

**UNION COUNTY INSURANCE FUND COMMISSION  
OPEN MINUTES  
MEETING – March 17, 2021  
Telephonic Meeting  
10:00 AM**

Meeting was called to order by 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<br><b>Joseph Hrubash</b>   |
| Claims Service             | D&H Alternative Risk Solutions, Inc.<br><b>Kathleen Guze</b><br><b>Wayne Ring</b><br><b>Mary Ann Maitilasso</b> |
|                            | PERMA Risk Management Services<br><b>Jen Conicella</b><br><b>Robyn Walcoff</b>                                  |
| Managed Care Services      | First MCO<br><b>Karen Workman</b><br><b>Alyssa Hrubash</b>  |
| NJCE Underwriting Manager  | Conner Strong & Buckelew<br><b>Ed Cooney</b>  |
| Risk Management Consultant | Acrisure, LLC<br><b>Robin Racioppi</b>  |
| Treasurer                  | <b>Bibi Taylor</b>  |
| Attorney                   | <b>Bruce Bergen, Esq.</b>   |
| Safety                     | J.A. Montgomery Consulting<br><b>Glenn Prince</b>   |
|                            | T&M Associates<br><b>Mark Worthington</b>   |

**ALSO PRESENT:**

Chris Howard, Esq., Union County

Terry Pacheco, Union County

Cathy Dodd, PERMA Risk Management Services

**APPROVAL OF MINUTES: OPEN MINUTES AND CLOSED MINUTES OF FEBRUARY 17, 2021**

*Executive Director noted the closed minutes were e-mailed to the Commissioners prior to the meeting for review.*

**MOTION TO APPROVE THE OPEN MINUTES AND CLOSED MINUTES OF FEBRUARY 17, 2021**

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

**CORRESPONDENCE: None**

**SAFETY COMMITTEE:** Mr. Worthington reported since the last meeting the Labor Sub Committee met as well as Corrections this morning. Mr. Worthington advised he was making very good progress with Parks and the DPW using the J.A. Montgomery platform for training. Mr. Worthington said Corrections had some questions on vaccines earlier this morning and he sent some additional information to them along with resolving some issues related to the online training. Mr. Worthington advised that concluded his report unless there were any questions.

**CLAIMS COMMITTEE:** Ms. Conicella advised the Claims Committee met prior to the Commission Meeting and discussed five PARS to be presented during closed session. Ms. Conicella concluded her report unless there were any questions.

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

**2021 PROPERTY & CASUALTY BUDGET:** Executive Director referred to a copy of the proposed 2021 Property & Casualty Budget in the amount of \$4,563,770. Executive Director reported three temporary budgets were previously approved. Executive Director advised the annual budget represented an overall reduction of \$561,080 or 10.95%. Executive Director noted the loss funds of \$4,369,500 represented 90% of the actuarial projected loss funds. Executive Director suggested a payment schedule of 30% due on 4/1/21, 35% due on 6/1/21 and 35% due on 9/1/21 as was done in previous years. In response to Executive Director's inquiry, Ms. Taylor said the information provided was consistent with the update during last month's meeting and she recommended approval of the budget. Executive Director referred to Resolution 17-21 adopting the 2021 Budget in the amount of \$4,563,770 which was included in the agenda. Executive Director requested a motion for approval unless there were any questions.

**MOTION TO APPROVE RESOLUTION 17-21 ADOPTING THE 2021 BUDGET  
IN THE AMOUNT OF \$4,563,770 AND AN ASSESSMENT PAYMENT  
SCHEDULE AS PROPOSED ABOVE**

|                 |                      |
|-----------------|----------------------|
| Moved:          | Chair Wagner         |
| Second:         | Commissioner Martins |
| Roll Call Vote: | 3 Yes, 0 Nays        |

**UCIFC DIVIDEND:** Executive Director reported at the last meeting we discussed the release of a dividend in the amount of \$425,000 from fund year 2018. Executive Director referred to Resolution 18-21, Authorizing Refund from the 2018 Fund Year Account and requested a motion to approve. Executive Director noted the resolution was reviewed by the Commission Attorney.

**MOTION TO ADOPT RESOLUTION 18-21, AUTHORIZING REFUND FROM  
THE 2018 FUND YEAR ACCOUNT IN THE AMOUNT OF \$425,000**

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|-----------------|----------------------|
| Moved:          | Chair Wagner         |
| Second:         | Commissioner Martins |
| Roll Call Vote: | 3 Yes, 0 Nays        |

**EMPLOYEE DISHONESTY COVERAGE:** Executive Director reported the Employee Dishonesty Coverage policy with Selective Insurance Company was renewing on April 18, 2021. Executive Director advised the policy covered the positions of Executive Director, Third Party Administrator and the Treasurer. Executive Director noted the annual premium was \$1,640 and the limit per loss was \$1,000,000 with a \$10,000 deductible. Executive Director said the premium, terms and conditions were per the expiring policy. Executive Director advised the cost of this coverage would be paid out of the miscellaneous and contingency budget line and was included in the March Bill List.

