

**UNION COUNTY INSURANCE FUND COMMISSION
AGENDA AND REPORTS
DECEMBER 19, 2018**

**COUNTY OF UNION
ADMINISTRATION BUILDING – 6TH FLOOR
FREEHOLDER CONFERENCE ROOM
10 ELIZABETHTOWN PLAZA
ELIZABETH, NJ
10:30 AM**

OPEN PUBLIC MEETINGS ACT - STATEMENT OF COMPLIANCE

In accordance with the Open Public Meetings Act, notice of this meeting was given by:

- I. Advertising the notice in the Star Ledger and Westfield Leader**
- II. Filing advance written notice of this meeting with the Commissioners of the Union County Insurance Fund Commission; and**
- III. Posting notice on the Public Bulletin Board of the Office of the County Clerk**

**UNION COUNTY INSURANCE FUND COMMISSION
AGENDA
OPEN PUBLIC MEETING: December 19, 2018
ADMINISTRATION BUILDING – 6TH FLOOR
FREEHOLDER CONFERENCE ROOM
10 ELIZABETHTOWN PLAZA
ELIZABETH, NJ
10:00 AM**

- MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ**
 - ROLL CALL OF COMMISSIONERS**
 - APPROVAL OF MINUTES: October 29, 2018 Open MinutesAppendix I
October 29, 2018 Closed Minutes.....Handout**

 - CORRESPONDENCE:**

 - COMMITTEE REPORTS**
 - Safety Committee: Verbal
 - Claims Committee: 2019 Claims Committee SchedulePage 4
 - Claims Sweep Memo.....Appendix II
 - The Opioid Epidemic Appendix III

 - EXECUTIVE DIRECTOR/ADMINISTRATOR – PERMAPages 5-17**

 - TREASURER – Bibi Taylor**
 - Resolution **28-18** November Bill List – MotionPage 18
 - Resolution **29-18** December Bill List – MotionPage 19
 - September Treasurer Reports Pages 20-21

 - ATTORNEY – Robert Barry, Esq. Verbal**

 - CLAIMS SERVICE – D&H Alternate Risk Solutions, Inc. Verbal**

 - MANAGED CARE – First MCO**
 - Monthly Report –October & November Pages 22-25

 - RISK MANAGER – Acirusure, LLC Verbal**

 - NJCE SAFETY DIRECTOR – J.A. Montgomery Risk Control**
 - Monthly Report..... Pages 26-27
 - Safety Director Bulletins..... Pages 28-30

 - OLD BUSINESS**
 - NEW BUSINESS**
 - PUBLIC COMMENT**
 - EXECUTIVE SESSION – in accordance with the Open Public Meetings Act, N.J.S.A. 10:4-12(B)
N.J.S.A 10:4-12 Statement.....Page 31**

 - APPROVAL OF PARS - Motion**
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- ❑ MEETING ADJOURNMENT
- ❑ NEXT SCHEDULED MEETINGS: January 17, 2019 ADMINISTRATION BUILDING, 6TH FLOOR, FREEHOLDER CONFERENCE ROOM, 10 ELIZABETHTOWN PLAZA, ELIZABETH, NJ

Union County Insurance Fund Commission
Claims Committee
2019 Meeting Schedule

All meetings will be held in Freeholder Conference Room 6th Floor
Administration Building, 10 Elizabethtown Plaza, Elizabeth, NJ
at **9:30AM** unless other arrangements are announced.

January 17, 2019
February 20, 2019
March 20, 2019
April 17, 2019
May 15, 2019
June 19, 2019
July 17, 2019
September 18, 2019
October 16, 2019
December 18, 2019

UNION COUNTY INSURANCE FUND COMMISSION

9 Campus Drive, Suite 216
Parsippany, NJ 07054
Telephone (201) 881-7632 Fax (201) 881-7633

Date: December 19, 2018
Memo to: Commissioners of the Union County Insurance Fund Commission
From: PERMA Risk Management Services
Subject: Executive Director's Report

- 2019 Property & Casualty Budget Introduction (Page 7)** – Attached on page 7 for your review and discussion is the proposed 2019 Property & Casualty Budget in the amount of \$8,449,506. The introductory budget represents an overall increase of \$190,945 or 2.31%.

The NJCE portion of the budget was approved on November 15, 2018. Line 9, the CELJIF premium was increased primarily due to the property (including changes in the retention, increased property premium, and adding a property TPA) as well as technology (underwriting and claims system).

The annual assessment would be billed in three installments and payable as follows: 40% due on 3/15/19, 30% on 5/15/19 and 30% on 10/15/19.

The Fund office will advertise the proposed 2019 budget in the applicable newspapers.

- Motion to introduce the 2019 Property & Casualty Budget in the amount of \$8,449,506 and schedule a public hearing on January 17, 2019 at 10:00 AM at Administration Building, 6th Floor, Freeholder Conference Room, 10 Elizabethtown Plaza, Elizabeth, NJ**
- RFP for Professional Services – Actuary** – The Fund Office issued an RFP for a 2019 Actuary. The responses were due on December 12, 2018. We received one response from The Actuarial Advantage, Inc., the incumbent. The pricing fee in the response was \$6,018 which is within the 2019 budget figure. We would ask the Commissioners to consider approving The Actuarial Advantage, Inc. for actuary services for 2019.
 - Motion to approve The Actuarial Advantage, Inc. as the 2019 Actuary**
- Certificate of Insurance Report (Page 8)** - Attached on page 8 is the certificate of insurance issuance report from the NJCE listing the certificates issued during the month of October. There were 3 certificates issued during October and there were no certificate requests made during November.
 - Motion to approve the certificate of insurance report**

- ❑ **NJ Counties Excess Joint Insurance Fund (NJCE) (Pages 9-11)** – The NJCE met on November 15, 2018 and adopted the 2019 Budget in the amount of \$23,315,997. Included in the agenda on pages 9-11 is a summary report of the meeting. The Board of Fund Commissioners authorized a release of a dividend in the amount of \$500,000. The dividend will be distributed between the Commissions. Union County share of the dividend is \$100,711. The Board of Fund Commissioners also adopted resolutions reaffirming membership offers to the Counties of Monmouth and Essex. The NJCE is scheduled to meet again on February 22, 2019.

- ❑ **UCIFC Financial Fast Track (Page 12)** - Included in the agenda on page 12 is a copy of the Financial Fast Track for the month of September. As of **September 31, 2018** there is a statutory surplus of **\$1,761,970**. Line 10 of the report, “Investment in Joint Venture” is the Union County Insurance Commission’s share of the equity in the NJCE, **\$1,963,461**. The total cash amount is **\$4,656,532**.

- ❑ **NJCE Property & Casualty Financial Fast Track (Pages 13-14)** – Included in the agenda on pages 13-14 is a copy of the Financial Fast Track for the month of September. As of **September 30, 2018** the Fund has a surplus of **\$14,441,758**. The cash amount is **\$28,512,771**.

- ❑ **Claims Tracking Reports (Pages 15-16)** – Included in the agenda on page 15 is the Claim Activity Report as of September 30, 2018. Also included in the agenda on page 16 is the Claims Management Report Expected Loss Ratio Analysis Report as of September 30, 2018. This report measures how the losses are running compared to the actuary’s projections for 2018. Executive Director will review both reports at the meeting.

- ❑ **2019 Meeting Schedule (Page 17)** – Attached on page 17 for your consideration is the proposed UCIFC Executive Committee meeting schedule for 2019. The 2019 UCIFC Reorganization meeting is scheduled for January 17, 2019 along with the Public Hearing on the budget. If the dates are acceptable a resolution will be prepared for approval with the Reorganizational Resolutions in January.

UNION COUNTY INSURANCE COMMISSION					
2019 PROPOSED BUDGET :					
				Total	
				Increase/Decrease	
APPROPRIATIONS		ANNUALIZED BUDGET FY2018	PROPOSED BUDGET FY2019	\$	%
I. Claims and Excess Insurance					
Claims					
1	Property	320,021	340,421	20,400	6.37%
2	Liability	427,942	428,501	559	0.13%
3	Auto	259,693	258,887	(806)	-0.31%
4	Workers' Comp.	4,546,370	4,637,297	90,927	2.00%
5					
6	Subtotal - Claims	5,554,026	5,665,107	111,081	2.00%
7					
8	Premiums				
9	CEL JIF	2,095,250	2,173,708	78,458	3.74%
10					
11	SubTotal Premiums	2,095,250	2,173,708	78,458	3.74%
12	Total Loss Fund	7,649,276	7,838,814	189,538	2.48%
13					
14	II. Expenses, Fees & Contingency				
15					
16	Claims Adjustment	0	0	0	0.00%
17	Safety Director	0	0	0	0.00%
18	General Expense				
19	Exec. Director	153,686	156,760	3,074	2.00%
20	Actuary	7,569	6,018	(1,551)	-20.49%
21	Auditor	9,344	9,531	187	2.00%
22	Attorney	4,000	4,000	0	0.00%
23	Treasurer	4,000	4,000	0	0.00%
24					
25					
26	Misc. Expense & Contingency	7,335	7,000	(335)	-4.57%
27					
28	Total Fund Exp & Contingency	185,934	187,309	1,375	0.74%
29	Risk Managers	0	0	0	0.00%
30					
31					
32	XS JIF Ancilliary Coverage				
33	POL/EPL	361,068	361,068	0	0.00%
34	Crime Program	8,944	8,944	0	0.00%
35	Medical Malpractice	0	0	0	0.00%
36	Pollution Liability	317	349	32	10.09%
37	Employed Lawyers Liab	47,440	47,440	0	0.00%
38	Cyber Liability/ Special Coverages	0	0	0	0.00%
39	Aviation	5,582	5,582	0	0.00%
40					
41	Total FUND Disbursements	8,258,561	8,449,506	190,945	2.31%

