

**UNION COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – October 17, 2019
County of Union
Administration Building – 6th Floor
Freeholder Conference Room
10 Elizabethtown Plaza
Elizabeth, NJ
10:00 AM**

Meeting was called to order by the Executive Director. 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
	PERMA Robyn Walcoff (<i>via teleconference</i>)
Managed Care Services	First MCO Suzanne Rajsteter
NJCE Underwriting Manager	Conner Strong & Buckelew
Risk Management Consultant	Acrisure, LLC
Treasurer	Bibi Taylor
Attorney	Bruce H. Bergen, Esq
Safety	J.A. Montgomery Risk Control Glenn Prince T&M Associates

ALSO PRESENT:

Chris Meehan, Union County
Cathy Dodd, PERMA Risk Management Services

**APPROVAL OF MINUTES: OPEN & CLOSED MINUTES OF SEPTEMBER 18, 2019 AND
CLOSED MINUTES OF JULY 17, 2019**

**MOTION TO APPROVE OPEN & CLOSED MINUTES OF SEPTEMBER
18, 2019**

Moved:	Commissioner Martins
Second:	Commissioner Scutari
Vote:	3 Yes, 0 Nays

MOTION TO APPROVE CLOSED MINUTES OF JULY 17, 2019

Moved:	Commissioner Martins
Second:	Commissioner Scutari
Vote:	2 Yes, 0 Nays, 1 Abstained

CORRESPONDENCE: None

SAFETY COMMITTEE: Mr. Prince reported the Jail Sub-Committee met earlier in the morning and a variety of topics were discussed including the upcoming ACA accreditation inspection. Mr. Prince advised he provided some recommendations and he would provide the jail with some documents to assist with the inspection. Mr. Prince advised that concluded his report unless there were any questions.

CLAIM COMMITTEE: Executive Director advised Ms. Walcoff of PERMA Claims was on the phone and asked her to review the letter which was included in the agenda. Ms. Walcoff reported the letter included a list of policies that provided coverage on a “discovery” or “claims-made and reported” basis. Ms. Walcoff explained with these type of coverages 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.

Executive Director referred to a copy of the agenda for the Risk Management Best Practices Workshop which was included in the agenda. Executive Director advised the Workshop was scheduled for October 30, 2019 at Conner Strong & Buckelew’s office in Camden and indicated video conference would be available at the Parsippany and Toms River Offices. Executive Director reviewed the topics and presenters for the Workshop.

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

2018 AUDIT REPORT AS OF DECEMBER 31, 2018: Executive Director reported the Auditor’s Report as of December 31, 2018 was sent under separate cover to the Fund Commissioners from Suplee, Clooney & Company. Executive Director advised based on the positive results of the audit it was agreed the auditor would not need to attend the meeting. Executive Director advised he was

seeking approval of the 2018 Audit and referred to a copy of Resolution 26-19 which was included in the agenda. Executive Director noted the resolution was reviewed by the Commission Attorney.

MOTION TO APPROVE RESOLUTION 26-19 CERTIFICATION OF ANNUAL AUDIT REPORT FOR PERIOD ENDING DECEMBER 31, 2018

Moved:	Chairman Wagner
Second:	Commissioner Martins
Roll 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 September was included in the agenda. Executive Director advised there were 4 certificates issued during the month of September. Executive Director asked if anyone had any questions and requested a motion to approve the report.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

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

2019 COMMISSIONER AUDITOR RFP Executive Director advised the Fund Office issued and advertised the RFP for the 2019 Commission Auditor position. The responses were due on September 24, 2019. There was one response received from Suplee, Clooney & Company, the incumbent. Executive Director reported a copy of the response was sent to the Evaluation Committee to make a recommendation. Executive Director advised the Committee recommended Suplee Clooney & Company. Executive Director referred to a copy of Resolution 27-19, Designating Commission Auditor which was included in the agenda. Executive Director noted the resolution was reviewed by the Commission Attorney. Executive Director asked if there were any questions.

MOTION TO APPROVE RESOLUTION 27-19, DESIGNATING COMMISSION AUDITOR

Moved:	Chairman Wagner
Second:	Commissioner Martins
Roll Call Vote:	3 Yes, 0 Nays

COMMISSION ACTUARY CONTRACT: Executive Director reported the Commission Actuary Contract with Actuarial Advantage expires on December 31, 2019. Executive Director advised as we did last year the Fund Office would prepare and advertise the RFP for the 2020 Commission Actuary position. Executive Director noted a draft copy of the RFP would be sent to the Commission Attorney for his review.

MOTION TO AUTHORIZE THE FUND OFFICE TO PREPARE AND ISSUE AN RFP FOR THE 2020 COMMISSION ACTUARY POSITION

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

PROPERTY CLAIMS PROCEDURES: Executive Director reported at the September Meeting we discussed changes to the Property Claims Procedure. Executive Director referred to a copy of the new Property Claims Procedure along with the Direction of Payment Form. Executive Director advised the procedure and form was discussed with Chris Meehan of Motor Vehicle who was attending the meeting. Executive Director asked if there were any questions. Commission Treasurer advised she approved the new procedure however this only addressed physical damage claims and the property claims needed to be addressed. Executive Director stated he would review a property procedure for next month.

