze reported since the last meeting the numbers were pretty good. For a two month period there were 32 claims. Ms. Guze advised of those claims 26 claims were closed, 8 of those closed claims were report only, 1 was denied and of the 32 claims only 6 remain treating. Ms. Guze advised she did not see any trends or any outrageous safety issues.

MANAGED CARE: Ms. Cronk advised First MCO's reports were included in the agenda. Ms. Cronk reported on the months of October and November as noted below.

Month	Provider Bill Amount	Repriced Amount	Savings of	Percentage of Savings	Number of Bills	In Network Bills	PPO %
October	\$ 113,077	\$ 48,686	\$ 64,391	57%	194	165	85%
November	\$ 124,935	\$ 38,632	\$ 86,302	69%	102	85	83%

Ms. Cronk advised she also wanted to provide an update on the Clark Urgent Care Contract. Ms. Cronk advised since October there was a bit of delay in receiving responses from Atlantic Health. Ms. Cronk explained there was an issue with the TIN number and her network department was working to obtain this information. In response to Executive Director's inquiry, Ms. Martins advised they were doing an RFP process and she had advised CUC this issue might hinder their contract. Ms. Cronk advised if CUC was still a pre-standing facility this would be a much easier process.

RISK MANAGER: Ms. Racioppi advised she did not have anything to report.

NJCE SAFETY DIRECTOR: Mr. Prince reviewed the October - December Risk Control Activities Report which was included in the agenda. Mr. Prince advised he previously spoke about the BRIT Safety Grant and Union County was awarded reimbursement funding. Mr. Prince noted he was working with Mr. Yuska to determine the final purchase of the dashboard cameras they will be installing in various vehicle. Mr. Prince advised as soon as that final figure was determined the County would be reimbursed. Mr. Prince advised that concluded his report unless anyone had any questions.

Correspondence Made Part of Minutes

OLD BUSINESS: Ms. Dodd advised she checked the monthly bill list and the actuary fee for 2018 was \$5,900.

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 5006, 3967 and 3116. 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.

Commission Attorney advised as a follow up as discussed in closed session an unanticipated discussion was had relative to claim numbers 64659, 64851, 64863 and 65179. There was no action taken but only informational. In addition there was some discussion relative to worker compensation claims involving law enforcement officers and light duty with no action requested or anticipated at this time.

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: 11:08 AM

Minutes prepared by: Cathy Dodd, Assisting Secretary