**Certificate of Insurance Monthly Report
Union County Insurance Commission**

From 10/1/2018 to 10/31/2018

Holder (H)/ Insured Name (I)	Holder / Insured Address	Description of Operations	Issue Date/ Cert ID	Coverage
H - Township of Union, Recreation I - County of Union	Department 1120 Commerce Ave. Union, NJ 07083	Company D: XS Worker Compensation Statutory x \$1,000,000 XS Employers Liability \$5,000,000 x \$1,000,000 Policy Term 1/1/18 to 1/1/19 Policy # SP4056379 The Certificate Holder is an Additional Insured on the above-referenced Commercial General Liability and Excess Liability Policies if required by written contract as respect to use of Biertuempfel Park, Winslow Avenue, Union, NJ 07083 on October 11th for the APs vs. Dets. softball game	10/4/2018 #2010655	GL AU EX WC OTH
H - Union County Emergency Response I - County of Union	Team 10 Elizabethtown Plaza, 1st Fl Elizabeth, NJ 07027	Company D: XS Worker Compensation Statutory x \$1,000,000 XS Employers Liability \$5,000,000 x \$1,000,000 Policy Term 1/1/18 to 1/1/19 Policy # SP4056379 The Certificate Holder and the Scotch Plains-Fanwood Board of Education, its respective members, agents, contractors, servants, employees, volunteers, licenses, and invitees are an Additional Insured on the above referenced Commercial General Liability, Auto Liability and Excess Liability Policies if required by written contract as respect to use of Scotch Plains-Fanwood High School's Track between the hours of 10:45am - 12:00pm on Wednesday, October 24, 2018	10/18/2018 #2015897	GL AU EX WC OTH
H - City of Summit I - County of Union	512 Springfield Avenue Summit, NJ 07901	Company D: XS Worker Compensation Statutory x \$1,000,000 XS Employers Liability \$5,000,000 x \$1,000,000 Policy Term 1/1/18 to 1/1/19 Policy # SP4056379 The Certificate Holder is an Additional Insured on the above-referenced Commercial General Liability and Excess Liability Policies if required by written contract as respect to USE OF FACILITIES FOR UNION COUNTY FREEHOLDERS MOBILE MEETING ON OCTOBER 25, 2018	10/22/2018 #2025692	GL AU EX WC OTH
Total # of Holders: 3				

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND

9 Campus Drive – Suite 216
Parsippany, NJ 07054-4412
Telephone (201) 881-7632 Fax (201) 881-7633

Date: November 15, 2018
To: Union County Insurance Fund Commission
From: PERMA Risk Management Services
Subject: New Jersey Counties Excess Meeting Report

2019 Budget: Last month, the Fund introduced a proposed 2019 budget representing a total of \$22,997,729 or a 7.1% increase. The main factors driving the increase was the addition of property claim loss funding since the property self-insured retention (SIR) will increase from \$100,000 to \$250,000; the NJCE is taking responsibility for property claims up to \$250K or \$500k less the \$100,000 underlying retention.

Included in the agenda was a budget for adoption representing a total of \$22,708,952 or a 5.7% increase based on confirmation of property and audited payroll figures as of 11/8/18.

Copies of an updated budget as of 11/15/18 were distributed representing a total of \$22,315,997 or a 3.9% increase based on the following:

Claims Loss Funds (lines 1-5) – Fund Actuary projected a 12% increase to the loss funds for 2019. Except for minor exposure changes, this increase is caused entirely by NJCE taking responsibility for property claims up to \$250K or \$500k less the \$100,000 underlying retention. As previously discussed and per the Board’s direction, the property self-insured retention (SIR) will increase from \$100,000 to \$250,000 and will be funded at the NJCE level instead of adding this additional exposure to the underlying Commission and stand-alone County members.

Excess Premiums (lines 9-14) – Underwriting Manger was able to negotiate with Zurich, the Fund’s Excess Property carrier, a lower than previously indicated rate increase.

Expenses, Fees & Contingency (lines 22-36) - Overall 2% increase on professional fees are budgeted to reflect cost of living wage; however, as a reminder, the Board confirms appointments and compensation at the annual February Reorganization meeting. Line items #33 *Underwriting Data Consolidation* and #34 *Payroll Audit* were introduced during the 2017 budget process reflect a progressive initiative to obtain consistent and ratable data through payroll audits, property appraisals and an underwriting data system. Property Appraisals will most likely be a 2020 initiative.

Ancillary Coverages (lines 43-49) - The NJCE acts as a pass through for optional Ancillary coverages, which are purchased individually by each County and their autonomous agencies. Underwriting Manager is also actively negotiating these coverages for renewal.

Following the public meeting, the Board of Fund Commissioners adopted the 2019 budget as amended and certified the assessments.

In addition, the Board of Fund Commissioners authorized the Underwriting Manager to bind and enter into the required agreements for the 2019 excess and ancillary coverages; a resolution formalizing the action will be included in the 2019 Reorganization agenda.

Dividend: Last month, the Board of Fund Commissioners agreed to table any action to authorize the release of a dividend until this meeting. Based upon a roll call vote the dividend to be distributed will be \$500,000; action was taken on Resolution 46-18 authorizing the release of a dividend and the Fund office will prepare the necessary filings with the State.

Membership: At the April meeting, resolutions were adopted reaffirming membership offers to the Counties of Monmouth and Essex on or before December 31, 2018. The Fund office received notification that the County of Monmouth anticipates confirming membership shortly after December 31st and the County of Essex within the first half of 2019. The Board of Fund Commissioners adopted resolutions reaffirming membership offers to those Counties, which reflected extended effective dates thru calendar year 2019 based on action taken by the Counties of Monmouth and Essex.

NJCE Claims Review Committee: A working draft of the Claims Review Committee charter was submitted for consideration and subject to final review by the Fund Attorney and adoption by the Board. Once finalized, a minimum of three Fund Commissioners will be asked to volunteer to serve on the committee. It is anticipated that the Committee will begin meeting in January 2019.

Excess Property Third Party Administrator (TPA): As previously discussed, the Excess Property SIR is increasing from \$100,000 to \$250,000 and will be funded at the NJCE level. The Fund office is working with the Fund Attorney to issue a Request for Proposals for a TPA to manage and adjust Excess Property claims from 1st dollar.

Online Underwriting & Claims Risk Management Information System: Based on prior authorization from the Board, PERMA has met with representatives from Origami to discuss an online underwriting and claims data platform for members' to access as a resource. Discussions are progressing and we will continue to update the Board on our progress.

Financial Fast Track: The Financial Fast Track as of September 30, 2018 reflected a statutory surplus of \$14.4 million.

Underwriting Manager: A brief report on the 2019 renewal program was submitted; Underwriting Manager noted pollution and property are the remaining coverages to be confirmed for 2019 renewal.

Risk Control: Safety Director submitted a report reflecting the risk control activities from October to December 2018. Safety Director reminded members to submit proof of purchases related to the 2018 BRIT grant in order to receive reimbursement.

Claims Status Summary: AmeriHealth Casualty Services was in need of a Closed Session to discuss claims status and other matters, which was reviewed during Closed Session.

Next Meeting: The next meeting of the NJCE fund is the 2019 Reorganization meeting scheduled for Thursday February 28, 2019 at 1:00PM at the Camden County Emergency Training Center.

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND				
2018 PROPOSED BUDGET -		Property Loss Fund : 150K x 100K		
APPROPRIATIONS	(A)	(C)	(D)	(E)
I. Claims and Excess Insurance			(C - A)	(D / A)
	ANNUALIZED BUDGET FY2018	PROPOSED BUDGET FY2018	Change \$	Change %
Claims				
1 Property	373,264	879,908	506,644	135.7%
2 Liability	887,749	887,753	4	0.0%
3 Auto	252,992	252,991	(1)	0.0%
4 Workers' Comp.	2,626,162	2,626,162	0	0.0%
5 WC 150 x 1K (7720)	133,746	133,746	(0)	0.0%
6 Subtotal - Claims	4,273,914	4,780,560	506,646	11.9%
7 Premiums				
8				
9 Property	5,104,907	5,177,374	72,466	1.4%
10 X3 Flood to 50	367,983	387,245	19,262	5.2%
11 Liability (Brit)	2,429,508	2,471,304	41,796	1.7%
12 Excess Liability	1,110,979	1,110,979	0	0.0%
13 Workers Comp (450 x 550) *	1,259,951	1,257,693	(2,258)	-0.2%
14 Workers Comp (Stat x 1MIL)	2,181,849	2,061,046	(120,803)	-5.5%
15				
16				
17 SubTotal Premiums	12,455,178	12,465,640	10,463	0.1%
18 Total Loss Fund	16,729,091	17,246,200	517,109	3.1%
19				
20 II. Expenses, Fees & Contingency				
21				
22 Claims Adjustment	59,809	61,006	1,196	2.0%
23 Claims Adjustment - Property	-	130,999	130,999	0.0%
24 Safety Director	377,582	385,133	7,552	2.0%
25 General Expense				
26 Exec. Director	598,867	610,844	11,977	2.0%
27 Actuary	21,257	21,682	425	2.0%
28 Auditor	13,521	13,791	270	2.0%
29 Attorney	15,023	15,323	300	2.0%
30 Litigation Attorney	28,666	29,239	573	2.0%
31 Treasurer	15,023	15,323	300	2.0%
32 Underwriting Manager	374,065	381,547	7,481	2.0%
33 Underwriting Data Consolidation	71,665	181,350	109,685	153.1%
34 Payroll Audit	-	17,000	17,000	0.0%
35				
36 Misc. Expense & Contingency	48,467	48,467	(0)	0.0%
37 Total Fund Exp & Contingency	1,623,944	1,911,705	287,760	17.7%
38 Risk Management Consultant	100,000	102,124		
39				
40 Total Self Insured Program	18,453,036	19,260,029	806,994	4.4%
41				
42 Anollillary Coverages				
43 POL/EPL	1,480,987	1,491,706	10,719	0.7%
44 Crime Program	142,922	142,922	(0)	0.0%
45 Medical Malpractice	636,902	636,902	(0)	0.0%
46 Pollution Liability	181,264	199,392	18,128	10.0%
47 Employed Lawyers Liability	166,800	166,800	0	0.0%
48 Cyber Liability	379,203	379,205	2	0.0%
49 Aviation	39,041	39,041	0	0.0%
50				
51 Total Anollillary Coverages	3,027,121	3,055,968	28,847	1.0%
52				
53 Total FUND Disbursements	21,480,157	22,315,997	835,841	3.9%