**MOTION TO APPROVE EXPENDITURE FOR EMPLOYEE DISHONESTY  
COVERAGE IN THE AMOUNT OF \$1,640**

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

**NJ COUNTIES EXCESS JOINT INSURANCE FUND (NJCE):** Executive Director reported the NJCE 2021 Reorganization Meeting was held on February 25, 2021 via Zoom audio/video. Executive Director advised a written summary report of the meeting was included in the agenda. Executive Director said we had talked in length about the hard insurance market and the NJCE had approved a budget with an 8% increase, however the final numbers between increased retentions and excess premiums ended up higher, north of 20%. Executive Director noted the NJCE was absorbing the delta for now, however the Finance Committee Meeting would meet to discuss a strategy on how to address the delta. Executive Director noted the NCE would meet again on April 22, 2021 via Zoom audio/video at 9:30 AM.

**UCIFC FINANCIAL FAST TRACK:** Executive Director advised the January Financial Fast Track was included in the agenda. Executive Director reported the Commission had a surplus of \$4, 940,655 as of January 31, 2021. Executive Director referred to Line 10 of the report, "Investment in Joint

Venture” and indicated \$2,269,870 of the surplus was the UCIFC’s share of the NJCE equity. Executive Director noted the cash amount was \$11,169,729.

**NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK:** Executive Director reported the January Financial Fast Track was included in the agenda. As of January 31, 2021 the Fund had a surplus of \$14,058,330. Executive Director referred to line 7, “Dividend” and noted the NJCE released dividends in the amount of \$5,107,551. Executive Director noted the cash amount was \$28,740,251. Executive Director asked if anyone had any questions regarding the Financial Fast Tracks.

**2021 MEL, MRHIF & NJCE EDUCATIONAL SEMINAR:** Executive Director reported the 10th Annual Educational Seminar would be held virtually this year. Executive Director said this year there would be two sessions, Friday, May 14th and Friday, May 21st, 9:00 AM to Noon. Executive Director noted the seminar qualified for Continuing Education Credits including CFO/CMFO, Public Works, Clerks, and Insurance Producers. Executive Director referred to a flyer which was included in the agenda. Executive Director advised there was a link to register for the seminars as noted in the agenda.

[https://permainc.zoom.us/webinar/register/WN\\_4Vo8s4QLRfSrDMcWkm7VfA](https://permainc.zoom.us/webinar/register/WN_4Vo8s4QLRfSrDMcWkm7VfA)

**2021 EXCESS INSURANCE AND ANCILLARY COVERAGE POLICIES:** Executive Director advised the NJCE renewal policies would again be available electronically through the Conner Strong & Buckelew Egnyte Connect for authorized users. Executive Director noted the Limit Schematics were also posted to the site. Executive Director advised if anyone had any difficulty in accessing the website to contact the Fund Office.

**LEGISLATION:** Executive Director reported Governor Murphy signed legislation which required the title of “chosen freeholder” to be changed to “county commissioner” and all “board of chosen freeholders” to be known as “boards of county commissioners” effective January 1, 2021. Executive Director said Commission Attorney advised the Rules and Regulations be amended to reflect the change. Executive Director noted this would be listed for the June meeting and the Public Hearing for July. Mr. Bergen advised he had reviewed the Rules and Regulations and there were not a lot to change, but would present the changes in June.

Executive Director advised Senate Bill S3375 in its current form would double workers’ compensation for both private and governmental entities. Executive Director reported the bill would mandate the use of “usual, reasonable or customary” rates for medical services, eliminate the use of nurse case managers, increase legal costs by instituting attorney fee shifting and eliminate the cap on expert witness fee. Executive Director advised a written summary of Senate Bill 3375 prepared by John Geaney, Esq. of Capehart Scatchard was included in the agenda. Executive Director indicated Mr. Geaney set up a task force and PERMA was serving on the task force to oppose the bill. Executive Director said there was a meeting planned with the sponsor, Troy Singleton, and he would provide updates to the Commission as they became available.

Executive Director reported another recent change by the Department of Labor would increase workers’ compensation by 11% by directing government entities to pay workers’ compensation on many accidental disability claims currently paid by the accidental disability pensions. Executive Director advised they would be meeting with the Insurance Commissioner to discuss how problematic this was.

Executive Director advised unless there were any questions that was the end of his report.