**MOTION TO APPROVE THE NEW PROPERTY CLAIMS PROCEDURE
AND USE OF DIRECTION OF PAYMENT FORM**

Moved:	Chairman Wagner
Second:	Commissioner Martins
Roll Call Vote:	3 Yes, 0 Nays

REVISED PLAN OF RISK MANAGEMENT: Executive Director advised the Plan of Risk Management was revised to include coverage for drones and working animals per the discussion at the September meeting. Executive Director reported the Plan was also revised to increase the TPA payment authority for auto physical damage claims from \$5,000 to 15,000 and property claims to \$25,000. Executive Director noted this was agreed to at a meeting with the Commission Treasurer, Commission Attorney and PERMA. Executive Director mentioned it was agreed that no amendment was necessary for any special pre approval authority for auto physical damage claims. Executive Director referred to a copy of Resolution 28-19, Revised Plan of Risk Management which was included in the agenda. Executive Director noted the changes were highlighted in yellow and the resolution was reviewed by the Commission Attorney.

**MOTION TO APPROVE RESOLUTION 28-19, REVISED PLAN OF RISK
MANAGEMENT**

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

NJ COUNTIES EXCESS JOINT INSURANCE FUND (NJCE): Executive Director reported the NJCE last met on September 26, 2019 and a written summary report of the meeting was included in the agenda. Executive Director advised the Board of Fund Commissioners approved a resolution approving the 2018 audit and there were no recommendations or findings. Executive Director reported as of July 31st, the NJCE surplus was \$18.9 million and there have been some discussions on the 2020 Budget along with some dividend options. Executive Director noted the dividend issued last year was \$500,000 and he was expecting a larger dividend for this year. Executive Director noted the NJCE Claims Review Committee held their first meeting on September 25, 2019. Executive Director advised the NJCE would introduce the 2020 Budget on October 24, 2019 and Budget Adoption was scheduled for November 21, 2019.

UCIFC FINANCIAL FAST TRACK: Executive Director advised the August Financial Fast Track was included in the agenda. The Commission had a surplus of \$3,357,083 as of August 31, 2019. Executive Director referred to Line 10 of the report, "Investment in Joint Venture" and indicated

\$2,485,890 of the surplus was the UCIFC's share of the NJCE equity. Executive Director noted the cash amount was \$8,605,932.

NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the August Financial Fast Track was included in the agenda. As of August 31, 2019 the Fund had a surplus of \$19,197,827. Executive Director asked if anyone had any questions regarding the Financial Fast Tracks.

CLAIM TRACKING REPORTS: Executive Director advised the Claim Tracking reports as of August 31, 2019 were included in the agenda. Executive Director referred to a copy of the Claims Management Report and reviewed the actuary's projections compared to the actual losses. Executive Director noted the reports substantiated the surplus on the UCIFC Financial Fast Track.

UCIFC 2020 BUDGET: Executive Director reported the Union County Insurance Fund Commission 2020 Budget would be introduced at the December 18, 2019. Budget adoption would be scheduled for the January meeting.

2020 AUTO ID CARDS/WC POSTING NOTICE/RENEWAL CERTIFICATE OF INSURANCE: Executive Director reported the 2020 Auto ID Cards and WC Posting Notices would be sent out for distribution the beginning of December. Executive Director advised the NJCE Underwriting Manager's Team would review the certificates which needed to be re-issued for the 2020 renewal.

2019 MEETING SCHEDULE: Executive Director advised the Commission was not scheduled to meet in November and the next meeting was scheduled for December 18, 2019.

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

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Ms. Taylor advised she recommended action for Resolution 29-19, September Bill List.

MOTION TO APPROVE RESOLUTION 25-19 SEPTEMBER BILL LIST

Moved:	Chairman Wagner
Second:	Commissioner Martins
Roll Call Vote:	3 Yes, 0 Nays

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

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

CLAIMS SERVICE: Ms. Guze advised for the period of September 1 through September 30, 2019 there were 25 worker compensation claims, 3 claims were denied, 1 claim was report only, 6 claims were closed and 15 remain treating. Ms. Guze advised there were no glaring safety problems.

MANAGED CARE: Ms. Rajsteter advised First MCO's report was included in the agenda and provided the below information for September.

Month	Provider Bill Amount	Repriced Amount	Savings	Percentage of Savings	Number of Bills	In Network Bills	PPO %
September	\$ 61,441	\$ 26,814	\$ 34,626	56%	99	92	93%

Ms. Rajsteter advised that concluded her report unless anyone had any questions. Executive Director commented that the PPO penetration percentage had improved from the earlier months.

NJCE SAFETY DIRECTOR: Mr. Prince reviewed the September – October Risk Control Activities Report which was included in the agenda. Mr. Prince advised following the Commission Meeting was the full Safety Meeting. Mr. Prince noted Mr. Worthington was not able to attend that meeting and he would cover the meeting. Mr. Prince advised that concluded his report unless there were any questions.

Correspondence Made Part of Minutes

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

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

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

Pursuant to provisions of the Open Public Meetings Act a public body may enter into Executive Session for the purpose of discussing certain enumerated subjects. This Commission now wishes to enter Executive Session for the purpose of discussing claims 1763, 6898, 6956, 7855, 8410 & 9028. 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.

Commission Attorney asked that in terms of the Executive Session once the claims are presented that everyone except the Commissioners and staff of the Commission vacate the room for the second half of the session.

Mr. Bergen asked that anyone not involved with the worker compensation claims to leave the room.

MOTION TO GO INTO CLOSED SESSION

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

MOTION TO RETURN TO OPEN SESSION

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

MOTION TO APPROVE THE PARS AS DISCUSSED IN EXECUTIVE SESSION

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

MOTION TO ADJOURN:

Moved: Chairman Wagner
Second: Commissioner Martins
Roll Call Vote: 3 Yes, 0 Nays

MEETING ADJOURNED: 10:34 AM

Minutes prepared by: Cathy Dodd, Assisting Secretary