UNION COUNTY INSURANCE COMMISSION					
FINANCIAL FAST TRACK REPORT					
AS OF September 30, 2018					
ALL YEARS COMBINED					
		THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1.	UNDERWRITING INCOME	688,213	6,193,921	0	6,193,921
2.	CLAIM EXPENSES				
	Paid Claims	161,824	981,195	0	981,195
	Case Reserves	(108,409)	837,388	0	837,388
	IBNR	99,718	2,639,511	0	2,639,511
	Discounted Claim Value	2,711	(60,864)	0	(60,864)
	TOTAL CLAIMS	155,844	4,397,230	0	4,397,230
3.	EXPENSES				
	Excess Premiums	209,883	1,888,951	0	1,888,951
	Administrative	14,922	136,260	0	136,260
	TOTAL EXPENSES	224,805	2,025,210	0	2,025,210
4.	UNDERWRITING PROFIT (1-2-3)	307,565	(228,520)	0	(228,520)
5.	INVESTMENT INCOME	6,980	27,030	0	27,030
6.	PROFIT (4 + 5)	314,545	(201,491)	0	(201,491)
7.	CEL APPROPRIATION CANCELLATION	0	0	0	0
8.	DIVIDEND INCOME	0	0	0	0
9.	DIVIDEND EXPENSE	0	0	0	0
10.	INVESTMENT IN JOINT VENTURE	49,148	1,963,461	0	1,963,461
11.	SURPLUS (6 + 7 + 8)	363,693	1,761,970	0	1,761,970
SURPLUS (DEFICITS) BY FUND YEAR					
	2018	363,693	1,761,970		1,761,970
TOTAL SURPLUS (DEFICITS)		363,693	1,761,970	0	1,761,970
TOTAL CASH					
4,656,532					
CLAIM ANALYSIS BY FUND YEAR					
FUND YEAR 2018					
	Paid Claims	161,824	981,195		981,195
	Case Reserves	(108,409)	837,388		837,388
	IBNR	99,718	2,639,511		2,639,511
	Discounted Claim Value	2,711	(60,864)		(60,864)
	TOTAL FY 2018 CLAIMS	155,844	4,397,230	0	4,397,230
COMBINED TOTAL CLAIMS		155,844	4,397,230	0	4,397,230
This report is based upon information which has not been audited nor certified by an actuary and as such may not truly represent the condition of the fund.					

NEW JERSEY COUNTIES EXCESS JIF					
FINANCIAL FAST TRACK REPORT					
AS OF September 30, 2018					
ALL YEARS COMBINED					
		THIS	YTD	PRIOR	FUND
		MONTH	CHANGE	YEAR END	BALANCE
1.	UNDERWRITING INCOME	1,774,007	15,966,064	118,535,964	134,502,028
2.	CLAIM EXPENSES				
	Paid Claims	(32,786)	224,534	3,142,296	3,366,830
	Case Reserves	41,094	1,152,296	3,560,908	4,713,204
	IBNR	(169,101)	(2,420,307)	10,479,791	8,059,484
	Discounted Claim Value	25,897	136,882	(777,744)	(640,863)
	TOTAL CLAIMS	(134,895)	(906,595)	16,405,251	15,498,656
3.	EXPENSES				
	Excess Premiums	1,306,547	11,756,867	82,005,406	93,762,272
	Administrative	140,389	1,257,658	8,815,738	10,073,396
	TOTAL EXPENSES	1,446,936	13,014,524	90,821,144	103,835,668
4.	UNDERWRITING PROFIT (1-2-3)	461,966	3,858,134	11,309,569	15,167,704
5.	INVESTMENT INCOME	20,185	118,014	263,592	381,606
6.	PROFIT (4+5)	482,152	3,976,148	11,573,162	15,549,309
7.	Dividend	0	0	500,000	500,000
8.	Cancelled Appropriations	0	0	607,551	607,551
9.	SURPLUS (6-7-8)	482,152	3,976,148	10,465,611	14,441,758
SURPLUS (DEFICITS) BY FUND YEAR					
	2010	122,237	267,955	487,880	755,835
	2011	23,936	150,790	986,002	1,136,792
	2012	(3,727)	250,062	670,408	920,470
	2013	53,604	436,896	1,684,539	2,121,435
	2014	72,269	532,939	2,114,583	2,647,522
	2015	(94,713)	147,448	1,304,973	1,452,421
	2016	137,697	876,388	2,228,683	3,105,071
	2017	(24,831)	726,988	988,542	1,715,530
	2018	195,681	586,682		586,682
	TOTAL SURPLUS (DEFICITS)	482,152	3,976,148	10,465,610	14,441,758
	TOTAL CASH				28,512,771

NEW JERSEY COUNTIES EXCESS JIF FINANCIAL FAST TRACK REPORT AS OF September 30, 2018				
ALL YEARS COMBINED				
	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
CLAIM ANALYSIS BY FUND YEAR				
FUND YEAR 2010				
Paid Claims	0	1,870	165,365	167,235
Case Reserves	0	(75,516)	84,636	9,120
IBNR	(125,000)	(201,354)	224,999	23,645
Discounted Claim Value	3,344	10,886	(12,655)	(1,769)
TOTAL FY 2010 CLAIMS	(121,656)	(264,114)	462,345	198,230
FUND YEAR 2011				
Paid Claims	4,293	31,709	435,147	466,856
Case Reserves	(4,293)	(15,016)	341,117	326,101
IBNR	(25,000)	(170,131)	238,736	68,605
Discounted Claim Value	2,059	9,259	(31,362)	(22,103)
TOTAL FY 2011 CLAIMS	(22,941)	(144,179)	983,638	839,459
FUND YEAR 2012				
Paid Claims	4,283	59,185	1,466,690	1,525,876
Case Reserves	(3,583)	(107,399)	180,069	72,669
IBNR	2,033	(212,825)	623,240	410,415
Discounted Claim Value	2,086	18,305	(45,106)	(26,801)
TOTAL FY 2012 CLAIMS	4,819	(242,733)	2,224,893	1,982,160
FUND YEAR 2013				
Paid Claims	1,532	102,502	306,969	409,471
Case Reserves	5,568	(163,831)	752,266	588,435
IBNR	(62,100)	(391,671)	680,765	289,094
Discounted Claim Value	3,361	29,166	(78,671)	(49,505)
TOTAL FY 2013 CLAIMS	(51,639)	(423,834)	1,661,329	1,237,495
FUND YEAR 2014				
Paid Claims	1,572	40,710	401,039	441,749
Case Reserves	(1,572)	147,831	410,814	558,645
IBNR	(75,000)	(737,542)	1,268,147	530,606
Discounted Claim Value	5,150	32,072	(81,671)	(49,599)
TOTAL FY 2014 CLAIMS	(69,850)	(516,928)	1,998,329	1,481,401
FUND YEAR 2015				
Paid Claims	(44,758)	(5,310)	345,381	340,071
Case Reserves	44,359	850,416	1,255,154	2,105,570
IBNR	98,499	(1,014,105)	1,619,464	605,359
Discounted Claim Value	(700)	39,324	(157,891)	(118,567)
TOTAL FY 2015 CLAIMS	97,400	(129,676)	3,062,109	2,932,433
FUND YEAR 2016				
Paid Claims	0	0	0	0
Case Reserves	0	262,355	250,120	512,475
IBNR	(145,000)	(1,187,355)	2,394,880	1,207,525
Discounted Claim Value	10,425	66,950	(162,270)	(95,320)
TOTAL FY 2016 CLAIMS	(134,575)	(858,050)	2,482,730	1,624,680
FUND YEAR 2017				
Paid Claims	293	(6,132)	21,705	15,573
Case Reserves	(293)	244,426	286,733	531,159
IBNR	21,000	(1,013,294)	3,429,559	2,416,265
Discounted Claim Value	6,801	68,283	(208,119)	(139,835)
TOTAL FY 2017 CLAIMS	27,801	(706,717)	3,529,878	2,823,161
FUND YEAR 2018				
Paid Claims	0	0	0	0
Case Reserves	907	9,030	0	9,030
IBNR	141,467	2,507,970	0	2,507,970
Discounted Claim Value	(6,628)	(137,364)	0	(137,364)
TOTAL FY 2018 CLAIMS	135,747	2,379,636	0	2,379,636
COMBINED TOTAL CLAIMS	(134,895)	(906,595)	16,405,251	15,498,656

This report is based upon information which has not been audited nor certified by an actuary and as such may not truly represent the condition of the fund.