Chair Wagner noted that we did not approve the Certificate of Insurance Report. Executive Director thanked the Chair and advised the Certificate of Insurance Issuance Report from the NJCE was included in the agenda. Executive Director reported for the month of February there was 1 certificate issued. Executive Director asked if anyone had any questions and requested a motion to approve the report.

#### **MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT**

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

Executive Director's Report Made Part of Minutes.

**TREASURER REPORT:** Ms. Taylor reported she did recommend approval of Resolution 16-21, March Bill List. Executive Director asked if anyone had any questions and requested a motion to approve Resolution 16-21

#### **MOTION TO APPROVE RESOLUTION 16-21 MARCH BILL LIST**

|                 |                      |
|-----------------|----------------------|
| Moved:          | Chair Wagner         |
| Second:         | Commissioner Martins |
| Roll Call Vote: | 3 Yes, 0 Nays        |

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

Executive Director reported the Expected Loss Ratio report in the agenda was incorrect and noted Ms. Dodd e-mailed a corrected version of the report. Executive Director advised he would not review the report at this time, but asked everyone to disregard the report in the agenda.

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

**CLAIMS SERVICE:** Ms. Conicella reported they were continuing to monitor all of the COVID claims and hoped with the vaccinations there would be a decline in new losses. Ms. Conicella concluded her report unless there were any questions.

**CLAIMS SERVICE:** Ms. Guze reported for the month of February there were 15 worker compensation claims reported 7 were closed and 8 remain treating. Ms. Guze pointed out that the majority of the claims involved slip and falls due to the ice and bad weather. Mr. Guze noted she did not see any glaring safety issues with the claims. Ms. Guze concluded her report unless there were any questions. In response to Executive Director's inquiry, Ms. Guze said there were 3 new Covid claims which were not included in the 15 claims and added the majority of the Covid claims for Union County were people who tested positive and after two or three weeks of quarantine they were cleared for work. Ms. Guze advised the work comp exposure for medical treatment was minor and the loss time was being reimbursed to the County.

**MANAGED CARE:** Ms. Hrubash referred to First MCO's reports, which were included in the agenda. Ms. Hrubash reviewed the Case Management Monthly Activity Report for the month of February as noted below.

| Month    | Total Claims Reported | Medical Only | Loss Time | Total Case Managed | % Total Case Managed |
|----------|-----------------------|--------------|-----------|--------------------|----------------------|
| February | 20                    | 14           | 0         | 14                 | 100%                 |

Ms. Hrubash reviewed the Medical Savings Report for the month of February as noted below.

| Month    | Provider Bill Amount | Repriced Amount | Savings    | Percentage of Savings | Number of Bills | In Network Bills | PPO % |
|----------|----------------------|-----------------|------------|-----------------------|-----------------|------------------|-------|
| February | \$ 672,356           | \$ 70,033       | \$ 602,323 | 90%                   | 215             | 208              | 97%   |

Ms. Hrubash advised that concluded her report unless there were any questions.

**NJCE SAFETY DIRECTOR:** Mr. Prince reported the Safety Director's report for February through March was included in the agenda. Mr. Prince advised they were continuing their online webinars and a listing of all webinar trainings were included in the agenda for the period of 3-1-21 to 4-30-21. Mr. Prince advised the training webinars were also included on the NJCE website, NJCE.org. Mr. Prince referred to a copy of the memorandum included in the agenda, which gave an overview of the Munich Re Safety Grant Program. Mr. Prince said if anyone had any questions on submission to reach out to him. Mr. Prince spoke about the new Learning Management Systems and thanked Ms. Martins for her quick response with the employee listing so they could be registered in the system. Mr. Prince reported they were hoping for an April 1<sup>st</sup> start date. Mr. Prince advised a variety of webinars were scheduled to inform the registered users and admin for each County of what is required to access the system and its capability's. Mr. Prince concluded his report unless there were any questions.

#### Correspondence Made Part of Minutes

**OLD BUSINESS:** None

**NEW BUSINESS:** None

**PUBLIC COMMENT:** No one from the public attended.

**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 claim number 3502-02, 6956, 3864-02, 2218 and 2434.

The minutes of the Executive Session shall be separated from the minutes of the Open Public Session. The minutes of the Executive Session, redacted as appropriate and necessary, shall be

available in approximately 30 days. The Commission Secretary shall retain the original minutes until such time as the confidential limitations have been removed, at which time they shall be available.

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

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

**MOTION TO RETURN TO OPEN SESSION**

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

**MOTION TO APPROVE THE PARS AS DISCUSSED IN EXECUTIVE SESSION**

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

**MOTION TO ADJOURN:**

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

**MEETING ADJOURNED: 10:45 AM**

Minutes prepared by: Cathy Dodd, Assisting Secretary