Union County Insurance Commissions		
CLAIM ACTIVITY REPORT		
AS OF 9/30/18		
COVERAGE LINE - PROPERTY		
CLAIM COUNT - OPEN CLAIMS		
Year	2018	TOTAL
August-18	8	8
September-18	8	8
NET CHGE	0	0
Limited Reserves		\$962
Year	2018	TOTAL
August-18	\$26,924	\$26,924
September-18	\$7,697	\$7,697
NET CHGE	(\$19,227)	(\$19,227)
Ltd Incurred	\$279,316	\$279,316
COVERAGE LINE - GENERAL LIABILITY		
CLAIM COUNT - OPEN CLAIMS		
Year	2018	TOTAL
August-18	51	51
September-18	48	48
NET CHGE	-3	-3
Limited Reserves		\$897
Year	2018	TOTAL
August-18	\$42,929	\$42,929
September-18	\$43,041	\$43,041
NET CHGE	\$111	\$111
Ltd Incurred	\$50,866	\$50,866
COVERAGE LINE - AUTO LIABILITY		
CLAIM COUNT - OPEN CLAIMS		
Year	2018	TOTAL
August-18	16	16
September-18	10	10
NET CHGE	-6	-6
Limited Reserves		\$690
Year	2018	TOTAL
August-18	\$11,620	\$11,620
September-18	\$6,900	\$6,900
NET CHGE	(\$4,720)	(\$4,720)
Ltd Incurred	\$13,401	\$13,401
COVERAGE LINE - WORKERS COMP.		
CLAIM COUNT - OPEN CLAIMS		
Year	2018	TOTAL
August-18	37	37
September-18	43	43
NET CHGE	6	6
Limited Reserves		\$18,134
Year	2018	TOTAL
August-18	\$864,324	\$864,324
September-18	\$779,751	\$779,751
NET CHGE	(\$84,573)	(\$84,573)
Ltd Incurred	\$1,470,579	\$1,470,579
TOTAL ALL LINES COMBINED		
CLAIM COUNT - OPEN CLAIMS		
Year	2018	TOTAL
August-18	112	112
September-18	109	109
NET CHGE	-3	-3
Limited Reserves		\$7,682
Year	2018	TOTAL
August-18	\$945,798	\$945,798
September-18	\$837,388	\$837,388
NET CHGE	(\$108,409)	(\$108,409)
Ltd Incurred	\$1,814,162	\$1,814,162

Union County Insurance Commissions
CLAIMS MANAGEMENT REPORT
EXPECTED LOSS RATIO ANALYSIS

AS OF **September 30, 2018**

FUND YEAR 2018 -- LOSSES CAPPED AT RETENTION

	Budget	Current		9		MONTH TARGET	Last Month		8		MONTH TARGET
		Unlimited Incurred	Limited Incurred	Actual 30-Sep-18			Unlimited Incurred	Limited Incurred	Actual 31-Aug-18		
PROPERTY	320,021	279,316	279,316	87.28%	217,614	68.00%	279,434	279,434	87.32%	195,213	61.00%
GEN LIABILITY	427,942	50,866	50,866	11.89%	154,059	36.00%	42,929	42,929	10.03%	128,383	30.00%
AUTO LIABILITY	259,693	13,401	13,401	5.16%	90,893	35.00%	15,901	15,901	6.12%	77,908	30.00%
WORKER'S COMP	4,546,370	1,470,579	1,470,579	32.35%	1,500,302	33.00%	1,420,790	1,420,790	31.25%	1,182,056	26.00%
TOTAL ALL LINES	5,554,026	1,814,162	1,814,162	32.66%	1,962,868	35.34%	1,759,055	1,759,055	31.67%	1,583,560	28.51%

UNION COUNTY INSURANCE FUND COMMISSION
9 CAMPUS DRIVE, SUITE 216
PARSIPPANY, NJ 07054

TO: Members of the Commission

2019 ANNUAL MEETING NOTICE

Pursuant to Chapter 231, Laws of 1975, known as the Open Public Meeting Acts, the following have been designated as meeting dates of the Union County Insurance Fund Commission at which the business of said Commission may be formally discussed, decided or acted upon.

<u>TIME</u>	<u>DATE</u>	<u>LOCATION</u>	<u>PURPOSE</u>
10:00 AM	January 17, 2019	County of Union Administration Building Freeholder Conference Room 6 th Floor 10 Elizabethtown Plaza Elizabeth, NJ	Re-Organization Meeting
10:00 AM	February 20, 2019	“	Regular Meeting
10:00 AM	March 20, 2019	“	Regular Meeting
10:00 AM	April 17, 2019	“	Regular Meeting
10:00 AM	May 15, 2019	“	Regular Meeting
10:00 AM	June 19, 2019	“	Regular Meeting
10:00 AM	July 17, 2019	“	Regular Meeting
10:00 AM	September 18, 2019	“	Regular Meeting
10:00 AM	October 16, 2019	“	Regular Meeting
10:00 AM	December 18, 2019	“	Regular Meeting

In addition such other meetings as may be required shall be scheduled and held, but pursuant to and with such additional notice as may be required by statute.

By: PERMA Risk Management Services
Administrator

UNION COUNTY INSURANCE FUND COMMISSION

**UNION COUNTY INSURANCE FUND COMMISSION
BILLS LIST**

Resolution No. 28-18

NOVEMBER 2018

WHEREAS, the Treasurer has certified that funding is available to pay the following bills:

BE IT RESOLVED that the Union County Insurance Fund Commission, hereby authorizes the Commission Treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Commission.

FUND YEAR 2018

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
001032			
001032	PERMA RISK MANAGEMENT SERVICES	OCTOBER POSTAGE	0.89
001032	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 11/18	12,807.16
			12,808.05
001033			
001033	THE ACTUARIAL ADVANTAGE	ACTUARIAL SERVICES 11/18	737.50
			737.50
		Total Payments FY 2018	13,545.55

TOTAL PAYMENTS ALL FUND YEARS \$13,545.55

Chairperson

Attest:

Dated: _____

I hereby certify the availability of sufficient unencumbered funds in the proper accounts to fully pay the above claims.

Treasurer

UNION COUNTY INSURANCE FUND COMMISSION BILLS LIST

Resolution No. 29-18

DECEMBER 2018

WHEREAS, the Treasurer has certified that funding is available to pay the following bills:

BE IT RESOLVED that the Union County Insurance Fund Commission, hereby authorizes the Commission Treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Commission.

FUND YEAR 2018

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
001034			
001034	PERMA RISK MANAGEMENT SERVICES	NOVEMBER POSTAGE	0.68
001034	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 12/18	12,807.24
			12,807.92
001035			
001035	THE ACTUARIAL ADVANTAGE	ACTUARIAL SERVICES FEE 12/18	737.50
			737.50
001036			
001036	WESTFIELD LEADER	RFQ - ACTUARY	28.56
			28.56
001037			
001037	COUNTY OF UNION	REIMB FOR POSTAGE 08/18-11/18	163.86
			163.86
		Total Payments FY 2018	13,737.84

TOTAL PAYMENTS ALL FUND YEARS \$13,737.84

Chairperson

Attest:

Dated: _____

I hereby certify the availability of sufficient unencumbered funds in the proper accounts to fully pay the above claims.

Treasurer

SUMMARY OF CASH AND INVESTMENT INSTRUMENTS			
UNION COUNTY INSURANCE COMMISSION			
ALL FUND YEARS COMBINED			
CURRENT MONTH	September		
CURRENT FUND YEAR	2018		
	Description:	Administrative Account-Investors	Claims Account - Investors
	ID Number:		
	Maturity (Yrs)		
	Purchase Yield:		
	TOTAL for All Accts & instruments		
Opening Cash & Investment Balance	\$4,824,959.63	4,677,573.95	147385.68
Opening Interest Accrual Balance	\$0.00	-	0
1	Interest Accrued and/or Interest Cost	\$0.00	\$0.00
2	Interest Accrued - discounted Instr.s	\$0.00	\$0.00
3	(Amortization and/or Interest Cost)	\$0.00	\$0.00
4	Accretion	\$0.00	\$0.00
5	Interest Paid - Cash Instr.s	\$6,979.82	\$6,655.76
6	Interest Paid - Term Instr.s	\$0.00	\$0.00
7	Realized Gain (Loss)	\$0.00	\$0.00
8	Net Investment Income	\$6,979.82	\$6,655.76
9	Deposits - Purchases	\$123,463.04	\$5,836.97
10	(Withdrawals - Sales)	-\$298,870.46	-\$131,209.03
	Ending Cash & Investment Balance	\$4,656,532.03	\$4,558,857.65
	Ending Interest Accrual Balance	\$0.00	\$0.00
	Plus Outstanding Checks	\$148,953.91	\$1,539.30
	(Less Deposits in Transit)	\$0.00	\$0.00
	Balance per Bank	\$4,805,485.94	\$4,560,396.95

UNION COUNTY INSURANCE COMMISSION							
SUMMARY OF CASH TRANSACTIONS - ALL FUND YEARS COMBINED							
Current Fund Year: 2018 Month Ending: September							
	Property	Liability	Auto	Worker's Comp	NJ CEL	Admin	TOTAL
OPEN BALANCE	23,016.46	377,211.56	224,607.59	3,449,474.38	700,573.68	50,075.95	4,824,959.62
RECEIPTS							
Assessments	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Refunds	5,836.97	0.00	0.00	0.00	0.00	0.00	5,836.97
Invest Pymnts	33.30	545.68	324.92	4,990.03	1,013.45	72.44	6,979.82
Invest Adj	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal Invest	33.30	545.68	324.92	4,990.03	1,013.45	72.44	6,979.82
Other *	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	5,870.27	545.68	324.92	4,990.03	1,013.45	72.44	12,816.79
EXPENSES							
Claims Transfers	23,253.97	7,825.00	2,219.96	134,362.50	0.00	0.00	167,661.43
Expenses	0.00	0.00	0.00	0.00	0.00	13,582.96	13,582.96
Other *	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	23,253.97	7,825.00	2,219.96	134,362.50	0.00	13,582.96	181,244.39
END BALANCE	5,632.76	369,932.24	222,712.55	3,320,101.91	701,587.13	36,565.43	4,656,532.02



First Managed Care Option, Inc.

Case Management Monthly Activity Report
 November 2018
 UNION COUNTY INS FUND COMM
 NJ

Reported Claims											
Year/Month	# of Claims > 2 days to report	Total Reported*	Medical Only**	Lost Time**	Total Case Managed	Field Case Managed	% Case MO	% Case LT	% Case Field	Active Files	Closed Files
Jan-18		17	10	4	14	0	71.43%	28.57%	0.00%	0	14
Feb-18	4	16	9	2	11	0	81.82%	18.18%	0.00%	0	11
Mar-18	6	25	14	2	16	0	87.50%	12.50%	0.00%	1	15
Apr-18	2	27	17	3	20	0	85.00%	15.00%	0.00%	1	19
May-18	2	21	17	2	19	0	89.47%	10.53%	0.00%	1	18
Jun-18	3	20	11	4	15	0	73.33%	26.67%	0.00%	1	14
Jul-18	5	31	20	7	27	0	74.07%	25.93%	0.00%	2	25
Aug-18	2	29	22	3	25	0	88.00%	12.00%	0.00%	0	25
Sep-18	3	30	24	2	26	0	92.31%	7.69%	0.00%	2	24
Oct-18	1	21	13	3	16	0	81.25%	18.75%	0.00%	4	12
Nov-18	3	16	7	3	10	0	70.00%	30.00%	0.00%	7	3
Total FY2018	31	253	164	35	199	0	82.41%	17.59%	0.00%	19	180

Open Claims						
Medical Only	Lost Time	Telephonic Case Mgmt	Field Case Mgmt	Total Case Managed	Lost Time Returned to Work	Lost Time Out of Work
10	9	19	0	19	5	4

Claim Keys	
Medical Only Claim:	Case Managed File, out of work 7 days or less
Lost Time Claim:	Case Managed File, out of work 8 or more days
Lost Time Return to Work:	File is a lost time claim and the injured worker has returned to work
Telephonic Case Mgmt:	Number of new referrals for case management
Active Files:	Number of all open files currently case managed

Report run on 12/03/2018

* Total Reported includes all Medical Only, Lost Time, Investigation, and Report Only Claims
 ** Any Change in MO or LT will be reflected in the original reported month.





First Managed Care Option, Inc.

Case Management Monthly Activity Report

August 2018

UNION COUNTY INS FUND COMM
NJ

Reported Claims											
Year/Month	# of Claims > 2 days to report	Total Reported*	Medical Only**	Lost Time**	Total Case Managed	Field Case Managed	% Case MO	% Case LT	% Case Field	Active Files	Closed Files
Jan-18		17	10	4	14	0	71.43%	28.57%	0.00%	1	13
Feb-18	4	16	9	2	11	0	81.82%	18.18%	0.00%	0	11
Mar-18	6	25	14	2	16	0	87.50%	12.50%	0.00%	1	15
Apr-18	2	27	17	3	20	0	85.00%	15.00%	0.00%	3	17
May-18	2	21	18	1	19	0	94.74%	5.26%	0.00%	1	18
Jun-18	3	20	11	4	15	0	73.33%	26.67%	0.00%	4	11
Jul-18	5	31	20	7	27	0	74.07%	25.93%	0.00%	6	21
Aug-18	2	29	22	3	25	0	88.00%	12.00%	0.00%	10	15
Total 2018	24	186	121	26	147	0	82.31%	17.69%	0.00%	26	121

Open Claims						
Medical Only	Lost Time	Telephonic Case Mgmt	Field Case Mgmt	Total Case Managed	Lost Time Returned to Work	Lost Time Out of Work
11	15	26	0	26	5	10

Claim keys	
Medical Only Claim:	Case Managed File, out of work 7 days or less
Lost Time Claim:	Case Managed File, out of work 8 or more days
Lost Time Return to Work:	File is a lost time claim and the injured worker has returned to work
Telephonic Case Mgmt:	Number of new referrals for case management
Active Files:	Number of all open files currently case managed



Report run on 09/04/2018

* Total Reported includes all Medical Only, Lost Time, Investigation, and Report Only Claims

** Any Change in MO or LT will be reflected in the original reported month.

Page 1 of 2



First Managed Care Option, Inc.

**Case Management Monthly Activity Report
November 2018
UNION COUNTY INS FUND COMM**

Members averaging greater than 2 days to report :

Employer	Total Claims	# of Claims > 2 days to report	% of Claims > 2 days to report
Cornerstone Institutional Attends / 791-616	2	1	50%

Claim keys	
Medical Only Claim:	Case Managed File, out of work 7 days or less
Lost Time Claim:	Case Managed File, out of work 8 or more days
Lost Time Return to Work:	File is a lost time claim and the injured worker has returned to work
Telephonic Case Mgmt:	Number of new referrals for case management
Active Files:	Number of all open files currently case managed

Report run on 12/03/2018

* Total Reported includes all Medical Only, Lost Time, Investigation, and Report Only Claims
** Any Change in MO or LT will be reflected in the original reported month.



Page 2 of 2



First Managed Care Option, Inc.

First MCO Bill Review Services
UNION COUNTY INS FUND COMM

Medical Savings by Month

NJ

Month of Reprice Service	Provider Billed Amount	First MCO Repriced	U & C / Fee Schedule	Savings	% of Savings	# of Bills	In Network	Out Of Network	% PPO Penetration	# of Appeals		
Jan-18	\$4,991	\$2,274	\$5,855	\$2,717	54%	8	6	2	75%	0		
Feb-18	\$35,372	\$19,161	\$41,510	\$16,211	46%	58	54	4	93%	0		
Mar-18	\$49,915	\$20,683	\$67,365	\$29,232	59%	76	68	8	89%	0		
Apr-18	\$204,316	\$75,305	\$250,090	\$129,011	63%	104	91	13	88%	0		
May-18	\$76,908	\$32,390	\$88,135	\$44,518	58%	147	110	37	75%	0		
Jun-18	\$311,096	\$109,666	\$339,968	\$201,431	65%	128	108	20	84%	0		
Jul-18	\$192,147	\$84,846	\$2,458,905	\$107,301	56%	129	102	27	79%	0		
Aug-18	\$323,860	\$135,146	\$371,099	\$188,714	58%	263	219	44	83%	0		
Sep-18	\$159,672	\$60,175	\$197,179	\$99,497	62%	185	157	28	85%	0		
Oct-18	\$113,077	\$48,686	\$128,302	\$64,391	57%	194	165	29	85%	0		
Nov-18	\$124,935	\$38,632	\$136,646	\$86,302	69%	102	85	17	83%	0		
Total 2018	\$1,596,289	\$626,964	\$4,085,055	\$969,325	61%	1,394	1,165	229	84%	0		
Total to Date	\$1,596,289	\$626,964	\$4,085,055	\$969,325	61%	1,394	1,165	229	84%	0		

Report Run Date:12/03/2018

UCI



**UNION COUNTY INSURANCE FUND COMMISSION
 SAFETY DIRECTOR'S REPORT**

TO: Fund Commissioners
FROM: J.A. Montgomery Risk Control, Safety Director
DATE: December 10, 2018

UCIFC SERVICE TEAM

Paul Shives, Vice President Public Sector Director pshives@jamontgomery.com Office: 732-736-5213	Glenn Prince, Associate Public Sector Director gprince@jamontgomery.com Office: 856-552-4744 Cell: 609-238-3949	Natalie Dougherty, Senior Administrative Coordinator ndougherty@jamontgomery.com Office: 856-552-4738
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**October - December 2018
 RISK CONTROL ACTIVITIES**

MEETINGS ATTENDED / TRAINING / LOSS CONTROL VISITS CONDUCTED

- **October 17:** Attended the UCIFC Executive Safety Committee meeting in Elizabeth.
- **October 17:** Attended the UCIFC Jail Sub Safety Committee meeting in Elizabeth.
- **October 29:** Attended the UCIFC Meeting in Elizabeth.
- **October 30:** Conducted the BRIT online training platform demo in Elizabeth

UPCOMING MEETINGS / TRAINING / LOSS CONTROL VISITS PLANNED

- **December 19:** Plan to attend the UCIFC meeting in Elizabeth.
- **December 19:** Plan to attend the UCIFC Claims Committee meeting in Elizabeth.
- **December 19:** Plan to attend a BRIT online training platform demo in Elizabeth.

CEL MEDIA LIBRARY

No Videos have been utilized in 2018.

SAFETY DIRECTOR BULLETINS

- Leaf Collection Safety – November 12
- CDL Exemption for the Fire & EMS Services – December 4

Leaf Collection Time – An Important Reminder

Municipalities and public agencies collect leaves by a number of different means (leaf vacuums, front end loaders, bagged leaves, etc.) in an effort to improve safety and efficiency of the process. Any leaf collection operation exposes workers to hazards. Please consider the following tips to protect workers:

Department Leaders

- Perform a job hazard assessment on all leaf collection procedures and equipment.
- Thoroughly train all new employees prior to allowing them to operate any piece of equipment.
- Provide refresher training at the beginning of each leaf season for experienced workers. If the season is extended, provide additional training to reinforce safety procedures at regular intervals.
- Conduct Job Site Observations. Reinforce desirable behaviors and consistently correct unsafe actions.

Drivers

- Follow manufacturers' recommendations when operating leaf vacuuming equipment. Conduct pre-trip inspections of the truck and vacuum unit per manufacturers' recommendations and department policy.
- Never allow workers to ride on the yoke of a trailer, or other areas not specifically designated for riders.
- Maintain visual contact of workers on foot when working close to the vehicle and while backing.
- Check both side mirrors frequently when backing.
- Use a reliable spotter positioned to see you and the blind spots behind your vehicle when backing.
- Stop the truck if the spotter must change positions and whenever visual contact is lost.
- Wear your seatbelt. Insist others in the cab wear theirs. Do not use your cell phone or otherwise become distracted. Stay alert of approaching motorists to possibly warn your crew members of danger.

Workers on foot

- Stay in mirrors or otherwise visible to driver. Remain clear of the rear of the vehicle when the backup lights or alarm are on.
- Be aware of crush zones. They include between moving vehicles and under raised loads.
- Use standard hand signals when acting as a spotter.
- Wear the required personal protective equipment. Remind co-workers to wear theirs.
- Stay alert to approaching motorists. Be prepared to warn co-workers. Have each other's backs.

This bulletin is intended for general information purposes only. It should not be construed as legal advice or legal opinion regarding any specific or factual situation. Always follow your organization's policies and procedures as presented by your manager or supervisor. For further information regarding this bulletin, contact your Safety Director at 877.398.3046.



Personal protective equipment for leaf vacuum operations must include:

- ANSI 107-2004 (or later) Class 2 or 3 high visibility apparel
- Hearing protection

The following is recommended depending on conditions:

- Work boots
- Tight-fitting protective eyewear
- Leather or similar work gloves
- Dust mask or N95 respirator. Workers who wear a filtering face piece



Visibility of the workers on foot is a critical component for a safe operation. In the picture on the left, the worker is between the leaf vacuum and the truck and out of the driver's sight.

Drivers must maintain the proper distance from the curb to keep the vacuum hose operator as far as possible from the wheels of the truck or trailer.



Leaf collection is a Mobile Work Zone. Establish traffic control according to the MUTCD. At a minimum, high intensity amber warning lights must be visible to motorists approaching from either direction.

Do not use directional arrows on 2-lane roadways.



Crush Zones are present in many leaf collection operations:

- Between and in front of moving vehicles
- Under raised loads and vehicle bodies



December 2018

About the Fire Service CDL Exemption

Periodically, the Safety Director is asked about the specifics or limitations of the exemption granted to the fire service, first aid and rescue agencies, and the office of emergency management (OEM). Upon an examination of the exemption, we provide the following guidance.

Title 39:3-10k states, "unless otherwise required by federal law or regulations, and subject to any rules and regulations promulgated pursuant to the provisions of this act, no designated operator of firefighting apparatus ... or operator of emergency or rescue equipment operated for the purposes of a first aid, ambulance, or rescue squad or for disaster control shall be subject to the licensing provisions of the "Commercial Motor Vehicle Safety Act of 1986." 39:310k1 specifically extends the exemption to the local offices of emergency management.

The wording does not specify any limitations to the exemption. The Safety Director is also not aware of federal laws, or further regulations of this provision that places any limitations or restrictions on this exemption. **It is the opinion of the Safety Director that the exemption extends to any designated operator of fire apparatus, rescue unit, or OEM vehicle who operates that vehicle for emergency responses, drills, parades, repair and maintenance in the State of New Jersey.** This is a State exemption, so non-emergency operation of vehicles over 26,000 gross vehicle weight beyond the State borders should be performed by a properly licensed and credentialed holder of a Commercial Drivers' License.

The Safety Director recommends emergency agencies update their lists of designated drivers / operators on at least a yearly basis. It is also important to have a comprehensive driver training program and driver training records. The Safety Director can assist agencies with written policies, initial and refresher training programs and resources, and with in-house accident investigations.

Specific concerns regarding the operation of your agency's vehicles can be brought to the attention of your town's or district's attorney. Members can also contact their Risk Manager with insurance or coverage questions.

This bulletin is intended for general information purposes only. It should not be construed as legal advice or legal opinion regarding any specific or factual situation. Always follow your organization's policies and procedures as presented by your manager or supervisor. For further information regarding this bulletin, contact your Safety Director at 877.386.3046.

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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**. 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.

APPENDIX I
OPEN MINUTES

**UNION COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – October 29, 2018
County of Union
Administration Building – 6th Floor
Freeholder Conference Room
10 Elizabethtown Plaza
Elizabeth, NJ
10:30 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	Excused
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
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 AND CLOSED MINUTES OF SEPTEMBER 19, 2018

MOTION TO APPROVE THE OPEN MINUTES AND CLOSED MINUTES OF SEPTEMBER 19, 2018

Moved: Chair Wagner
Second: Commissioner Scutari
Vote: 2 Yes, 0 Nays

CORRESPONDENCE: None

SAFETY COMMITTEE: Mr. Worthington advised there were some Blood Pathogens Training at the Prosecutor’s Office as well as some Ladder Training for the Tel-com folks. Mr. Prince reported the Correctional Sub Committee met and he distributed the most commonly cited PEOSH citations for the second quarter and asked that they use the document as a self-assessment guide to identify any issues. Mr. Prince stated Corrections should contact Mr. Worthington or himself to assist with any issues.

CLAIM COMMITTEE: Executive Director reported Mr. Cusack was involved in a minor fender bender and was not in attendance. Executive Director referred to Mr. Cusack’s 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. Executive Director referred to the four policies listed in the memo and indicated any claims, suits and incidents must be reported to the carrier prior to the expiration date of 12/31/18. Executive Director asked that the usual claim procedures be followed and provide any notice to D&H Alternative Risk Solutions no later than Monday, December 17th.

Executive Director advised the Best Practice Workshop was scheduled for Wednesday, October 31, 2018 at Conner Strong & Buckelew’s Marlton Office. Executive Director noted video conference was available at the Parsippany Office. Executive Director referred to a copy of the agenda which was included in the agenda and reviewed the scheduled presentations.

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

RFP FOR PROFESSIONAL SERVICES – ACTUARY: Executive Director reported the Commission Service Agreement for the Actuary would expire as of December 31, 2018. Executive Director advised the Fund Office would issue a draft copy of the RFP and send to the Commission Attorney for his review and approval before it was advertised in the Commission’s official newspapers.

MOTION TO AUTHORIZE THE FUND OFFICE TO ADVERTISE A REQUEST FOR PROPOSALS FOR THE 2019 ACTUARY POSITION

October 29, 2018 Union County Insurance Fund Commission OPEN Minutes

Moved: Chair Wagner
Second: Commissioner Scutari
Vote: 2 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 September was included in the agenda. Executive Director advised there was 6 certificates issued during the month of September.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

Moved: Chair Wagner
Second: Commissioner Scutari
Vote: 2 Yes, 0 Nays

NJ COUNTIES EXCESS JOINT INSURANCE FUND (NJCE): Executive Director reported the NJCE met on September 27, 2018 and a summary report of the meeting was included in the agenda. Executive Director advised PERMA was meeting with representatives of Origami to discuss the online underwriting and claims data platform for members' to access. Executive Director stated the Fund Auditor submitted and reviewed the final audit for the period ending December 31, 2017 and there were no recommendations or findings. The NJCE also met on October 25, 2018 and introduced the 2019 budget in the amount of \$22,997,729 which represented a 7.1% increase over last year's budget. Executive Director explained the Fund Actuary was projecting a 12% increase to the loss funds as the NJCE was taking responsibility for property claims up to \$250,000 less the \$100,000 underlying retention. Executive Director also advised there would be an increase in premium from Zurich, the Excess Property carrier, due to the property losses and high loss ratios over the past three years. Executive Director stated the budget also included funds for a Property TPA. In response to Chair Wagner's inquiry, Executive Director advised several of the Counties had experienced losses over the years and it was just not one particular county. Executive Director reported there was also a discussion on dividends. Executive Director advised there were several different options available ranging from \$300,000 to \$1,000,000 and noted copies of the options were distributed at the start of the meeting. The NJCE Board of Fund Commissioners suggested the local Commissions make a recommendation what dividend options would be most beneficial.

MOTION TO MAKE A RECOMMENDATION TO THE NJCE FOR A DIVIDEND IN THE AMOUNT OF \$750,000 SUBJECT TO DISCUSSION WITH THE COMMISSION TREASURER

Moved: Chair Wagner
Second: Commissioner Scutari
Vote: 2 Yes, 0 Nays

UCIFC 2019 BUDGET: Executive Director reported the Union County Insurance Fund Commission 2019 Budget would be introduced at the December 19, 2018 meeting. Executive Director advised Budget Adoption would be scheduled for the January meeting.

UCIFC FINANCIAL FAST TRACK: Executive Director advised the August Financial Fast Track was included in the agenda. The Commission had a surplus of \$1,398,278 as of August 31, 2018. Executive Director referred to Line 10 of the report, "Investment in Joint Venture" and indicated

\$1,914,313 of the surplus was the UCIFC's share of the NJCE equity. Executive Director noted the cash amount was \$4,824,960.

NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the August Financial Fast Track was included in the agenda. As of August 31, 2018 the Fund had a surplus of \$13,959,607. 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 August 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 August 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 and worker compensation were running slightly higher. Executive Director asked if anyone had any questions on the claims reports.

NJCE CLAIMS REVIEW: Executive Director advised at the last meeting Mr. Cusack discussed open claims prior to the formation of the Commission and recommended a claim review sometime in the spring. Executive Director advised Ms. Dodd spoke to the Commission Attorney and he suggested to have a discussion on a claim review at the meeting. In response to Commission Attorney, Executive Director advised the TPA would be given a list a claims to review at the meeting with regard to reserving, and the amount paid. Executive Director noted this would apply to worker compensation claims. Commission Attorney advised a motion was not needed unless the Commissioners had any objections in setting up a meeting. It was agreed a meeting would be scheduled for some time in April 2019.

2019 AUTO ID CARDS/WC POSTING NOTICES/RENEWAL CERTIFICATE OF INSURANCE: Executive Director reported the 2019 auto ID cards and WC Posting Notices would be sent out for distribution the beginning of December. Executive advised the NJCE Underwriting Manager's Team would review the certificates which needed to be re-issued for the 2019 renewal.

2018 MEETING SCHEDULE: Executive Director reminded the Commission there was no meeting scheduled for November and the next meeting was on Wednesday, December 19, 2018 at 10:00 AM.

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

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Executive Director referred to Resolution 27-18, October Bill List which was included in the agenda. After a brief discussion it was agreed that the bill list should be approved in the Commission Treasurer's absence. Executive Director indicated the payments represented the monthly expenses and Commission Attorney noted Commission Treasurer previously sent an e-mail to Ms. Dodd regarding the October bill list.

MOTION TO APPROVE RESOLUTION 27-18 OCTOBER BILL LIST IN THE AMOUNT OF \$13,560.77

Moved: Chair Wagner
Second: Commissioner Scutari
Vote: 2 Yes, 0 Nays

In response to the Chair's inquiry, Ms. Dodd advised the bills from Crypsis were paid by D&H out of the claims account, therefore they would not appear on the monthly bill list in the agenda.

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

ATTORNEY: Mr. Barry advised last week he attended the County Council Association Meeting and mentioned to the Executive Director prior to the meeting the County Council from Monmouth County entered into a one year contract with AvaSci. Mr. Barry provided a brief overview of AvaSci and asked for authorization to look into their services for hiring new employees and later for worker compensation claims. Mr. Barry noted he would contact the County of Monmouth for AvaSci's contact information to see if there was any advantage in utilizing their services. The Commissioners agreed that Mr. Barry should research further. Ms. Guze stated she had not heard of AvaSci but it seemed their services were familiar to Biokinetix and would look into it also.

CLAIMS SERVICE: Ms. Guze reported for the month of September there were 29 claims. Ms. Guze advised of those claims 29 claims, 19 were closed, 4 were for reporting purposes only, 1 was denied and 1 remained open for subrogation. Ms. Guze advised of the 29 claims, 10 were treating. Ms. Guze noted as in the past it seemed the most prevalent injuries involved slip and falls or lifting. Ms. Guze advised that was a trend throughout worker compensation claims.

MANAGED CARE: Ms. Cronk advised First MCO's reports were included in the agenda. Ms. Cronk reported for the month of September there were 30 claims reported, 24 were medical only, 1 lost time and 96% were total case managed. Ms. Cronk reported for the month of September bills were received in the amount of \$159,672. First MCO repriced the bills to \$60,175 for a total savings of \$99,497 or a 62% savings. There were 185 bills, 157 were in network and 20 were out of network with a penetration rate of 85%. Ms. Cronk advised of those 20 out of network bills, Ms. Cronk pointed out that they were already in negotiations with the provider. Executive Director asked Ms. Cronk to provide an update on the negotiations with Practice Medical Associates.

RISK MANAGER: Ms. Racioppi was not in attendance.

NJCE SAFETY DIRECTOR: Mr. Prince reviewed the September – October Risk Control Activities Report which was included in the agenda. Mr. Prince advised the agenda also included a memo regarding the updated and expanded Media Library. Mr. Prince reported significant additions were made and additional DVD's were purchased. Mr. Prince encouraged everyone to utilize the Media Library. Mr. Prince advised tomorrow he would be presenting to the County the BRIT Team Platform for a demonstration, an online training program, provided by the excess carrier, BRIT. Mr. Prince noted this training was available for no additional cost. Mr. Prince spoke about the BRIT Safety Grant and advised he had discussed the grant at some of the Safety Committee Meetings. Mr. Prince advised that concluded his report unless anyone had any questions.

Correspondence Made Part of Minutes

OLD BUSINESS: None

NEW BUSINESS: Ms. Cronk advised she did have an update on Clarke and reported there was a meeting today to review the submission of the bills. There was a question with the federal tax number as all of the facilities used the same number. Executive Director asked that there bill a follow up.

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 4656, 4863 and 5179. 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 Scutari
Vote: 2 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 Scutari
Vote: 2 Yes, 0 Nays

MOTION TO ADJOURN:

Moved:	Chair Wagner
Second:	Commissioner Scutari
Vote:	2 Yes, 0 Nays

MEETING ADJOURNED: 11:06 AM

Minutes prepared by: Cathy Dodd, Assisting Secretary

APPENDIX II

CLAIMS SWEEP LETTER

UNION COUNTY INSURANCE COMMISSION

To: County of Union
From: Michael Cusack
Date: October 18, 2018

Re: VERY IMPORTANT – Reporting to “Discovery” or “Claims Made and Reported” Policies Prior to 12/31/18 Expiration Date

As a reminder, the following policies are set to expire on **12/31/18**:

Member(s)	Coverage Line	Carrier	Policy No.
Union County Union County Board of Social Services	Public Officials & Employment Practices Liability	ACE American Insurance Company	EON G29007949 001
Union County Union County Board of Social Services	Employed Lawyers Professional Liability	Chubb Group of Insurance Company	8248-9397
Union County Union County Board of Social Services	Crime	National Union Fire Insurance Company of Pittsburgh, PA	06-530-09-53
Union County	Pollution	Zurich American Insurance Company	ZRE554295501

These policies, or portions of these policies, provide coverage on a “discovery” or “claims-made and reported” basis. ***With these types of coverage, any loss discovered or claim made against you MUST be reported during the same policy year within which you discovered the loss or received the claim.*** Therefore, it is imperative that any claim, potential claim, or facts and circumstances that may give rise to a claim be reported to your insurance company prior to the policy expiration.

You should refer to the terms and conditions in your complete policies for specific reporting requirements and coverage triggers. However, with respect to the Public Officials & Employment Practices Liability Policy and the Employed Lawyers Professional Liability Policy, claims generally involve allegations of a **wrongful act** committed by an insured. With respect to the Crime Policy, claims generally involve **theft**. Finally, with respect to the Pollution Policy, claims generally involve a **pollution condition or incident**.

Please conduct a review “sweep” of any Public Officials & Employment Practices Liability, Employed Lawyers Professional Liability, Crime or Pollution claims, suits and/or incidents of which you (or anyone else in your organization) may be aware, which need to be reported to the carrier prior to the expiration date of 12/31/18. Please keep in mind that these policies are “discovery” or “claims made and reported” policies, and failure to timely report a

discovered loss or claim (or potential claim of which you are aware) is likely to result in a denial of coverage from the insurance carrier.

Given that the above-referenced policies expire during a holiday time period, please follow your usual claim reporting procedures, and provide notice of any Public Officials & Employment Practices Liability claim or potential claim to **D&H Alternative Risk Solutions** no later than Monday **12/17/18**. Please report any Employed Lawyers Professional Liability or Crime claim or potential claim to **Conner Strong & Buckelew** no later than Monday **12/17/18**. These matters should be emailed to ClaimsTeamC@connerstrong.com, with a copy to me, or faxed to 856-552-4585. If you have any questions, including whether a claim or incident should be reported, please contact me and I will be happy to assist. I can be reached via email at mcusack@connerstrong.com or telephone at 856-552-4584.

APPENDIX III

THE OPIOID EPIDEMIC


CONNER
STRONG &
BUCKLEW

THE OPIOID EPIDEMIC:

How Employers Can Utilize Employee Benefits and
Workers' Compensation to Fight Back



As the opioid epidemic continues to plague communities and workforces across the U.S., employers have several tools in their insurance and employee benefits arsenal to prevent and treat opioid abuse in the workplace.



The Opioid Epidemic: How Employers Can Utilize Employee Benefits and Workers' Compensation to Fight Back

Opioid addiction touches all communities, geographies and industries. Its devastating effects can be felt in mortality rates, homelessness rates, societal costs, increased crime and employee productivity.

The abuse of opioids, a class of drugs that includes everything from prescription drugs oxycodone and morphine to illegal street drugs like heroin and fentanyl, has undoubtedly evolved into a nationwide epidemic. In April, the Trump Administration extended its opioid public health emergency for the second time as the war against prescription painkillers and street opioids wages on.¹

On average, Americans consume more doses of opioids per day than every other developed nation.² More than 4.3 million Americans using opioids are doing so without doctor's orders.³

This widespread abuse has taken a heavy toll. Opioids have become one of the top killers in the U.S. Every day, opioid-related overdoses claim the lives of approximately 115 people—that's more than stroke, Alzheimer's disease and diabetes combined.^{4,5} Opioid overdoses have become the leading cause of injury and death in the U.S., and the more recent introduction of fentanyl, an extremely powerful street opioid, is causing overdose rates to spike even higher.

¹<http://thehill.com/policy/healthcare/384551-trump-administration-extends-opioid-public-health-emergency>

²<https://qz.com/1198965/the-surprising-geography-of-opioid-use-around-the-world/>

³<https://www.bna.com/opioid-addiction-work-n57982085155/>

⁴<https://www.drugabuse.gov/drugs-abuse/opioids/opioid-overdose-crisis>

⁵<https://www.medicalnewstoday.com/articles/282929.php>

From Medicine Cabinets to the Street

The opioid epidemic emerged in the 1990s when doctors struggled to treat patients' pain. Seeing an opportunity to fill this need, pharmaceutical manufacturers began producing and marketing opioids more aggressively. Previously, opioids were used to treat acute pain, but doctors subsequently prescribed them to patients experiencing chronic pain as well. Between 1997 and 2006, retail sales of hydrocodone increased by 244%, oxycodone sales rose 732% and methadone sales skyrocketed by 1,177%.⁶

These drugs turned out to be much more addictive than many patients and doctors originally suspected, and the number of opioid abuse cases started to proliferate. As addiction rates rose, patients either ran their prescriptions dry or could no longer afford to purchase the product legally. Many looked for cheaper and more accessible substitutes by purchasing heroin and other opioids on the street, which exacerbated the issue into a national epidemic.

⁶<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4106581/>



Every day, opioid-related overdoses claim the lives of approximately 115 people—that's more than stroke, Alzheimer's disease and diabetes combined.



Mounting Cost to Employers

Fast forward to today and 11.5 million Americans are misusing opioids, according to the U.S. Department of Health and Human Services.⁷

In monetary terms, this excessive opioid use cost the U.S. economy \$504 billion in 2015, according to the Council of Economic Advisers, or approximately 2.8% of U.S. GDP.⁸ This crisis extends into the workplace as well. A recent survey from the National Safety Council found that approximately 29% of employers saw an employee's job performance suffer as a result of prescription painkiller use.⁹ A whopping 70% of employers said their workforces have been negatively affected by opioids in some capacity. On top of that, roughly 10% to 12% of American workers are under the influence of drugs at work.¹⁰

Opioids are the most expensive and highly utilized drugs for work-related injuries, accounting for 24.1% of total pharmacy spend in 2017, according to a recent survey from prescription services company MyMatrixx. Not only are those abusing opioids typically less productive and more frequently absent from the office, opioid abusers tack on an additional \$8,600 a year in healthcare expenses.¹¹ All in all, opioid misuse is costing employers more than \$12 billion per year, according to Bloomberg BNA.¹²

But financial implications aside, employers have an ethical responsibility to do right by their employees. As the epidemic grows, so have the number of strategies employers have at their disposal to counteract this devastating issue. A two-pronged approach including catered employee benefits programs and workers' compensation insurance offers employers the chance to better equip their employees to deal with the opioid crisis. Inaction is no longer an option.

⁷<https://www.hhs.gov/opioids/about-the-epidemic/>

⁸https://www.benefitspro.com/2017/11/21/opioid-crisis-cost-revised-to-504-billion-in-sixfo/2kw=Opioid-crisis%20cost-%20revised%20to%20%24504%20billion%20in%20sixfold%20surge&set=editorial&bu=BenefitsPRO&cn=20171121&src=EMC-Email_editorial&pt=News%20Ale

⁹<https://www.bloomberg.com/news/articles/2017-09-20/overdosing-on-the-job-opioid-crisis-spills-into-the-workplace>

¹⁰<https://www.bna.com/opioid-addiction-work-n57982085155/>

¹¹<https://www.bloomberg.com/news/articles/2017-09-20/overdosing-on-the-job-opioid-crisis-spills-into-the-workplace>

¹²<https://www.bna.com/opioid-addiction-work-n57982085155/>



Opioid-Averse Employee Benefits Programs

Employee benefits programs can be so much more than paid time off packages, retirement savings accounts, special perks and a mix of insurance offerings. When utilized correctly, these programs can effectively help prevent and treat opioid addiction.

Considering most individuals receive health insurance through their workplace, employers are well positioned to meaningfully impact the fight against opioids. Small shifts can make a huge difference in an employee's access to treatments, the drugs themselves, as well as information and resources that can both deter initial use and help individuals stay on the path to recovery. Here are a few shifts companies can take:

Limit insurance-covered access to opioids

Despite 80% of employers expressing concern about employee opioid abuse, only 30% restrict opioid prescriptions under their health plans, according to a recent survey.¹³ On top of that, only 21% have programs in place to help manage the use of prescription opioids. By working with their health plan provider, employers can severely limit the quantity of pills available on initial opioid prescriptions while also expanding coverage for physical therapy and other pain management alternatives.

The Centers for Medicare & Medicaid Services is attempting to do this right now by setting trigger limits on opioid prescriptions that limit the amount of pills Medicare users can receive in a given time period.¹⁴ These triggers can be overridden only after the plan sponsor consults with the prescribing physician. Considering roughly 80% of new heroin users start out with prescription opioid pills, limiting unnecessary access to these drugs can help prevent employees from developing a dangerous opioid habit.¹⁵

¹³ <https://www.shrm.org/resourcesandtools/hr-topics/benefits/pages/steps-to-address-opioid-crisis.aspx>

¹⁴ <https://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2018-Fact-sheets-items/2018-02-01.html>

¹⁵ <https://www.asam.org/docs/default-source/advocacy/opioid-addiction-disease-facts-figures.pdf>

2 Train supervisors to recognize signs of abuse

Detection is critical to the opioid recovery process. While many individuals know the risks of taking opioids, most people are unable to spot the signs of addiction even when it is right in front of them. A study from the University of Michigan found that only 32% of the 4,600 individuals surveyed were able to identify the signs of pill addiction.¹⁶ Even those aware of the signs of opioid abuse, like mood swings, changes in energy levels and social withdrawal, can struggle to identify these traits among their peers. This underscores the need for more training programs so that coworkers and managers can spot misuse before it gets out of hand.

3 Employee assistance programs (EAPs)

Employee assistance programs allow employees to voluntarily get help when working through challenges that can adversely affect their performance at work. EAPs are typically paid for entirely by the employer and are completely confidential. This structure offers a risk-free first step to recovery for someone in need who might not be ready to go public with their addiction, or perhaps is merely seeking additional information about their options. Whether it be through assessments, counseling or referrals to additional employee services, these programs are meant as a first step to recovery, no matter an employee's specific needs.



4 Destigmatize opioid addiction with education programs

The societal stigma against those with a drug problem leads many individuals struggling with opioid addiction to refrain from asking for help. This way of thinking is starting to change, but there's still work to be done. Employers and business leaders have an opportunity to utilize their platform to continue destigmatizing addiction by joining the fight against opioid misuse and facilitating help for those with a problem.

Destigmatizing opioid addiction starts with solid education and internal communications program. Creating documents and internal collateral explaining the widespread nature of the issue and how it affects people is a solid first step. Posting flyers around the office on how to spot addiction will also raise awareness. Education opportunities can take the form of a company-wide seminar or even smaller focus groups that facilitate honest conversations around the issue. Any way organizations can remind their employees of the human side of this epidemic and its widespread implications will help employees understand this complex problem.

¹⁶ <https://www.thecut.com/2017/08/opioid-epidemic-addiction-mental-health.html>



Financial implications aside, employers have an ethical responsibility to do right by their employees. As the epidemic grows, so have the number of strategies employers have at their disposal to counteract this devastating issue.

Discouraging Opioid Abuse With Workers' Compensation

Aside from employee benefits programs, employers need to work with their workers' compensation carriers and brokers to fight the opioid epidemic.

Opioid use is an unfortunate reality for many individuals who suffer a workplace injury, especially if this injury leads to surgery or a chronic condition. According to the MyMatrixx survey, opioids are the most commonly prescribed drug following a workplace injury. They're also extremely costly. Workers' compensation claims are nearly four times more likely to total more than \$100,000 in costs when opioid painkillers are prescribed, according to a 2012 study.¹⁷

While the medical and financial costs of most workplace accidents are covered by an employer's workers' compensation program, employers are still incentivized to help the injured employee get back to work quickly. Despite being short staffed while the employee is hurt, multiple extensive workers' compensation claims can cause an employer's rates to rise significantly.

Thankfully, the workers' compensation insurers and their policyholders have made huge strides in mitigating opioid abuse after a workplace injury. Below are a few techniques for employers to keep in mind when reviewing workers' compensation practices to ensure opioid use doesn't become a chronic issue.

¹⁷http://www.iadmeetings.mobi/assets/1/7/15.3- Ingram- Opioid_Overuse.pdf

Encourage alternative pain management treatment

Opioids are marketed and prescribed as a treatment for pain. And despite being very frequently administered after workplace injuries and surgeries (98.6% of people receive opioids to manage postsurgical pain), there are alternative drugs that can treat pain equally as effectively at a fraction of the cost and potential risk.¹⁸ Nonsteroidal anti-inflammatory drugs like ibuprofen and aspirin are very common pain relievers, along with acetaminophen.¹⁹ Even some anti-depressants and anti-epilepsy medications can help treat acute and chronic pain.

New research from Dr. Erin Krebs of the Minneapolis VA Center recently concluded that opioids generally do not treat pain more effectively than these non-opioid alternatives.²⁰ In some cases, non-opioid treatments actually did a better job alleviating chronic pain.

Certain workers' compensation programs can cater their coverages to only include opioid prescriptions as a last-case scenario. Obviously, there are certain situations where opioids are the best treatment option, but by starting a conversation with their workers' compensation carrier, employers can deter initial and long-term opioid use following a workplace accident.

¹⁸ <https://www.shrm.org/resourcesandtools/hr-topics/benefits/pages/steps-to-address-opioid-crisis.aspx>

¹⁹ <https://www.goodrx.com/blog/6-alternatives-to-opioids-for-pain/>

²⁰ https://www.minneapolis.va.gov/features/20180306_Opioid_study_IAMA.asp





...certain employer efforts are already starting to make a big difference.

According to MyMatrixx's survey, total employer spending on opioids decreased 11.9% in 2017, and the total number of injured workers that used opioids for more than 30 days decreased from 24.6% in 2016 to 22.0% in 2017.

2 Partner with pharmacy networks that restrict opioid prescription fills

Certain pharmacy groups have also joined the fight against opioid abuse and can serve as great partners to match up with employees. Two of the largest pharmacy networks in the U.S., CVS and WalMart, have both pledged to limit the distribution of opioids by placing restrictions on filling opioid prescriptions in their stores.²¹ Health insurer Cigna has cut opioid use among its members by 25% since 2016 by working with doctor groups and educating on the dangers of overprescribing.²² CVS has also donated 1,550 drug collection disposal units to pharmacies and law enforcement centers across the U.S. to facilitate the safe discarding of opioids and other medications.

Partnering with pharmacy networks and physician groups like these will limit the total amount of opioid doses employees receive and keep excess pills out of the hands of more individuals.

²¹ <https://www.npr.org/sections/thetwo-way/2018/05/08/609442939/walmart-will-implement-new-opioid-prescription-limits-by-end-of-summer>

²² <http://www.businessinsider.com/cigna-cuts-opioid-prescriptions-by-25-2018-3>



3 Utilize medical canvassing to ensure proper opioid use

Medical canvassing is a common practice utilized by workers' compensation claims professionals to monitor a claimant's medical treatment. Typically, these programs scan medical facilities within a certain geographic radius of the claimant's house to ensure they are following their treatment plan as instructed by their physician without seeking outside help.

After a workplace injury, medical canvassing can not only determine when an injured worker gets the help he or she needs, it can also determine when someone might be shopping around for excess opioids. As unfortunate as this situation may be, detecting a potential issue early is key to preventing potential future opioid dependency and getting employees back to work faster.



Two of the largest pharmacy networks in the U.S., CVS and Walmart, have both pledged to limit the distribution of opioids by placing restrictions on filling opioid prescriptions in their stores.

4 Proactive claims strategy and review sessions

Mitigating the negative effects of opioid use requires a proactive approach to managing claims. Claims strategy and review meetings that pull together the claims managers, the insurance broker, the employer and claims adjusters can help determine the shortest path to closing a claim. During these meetings, the claims professionals work together to discuss the current status of the claim and brainstorm future action plans.

These sessions have traditionally been reserved for large, complex claims. But when held proactively while a claim is in its infancy, these strategy meetings can shorten the life of a claim and hasten an employee's return to work. This approach is particularly effective when opioids are involved. Considering their highly-addictive nature, it's pertinent to stay on top of the patient's usage and develop a plan to wean them off of their prescriptions in a smooth and timely manner.



The Power Is Yours

Considering the opioid epidemic is so widespread, it can be easy for employers to feel helpless in the fight against it. However, certain employer efforts are already starting to make a big difference. According to MyMatrixx's survey, total employer spending on opioids decreased 11.9% in 2017, and the total number of injured workers that used opioids for more than 30 days decreased from 24.6% in 2016 to 22.0% in 2017.

Employers can no longer afford to take a back seat. By altering their approach to employee benefits and working with their workers' compensation carrier and broker, employers large and small can make a big difference in the fight against opioid abuse.





For more information on how employers can fight opioid abuse in the workplace through employee benefits and workers compensation programs, call us at 1 (877) 861-3220.



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